

# CERF



## Central Emergency Response Fund

*May 2006*

# Objective of the CERF

- The General Assembly decided to upgrade the CERF to US\$ 500 million with a US\$ 450 million Grant component to “ensure a more predictable and timely response to humanitarian emergencies, with the objectives of promoting early action and response to reduce loss of life, enhancing response to time-critical requirements and strengthening core elements of humanitarian response in under-funded crises, based on demonstrable needs and on priorities identified in consultation with the affected State as appropriate”. (A/RES/60/124)

# The CERF and Humanitarian Reform

- An integral part of the humanitarian reform
- Contributes to more timely and predictable humanitarian response
- Reinforces the leadership role of the HC/RC
- NOT a substitute for donor contributions to the CAPs and UN agencies
  - Total humanitarian funding worldwide for 2006 is US\$ 12.8 billion
  - A fully funded CERF of US \$500 million would compose 4% of the 2006 total humanitarian funding

# CERF Mandate from the General Assembly

- GRANT COMPONENT
  - Target of US\$ 450 million by 2008
  - Current pledges US\$ 261 million
  - Amount received US\$ 106 million

# Eligibility

- Eligible humanitarian organizations
  - UN humanitarian organizations and IOM.
  - NGOs as implementing partners of UN humanitarian organizations and IOM.

# Fund management

- Secretary-General to manage fund
- OCHA to support ERC in the management of the fund
- IASC to be consulted and to have annual discussion of fund

# Fund Management

## Basic parameters

- US\$ 30 million maximum per emergency
- US\$ 1 million minimum per emergency
- Fully utilized fund each year with minimum USD 30 million in reserve
- US\$ 75 million will be set aside for Under-Funded Emergencies for 2006, 1/3 of the CERF Grant Component

# Accountability

- Reporting arrangements
  - ERC to report on allocations
  - Agencies to report on use of funds
  - Yearly audit
  - 2-year external evaluation
  - Annual report to the General Assembly and to the ECOSOC on the detailed use of the fund.
- Reporting on use of CERF grants
  - Agencies to provide periodic reports, in adherence to their reporting requirements
  - Financial reporting through the FTS
  - Implementation reports published on the CERF website
  - Inputs to the annual report submitted to the CERF Secretariat final report published on the CERF website



# Advisory Group

- Mandate: provide policy guidance and expert advice to ERC on use and impact of the Fund
- 12 experts (8 from the contributors) and 4 alternates
- Provides **retrospective** advice on allocation and use of the CERF
- In light of use will recommend level of replenishment
- Meets at least twice a year; first meeting on 23 May
- Will review 2-year external evaluation

