



OCHA

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oPt Humanitarian Fund Operational Manual

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Acronyms

AA	Administrative Agent
AB	Advisory Board
AIDA	Association of International Development Agencies
ARA	Access Restricted Areas
CHAP	Common Humanitarian Action Plan
CN	Concept Note
COGAT	The Coordinator of Government Activities in the Territories
GMS	Grant Management System
GVB	Gender-based Violence
HC	Humanitarian Coordinator
HCT	Humanitarian Country Team
HoO	Head of Office (OCHA)
HFU	Humanitarian Financing Unit
HRP	Humanitarian Response Plan
ICCG	Inter-cluster Coordination Group
ICCT	Inter-Cluster Coordination Team
ICRC	International Committee of the Red Cross
IHL	International Humanitarian Law
IHRL	International Human Rights Law
MA	Managing Agent
M&E	Monitoring and Evaluation
MHPSS	Mental Health and Psychosocial Support
M&R	Monitoring and Reporting
MOU	Memorandum of Understanding
MPTF	Multi-Partner Trust Fund
NCE	No-Cost Extension
NGO	Non-Governmental Organization
OCHA	Office for the Coordination of Humanitarian Affairs
PA	Palestinian Authority
PP	Project Proposal

PNGO	Palestinian Non-Governmental Organizations Network
PUNO	Participating United Nations Organization
RC	Review Committee
SAA	Standard Administrative Arrangement
SRC	Strategic Review Committee
TOR	Terms of Reference
TRC	Technical Review Committee
TSCA	Temporary Shelter Cash Assistance
UNDP	United Nations Development Programme

1 Introduction

The purpose of the Operational Manual for the occupied Palestinian territory (oPt) Country-based Pooled Fund (CBPF) is to describe the governance arrangements, allocation modalities and priorities, and accountability mechanisms of the Fund, as well as to detail the roles and responsibilities of the stakeholders involved.

Under the direction of the Humanitarian Coordinator (HC), the oPt Humanitarian Fund (oPt HF) aims to support the timely allocation and disbursement of donor resources to the most critical humanitarian needs as defined by the Strategic Response Plan. In order to meet this goal, this Manual is issued by the HC and endorsed by the Advisory Board to:

- i. provide clarification and instructions for all stakeholders involved in the management of the HF on effective management and governance practices;
- ii. describe the steps and requirements of the allocation processes with the aim of enhancing timely and strategic allocation decisions; and
- iii. provide an overview of the general direction and programmatic focus of the oPt HF.

The goal of this Manual is to guide implementing partners and facilitate the role of OCHA, members of the Review Committees, and sectoral experts.

This Manual should be read in conjunction with the global Operational Handbook for CBPFs. The present document defines the country-specific regulations that govern the oPt HF. It is designed within the framework provided by the Operational Handbook for CBPFs, which describes the global set of rules that apply to all CBPFs worldwide, and adapt specific aspects of the global regulations to the context of humanitarian response.

Adherence to the guidance provided in the two documents is mandatory so as to ensure standard and transparent processes.

2 Scope and Objectives of the CBPF

The oPt HF was created in 2007 to provide rapid allocation and disbursement of funds to UN agencies, international and national NGOs, and organizations of the Red Cross/Red Crescent movement, to support humanitarian activities at the sudden onset of emergencies. Following the induction of the new CBPF guidelines in 2015, the fund was further aligned to support the delivery of strategic humanitarian response identified under the Humanitarian Response Plan (HRP) while retaining the flexibility to allocate funds to unforeseen events or special requirements. **The oPt HF will maintain its ability to respond to unforeseen requirements as a strategic tool with the HCT.** The reserve allocation modality will be activated as described in the allocation modality section of this manual.

The Fund will continue to support the highest-priority projects of the best-placed responders, including national NGOs, through an inclusive and transparent process that supports priorities set out in HRPs. **The Fund plans to launch at least two Standard Allocations (SA) per year.** The number and size of the allocations will be determined by the availability of funds. In order to make a significant impact, the oPt HF will work on gradually increasing the scale of funding to reach 15% of the HRP needs¹. So far, the fund had received over US\$100 million since its inception in 2007, with an average of \$17.4 million in contributions/allocations over the last 3 years.

¹ Donors are also identified as risk owner for the funding of the fund (see risk management framework). Donors contribute to advocate for the fund.

The oPt HF's three main objectives are to:

- improve the humanitarian response by increasing the extent to which funding is allocated to priority humanitarian needs through an inclusive and coordinated process at the field level;
- strengthen the leadership of the HC;
- contribute to the delivery of the Humanitarian Response Plan (HRP) within the context of the Humanitarian Program Cycle (HPC).

Further, the oPt HF aims to ensure that humanitarian needs are addressed in a collaborative manner, fostering cooperation and coordination within and between clusters and humanitarian organizations. As such, the oPt HF contributes to improving needs assessments, enhancing the HRP as the strategic planning document for humanitarian action, strengthening coordination mechanisms, in particular the cluster system, and improving accountability through an enhanced monitoring and reporting framework.

A protracted protection crisis continues in the oPt, which remains largely attributable to Israel's ongoing occupation, now in its 52nd year, the continuing internal Palestinian divide and violations of international law. After years of a relative absence of armed conflict since the 2014 hostilities, there has been a sharp deterioration in the humanitarian, human rights, security and political situation in the Gaza Strip in 2018. The health system, on the verge of collapse following years of blockade and de-development, is now overburdened with massive casualties from the ongoing "Great March of Return" demonstrations. The economy is in 'free fall' according to the World Bank², and poverty, unemployment and food insecurity are increasing, as are other core drivers of humanitarian need. For much of 2018, power cuts of 18-20 hours a day have impeded the delivery of basic services and crippled productive activity: since late October, the delivery of fuel funded by Qatar has provided a significant, if temporary, improvement in the electricity supply. Hospitals, water and sewage treatment facilities, and solid waste collection services are still reliant on UN-coordinated emergency fuel to maintain essential services. The coastal aquifer, Gaza's sole water source, has been virtually depleted by over-extraction and the intrusion of seawater, forcing the impoverished population to buy trucked water, often of poor quality, at up to 20 times the expense of water from the network.³ There is a palpable sense of hopelessness and desperation among the population in Gaza, which is eroding coping mechanisms and resilience, while rising violence and tension are fueling concerns of a renewed escalation of hostilities. This deterioration is exacerbated by significant shortfalls in donor support for the Palestinian Authority (PA), UNRWA and humanitarian operations in general, undermining the ability of the international community to effectively respond to increasing need. While the humanitarian situation in the West Bank is less acute, economic growth there is also slowing down. Israel's direct military occupation continues and with it the appropriation of land and resources. The PA is prevented from operating in East Jerusalem and Area C, which represent more than 60 per cent of the West Bank and contain the most valuable natural resources. A coercive environment intensifies, driven by demolitions, forced evictions, discriminatory planning, access restrictions, settlement expansion and settler violence, generating a risk of forcible transfer for many Palestinians in Area C, East Jerusalem and the Israeli-controlled part of Hebron city, H2. New legislation and administrative steps, if implemented, risk significantly limiting the ability of individuals and human rights organizations to challenge the

² World Bank, Economic Monitoring Report to the Ad Hoc Liaison Committee, 27 September 2018, para. 1.

