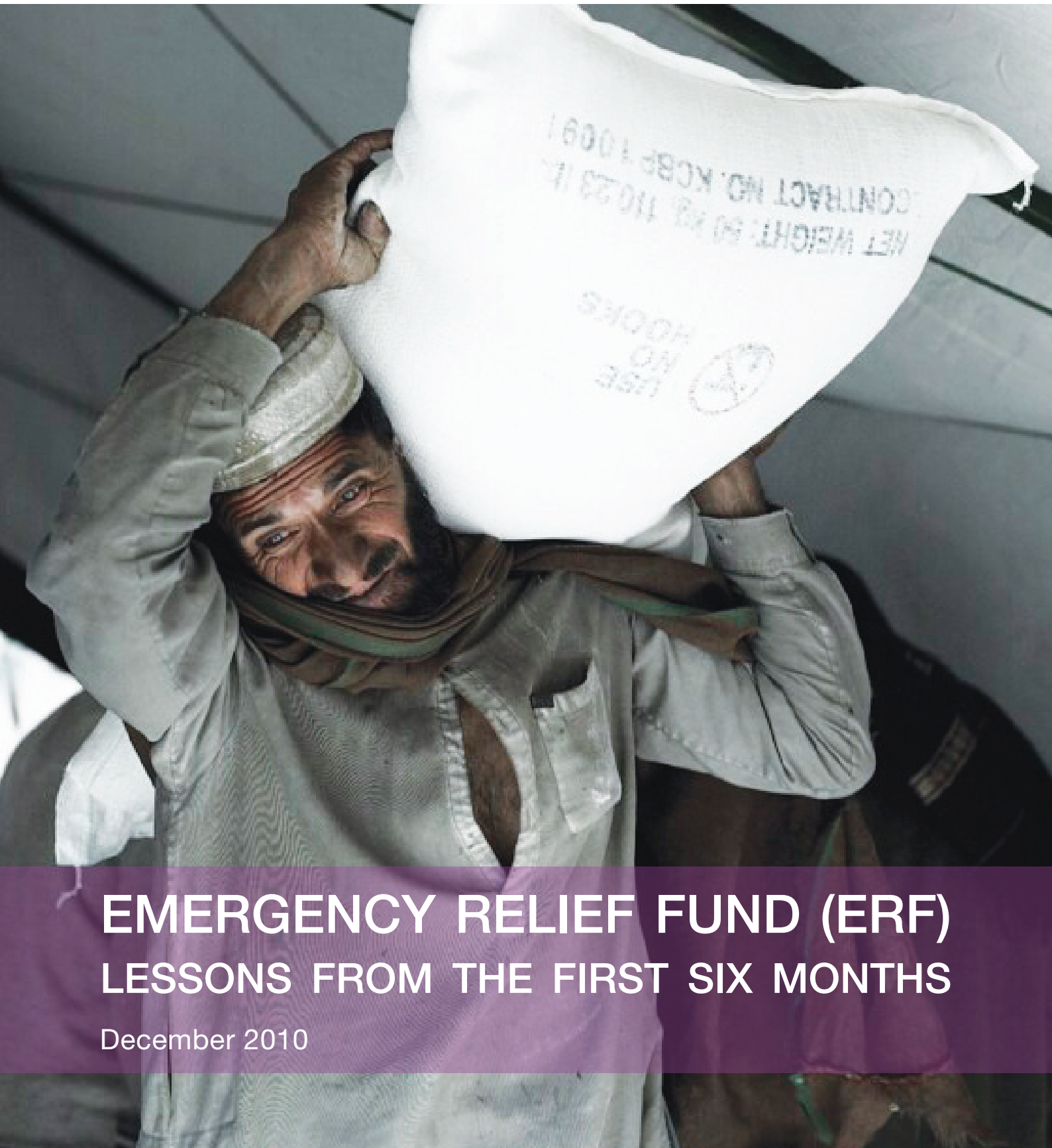cbha
The Consortium of British
Humanitarian Agencies

EMERGENCY RELIEF FUND (ERF)
LESSONS FROM THE FIRST SIX MONTHS

December 2010

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INTRODUCTION

The Consortium of British Humanitarian Agencies (CBHA) is a consortium based on the principles of partnership to reduce suffering, mortality and morbidity in conflicts and natural disasters by strengthening the coordination and capacity of the "third pillar" – the NGO sector – to deliver appropriate, higher quality, more effective and quicker humanitarian responses. We aim to do this by keeping disaster and conflict affected people at the centre of our all our work and in a way that maintains appropriate accountabilities in accordance with fundamental humanitarian principles.

