



Common Humanitarian Fund

AFGHANISTAN ALLOCATION GUIDELINES 22 JANUARY 2014

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Introduction

Purpose

The purpose of these guidelines is to describe the types and processes of allocation of the Afghanistan Common Humanitarian Fund (CHF) as well as to detail the roles and responsibilities of the stakeholders.

Scope

The guidelines will cover all the steps and phases to be followed during the allocation processes by all CHF participants and stakeholders including the HC, OCHA, Cluster Coordinators and humanitarian partners, grantees and donors. Adherence to these guidelines is mandatory so as to ensure standard and transparent processes.

Rationale

Under the direction of the HC, the Afghanistan CHF aims to support the timely allocation and disbursement of donor resources to the most critical humanitarian needs as defined by the Common Humanitarian Action Plan. In order to meet this goal, these guidelines support a process that is inclusive, transparent and efficient. These guidelines provide clarification and instructions for all allocation process steps and requirements to enhance timely and strategic allocation decisions.

Acronyms

AA	Administrative Agent
AB	Advisory Board
CHAP	Common Humanitarian Action Plan
CHF	Common Humanitarian Fund
CN	Concept Note
GMS	Grant Management System
HC	Humanitarian Coordinator
HCT	Humanitarian Country Team
HFU	Humanitarian Financing Unit
ICCT	Inter-Cluster Coordination Team
IOM	International Organization for Migration
MA	Managing Agent
M&E	Monitoring and Evaluation
M&R	Monitoring and Reporting
MOU	Memorandum of Understanding
MPTF Office	Multi-Partner Trust Fund Office
NCE	No-Cost Extension
NGO	Non-Governmental Organization
OCHA	Office for the Coordination of Humanitarian Affairs
PP	Project Proposal
PUNO	Participating United Nations Organization
SAA	Standard Administrative Arrangement
SRC	Strategic Review Committee
TOR	Terms of Reference
TRC	Technical Review Committee
UNDP	United Nations Development Programme

I. Funding Mechanisms

A. Eligibility

UN agencies, funds and programmes and IOM that have signed the Afghanistan CHF MoU and NGO implementing partners that have been assessed and cleared by the Humanitarian Financing Unit (HFU) of Afghanistan CHF are eligible to submit CHF funding applications. The MA shall determine the criteria for assessing and clearing NGO implementing partners to qualify for funding under the Afghanistan CHF. These criteria will be based on assessing potential partners in the areas of administrative and financial capacities. The HFU shall set up and implement a solid assessment procedure for all potential partners, which will include due diligence as part of the risk management function of the CHF. Partner assessment criteria and more details on fraud mitigation and investigation can be found in the Accountability Framework.

Due to the high-risk operating environment in Afghanistan, and in order to support the timely allocation and disbursement of funds to the most critical humanitarian needs -both thematic and geographic- in Afghanistan, the CHF will explore and encourage submissions from organizational alliances and consortiums, which may include non-cleared organizations, under the supervision and accountability of the contracted partner.

B. Standard Allocation

The Standard Allocation is an allocation process through which the majority of CHF funding is allocated. The purpose of the standard allocation model is to provide relevant and predictable funding to highest priority needs identified in the Afghanistan CHAP.

Every Standard Allocation is based on an ‘Allocation Strategy,’ summarizing the analysis, strategy and intent of the Allocation, placing the CHF’s funding coherently within the country humanitarian context in relation to other donor funding. Allocation Strategies are strategic documents and do not include information on process. The HC can formulate Allocation Strategies for specific events or emergencies. The Allocation Strategy includes information on:

- Humanitarian context with a focus on how the CHF fits into that context
- Allocation Strategy and related priorities
- Total amounts to be allocated by cluster /geographical area (envelopes)
- Details on the prioritization of projects
- Two Allocation Strategies are expected normally; one per Standard Allocation

The Standard Allocation process involves close consultation with the Humanitarian Country Team (HCT), Cluster Coordinators, cluster members and other relevant partners. The final allocation decision is made by the HC after consultations with the Advisory Board (AB). The timing of allocation rounds throughout the Standard Allocation process will be aligned with the CHAP cycles (annual and mid-year review) and other in-country humanitarian assistance delivery mechanisms taking into consideration seasonal factors (winter, flooding seasons).

