Review of the Humanitarian Partnership Agreement 2011-2016
MANAGEMENT RESPONSE

Investment Summary

Investment Name	Humanitarian Partnership Agreement (HPA) 2011-2016		
AidWorks initiative number	INJ593		
Commencement date	May 2011	Completion date	June 2016
Total Australian $	AUD13.5million: Disaster Risk Reduction (DRR)/Disaster Risk Management Capacity Building (DRM CB) activities AUD41.5million: response funding		
Delivery organisations	CARE Australia Caritas Australia Plan International Australia Save the Children Australia OXFAM Australia World Vision Australia		
Country/Region	Global		

Objective

That DFAT humanitarian partners will deliver better outcomes for people affected by disasters around the world by enhancing inter-agency collaboration, upholding the highest standards of accountability and ensuring rapid release of funds during crises.

Review Summary

The *review* of the current HPA was to determine:

     a. whether the outcomes of delivering rapid emergency assistance, collaborative DRR and DRM activities and strategic dialogue were achieved; and

     b. to identify lessons learned from the HPA to inform a design process for emergency response and DRR and DRM.

Review Completion Date: July 2015

Review Team: Zoe Mander-Jones, Michael Collins and Michelle Besley, Strategic Development Associates

Management Response

Overview

Reviews such as this form part of the Australian Government's commitment to ensuring the effectiveness and efficiency of the aid program and to driving increased transparency. The Review will inform design considerations for a successor mechanism which will be developed to ensure Australia's humanitarian response efforts remain at the forefront of the international humanitarian system.

The existing Humanitarian Partnership Agreement (HPA) was established in 2011 as a partnership between six pre-selected Australian NGOs and the Australian Government to deliver better outcomes for people affected by humanitarian emergencies around the world by enhancing inter-agency collaboration, upholding the highest standards of accountability and ensuring rapid release of funds during rapid on-set emergencies.

In relation to emergencies, partners agreed a 72-hour turn-around from activation to approval of funding to enable a rapid response to identified immediate population needs. This has enabled timely mobilisation of life-saving assistance. To complement this, the HPA also provides a mechanism for collaboration on programmed Disaster Risk Reduction (DRR) and Disaster Risk Management capacity building (DRM CB) initiatives. The HPA also aimed to improve strategic dialogue on policy issues of mutual interest between DFAT and NGOs.

Through the HPA, the six NGO partners have received a total of AUD41.5 million in emergency funding (via 12 activations). Three recent major activations to rapid onset emergencies have included responses to Nepal, earthquake; Vanuatu, Cyclone Pam and Philippines, Typhoon Haiyan. In addition AUD13.5 million was allocated to DRR and DRM activities. The current HPA mechanism has been extended and is now set to expire in June 2016.

Humanitarian response is an important responsibility of DFAT as part of the Australian aid program. It is reflected in the Government's aid policy under the investment priority 'Building Resilience: Humanitarian Assistance, Disaster Risk Reduction and Social Protection'. The HPA has provided timely and streamlined funding for humanitarian emergencies across the world. The NGOs under HPA have added value to Australian humanitarian responses, through effective and well-targeted emergency assistance, robust analysis, and strong relationships on the ground.

The HPA, as a humanitarian response mechanism, has been reviewed on numerous occasions over the past 4 years including a Mid-Term Review 2013, Annual Quality at Implementation reports, and through specific response reviews and evaluations. These reviews have informed this final Review.

The Review found that the HPA had produced some impressive achievements to date, such as consistently delivering fast emergency response funding and the predictable, multiyear nature of the DRR and DRM funding was found to support long term planning and build stronger partnership relationships. Strategically the model has moved DFAT – NGO relationship away from a transactional approach to one involving a greater sense of collaboration.

The Review also highlighted a number of areas for improvement. For example, there is scope to further improve the effectiveness of partnership arrangements, including the

competitiveness of the peer review process, the appropriateness of the mechanism for protracted crisis, defining the purpose of the partnership and strategic dialogue, increasing public awareness and visibility and improved monitoring, evaluation and learning.

The review provided 14 recommendations grouped into three areas: considerations for the new design phase, DFAT's approach to the design and management of the current phase of the HPA.

This response outlines the Australian governments proposed way forward in addressing the recommendations of the Review. The funding envelope for the HPA ends in June 2016. A thorough and consultative design process will take place for a successor mechanism to the HPA beginning in July 2016. The Review's conclusions and recommendations will inform future options by the design team.

Design Process Recommendations

Recommendation One

Recommendation: *The design process builds on the achievements and lessons of the HPA.*

Response: Agree. The design should build on lessons learnt during the lifetime of the HPA and the specific lessons identified in Section 4 of the Review Report covering the partnership approach, efficiency and effectiveness of the HPA mechanism, DRR and DRM activities, monitoring, evaluation and learning, gender equity, disability inclusion, protection, public awareness and visibility.

Actions: The design will be informed by the review and associated Australian Council for International Development (ACFID) Humanitarian Reference Group (HRG) and DFAT responses to the review, consultation with stakeholders, experience of other donors, other relevant response mechanisms and DFAT policies.

Recommendation Two

Recommendation: The design process analyses other comparable donor mechanisms and other comparable DFAT partnerships to identify best practice in partnering for effective humanitarian action.

Response: Agree.

Actions: The design will review comparable donor mechanism such as Consortium of British Humanitarian Agencies (CBHA), DFID Rapid Response Fund, ECHO Primary Emergency Decision mechanism and the UN Central Emergency Response Fund (CERF). In addition the review will consider other DFAT partnerships such as the BRAC[i] – DFAT Strategic Partnership Arrangement, Secretariat of Pacific Communities – DFAT Partnership, and the Australia Middle-East NGO Cooperation Agreement.