³ According to a recent study by the RAND Corporation, illness caused by water pollution is responsible for more than a quarter of illnesses in Gaza and is a leading cause of child mortality. As 97 per cent of drinking water does not meet international standards, a third of residents' monthly wages goes toward the purchase of bottled water compared to 0.7 per cent of monthly wages in the West in general. 'Polluted Water Leading Cause of Child Mortality in Gaza, Study Finds', Ha'aretz, 16 October 2018.

demolition or seizure of Palestinian properties in Area C and in East Jerusalem:⁴ The failure to resolve the intra-Palestinian political divide is deepening territorial and political fragmentation and contributing to cynicism and hopelessness among Palestinian youth. All of these developments are accompanied by unprecedented shortfalls in funding, alongside growing restrictions and attacks on humanitarian partners, which are generating an increasingly constrained operational context.

The Humanitarian Response Plan for the occupied Palestinian territory (oPt) for 2019 requests a total of \$350 million. Overall, 1.4 million will be targeted in 2019. The oPt HF will focus its support on projects in the following vulnerable areas:

Gaza Strip including Access Restricted Areas

Citing security concerns, Israeli forces enforce a buffer zone by land and sea, the “access restricted areas” (ARAs). According to COGAT, up to 100 meters from the perimeter fence is a “no-go” area and up to 200 meters’ access for heavy machinery is prohibited. Humanitarian partners in the field have reported that in practice up to 300 meters from the perimeter fence is considered by most farmers as a “no-go” area and up to 1,000 meters a “high risk” area. By sea, the restricted area is generally 6 nautical miles (Nm), less than a third of the 20 Nm agreed upon under the Oslo Accords.

Area C

Area C represents over 60 per cent of the West Bank where Israel retains near exclusive control, including law enforcement, access and movement, and planning and construction. The restrictive planning regime applied by Israel in Area C makes it virtually impossible for Palestinians to obtain building permits, impeding the development of adequate housing, infrastructure and livelihoods.

East Jerusalem

Around 320,000 Palestinians currently reside in East Jerusalem, in addition to 200,000 Israeli settlers. Israel’s unilateral annexation of East Jerusalem and the surrounding West Bank hinterland contravenes international law.

H2

‘H2’ is the 20 per cent of Hebron city which remains under Israeli control, which includes four Israeli settlement compounds, home to a few hundred Israeli settlers and a population of over 40,000 Palestinians.

West Bank Areas Behind the Barrier

Palestinian farmers must obtain permits or prior coordination to reach their land isolated between the Barrier and the Green Line (“Seam Zone”).

Cluster/sectoral and geographic priorities for the oPt HF for the second half of 2019

The oPt HF will follow the prioritization method of the HRP. The response plan is strictly prioritized to ensure the most effective and needs-based use of resources in a context where humanitarian needs outweigh available funding. Therefore, the 2019 HRP has been strictly prioritized to include activities aimed at targeting the most vulnerable people in need, in accordance to with available humanitarian capacities.

⁴ In April 2018, a military order was issued allowing for the demolition of new unlicensed structures in Area C within 96 hours of the issuance of a removal notice; implementation of this bill is now frozen, pending a decision by the Israeli High Court of Justice (HCJ). On July 2018, the Knesset approved a law transferring the jurisdiction over certain petitions against decisions by Israeli authorities in the West Bank from the Israeli HCJ to the Administrative Affairs Court in Jerusalem. In addition, a law passed in 2017 threatens to significantly increase demolition rates and fines in East Jerusalem starting in October 2019, when it will be applicable to residential buildings in the city affected by existing demolition orders.

In coherence with the centrality of protection to all aspects of the 2019 HRP, activities have been organized according to a global protection conceptual model developed by ICRC in 2001, commonly known as the “protection egg”. This model divides into three groups the various activities undertaken by humanitarian and human rights organizations when the authorities have failed to meet their obligations under international law: responsive activities; remedial activities; and activities that contribute towards environment-building. These three groups – or types of activities – constitute a protection framework which may be imagined in the form of an egg and which is meant to convey the non-hierarchical and interdependent nature of the activities as well as the possibility of carrying them out simultaneously.⁵ On the second half of the year, funding will be channeled towards the responsive activities as follows:

Cluster	Responsive activities
Education:	<ul style="list-style-type: none"> • Protective presence and protective transportation for children in the most vulnerable areas • Emergency education supplies to vulnerable, and underserved students and teachers • School-based psychosocial support to school staff and students affected by the education-related
Food security:	<ul style="list-style-type: none"> • Food distribution or vouchers • Essential food production inputs and repair of critical assets for farmers, herders and fisher • Renewable energy sources • Cash-based support • Immediate response to pest and animal diseases endangering livelihood and health
Health:	<ul style="list-style-type: none"> • Life-saving health interventions for trauma patients • Essential health services to the most vulnerable
Protection:	<ul style="list-style-type: none"> • Case management • Psychosocial support • Legal counselling and representation • ERW clearance • GBV referrals
Shelter	<ul style="list-style-type: none"> • Immediate solutions for vulnerable displaced people living in collective centers, host families/relatives or substandard rented accommodation • Protection of vulnerable people from natural (harsh weather conditions /summerization / winterization) or manmade disasters
WASH:	<ul style="list-style-type: none"> • WASH services to the unconnected communities • Operational interventions for service providers • Responses to demolitions, other man-made and natural disasters • Household water treatment

Interventions supported by the oPt HF are to be consistent with basic humanitarian principles of humanity, neutrality, impartiality and independence.

⁵ Source: <https://shop.icrc.org/icrc/pdf/view/id/2261>

3 Governance

3.1 Humanitarian Coordinator

The Humanitarian Coordinator decides on the strategy for the use of the fund, and ensures that the fund is delivering on its key objectives and is managed in accordance with the Global Guidelines. The HC is supported by an AB which advises the HC on the allocation of funds and other strategic issues and by the OCHA Head of Office (HoO) and the OCHA Humanitarian Financing Unit (HFU).

3.2 Advisory Board⁶

The Advisory Board (AB) is a governance body with an advisory function that supports the HC to steer the strategy and oversees the performance of the CBPF. The final decision-making authority rests entirely with the HC, who is the chair of the AB. The AB will convene at least four times a year. When a meeting in person is impossible, other means will be explored.

The functions of the AB are defined in detail in the Operational Handbook for CBPFs.

The composition of the AB, determined based on consultations between the HC, the Humanitarian Country Team (HCT), contributing donors and NGOs, is outlined below. It ensures equitable representation of the key stakeholders to the Fund (donors, UN agencies, NGOs and OCHA).

AB members are nominated by their constituencies (listed below) and endorsed by the HC. The Chair may invite additional representatives of the HCT and other stakeholders, if required.

- i. **Chair:** The HC chairs and convenes AB meetings.
- ii. **OCHA HoO**
- iii. **Donors:** The oPt contributing donors are Australia, Belgium, Germany, Ireland, Iceland, Italy, Norway, Spain, Sweden, and Switzerland.
- iv. **UN Agencies:** (UNRWA and WFP)
- v. **NGOs- national and international NGOs:** Two seats will be given to national NGOs represented by head of the NGOs. Two seats will be given to international NGOs represented by head of NGOs. The rotation among the NGOs will be every year (January to December).
- vi. **AB Secretariat:** OCHA, through the Humanitarian Financing Unit of the Country Office.
- vii. **Observers:** ECHO, ICRC, AIDA and PNGO.