While the HC can choose to allocate most of the funding available to the CHF at the beginning of the year, the timing of standard allocations in each year may vary depending

on the emergence of new crises and the availability of funds. The CHF will generally allocate funds through the Standard Allocation twice a year.

Annex A provides a detailed step by step process of CHF Standard Allocations. A summary of the allocation steps is as follows:

1. Development of the CHF Allocation Strategy Paper and cluster envelopes
2. Launch of the CHF Standard Allocation process
3. Clusters convene Strategic Review Committees and review Concept Notes (CNs)
4. Cluster Coordinators present cluster CNs to Advisory Board for review
5. HC approves CNs indicating any possible change
6. Potential partners are informed of CN approval and finalize Project Proposals (PPs)
7. HFU convenes Technical Review Committees for reviewing PPs
8. HC approves final Projects Proposal
9. Disbursement of funds, contracting process
10. Implementation, monitoring and reporting begin as per partner's assessed risk level

C. CHF Reserve

The CHF Reserve is primarily intended for the rapid and flexible allocation of funds in the event of unforeseen circumstances, emergencies, or strategic needs. The Reserve accommodates so-called 'special allocations' which are responses to specific humanitarian situations necessitating a coordinated response, albeit outside the Standard Allocations.

The emphasis of the reserve focus on supporting rapid response projects which are developed during the first phase of a new emergency and before mainstream responses come on line. The key requirements for funds allocated through the reserve in case of emergencies are:

- The response constitutes an emergency humanitarian response.
- The project will remedy, mitigate or avert direct loss of life, physical and psychological harm or threats to a population or group and/or protect their dignity. This may include common humanitarian services that are necessary to enable life-saving activities and interagency assessments in case of sudden onset disasters.

The CHF Reserve shall also be used, on a case by case basis, to enable the HC to respond to critical funding gaps or non-emergency related projects considered to be of strategic importance for the humanitarian response in country.

No specific percentage of funds is allocated for the Reserve. Instead, a decision will be made by the Humanitarian Coordinator, in consultation with the Advisory Board, at the start of each Standard Allocation round, determining what amount of funds to be set aside. These funds, not programmed during the Standard Allocation, will constitute the Reserve.

Annex B provides a detailed step by step process for CHF Reserve Allocations. A summary of the allocation steps is as follows:

1. Partners initialize consultation with cluster and OCHA on project relevance
2. Creation and submission of full Project Proposal (PP)
3. HFU, in consultation with Cluster Coordinator, and OCHA trigger the Technical Review Committee
4. Technical Review Committee reviews PP (physical or online process contingent on urgency)
5. Advisory Board is consulted on PP (physical or online process contingent on urgency)
6. HC approves Project Proposal
7. Disbursement of funds, contracting process
8. Implementation, monitoring and reporting begin as per partner's assessed risk level

D. CHF Grant Duration

Implementation of a CHF recipient project shall 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 PP) incurred in the interim period between the Project's approval date (the date when the HC signs the allocation approval) and the date of actual cash disbursement to the recipient project.

If necessary, CHF recipients can request for project revisions and/or no-cost extension to re-program and/or extend the duration of the grant. (See **Annex C** for details).

II. Monitoring, Reporting and Evaluation

Monitoring, reporting and evaluation of projects funded by the Afghanistan CHF will be an integral component of the proposals received by PUNOs, IOM and participating NGOs.

A. Monitoring

Given the potentially large number of projects that may be financed under the CHF it may be not be feasible or desirable to monitor all projects within a given timeframe. A sampling approach will therefore be used to determine what projects to prioritize for monitoring. The total sample size will be determined based on several criteria, including the overall costs of field monitoring, but should be in the range of 50 percent of the total number of projects funded by the CHF.

