



POOLED FUNDING MODELS: GOVERNANCE SYSTEMS

A COMPARATIVE STUDY

REPORT

NOVEMBER 2023



A GLOBAL NGO NETWORK
FOR PRINCIPLED AND EFFECTIVE
HUMANITARIAN ACTION

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LIST OF ACRONYMS

AFNS: Aid Fund for Northern Syria

CBPF: Country Based Pooled Fund

DRC: Danish Refugee Council

FCDO: Foreign, Commonwealth & Development Office (UK)

FMA: Fund Management Agent

FMU: Fund Management Unit

HC/RC: Humanitarian Coordinator / Resident Coordinator (UN)

ICC: Inter Cluster Coordination

ICVA: International Council of Voluntary Agencies

INGO: International Non-Governmental Organization

LNGO: Local Non-Governmental Organization

M&E: Monitoring and Evaluation

NGO: Non-Governmental Organization (including local, national and international NGOs)

NNGO: National Non-Governmental Organization

OCHA: Office for the Coordination of Humanitarian Affairs (UN)

OHCHR: Office of the High Commissioner for Human Rights

PF: Pooled Fund

RHFWCA: Regional Humanitarian Fund for West and Central Africa

SCHF: Syria Cross Border Humanitarian Fund

SRF: Sahel Regional Fund

UN: United Nations

INTRODUCTION

Many donor governments, in line with their Grand Bargain commitments, place an emphasis on pooled funds as an opportunity to channel funds to local partners when direct funding is seen as too difficult. Pooled funding of all types – both through OCHA and other sources – is also highlighted as part of the solution to provide more flexible funding, reduce administrative burden of having diverse donors' requirements and optimize management costs. The collective aspect of common funds is also seen as an asset for permitting the participation of all stakeholders and the definition of common priorities rooted in local realities.

This increased attention to pooled funding has led to the emergence of new models and approaches led by a variety of actors. While the range of pooled funding options has started to expand and overall funding to both new and original pooled fund mechanisms continue to grow, there are also several challenges to address. Through this consultancy, ICVA is seeking to assess the governance system of the NGO-hosted and NGO-led Sahel Regional Fund (SRF) and its added value against other new pooled funding models, develop forward-looking recommendations towards an independent governance system of the SRF, and compile good practices and lessons learnt from pooled funds.

The study focuses on the governance models. Despite the long provenance of the concept, there is no strong consensus around a single definition of governance yet. Based on the World Bank definition, « *the manner in which power is exercised in the management of a country's economic and social resources for development* .¹», the study seeks to examine the entities, processes and practices that frame the exercise of power in the different Pooled funds.

The key attributes of good governance according to the Human Rights Council² are transparency, responsibility, accountability, participation, and responsiveness (to the needs of people in need)³. The true test of 'good' governance is the degree to which it delivers on the promise. In the terms of reference of this study, governance mainly concerns accessibility by NGOs (particularly local partners), inclusiveness and timeliness of allocation and disbursement.

The scope of the present study focuses on four main types of Funding mechanisms:

- ☐ The first **UN OCHA Regionally hosted Pooled Fund (RhPF)** piloted in West and Central Africa, launched in 2021. the RhPF keeps and respects the processes and frameworks of the original Country Based Pooled Funds mechanism (CBPF) that has evolved to include cost sharing and efficiency considerations and reinforce synergies and learning between country envelopes and country teams in the region.

¹ World Bank (1992)

² The Human Rights Council is an intergovernmental body within the United Nations system responsible for strengthening the promotion and protection of human rights around the globe and for addressing situations of human rights violations and making recommendations on them.

³ Most of these attributes have been used as a reference to discuss the PFs governance with informants and to examine the funds documents: "transparency, responsibility, accountability, participation". They are reflected in the report even if it isn't structured around these. Regarding "responsiveness to the needs of the people", the frame of this study didn't allow to conduct an impact assessment to assess the responsiveness of each Fund.

A regional fund mechanism majority governed by NGOs and managed by an INGO at regional level (Dakar) created by FCDO and DRC specifically to address regional dimensions and cross-borders dynamics of the Sahel crisis, in complementarity of existing fundings. The SRF aspires to become a pooled fund. The first phase of the fund has been launched with FCDO support.

- ☐ A global pooled fund mechanism owned and managed by a network of NGOs: the global Start Fund, launched in 2014 with a very strict mission. It funds Start Network members to respond to small to medium scale crises with a focus on starting a new response to a new emergency or filling a clearly identified gap in humanitarian responses⁴.
- ☐ A country-based pooled fund majority governed by NGOs and administered by a private company engaged by donors as a Fund Management Agent. The Aid Fund for Northern Syria (AFNS) was conceived by the broad humanitarian community working in Syria and created to address the specific and very complex context of access to Northern Syria. This model was developed as complementary to the Syria Cross-border Humanitarian Fund⁵ (SCHF) to ensure continuity of humanitarian assistance in northern Syria, in view of the magnitude and complexity of the Syria crisis and the need for alternative ways to deliver humanitarian assistance inside the country.

Each of these pooled funds models has been created and tailored for specific contextual needs. Their specificities and innovative approaches have mostly been guided or imposed by the operational context. Moreover, the governance models for the different funds are dynamic and evolved to adapt and adjust to the contextual changes and lessons learnt. Therefore, a strict comparison is impossible and lacks significant meaning. If certain successful practices from other contexts can be inspiring, replicating one model in a different context would likely yield different results.

The comparative analysis produced here serves three purposes: first, it contributes to understanding the landscape of Pooled Funds governance models (part I), second, it sheds light on good practices observed in these Pooled Funds (part II). Third, forward looking recommendations towards an independent governance system of the SRF are proposed (part III)⁶.

⁴ The Start Network's family of funds includes many different financial instruments: the best known Start Fund, which aims providing contingency funding for under-the-radar, small to medium-scale crises. The original global fund is now joined by national Start Funds, managed by national and local member organisations, in Bangladesh and Nepal. Like the global Start Fund, each national Start Fund is a rapid emergency fund that activates within 72 hours of a crisis. They are also owned by NGOs, in this case organisations that are based in a specific country. These member organisations are responsible for governance and decision making that is led by their local knowledge. In 2021, the Start Ready has been launched. This is a risk-pooling mechanism aimed at predicting crises worldwide. The Start Network is also working on other new forms of planned and pre-agreed funding, such as insurance. Many funds are now paid directly to local and national organisations and managed by them. This analysis will consider solely the Start Global fund governance model.

⁵ Syria Cross-border Humanitarian Fund (SCHF) is a multi-donor Country Based Pooled Fund (CBPF) established in 2014 following UN Security Resolutions 2139 and 2165 in view of the magnitude and complexity of the Syria crisis and the need for alternative ways to deliver humanitarian assistance inside Syria.

⁶ These are the 3 objectives set in the terms of reference of the study. The search for greater independence is a general objective, and in no way an assumption about the low level of independence of the funds examined.

METHODOLOGY AND LIMITATIONS

The study is based on a desk review of existing documentation, especially Pooled Funds and SRF's strategies, governance documents and manuals, completed by recent literature on Pooled Funds. The teams of the different funds have been very cooperative and have shared key documents. Data presented in the report has been checked with the Funds teams.

The study has focused on key informants semi-structured interviews with diverse stakeholders : OCHA Country-based Pooled Funds staff, NGO-led Pooled Fund staff, donors at field and global levels, ICVA teams, UN agencies, Cluster staff, Pooled Fund committees and boards' members, a range of national and international NGO staff at global, regional and field level with a mix of NGOs partners of the funds, and NGO participating to the Funds 'governance, NGOs not involved in the Funds.

Selection of key informants was conducted with the aim to balance the different categories of stakeholders and report all perspectives regarding the four funding mechanisms included in the study. The author interviewed the individuals in a confidential manner to ensure an open and frank discussion.

55 interviews have been conducted with 45 informants as follow:

Donors	7	Northern Syria actors	8
UN	8	West and Central Africa Regional actors	14
INGOs	16	West and Central Africa Country actors	14
NGOs	11	HQ/Global actors	9
Private company staff	3		

Key informant interviews constituted the main source of data. The report specifies where findings are based on the perception of the informants.

The comparative analysis was challenging due to the methodological limitations of comparing funding mechanisms of a very different nature; AFNS, SRF, Start Fund and RHFCA have different origins, were set up in very different contexts, with different geographical and programmatic scopes, different levels of decision-making and different objectives. The study focused on identifying the success factors and grey areas of the funding mechanisms examined. No model or good practice should be reproduced without first being contextualised.

The wide scope of the study allows a broad comparison but not a detailed analysis of all aspects of the Funds. Some points deserve further study with detailed data to allow an accurate comparison (e.g. cost effectiveness).

I. COMPARATIVE ANALYSIS

The four funding mechanisms studied here cover very different realities: different backgrounds and contexts, different scales (regional versus country-based or cross-border) different humanitarian objectives in the responses (rapid response to small and medium crises for the Start Fund versus multiyear interventions for the SRF), different identities, different types of grants, different layers of collaborations and different life spans. Moreover, the **SRF** and **AFNS** are quite recent and there has not been enough time to assess how well their governance systems fulfil their promises, as they haven't completed a full grant cycle yet.

Three tables present the main characteristics of each fund in terms of governance (Annex 1). The key distinctions between the funds are also the topics of discussion that came up in the interviews conducted. They are discussed hereafter.

Power balance in the decision-making bodies

Degree of donors' participation (see Annex 1 for detailed information): all models analysed here have different practices on donors' participation to decision-making bodies for allocations and project selection. It spans from a very light participation in the **Start Fund** model to an active role in the **AFNS** and **SRF** boards. The table below indicates the level of donor's participation in the governance structures of each Fund. It is interesting to note that no donors are part of the **Start Fund** committee, nor of the project selection committees⁷. Donors delegate the decision-making to the **Start Network** members. This model puts an emphasis on having decisions made independently by operational non-governmental actors presents in the field. As far as the **RHFWCA** is concerned, donors are represented as equally as UN agencies, L/NGOs and INGOs in the advisory board. A notable difference with other PF boards, the RHFWCA Board provides advice and support to the HC/RC who ultimately has the final say. As a common practice, the HC/RC consults and seeks advice from the Advisory Board, and has the final say if Advisory Board members are in disagreement. Donors are represented in the **AFNS** board with the same number of seats as other constituencies. In the **AFNS**, contributing donors also compose the Partnership board that can be activated in case of board absence of consensus. Donors need the legal cover to prevent egregious decisions by the board that would violate their domestic laws, but their general belief is that they will never have to exercise this. All donors including the ones that don't contribute can also participate widely as observers⁸. It helps the board to advocate for funding, to ensure complementarity with other sources of funding and mitigate concerns of potential future donors.

⁷ The global Start Fund doesn't have a board. The Start Fund governance body is only the Start Fund Committee (with delegated authority on the Start Fund programme from the **Start Network Board**). Donors are not members of the Start Network Board.

⁸ 38 donors are observers in AFNS board in August 2023. In fact, observers from all constituencies can attend a meeting. For the NGO constituencies this is limited to 2 from each constituency. For the donor constituency there is no limit, which allows potential donors to observe how AFNS is governed.

In the **SRF model**, the donor is on the board and has a veto power, which grants them significant influence in the absence of other donors. This should evolve if other donors join the **SRF**.

There are pros and cons regarding the participation of donors in PF decision-making processes. Even if donors do not hold the majority of seats in the different PF boards examined here, most informants note that they exercise a strong influence in debates and decision-making processes. Some NGO participants may be less inclined to argue with a donor with whom they may otherwise be negotiating for a partnership or funding agreement.

The cons are that donors already have the ultimate “money power”, thus exercising significant influence. Those that would prefer donors not participate in PF decision-making processes want to ensure that funding allocations are based on needs, rather than media headlines or politics. Donors can always stop supporting a PF if they find it too risky or against their interests. Including them as active members in decision-making bodies may introduce the potential for political agendas to influence strategic decisions and limit flexibility in PF management, especially when their numbers are limited. In practice, the donors often have varying opinions, and no single donor has a particularly dominant or persuasive voice. Donors do not operate as a single entity, and neither do members from other constituencies. A PF aims not merely to be the sum of diverse donor constraints, but rather to establish a fund that is not susceptible to short-term shifts in donors’ priorities. Some recommend giving an observer role to donors, allowing their participation while guaranteeing independence of the board in decision-making.

On the contrary, most of donors seek involvement in decision-making as ultimately, they bear the risks and are accountable to their citizens. Providing funding without a say in the decisions can be seen as akin to issuing a blank cheque. Another argument in favour of donors’ participation to decision-making bodies is to enable collaboration between NGOs (L/NGOS and INGOS) and donors. There are very few platforms where both implementing partners and donors are represented. Participating enables donors to gain a deeper understanding of operational environments and constraints. Furthermore, it provides NGOs (L/NGOS and INGOS) with the opportunity to advocate for increased flexibility from donors and gain a more comprehensive grasp of donors’ capacity for risk-taking and constraints. Donor participation can also aid in mitigating conflicts of interest within board decisions. Unlike the majority of board members, donors do not compete for PF funds.

Donors participating to the review committee: the **SRF** model stands out as the sole approach where the donor’s technical experts actively engage in the project review committee. Further details regarding the composition of these review committees will be covered in subsequent sections of the report.

