

Common Humanitarian Fund (CHF) Afghanistan



Quick Guide to Quick Response

Objectives of the Fund

Afghanistan's Common Humanitarian Fund (CHF), is a Country Based Pooled Fund (CBPF) directed by the UN Humanitarian Coordinator, with operational support from OCHA. Established in 2014, the CHF is used to respond to crises triggered by the conflict and natural hazards, such as floods and droughts. The distribution of funds is based on the assessment of needs, within the overall strategy given in the annual Humanitarian Response Plan (HRP). Contributions to the CHF have been made by eight donors thus far, including DFID, Sweden, Australia, Germany, Denmark, the Netherlands, Norway, and the Republic of Korea. To date, the CHF has received approximately US\$161 million for Afghanistan.

This multi-donor financing mechanism is used to provide funds quickly to priority needs and fill critical gaps. Allocations include national and international non-governmental organizations (NGOs), as well as UN agencies and the International Organization for Migration (IOM). To avoid duplication and ensure the complementary use of available CHF funding, other funding sources are taken into account, including the Central Emergency Response Fund (CERF) and bilateral funding.

Two of the strengths of the CHF are its flexibility and timeliness. The programmatic focus and funding priorities of CHF are set by the UN Humanitarian Coordinator (HC) of Afghanistan and may shift rapidly, especially in the volatile humanitarian context. The CHF is able to adapt to changing priorities and allow partners to address humanitarian needs in the most effective way. Secondly, the CHF has the advantage of timeliness, to allocate funds and save lives as humanitarian needs emerge or escalate during the year. Further, the CHF enables donors with limited field access or presence in country to access a broad range of partners and geographical areas to ensure most pressing humanitarian needs are addressed first, wherever they arise.

The CHF is a strategic funding tool with three key objectives:

1. to support humanitarian partners to address the most pressing evidence-based needs in accordance with humanitarian principles;
2. to improve the relevance and coherence of humanitarian response by strategically funding assessed humanitarian action as identified in the HRP process;
3. to strengthen leadership and coordination through the function of the HC and the cluster system.

OCHA has managed pooled funds such as the CHF since 1995, when the first Emergency Response Fund was established in Angola. Since then, CBPFs have been established in more than 20 countries. OCHA opened an office in Afghanistan in early 2009, providing a coordination framework to support an Emergency Response Fund (ERF) to fund NGOs directly and serve as a timely and flexible source of much needed funding for urgent humanitarian activities. With the government of Afghanistan in agreement that humanitarian funding should fall outside its aid management policy, there was a window of opportunity for establishing the CHF, supported by the Pooled Fund Working Group (PFWG), a global platform with representatives of donor governments,

Coordination Saves Lives

The mission of the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) is to mobilize and coordinate effective and principled humanitarian action in partnership with national and international actors.

<http://afg.humanitarianresponse.info/> <http://www.unocha.org/afghanistan/about-fund>

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implementing agencies and OCHA. With the introduction of the CHF in Afghanistan, a decision was made by the HC to phase out and close the ERF Afghanistan in mid-2014.

Governance and Management Structure

The HC is ultimately responsible for the strategic and operational direction of the CHF, with support from an Advisory Board, Cluster Leads, OCHA's Humanitarian Financing Unit (HFU), and an Administrative Agent.

The HC determines the Fund's focus, sets the allocations amounts, approves projects and initialises disbursements. The HC also leads country-level resource mobilisation for the CHF supported by the Humanitarian Country Team (HCT), OCHA Country Office and in coordination with relevant OCHA entities at headquarters.

The CHF Advisory Board is chaired by the HC and welcomes the senior-level participation of donors, cluster lead UN agencies, NGO representatives and observers. The core function of Advisory Board is to support the HC on the strategic focus and fund allocation to appropriate clusters and priorities, ensuring that the main objectives of the Fund are met. The HC also receives advice from the Advisory Board on resource mobilisation, transparency policies, and operational performance of the CHF in accordance with the CBPF Global Guidelines.

Cluster leads and co-leads support the CHF processes at two levels: (i) at a strategic level, to ensure that there are linkages between the proposed projects, the HRP and cluster strategies; and (ii) at an operational level, to provide technical expertise to the process of project prioritisation, the review of project proposals, and implementation and monitoring of approved projects.

The OCHA Head of Office (HoO) in Kabul supports and advises the HC on strategic issues and resource mobilisation for the CHF, ensuring that the scope and objectives are aligned with the HRP. The HoO supervises the OCHA HFU, in coordination with other units of the OCHA Country Office and Regional Sub-offices, in accordance with the CBPF Global Guidelines.

The OCHA Funding Coordination Section (FCS) in New York provides substantive support to OCHA Country Offices in managing pooled funds, ensuring global harmonisation and standardisation of practices and procedures. FCS's four dedicated units for Programmes and Operations, Policy and Partnerships, Oversight and Compliance, and Finance ensure that OCHA delivers on its core function of humanitarian financing.

As the managing agent, the OCHA HFU in Kabul undertakes three chief duties:

1. Management of CHF operations, including allocation processes, documentation, public information, and resource mobilisation, whilst providing technical support and policy advice to the HC and ensuring compliance with the minimum requirements outlined in the CBPF Global Guidelines.
2. Project Cycle Management, with oversight of the entire funding cycle from the opening of an allocation to the closure of projects.
3. Implementation of the CBPF Global Guidelines and CHF Operational Manual, in support of the HC and Advisory Board regarding risk management, eligibility processes, project monitoring and reporting, audit procedures.