Different tools will be used to monitor CHF funded projects based on the context (i.e. access constraints, nature of activities) and will use a risk-based approach. Tools will include field site monitoring or third party monitoring, remote calling and web-based monitoring. During proposal development, CHF partners will be informed of the monitoring tools that may be used to verify their reported results (i.e. one or a combination of approaches).

Specific information on monitoring can be found in the Accountability Framework.

B. Reporting

Project reporting by CHF implementing partners is an integral part of the monitoring process. All CHF recipient organizations are required to submit financial and programmatic reporting. Programmatic reporting is divided into two components, one quantitative and one narrative (qualitative) component. Following the capacity assessment of CHF partners and their assessed risk level, different reporting modalities may be required (i.e. number and type of reports to be submitted).

Specific information on reporting can be found in the Accountability Framework.

C. Evaluation

The Monitoring and Reporting Framework should be complemented with an external evaluation of the CHF mechanism. These external evaluations are led by OCHA and undertaken every three years. The evaluation will focus on how the CHF has performed as a funding mechanism and assess its delivery against key CHF objectives such as strengthening HC leadership, the improvement of cluster coordination and the extent to which the CHF has ensured a needs-driven humanitarian response.

Ad hoc reviews or studies of specific aspects of the CHF's performance can also be considered beyond the mandatory three-year evaluation. Such reviews should be done in close consultation between the HC, Advisory Board, and OCHA in its function as the Managing Agent, and key stakeholders.

Specific information on evaluations can be found in the Accountability Framework.

D. Audit

Projects funded by the CHF are subject to being audited according to rules and directives of the respective Participating UN Agencies (in the case of NGOs, OCHA as the Managing Agent). Audits will complement and reinforce the information collected through reporting and different monitoring tools and will include financial aspects.

Specific information on the audit processes and documentation can be found in the Accountability Framework.

III. Appeals Process and Mediation

Participants with insufficiently addressed concerns or complaints regarding Afghanistan CHF processes or decisions can at any point in time approach the OCHA Head of Office with these concerns. OCHA (with the HFU as appropriate) will then compile, review and present raised issues to the Humanitarian Coordinator, who will then take a decision on necessary action(s) and inform the Advisory Board. The Humanitarian Coordinator will share with the AB any such concerns or complaints and actions taken thereof.

Complaints or concerns should be sent to: chfafg.complaints@un.org for the attention of the OCHA Head of Office.

IV. Roles and Responsibilities

A. Humanitarian Coordinator (HC)

The Humanitarian Coordinator will lead the overall management and oversight of the Afghanistan CHF as detailed in the CHF TORs, supported by the OCHA Head of Office, and the OCHA Humanitarian Financing Unit (HFU) and advised by the CHF AB. The HC will provide strategic leadership and make allocation decisions based on contextual analysis, assessed needs and agreed priorities. The HC will approve allocations to projects and authorize disbursements from the Administrative Agent to Participating UN Organizations and OCHA as Managing Agent.

B. CHF Advisory Board (AB)

The CHF Advisory Board will provide guidance to the HC on issues of strategic interest and oversees the respect of the established allocation process of the Afghanistan CHF as provided for in the CHF TORs and in the allocation guidelines. AB members will participate in the CHF allocation process in several phases of the process: commenting the Allocation Strategy, advising the HC on Concept Notes selection following clusters presentations and any other stage as may be requested by the HC. Members of the AB will advise the HC in reviews and updates of policies and allocation procedures as required, and may choose to attend the Technical Review Committee meetings as observers.

C. Humanitarian Financing Unit (HFU)

Under the overall management of the OCHA Head of Office, the Humanitarian Financing Unit (HFU) undertakes all responsibilities pertaining to the coordination of the CHF Allocation Process and oversees the day-to-day operations of the CHF, including the programmatic and financial management of projects.

Specific responsibilities of HFU are outlined in the CHF TORs.

D. Managing Agent (MA)

The Managing Agent function in Afghanistan will be carried out by OCHA. The MA is the entity leading the project cycle on behalf of NGO partners, integrating the functions of the PUNO for NGOs and assuming programmatic and financial accountability for funds received from the Administrative Agent.