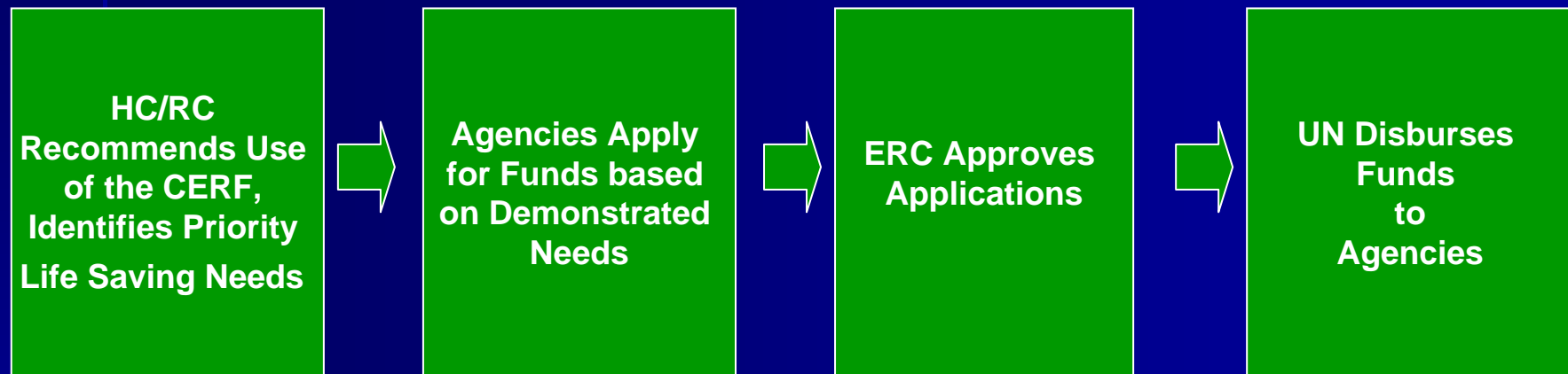
# CERF Grant Component

- Rapid response (2/3 of Grant Funds)
  - Promote early action and response to reduce loss of life
  - Enhance response to time-critical requirements
- Under-funded crises (1/3 of Grant Funds)
  - Strengthen core elements of humanitarian response in under-funded crises
- LOAN COMPONENT will continue at the level of \$50 million
  - to enhance financial flexibility of the humanitarian organizations

# Grants – Rapid Response

- To promote early action and response to:
  - sudden onset emergencies or crises, both natural disasters and complex emergencies
  - rapid deteriorations of existing complex emergencies
- To enhance response to time-critical requirements:
  - to respond to slow-onset natural disasters
  - to allow time critical intervention to prevent escalation of the disaster, reduce costs & impact
- Timeframe: within 3 months following receipt of the funds.

# Allocation of Rapid Response Funds



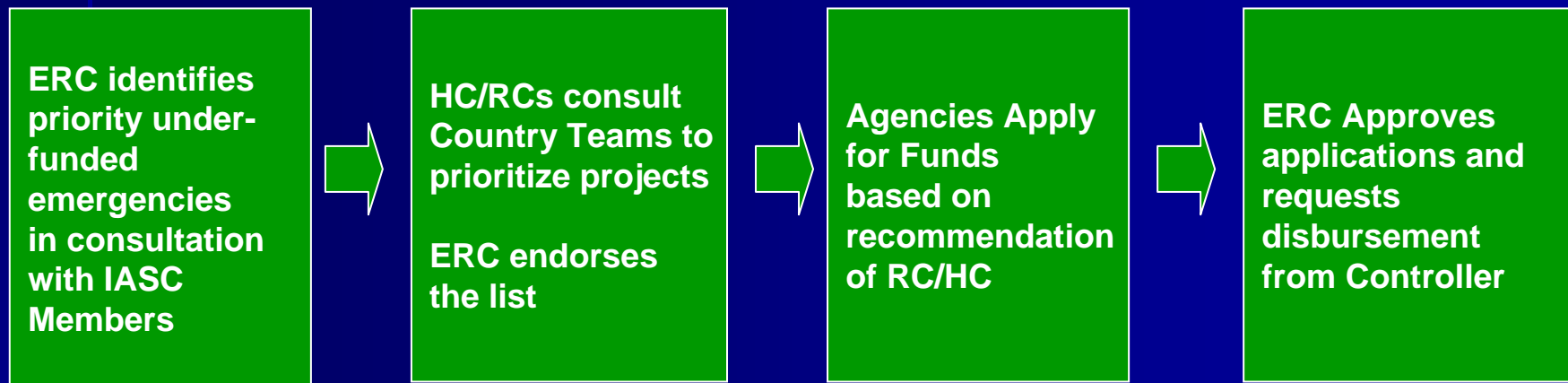
# Rapid Response Allocations

Emergency	CERF Rapid Response Allocation
Cote d'Ivoire	\$1m (+ \$1m under-funded window)
Horn of Africa Drought	\$25m
Niger	\$5.5m
Guinea Bissau	\$1.4m
Sudan/Darfur	\$20m
Sudan/South	\$1m
Chad	\$6m (+\$4m under-funded window)
<b>Total</b>	<b>\$59.9m</b>

# Grants – Under-Funded Emergency

- To strengthen core elements of humanitarian response in under-funded crises.
  - CERF allocations twice annually, in January and July
  - Identification based on FTS/CAP data
  - Other under-funded non-CAP countries may also be considered
  - ERC determines the countries to be funded on basis of FTS/CAP funding and after consultation with IASC members, including non-CAP countries
- The relevant HC/RC informed, prioritizes core emergency humanitarian needs in consultation with the IASC CT.
- Timeframe: 2 disbursements each year: January, after donor consultation on CAP funding and July, after mid-term review of CAP funding.