Added value and concern to have PFs governed by NGOs in majority:

Based on the interviews conducted as part of this study, NGOs may feel unrepresented in CBPFs governed by the HC/RC, making it challenging for them to exert influence over decisions. This can lead to a reduced participation in the CBPF advisory board. A significant benefit of having a predominantly NGO-led PF (L/NNGOs and INGOS) lies in their ability to provide valuable expertise and offer practical assessments of issues such as access limitation and target selection. Operational NGOs have a deeper and finer understanding of

operational contexts, enabling them to identify priorities and operational hurdles, and thereby contribute to informed decision-making. It is widely agreed, that having actors familiar with the context at the discussion table provides invaluable insights. In such models, it is almost unavoidable that conflicts of interest will arise because those applying for funding and those making decisions often belong to the same constituency or even from the same organization. While it is inherent that board members can seek funding and be selected, it does create a perception of an unfair advantage. One significant inconvenience highlighted by key informants when it comes to having PFs governed by NGOs in majority is the constant “fight for money with INGOs”, especially in very competitive environments with low levels of funding, such as Northern Syria or the Sahel region. Based on key informant interviews, some donors are concerned that NGOs could influence the strategy to preserve their own interest, such as steering away from prioritizing areas where they are in negotiation for a bilateral agreement with a donor. Therefore, it is crucial to establish clear and strong measures to mitigate this risk. Donor representation on the board is seen as an effective way to mitigate that risk.

Inclusiveness and representativity

Equal representation of national and international NGOs on the boards is not a subject of contention in three out of the four Pooled Funds studied. The **SRF** should promptly make adjustments to achieve a balanced distribution of seats (3 NGOs and 4 INGOs so far). National organizations do participate to the governance systems of the different PFs, but they never constitute a majority. When funding allocations are specifically targeting national NGOs, and **emphasise advancing** the localization agenda, some stakeholders view having a slight majority of NNGOs in decision-making bodies as the logical next step. Notwithstanding, it is widely believed that PF benefit from the expertise and perspectives of both international and national NGOs.

The selection of the board members varies according to the different funds. The global **Start Fund** allows the participation of all the Start Network members to the Start Fund Committee through a vote and a rotation system. In the **AFNS** and **RHFWCA** models, all board members (donors, NGO and INGO) are elected by their own constituencies.

SRF board members have been appointed through a selection process done by the donor and the hosting INGO with two distinct calls for application: one for INGO and one for NGOs. The option of having one single call for application was not chosen to ensure NNGOs will access the board while keeping complex criteria for INGOs. The rigor of the process and its solidity have been underlined and never contested in the numerous interviews conducted.

One key criterion for the selection of NNGOs to participate in the **SRF** board is that the applicant must formally represent other national NGOs. Representatives of national NGOs to the **SRF** board must justify their election or nomination by the country NGO forums or regional networks. This criterion has been set up to overcome the difficulty to select national NGOs amongst the numerous humanitarian actors in the countries covered by the **SRF**. On the contrary, the coordination between INGOs at the regional level was at an embryonic stage when the **SRF** was designed, making difficult to organise a selection by their peers.

The regional positioning being central for the **SRF**, INGO board members were selected based on their regional added-value and their footprint in the different countries covered by the **SRF**. Yet, [having board members representing their constituency is an important factor that can increase legitimacy and accountability](#) of the board as a whole. It increases the transparency of the board's decision-making process and fosters trust in and perceived integrity of the board. Additionally, it may also enable a broader dissemination of information about the fund's strategic decisions and facilitate a broader consultation. Individuals selected by their constituency serve as evidence to the board's neutrality.

Accessibility for NGOs (particularly local partners)

In the three PF, **AFNS**, the **RHFWCA** and the **Start Fund** NNGOs and INGOs have equal access to funding. They can [apply as prime or sub-grantees](#). Equal sharing of overhead is encouraged⁹ but not mandatory, unlike the **SRF** where it is required. The **SRF** has launched its first allocation for INGOs only due to concerns about financial risks in the pilot phase. It mandates the INGOs to partner with national organizations and share overheads equally. The **SRF** considers the possibility of launching future proposal calls exclusively for national and local NGOs.

Among the national stakeholders interviewed, there is a significant divergence of views concerning the relevance of having [dedicated proposal calls](#) as opposed to having access to the same calls as INGOs and competing alongside them. An open call for proposals accessible to all would be fair as NNGOs with adequate oversight functions can meet PF requirements (as in the **RHWCA**). On the contrary, implementing reserved envelopes or specific criteria for NNGOs is seen as potentially slowing the progress and development of NNGOs. Being in a competitive market is the best way to increase capacities and abilities to access more quality funding. NNGOs should budget relevant senior human resources to develop their systems and business. As an example, the **RHFWCA** allows applicants some flexibility, permitting up to 25% of the budget for staff costs. While advancing the localization agenda is a priority for all PFs, the quality of humanitarian responses remains paramount. Parallel initiatives to promote localization are developed by the different Funds under study with promising initial results. Some stakeholders argue for the need to establish criteria tailored to NNGOs and dedicated funding allocations. Nevertheless, the ability for national organizations to [access direct funding](#) and apply independently is crucial and aligns with the Grand Bargain commitments.

Some NNGOs exhibit hesitancy towards INGOs due to the competitive nature of funding. In contrast, they express greater trust in securing funding from UN agencies, as historically, UN funding has been more readily accessible to NNGOs¹⁰.

⁹ With **AFNS** first allocation, only one INGO did not share equally, due to their own internal regulations. The less confrontational 'encouragement' approach seems to have been quite successful in this context. The consultant doesn't have access to similar data for **RHFWCA** at the time of publishing the report.

¹⁰ Yet access to quality funding covering support and capacity building costs have been and remain a challenge with UN funds.

Under the **RHFWCA**, the list of eligible organisations is defined by the clusters. The compilation of potential NGOs for the eligibility process is subject to discussion and approval in close collaboration with the clusters. The initial list draws from NGOs that participated in the country's Humanitarian Program Cycle. However, this close collaboration with the clusters is occasionally perceived as risk to transparency and accountability. Some actors' do not fully trust the Cluster Lead to identify the most appropriate NGOs to be considered for eligibility. Several actors note that lessons learned from the first allocations and comments provided by national NGOs have been taken into consideration. During the last allocations, the national NGO platforms were consulted on the list of potential NGOs to be considered for eligibility and NGOs were supported in the eligibility process to facilitate their access to funding, through numerous meetings and online support. The list of eligible organisations is the final result of the eligibility assessment which includes pre-screening with the clusters, registration, due diligence and capacity assessment conducted by OCHA.

RHFWCA and **AFNS** have a [due diligence process and a capacity assessment amongst other processes for determining eligibility](#). The due diligence process consists in vetting checks for applicant organizations. The capacity assessment is a different process that allows the assignment of a capacity rating to participants¹¹. The risk level determined during the eligibility assessment will then define the operational modalities and the management regime applicable to each eligible organization (**RHFWCA**) or determine the maximum grant amount (**AFNS**). Both PFs provide guidance on capacity-strengthening and a timebound capacity-building plan is required, either at the proposal stage (**RHFWCA**) or negotiated between the Fund Management Agent and the applicant at partnership agreement stage (**AFNS**).

The **AFNS** seems to be the most advanced when it comes to access to funding for local NGOs. It allows organizations to progress through different tiers, with members gaining access to varying levels of funding and services based on their tier placement, determined by a capacity assessment. **AFNS** has six tiers, with the lowest tier eligible for grants up to \$0.5m and the highest having the potential to receive up to \$5m¹². There is a clear and transparent mechanism for NGOs to progress or regress through these tiers based on their grant implementation performance. This system incentivizes good performance. The **Start Network** has also developed a tiered due diligence framework to enable the inclusion of more local organizations as members. Members gain access to varying portfolios of **Start Network** products and services depending on the tier in which they are placed during assessment.

Pooled Funds are often the only way that [local organizations can access funding](#). However, the actual funding received directly by national organizations through PFs varies significantly. The volume of funding directly and indirectly allocated to NGOs represents 72% of the **AFNS**'s total donor contributions to date, 23% of the **RHFWCA**'s total donor contributions in 2022, 20% of the **SRF** total donor's contributions thus far, and 6% of the **Start Fund** total donors' contributions in 2022. For details, please refer to the tables below.

¹¹ In the AFNS for example, organizations with a capacity assessment score (CAS) > 50% are selected. Based on the CAS, the applicant will be assigned a capacity rating and receive advice from the FMA on any capacity-building needs. If applicable, a timebound capacity-building plan shall be included in the framework agreement with the IP. The Capacity Rating is used to determine grant value ceilings.

¹² Please refer to AFNS handbook for more details.

Use of resources

Table 1: share of allocations

Pooled Fund		Funds directly allocated to National or Local NGOs (USD)	Funds allocated to National and Local NGOs through INGOs (USD)	Funds allocated to Red Cross/Red Crescent movement (USD)	Funds allocated to INGOs (USD)	Total allocated to Implementing Partners (USD)	Total donors contributions (USD)	Comments
SRF	Amount	0	7'946'287	0	27'545'443	35'491'730	39'503'942	The numbers here are from beginning of June 2022 to end of March 2026 , so more than 3 years of operations (multi year projects). Data converted from GBP (exchange rate : 1GBP=1,27 USD).
	% of total donors contributions	0%	20%	0%	70%	90%	90%	
	% of total allocations	0	0	0	1	1		
RHWCA	Amount	7'600'000	5'000'000	600'000	25'300'000	38'500'000	54'300'000	From 2022 report : total donors contribution in 2022 were 31,7 M. The \$54.3 million mentioned here are the 2022 contributions + the carry over of 2021 contributions (\$22.6 million) as indicated in the RHWCA 2022 Annual Report p.11.
	% of total donors contributions	14%	9%	1%	47%	71%	100%	
	% of total allocations	20%	13%	2%	66%	100%		
AFNS	Amount	42'100'000	3'900'000	1'500'000	11'000'000	58'500'000	64'000'000	These figures are for the first two allocations. So they represent the total commitments made to date. The funds will be disbursed mostly for 12 month grants, with the first one starting in mid-February 2023 and the last ending somewhere around the end of August 2024. But there will probably be more allocations launched in the next few months. So it's not possible to tie down exact figures to exact timeframes (at least until the first set of annual accounts is done). This is an estimate to date.
	% of total donors contributions	66%	6%	2%	17%	91%	100%	
	% of total allocations	72%	7%	3%	19%	100%		
Global Start Fund	Amount	1'382'742	602'283	-	19'938'531	21'923'556	34'284'907	Data converted from GBP (exchange rate : 1GBP=1,27 USD). Amount awarded through SF crisis disbursement line from April 2022 to March 2023. Source : Start Fund finance reports. From April 2022 - March 2023, Start Network local/national NGO members only operate in 7 countries, whereas the global SF had operations in 43 countries.
	% of total donors contributions	4%	2%	0%	58%	64%	100%	
	% of total allocations	6%	3%	0%	91%	100%		

Table 2: Management Costs

Disclaimer: The origins and characteristics of the PFs differ significantly from one another. It is important to note that conducting a comparative cost analysis among these PFs is not feasible within the present scope of work. Such an analysis would require an in-depth financial examination based on each Fund's budgets, which is beyond the current project's focus.

Readers should consider the following:

- ☐ Operational costs vary greatly depending on location and timeframe, differing from one context to another.
- ☐ Costs' categories and calculation methods vary among the PFs.
- ☐ The valuation of existing or internal resources is not always consistent across Funds.
- ☐ Management costs are higher during the first months of a new mechanism.
- ☐ The number of staff and seniority within the Fund Management Units vary.
- ☐ Investments in monitoring and evaluation may vary and budgeted differently. For example, 3% of the total SRF's management costs (over a 3-year period) are M&E and audit costs, whereas audit costs represent an estimate 0,5% of the RHFwCA's annual management costs
- ☐ Threshold effects and economies of scale play a significant role in cost variation across these Funds.

Therefore, the below cost breakdown is intended to provide approximate figures and offer a sense of scale.

Pooled Fund		Fund management cost* in USD	Reserve in USD	Total donors contributions in USD	Number of FMUs' staff	Comments
SRF	Amount	839'998	NA	12'245'376	4	Estimation for the year 2023. These figures are based on forecast of expenses for 2023, based on August 2023 figures. Data converted from GBP (exchange rate : 1GBP=1,27 USD).
	% of total donors contributions	6.86%	0.00%	100%		
	% of total allocations					
RHFVCA	Amount	1'965'400	-	31'700'000	11	From 2022 report : total donors contribution in 2022 were 31,7 M (without the 2021's carry over.) According to RHFVCA 2022 Annual Report (page 16), the 6,2% of management cost include : - 2% of 2022 donors contributions that are overheads (this will rise to 3% from 2023). - 3,7% of 2022 donors contributions that are direct cost of the FMU (approx. 10
	% of total donors contributions	6.2%	0%	100%		
	% of total allocations					
AFNS	Amount	5'440'000	60'000	64'000'000	20	These figures are for the first two allocations. So they represent the total commitments made to date. The funds will be disbursed mostly for 12 month grants, with the first one starting in mid-February and the last ending somewhere around the end of August 2023 . But there will probably be more allocations launched in the next few months. So it's not possible to tie down exact figures to exact timeframes (at least until the first set of annual accounts is done).this is an estimate to date
	% of total donors contributions	8.5%	0%	100%		
	% of total allocations					
Global Start Fund	Amount	7'423'725	0	34'284'907	14	Data converted from GBP (exchange rate : 1GBP=1,27 USD). Amount awarded through SF crisis disbursement line from April 2022 to March 2023 . Source : Start Fund finance reports.
	% of total donors contributions	21.7%	0%	100%		
	% of total allocations					

*that includes direct management cost of the FMU + overhead of the Fund management agent or hosting organization + MEAL or audit costs of the Fund

Decision-making processes

The decision-making processes employed by the boards (or committee in the case of the **Start Fund**) vary significantly across the different models. Although all the models examined here emphasise the importance of [reaching consensus](#), some consider the need for a vote almost as a shortcoming of the model (**AFNS**). On the other hand, certain models have a formal voting system in place with a two third majority to validate key documents or decisions (**SRF**). Notably, during the **AFNS**'s first year, no Board decision has required a vote; all decisions were reached unanimous.

