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Independent Review of Individual Donor Assessments in Humanitarian Operations

Summary of Findings | November 2020

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Acknowledgments

Disclaimer

Key Findings

1 The volume of donor assessments has **more than doubled since 2016.**

2 **Joint donor assessments** remain the exception and are unlikely to increase.

3 **A number of reasons** drive donors to conduct (more) assessments.

4 Donor assessments increase administrative costs, but they also offer **opportunities for learning and change.**

5 Secondary effects of donor assessments on agencies' downstream partners are largely **untraceable.**

Donor Assessments: How Many Are Conducted?

	2016	2017	2018	2019
	62	76	91	127
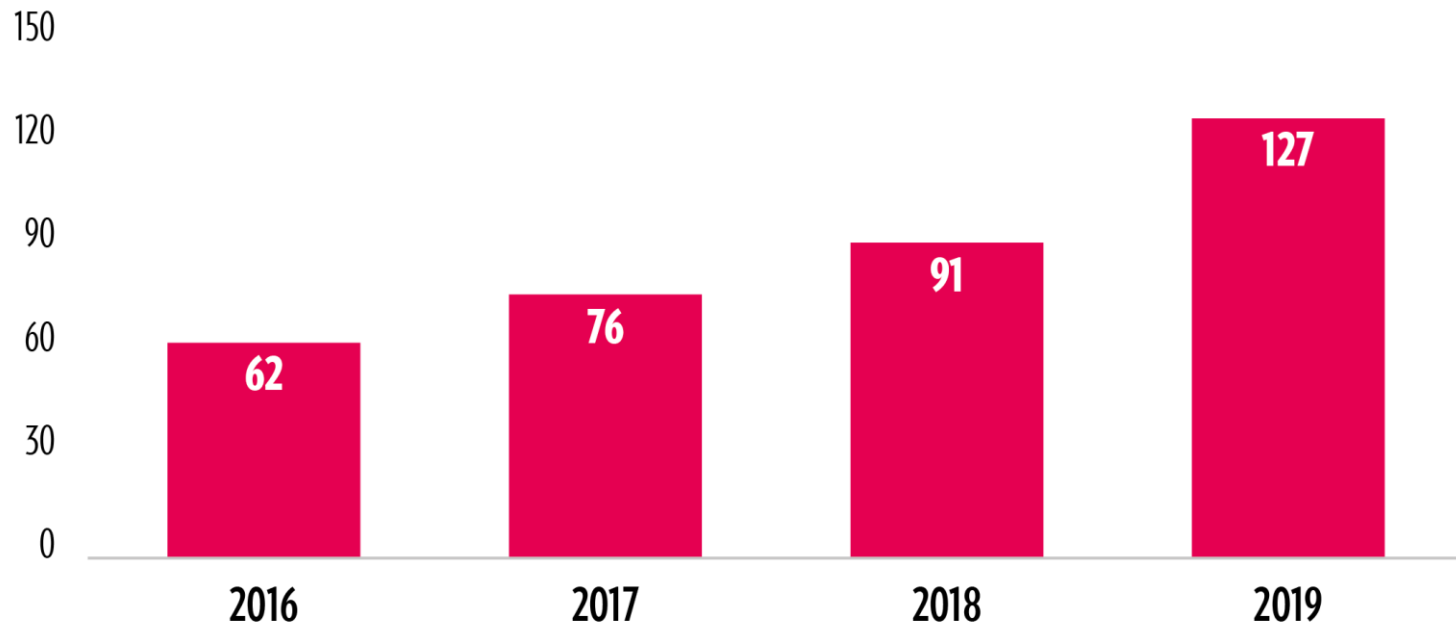
Note: This figure represents the overall quantity of donor assessments (including assessments from national oversight institutions) between 2016 and 2019 as reported by the five agencies participating in the review.