Specific responsibilities of the MA are outlined in the CHF TORs.

E. Cluster Coordinators

Cluster Coordinators will support CHF processes at the cluster level aimed at ensuring a transparent and strategic allocation process. They ensure a more coherent and effective response by mobilizing cluster partners to respond in a coordinated, strategic manner. They will also assist with the quality control elements of Proposals.

Specific responsibilities of Cluster Coordinators are outlined in the CHF TORs.

F. Strategic Review Committee (SRC)

A Strategic Review Committee is established by the HFU for each cluster to review Concept Notes (CNs) submitted by NGOs and UN Agencies to the CHF. Cluster coordinators will support the HFU in the process.

For each cluster, the SRC shall consist of the following six (6) members:

- Cluster Coordinator (chair)
- One HFU representative (as process owner)
- One OCHA Cluster Coordination Unit representative
- One Cluster Lead Agency representative
- Two NGO representatives

The responsibilities of the SRC are:

- To review the Concept Note's relevance against the Afghanistan CHF Allocation Strategy using Score Cards.
- To assist the Cluster Coordinator in compiling a list of recommended Concept Notes for the AB.

The SRC will not change Concept Notes or request amendments to applicants.

G. Technical Review Committee (TRC)

A Technical Review Committee is established by the HFU for each cluster to review Project Proposals (PPs) submitted by NGOs and UN Agencies to the CHF. Cluster coordinators will support the HFU in the process. The TRC will provide the technical advice on proposals, and analyze the feasibility and relevance of proposed project activities within the context of relevant cluster concerns and the CHAP. The HFU representatives within the TRC will also ensure that feedback on the budget is given as part of the TRC comments.

For each cluster, the TRC shall consist of the following six (6) members:

- Cluster Coordinator (chair)
- Two HFU representatives (as process owner)
- One Cluster Lead Agency representative
- Two NGO representatives

UN and NGO representatives should be experts in the thematic areas covered by the project proposals and they should differ from the members who have attended the SRCs.

The responsibilities of the TRC are to review the Project Proposal's components as per tabs in the online Grant Management System (GMS):

- Technical activities are in line with cluster and national best practices.
- Proposed budget is reflective of generally accepted activity and operational costs within the cluster.
- Supporting costs of the proposal are realistic in support of direct/programmatic activities.
- Monitoring and Evaluation guidelines and procedures outlined in the Project Proposal are adequate and acceptable for the proper follow-up of implementation.

- The proposed activities mainstream cross-cutting issues (i.e. gender, environment, etc.) as required by the CHAP, cluster and/or the Allocation Strategy.

Any requests for modifications will be compiled by the TRC and communicated to the Requesting Organization a maximum of two (2) times during the review process.

H. Administrative Agent (AA)

The UNDP MPTF Office (New York), in its role as Administrative Agent of the Afghanistan CHF, will receive, administrate and manage contributions from contributing donors to the fund, disburse funds to PUNOs, IOM (NGOs will receive funds through the Managing Agent) implementing CHF-funded activities. The AA will also provide periodic reports on the Afghanistan CHF to the HC and contributing donors.

Specific responsibilities of Administrative Agent are outlined in the CHF TORs.