The pursuit of consensus aims to identify compromised solutions acceptable to all parties involved. It promotes transparency in discussions and a commitment to collectively address challenges. In recognition of the high diversity of NGOs around the table, the **Start Fund** Committee uses majority vote in decision-making processes. The **RHFWCA** also employs a consensus-based approach to foster opened discussions and facilitate the exchange of viewpoints among members.

Decision-making processes have been identified with a focus on risk management. New funds, such as **AFNS** and **SRF**, can be considered as risky by donors. Maintaining the option to have [the final say](#) is important for donors' capitals, especially during the early stages of these mechanisms and in sensitive contexts. Additionally, for the entity managing the fund, which shoulders a substantial portion of the risks, this is also a concern. To overcome this challenge while still fostering collective consensus decision-making, both funds have identified alternative processes as last resort in case of major risks or obstacles. It is worth noting these processes have not been used thus far.

In the first mandate of the **SRF** board, both the donor and INGO representative were granted a veto power. However, it has never been used so exercised thus far. Instead, the board has placed a greater emphasis on pursuing consensus and fostering frank discussions regarding risks.

In the Northern Syria context, where the use of a veto holds significant political sensitivity, **AFNS** members were determined to avoid unilateral veto powers that might result in arbitrary decisions and impede the pursuit of effective solutions. To address this concern, the **AFNS** has established a Partnership Board, consisting of representatives from the donors contributing funds to the **AFNS**. The primary purpose of the Partnership Board is to assist the board in reaching consensus decisions on the rare occasions when reaching consensus proves challenging. This approach helps alleviate concerns from donors, as they are not obligated to accept decisions from the board. It also provides the opportunity for another collective body to offer can guidance to the board in its decision-making process.

The Partnership Board convenes on an ad hoc basis, only when either a Steering Board decision is made through a vote, or any of the following triggers a request for the Partnership Board to convene:

- a. any member of the Steering Board;
- b. the Independent Chair of the Steering Board;

- d. any three members of the Partnership Board together; or, the Fund Management Agent (FMA).

Ultimately, in both models, donors have a possibility to influence a decision from the board. The main difference lies in the fact that the Partnership Board functions as a collective body entrusted with the responsibility of offering guidance to the Steering Board in reaching a consensus decision. This setup prevents a single donor from unilaterally blocking a decision, thus promoting collective accountability. Moreover, the recourse to the Partnership Board to resolve an issue is available to all board members as well as the FMA.

New levels of governance

The four Funds are governed at different levels: decentralized decision-making in the **Start Fund**, with operational actors at field level taking the lead; a country-level governance for the **AFNS**; a regional participation/component in the **RHFWCA**'s country-based governance; and a full regional governance in the **SRF**.

While prioritising “as local as possible” decision-making is highly relevant due to its grounded nature, the regional approach has distinct advantages in some contexts, such as the Sahel region.

The [regional component of the RHFWCA's governance](#) is the participation of the head of OCHA ROWCA in the advisory boards of countries within the region that have allocated funding envelopes. Additionally, the ROWCA contributes to context analysis, priority identification, funding advocacy and knowledge sharing. The OCHA Head of Regional Office brings not only the analysis, priorities, and learning but also conveys the perspectives and insights of regional actors and bodies to enrich the discussion at the country-level.

Within the current UN system, regional-level decision-making capacity is not formally acknowledged, and as a result decision-making for the **RHFWCA** continues to be conducted at the level of each country-level HC/RC, with support and guidance from the Advisory Board. The funding envelopes launched thus far have been focused on individual countries, with the majority of priority analysis also coming from the country level. “There is a common perception that the “regional” element of the RhPF [RHFWCA] has not been fully realised yet.”¹³

The **RHFWCA** is widely appreciated at the country level, especially among national NGOs interviewed. The primary recognized added value of the **RHFWCA** according to informant interviewed are:

- Expedited application launch: the RHFWCA **facilitates** faster progress in launching applications compared to individual CBPFs.
- High-level expertise: it brings high level capacities to manage processes, and high level of expertise and experience of the FMU.
- Promotes intercountry collaboration: RHFWCA encourages intercountry discussions and experience sharing to improve processes.

¹³ Thomas, M. (2022). *Pooled Funds: The New Humanitarian Silver Bullet?*

Strong collaboration: there is a strong collaboration between each OCHA Country Office and the Regional Office.

- Enhanced efficiency: the fund's structure enhances the efficiency of fund through the pooling of resources.
- Inclusive access: it allows direct access to funding for NNGOs, and its processes are inclusive.

The distinctiveness of the **SRF governance model** lies in the fact that it involves regional level management (similar to the **RHFWCA**) and oversight by an INGO (akin to the Global Fund), but also in its unique decision-making. The **SRF's regional approach** intends to influence a humanitarian response "*which is currently too defined by national borders, short-term, insufficiently inclusive and impacted by lack of consideration of humanitarian principles, with questionable value for money.*"¹⁴. The **SRF's** essence is deeply rooted in upholding humanitarian principles. It has been created to safeguard the humanitarian space in a context where boundaries between humanitarian, politics and stabilisation have become increasingly blurred. The **SRF's** proposition is to complement existing funding mechanisms and advocacy efforts, which are often confined within national borders level, by addressing cross-border and regional dynamics of the crisis.

The main added values of the **SRF's** regional approach according to key informants include:

- Enhanced understanding of cross-border dynamics: the SRF's approach offers a better understanding of local dynamics that transcend borders, as population movements and conflicts do.
- Crisis response coordination: it possesses a unique capacity to coordinate responses to crises impacting multiple countries, especially those long lasting multicountry/regional crises.
- Complementary to country programs: the regional perspective complements country offices' programs. Regional INGO offices in Dakar ensure the daily management and oversight of their country offices, contributing contextualized expertise to the discussions.
- Reduced earmarking, increased flexibility: a regional funding envelope in line with the Grand Bargain commitments reduces the degree of earmarking and enhanced funding flexibility. The flexibility enables adaptation to conflict and displacement dynamics, and evolving contexts, permitting the allocation of more resources to one country over another when necessary.
- Fosters cross-border collaboration: the regional approach promotes cross-border collaboration and a better understanding of cross-border dynamics among field actors.
- Potential for joint advocacy: it has the potential to support a joint regional NGO advocacy agenda to influence practices, policies and humanitarian reform across the region.

Some of the actors interviewed question the relevancy to multiply the different funding mechanisms and tools, rather than pushing for innovation within pre-existing mechanisms. Others argue that piloting new approaches and testing different governance systems will contribute to improve the response and that different instruments are complementary.

¹⁴ SRF Strategic Framework

However, there is unanimous consensus that fostering collaboration and coordination between multiple funding mechanisms operating in the same areas is of high importance.

Key factors for success: facilitation and liaison

In the **SRF** board, there is a distinctive arrangement where the Chair is an INGO vested with a specific decision-making authority. This authority allows the Chair to break ties in all **SRF** board votes, including those related to conflicts of interest, thus serving as a mechanism to overcome potential deadlocks. It is worth noting that having a Chair with a specific power of decision is common to the **SRF** and the **RHFWCA** (where the HC/RC chairs the advisory board), setting them apart from other NGOs-led PFs. In contrast, the **Start Fund** Committee follows a different structure, where the Chair does not possess tie-breaking authority on funding allocation decisions. Any member organisation, whether local or international NGO, can put forth nominations for the role of chairperson, with the current incumbent being a representative from an INGO member. As far as the **AFNS** is concerned, the Chair of the board is independent and has no voting power.

According to most key informants, it is widely acknowledged that having a Chair is crucial to reinforce the values outlined in the Charter and foster an environment conducive to consensus-building. This role serves as a vital link within the entire system, encompassing responsibilities such as external representation and coordination with other funding mechanisms or regional entities. In this context, [the Chair should be perceived as impartial as possible](#). Having an independent Chair, one without voting power and from an organisation ineligible to submit proposals, helps mitigate any potential misconceptions regarding their independence and neutrality. For instance, in the **AFNS** model, the role of the independent Chair is considered a key driver of success in achieving consensus and preventing conflicts of interest.

Type of entity hosting the Fund Management Unit

In the **RHFWCA**, the PF management is overseen by OCHA, similar to all CBPFs. The fund management unit operates at the regional level and is hosted at OCHA Regional Office. The **Start Fund** is managed by Save the Children UK, which also established the Start Network as a private charity in 2019. Currently, the management of funds is in the process of transitioning from Save the Children UK to the Start Network Charity. Save the Children UK still retains the role of grant custodian for the global **Start Fund**. The **SRF** FMU is hosted by DRC. Conversely, the **AFNS**'s Fund management agent is a consortium comprising Proximity International, Crown Agents, MetricsLed, COAR, and ASI, with ASI being the consortium lead.

In a model where the FMA is an INGO, one key concern is the potential for a conflict of interest within the hosting organization. This concern is viewed differently depending on the size and organisational structure of the hosting entity. In large INGOs with federal models, it is perceived as relatively easier to establish a clear separation between the FMA role and the implementing part of the organization. However, in smaller structures, there is a

perception that it could be challenging to prevent the person responsible for managing the funds from influencing colleagues in the application process.

The **SRF** model has placed a strong emphasis on accountability and has been particularly concerned about the potential for conflict of interest when hosting INGOs are involved. Therefore, in the **SRF**, the FMA, DRC, is deliberately deemed ineligible for funding, which is also the case when private companies act as the FMA. This specificity is unique to the **SRF**. In contrast, the global **Start Fund**, does not impose this separation. The rationale behind this difference is that decisions are collectively made by the network rather than being determined by the entity fulfilling the grant custodian role.

Composition of the committees in charge of reviewing projects

The [higher risk of conflict of interest](#) primarily exists at the project selection stage. Among the different funds examined here, there are variations in the extent of participation and the level of decision-making authority, from regional to country levels.

The **Start Fund** has established a partnership with ACAPS, an external information service provider to triangulate crisis information and data. ACAPS prepares briefing notes on alerts raised by Start Network members, and these briefing notes are subsequently shared with the decision-makers responsible for allocating funds. **Start Fund** projects are selected through [ad hoc project selection committees at the country or local level](#). These committees consist of Start Network members, local partners, cluster members who did not submit funding applications, and a Start Fund staff member (who does not possess decision-making authority) overseeing the process. Depending on the context, this may include national and international NGOs depending on each context. Proposals are anonymised and the selection criteria are clearly defined (see details in the table). The accountability for this process is therefore internal to the Start Network members. In addition, collaboration and coordination with other actors, clusters, and donors to avoid overlaps and define priorities fall under the responsibility of applicants and are integrated into the selection criteria.

The **SRF** has set up [a review committee composed primarily of the hosting INGO's staff](#), including DRC's regional technical advisors as well as [the contributing donor's regional experts](#) and consultants. The Chair of this committee is the FMU MEAL manager, with oversight from the Fund Director. Proposals undergo a regional-level review, using a score system, and are collectively assessed by a team of specialised reviewers. The review committee also verifies the alignment with sectors and geographic priorities outlined in the HRP and operational presence based on available 3W. However, a challenge arises from the fact that rapid changes in the context are not captured by the annual HRP, and the 3W often remains declarative, and not consistently updated. As such, it may not accurately reflect the actual operational capacity of applicants and their detailed on the ground presence. This presents a challenge, particularly given that the SRF Charter emphasises the principle of scaling up operations to avoid fostering competition among NGOs and to enhance budget cost effectiveness.

Both the **Start Fund** and **SRF** models lack a real-time triangulation of information or data. Detailed collaboration and coordination with other actors, clusters, and donors to avoid overlaps occur at the allocation decision stage. At the project selection stage, this responsibility is placed on the applicants and integrated into the selection criteria. On the other hand, the **RHFWCA** and **AFNS** are more opened to external contributions.

The **RHFWCA**'s projects review is done by (multi) [cluster strategic review committees](#) with a balance participation of INGO, NNGOs and UN workers. The score card is disseminated to all actors. Participation of national NGOs is effective in the **RHFWCA** and the **Start Fund** project selection meetings.

The **AFNS** FMA sets up a [Strategic and Technical Review Committee on ad hoc basis for each allocation](#), composed of experts from the community of practice engaged in humanitarian response in northern Syria (FMA technical staffs, consultants, and clusters representatives). Similar to the RHFWCA model, the **AFNS** includes clusters leads and co-leads in the review process, with their numbers matching **AFNS** technical staff). Furthermore, the AFNS coordinates with the UN Syrian Cross border Humanitarian Fund to avoid overlap and prioritise responses to identified gaps. This coordination is perceived as a significant asset by most people informants.

Beyond inclusiveness considerations, [diversity in the project selection committee](#) is seen as a means to enhance transparency and independence. It mitigates the risk of a single or couple of actors disproportionately influencing the evaluation process. Furthermore, it helps counteract any bias that might arise from the specific programmatic culture and technical positioning of each organisation.