Donor Assessments: Distribution Among Agenices
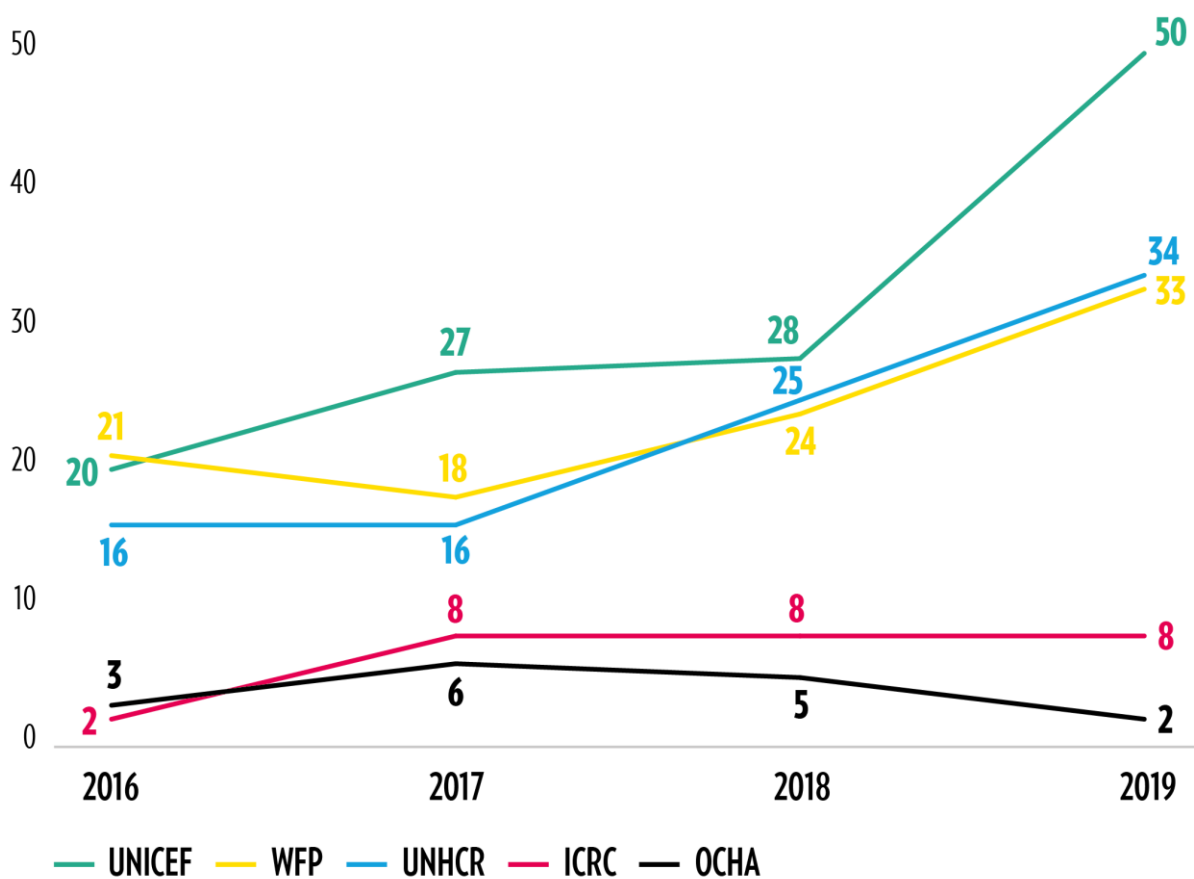
Note: This figure represents the yearly breakdown of donor assessments per agency (including assessments from national oversight institutions) between 2016 and 2019 as reported by the five agencies participating in the review.

UNICEF — WFP — UNHCR — ICRC — OCHA

Donor Assessments: At What Level Are They Conducted?

Multiple levels: **6%**

Headquarters: **8%**

Regional level: **2%**

28

22

7

Country level: **84%**

299
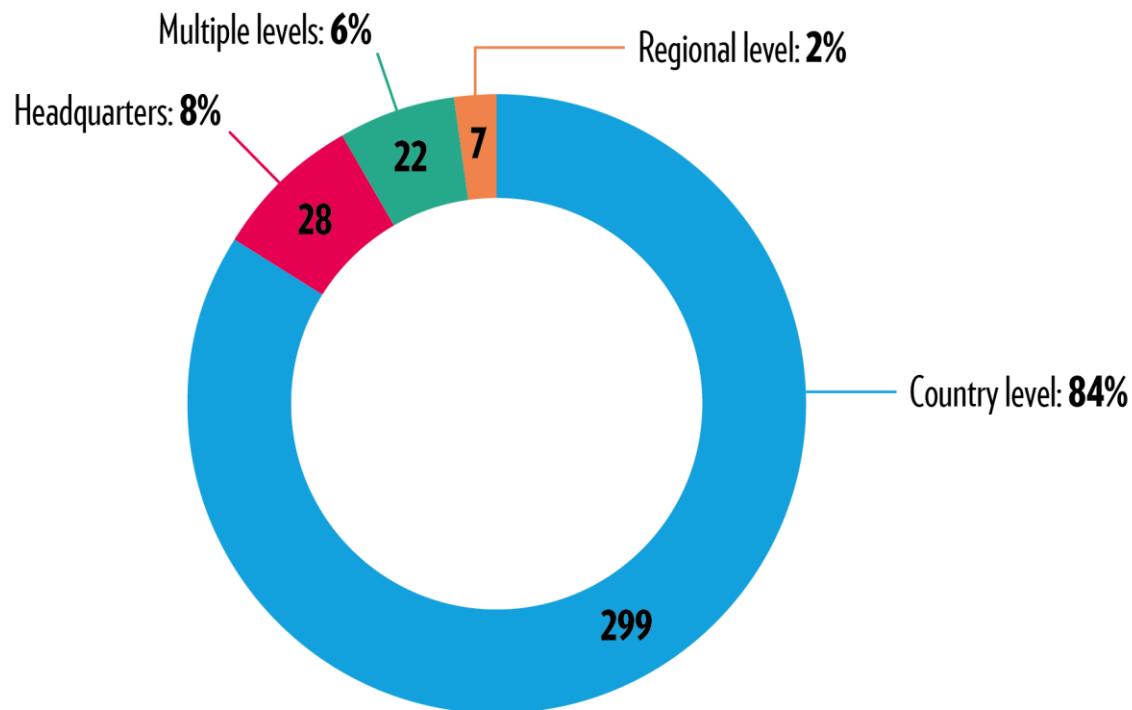
Note: This figure represents a breakdown of donor assessments by location between 2016 and 2019 as reported by the five agencies participating in the review.

