

OCHA US Reserve Allocation Member Survey: Findings and Recommendations



A GLOBAL NGO NETWORK
FOR PRINCIPLED AND EFFECTIVE
HUMANITARIAN ACTION

Summary Document

OVERVIEW

- > In March, ICVA and InterAction undertook a joint member survey to identify early learning from the US \$2 billion contribution to OCHA, managed through the Reserve Allocation procedures of the CBPF.
- > 104 responses from 72 organisations were received across all 18 identified US-OCHA priority countries. Of these, 32 respondents identified as local and national NGOs (L/NNGOs) and 9 as NGO forums, with the remainder representing INGOs. The findings were validated with survey respondents and presented to OCHA.
- > The findings point to a mechanism that successfully moved funds quickly during an acute financial crisis. However, they also indicate that allocation speed and the 6-month implementation time limits had consequences for transparency, quality funding, operational risk, and narrowing programming and partnership opportunities. Respondents also flagged centralised and sometimes personality-dependent allocation decisions, with inconsistent application of criteria across countries.
- > In summary, respondents broadly support the funding under the Reserve Allocation modalities but called for targeted adjustments to mitigate negative consequences and inform future allocations, as outlined in the core challenges below.

POSITIVE PRACTICE: WHAT WORKED

- Speed of decisions and rapid upfront disbursements allowed urgent crisis response.
- Simplified proposal and budget formats reduced administrative burdens to a degree. The OCHA digital grants platform – OneGMS – improved tracking and procedural clarity for many partners.
- Once shortlisted through the rapid assessment procedures, more than 60% of partners found OCHA teams to be accessible and responsive, allowing awardees to start their projects quickly.
- The increased focus on cash programming was welcomed by some.

CORE CHALLENGES

PERCEPTIONS OF FAIRNESS AND TRANSPARENCY

- The majority of respondents – 70% – rated fairness and transparency in decision-making in fund allocation as poor or very poor. Decision-making was perceived as centralised, personalised, and not transparent.
- While one third of respondents rated the quality of communications from OCHA as "satisfactory", almost half rated them as "poor" or "very poor".
- Interpretation of allocation guidance and communications were perceived to be inconsistent across countries and poorly communicated to some.

LOCALISATION SETBACKS

- The grant terms and conditions, including the need to absorb large funding volumes within a short timeframe favoured UN agencies and large INGOs. Many respondents perceived this as a concerning setback for the localisation agenda.
- Multiple INGOs reported abandoning their standard practice of partnering with local actors due to the allocation's design and OCHA discouragement of sub-granting through this allocation.
- Only 30% of respondents rated their ability to shape the fund allocation strategies, priorities, targeting, and funding envelopes as "satisfactory" or better.

THE 6-MONTH TIMEFRAME

The 6-month timeframe had negative implications for:

- **Accountability to affected populations:** Multiple respondents indicated that the timeframe constrained meaningful community engagement and participatory programming approaches.
- **Narrowed programming choices:** The 6-month implementation criteria drove several organisations to prioritise rapid deliverables such as distributing commodities and cash over life-saving services such as health, nutrition, protection, and community-based work.
- **Internal management:** the 6-month timeframe and budget constraints forced some organisations to waive standard procurement procedures, drop spot checks, and/or divert internal resources and funding from other programmes/projects to ensure adequate monitoring.
- **Risk transfer:** Respondents flagged a range of issues including inflation, security, rainy season limitations, and recruitment challenges as threats to timely delivery, with implementation risk carried largely by partners within the 6-month timeline.

COMPLIANCE AND OVERSIGHT

Requirements were seen to be excessive for a 6-month award, further exacerbated by underfunding of MEAL and core enabling functions.

- **74% of respondents** rated their ability to shape the terms and conditions of the grant as poor or very poor, with almost half of the respondents rating the terms and conditions themselves as unsatisfactory.
- **Contractual terms and cost recovery:** Inconsistent application of grant terms across countries, alongside unclear or insufficient cost recovery provisions, added administrative complexity and constrained effective implementation.
- **Quality Funding:** Long-standing challenges with CBPF funding for NGOs re-surfaced including mandating separate bank accounts, exchange rate methodology, OneGMS structuring, and the inability to budget partner overheads.

KEY RECOMMENDATIONS

FOR CURRENT GRANTS

1. Provide more clarity on potential shifts in budget, programming, and no-cost extensions in justifiable circumstances, such as *force majeure*.
2. Provide consistent guidance on allowable costs, partnerships/sub-granting, reporting, and standardise practice across all the funds.
3. Review organisational risk rating procedures in light of the exceptional nature of this funding allocation.
4. Clarify what steps are being taken to complement this funding to advance localisation aims.
5. Given the absence of local and national partners, support exit and handover strategies including through the use of regular funds.
6. Conduct a final lessons learned exercise at the end of the 6-month implementation period.

FOR FUTURE PROCEDURES AND TOP-UPS

1. Retain speed and simplification, rapid negotiation and disbursement; expand to all CBPFs in future.
2. Make decision-making more transparent and consistent, including CBPF Advisory Board consultations.
3. Extend implementation period – to at least 12 months – to allow set-up, local and national actor partnership, community consultation and ownership.
4. Establish reporting requirements proportionate to grant duration and budget realities.
5. Safeguard localisation by expanding access for L/NNGOs, addressing operational risk, and ensuring partnership and sub-granting rules do not unintentionally discourage local collaboration.

SURVEY RESULTS: RESPONDENT RATINGS BY ASPECT

Respondents rated 9 aspects of the Reserve Allocation on a 5-point scale. n = number of respondents per question.

Very Poor Poor Satisfactory Good Very Good