In both the **RHFWCA** and **Start Fund**, the review of projects is mostly [based on the participation and commitment](#) of the clusters or Start Network members and local partners who volunteer to take on these roles. This approach places significant reliance on individuals, some of whom may struggle to invest enough time to rigorously review the projects or to check the actual needs and coordination at the local level to prevent redundancies, for instance. One inconvenience of having collective decision-making structure is the potential for reduced accountability, as responsibility is widely shared among multiple parties.

In the **SRF** and **AFNS**, projects selection undergoes a [final approval process by the board](#). In the case of the SRF, project details are anonymized at the time they reach the board, and the board provides comments on the notations. On the opposite, in the **AFNS**, the names of the applicants and recommendations from the review committee are shared with the board, with a clear understanding of the confidential nature of this information. The board does not delve into or discuss the granular details of the scoring. The **AFNS** places a strong emphasis on the highest transparency possible to foster trust in the system. In contrast, in the **Start Fund**, the Start Fund Committee is not involved in the validation of the final project list. The responsibility rests solely with the project selection committee.

In the **RHFWCA**, as in CBPFs in general, the final authority and confirmation of selected projects rests with the HC/RC. These funding decisions can be made at the discretion of the HC/RC, without a recommendation from the advisory board, for circumstances which require

an immediate response, as outlined in the Operational Manual. CBPFs also serve as a means also a mean to empower the HC/RC by granting them authority to take action. But the preeminent decision-making power vested in a single individual is criticised for being non-democratic and posing the risk of succumbing to political pressures. Of course, this impact of this depends on how the HC/RC wields this authority, but the concentration of power in one individual is a matter of concern.

Timeliness

	SRF	RHFWCA	AFNS	GLOBAL START FUND
Time from submission deadline to contract signature (for standard allocations)	60 days	41,5 days	38 days	48 hours
Time from proposal signature to first payment	17 days	7,8 days	10 days	3 days
Source	SRF Fund Director	RHFWCA 2022 Annual report	AFNS Manual Annex 1	Start Global Fund handbook
Comments		Medium score of the 2 allocations in BFA and the allocation in Niger 2022.		Implementing organisations are awarded funds within 72h of a crisis alert being raised. 24h between proposals submission and proposal selection. First payment is launched 72h after the alert. Awarded organisations can start spending/backdate their spending to the project start date.

Comparison of the Funds' main characteristics

Please refer to the Annexes

II. GOOD PRACTICES FOR POOLED FUND GOVERNANCE

Best practices identified across the four PF mechanisms are compiled below.

It is important to note that the impact of these practices has not been formally evaluated. These practices have been drawn from a combination of literature reviews and interviews conducted, relying on the insights and experiences of humanitarian professionals. While some of these practices may be highly relevant in their specific contexts, their impact might vary when applied in different settings.

Participation

- Establishing decision-making structures that closely reflect the realities on the ground, involving humanitarian actors operating in all affected areas, provides a better understanding of real-time priorities, access capabilities, and preferences of the affected populations.
- ≡ Encouraging frequent rotation of board members is recommended to introduce fresh perspectives, reduce the perception of conflicts of interest, and enhance transparency.
- ≡ Ensuring that the boards or strategic committees of PFs are inclusive and exhibit a balanced composition, encompassing both local and international representative as well as women participation, can be achieved by having them selected by their peers. This enhances their representativeness, legitimacy, and fosters more extensive information dissemination and consultations.
- ≡ Collective decision-making bodies offer a means for influencing and participating, particularly when multiple members from each consistency are involved. The diversity of perspectives helps in developing consensus both within and between the constituencies.
- ≡ Prioritising collective mechanisms for raising concerns or halting risky processes is important. While donors may need legal mechanisms to prevent decisions by the board that would violate their laws, individual or organisational veto powers may not be the best solution, even if never used, as it gives a possibility to one entity to block the opinion of a majority. Finding means of collective redress that all participants can activate is crucial for the good PF governance.
- ≡ Building a strong culture of consensus within the decision-making bodies of the funds, emphasising a deep sense of humanitarian imperative and sense of collective responsibility.
- ≡ Creating a dedicated culture around the fund; providing regular training to board members and individuals involved in project reviews is important to ensure the adoption of the values and objectives of the funds, promoting their participation as humanitarian workers rather than representatives of specific organisations.

Projects review and selection processes

- Establishing highly transparent and well-defined project selection processes, accompanied by clear justifications for project choices, in order to prevent suspicions and frustration. Adapting the framework and processes to accommodate different situations to prevent exceptions that might erode confidence in the Fund.
- ≡ Ensuring that members serving on the review committees, applicants, and board members are distinct from each other to uphold the independence of the review committee independence.
- ≡ Allocating ample resources for project review and selection. Review committees composed of a variety of profiles and backgrounds are considered more legitimate and offer a more comprehensive understanding of needs, potential overlaps and experiences related to tailored approaches that can have a greater impact. Individuals involved in project review and selection should have sufficient time to consult and consider external factors such as overlaps and cross-sector integration. The related workload should be recognized, and review teams should be sized accordingly.

Quality

- Preserving quality: PFs are sometimes seen as effective mechanisms to access funding and implementing projects, but are perceived to be limited in their ability to ensure comprehensive monitoring and evaluation. PF should maintain a robust M&E framework, incorporating external M&E at the local level, even in hard-to-reach areas, by entities with direct access and in-depth knowledge of specific regions and local dynamics. The pooling of expertise found in PFs should be leveraged to identify improved methods to integrate insights obtained through M&E in subsequent project phases and allocations, as well as sharing these findings with other stakeholders.
- ≡ Involving individuals familiar with the context in the decision-making process, including the definition of priorities, experience with operational challenges, collaborative problem-solving, and the exploration of innovative approaches.

Accessibility

- Broadly sharing information about the funds and allocation processes widely at all steps through diverse communication channels, such as websites, newsletter, cascaded emails, and providing information during the participation to country or regional working groups and for a, as well as through meetings with representatives of various constituencies.

Localization

- Promoting equal participation in the governance of the Funds.

Facilitating access to funding for NNGOs by prioritising a tiered due diligence model, instead of a binary 'pass/fail' approach. Efforts should focus on harmonizing tools and requirements.

- ☒ Implementing capacity building plans is considered a good practice, provided that sufficient time and budget¹⁵ are allocated for their execution and the budget commitment is upheld even during budget reviews.
- ☒ Accompanying allocations with parallel initiatives aimed at advancing the localization agenda. For instance, the RHFwCA has dedicated an envelope for national NGOs capacity strengthening in 2023, in collaboration with the HOPE project. Similarly, the AFNS' FMA accompany also national actors with continuous capacity strengthening and support when necessary.

Collaboration

- ☐ Incorporating consultations with a diverse array of key stakeholders to inform the strategic positioning of PF allocations, encompassing geographic priorities and addressing unmet acute needs.
- ☒ One of the primary objectives of PFs is to optimise the use resources by aligning around common priorities, avoiding duplication, and maximizing impact. Nevertheless, no PF can consolidate all donor contributions for a specific area or topic. Therefore, coordination with other donor's contributions is key. As PF boards assume a donor role, they share the responsibility to coordinate with other mechanisms and donors. Any new Pooled Fund, as a donor, should make a concerted effort to coordinate with existing Pooled Funds mechanisms in the same areas and with other donors to avoid duplication and make the most of the funds allocated. PF management teams actively engage in donor meetings to foster that coordination and collaboration. This coordination should extend across all levels, including local, national, and regional, with clear guidance on the local areas and topics prioritized by each.
- ☒ Developing "complementarity papers" to establish a framework for how the Funds can collaborate with one another and define principles or action for collaboration.

¹⁵ In the RHFwCA, consortia leads can allocate up to 3% of the total budget to capacity building of their sub-partners.

III. RECOMMENDATIONS FOR THE SRF

The specificity of the **SRF** governance model lies in its unique combination of regional-level fund management (similar to the **RHFWCA**), a role played by an INGO (similar to the global **Start Fund**), and decision-making at regional level. Therefore, several key areas for recommendations emerge, encompassing board composition, the interplay between countries and regional entities, the anchoring within the wider humanitarian system, and the implications of having an INGO operational in the region acting as FMA.

#1 Adjust the board's composition

The following adjustments could be considered to increase the legitimacy of and trust in the board.

- The practice of INGO board members **selected by their peers** is a practice that could offer insights for formulating the **SRF's** board rotation modalities. The regional focus of the SRF introduces complexity, as not all organizations are located in Dakar or actively participate in regiofor afora. It might be worth exploring ways for international board members to be appointed by their peers, potentially through country INGO forum or relevant regional groups.
- **The number of NNGOs board members** should be adjusted to achieve equal representation. This is especially important as the the SRF considers expanding to become a true Pooled Fund and potentially refining its focus on localization.
- The observer role could be adjusted for greater coherence. **Having observers serve as non-permanent members** could enhance participation and transparency. For instance, potential donors could be invited on ad hoc basis.
- The **SRF's** actual expectations for the Observer role is akin to the role of Chair of the board. The SRF should explore the possibility and relevance of **appointing an independent chair** who will facilitate discussions, invite relevant observers, and liaise with other regional mechanisms and representations.
- In the event that the SRF transforms into a multi-donor fund, careful consideration should be given to adjusting the supplementary powers that donors and hosting INGO have on the board (such as **veto power**). It is essential to ensure that risks are effectively mitigated upstream in the donors-DRC-IPs channels, drawing inspiration from how the **AFNS** Fund Management Agent handles this. The idea of establishing a **collective last resort** mechanism could also be interesting to ensure risk control and provide a more balanced power structure.

#2 Promote the link between countries and regional entities.

The regional dimension of the **SRF** hold inherent value, but also presents unique challenges that should be acknowledged and addressed.

- ⊞ The regional governance can create a perception of remote control, potentially leading to a lack of acceptance and coordination concerns with individual countries. Therefore, it is key to **highlight the complementarity of the SRF with country-level strategies and activities**, and ensure that countries are well-informed about the

specific actions of the **SRF** and how they can synergise and complement country-level initiatives.

- ☐ It is important that **individuals with the best knowledge of local realities have the opportunity to influence SRF allocations**, ensuring the **SRF** remains closely connected to the affected population. The process of revising the allocation strategy rests with the board, which provides board members with the opportunity to consult their country offices. The planning and timeline should be structured to guarantee effective consultation.
- ☐ The SRF offers high-quality, multi-year funding to invest in local capacity and strengthen the resilience of systems, among other objectives. This **funding must be flexible enough** over a 3-year span to adapt to a constantly changing context.
- ☐ Despite ongoing efforts, the **SRF** and its current activities are not yet widely recognised among most actors interviewed at the country level, except for those actively involved. There is a challenge in **making the information accessible** to INGOs and NGOs that lack a presence in Dakar. This situation may lead to the perception that a lot of information flows exclusively through Dakar-based networks, potentially excluding national organisations and INGOs not present in Dakar. To address this it is important to consider wider distribution of the newsletter and continuous effort to pass information and updates to NGOs through various channels.

#3 Triangulating information to ensure alignment and avoid overlaps

Considering the dynamic nature of regions like the Sahel, the SRF should connect between regional strategies and field-level concerns. HRP and 3W reports may not consistently offer accurate, real-time updates or capture all local initiatives, especially those tied to recovery or development programs. Updates on new funding sources may lack frequency, consistency, and completeness. **Triangulating information is crucial to assess how new projects align with existing actions, ensuring they scale up efforts without causing overlaps**, in adherence to the Charter's commitment.

#4 Reinforce integration within the wider humanitarian system

The unique governance system of the **SRF** (regional and governed by NGOs) makes it complementary to diverse humanitarian funding mechanisms in the region. Therefore, **the SRF must engage collaboratively with other constituencies and anchor itself into the wider system**. This is essential to contribute to needs prioritization, prevent overlaps, and foster a culture of learning.

The **SRF** should embark on a reflection to determine when and where collaboration would be most relevant. Allocation priorities could be defined in wider consultation with other actors within the humanitarian system. The process of defining the allocation strategy could be adjusted to include consultations with key informants at the country level to validate geographic and gap priorities. It is key to identify the relevant entities to consult, such as OCHA, ICC, clusters, NGO fora, nexus working groups, or other relevant groups of organizations. Many informants stressed the importance of conducting consultations at

country-level about SRF allocation priorities. In addition, project selection could also benefit from drawing upon the insights of other actors, ensuring geographic coverage and avoiding duplication.

#5 Continue mitigating conflicts of interest

The **SRF** model has prioritised accountability and placed an emphasis on mitigating the risk of conflict of interest from the hosting organization. As a result, a feature of the SRF is that [the FMA is deemed ineligible for funding](#). While this approach underscores the commitment for impartiality and integrity, it may raise concerns for the fund's long-term sustainability, depending on the SRF ambitions and evolutions. In a context characterised by low levels of fundings, particularly if the SRF were to become a key donor in the region, it could become challenging for an INGO operating in the area to forgo access to such financial resources.

Four possible configurations have been identified to mitigate the risk of conflict of interest when a PF is hosted by an operational INGO. These could offer insight for the SRF in case of future evolutions in its governance system.

1. The current SRF framework

In this approach, [the hosting NGO serves as a grant custodian and fund manager for the Fund without seeking funding for its own projects](#) from the PF. As is currently the case, interest for innovation and quality funding takes precedence over access to finance. This model is sustainable if the SRF maintains a niche role, complementing funding from top donors in the region. Additionally, the hosting INGO could receive direct funding from SRF donors through alternative sources or budget lines.