V. Annexes

A. Standard Allocation Process – Step by Step



-	Allocation Strategy is tabled at the ICCT by OCHA/HFU			Indicative Working Days (Total to Date)
1	Step 1: Development of the CHF Allocation Strategy Paper	Responsible	Output(s)	0
1.1	OCHA CCU with support from HFU in consultation with HC drafts Allocation Strategy for the CHF allocation. ICCT discusses the draft strategy paper, giving inputs and suggestions. Information on available funds to be allocated and draft allocation timeline incorporated in the strategy paper. HFU shares Zero Draft of Allocation Strategy with HC.	OCHA CCU; HFU; ICCT;	Zero Draft of Allocation Strategy	5 days (+5 Days)
1.2	HC presents draft strategy paper to the AB for inputs. The HFU compiles inputs from the AB. HC issues final allocation strategy paper and cluster funding envelopes	HC; HFU	CHF Allocation Strategy including cluster funding envelopes	7 days (+12)
2	Step 2: Launch of the CHF Standard Allocation Process	Responsible	Output(s)	
2.1	HFU circulates Allocation Strategy Paper to the humanitarian community to Cluster Coordinators along with the CHF Allocation Timelines. Allocation Strategy Paper and associated documents are disseminated to the humanitarian community signalling <u>the formal start of the CHF Standard Allocation Process</u> , as a formal invitation for submission of Concept Notes.	HC; OCHA; HFU;	Dissemination of CHF Allocation Strategy Paper. Funding Envelopes Allocation Timeline	1 day (+ 13)
3	Step 3: Cluster Consultations and Concept Note Review	Responsible	Output(s)	
3.1	Eligible partner organizations submit Concept Notes using the Afghanistan CHF Grant Management System (GMS). HFU and Clusters review the tools for the Strategic Review Committee for the Score Cards and those of the Technical Review Committee.in preparation of the review documents. Cluster members nominate representatives to their cluster Strategic Review Committee (SRC) and Technical Review Committee (TRC) and submit names to HFU. Cluster Coordinators have to ensure that TRC members have the specific technical competences required. Organizations with intention to apply consult with Cluster Coordinators for technical/strategic issues.	Cluster Coordinators; Eligible partners;	Concept Notes submitted in the GMS Cluster Score Card Questions/Inputs Cluster members for: Strategic Review Committees (SRCs); Technical Review Committees (TRCs)	4 days (+17)

3.2	<p>HFU and Cluster Coordinators schedule Strategic Review Committee (SRC) meetings to review, rank and recommend Concept Notes in line with the Allocation Strategy. The HFU and Cluster Coordinators will ensure that:</p> <ul style="list-style-type: none"> (i) Cluster-sourced (section 3.1 above) Score Card criteria are used by the SRC for reviewing Concept Notes and SRC members are aware of how they are applied for consistency purposes. (ii) Total cost of Prioritized Concept Notes fits cluster allocation envelope (iii) Process is inclusive, transparent and objective. (iv) Final comments for each CN are captured in the GMS. (v) The HFU has the responsibility to update the SRC about eligibility status and previous performance of any partner organizations. 	Cluster Coordinators; HFU; SRC members;	<p>List of approved Concept Notes for cluster presentation to Advisory Board which includes total cost.</p> <p>Draft CHF allocation minutes/comments produced.</p> <p>Completed Score Cards.</p>	3 days (+20 days)
3.3	<p>Based on the result of the SRC review cluster coordinator will be able identify prioritized Concept Notes. HFU will support Cluster Coordinator in extracting necessary documents to prepare the Cluster Allocation Proposal for the AB.</p> <p>Cluster Coordinators prepare presentations for the Advisory Board review.</p> <p>Cluster Coordinators share the presentation of the Cluster Allocation Proposal with HFU.</p> <p>The HFU compiles a summary of the Cluster Allocation Proposals, ensuring strategic coherence in preparation for the AB meeting.</p>	Cluster Coordinators; HFU	Cluster Allocation Proposal	2 days (+22 days)
4	Step 4: Concept Note approval	Responsible	Output(s)	
4.1	<p>Cluster Coordinators present their Cluster Allocation Proposals, consisting of the list of Concept Notes to the Advisory Board chaired by HC. The presentation summarizes the expected outcomes/results of the Recommended Concept Notes and their link to the priorities outlined in the Allocation Strategy</p> <p>HFU facilitates the presentation sessions as AB Secretariat.</p>	HC Cluster Coordinators; HFU; AB;	<p>Cluster presentation (email copy to HFU)</p> <p>AB reviews comments, suggestions and recommendations.</p>	1 day (+23 days)
4.2	<p>The HC can convene follow-up consultation sessions with the AB if required in order to approve CNs.</p> <p>Any revision requested by the HC is captured on the GMS for the attention of each applicants and follow-up of the Technical Review Committees when reviewing the full Project Proposals (PPs).</p> <p>HC debriefs each Cluster Coordinator on the outcome of the CHF allocation presentations, Concepts Notes recommended for funding and required revisions/changes, if any, as suggested by the HC.</p> <p>HFU facilitates the debriefing sessions.</p> <p>HFU communicate to partners the HC decision.</p>	HC; AB; HFU	<p>AB's consultation on Concept Notes.</p> <p>List of Concept Notes recommended by the HC for funding.</p> <p>HC's recommendations communicated to each partner organization and to the cluster coordinators.</p>	2 days (+25 days)
5	Step 5: Project Proposal Submissions and Technical Review Committee	Responsible	Output(s)	
5.1	<p>Organizations whose Concept Notes are approved finalize submission of Project Proposals and related documentation on the GMS.</p>	Partner organizations	Finalized submissions of Project Proposals	7 days (+32 days)