Donor Assessments: Joint Assessments

Two donors: **1%**

2

4

Three or more donors: **1%**

Single donor: **98%**

350
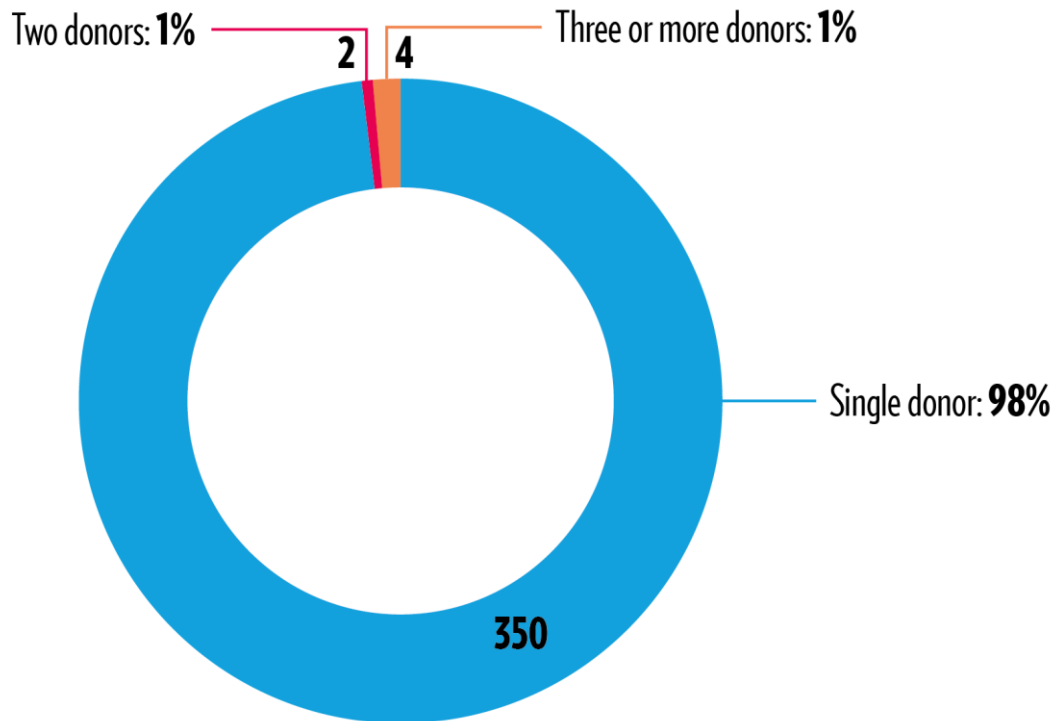
Note: This figure represents a breakdown of the assessment data by the number of donors conducting each assessment.