2. Entrust the management of the fund to humanitarian actors not interested in this type of funding

Under this configuration, the Fund's management is delegated to humanitarian actors who do not directly implement programs in the region targeted by the SRF. The stability of the organisation's financial management and capacity to provide support services for a FMU are critical factors in this model.

3. Outsourcing fund management to a private company

4. Implement adjustments allowing the hosting INGO to apply for PF funding

To mitigate the risk of conflict of interest for the hosting INGO, potential adjustments could be made in two key stages: project selection and monitoring and evaluation role of the Fund Management Agent. In addition, one could consider placing the FMA within a department or division of the host organisation that is not directly responsible for operations in the region (e.g. finance function or as part of an HQ unit).

One solution to reduce the risk of conflict of interest for the hosting agency when it is an NGO is to [enhance the independency of the review committee](#) toward the FMA and the board. As far as the **SRF** is concerned, this involved broadening the composition of the current **SRF** review committee to allow the bidding NGO to recuse itself during the

examination of its proposal, similar to the practices of the **RHFWCA** or **Start Fund**. This adjustment would promote greater inclusivity and transparency.

Another possibility to explore is to compose a review committee entirely independent from both the hosting INGO and other applicant INGOs, incorporating experts from donors and consultants, for example. The consultant system has been perceived as quite effective for the **AFNS**. Furthermore, there should be consideration for the inclusion of some **national NGOs**. The main barrier for participation may be that in these all models an applicant organization cannot hold project selection responsibilities.

The involvement of **country clusters** in the technical project review process is often mentioned as a good practice. While this approach, using a mixed review committee, as seen in the **AFNS** model, could be considered for **SRF**, the regional dimension of the **SRF** adds a layer of complexity. Regional working groups are not operational and could be distant from local realities, while country clusters are framed around a sectoral approach that can be challenging to reconcile with the SRF programmatic requirements.

In such scenario, **the role of monitoring and evaluation** should also be reviewed, given the sensitivity of having the same organization both implement a project and conduct its monitoring and evaluation, potentially raising concerns of mismanagement or project quality. Considering a third party operational in the area for monitoring and evaluation could be an avenue to follow with caution. The selected third party should be able to integrate the regional dimension of the **SRF** and ensure that the hosting NGO takes ownership of the results to inform the grant oversight and the fund development.

Another area to enhance the fund's independence is to **create some distance between the FMU and the hosting INGO representative on the board**. While establishing an independent legal entity for the FMU may not be a feasible option due to time, cost, and support structure requirements, the prospect of excluding the hosting INGO representative may not be practical. A light hosting agreement between the **SRF** and DRC for managing the FMA could not be an option because the fund director is accountable to the grant custodian structure for grant management and financial risk, i.e. DRC. A line management structure detached from the regional office and aligned with a relevant department at HQ could be explored as a means to increase independence.

REFLECTIONS

The governance models and practices of the four funds examined vary according to their nature and history. Despite its limitations, this comparative analysis highlights several good practices and suggests avenues of reflection for the SRF.

The creation of new models of Pooled Funds governed in majority by NGOs may have caused reluctancies and tensions within the humanitarian landscape. It is imperative for these new initiatives to diligently communicate their objectives and collaborate with existing funding instruments. Failure to do so may lead to the perception of being competitors rather than collaborators. In very complex and competitive environments, they have at times been perceived as posing a challenge to the roles of UN entities. However, they could also be perceived as complementary mechanisms with the potential to support undertakings that might remain unfunded by alternative funding mechanisms (geographical areas, multi-country interventions, multiyear programs, etc). The diverse funding mechanisms should foster exchange and collaboration, facilitating an environment where stakeholders can learn from different experiences. This, in turn, will contribute to improving the quality of the various funding mechanisms.

This report offers several insightful takeaways. A noteworthy consensus is the fertile space for collaboration and innovation that in these Funds' governance bodies cultivate. They provide a platform for collective accountability, cooperation, collaborative efforts, knowledge sharing, and learning. Such places are scarce, gathering NGOs, INGOs and donors in pursuit of common objective.

The true test of 'good' governance lies in its ability to deliver on its promises. Governance, in isolation, cannot single-handedly increase the quality of funding and the role of local actors in the humanitarian response. The governance of Funds raises important questions around accountability, particularly in the event of an incident. The next challenge may be to innovate and devise more effective means of sharing high levels of risk in such complex contexts.

ANNEXES: Comparison of the Funds' main characteristics

Disclaimer: the following tables summarise key elements of each fund as of August 2023. They are not exhaustive. For more details, please refer to the official documentation of each Fund.

ANNEX 1: GENERAL INFORMATION

	RHFVCA	SRF	AFNS	GLOBAL START FUND
Date of creation	Launched in 2021 as a pilot	Launched in 2022	Established in October 2022	Launched in 2014
Mission	Seeks to bring the benefits of pooled funding to new and underserved locations in West and Central Africa, with a focus on Burkina Faso, Cameroon, Chad, Mali and Niger. Support the humanitarian response in each country, prioritizing urgent needs while promoting regional coordination and synergies	Vision: A safer and more dignified future for all conflict and displacement affected populations in the hotspots of most humanitarian need in the Sahel. Mission: To provide protection and humanitarian assistance to vulnerable populations in the Sahel and Lake Chad Basin, by providing funds for immediate relief to affected populations, strengthening local capacities, supporting skilled aid organisations and paving the way for lasting solutions.	The Aid Fund for Northern Syria (AFNS) brings together donor countries, multilateral agencies, nongovernmental organisations and the private sector in a collaborative arrangement with a collective mission to maintain the continuity of flexible multi-donor humanitarian assistance to northern Syria in a dynamic context and in harmony with the Humanitarian Response Plan (HRP). The aim of the Fund is to provide complementary, predictable, timely, and consistent resources to partners thereby expanding the delivery of humanitarian assistance to support life-saving and early recovery activities, focusing on the most urgent needs and filling critical gaps left by other response instruments	Global Start Fund provides rapid response funding to under-the-radar, small to medium-scale crises, filling a critical gap in the humanitarian aid system.
Geographical scope	West and Central Africa : decision to open an allocation for one of the country is made by UNNY. So far for BFA, NER and Mali. Based on countries priorities. Synergies with border countries encouraged but not mandatory. So far no possibility to fund cross border or multi-country projects but only parallel and simultaneous responses along the borders.	Target under-resourced, hard-to-reach and conflict affected rural areas as well as locations that face challenges to cope with the influx of conflict and displaced people (often urban and peri-urban areas) in Burkina Faso, Mali, Niger and Chad. Hot spots in Liptako Gourma (LG), Lake Chad Basin (LCB) and Maradi region in South-western Niger (SW Niger) Cross-border and regional dynamics are at the centre of the analysis and driver for decision-making (surpasses country-level vision)	North Syria Works with the cluster coordination mechanisms and the United Nations.	Global
Financial volume	38,5 millions USD allocations in 2022	39 millions USD allocations in 2023 (to date)	64 millions USD allocations in 2023 (to date)	24,42 million USD (£20 million) disbursed in funds for emergency humanitarian assistance in 2021 (2022 annual report https://startnetwork.org/learn-change/resources/annual-reports/annual-report-2022)
Earmarking of funds	Resource mobilization is country based (no possible transfer from one country to another : funds earmarked per country)	No earmarked but only for Sahel region	No earmarked but only for North Syria	Not earmarked
Donors	The governments of Netherlands, Belgium, Canada, Ireland, France, Norway, Luxembourg, Switzerland, Republic Of Korea, Iceland, and UN Foundation/UN Partnership Office. Donors with multi-years contributions : the governments of Belgium, Germany, Canada, Switzerland.	The government of the United Kingdom	Multidonor pool fund	Conrad N. Hilton Foundation, Dutch Ministry of Foreign Affairs, FCDO, German Federal Foreign Office, Irish Aid, IKEA Foundation, Jersey Overseas Aid
Type of responses	Country-based. Priorities aligned on HC HRP and cluster priorities Embedded in the country coordination system set up by the humanitarian system reform.	Standards allocations Multi country and/or cross border responses are prerequisites. 4 sectors targeted by SRF (food security, nutrition, health, and protection)	Regular and special allocations Scale up and sustain the emergency response to the populations in the northwest of Syria, based on priorities identified in the HRP and by clusters. Prioritising integrated, area-based approaches. Sectors : Shelter/NFI, WaSH, Protection, CCCM, Early Recovery and Livelihoods WaSH and Shelter, Health, Nutrition and WaSH, Food Security, Livelihoods and Nutrition, Education CP, and WaSH), Protection (including MA), Child Protection and GBV	The Start Fund focuses on three types of humanitarian needs: - underfunded small to medium-scale crises - forecasts of impending crises - spikes in chronic humanitarian crises. Funding is disbursed within 72 hours after members raise a crisis alert. This makes the Start Fund one of the fastest humanitarian assistance financing mechanisms in the world. As a guide, no more than £1 million will be allocated to any one alert.
Projects' duration	12 months for Standard Allocations and up to 6 months for Reserve Allocations	Multiyear project (maximum 35 months)	12 months. Currently, the maximum duration for a no-cost extended project is 15 months.	45-60 days
Projects' envelopes	Depending on allocation decisions	no restrictions but an indication : 32,5 millions USD for 3 multi-country consortia	5 millions USD is the maximum single Multiplier grant value (annualised). The grant value limits are determined for each implementing partner based on its capacity-performance rating, which is determined by its capacity-performance score.	The maximum amount that can be requested by any member in their proposal is £300,000. If the proposal is for a consortium project, this amount can be applied to each member.

	RHFWCA	SRF	AFNS	GLOBAL START FUND
Governance Model	It follows the model of Country-based Pooled Funds (CBPFs) and the country Humanitarian Coordinators leadership. The RHFWCA is aligned within the Humanitarian Reform.	Governed regionally (based in Dakar, Senegal) by a board of NGOs operational in the Sahel hard to reach areas (international and national) and donor. Linked to countries through regional offices (INGO) and a representation of national NGO in the board.	Governed by a board of NGOs (international and national) and donors. Participatory governance structures. Emphasis on decision-making by consensus and fostering mutually supportive relationships between the different components of the governance structure. Everyone working with common purpose, collective responsibility and mutual respect.	The Global Start Fund is collectively owned by the Start Network 40+ member organisations. It is led by NGOs (international and national) members of the Start Network. (Donors are not part of the decision-making processes on allocations or projects selection.)
National NGO participation in decision-making	National NGOs are represented in the advisory board and can be part of the strategic or technical review committees as cluster participants	National NGOs are represented at the steering board. They don't participate to the review process for the first round of allocation. There is now an opportunity to call on the expertise of INGO or NNGO "nomination process for experts from other partners." as long as their organisation has not applied to the call for proposal. This was not considered in the first round but is an open option for next call in the current framework.	National NGOs are represented at the steering board. They don't participate to review process, unless they are formal Co-Leads of a Cluster.	National NGOs are represented in the Start Fund Committee and the Start Network Board. They are part of the allocation rotas and project selection committees (if they are present in the alert country and not submitting projects).
Access to quality funding for local actors	Funds directly accessible to UN agencies, NGO and INGO. NGO can apply in stand alone and/or as partner of an INGO. So far all allocations have been reserved to INGOs. INGO are obliged to partner with a national or local organization to be eligible. Equal share of overhead encouraged but not mandatory.	Funds directly accessible to INGO with the obligation to partner with NGO. Equal share of overhead and share of support costs are mandatory.	Funds directly accessible to NGO and INGO. NGO can apply in stand alone and/or as partner of an INGO. INGO can also apply as partner of a Local NGO. Equal share of overhead encouraged but not mandatory.	Funds directly accessible to NGO and INGO that are members of the Start network (80 members actually)
Managed by	It is managed by the OCHA Regional Office for West and Central Africa (ROWCA). The Regional Fund's secretariat (= the Regional Humanitarian Financing Unit) is based at the OCHA Regional Office for West and Central Africa (ROWCA) in Dakar, Senegal.	Managed by an INGO (DRC). The SRF host (DRC) cannot apply to any call for proposal from the SRF.	Managed by a private actor (Adam Smith International). A consortium of five organisations ¹ led by Adam Smith International Limited (ASI) has been contracted to perform the functions of the FMA following a competitive tender process. Consortium members are Adam Smith International (Lead), Crown Agents, MetricsLed, Proximity International, and COAR.	The global Start Fund is hosted by Save the Children UK as grant custodian of the funding. The staff who manages the daily operations including grant management is hosted by SCUUK. The funding allocation decisions are made by the Start Fund Committee.
Decision-making authority	HC (supported by an advisory board)	SRF board	Steering Board	The Start Fund Committee. The Start Network also has two national funds in Bangladesh and Nepal. The national Start Funds follow the same alert cycle process but with separate governance bodies composed of member organisations in the respective countries.
Key Governance reference documents	RHFWCA operations Manual CBPF global guidelines - Allocatio. Strategies	Charter SRF governance roles, structure and functioning SRF Strategic framework SRF Theory of Change SRF Operations manual SRF conflict of Interest matrix	Charter Handbook: Summary of the overarching fund governance and management framework. Manual: Detailed governance, administration and operating procedures. Guide: Step-by-step guide for implementing partners through the project life cycle.	The Start Fund Handbook The Start Fund Strategy