⁶ The oPt HF advisory board will be

1. Sent documents to be discussed or endorsed by the AB one week before the meetings.
2. Minutes from the AB will be shared seven working days after the AB meeting.
3. Prior to finalized the annual report, a draft will be sent to the AB.
4. Any incident that will require formal investigation will be shared at the AB and this will be a standing agenda item for all AB meetings
5. The AB will be informed twice a year on the findings of monitoring field visits and financial spot checks

3.3 Review Committees

The Review Committee(s) are responsible for the strategic and technical review of the concept notes and project proposals received by the CBPF.

The functions and composition of the Review Committee(s) are defined in detail below, in line with the Operational Handbook for CBPFs.

Strategic review committee:

A strategic review committee will be established for each cluster with the membership of NGOs (one national and one international), one UN agency, the cluster coordinator and OCHA represented by the fund manager. The members of the committee will use the standard score card to review the proposals.

The committee members other than the Fund Manager and cluster coordinators will be nominated by the cluster coordinator before each allocation in cooperation with AIDA and PNGO. Members of the committees should not be applicants of the ongoing allocation.

Technical review committee

The review committees are comprised of groups of technical experts, per sector/cluster, that review project proposals according to their technical merit and the appropriateness of budget provisions. Sufficient time and effort will be dedicated to ensure that substandard projects are improved or rejected.

The technical review of the recommended proposals will be done by the HFU, CBPF section finance, the gender focal point and cluster coordinators using the GMS. It is recommended that the cluster coordinators form a technical review committee from expertise in the cluster with the participation of national NGOs, international NGOs and UN agencies.

4 Allocation modalities

4.1 Allocation criteria:

The review and approval of project proposals is made in accordance with the programmatic framework and focus described above and on the basis of the following criteria:

- i. Partner eligibility and capacity: verified through a due diligence and capacity assessment process
- ii. Access: accessibility and/or physical presence to areas of operation; the location of the project is clearly identified
- iii. Strategic relevance: clear linkage to the Humanitarian Response Plan's strategic and sectoral objectives, compliance with the terms of the allocation strategy as described in the allocation paper, and alignment of activities with areas of special focus of the Fund
- iv. Needs-based: the needs are well explained and documented and beneficiaries are clearly described
- v. Appropriateness: the activities respond to the identified needs adequately
- vi. Technical soundness and cost effectiveness: the proposal meets technical requirements to implement the planned activities; and the budget is fair, proportionate in relation to the context, and adequate to achieve the stated objectives

- vii. Risk management: assumptions and risks are comprehensively and clearly spelled out, along with risk management strategies
- viii. Monitoring: a realistic monitoring and reporting strategy is developed in the proposal
- ix. Time criticality: In accordance with the cluster/sector strategies, the allocations will prioritize time sensitive activities, i.e. activities that are most urgent in nature and require immediate response that cannot be postponed.
- x. Complementarity with other sources of funding: A proposal recommending activities that have received funding from other sources should be weighed more favourably than activities with no other sources of funding, unless justified by the cluster/sector with a solid needs analysis. Cluster/sector partners will be requested to provide most up-to-date funding sources on FTS.
- xi. Gender mainstreaming: Projects with gender with age marker (GAM) of 4 will be weighed more favourably in the vetting process.
- xii. Value for Money (Cost effectiveness): Projects that can demonstrate the most 'value for money' (e.g. maximum outcome and beneficiary reach for each dollar invested and effectiveness of the intervention) relative to the project budget, should be prioritized.

4.2 Grant Duration

Implementation of projects funded by the oPt CBPF should not exceed twelve (12) months from the project start date as indicated in the final approved project documents. Project pre-financing will be limited only to the budgeted costs (of the approved project proposal) incurred in the interim period between the Project's approval start date (first possible start date is the date when the HC and the partner organization have both signed the Grant Agreement) and the date of actual cash disbursement to the recipient project.

If necessary, implementing partners can request project revisions and/or no-cost extension to re-program and/or extend the duration of the grant.

4.3 Allocation Types

4.3.1 Standard Allocation

The HC uses the standard allocation process to support targeted priorities within the HRP. The process is informed by the AB and is conducted in close consultation with humanitarian partners to ensure the best possible use of resources. The process is transparent which is essential for the Fund to function properly. Transparency should be interpreted as the degree to which all relevant information is communicated to key stakeholders in a timely manner and whether allocation decisions can be documented and rationalized.

The process of the standard allocation is executed through a number of steps which are outlined below. The standard allocation begins with an allocation paper. Projects funded through standard allocations should be implemented within a maximum period of 12 months. Exceptions can be made by the HC when a longer duration is necessary to meet programmatic requirements. The grant ceilings are defined based on the partner risk level and project duration, as outlined in the Operational Modalities (page 17). The recommended minimum limit for standard allocation projects is \$240,000, with exceptions to be determined by the HC.

In-depth description of the allocation workflow, roles and responsibilities is contained in the Operational Handbook for CBPFs. Steps of the standard allocation process include:

1. Allocation strategy development

2. Submission of project proposals
3. Strategic review
4. Preliminary approval by HC
5. Technical and financial review
6. Final approval by HC
7. Disbursement

Standard Allocation Workflow	
Step 1: Allocation strategy development	
1.1	OCHA prepares an Allocation Strategy Paper (strategic priorities, criteria, process and timeline) Supervised by the HoO, the HFU prepares the Allocation Strategy Paper in consultation with the OCHA's Inter-Cluster Coordinator (ICC) who may request inputs from the ICCG.
1.2	OCHA HQ/FSCS review the Allocation Strategy Paper
1.3	HC reviews and AB endorses the strategy
1.4	HFU launches allocation on behalf of HC
Step 2: Submission of project proposals	
2.1	Eligible partners submit proposals through the GMS
2.2	Proposal(s) are vetted by HFU (eligibility of partner, template/criteria compliance, duplication of proposals, etc.)
Step 3: Strategic review	
3.1	Cluster Strategic Review Committees (SRCs) use GMS-based unified allocation scorecard for projects in their respective clusters/sectors
Step 4: Preliminary approval by HC	
4.1	HFU prepares SRC recommendations for AB review remotely or via an AB meeting
4.2	Recommended projects are submitted to HC for pre-approval. AB may feedback to HC/HFU at meeting or via email (at the discretion of the HC)
Step 5: Technical and financial review	
5.1	Cluster Technical Review Committees (TRCs), OCHA HQ/FCS , HFU and gender/protection advisor(s) conduct technical and financial review of pre-approved projects
5.2	HFU shares consolidated budget and technical feedback shared with the partner
5.3	Proposal revised - if the project does not meet quality standards thereafter, it is rejected (maximum of 3 rounds of revisions recommended)
Step 6: Final approval by HC	
6.1	HFU prepares a Grant Agreement for finalized projects and sets start date and reporting timeline in consultation with partner
6.2	HC approves project and signs a Grant Agreement
6.3	Partner counter-signs a Grant Agreement
6.4	OCHA HQ/EO signs a Grant Agreement which is uploaded as final in the GMS
Step 7: Disbursement	
7.1	OCHA HQ/FCS actions disbursement

4.3.2 Reserve Allocation

The reserve allocation is intended for rapid and flexible allocation of funds in response to unforeseen circumstances, emergencies, or contextually relevant needs. The reserve allocation process is significantly quicker and lighter than the standard allocation process.