Recommendation Three

Recommendation: The design process reviews the recommendations from the Office of Development Effectiveness' (ODE) evaluation of the ANCP program for their relevance to a future mechanism

Response: Agree. It is important to ensure relevant lessons and recommendations from the evaluation are considered as part of the design of a successor mechanism to HPA.

Actions: The design will review the evaluation report and DFAT's management response to the ODE evaluation.

Recommendation Four

Recommendation: The design process considers adaptations to the peer review in order to remove the divisive aspects while maintaining the positive elements of NGO collaboration

Response: Agree. Whilst maintaining the ability to systematically and objectively assess the quality and credibility of proposals, efforts should be made to manage divisive aspects of the peer review process to ensure an optimal response.

Actions: The design will consider appropriate governance arrangements to ensure the timeliness and quality of a response is maximised and make a recommendation to the DFAT. The design process will also clarify the respective roles and responsibilities of the parties to the successor mechanism.

Recommendation Five

Recommendation: The design process assesses funding models that include both a narrow and broad NGO supplier base (or a combination of both), giving prominence to considerations around capacity to respond to different crises, established local capability, access to specialisation and value for money.

Response: Agree. The design needs to consider different and varied fit-for-purpose funding models.

Actions: In addition to considering appropriate funding models, the design team will provide recommendations on how to incentivise innovative approaches and engagement with the private sector, where appropriate, to respond to different crises and build community resilience

DFAT Recommendations

Recommendation Six

Recommendation: That DFAT use the design process to articulate its expectations around the purpose (or purposes) of a future mechanism

Response: Agree.

Actions: The design team will work with DFAT to ensure the purpose of a future mechanism is clearly defined.

Recommendation Seven

Recommendation: That DFAT use the design process to define the role it expects to play, as both a partner and as a donor, acknowledging that a future mechanism must remain effective in the context of DFAT staff turnover

Response: Agree. It is appropriate that DFAT's role, as well as other parties to the mechanism, is defined.

Actions: The design team will provide recommendations to DFAT in this regard.

Recommendation Eight

Recommendation: That DFAT use the design process to consider funding arrangements that continue to be flexible and adaptive but are also more predictable and long-term

Response: Partially agree. DFAT agrees that consideration should be given to flexible and adaptive funding arrangements. However, notes that any consideration or recommendation on predictable, long term arrangements will be balanced with annual government appropriation processes and Ministerial approval.

Actions: The design team will provide recommendations to DFAT in this regard.

Recommendation Nine

Recommendation: That DFAT use the design process to estimate a minimum level of annual funding to be channelled through a future mechanism to enable the design of an appropriately resourced governance and management structure.

Response: Partially agree. Any recommendation concerning funding will be based on the defined objectives and outcomes of the successor mechanism annual government appropriation processes and Ministerial approval.

Actions: Based on recommendations of appropriate governance and management arrangements, funding considerations will be proposed by the design team for DFAT consideration.

Current phase of HPA Recommendations

Recommendation Ten

Recommendation: *In the event that the HPA is activated for a major rapid onset emergency, HPA funding will be evenly split between all partners with established local capacity to respond. The Response Committee would still operate, and have a stronger focus on coordination of quality responses, and collaboration around monitoring and learning.*

Response: Agreement is subject to further consultations with HPA members on the proposed definition of a major rapid onset emergency and determining local capacity.

Actions: For the purposes of discussing further with HPA partners DFAT proposes that a major rapid onset emergency, in the context of funding HPA partners, would be over AUD3million. In such an event, a consortium model would be considered to manage the administration associated with splitting funding across all partners with an established local capacity. Refer to recommendation 12 regarding discussions around consortium model.

With regards to confirming local capacity, DFAT would expect each partner to demonstrate they have partner government authority to operate in the country and have an existing *active* presence in country.

Recommendation Eleven

Recommendation: *In the event that the HPA is activated for a response to a protracted crisis, the Response Committee's peer review process will be supported by an independent technical assessment of NGO proposals.*

Response: Agreement is subject to further consultations with HPA members on associated costs.

Actions: DFAT agrees to this recommendation noting that wherever possible, ACFID and DFAT technical expertise should be utilised or on confirmation from HPA partners that any costs associated with an Independent Technical Assessment will be covered by partners and will not utilise response funding. DFAT will discuss this approach further with HPA partners at an upcoming quarterly meeting.

Recommendation Twelve

Recommendation: *Partners will review and debate the benefits and costs of the consortium approach that has been used in the Vanuatu and Nepal responses at a HPA/HRG quarterly meeting.*

Response: Agree. The consortium model was first piloted in response to Cyclone Pam in Vanuatu and again in response to earthquakes in Nepal.

Actions: DFAT notes that a discussion on the consortium model is listed as an agenda item at the next HPA meeting in August 2015.

Recommendation Thirteen

Recommendation: Partners will design future HPA learning events to encourage sector-wide learning, be inclusive of HRG members, have a thematic/sectoral focus, and draw in outside agencies (such as academic institutes and/or private sector organisations) as relevant.

Response: Agree.

Actions: DFAT notes that the most recent learning event held in July 2015, was focused on DRR/DRM and included HPA and HRG members.

Recommendation Fourteen

Recommendation: Partners will review current procedures around capacity mapping of HPA (and non-HPA) NGOs, with the aim of removing any duplication of effort, and improving the accuracy and utility of the information provided to all parties.

Response: Agree.

Actions: DFAT will investigate whether it is appropriate to utilise the DFAT system, Smarty Grants, during the current phase of the HPA to assist with capacity mapping. In addition to this, DFAT will consult with HPA partners on other ways to improve capacity mapping at an upcoming HPA quarterly meeting.

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[i] BRAC, an international development organisation based in Bangladesh.