ANNEX 2: GOVERNANCE STRUCTURES

BOARD

	RHFWCA	SRF	AFNS	GLOBAL START FUND
<p>Dominance</p> <p>UN majority</p> <p>The Advisory Board (also called Strategic committee in Niger, Burkina and Mali) is a governance body with an advisory function that supports the RC/HC to steer the strategy and oversee the performance of the Country Envelop. The final decision-making authority rests entirely with the RC/HC, who is the chair of the board</p> <p>Board members are accountable to their respective constituencies and the entire humanitarian community:</p> <ul style="list-style-type: none"> - responsible to discuss and report back on decisions made at the board meetings to their respective constituencies (donors, national NGOs, international NGOs, and UN agencies) according to the format and form upon which they agree. - responsible for advising the RC/HC and supporting a decision-making process in the direction of prioritizing the response to the most critical humanitarian needs and in the most optimal, transparent, and fair way possible for the benefit of the most vulnerable populations. <p>Board Roles and responsibilities</p>	<p>NGO (international + national) majority</p> <p>The SRF Board ensure proper oversight and enable the Sahel Regional Fund to make consistent progress toward its mission. The SRF Board is responsible for adopting sound and ethical governance and operational framework.</p> <p>Role and responsibilities of the SRF Board members is detailed in their MOU with the FMU and includes:</p> <ul style="list-style-type: none"> > Discuss, suggest amendments and approve SRF programme strategy > Discuss and approve SRF documents > Validation of the selection of project proposals > Oversight on projects' progress > Management of most serious risks, > Joint advocacy initiatives > Contribute to external relations, communication and fundraising in line the advocacy, communication and fundraising plan 	<p>NGO (international + national) majority</p> <p>The Board is responsible for setting strategic direction, strengthening and growing AFNS, establishing and maintaining an effective policy and procedural framework, financial and fiduciary oversight, evaluating and improving performance, and identifying and managing risk.</p> <ul style="list-style-type: none"> 'Set strategy and policy -Approve allocation strategies - Approve allocation decisions -Financial and risk management oversight - Delivery performance oversight 	<p>INGOs and NGOs only</p> <p>The global Start Fund doesn't have a board. The Start Fund governance body is only the Start Fund Committee (with delegated authority on the Start Fund programme from the Start Network Board).</p> <p>The Start Fund Committee is responsible for the strategic management and operations of the Start Fund within the parameters set by the Start Network Board and the Start Fund Council.</p>	
<p>Decision-making system</p>	<p>Decisions of the AB shall be reached by consensus of the members (without participation of observers).</p> <p>In the event of disagreement, the HC reviews the different positions, and the final decision and responsibility remains with the HC.</p>	<p>Search for consensus : all SRF Board members are expected to participate in decision making and share the power through sharing their views/analysis, debating and reach agreements through voting process.</p> <p>At the exception of the observer(s) who do not have voting rights; all members (permanent and non- permanent) have a voting right. The Chair is to receive a tie break power on all SRF Board votes required to adopt decisions to overcome potential deadlocks.</p> <p>All decisions require a minimum presence quorum (simple majority or 2/3 members presence for adoption of policies) cwith at least representativity of key stakeholders: NGO, donor, observer. "Majority" is used as the voting requirement which means more than half of the votes cast.</p> <p>Veto: If DRC identify a fiduciary, reputational, programmatic or safeguard risk, it reserves the right, upon consultations with FCDO and discussion with the SRF board, to take preventive or corrective measures, including measures not voted by the SRF board or voted against by the SRF board. FCDO is granted the same prerogative for risks impacting them beyond their risk appetite. It would be a conflict of interest for the SRF board to demand changes to the frameworks that would impact DRC's way of doing business (Risk management) and therefore DRC retains a veto on such significant changes.</p>	<p>The Board makes decisions by consensus, but consensus need not reflect unanimity. A dissenting member may choose to state an objection to be recorded in the meeting minutes, while clarifying whether the statement is purely for the record or intended to preclude agreement. Alternatively, a dissenting member may choose to abstain. The Chair articulates the consensus view.</p> <p>A voting system exist but as last ressort. In the unlikely event that unanimity is not achieved, and a Steering Board decision is put to a vote, the Chair shall call for a Partnership Board meeting to discuss the reasons for and the result of the vote. The Partnership Board shall convene to assist the Steering Board to reach consensus and, wherever possible, unanimity. If this is not possible the Steering Board decision is not deemed final and operative without the Partnership Board's endorsement.</p>	<p>All members of the startnetwork are contacted to vote online on the relevancy of the alert. The votes are reviewed by the rota deciding the activation of the fund.</p> <p>For funding allocation decision, it is made up of 4 rotas. Each rota composed of 15-20 member organisations of the Start Fund Committee.</p> <p>Project selection : Simple majority</p>

FMA

	RHFUCA	SRF	AFNS	GLOBAL START FUND
Composition and reporting lines	<p>Between 9 and 11 people in 2022, based in OCHA regional office in Dakar. The unit is head by the Fund Manager who reports to the OCHA Head of ROWCA.</p>	<p>- A Humanitarian Fund Director, who report to DRC Regional Executive Director and has dotted lines with the Chair of the Board. The selection of the SRF fund director is done by DRC, with a participation of FCDO. Performance management of the SRF manager will be assessed by the direct management. Feedbacks collected from all SRF board members will inform the performance appraisal. In case of low performance, the board could make recommendations to DRC.</p> <p>- A Head of Finance & support services who report to the Fund Director</p> <p>- A Compliance and Grant Specialist who report to the Head of Finance & support services</p> <p>- A MEAL Manager, who report to the Fund Director and a MEAL coordinator reporting to the MEAL Manager</p> <p>They are supported by DRC HQ and regional grant, accountability & safeguarding and support services.</p>	<p>The FMA is composed of 4 functional units : the Grants and Partnership unit (4 people), the Strategy and quality Unit (4 people), the Operations and finance Unit (7 people) and the MREL Unit (4 people).</p> <p>The units are oversight by the Fund director who reports to Adam Smith International.</p> <p>In accordance with delegated cooperation agreements between the FCDO and each individual Contributing Donor, the FCDO is solely responsible for the contract and performance management of the FMA, and no other Contributing Donor or partner bears any responsibility or liability for the FMA's performance.</p>	<p>The Start Fund team is composed of 14 people.</p>
Roles and responsibilities of the fund management agent	<p>The Regional Humanitarian Financing Unit (RHFU) -based at OCHA ROWCA- is responsible for the daily management of all programmatic and financial aspects of the Fund and its CEs on behalf of the RC/HCs</p> <p>The RHFU coordinates and engages the OCHA Country Offices for strategic and partnerships management, and with the CBPF Section at Headquarters for technical and policy guidance.</p> <p>RHFU functions :</p> <ul style="list-style-type: none"> - Management of Fund and Country Envelopes' operations and policy advice to the RC/HCs and OCHA Head of ROWCA, including on regional coordination and synergies - Project cycle management - Implementation of the CBPF Accountability Framework: 	<p>The Fund Management Unit is responsible for:</p> <ul style="list-style-type: none"> - Developing SRF strategy, the frameworks and calls for proposals - Administrative screening of concept notes and proposals regarding the eligibility criteria - Independent evaluation of projects proposed to SRF - Vetting and due diligence of consortia (The FMU will check the due diligence process organised by the lead partner within its consortium during the lead consortium due diligence) - Oversight of financial management, including approval of payment requests - Monitoring and evaluation of funded project - Risk monitoring and escalation of risks to the SRF Board - Communication and advocacy initiatives - Context analysis on emerging crisis and key trends >> Resource mobilisation 	<p>The Fund Management Agent (FMA), contracted to perform its duties by the FCDO, provides administrative and operational support to deliver the mission of AFNS. It is housed at the FMA's office in Gaziantep and operates under the AFNS policy and procedural framework as adopted by the Board.</p> <p>The FMA is responsible for all secretariat and trustee functions. It provides administrative and operational support to the SB, the Independent Chair and the STRC and is responsible for managing donor funds in line with the AFNS's policy and procedural framework as adopted by the SB.</p> <p>The FMA is responsible and accountable for:</p> <ul style="list-style-type: none"> (i) preparing and executing high-quality Allocation Strategies (ii) selecting, monitoring and, where appropriate, supporting the capacity-building efforts of qualified implementing partners (iii) monitoring implementation of projects, verifying that the results reported by IPs are in line with their technical and financial proposals and ensuring that best practices are applied, with particular focus on accountability to affected populations (AAP) 	<p>The Start Fund team supports the performance of Start Fund and facilitates the alert process and governance procedures on behalf of Start Network members.</p> <p>The Start Fund team is employed by SCUUK to fulfil the organisation's role as Grant Custodian to the Start Network. The Start Fund uses SCUUK's finance systems to receive, hold and disburse funds to awarded Start Network members.</p>

REVIEW COMMITTEE

	RHFUCA	SRF	AFNS	GLOBAL START FUND
Composition	<p>Funding allocations pass through two types of project review. There are 2 different committees: the Strategic and Technical Review Committees. Both are established at country-level for each Country Envelop. Cluster Coordinators support OCHA/RHFU in the process by identifying members based on technical expertise and commitment to dedicate time for reviewing project proposals.</p> <p>- The Strategic Review Committee (SRC) with 6 members:</p> <ol style="list-style-type: none"> Cluster Coordinator (chair) Cluster Co-facilitator (co-chair) One UN representative One NGO representative One NGO representative OCHA/RHFU representative (as process leader) <p>Members of the SRC are nominated from the active members of the relevant sectors/clusters.</p> <p>- The Technical Review Committees (TRC) are comprised of groups of technical experts, per Cluster, that review project proposals according to their technical merit and the appropriateness of budget provisions.</p> <p>The technical review stage includes financial review by OCHA Finance (RHFU and OCHA HQ). Programmatic and financial feedback can be compiled by RHFU and shared with the applicant jointly.</p> <p>To avoid any conflict of interest, the coordinator(s) related to a lead agency which has submitted a project proposal cannot participate in the Fund Review Committee for the specific geographical area where the agency has applied.</p>	<p>According to the thematic tackled in the proposals, the FMU will set up for each funding window an evaluation committee composed of relevant experts such as:</p> <ul style="list-style-type: none"> - FCDO advisors (or from new donors) - DRC regional program coordinators according to the expertise available (protection, economic recovery, conflict sensitivity, access/security) - External consultants for expertise that are not available within DRC and FCDO identified through an open bidding process or nomination process for experts from other partners. <p>The Project Evaluation Committee is accountable to the SRF board, and the selection of its members is discussed and endorsed by the SRF board. This selection will be based on recommendations from the Fund Director who will shortlist candidates based on a transparent selection process (mixed of nomination from FCDO and DRC and selection through bidding process for missing expertise). The selection criteria for the external experts (for missing expertise) are developed by the FMU and endorsed by the SRF board. The MEAL Manager chairs the Project Evaluation Committee and compiles the recommendations and dissent's views to be presented to the SRF board.</p>	<p>a Strategic and Technical Review Committee (STRC) is formed on ad hoc basis for each allocation, comprising experts from the community of practice engaged in humanitarian response in northern Syria: FMA staffs, consultants and clusters representatives.</p>	<p>Start Fund Committee representatives nominate in-country colleagues (including partner staff) to participate in project selection committee. If there is a standing decision-making group in the alerting country, participating agencies and partners volunteer for project selection committee.</p> <p>Start Fund team convenes project selection committee in the alerting country.</p> <p>A project selection group will be between four and seven people; nominees who cannot participate are welcome to observe meetings. If there are not enough members present in a country where the Fund has been alerted, members from the region can form a project selection group. Those with direct contextual knowledge are given preference at the discretion of the Start Fund team.</p> <p>Standing decision-making groups have been set up in countries with a high frequency of crises that could be alerted to the Start Fund. These groups – comprising members' in-country staff and their partners – can be convened rapidly in the event of an alert and enable fast, consistent and robust decision-making. They also maximise the learning that is fed back into Start Fund processes and future project selection in their region.</p>
Roles and responsibilities of the review committee		<p>The role and responsibilities of the Project Evaluation Committee are to evaluate each application and to provide evaluations and recommendations according to an evaluation grid proposed by the FMU and approved by the SRF evaluation committee. The evaluation committee evaluates project proposals and submits evaluations with marks, a narrative for each mark and an overall recommendation for review, discussion, and decision-making of the SRF board.</p> <p>Prior to this evaluation, the FMU ensures screening of concept notes and projects' proposal to ensure eligibility. A report will summarise key findings and recommendations for endorsement by the SRF board.</p>	<p>The STRC has the following core roles and responsibilities:</p> <ul style="list-style-type: none"> • Provide input on allocation strategies prepared by the FMA, focusing on ensuring coherence with the UN Humanitarian Response Plan and Humanitarian Needs Overview • Provide quality assurance on allocation strategies recommended to the Board • Provide advice to the Board, from a strategic and technical perspective, on the relevance to the allocation strategy, and the quality of, recommended projects 	<p>Project selection committee members are asked to review proposals 90 minutes to two hours before the meeting, and are expected to uphold the Start Fund Principles. Their role is to provide their expertise as humanitarian specialists, and not to represent their organisation and any proposal it has submitted. It is important that one member of the committee volunteers to chair the meeting. The chair plays a key role in ensuring that the selection process is guided by the needs on the ground. For transparency, a second committee member should volunteer to take minutes setting out the review process and the reasoning behind all decisions. These minutes, along with an audio recording of the meeting, are to be shared with the wider membership. A member of the Start Fund is also to be present at the meeting to help facilitate and resolve any issues that arise.</p>