The Fund is active and open to project proposals based on discussions between the HFU and eligible partners. Reserve allocations require a strategy/case for funding which may be limited in scope and criteria when compared

to Standard Allocations in order to ensure a rapid and flexible disbursement schedule. When reserve allocations expect to receive more than one proposal, or when the HC has called for a limited competitive process, the reserve allocation proposals will undergo a competitive prioritization process through the use of scorecards in the GMS.

The reserve allocation can be triggered/activated at any time and upon humanitarian demand to respond to emergency and/or unforeseen needs. The HC will maintain a minimum of 10% of available funding for the reserve until October each year. The decision to accept project proposals from the reserve rests with the HC. If addressing emergency needs, the AB will be consulted and decision of the HC will be made with 48 hours. The HC, under exceptional circumstances, can approve reserve allocations and notify the AB post factum.

The process of the reserve allocation will be executed through a number of steps which are outlined below. Projects funded through reserve allocations should be implemented within a maximum of 12 months. Exceptions to this timeframe can be made by the HC based on prevailing circumstances. The grant ceilings are defined based on the partner risk level and project duration, as outlined by the Operational Modalities (see Operational Modalities table). The recommended minimum limit for reserve projects is \$200,000, with exceptions to be determined by the HC.

Steps of the reserve allocation process:

1. Allocation strategy development (*reserve allocations may choose to use email communication may be used in lieu of a full Allocation Strategy Paper*)
2. Submission of a project proposal
3. Strategic review
4. Technical and financial review (may be combined with step 3)
5. Final approval by HC
6. Disbursement

Reserve Allocation Workflow	
Step 1: Allocation strategy development	
1.1	OCHA prepares an Allocation Strategy (strategic priorities, criteria, process and timeline) in consultation with OCHA's Inter-Cluster Coordinator (ICC) who gets inputs from the ICCG. Reserve Allocations may choose to use email communication may be used in lieu of a full Allocation Strategy Paper.
1.2	An Allocation Strategy Paper review by OCHA HQ/FCS if time allows vis-à-vis needs on the ground
1.3	HC review and AB endorsement (possibly remote in case of time issues) of strategy
1.4	HFU launches the strategy on behalf of HC (Allocation Strategy Paper or email notification)
Step 2: Project submission	
2.1	Eligible partners submit proposals
2.2	Proposal(s) are vetted by HFU (eligibility of partner, template/criteria compliance, duplication of proposals, etc.)
Step 3: Strategic review	
3.1	HFU and SRC review projects for strategic relevance using GMS-based simplified scorecard ⁷
3.2	HFU submits projects for technical review
Step 4: Technical and financial review	
4.1	TRC, OCHA HQ/FCS, HFU and gender/protection advisor(s) conduct technical and financial review
4.2	Consolidated feedback shared with partner
4.3	Proposal revised - if the project does not meet quality standards thereafter, it is rejected (maximum of 3 rounds of revisions recommended)
Step 5: HC approval	

⁷ This step may be combined with step 1.3 (strategic review)

Reserve Allocation Workflow	
5.1	HC approves projects
5.2	HFU notifies AB of HC-approved project portfolio and comments/concerns are relayed back to HC
5.3	HFU prepares the Grant Agreement for finalized projects and sets start date and reporting timeline in consultation with partner
5.4	HC signs the Grant Agreement
5.5	Partner counter-signs the Grant Agreement
5.6	OCHA HQ/EO signs the Grant Agreement which is uploaded as final in Grant Management System
Step 6: Disbursement	
6.1	OCHA HQ/FCS actions disbursement

5 Accountability

Accountability of the oPt HF is articulated on two levels: firstly, the ability of the Fund to achieve its objectives as a humanitarian financing mechanism. The HC is responsible for establishing a process which produces high quality allocation strategies, selects appropriate and qualified implementing partners, monitors implementation and verifies that reported-results are genuine and match those of approved project agreements. This is captured in a logical framework of the application template that enables the HC to assess the results of the oPt HF in the short, medium and long term.

Secondly, accountability relates to the ability of individual implementing partners to achieve expected project outputs and outcomes. Implementing partners are ultimately responsible for project activities, project outputs and reporting accurately on results.

The Accountability Framework aims to provide an overview of the four pillars of accountability under the oPt HF; including risk management, capacity and performance assessment of implementing partners, monitoring and reporting, and project auditing. The Framework defines how and when partners will be assessed and selected as oPt HF partners, what will be monitored and reported on, how and when audits will be carried out, who is responsible for each pillar of accountability, what key actions will be taken, and what resources are necessary for ensuring overall accountability.

To this end, OCHA prepares an Accountability Framework consisting of four pillars that enables the HC to ensure that implementing partners are delivering intended programmatic results; the oPt HF is managed responsibly and according to established guidelines; and ultimately to ensure that the oPt HF is achieving its main objectives. The pillars include:

- i. Risk management
- ii. Partner capacity and performance assessment and partner risk rating
- iii. Reporting (financial and programmatic)
- iv. Project monitoring and financial spot-checks
- v. Audits (project level)
- vi. Evaluation of CBPFs

Accountability is the foundation for effective CBPF management. It is exercised through a set of different components that enable the HC, mandated by the ERC, to ensure that: (i) implementing partners are delivering

intended programmatic results; (ii) the CBPF is managed responsibly and according to established guidelines; and ultimately (iii) the CBPF is achieving its main objectives.

5.1 Risk Management

5.2 Eligibility

Donor contributions to the oPt CBPF will be utilized to fund projects carried out by:

- i. UN organizations (UNOs)
- ii. National and international Non-Governmental Organizations (NGOs) and organizations of the Red Cross/Red Crescent movement

UN eligibility:

In order to become eligible for funding from the oPt HF, United Nations agencies must fill out the Registration Form on the Grants Management System of the Fund (<http://gms.unocha.org/>). UN agencies are required to provide the name and contact information for the focal point(s) and the legal representative of the organization, address of the main office, and bank information.

Once the registration and the duly-filled-out due diligence form have been submitted, OCHA will proceed with its review and approval. The eligibility of the UN agency is determined after OCHA approves the registration form

NGO eligibility:

OCHA, as the Managing Agent, will carry out a due diligence process and an assessment of the capacity of potential NGO implementing partners. The outcomes of the due diligence and capacity assessment processes will determine the partner's eligibility, and the risk level of the partner considered eligible. The risk rating will in turn influence the assurance requirements (Operational Modalities see below) that apply to the management of the partner's grants, as described in the Operational Handbook for CBPFs.

The process for due diligence is described in detail in the Operational Handbook for CBPFs. The procedures that will be utilized to assess the capacity of implementing partners in the context of the oPt CBPF are described below.

At the partner level, the oPt HF has devised a context-appropriate approach to assess the capacity of each NGO partner that wants to be eligible for funding. The assessment aims at determining whether the NGO has a sufficient level of capacity in terms of institutional, managerial, financial and technical expertise. The HC, in consultation with the AB, has determined to use an Internal Capacity Assessment (ICA). Eligible NGOs are categorized according to a specific risk rating which determines the minimum standard of operational modalities applicable to the partner. The principle is that the higher the risk, the more stringent assurance mechanisms will apply. The system encourages improvements in capacity as partners can migrate to lower risk levels through good performance and by addressing capacity weaknesses. The score bands of each risk level (high, medium, low) are determined by the HC in consultation with the AB. More details about the approach the steps to be taken by the IP is in the global guidelines (page 30).