# Allocation of grants for Under-Funded Emergencies



# Under-funded Allocations

Emergency	CERF Under-Funded Allocation
DRC	\$17m
Chad	\$4m
Zambia, Ethiopia, Kenya*	\$3m
Burundi	\$2m
Guinea	\$1m
Cote d'Ivoire	\$1m
Republic of Congo	\$1m
Central African Republic	\$1m
Haiti	\$1m
Zimbabwe	\$1m
<b>Total</b>	<b>\$32m</b>

\*For protracted refugee caseload; to be shared among the three

Next allocation in July after Mid-Year Review



# Key considerations

- Field-driven – HC/RC to recommend in consultation with UNCT
- Requests based on assessed/demonstrable needs.
- Grants to be used for “activities that within a short time span remedy, mitigate or avert direct physical harm or threats (whether violence, disease or deprivation) to a population or a major portion thereof”
- Grants to be used after other sources of funding have been exhausted:
  - relevant internal emergency reserves or unearmarked funds
- If donor contributions foreseen, CERF’s loan facility to be used
- Common humanitarian services, necessary to enable core emergency humanitarian activities.

# Role of IASC

- Members may request the ERC to use the CERF for rapid response
- ERC will hold an annual discussion with the IASC on allocation of CERF funds
- Field-level IASC consultations: Broad-based Country Teams under leadership of the HC
- Members support data analysis to identify critical life-saving needs for both sudden onset, as well as under-funded disasters/emergencies.

# CERF Secretariat

- Ensure technical and procedural compliance of CERF requests with the CERF governing rules and procedures (formal/administrative review)
- Facilitate signature of the LOU and disbursement of funds
- Serve as main depository of information on the CERF
- Maintain CERF website
- Prepare annual report on the use of the CERF, with input from all branches of OCHA
- Receive periodic implementation reports from the recipient Agencies and posts them on the CERF website

# HC and OCHA Country Office

- Chairs meeting of the IASC Country Team (including NGOs):
  - Recommends funding priorities (Rapid Response)
  - Identifies priority core emergency humanitarian needs and submits a list to the ERC (Under-funded)
- In the countries covered by the CAP, HC/RC may use the outputs of CAP-related needs assessment and prioritization
- Provides advise to the Agencies on project formulation
- Receives project proposals from the Agencies, verifies their adherence with CERF Guidelines
- Endorses project proposals in consultation with the IASC CT
- Submits a project proposal to the ERC

# Guidelines and Procedures

- Secretary-General's Bulletin: Establishment and Operation of the Upgraded Central Emergency Response Fund
- Guidelines on the use of the CERF with annexes:
  - Model CERF "Letter of Understanding"
  - Model reporting Requirements
  - Project Template
- Criteria and Procedures for Allocating funds from the CERF for Under-Funded Crises
- Criteria and Procedures for Allocating funds from the CERF for Rapid Response

# OCHA HQ support

## Two reviews in OCHA HQ

- Formal/administrative review (CERF Secretariat)
  - to ensure compliance with CERF Guidelines
- Programmatic review (CRD NY/GVA)
  - recommendation to the ERC

# OCHA HQ Support

## Support by other branches

- AIMB
  - Advocacy: liaison with the media and sharing success stories
  - Information Technology: support to CERF website, IT-based document flow and financial tracking support
- PDSB
  - Drafting of CERF policy documents and overall policy and review/evaluation support
- ESB/UNDAC
  - In collaboration with CRD, initiating and evaluating use of CERF funds in natural disasters
- Donor Relations
  - Liaison with the donors and building donors' support for the CERF

# Management of the CERF: Next Steps

- Guidelines: Inform breadth of actors on process and respective roles
- CERF Application Toolkit
- Continued consultations with Agencies
- OCHA Global Retreat: Staff Training
- Training and information to HC/RCs
- Improving information on CERF website: <http://cerf.un.org>



# CERF

As of 12 May 2006 (5 months since GA Resolution)

- Disbursed US\$ 23,949,647 to 7 countries and 5 Agencies
- Requests for additional US\$ 45,993,901 being processed or finalized