DONORS

	RHFWCA	SRF	AFNS	GLOBAL START FUND
Donors roles and representation	Donors presents at country level are represented through 2 donors members at the advisory board (Strategic committee)	The donor is represented at the board and has a veto power.	<p>Donors represented at the board equally with INGOs and NNGOs</p> <p>The Partnership Board comprises representatives of the donors contributing funds to AFNS. Membership shall be open to all Contributing Donors. The primary purpose of the Partnership Board is to ensure consensus and, to the greatest extent possible, unanimity in the decisions of the Steering Board. The Partnership Board is in place solely to assist the board in reaching consensus decisions on rare occasions when reaching consensus is not straightforward.</p> <p>The Partnership Board convenes on an ad hoc basis only when either:</p> <ul style="list-style-type: none"> •A Steering Board decision is made through a vote; or •Any of the following asks for the Partnership Board to convene <ol style="list-style-type: none"> a.any member of the Steering Board; b.the Independent Chair of the Steering Board; c.any three members of the Partnership Board together; or, d.the Fund Management Agent (FMA). <p>The Chair of the Partnership Board shall be selected from its membership and shall serve for a term of one year</p>	<p>Donors are not part of the Start Fund Committee that makes allocations' decisions.</p> <p>Donors are not part of the Start fund board but receive automatic information on each new alert and each allocation. "Donors are not part of the Start Fund Committee... all location."</p> <p>All Start Fund donors constitute the Start Fund Council to review their investment in the Fund. Start fund team attend the council. It is the opportunity for donors to raise concern and dialogue. The council has direct governance oversight over the risk management of the Start Fund. It reviews and endorses Start Fund policy on an annual basis.</p> <p>The Start Fund Council comprises the donors to the Start Fund as well as representatives from the Start Fund Committee, the Board of Trustees, strategic partners and Start Fund team. This body has direct oversight of the risk management and performance of the Start Fund..</p>

ANNEX 3: PROCESSES

	RHFUCA	SRF	AFNS	GLOBAL START FUND
Decision on allocation and strategic priorities	The HC, supported by the advisory board, approves the use of and defining the strategic focus and amounts of fund allocations.	Done by the Board at regional level	Done by the board	Decision on allocations are made in 2 steps: survey and vote of all members (virtually) to validate the relevancy of the alert with the Start fund mandate + the rota of 5 members that are on duties meet to look at the vote, the alert note and third party briefing and decide to activate funding or not.
Eligible Implementing partners	Done by OCHA regional office based on a list of NGOs established by the clusters in country (and sometime revised by NGO platforms representatives) Humanitarian projects carried out by the following organizations could be eligible for funding: a. NGOs–National and International b. Organizations of the Red Cross/Red Crescent (RC/RC) Movement c. UN Agencies	INGOs only • non-governmental organisations with an active presence in the targeted area of intervention. • The consortium lead should partner with at least one national/local partners and will work together to improve their mutual technical and organisational capacities. • The SRF partners will be expected to develop equitable and strategic partnership with their national/local partner(s). The objective is to work together beyond joint response outputs, towards longer-term strategic objectives and impacts. • Partners should commit to upholding and abiding by the principles and commitments contained within the SRF Charter (Annex D). • Lead partner should undertake an assessment to ensure their partners adhere to the fundamental principles of humanitarian action, deem necessary for an active collaboration. All INGO members of the SRF Board are eligible for funding, apart from the SRF host for conflict-of-interest issues.	(i) Syrian Non-Governmental NGOs (SNGOs) (ii) International Non-Governmental NGOs (INGOs) (iii) Red Cross / Red Crescent Movement Organisations (RCMOs) an approved Implementing Partner (IP) of AFNS. To apply to become an approved Implementing Partner (IP) of AFNS, organisations must first register on the AFNS Grant Management Systems (GMS). Fundamental requirement: Have capacity to : - Safely transfer funds into the northwest of Syria - Access northwest Syria and implement projects there	NNGOs and INGOs members of the Start network
Eligibility process	3 separate steps managed by OCHA Regional Humanitarian Funding Unit RHFU, in collaboration with OCHA Country Office: - Step 1: Expression of Interest: Determines whether an organization meets the minimum requirements (Valid Registration Certificate of the NGO, Recommendation letter of at least one cluster recognizing the minimum technical capacity of the partner, NGO participation in the HRP and coordination mechanisms). - Step 2: Due Diligence/ GMS Registration - Step 3: Internal Capacity Assessment: Assesses the risk level of the organization through a desk review of submitted documents and a visit to its office(s). The risk rating will in turn influence the control mechanisms (Operational Modalities) that apply to the management of the partner's grants.	Done by the SRF Fund Manager unit hosted by DRC. "pass/fail" due diligence model Due diligence assessment of the lead Partner (with DRC's Partner Vetting tool and the Partner capacity tool) done upon selection of each lead partner. Partner capabilities and capacity in human resources and HR management, duty of care, segregation of duties, check and balance mechanisms, procurement, countering aid diversion, financial management and stability, financial control framework and fiduciary risk management systems, administration system, safety measures, Code of Conduct, safeguarding, etc.. The assessment will also review capacity to lead a consortium and ensure compliance with SRF rules and regulations by all Downstream Partners.	Done by the AFNS Fund Management Agent (AFMA). Tiered due diligence model The application process to become an IP has four stages: (i) Stage 1: Eligibility (ii) Stage 2: Due diligence : etting checks for applicant organisations (with Navex3 software and services) and their senior leadership (with RDC4 software and services). (iii) Stage 3: Capacity assessment : The applicant will be assigned a capacity assessment score and, as appropriate, receive advice from the FMA on any capacity-building needs. Organisations with a score > 50% are selected. Based on the CAS, the applicant will be assigned a capacity rating and receive advice from the FMA on any capacity-building needs. If applicable, a timebound capacity-building plan shall be included in the framework agreement with the IP. The Capacity Rating is used to determine grant value ceilings. (iv) Stage 4: Framework agreement	Due diligence process done when an NGO apply for membership to the Startnetwork by external providers. The Start due diligence framework enables organisations to pass at different tiers. Members gain access to various levels of Start Network funding and services, depending on their tier placement. Applicants are assessed across nine areas: - governance - financial controls/oversight - legal compliance - ability to deliver/operational efficiency - risk management - commitment to best practices in humanitarian action - data protection and privacy - safeguarding - downstream partner management. Organisations can move between tiers if they implement the recommendations made during the assessment. Start Network provides organisational strengthening grants to help them do this.

	RHFWCA	SRF	AFNS	GLOBAL START FUND
Project selection process	<p>2 steps process:</p> <ul style="list-style-type: none"> - Strategic Review—a first screening of project proposals in relation to the allocation strategy determined by the RC/HC and the advisory board. This review is done by the Strategic Review Committee. - A list of projects, vetted by the Strategic Review committee, is submitted by RHFU for consideration and approval to the RC/HC. Only these projects will be technically reviewed. - Technical and Financial Review—which assesses the technical soundness and quality of pre-selected project proposals, including budget issues. It is done by the Technical Review Committees. The technical review stage includes financial review by OCHA Finance (RHFU and OCHA HQ). The financial review is part of the technical review, so that programmatic and financial feedback are compiled by RHFU and shared with the applicant jointly. <p>The technical review process involves two-way communication between the review committee and the proposing organization. Partners will be able to re-submit project proposals at the most two times upon receiving written comments through the technical review process.</p> <ul style="list-style-type: none"> - A single scorecard is used for each Allocation, to score all projects including multi-cluster projects. Scorecard content and design falls under the responsibility of the RHFU. - To avoid any conflict of interest, the coordinator(s) related to a lead agency which has submitted a project proposal cannot participate in the Fund Review Committee. 	<p>The FMU sets up an evaluation committee composed of relevant experts (DRC regional experts + donors experts) that is validated by the board. The FMU does an administrative screening of the concept notes that is validated by the board</p> <p>The evaluation committee reviews the concept notes and rates them according to a scoring board. The chair of the evaluation committee (FMU MEAL manager) prepare a summary report with : the list of the concept notes organised by their scoring result ; a narrative on the evaluation process, including dissident's views from the Evaluation committee ; technical recommendations for areas of improvement (if necessary).</p> <p>The Board reviews the evaluation process. based on this report This report should be adopted by two thirds of the voting members. If the SRF Board should decide to vote against the evaluation committee's report, this decision should detail the improvement required in the evaluation process so the evaluation committee can adjust its analysis and methodology.</p> <p>Candidates whose concept notes are selected by the SRF Board will develop full proposals within 4 weeks of receiving written confirmation of their selection.</p> <p>The evaluation committee reviews and rates the full proposals and the SRF Board validate the final decision regarding the selection (same process described for the concept notes selection).</p>	<p>Formation of evaluation panel: comprising technical experts from the relevant Strategic and Technical Review Committee, cluster representatives and the FMA staff; all members must sign a code of conduct .</p> <ul style="list-style-type: none"> - Scorecard design: tailoring of the generic scorecard - Strategic review: scoring of strategic alignment of the application. This is an initial step to filter out proposals that do not demonstrate sufficient strategic alignment with the Allocation Strategy and the Fund's mission, principles, and objectives. A score of less than 20 out of 25 marks is insufficient. The findings is recorded in a Strategic Update Paper to be submitted to the Steering Board for 'no objection' to proceed to the technical and financial review stage. - Technical and financial review: scoring of technical and financial aspects of the application <p><i>For Special Allocations, which need to be executed over a compressed timeframe, the strategic review phase and the technical and financial review phase are merged into one step.</i></p> <ul style="list-style-type: none"> - Once the evaluation of proposals is complete, a short list of the higher-scoring proposals is produced and, at the discretion of the FMA and STRC, clarifications and amendments of these proposals may be required. - The FMA prepares an Allocation Approval Paper that documents the results, presenting the final short list of proposals, and endorsed by the Fund-level STRC. - The Allocation Approval Paper is submitted to the Steering Board for final approval. 	<p>A peer-review process.</p> <ul style="list-style-type: none"> - When the Start Fund is activated for a crisis, a project selection meeting is held in-country with representatives from the Start Network to review and select projects collectively. - Participants will not evaluate their own proposals, even if the proposal was submitted by a different country team or in-consortium with another Start Network agency. - The chair provides structure to the process and ensures that decision-making is transparent. They ask for decisions to be justified and find consensus among members. The chair also ensures that members are not speaking as representatives of their organisations, but rather as independent humanitarian experts, in order to ensure there is no bias in the decision-making process. - Deciding vote : simple majority. - Proposals are anonymized. Project selection meeting are recorded and accessible to all members - An observer from the Start Network attends each meeting to provide support. - The hosting INGO (Save the Children UK acts as the grant custodian) entirely can apply for funding at country level ; same rules and processes apply to them. - A lot of guidance document on the format of the selection meeting and how to assess a project available to the participants. - All agencies are encouraged to provide feedback on this process by contacting : startfund@startprogrammes.org.
Final project approval's responsibility	<p>the HC makes final decisions on projects selection.</p> <p>Funding decisions can be made at the discretion of the RC/HC, without a recommendation from the AB, for circumstances which require an immediate response.</p>	<p>Final project list is anonymized before being submitted and approved by the board</p>	<p>Final project list approved by the board</p>	<p>Projects approved by the project selection committee. The board is involved at the allocation decision but not at the project selection stage.</p>
Main measures to guarantee the fund's independence and transparency	<p>All different entities are represented in the advisory board.</p> <p>The members of the review committee are selected by their peer cluster members.</p> <p>Organisations submitting a project must stand out of the review committee</p>	<p>Observer in the board as a guarant of the Charter.</p> <p>The host INGO can not apply to call for proposals.</p> <p>INGO submitting project are not involved in the review committee and projects' selection.</p> <p>Project selection results are anonymized before being presented to the board.</p>	<p>Independant Chair of the board with no voting power guarant of the Fund's charter.</p> <p>Balanced composition of the board.</p> <p>Managed by a private actor with no humanitarian operations in the region.</p> <p>Major risks and issues may be referred to the partnership Board of Directors and be examined collectively by this group of donors.</p>	<p>NGO launching the alert can not chair the meeting to activate funding. The submitting NGO and its partners (sub-grantees) can not be part of the project selection committee. Proposal and partners are anonymized before being transmitted to the project selection committee. A series of principles guide decisions of the board and committees ; checklist used to ensure proper allocation decision and review of projects (tool used by the Start team to check if there are bias in the decisions.)</p>

