

## 1. Background

The COVID-19 pandemic is impacting Country-Based Pooled Funds (CBPFs) operations in different ways. The oPt Humanitarian Fund (oPt HF) is swiftly adapting to this new working environment and remain fully dedicated to support humanitarian partners despite the challenges faced. This situation created by the novel COVID-19 pandemic requires the Fund to **respond with greater flexibility**, through simplifications in the current funding arrangements as described in the [CBPF global guidelines](#) and the [operational manual of each fund](#), yet keeping accountability over the use of funds. After an analysis of the evolving situation and related challenges which the Funds are beginning to face, and following requests from implementing partners, oPt HF has agreed to put in place some **extraordinary measures** that will allow all key stakeholders to continue **providing life-saving assistance** to those in need. These measures are based on the OCHA CBPF global flexibility guidelines developed by OCHA CBPFs section.

This global guidance has been adapted by the OCHA oPt Humanitarian Financing Unit (HFU), in charge of the daily management of the oPt Humanitarian Fund, to ensure it is fully in line with the operational context and feedback received from partners. This guidance has also been discussed with the oPt Advisory Board and endorsed by the Humanitarian Coordinator.

To ensure that the Fund can have the greatest possible impact on the global efforts against this unprecedented crisis, the oPt HF allocations will be in alignment with the Global HRP COVID-19<sup>1</sup> and the [oPt COVID 19 plan](#) prepared by the oPt Humanitarian Country team, provided they are not at the expense of other life-saving activities related to the context of the oPt. oPt HF promotes **complementarity with other funding sources**, including with the Central Emergency Response Fund (CERF).

To the extent possible, the oPt HF encourages all implementing partners to replicate the application of the below flexibility measures with their sub implementing partners. The HFU will review this guidance note on a periodic basis to amend the flexibility measures which the Fund may require as the context evolves. In addition, at the time of rolling out this guidance, some of the proposed measures will still require some developments in the Grant Management System (GMS) and adaptation of the grant agreement to be operational. Regular updates will be shared with partners they become available.

## 2. Flexibility measures

### 2.1 Operational modalities

#### 2.1.1 Partner and project ceilings

For the time being the oPt HF will keep the project ceilings according to the existing operational modalities but will request for a waiver from OCHA's Executive Officer (EO) as required and on a case by case basis. In parallel, a new set of modalities will be prepared and activated if needed, e.g. a COVID 19 outbreak in certain areas of oPt . In both scenarios, deviation from the original operational modalities as and when required will be justified by the circumstances and the capacity of the partner to absorb additional funding.

Such adjustments will be time-limited (COVID-19) and discussed with the AB. This measure does not apply to projects whereby the implementing partners are involved in a compliance matter or subject to an inquiry.

The Humanitarian Coordinator or the Fund Manager on behalf of the HC, will communicate the proposed temporary deviations to the CBPF Section, which will then request endorsement and a waiver from OCHA's EO.

<sup>1</sup> <https://www.unocha.org/sites/unocha/files/Global-Humanitarian-Response-Plan-COVID-19.pdf>

### 2.1.2 Monitoring and spot-checks

Since mid-March, the oPt HF has reviewed and adapted its methodologies for project monitoring and spot checks (programmatic and financial) by using remote methodologies, desk reviews of scanned copies, remote calls, online surveys or videoconferences when required and in complement to existing monitoring modalities. Implementing partners are expected to:

- keep original documents for five years as per the UN Secretariat Financial rules and regulations;
- in line with their grant agreement, collect and share beneficiaries contact details while ensuring enough and adequate data protection measures are in place. The partners should ask the beneficiaries for their consent to pass their data to the oPt HF for monitoring purposes by the fund. When using this data, the oPt HF will ensure a confidential management of the information collected from the beneficiaries;

Project monitoring will continue to follow the implementation in the field to the furthest extent possible. Remote monitoring will be conducted through direct contact with beneficiaries and key informants. In some occasions, when contacting the beneficiaries directly could pose a protection risk, the partner will be expected to play the role of liaison between oPt HF monitoring officers and the beneficiaries. This means that the partners may be asked to disseminate beneficiary questionnaires on behalf of oPt HF. On-site monitoring will be organized based on the risk mitigation measures of HCT.

### 2.1.3 Audits

In line with the global guidance and if deemed necessary, the oPt HF may put in place offsite and remote audits, i.e. desk reviews of scanned copies. A mix methodology may apply as well and will be communicated to partners. Implementing partners are expected to keep original documents for five years as per the financial rules and regulations of the UN Secretariat. The oPt HF will consider postponing some of the audits, rather than conducting remote audits. This decision will be taken on a case by case basis.

### 2.1.4 Electronic Signature

The oPt HF will participate in the global roll out of an electronic signature system and will provide further guidance to its partners on this technical issue.

Phase 1 as of 15 April 2020: The oPt HF will accept “fill and sign” feature in PDF in lieu of all signed documents for the Hcs, OCHA’s Executive Officer (EO) and implementing partners.

Phase 2 (date to be confirmed): The oPt HF will introduce an improved electronic signature to facilitate the work remotely.