The Multi-Partner Trust Fund (MPTF) Office of the United Nations Development Programme (UNDP) receives, administrates and manages donor contributions and organises the signature of the Standard Administrative Arrangements (SAA), the standard agreement with information regarding the terms, conditions, and payment modality of contributions. MPTF also organises the signature of the Memorandum of Understanding (MoU) for the disbursement of funds with the UN agencies and IOM, in accordance with the decisions of the HC. In

addition, MPTF maintains the publicly accessible GATEWAY with statements of donor commitments, deposits and transfers, and other financial information related to the CHF.

Allocation Processes

The CHF has two types of allocation windows:

1. **Standard Allocations**, through which most funds are disbursed, usually taking place twice a year after the launch of the annual HRP and following the HRP mid-year review, depending upon funding levels.
2. **Reserve Allocations**, allowing for a specified amount of funding set by the HC to be available for immediate response to unforeseen emergencies, taking place as required.

For all allocations, the HC publishes an allocation strategy paper that outlines the sectors and activities eligible for funding, developed in line with the HRP priorities. Review committees consisting of OCHA, UN and NGO representatives assess the submitted proposals, recommending only strategically relevant and technically sound projects aligned with the key priorities of the strategy paper to the HC for the final funding decision. The strategy paper also lists the key strategic and technical criteria which project proposals must adhere to, such as value for money, monitoring requirements, beneficiary selection, as well as guidance on cross-cutting issues of protection mainstreaming, gender responsiveness and access strategies in humanitarian projects.

Eligible Organisations

International and national NGOs are highly sought, due to the access and experience in the priority geographical areas, for which NGOs are usually better suited to provide emergency assistance. Where NGOs are dependent upon UN agencies for pipeline supplies, allocations to respective UN agencies are supported. Ultimately, the determination of whether NGO or UN agencies are supported through the CHF is determined by the comparative advantage of each organisation to deliver the articulated response. However, as the level of operational, financial and reputational risks are considered to be substantial in Afghanistan, NGOs must undergo comprehensive risk management procedures in order to ensure transparency and inclusiveness in humanitarian financing, fully accountable to affected communities, implementing partners, as well as those contributing to it.

CHF funding is accessible to international and national NGOs who have successfully passed the CHF Eligibility Process, comprised of a Due Diligence desk review followed by a comprehensive Partner Capacity Assessment; each with its own review and feedback system. NGOs that do not pass the eligibility process are provided guidance for improvements in their structural set-up, and managerial and operational capacity to strengthen their organisation.

All organisations implementing CHF projects are required to actively coordinate at national and regional levels, to facilitate their own monitoring, and to commit to providing project financial and narrative reports. NGO implementing partners are required to facilitate OCHA monitoring missions, financial spot-checks, and audit missions to their project sites to jointly review progress and address arising operational challenges. For NGO projects where field site monitoring missions are not possible due to security restrictions and access constraints, partners must submit contact lists to OCHA's Remote Call Monitoring Centre for verification of projects through telephone interviews with beneficiaries and/or key informants using structured questionnaires based on a sampling approach.

CHF projects for UN agencies and IOM are monitored and audited in accordance with their own regulations and the framework for auditing multi-donor trust funds.

CHF Contributions

The CHF is very appreciative of the support from all international contributors, totally approximately US\$161 million since the Fund's inception in 2014. As one of OCHA's CBPFs, all contributions to the CHF are pooled, treated as un-earmarked and are not linked to any outputs or indicators. In order to remain fit for purpose and to strategically respond to priority humanitarian needs, the CHF is not a donor 'recipient' or 'partner', and therefore not subject to the same reporting and assessment requirements. The SAA between donors and UNDP-MPTF and the CBPF Global Guidelines are among the policies and agreements for the CHF and all of OCHA's CBPFs which are the results of shared understandings of the global PFWG, as well as the World Humanitarian Summit Grand Bargain's specification for harmonised and simplified reporting requirements.

CHF Annual Reports and Periodic Updates

The OCHA HFU generates an Annual Report and periodic public information products at appropriate stages during the year with information on donor contributions and allocations enhanced by infographics and stories from the field. In addition, the CHF is often featured in the Monthly Humanitarian Bulletin distributed via webmail and uploaded on to the OCHA and Humanitarian Response Websites. Real-time information on the CHF and OCHA's CBPF can be found on the Business Intelligence of OCHA's Grant Management System (GMS).

In addition, MPTF provides periodic (annual and final) financial reports on the CHF Afghanistan Account to the HC, contributing donors, and CHF Advisory Board, as well as UN agencies and IOM.

Useful Links

The **HumanitarianResponse.info** platform is provided to the humanitarian community as a means to aid in coordination of operational information and related activities. A dedicated section on the CHF can be found at: <https://www.humanitarianresponse.info/en/operations/afghanistan/common-humanitarian-fund-chf>

The **OCHA website** on Afghanistan provides an overview of OCHA's activities and information products in support of the coordination of the humanitarian response at <https://www.unocha.org/afghanistan> and provides detailed information about the CHF at: <https://www.unocha.org/afghanistan/afghanistan-humanitarian-fund/about-fund>

The **CBPFs Guidelines** for the management of CBPFs. <http://www.unocha.org/our-work/humanitarian-financing/country-based-pooled-funds-cbpf/cbpf-guidelines>

The **MPTF Office** maintains a website for the CHF, which contains up-to-date information on the contributions, funded projects, disbursement and annual expenditure at <http://mptf.undp.org/factsheet/fund/HAF10>

OCHA's GMS Business Intelligence is a newly developed tool to display the data in meaningful and useful structure for stakeholders to analyze the ongoing business process with a consolidated view found at <http://gms.unocha.org/bi>

Key Contacts

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For Fund Administrative Agent Issues

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