5.2	<p>HFU and Cluster Coordinators schedule Technical Review Committee (TRC) meetings to review Project Proposals by cluster. The TRC will review each component of the project proposal as captured in the GMS: <i>Cover Page, Background, Logical Framework, Work Plan, M&E, Other Info, Budget, Locations, and Documents.</i></p> <p>The HFU and Cluster Coordinators will ensure that:</p> <ul style="list-style-type: none"> (i) Standard tools (section 3.1 above) are used by the TRC for reviewing Project Proposals and TRC members are aware of how they are applied for consistency purposes. (ii) The TRC gives clear feedback and comments/requests for revisions on technical and budgetary/financial points of the Project Proposal. (iii) The inclusion of HC comments and/or revision requests (section 4.2 above) is verified. (iv) Process is inclusive, transparent and objective. <p>The TRC will provide inputs to the applicant organizations for a maximum of three times (the third one being the final decision on the Project Proposal). Would be the second round of feedback from partners unsatisfactory in addressing TRC comments the project will be rejected.</p> <p><i>Note: This component can be shorter or longer depending on evaluation and response times from partners, affecting the overall allocation process timeline.</i></p>	Cluster Coordinators; applicant organizations; HFU	<p>Project Proposal inclusive of the HC recommendations.</p> <p>Exchange between TRC and applicant organization to ensure qualitative Project Proposals</p> <p>Final Projects Proposal and documentation cleared by the TRC.</p>	10 days (+42 days)
6	Step 6: HC Approval and Partner Notification	Responsible	Output(s)	
6.1	<p>HFU prepares CHF allocation letters for HC's signature to formalize projects approval.</p> <p>The HC signs the allocation letters and authorization to proceed with fund disbursement (Fund Transfer Request).</p> <p>Applicants (UN Agencies and NGOs) whose Proposals are accepted will receive formal notification.</p>	HC; HFU;	<p>Final HC Project Proposal approval</p> <p>Allocation Letters</p> <p>Formal communication to partner organizations for signature and acceptance.</p>	5 days (+47 days)
7	Step 7: Disbursement of Funds	Responsible	Output(s)	
7.1	<p>HFU prepares relevant documents to formally communicate funding decision.</p> <p>HFU prepares Fund Transfer Request (FTR) for HC signature</p> <p>MPTF Office releases allocated funds to UN Agencies and the Managing Agent upon receipt of signed Fund Transfer Request and allocation letter signed by the HC.</p> <p>For allocations to NGOs, the fund disbursement process will start once the Agreement has been signed by OCHA and the NGO. When signing the Agreement NGO provides a signed payment request.</p>	HFU; MPTF; HC; UN Agencies and IOM; NGOs; HFU;	<p>HC and UN Agencies Sign FTR</p> <p>MPTF disburses funds to UN Agency(ies) and/or IOM and/or the Managing Agent</p> <p>Fund disbursement to NGOs via MA</p>	14 days (+61 days)