Operational Modalities

Risk level	Project duration (months)	Project value (thousand US\$)	Maximum amount per project (thousand US\$)	Disbursements (in % of total)	Financial reporting			Narrative reporting		Monitoring		Audit
					For disbursements	31-Jan	Final	Progress	Final	Project monitoring	Financial spot-check	
NGOs												
High	< 7	< 250	-	60-40	Yes	Yes	Yes	1 mid	Yes	1	1	As per plan
		> 250	500	50-50	Yes	Yes	Yes	1 mid	Yes	1	1	
	7 - 12	< 250	-	40-40-20	Yes	Yes	Yes	2	Yes	1	1	
		> 250	800	40-30-30	Yes	Yes	Yes	2 - 3*	Yes	1-2**	1	
Medium	< 7	< 250	-	100	-	Yes	Yes	1 mid	Yes	1	-	
		> 250	700	80-20	Yes	Yes	Yes	1 mid	Yes	1	-	
	7 - 12	< 250	-	80-20	Yes	Yes	Yes	1 mid	Yes	1**	-	
		> 250	1,200	60-40	Yes	Yes	Yes	1 mid	Yes	1	0-1	
Low	< 7	< 400	-	100	-	Yes	Yes	-	Yes	1	-	
		> 400	-	80-20	Yes	Yes	Yes	-	Yes	1	-	
	7 - 12	< 400	-	100	-	Yes	Yes	1 mid	Yes	1	-	
		> 400	-	80-20	Yes	Yes	Yes	1 mid	Yes	1	1 / partner	
UN Agencies												
N/A	< 7	-	-	100	-	Yes	Yes	-	Yes	1***	-	No
	7 - 12	-	-	100	-	Yes	Yes	1 mid	Yes	1***	-	
<p>* Three progress reports are only required for projects of 10 months or more.</p> <p>** Additional field visits are only required for projects of 10 months or more.</p> <p>***Monitoring of UN agency projects is mandatory and should be based on a sampling methodology considering country-specific factors as required (see 4.5 Monitoring).</p>												

The process of determining partner eligibility is comprised of steps for eligibility and risk rating of NGO partners.

The partnership between OCHA and NGOs is governed by CBPF accountability frameworks which include the following steps:

Step 1: Registration

Step 2: Due diligence

Step 3: Capacity assessment

Step 4: Risk Rating

More details about each step is available in the global guidelines (page 28-32).

At the Fund level, an analysis of the risks that might prevent the oPt HF from achieving its objectives has been carried out, in consultation with key stakeholders. Identified risks have been analysed and categorized in terms of severity according to relative likelihood and potential impact on fund objectives. Mitigation strategies have been designed, and assigned to specific stakeholders. This analysis represents a management tool which enables the HC, supported by the AB, to ensure strategic decision making and guarantee that that the oPt HF remains relevant in the context in which it is operating. The framework consolidates all activities and functions that mitigate key risks under one umbrella, and spells out the residual risks to enable informed decision-making based on an understanding of potential consequences. Identified risks and associated mitigation strategies will be regularly reviewed and monitored by the HC in consultation with the AB.

Risk analysis and mitigation matrix

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
Risk 31: Violence between the Israeli army and militants in and around the Gaza Strip.	3	3	Accept Risk – OCHA office in the Gaza Strip to lead rapid needs assessment efforts. If access is granted, clusters lead to work with NGOs and UN agencies to update the needs and redirect the assistance to the most urgent needs.	Immediately	OCHA filed coordination office · Cluster coordinators · IPS
Risk 4: Funds received by partner with a political agenda.	4	2	Reduce Risk - Remind the partner of the humanitarian principles (Humanity, Neutrality, Impartiality, Independence). Establish if the partner has already breached any of these principles. Discuss with the HC if freezing the project activities is advised. Terminate the project if needed.	Immediately	HFU, HC, AB
Risk 7: Sanction on the UN from the hosting country/global power.	4	2	Reduce Risk – Increase advocacy with host country showing the negative impact of restricting the delivery of humanitarian assistance. Remind the host country of their obligations under international law to facilitate the delivery of aid. Explore common working areas (DRR, Civil military coordination...etc.).	Ongoing	HF AB OCHA

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
Risk 15: Poor financial and programmatic management capacity of IPs	4	2	Reduce risk - Implement the full range of financial monitoring mechanisms including financial spot checks, review of financial reports and audits. Reflect findings of the above to the partner capacity and risk levels.	Ongoing	HFU CBPF section
Risk 18: Politicization of funds visibility at the projects. /partner level	4	4	Reduce risk- HFU to share the Fund's visibility guidelines at the beginning of each project. All publications and visibility related to the fund to be cleared beforehand by the HF manager. HFU to conduct periodic visits to the projects sites.	Ongoing	HFU
Risk 1: Programmatic inertia (funding used to solve structural problems – energy in Gaza, lack of funding for big agencies).	2	3	Reduce Risk – Encourage IPs to develop a robust exit strategy for each funded project with the help of cluster coordinators. Prioritise projects with sound exit strategy. Engage with authorities/donors.	Immediately	IPS Cluster coordinators HC
Risk 13: Projects are implemented by a limited number of eligible partners (monopoly on funding).	2	3	Reduce Risk- HFU to increase the number of training for current and new partners on GMS. HFU to increase out-reach activities to new partners via NGO networks.	Immediately	HFU, Cluster coordinators HC

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
			Cluster coordinators to disseminate information about the fund among new partners. HC to suggest a ceiling on the amount of funding per partner in a calendar year (notwithstanding funding of the best placed partners).		
Risk 19: Pressure on the Humanitarian Fund's limited resources to fill programmatic gaps.	2	3	Reduce Risk- Make sure that all projects should be responding to needs-based assessments and supporting lifesaving and life supporting interventions. Reduce the gap filling projects to the lifesaving components.	When needed	HC HFU ICCG
Risk 22: Projects' effects are marginal due to the size of the needs	2	3	Accept Risk Work with the ICCG to make sure that all funds are channelled according to the highest priority needs. Fund the most efficient projects with the maximum impact. Work with partners to have solid project exit strategies.	Ongoing	HFU ICCG OCHA
Risk 27: The confiscation/ destruction/seizure of assistance	2	3	Reduce Risk – Establish appropriate risk management mechanisms to reduce the likelihood and impact on achieving oPt HF objectives.	Ongoing	HFU IPs

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
			IPs and suppliers coordinate to arrange a delivery time when risk of obstructed movement or harassment at its lowest.		
Risk 2: Unpredictability, amount of resources available for the HF on time.	3	2	Reduce Risk Continue to advocate for the HRP funding. Maintain resource mobilization document with commitment from the fund's donors Advocate for multi-year commitments	Ongoing	HC AB OCHA
Risk 5: Inability to work with the government/de facto due to failing of functioning government/authority (internal fighting, civil unrest, strikes).	2	3	Accept Risk Work at the technical level with actors on the ground. Work with IPs and CBOs to activate the coordination structures. Depend on OCHA field coordination units and ICCG to establish coordination structures if needed. Keep the civil military coordinators abreast of the work in the field.	When needed	OCHA HFU IP ICCG
Risk 14: Funds are perceived to favour a political aim of a particular party	3	2	Reduce Risk Remind the partner of the humanitarian principles (Humanity, Neutrality, Impartiality, Independence). Establish if the partner has already breached any of the principles. Discuss with the HC if freezing the project activities is advised. Terminate the project if needed	Immediately	HFU, HC, AB

