

1.0 Introduction

OCHA's Evaluation and Studies Section commissioned Development Initiatives (DI) in February 2006 to undertake a review of Emergency Response Funds (ERFs). The funds have been given different names in some countries, for example, Humanitarian Response Fund (HRF) in Somalia and Ethiopia and Emergency Humanitarian Intervention (EHI) and Rapid Response Fund (RRF) in the DRC. For convenience and to avoid confusion, all the funds will be referred to as ERFs in this report.

An ERF is an OCHA-managed fund usually set up with contributions from more than one government donor². ERFs aim to provide rapid and flexible funding to in-country actors to address urgent and unforeseen humanitarian needs, i.e., they tend to fund projects that are not in the CAP or its equivalent because they respond to needs that could not have been predicted in advance. However, projects are expected to be in line with the objectives of the CHAP or its equivalent. They mainly fund NGOs though some ERFs have financed UN agencies as well. The mechanism has been in use since 1997, when one was first established in Angola. Similar funds have been employed in Liberia, Somalia, the Democratic Republic of Congo (DRC), Iraq, Indonesia, the Democratic People's Republic of Korea (DPRK), Ethiopia and Zimbabwe. In each of these countries, the OCHA office drew on the experience of other offices to set up the mechanism since there was no central body of knowledge that they could use.

1.1 Purpose

OCHA's decision to commission this review was based on the proliferation of this mechanism and the ad hoc way in which it was established in each country. Therefore, it set three main objectives, which were to:

- Build a central body of knowledge on ERFs within OCHA;
- Examine the role of ERFs in humanitarian response and in relation to other funding mechanisms;
- Provide guidance on how an optimal ERF can function.

The third aim was based on the assumption that it is desirable to have a standardised ERF. However, findings from the review highlight that one of the key strengths of this mechanism is that it has adapted to country-specific circumstances. The last section of the report tackles this issue while the body of the report addresses the first two objectives.

The original Terms of Reference (see Annex 1) suggested that the review should be based on four country case-studies - Angola, Liberia, Somalia and the DRC. Following discussions with OCHA staff in Geneva, though, it was decided to include Indonesia as a fifth study. This is because it has been used to respond to both natural and conflict-related disasters; it has developed into a mechanism for financing recovery activities; and it is in the context of an Asian country with a strong government (unlike the other four case study countries). In addition, DFID commissioned DI to conduct a review of the fund in Ethiopia, which is still in its early stages. Therefore, where appropriate, findings from Ethiopia have been included in this report.

1.2 Methodology

The review was conducted between February and October 2006, with delays occurring due to the Yogyakarta earthquake in Indonesia at the end of May and the elections in the DRC in July (which led to the postponement of the mission to mid-August). Initially, OCHA intended that a consultant from DI would be accompanied by an OCHA staff member (without involvement in the ERF mechanism being studied) and be supported by a national consultant who would evaluate projects and interview beneficiaries and local communities. For a variety

² Although at least one of the funds reviewed – the ERF in Liberia – had only one donor.

of reasons, this was not possible so the table below summarises how the case studies were conducted.

	Angola	DRC	Ethiopia	Indonesia	Liberia	Somalia
Country visit by DI staff member	Yes	Yes ³	Yes	No – desk review due to Yogyakarta earthquake ⁴	No – study done by national consultant ⁵	Yes
National consultant conducted project reviews	No – fund closed in 2004 so project visits not possible	Yes	No – project reviews by international consultant from Food Economy Group	Yes	Yes	No – due to security concerns
Participation by OCHA staff member	No	No	No – review commissioned by DFID	No	No	Yes

Table 1: Conduct of case studies

The review began with a two-day visit to Geneva to interview key OCHA staff members. This was followed by the six case studies, starting with Angola. After the first three case studies, DI presented interim findings at the OCHA Global Management Retreat in Montreux in June 2006. This helped to get some initial feedback from OCHA staff members and to validate the findings.

The case studies used qualitative methods, mainly interviews with staff members from OCHA, UN agencies (particularly those serving as advisory board members), NGOs and donors. In the countries where a national consultant undertook project visits, the national consultant interviewed government officials, local community representatives and beneficiaries, in addition to project staff. The review also included analysis of ERF project documents such as project proposals, reports and correspondence between applicants and OCHA. As the tables in the report demonstrate, financial analysis focused on project funding as well as ERF funding in relation to other humanitarian funding.

DI has already reported on the review through an initial *Inception Report*, outlining key questions, informants and methodology and through an ‘*aide memoire*’ on each of the country case-studies. For the Somalia study this took the form of a presentation to NGOs and UN agencies in Nairobi. This final report draws on the individual country reports but takes a broader overview and also covers cross-cutting issues that were not addressed in the case study summaries. Therefore, it should be read in conjunction with the country reports, which provide greater detail on the individual funds reviewed. These are attached separately.

2.0 Overview of the Funds Reviewed

This section begins by describing how ERFs have evolved since their inception in 1997. It goes on to provide a brief comparison of the six funds covered by this report, covering aspects such as their duration, disbursement, types of organisations and activities financed.

³ An outbreak of violence in Kinshasa when the results of the first round of Presidential elections were announced meant that the mission was cut short and some Kinshasa interviews had to be conducted by phone.

⁴ This made it easier to interview relevant respondents who are no longer based in Indonesia.

⁵ The Liberia fund closed at the end of 2005 and related documents were sent to Geneva so a national consultant undertook the in-country interviews and project visits while DI conducted the document analysis in Geneva.