On November 11th 2010, the Consortium of British Humanitarian Agencies (CBHA) came together for the first learning & evaluation workshop on the past, present and future of the CBHA's Emergency Relief Fund (ERF). The half-day workshop reviewed key areas of the ERF to-date, including decision-making, implementation and monitoring & evaluation. The workshop relied on recent experiences of the activation (and non-activation) of the ERF to evaluate its overall performance. The workshop concluded that on the whole the ERF has effectively fulfilled its original role of providing timely resources for emergency response. The workshop also acknowledged the need to strengthen ERF-processes and systems. This Learning Paper summarises the main issues identified during the workshop, and outlines key recommendations for the future strategic review of the ERF and the CBHA as a whole.

> *'[The ERF will] provide predictable, flexible seed money in the first 48 hours of […] a disaster or other crisis, in advance of other emergency funding becoming available.'*
>
> (CBHA Guidelines Introduction)

This Learning Paper will reflect the workshop and will therefore be organised in sections relating to these components. Each section will begin with a background of the component drawing on two presentations given at the beginning of the workshop; 'A Situation Report on the ERF' (Sean Lowrie, Director of CBHA) and 'ERF: The First 6 Months' (Saul Guerrero, ACF). This is followed by a brief synopsis of the discussions and of the issues related to that particular component. The Learning Paper concludes with a short section on the conclusion and recommendations for moving forward.

ERF DECISION-MAKING

Background The ERF was designed to allow all member agencies to identify potential emergencies and to have equal decision making power over the activation of the ERF. Although all CBHA member agencies are able to call an alert, at present there are no clear criteria to help define such alerts, leading agencies to rely on their own individual assessments and indicators. Once an alert is raised, the CBHA's Programme Management Unit (PMU) contacts other agencies to decide whether to call a teleconference. It is through these teleconferences, occurring within 12 hours of the initial alert, that CBHA member agencies jointly decide whether or not to activate the ERF. So far, a total of 9 emergencies have led to an alert, of which 2 have made it to a teleconference, and another 3 have led to the activation of the ERF (see table overleaf).

So far, the decision to activate the ERF has been influenced by a number of factors, including; 1) the reliability of field data; 2) national government's response; 3) the capacity of member agency in the affected region, and; 4) the appropriateness of a 30-day response vis-à-vis the nature of the emergency.

Discussion In order for the ERF to be able to address the issue of timeliness the decision-making process needs to be made as *efficient* as possible. In the case for slow-onset emergencies the decision-making

ERF Emergency Assessment & Response (March-October 2010)

Alert	Conference Call	ERF Activation
China Earthquake (14/04)	**West Africa** Floods (02/09)	**Kyrgyzstan** Conflict (15/06)
India Cyclone Laila (21/05)	**India** Floods (06/09)	**Pakistan** Floods (30/07)
Guatemala Storm Agatha (31/05)		**Myanmar** Cyclone Giri (29/10)
Indonesia Tsunami and Volcano (29/10)		

process should be *flexible* to allow for these types of situations; but it should be clear when a 'grave situation' develops into an 'emergency'. The presence of agencies in an affected region not only has an effect on the agencies' capacity to respond, but also their capacity (should information prove reliable) to decide whether the activation of the ERF is warranted. Those agencies that are already on the ground will be in a stronger position to provide reliable and substantial evidence of the humanitarian need in a punctual manner. As we work together as a consortium we should be in a position to share this information leading to a more coordinated and rapid decision. Workshop participants agreed that the willingness of agencies to approach the consortium with alerts has been encouraging. However it was also agreed that if this level of participation is to be maintained we must make the decision-making process more efficient. This means reducing the amount of information exchanges, as well as the number and length of conference calls. This can be best achieved with more clarity and guidance on how to raise an alert, and secondly, on how to make individual decisions on whether to move forward to teleconference and final ERF activation. Finally, participants highlighted the need to proactively prepare for 'out-of-hours' emergencies.

Moving Forward The ideas proposed during the workshop sought to give *more structure* to the decision-making process. Without being overly descriptive, this would help to steer (rather than direct) the process. In theory this could provide a negative answer before a situation is brought to an alert, therefore reducing the number of alerts agencies have to deal with and would also make the conference call more efficient as the consortium refer to given guidelines. There was consensus on the need to *clarify* the decision-making process but there were various ideas about how this should be done. These included:

Prior Classification	of countries that have the capacity to respond and are therefore unlikely to require assistance from the CBHA for a given sized emergency.
Criteria	which would need to be met for the ERF to be activated. This could include a certain number of the population affected, location, needs and funding available.
Framework	more elaborate than a checklist but capable of delivering a set of guidelines. This would allow space for all cases to be considered and would require the involvement of the PMU.
Set of Principles	less constraining than a criteria or a framework. There is a need for clarity but there is also recognition of the need and the desire for members to continue to individually evaluate ambiguous situations.