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
Risk 23: Difficult working relationship with the hosting country/de facto authorities/PA	3	2	Reduce Risk – Increase advocacy with host country as to highlight the negative impact of restricting the delivery of humanitarian assistance. Remind the host country of their obligations under international law to facilitate the delivery of aid. Explore common working areas (DRR, Civil military coordination...etc.).	Ongoing	HF AB OCHA
Risk 6: Inability to work with the government due to boycott of the UN Fund.	1	4	Reduce Risk – Increase advocacy with host country as to highlight the negative impact of restricting the delivery of humanitarian assistance. Remind the host country of their obligations under international law to facilitate the delivery of aid. Explore common working areas (DRR, Civil military coordination...etc.).	Ongoing	HF AB OCHA
Risk 17: Poor tracking of received funds.	4	1	Accept Risk Conduct financial sport check for partners. If the data is still not up to the standard, conduct a special audit for the IP. If misuse is confirmed activate the SoP for the case.	Immediately	HFU
Risk 9: Inability to implement projects due to restrictions on partners/UN	4	1	Reduce Risk –	Ongoing	HF AB OCHA

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
			<p>Increase advocacy with host country on the negative impact of restricting the delivery of humanitarian assistance.</p> <p>Remind the host country of their obligations under international law to facilitate the delivery of aid.</p> <p>Explore common working areas (DRR, Civil military coordination...etc.).</p> <p>Channel funds through (approved and capable) partners with access.</p>		
Risk 16: Fraud, corruption or misuse of funds.	4	1	<p>Reduce Risk -</p> <p>Compliance with the Operational Manual oversight requirements, in line with agreed operational modalities.</p> <p>Compliance with the Global Incident/Fraud reporting guideline/SoP.</p> <p>Ensure partners establish beneficiary complaint mechanisms/monitor the system and feedback for each project.</p> <p>Increased awareness and capacities of implementing partners to identify, prevent and address fraud.</p> <p>Increase the HFU capacity in monitoring and reporting.</p>	Ongoing	HFU
Risk 25: Difficulties in money transfer and money wires to the Gaza Strip.	4	1	<p>Accept Risk –</p> <p>Work with partners to transfer funds to other accounts in the West Bank or IP HQ accounts.</p>	When needed	HFU HC

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
			Work with the central bank/monetary authority to clear transfers for humanitarian projects.		
Risk 11: Donors/UN NGO driven AB.	2	2	Reduce Risk Each of the stakeholder's type (NGOs, UN Agencies and donors) has equal representation at the AB. Increase the number of observers on the board.	Each AB rotation period	HC HFU AB
Risk 20: Inability of donors to participate in the Fund due to partners' agenda, stands, opinion	2	2	Reduce Risk – Outreach to potential donors at all levels (in country and at HQ) to explain the Fund's risk management framework. Receive feedback from the potential donors about the exact obstacle preventing participation. Work with HQ to enhance the risk management framework to address the concerns (if these concerns are within the Fund's mandate) .	When needed	HC HFU HQ Donors
Risk 24: Lack of engagement and lack of commitment with clusters and duplication of coordination mechanisms.	2	2	Reduce Risk – Strengthen the cluster coordinators' role with more engagement in the allocation process. Engage cluster coordinators' egnagement in project monitoring and evaluation.	When needed	IPs AB donors HFU ICCG OCHA field coordination units.

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
			Enhance the reporting and communication between the HFU and the coordination at the cluster level.		
Risk 32: Unforeseen emergencies/shifting of humanitarian needs.	2	2	Accept Risk Continue implementing a flexible response approach of project management. Advocate for funding emerging needs. Align funding cycle to seasonality issues. Advocate for increased contingency planning.	Ad-hoc	HC AB
Risk 28: Israeli settler violence.	1	3	Accept Risk- As part of the HCT Policy and Operational Framework for Addressing Impediments to Humanitarian Action in Area C the following will be implemented: a. Monitoring and reporting b. Coordination with Israeli authorities (military and civilian) c. Public and private advocacyd. Material response e. Legal aid f. Alternative programming modalities (use of high OR low visibility and other strategies, in close consultation with communities. Such measures should be considered temporary mitigation	Ongoing	OCHA ACU HC HF Donors IPs HCT LTF

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
			measures, rather than a sustainable longer-term strategy).		
Risk 33: Winter storm, snow, floods, earthquake.	1	3	Accept Risk Clusters lead to work with NGOs to update the needs and redirect the assistance to the most urgent needs.	Immediately	Cluster coordinators NGOs
Risk 8: Insufficient monitoring of projects due access and movement restrictions.	3	1	Reduce Risk – Enhance the HFU capacity in the field. Delegate monitoring to OCHA field units and cluster Coordinators. Remote monitoring. Third party monitoring.	Continue from previous years	HFU Field Coordination Unit Cluster coordinators IPs
Risk 10: Weak participation /engagement of advisory board members	3	1	Reduce risk Ensure continued engagement with the AB members - organize meetings at least four times a year as per the guidance of the Operational Manual. Have bilateral meetings with the members to address any issue.	Ongoing	HFU HoO HC
Risk 12: Lack of engagement with coordination structures.	3	1	Reduce Risk Hold meetings with the partners to explain the importance of coordination and overcome the encountered problems. Establish trustful relations with partners and diversify activities with different partners. Strengthen the cluster coordinators' role.	When needed	IPS HF ICCG

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
Risk 21: Labelling the Fund by its individual donor's political stands.	3	1	Reduce Risk Reassure stakeholders of the Fund's commitment to the humanitarian principles (Humanity, Neutrality, Impartiality, Independence). Humanitarian principles govern humanitarian actors' conduct. Humanitarian actors must engage in dialogue with all parties of the conflict for strictly humanitarian purposes. Maintaining principled humanitarian action in the face of pressures is an essential task for the Fund and its stakeholders.	Ongoing	HFU, HC, AB
Risk 29: Civil unrest.	3	1	Accept Risk – OCHA office to lead rapid needs assessment efforts. If access is granted, clusters leads to work with NGOs and UN agencies to update the needs and redirect the assistance to the most urgent needs.	Immediately	OCHA filed coordination units Cluster coordinators IPS
Risk 30: Arrest of humanitarian workers while delivering relief items.	3	1	Accept Risk- As part of the HCT Policy and Operational Framework for Addressing Impediments to Humanitarian Action in Area C the following will be implemented: a. Monitoring and reporting b. Coordination with Israeli authorities (military and civilian)	Ongoing	OCHA ACU HC HF Donors IPs HCT LTF

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
			c. Public and private advocacy d. Material response e. Legal aid f. Alternative programming modalities (use of high OR low visibility and other strategies, in close consultation with communities. Such measures should be considered temporary mitigation measures, rather than a sustainable longer-term strategy).		
Risk 3: Access restrictions and lack of mobility within the oPt (Gaza Strip, East Jerusalem, areas near the settlements, areas behind the barrier).	2	1	Reduce Risk – ·HFU management structure allows for considerable remote management and good communication technology to link up. The unit has physical presence in Ramallah, East Jerusalem and the Gaza Strip. Work with OCHA oPt field offices to cover any access gap.	Ongoing	HFU AB OCHA field units
Risk 26: Conflicting agenda with local authorities in identifying needs humanitarian interventions and priorities.	2	1	Accept Risk- Make sure that the HNO and HRP are based on OCHA’s needs assessment tools and analysis. Make sure that HF funding is based on the HRP.	ongoing	HC, ICCG, HCT, HFU

TABLE 5: Risk evaluation analysis and mitigation matrix and treatment

Risk (From most to least critical)	Likelihood	Impact	Mitigation strategy	Timeframe	Risk owners
			Remind the authorities of the humanitarian principles (Humanity, Neutrality, Impartiality, Independence).		