	RHF/WCA	SRF	AFNS	GLOBAL START FUND
Criteria for funding projects	<ul style="list-style-type: none"> ● Strategic relevance: This aspect refers to the alignment of the proposal to the priority sectors, activities, target population and geographical areas identified in the allocation strategy paper and the demonstrated operational capacity and physical access to the affected population of the application organization. ● Programmatic relevance: technical aspect of the proposal, i.e., the identification of needs including disaggregation of data by AGDM, the articulation of the LFA, gender and age marker score, the risks analysis and the mitigation measures, the conflict-sensitivity and protection analysis, the cash-based programming approach and the environmental risks, if any. ● Cost-effectiveness: proportion of budget related to direct, staff and other personal cost and start-up costs. ● Management and monitoring: the suggested monitoring activities include standard and mandatory Fund indicators, clear reference and actions to ensure accountability to affected populations, accessible and equitable feedback and complaint mechanisms and inclusive information sharing, communication, and participation with the affected population; information on PSEA policies. ● Engagement with coordination: participation in the national or sub-national coordination mechanism, including adequate coordination with other stakeholders on the ground 	<ul style="list-style-type: none"> ● Methodology and project design: clear description of the strategy, design, and approach that will lead to the expected results and intended impact. Innovation and premise for sustainability. ● Sector expertise and experience: required specific skills, sector specialists, knowledge and human resources. ● Local experience and presence: on-going programme in the area of operation; local knowledge and access; trust from local communities; existing MEAL capacity in project areas; complaint mechanisms ● Coordination and advocacy: Participation in Country HCT and/or in national/provincial inter-agency coordination mechanisms, active participation in common regional monitoring tool, participation in the Joint Intersectoral Analysis/Evaluation and alignment with needs and priority areas identified in the HCT, Consortia are encouraged to consult cluster lead/Co-leads at the design stage. ● Cost Effectiveness: sound proportion of administrative and personnel costs in relation to project deliverables. Logistics capacity relevant for the delivery of the programme. Evidenced and documented contribution of resources to the project in order to supplement SRF resources. ● Engagement strategy: national/local NGO/CSOs and local actors are involved in the design of the action; clear identification of synergy with other initiatives beyond humanitarian action. Clear strategy to integrate sustainable and inclusive solutions in the design of the action. 	<p>(It can varies according to the allocations)</p> <ul style="list-style-type: none"> ● Active Cluster membership in relevant cluster and following Cluster guidelines for both Lead applicants as well as sub-partners. ● Demonstrated recent experience in integrated quality programme delivery in at least one of the priority areas (this can be internal and/or in partnership with key specialised SNGOs). ● Capacity to deliver in all sub-priority areas under the selected priority area through effective partnership, will be considered a plus. ● Delivery in prioritised areas highly affected by the EQs, including locations with a large concentration of IDPs from EQ-affected areas. ● Supporting AFNS's aspiration to increase the proportion of its allocations going to Syrian NGOs directly (including strong encouragement of partnerships between SNGOs with larger portfolios and SNGOs with smaller, specialised portfolios, especially women-led organisations). ● Clear demonstration of the advantages of existing partnerships with smaller, specialised Syrian-led NGOs, CBOs, WLOs (including effective capacity building). ● For project proposals that include sub-grantees, a clear commitment (reflected in the budget) to share programme support costs equitably. ● Money transfer to northern Syria should be done only through an active PTT registration. <p>There are also criteria per sector (detailed in the Allocation strategy)</p>	<p>1.Relevance :</p> <ul style="list-style-type: none"> ● The project meets immediate life-saving needs and protects livelihoods and/or is filling gaps ● The intervention is based on an assessment and identifies and meets priority needs of the affected communities, including the most vulnerable ● The intervention is technically sound and based on relevant standards (e.g. SPHERE, CHS, etc) and/or locally agreed cluster guidelines and follows a do-no harm approach <p>2 Value for Money :</p> <ul style="list-style-type: none"> ● The proposal evidences reasonable value for money, considering speed, cost, quantity and quality of the items and activities proposed ● Procurement of relief items is appropriate to the context ● Appropriate split between the implementation and operations budget, considering the local context <p>3 Effectiveness :</p> <ul style="list-style-type: none"> ● Proposed activities are appropriate, can be commenced within 7-days and completed in the required time. ● The proposal demonstrates contextually appropriate integration and coordination in the humanitarian relief effort ● The proposal demonstrates a locally led approach ● Capacity to implement the project and presence in the affected area <p>4 Accountability :</p> <ul style="list-style-type: none"> ● The proposal describes how information will be shared with communities, highlighting what types of information will be shared, and different ways of information sharing ● The proposal describes opportunities throughout the project life cycle for communities, including vulnerable groups, to actively participate and take part in decision-making ● The proposal describes how the feedback and complaints mechanisms are both pro-active and reactive, safe, and accessible to vulnerable groups, <p>Additional Criteria</p> <ul style="list-style-type: none"> ● [Context-specific criteria for consideration] ● The project demonstrates adequate awareness of possible risks (including safeguarding risks) and has plans in place to mitigate these risks ● The project is in line with the recommendations provided by the Allocation Committee

	RHFwCA	SRF	AFNS	GLOBAL START FUND
Monitoring done by the Fund (On top of each implementing partners' internal mechanisms for monitoring)	<p>A monitoring plan is developed for each funding instance. It is informed by the partner risk level, project duration and amount, location of the project. Different types of monitoring tools:</p> <ul style="list-style-type: none"> - Field site monitoring implemented by RHFU and supported by OCHA Country Office and clusters - Third Party Monitoring: suitable for the Fund due to limited access and to avoid monitoring gaps as the considerable size of the fund does not allow RHFU and cluster staff to conduct all the required monitoring visits. - Remote monitoring: online or via phone occurs in instances when it is not feasible to conduct physical project visits. - Financial Spot Check is conducted to assess the soundness of the internal controls and the accuracy of the financial records of the partner. A financial spot check should be conducted based on the risk level of the partner and the operational modality of the Fund. <p>The RHFU coordinates and participates in field monitoring visits and should work closely with OCHA Country Office and Clusters in devising procedures related to monitoring. Upon request of the RHFU and approval of the HoD, the OCHA Country Office may carry out some monitoring activities on behalf of the RHFU. A monitoring plan should be developed by the RHFU at the time allocation decisions have been made.</p>	<p>For each partner, the FMU will conduct monitoring visits and activities, combining programme and financial monitoring, to support corrective actions/programme adaptations and to reduce the number of red flags and potential conflicts of interest.</p> <p>Quarterly monitoring visits of the FMU to the consortia, combining programmatic and financial reviews, to support corrective actions/programme adaptations and to reduce the number of red flags and potential conflicts of interest.</p> <p>Monitoring visits will include field visits from the FMU MEAL team, DRC's technical experts (on ad hoc basis), the DRC Accountability Specialist, technical experts commissioned by FCDO and external consultant to monitor and assess the quality and progress of project's implementation and standard pro-cesses in place.</p> <p>On top of the monitoring visits, the SRF has spot check to support the validation process of quarterly financial report + project audit (mid term and final)</p> <p>The FMU will conduct one evaluation of each project and an external mid-term evaluation is mandatory in each project.</p>	<p>The FMA engages in its own monitoring activities to verify IP's reported progress and performance against agreed targets, through three mechanisms:</p> <ul style="list-style-type: none"> - Field Monitoring: done by the FMA's Field Officers. They gather relevant information on the humanitarian situation from various field locations to inform its assessment and planning exercises. They also verify the progress and the quality of the implementation of selected project activities. - Spot Checks: Routine programmatic and financial spot checks involve visits to IP's offices. They are done by the FMA staff. The frequency of spot checks is determined based on the standard requirements and capacity performance rating of the partner. - Third Party Monitoring: TPM is a key monitoring mechanism for AFNS due to restrictions on physical access to project locations. It provides AFNS with independently verified information on the results delivered by AFNS-funded projects. TPM combines field visits and desk reviews of relevant project documentation (e.g., proposals and reports from IPs). - Peer Monitoring and Learning <p>Each AFNS-funded project has a tailored monitoring plan, taking into account specific risks associated with project activities, and graduated according to the IP's Capacity Performance Rating. This plan is developed by the FMA, based on the standard reporting requirements established for each capacity performance rate.</p>	
Complaint Mechanisms and Appeals Process	<p>Stakeholders with insufficiently addressed concerns or complaints regarding processes or decisions can at any point in time contact OCHA using the The fund complaints email (ocha-rhf-wca-complaint@un.org) is accessible only by OCHA Head of Regional Office and OCHA Head of Country Office. Complaints will be compiled, reviewed, and raised to the RC/HC, who will then take a decision on necessary action(s). The RC/HC will share with the board any proven cases and actions taken thereof.</p>	<p>The SRF has set up a Grievance Committee which shall decide on what action is to be taken with reports of grievances, complaints, concerns and potential conflicts of interest related to the functioning of the SRF and its integrity.</p> <p>It is composed of Permanent members (the Chair and the Vice Chair of the Grievance Committee) and non-permanent members (technical experts from organisations members of the SRF Board not receiving funds from the SRF) and Third-party experts on leading high-level and sensitive investigations. It is fully independent from the SRF Board.</p> <p>The Grievance Committee receives the complaints through the grievance@sahelregionalfund.org address and registers the information in its own dedicated and secured database. Anyone can submit a complaint or report a suspicion to this email address.</p> <p>The organisation subject of the complaint will be immediately informed that a case related to the organisation or its staff has been opened by the Grievance Committee. In case of overlap with Code of Conduct reporting mechanism, such mechanism will supersede but the SRF maintain a right to externalise full administrative investigations when deemed necessary.</p> <p>Depending on initial findings, the Grievance Committee has the power to launch a full-fledged investigation into the case under scrutiny. Investigation on grievance allegations will be performed by the Committee non-permanent members under the guidance and supervision of the Committee secretariat.</p>	<p>AFNS has several policies: Code of Conduct, Safeguarding, including PSEAH, Gender Equality and Social Inclusion, Human Trafficking and Modern Slavery, Aid Diversion, Conflict of Interest, Complaints and Whistleblowing.</p> <p>AFNS FMA review implementing partners' equivalent policies to assess whether they meet the standards and requirements of AFNS's policies. Where there is a need to improve their policies, the FMA provide implementing partners with advice and support to strengthen them. IPs are encouraged to be proactive and timely in reporting breaches and in investigating, taking appropriate action and learning from them. Negligence in failing to identify breaches and/or failure to report and investigate them thoroughly and/or failure to act on recommendations to strengthen procedures to reduce the risk of future breaches will result in compliance measures, potentially including temporary or permanent disqualification as an AFNS partner.</p> <p>Same policies apply to the FMA itself. As soon as the FMA becomes aware of any internal breaches of its own workplace and misuse policies, these will be reported immediately (within 48 hours) to the Chair of the SB. The Chair of the SB will then be kept regularly informed of the progress of investigations of such breaches. The Chair of the SB will assess the quality of the FMA's investigations and its response to breaches and, if shortcomings in this response are identified, it will decide on the appropriate measures (which may include disciplinary action).</p>	<p>Start Fund's accountability is based on members internal procedures including reporting, risk assessments, and due diligence on implementing partners (sub-grantees) to prevent the risk that Start funds are misappropriated or inappropriately used by the agency and/or its employees or partners. All internal procedures must be in line with the Network Membership Agreement.</p> <p>Members are expected to report:</p> <ul style="list-style-type: none"> • Incidents or concerns related to fraud, terrorism financing, money laundering bribery or corruption, internal misconduct or any other losses of funds or resources to the Start Programmes fraud inbox (fraud@startprogrammes.org). • Serious incidents through the Start Programmes fraud inbox (fraud@startprogrammes.org). • Incidents or concerns related to safeguarding to the Start Programmes safeguarding inbox (safeguarding@startprogrammes.org). <p>All concerns should be reported, and all reports should be made as soon as reasonably practicable. The grant custodian (SCUK) and donors are notified of all reports, and reports are shared with the Start Network in anonymised summary reports where possible, on a quarterly basis.</p> <p>Members can raise complaints relating to Start activities by emailing the Start Programmes complaints inbox (complaints@startprogrammes.org).</p>

ANNEX 4: TYPE OF ENTITY HOSTING THE FUND MANAGEMENT UNIT

The tables presented below summarize the pros and cons as perceived by informants for two distinct models: one where an INGO acts as the Fund management agent and one where a private company takes on this role. It is crucial to note that these insights are based on perceptions, and their accuracy has not been confirmed by data, as it would require a dedicated study for validation.

Private company acts as Fund Management Agent	
Pros	Cons
<p>Private companies have capacity to absorb high volumes of funding, more than an INGO can do.</p> <ul style="list-style-type: none"> ☐ More resources invested in risk management. ☐ Larger risk appetite. ☐ Highly professional and skilled workforce. ☐ A private actor as FMA brings a better performance (“this is on a different level than with INGOs”) according to several interlocutors. ☐ More frequent and higher quality reporting compared to the UN and INGOs. ☐ A wider range of experiences in terms of innovative approaches. ☐ Rely more on applicants’ own systems/processes wherever possible - allowing them to run projects their own way provided they meet certain minimum standards. 	<p>Not accountable to humanitarian principles (humanity, neutrality, impartiality, and independence), even if aligned with universal principles on human rights, labour, environment and anticorruption (ASI is a participant to UN Global Compact for example)</p> <ul style="list-style-type: none"> ☐ Public development aid funds contribute to remunerate private shareholders or employees.¹⁶ ☐ Not protected by humanitarian mandate and international laws. That could be an important risk in contexts where access is particularly challenging.

¹⁶ ASI is a company owned and operated by its employees. As such, any benefits accruing from shareholdings are just a different form of ‘salary’. This allows the company to manage its financial sustainability by linking pay to performance of the company as a whole, rather than committing to a large wage bill that is not sustainable.

INGO acts as Fund Management Agent	
Pros	Cons
<p>Humanitarian mandate and principled action: there is more trust toward an INGO guided by humanitarian principles to be transparent in case of aid deviation or lack of quality in the implementation.</p> <ul style="list-style-type: none"> ≡ Expertise and operational presence of INGOs allows a strong M&E component. The M&E done by an INGO will be supported by their level of access and acceptance, especially to conduct field visits. The INGO knows good practices and the level of quality that can be expected in a specific context. ≡ An INGO operational is aware of operational challenges and at a better place to assess mitigation measure and innovations implemented through the project. 	<p>Conflict of interest for the hosting organization Fight for funding between NGOs</p> <ul style="list-style-type: none"> □ Activism: everybody has an opinion; it makes it more complicated to progress and innovate

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A GLOBAL NGO NETWORK
FOR PRINCIPLED AND EFFECTIVE
HUMANITARIAN ACTION

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