In striving for transparency we have to be cautious about over-loading the process with information and making it too time-consuming. Producing a greater structure of information would be a move in the right direction. The participating agencies agreed that the question of whether to respond or not should be reframed and that future alternatives expand to include not only a yes/no vote, but also more involvement in the decision of how to allocate to each specific ERF-funded emergency response. The broader implications of this suggestion were also considered, and the decision to safe-guard and restrict disbursements to 50% of the remaining funds was also found in urgent need of revision. Participants expressed an interest in reviewing the necessity of the 50% ceiling and its relevance during and after the CBHA pilot phase.
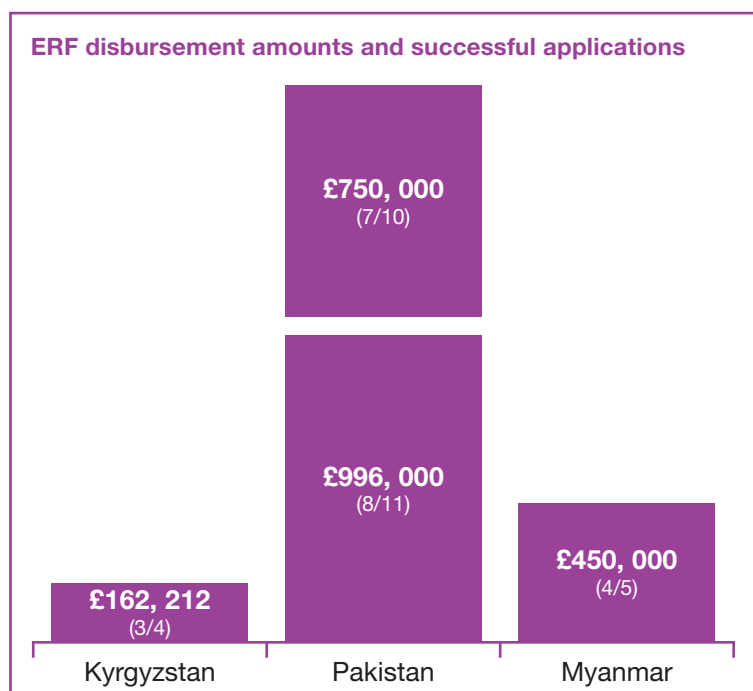
ERF IMPLEMENTATION

Background Once the decision has been taken to respond to an emergency, agencies are invited to submit proposals to the PMU and the ERF Sub-committee for consideration. The depth in which these proposals are researched varies depending on the agency's presence on the ground. Others will make a more brushstroke assessment based on reports or coordination with other agencies. Once submitted the proposals are marked against the criteria inspired by DAC (see box). These quantitative assessments are used as general guidelines to inform a more in-depth, comparative and qualitative assessment of the situation vis-à-vis needs and other proposed interventions. The ERF Sub-Committee and the PMU jointly decide which proposed intervention can provide the most effective response. This peer-review process (through the ERF Sub-Committee) is an important element in maintaining a balanced and reasonable power dynamic within the consortium.

ERF Proposal Marking Criteria

Relevance / Appropriateness (0-15 x2)
Efficiency (0-15)
Effectiveness (0-15)

Since its inception, the ERF has funded 22 of the 31 proposals it has received. In total, it has disbursed approximately £1,608,212[i] of the £4,000,000 available. ERF-funded programmes have included a range of activities including WASH, non-food items (NFIs), Health, Shelter, Food Aid and Protection, demonstrating the ability of the consortium to comprehensively address a diversity of humanitarian needs. More significantly, perhaps, the ERF has been able to release funds to agencies within 48 hours of its activation. The strength and potential of the ERF mechanism has been evidenced not only by its ability to meet its original target ('seed' money) but in its recent ability to expand to bigger and more diverse forms of funding. The recent experience in Pakistan showed the potential for ERF to be used as funding stream through which further funding (beyond the initial £4 million pilot) can be released, beyond the initial 30 day period.

ERF disbursement amounts and successful applications

£750, 000
(7/10)

£996, 000
(8/11)

£450, 000
(4/5)

£162, 212
(3/4)

Kyrgyzstan   Pakistan   Myanmar

i.   This figure includes the total disbursement of the ERF as it was originally meant to function. Pakistan II (£750, 000) was a separate accountable grant channeled through the ERF system.