5.3 Risk-based grant management

A partner risk analysis is carried out by analyzing the partner's capacity to determine eligibility. Eligible partners are rated according to risk based on assessed capacity. The risk level is translated into minimum control mechanisms (see operational modalities table) applicable to the grants issued to the partner. Over time, as partners receive funding and implements projects, risk ratings will increasingly be determined by partners' performance.

Risk-based grant management serves two main functions. Firstly, it aims at improving the management of CBPF projects by matching grant management and oversight requirements with the assessed risk. Low-risk partners are subject to fewer controls. Secondly, risk-based management helps partners identify areas for improvement and provides tangible incentives for capacity building, in turn allowing for a wider range of partners, especially national NGOs, to access funds more easily.

The partner-based risk analysis only applies to NGO partners. These entities are not part of the UN system and do not have the legal standing of UN agencies. UN agencies are intergovernmental organizations that are accountable to UN Member States. Each UN agency has its own governance and control framework which applies also to their management of CBPF grants

The assessment is aimed at determining whether the NGO has sufficient capacity in terms of institutional, managerial, financial and technical expertise. This analysis determines eligibility for CBPF funding.

Every NGO is assessed at the national level. Capacity assessments take place before an application for funding is submitted. Ineligible partners can re-apply for a capacity assessment six months after being unsuccessful, provided that they demonstrate that the elements that caused the rejection have been addressed.

5.2.1 Performance index (PI)

The PI tool is a key part of the accountability framework, and will allow OCHA to have an up-to-date rating of the partners' performance. The rating of the performance of partners in the implementation of projects will be used alongside the original capacity assessment to determine and adjust as necessary the partners' risk levels.

The PI tool supports the HFU to score the performance of partners on CBPF-supported projects from submission to closeout. During project implementation, the following categories of partner performance are tracked and scored:

- i) quality and timeliness of submissions of project documents (proposals, budget and concept notes);
- ii) quality and timeliness of implementation against approved targets;
- iii) quality and timeliness of reporting;
- iv) frequency, timeliness and justification of project revision requests;
- v) quality of financial management;
- vi) audit findings.

The scores assigned to each project on the above categories will be summarized in a PI. The PI score is captured in the GMS and is used along with the original capacity assessment score to determine the performance score and risk level. In order to reward sound project implementation, the score from the PI will progressively be given more weight and the capacity assessment score will become less significant as partners implement more projects. The partners' scores on the most recent projects will be considered the most important and given the most weight in calculating the overall risk rating score. The calculation and relative weighing of project scores and the original capacity assessment is explained in Annex 10.4, Performance Index Tool, tab 2 - PPI and Capacity Assessment. The scoring and the weighing are standardized across funds and the GMS will make the calculations.

If the overall risk score of a partner reaches a threshold at which the risk level of the partner should be adjusted, the Fund Manager will notify the partner about the adjustment and adjust the risk level. If a partner performs poorly in a consistent manner and its risk rating score moves from high risk to the threshold of ineligibility, it will be rendered ineligible on the basis of poor performance. Agency projects must also be scored for performance in all areas with the exception of the audit. The PI score can be used to assess future funding decisions and the frequency of monitoring. The monitoring mechanism can be tailored to the type of project such as stakeholder satisfaction survey for pipeline projects.

Through the aforementioned accountability mechanisms, the HC will aim to safeguard programmatic and financial management of CBPFs. Compliance measures enables the HC to address non-compliance with the legal terms agreed between the fund and the recipient organization, especially related to the following types of situations:

- i. Financial or narrative reports that are overdue.
- ii. Non-refund of unspent funds.
- iii. Critical (high risk) audit findings/qualified audit opinion (especially on lack of critical internal controls, serious weaknesses in internal controls, lack of bank reconciliation; lack of double-entry accounting system; lack of supporting documents, lack of authentic receipts).
- iv. Critical findings from monitoring and financial spot checks.
- v. Violation of humanitarian principles and code of conduct.
- vi. Indication of possible fraud, corruption or misuse of funds.

When a partner does not comply with the requirements described in the global guidelines and reflected in the contractual agreement or violates any other obligations stemming from the contractual agreement, OCHA will progressively take corrective actions commonly referred to as compliance measures, as described in section 4.9 of the global guidelines and outlines in annex 15.

5.4 Monitoring

Monitoring is defined as the systematic and regular process of collecting, verifying and triangulating information to assess progress made against project outputs and activities; bearing in mind accountability to affected populations and donors. Information gathered is used to make informed decisions and strengthen partnership and coordination.

Monitoring objectives

The main purpose of monitoring is to assess progress made towards set targets and to verify the accuracy of reporting submitted by partners. Building on the principles, CBPF monitoring and reporting has the following key objectives:

- i. Verify the partner's progress in delivering project outputs and activities (as per log frame and work plan), the beneficiary targeting process, the use of resources (as per budget) and internal monitoring and reporting systems.
- ii. Triangulate information collected through other means, identify gaps and trends in humanitarian operations and reflect on best practices and lessons-learned using findings and recommendations for results management, risk mitigation and public information.
- iii. Strengthen partnership and coordination between OCHA, the partner and the local authorities, and to engage and seek feedback from affected communities.

The main principle for monitoring is that all recipient organizations, UN agencies and NGOs, are subject to monitoring by the Fund. While requirements will not be identical, it should be recognized that the HC needs

reassurance of project performance, regardless of the implementing entity.

Roles and Responsibilities

The HC is responsible for ensuring that a representative sample of CBPF-funded projects is effectively monitored through appropriate monitoring modalities. The OCHA HFU is further responsible for coordinating monitoring efforts and ensuring that monitoring of projects is carried out.

The HFU coordinates and participates in field monitoring visits and will work closely with clusters in devising procedures related to monitoring. An approximate monitoring date will be set by the HFU for each project at the time allocation decisions have been made. The monitoring date may be adjusted depending on changes in the operational context and information gathered through reporting.

Minimum monitoring arrangements for projects implemented by NGOs will be determined based on the risk level assigned to the partner, the duration of project activities and the size of the project budget as articulated in the operational modalities (page 17) of CBPF.

Monitoring of UN agency projects is mandatory, one monitoring visit will be conducted during the project implementation.

Process and Monitoring Tools

Field site monitoring - Field site monitoring, implemented by OCHA and supported by clusters, is a critical component of the overall framework in order to verify that CBPF-funded projects are delivering against targeted outputs, and to allow the HC and clusters to assess the qualitative aspects of programme implementation. As there are limitations to what can be observed through site visits, additional information will still need to be collected through other means. While field monitoring will not attempt to make evaluative assessments of projects, it will be essential to select an approach that covers issues beyond the delivery of project outputs.

Field monitoring visits will, at a minimum, collect information that: (i) makes an assessment of the timeliness of the overall project implementation, (ii) verifies reported results, and (iii) assesses progress on key project activities.

Financial Spot Check - Financial spot checks will be conducted to assess the soundness of the internal controls and the accuracy of the financial records of the partner. A financial spot check will be conducted based on the risk level of the partner and the operational modality of the Fund. On-site financial spot checks by HFU staff and special audits by audit firms may be conducted on the basis of Operational Modality, or when warranted due to concerns about the functioning of the partner's internal controls.