B. Reserve Allocation Process – Step by Step¹

ACTIVITIES	RESPONSIBLE	OUTPUT(S)	Indicative Working Days (Total to Date)
<p>- Notification/report/information of emergency or specific needs/action reaches OCHA, Cluster Coordinators and the HC is consulted. The HC confirms availability of funding. The HC can trigger Reserve applications when s/he deems it necessary</p> <p>Interested organization(s) consult with Cluster Coordinator(s) for project(s') relevance, inter-cluster coherence and timing.</p>	<p>HC; OCHA; Cluster Coordinators; Cluster Members; Other Orgs;</p>	<p>HC decision to make funds available for specific Proposal/action or emergency.</p> <p>Interested organizations appeal for CHF funding to emergency response</p>	<p>0</p>
<p>1 Submission of Proposal(s): Requesting organization(s) submit(s) full PPs on the CHF online GMS.</p> <p>If HFU and OCHA CCU, Cluster Coordinator support the initial request the project is submitted to the TRC.</p> <p>HFU keeps the HC informed.</p>	<p>Applicant organizations; Cluster Coordinators; Cluster Members;</p>	<p>Full Project Proposals submitted to CHF GMS.</p> <p>Briefing notes sent to HC and AB</p>	<p>4 Days (+4 Days)</p>
<p>2 Technical Review of Proposal(s): HFU and Cluster Coordinator convene cluster members for TRC meeting (1 or more clusters depending on scope of emergency). TRC will review PP as per Standard Allocation process using Score Card.</p> <p>Depending on time criticality the TRC review can be done using an online system for comments/inputs which are compiled on the GMS system and handled by the HFU.</p> <p>Note that the TRC provides inputs to the Project Proposal to the applicant organization for a maximum two rounds of review as with Standard Allocation process. Completion of this step depends on the timely submission of required documentation by applicant organization.</p>	<p>Cluster Coordinator; TRC; HFU; Applicant Organization;</p>	<p>Project Proposal submitted in the GMS</p> <p>Exchange between TRC and applicant organization to ensure qualitative Project Proposals</p> <p>Final Project Proposal and documentation cleared by the TRC</p>	<p>3 Days (+7 Days)</p>
<p>3 Presentation to the AB and HC's approval:</p> <p>The HC makes a decision on whether or not to approve the Project Proposal.</p> <p>For time-critical projects, the HC can request for AB inputs through an email procedure against a timeline of 48 hours (2 days).</p> <p>For all other projects, the AB will convene to consider the Project.</p> <p>The HFU informs the requesting organization of the HC's decision.</p>	<p>HC; AB; Cluster Coordinator; HFU</p>	<p>AB consultations (AB convened or email procedure)</p> <p>Final HC Project Proposal approval</p>	<p>3 Days (+10 Days)</p>
<p>4 Issuance of Allocation letter:</p> <p>HFU prepares CHF allocation letters for HC's signature to formalize projects approval.</p> <p>The HC signs the allocation letters and authorization to proceed with fund disbursement (Fund Transfer Request).</p> <p>Applicants (UN Agencies and NGOs) whose Proposals are accepted will receive formal notification.</p>	<p>HC; HFU;</p>	<p>Allocation letter</p> <p>Formal communication to partner organizations for signature and acceptance.</p>	<p>2 Days (+12 Days)</p>
<p>Disbursement of funds</p>			

¹ In case of time critical assistance, the allocation procedures including the disbursement process can be fast tracked

5	<p>HFU prepares relevant documents to formally communicate funding decision.</p> <p>HFU prepares Fund Transfer Request (FTR) for HC signature</p> <p>MPTF Office releases allocated funds to UN Agencies and the Managing Agent upon receipt of signed Fund Transfer Request and allocation letter signed by the HC.</p> <p>For allocations to NGOs, the fund disbursement process will start once the Agreement has been signed by OCHA and the NGO. When signing the Agreement NGO provides a signed payment request.</p>	<p>HFU; MPTF; HC; UN Agencies and IOM; NGOs; HFU;</p>	<p>HC and UN Agencies Sign FTR</p> <p>MPTF disburses funds to UN Agency(ies) and/or IOM and/or the Managing Agent</p> <p>Fund disbursement to NGOs via MA</p>	<p>14 days (+26 days)</p>
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C. CHF No-Cost Extension and Revision

C.1 Guidelines on Requesting a No-Cost Extension (NCE)

These guidelines set forth the requirements and conditions under which a request for a No-Cost Extension (NCE) will be considered and approved for on-going CHF grants. CHF grantees are encouraged to adhere to the grant duration and achieve project closure in accordance with the approved allocation documents. At times it may be necessary for a CHF grantee to request additional time to complete activities. In this situation a NCE will extend the grant period without any additional budget increases. A NCE will be granted only in exceptional circumstances if a solid justification is provided.