Discussion Workshop participants were encouraged by the manner in which the ERF has been implemented so far. The transparency and the PMU's feedback on applications have been rapid and positively received. The level of trust involved was also highlighted, as was the timely disbursement of resources from the CBHA to member agencies. The workshop felt that in keeping with the need to make the process more efficient the proposal forms for funding need to be simplified, without omitting crucial information. Therefore there is a need to review the proposal forms to make it easier for both the applicants and the PMU when making funding decisions. The discussion about programme implementation touched upon the need to consider local capacities when responding to an emergency, as a means of further upholding core values including; 'do-no-harm'. The debate also addressed issues from the other end of the accountability spectrum, in particular, the need to balance upward (DFiD) and downward (beneficiary) accountability.

Moving Forward The experience from Pakistan showed the potential role of the ERF approach beyond its original scope. It also highlighted the need for the original 30-day funds to be compatible with longer-term (recovery) funding. The challenge for the CBHA lies in deciding whether to redesign ERF processes to enable it to channel additional funding beyond its original £200,000 ceiling, or to simply tailor the ERF to ensure its compatibility with additional (non-ERF) recovery funds. These strategic discussions are underway within the CBHA and will be addressed in the upcoming mid-term review. It is important that the potential and intended scope of the ERF is re-evaluated in light of recent activity within the CBHA.

ERF MONITORING & EVALUATION

Background The ERF currently has two different monitoring and evaluation (M&E) systems for specific projects: real-time evaluation (RTE), required within 30 days of disbursement of funds and the ERF Grant Reporting Form, required 90 days after the disbursement of funds. The RTE is designed to foment real time learning about the first 30 days of the response, providing a platform for improved longer-term programming. The Grant Reporting Form is designed to report against the original goals and activities set out in the ERF application.

Discussion The workshop acknowledged the value of the existing MoU with DFiD, and the limited reporting required. This level of freedom from a large donor is not only unique for NGOs, it also presents an opportunity to develop more practical and more useful M&E tools. The current two-tier level system (including the RTEs and the ERF Grant Reporting Form) was found to be too extensive, too detailed and leading to duplication. There was widespread recognition of the need to develop tools that are useful and effective for everyone concerned; from field staff, to agency HQs to the PMU and the Learning & Evaluation Sub-committee. The CBHA was also encouraged to account for the plethora of reporting systems already in place amongst most agencies.

Moving Forward The L&E subcommittee is currently reviewing the different M&E tools in the CBHA. The workshop concluded that the review should focus on three key aspects of the tools; their objectives, their formats and the timeframes in which they are to be completed. The workshop also highlighted critical questions that the review must answer. These included:

Objective	• Who are the respective M&E tools for? • How is the information going to be used by the CBHA?
Format	• Are the DAC criteria the optimal way to structure RTEs? • What is the comparative advantage of using RTEs vis-a-vis ERF Grant Reporting Form?
Timeframe	• How can expectations for real-time feedback be balanced with the practicalities of completing the reporting forms within periods of time?

Overall, the workshop called for a more sustainable balance between the collection of the evidence to support the current CBHA pilot, and the creation of additional layers of reporting in particular for agency staff at field level.

CONCLUSIONS & RECOMMENDATIONS

This Learning Paper was produced in the weeks following the workshop and during a period of significant events for the CBHA. Many of the recommendations made during the workshop have been raised during CBHA discussions on the need for a broader strategic review for the consortium. As the CBHA moves forward, and builds on the successes and challenges faced in its first six months of operation, three recommendations will remain central to the success of this initiative.

- **The Consortium must continue to aim for more efficient ERF procedures and processes**, by providing clear guidelines to help steer key steps (alerts, ERF activation, and application process) whilst ensuring the flexibility of the ERF to deal with future opportunities and changes.

- **The Consortium must actively seek to define the scope of the ERF**. In particular, the CBHA must shed some light on two fundamental questions: a) What is the current ERF system able to achieve and what potential does it have to better absorb longer term funding? and; b) What kinds of changes are required, and what are the implications for the CBHA and its members?

- **The Consortium must ensure that M&E processes are reviewed**, to ensure that its different components are complementary and coherent. The consortium must ensure that its commitment to regular evaluations and learning is reflected in the consolidation and integration of M&E processes into all ERF-funded activities.

We are confident that the issues and recommendations made during the first Learning & Evaluation Workshop will prove pivotal in the future strategic and operational reviews of the CBHA.

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