At least one spot check per partner per year will be conducted for high and medium risk partners. The spot checks will be carried out in accordance with Annex 12, Financial Spot checks.

5.5 Reporting

CBPFs require reporting so as to ensure that activities carried out are on track to reach proposed project objectives. To the extent possible, UN agencies and NGOs are treated equally in relation to their reporting requirements.

Narrative and financial reporting requirements for NGOs are determined according to the Operational Modalities (see allocation modalities table).

UN agencies will submit an interim financial statement to reflect expenditure incurred for project activities up to 31 December of each year by 31 January of the following year. Interim financial statements will be submitted every calendar year until the submission of the final financial statement. Upon completion of the project, a final financial statement covering the period between inception and completion of the project will be due no later than 30 June

of the following year. Financial statements for UN agencies and NGOs are collected through the GMS according to the templates available in the global guidelines.

UN agencies will submit a final narrative report within two months of completion of the project. If the duration of the project is between 7-12 months, UN agencies will also submit a progress narrative report to reflect achievements at midpoint of the project implementation. Narrative reports for UN agencies and NGOs will be submitted through the Grant Management System (GMS) and will follow the templates available in the global guidelines.

5.6 Audit

UN agencies are subject to internal oversight audit systems and other mechanisms established by their respective governing bodies. All NGOs partners receiving funds from oPt HF are subject to an external audit by the fund. The external audit is an oversight mechanism and an essential component of the accountability framework. It enhances the transparency and sound financial management of resources allocated through CBPFs. External audits allow the HC to obtain evidence-based assurances on the use of funds transferred to NGOs. In particular, external audits help to mitigate financial risks; including misuse of resources and fraud; identify weaknesses in financial and operational management and recommend critical improvements; identify ineligible expenditures. External audit findings provide essential feedback to the partner and the system, promoting continuous improvement of NGO financial and operational management and performance, and enabling the HC to make better informed funding decisions. OCHA will develop a risk-based approach to audits. The risk-based approach will set the criteria to prioritize which partners will be audited on the basis of partner risk level and financial volumes transferred to NGOs.

5.7 Appeals Process and Arbitration

Stakeholders with insufficiently-addressed concerns or complaints regarding the oPt CBPF processes or decisions can at any point in time contact the OCHA Head of Office with these concerns at muscroft@un.org.

Complaints will be compiled, reviewed and raised with the Humanitarian Coordinator, who will then take a decision on necessary action(s). The Humanitarian Coordinator will share with the Advisory Board as appropriate any such concerns or complaints and actions taken thereof.

5.8 Complaint mechanisms

The following email address HFoptcomplaint@ochaopt.org is available to receive feedback from stakeholders who believe they have been treated incorrectly or unfairly during any of the CBPF processes. OCHA will compile, review, address and –if necessary- raise the issues with the HC, who will then take a decision on necessary action.

6 Cross-cutting issues

6.1 Gender

The humanitarian assistance must meet the distinct needs of women, girls, boys, and men in order to ensure equal opportunities and access to assistance. In order for humanitarian action to effectively promote gender equality, focused action and deliberate attention are needed by all actors of the humanitarian community at the local, national and international level. Integration of gender considerations and actions to prevent and respond to Gender-Based Violence (GBV) into projects will generate positive and sustainable outcomes.

Partners of the oPt HF should ensure that projects are designed, implemented, monitored and evaluated considering the specific needs and constraints faced by women, girls, boys, and men. In order to do so, the oPt HF encourages the use of existing tools that are available at the systemic level to promote sound gender analysis and gender integration in projects. In this regard, partners should ensure routine collection, collation, and utilization of sex and age-disaggregated data and information in the whole project cycle.

The IASC Gender Marker is utilized by the oPt HF throughout the programme cycle: prospective partners are required to indicate the Gender Marker code as part of the project proposal, and to report on how gender and GBV were addressed during implementation. Beneficiary numbers should be broken down by sex, age, and other diversifying factors whenever possible. If there are challenges and obstacles to collecting disaggregated data and information, mechanisms should be put in place to address the gap during implementation. At the reporting stage, partners are required to describe how projects have contributed to promoting gender equality, including the prevention of and response to Gender-Based Violence.

The oPt HF Review Committees should benefit of a Gender Advisor's support or available gender expertise, to ensure that gender analysis forms the core of the need's identification and that the Gender Marker is accurately assessed. Partners are ultimately responsible for ensuring that gender considerations are operationalized in project activities and that there is adequate capacity to address gender issues during the life of the project and that the implementation of the Gender Marker is accurately reported on.

6.2 Accountability to Affected Populations (AAP)

The oPt HF is committed to ensuring that funded projects adhere to the highest possible quality standards. As part of this effort, partners are encouraged to incorporate the various existing Accountability to Affected Populations (AAP) modalities into the design, implementation, management, and monitoring of projects. At the project proposal stage, partners are asked to describe how affected populations and specific beneficiaries have been and will be involved throughout the project cycle. The oPt HF reporting and monitoring procedures are seeking to verify how this has been applied throughout project implementation. This includes, for the projects that will be monitored, making an assessment of the level of participation and access to information by project beneficiaries.

Partners are encouraged to seek guidance from existing resources on AAP. In particular, the following documents are important: (i) the five IASC Commitments to Accountability to Affected Populations (CAAP), (ii) the IASC Operational Framework on Accountability to Affected Populations, and (iii) the IASC Tools to assist in implementing the IASC AAP Commitments.

6.3 Protection mainstreaming

Protection mainstreaming is the process of incorporating protection principles and promoting meaningful access, safety and dignity in humanitarian aid. The following elements must be taken into account in all humanitarian activities funded by the oPt HF⁸:

1. Prioritize safety & dignity and avoid causing harm: Prevent and minimize as much as possible any unintended negative effects of your intervention which can increase people's vulnerability to both physical and psychosocial risks.
2. Meaningful Access: Arrange for people's access to assistance and services – in proportion to need and without any barriers (e.g. discrimination). Pay special attention to individuals and groups who may be particularly vulnerable or have difficulty accessing assistance and services.
3. Accountability: Set-up appropriate mechanisms through which affected populations can measure the adequacy of interventions, and address concerns and complaints.
4. Participation and empowerment: Support the development of self-protection capacities and assist people to claim their rights, including – not exclusively – the rights to shelter, food, water and sanitation, health, and education.

The oPt HF Review Committees should benefit of a protection mainstreaming support.

⁸ <http://www.globalprotectioncluster.org/themes/protection-mainstreaming/>

7 Administration of CBPFs

Basic definitions and guidance on the project budget preparation process provides partners with a common framework to facilitate appropriate preparation of project budgets. It focuses on defining eligible and ineligible costs, direct and indirect costs (e.g. Programme Support Costs – PSC), shared costs, budget categories and the adequate breakdown of budget lines. This guidance applies to all partners. Details about that are in the global guidelines pages 39-47.

8 Additional information

- 2018 - 2020 Humanitarian Response Strategy and 2018 Humanitarian Response (HRP)
<https://www.ochaopt.org/content/2018-2020-humanitarian-response-plan-hrp>
- 2018 Humanitarian Needs Overview (HNO)
https://www.ochaopt.org/sites/default/files/hno_20_12_2017_final.pdf

9 Contact information

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10 Review date

This manual will be reviewed and presented to the Advisory Board by December 2019.