The HC will make decisions regarding NCE requests in the event a grantee requires an additional time period beyond the previously approved end date to complete the objectives of the Project. The HC may also decide to delegate this decision to the OCHA Head of Office. Although the HC (or the delegated authority) makes the final decision in approving a NCE, the HFU compiles and ensures that all requests include the necessary information needed.

The CHF project cycle is for twelve (12) months. NCEs should be considered an extraordinary event, not the norm and must be fully justified and evidence-based.

NCEs for Projects receiving funds from a Standard or Reserve Allocation will not be granted for more than three months.

A NCE request will not be approved if:

- The reasons provided are not justifiable.
- More than 30% of the project activities are not accomplished without justifiable reasons.
- Unspent funds which were not used during the approved project duration cannot be used as the main or only justification for requesting an NCE.
- Reporting (financial and/or program) to date has been unsatisfactory.
- There are unresolved concerns about the project.

Cost extensions to CHF-funded Projects will not be permitted.

Steps in Requesting a No-Cost Extension

1. CHF grantees requesting an NCE should complete NCE Request Form and email the Word version to HFU at chfafg@un.org. HFU shall confirm receipt within 3 days. If

grantee does not receive email confirmation after this period, he/she should check with HFU.

2. The HFU will seek Cluster Coordinator feedback on the merit of each request.
3. A request for a NCE should be submitted one (1) month prior to the approved end date of a project whose duration is up to six (6) months and two (2) months prior to the approved end date of a project whose duration is above six (6) months. Requests submitted after the approved grant end date will only be considered in the event of exceptional circumstances (security incidents, etc.)

C.2 Guidelines on Requesting a Revision

Basis for Revision

A revision should be considered as an extraordinary event, not the norm and must be fully justified. The HC makes the final decision in approving any requested revision. The HFU compiles all requests and ensures that all requests include the necessary information.

Grantees can request a revision to their CHF-funded Projects due to changes in any of the following:

- Outcomes/outputs
- Activities
- Targets
- Number of beneficiaries
- Location
- Budget lines
- Recipient project
- Any other significant change

Steps in Requesting a Revision

1. CHF grantees requesting revision should complete a Revision Request Form available from the HFU and email the word version to the HFU at chfafg@un.org. HFU shall confirm receipt within three (3) days. If grantee does not receive email confirmation after this period, he/she should check with HFU.
2. The HFU will consult with Cluster Coordinators regarding the revision.
3. The HFU reviews the revision request and endorses or returns it to the requesting for more information.
4. The HFU has the right to decline any unjustifiable revision request; should the causes and reasons given negate the Terms of Reference (TOR) of the CHF.
5. Upon review and if approved by the HC, an email notification with the approved request will be sent to the requestor.
6. A Revision request should be submitted two (2) months prior to the approved end date of a project whose duration is up to six (6) months and four (4) months prior to the approved end date of a project whose duration is above six (6) months. Requests submitted after the approved grant end date will not be considered.

Automatic Endorsement of the Budget Revision

The HFU can automatically endorse a budget revision made by a CHF grantee (UN Agencies or NGOs) if the revision meets the following:

1. The project revision should not increase or decrease the total project budget.
2. The revised budget lines are all within one budget category, and the changes do not increase or decrease that budget category.
3. The revision makes changes between budget lines across two categories, where the *receiving* category (in which money is added) does not change more than 10%.
4. The revision does not involve shifting money from direct costs to indirect costs. If this happens then it is considered a routine revision request and must follow normal revision request steps.
5. The revision does not eliminate or add a core project activity. If this happens then it is considered a routine revision request and must follow normal revision request steps.