## 2.2 Reprogramming of projects

Based on a specific analysis of the ongoing humanitarian response and COVID-19 related needs, and in collaboration with the clusters, the oPt HF will facilitate the reprogramming of existing projects to shift resources into priority locations and urgent activities for COVID-19 prevention and response as relevant and required. The oPt HF will request implementing partners to explain the rationale for the re-programming request along the below criteria:

- oPt HF funding is no longer required for the humanitarian emergency (or trigger) for which it was initially allocated and/or;
- COVID-19 response and early action is now a more immediate priority for life-saving humanitarian action than the

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humanitarian emergency for which the funding was originally allocated and/or;

- COVID-19 response is complementary to the original response and would help to protect gains made under that intervention;
- In cases where the requesting UN agency received CERF funding from the two global CERF allocations, UN Agencies are requested to explain why additional funding is needed through oPt HF reprogramming, and how it will complement the global CERF funding;

Partners are required to inform the oPt HF and the clusters prior to any change. Changes executed without prior information and endorsement of the oPt HF will not be accepted. Changes need to be coordinated and in line with the ongoing COVID-19 related activities and cluster guidance. Requests that are not well justified upon submission or not relevant will not be accepted.

Reprogramming may require carrying out a full-fledged project revision process. The Grant Management System (GMS) has been adjusted to allow changes in the sectors/clusters and strategic objectives. Additionally, the GMS has been updated and the implementing partners are now able to select strategic objectives and standard indicators from those included within the Global COVID-19 HRP. During revisions, partners must use these indicators to allow a better tracking of the response.

## 2.3 Budget

### 2.3.1 Cost Extension

The oPt HF will allow projects' cost extensions of ongoing projects to include critical activities responding to the COVID-19 pandemic. Partners' performance and capacity will determine if the extension will be considered, high risk partners will not be eligible for cost extension.

Cost extensions must be requested one month before the project end date with **a very strong justification**. Cost extensions should be recommended by the cluster(s) and the HFU and approved by the HC. Progress reports (narrative and financial reports) of the current project are required as part of the justification. In addition, regular revision procedures apply, and assurance activities may be increased according to the operational modalities.

Each cost extension request will be reviewed on a case by case basis. Submitted requests that are unclear or not clearly justified will not be reviewed nor accepted.

Only cost extensions that are limited in scope and scale, ready to be implemented and contributing to the COVID 19 response will be approved. The proportion between direct and indirect support costs will be taken into consideration.

### 2.3.2 Eligibility of costs

#### New allocations

For any new project funded by the oPt HF, the option for an earlier eligibility of costs will be allowed.

Projects' start date and end date will be explicitly stated in the Grant Agreement (delinking cost eligibility from signature date). The project start date can be as early as the approval date of the technical review by the OCHA CBPF section in NY (this stage takes place right after the finalization of the technical review between the partners and the HFU team).

<sup>1</sup> <https://www.unocha.org/sites/unocha/files/Global-Humanitarian-Response-Plan-COVID-19.pdf>

### Ongoing allocations

The oPt HF will ensure the cost eligibility of: i) planned activities where expenses were already incurred but due to changing circumstances related to COVID-19, did not take place (travels, etc.); ii) new expenses not foreseen (including protective equipment for staff), but relevant and required as per COVID-19 response; iii) staff costs to sustain project operations while implementation is suspended.

Any suspension of activities has to be notified and explained to the oPt HF manager via email ([Abdel-hag@un.org](mailto:Abdel-hag@un.org)). Such notification should provide an overview of: (i) the project's expenditures to date and (ii) an overview of the activities and related expenditures suspended and sustained (staffing and committed expenditures). If the situation continued, an update email is required.

#### **2.3.3 Staff category**

The oPt HF will extend the 15 percent budget flexibility to staff category with prior approval by email and submission of an excel budget file. Such flexibility will be time-bound and allowed only for projects impacted by the COVID-19 measures or scaling-up their activities to support the COVID -19 preparedness and/or response. Any variation exceeding 15 percent will require an amendment to the grant agreement as per the regular oPt HF rules and regulations.

#### **2.3.4 Budget lines**

Exceptionally, the oPt HF will allow the creation of new budget lines within the 15 percent parameter further to receiving oPt HF approval by email to procure specific items for staff, or to support the response, provided they are directly related to the COVID-19 response. Any variation exceeding 15 percent will require an amendment to the grant agreement.

#### **2.3.5 Contingency budget line**

On new allocations, implementing partners can include a contingency budget line of up to 4 percent of total project budget under the "General Operating and Other Direct Costs" category. This approach will ensure a speedy response as this budget can be easily re-programmed and used to address needs related to COVID-19, if the situation deteriorates quickly. The contingency is meant to rapidly respond to unforeseen urgent humanitarian needs that may be outside of the original location/sector but not for routine overspending or expansion of ongoing project/s. Activation of such budget will be an email communication with the oPt HF Fund Manager. Approval will be in writing and within 24 hours of request. If not utilized during the project implementation timeframe, the amount budgeted will be refunded.

This budget line can be used outside of the proposal Partners will provide a breakdown of the utilization of the contingency budget line during the submission of the financial report.

<sup>1</sup> <https://www.unocha.org/sites/unocha/files/Global-Humanitarian4Response-Plan-COVID-19.pdf>