Donor Assessments: Which Types Are Conducted?
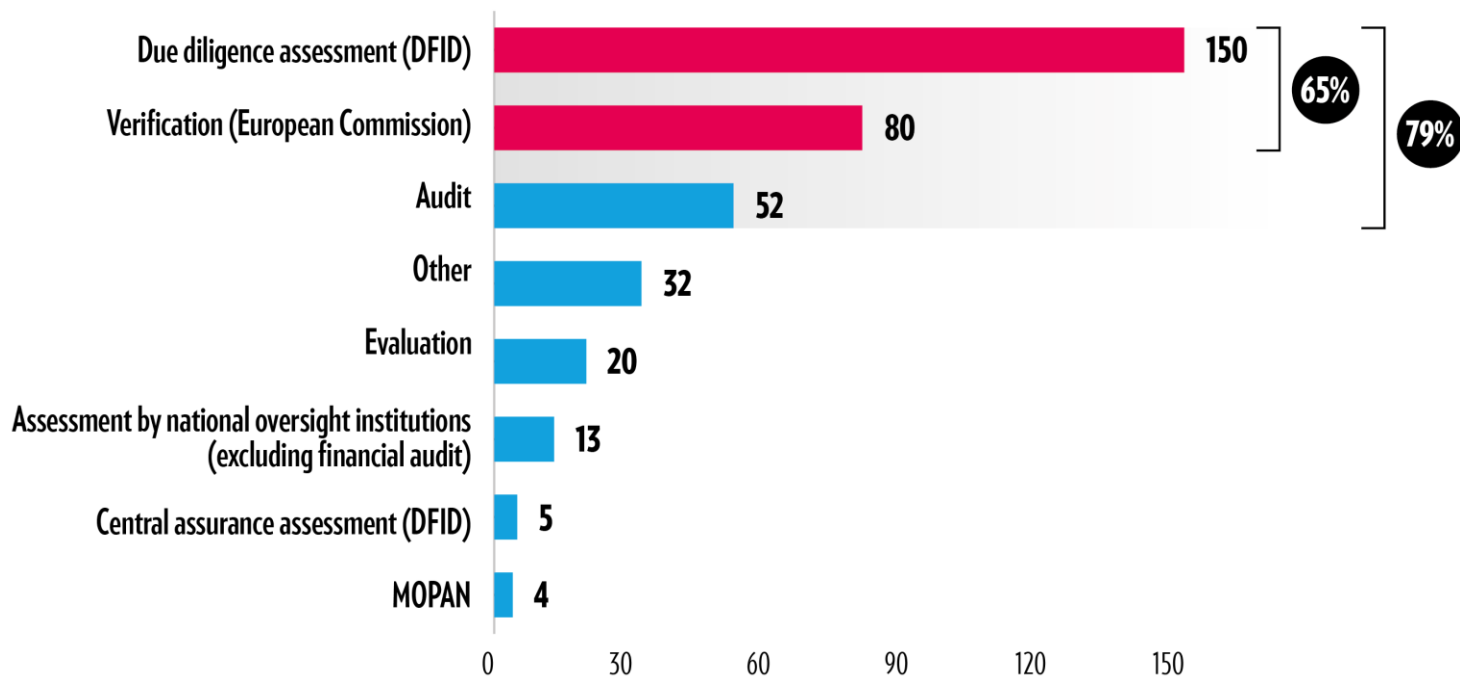

Assessment Type	Value
Due diligence assessment (DFID)	150
Verification (European Commission)	80
Audit	52
Other	32
Evaluation	20
Assessment by national oversight institutions (excluding financial audit)	13
Central assurance assessment (DFID)	5
MOPAN	4

65%

79%

Note: The number of verifications listed in the second row from the top represent verifications by different Directorates-General of the European Commission. For instance, a detailed breakdown of the data for UNHCR and WFP shows that across those two agencies, DG ECHO was responsible for about one-third of the reported verifications, whereas other Directorates-General were responsible for the rest. Agencies included non-ECHO verifications in the data provided, adding a certain number of verifications performed under the development financing instruments but which agencies nevertheless reported to view (at least partially) to be part of their humanitarian portfolio.

Donor Assessments: Why Are They Conducted?

Domestic politics affect how donors approach oversight.

Organizational logics define the framing of assessments.

Donor capacity, decentralization and knowledge management affect the execution of assessments.

Internal oversight impacts why and how donors conduct assessments.

Key Effects of Donor Assessments on Agencies

+

Organizational learning and change

–

Staff time requirements

Strained agency-donor relationship

The Effects of Donor Assessments on Partner Organizations

Assessments from UNICEF, UNHCR, and WFP (no data from OCHA or the ICRC) of their downstream partners are increasing in number, becoming more complex and at times duplicating existing/prior requests for assurance. This illustrates the striking similarities to the way UN agencies have characterized assessments from donors.

Assessment practices risk excluding smaller NGOs unable to comply with more complex assessment procedures but can nevertheless provide valuable learning opportunities. For NGOs – particularly smaller ones – assessments are often very demanding because organizational capacities are often limited and the assessments can have fundamental consequences, in particular if the assessments are tied to funding. However, assessments also provide learning opportunities, in particular for local NGOs.

Moving Forward on Commitment 4.5 – Options and a Reality Check

There are limits to reducing the number of donor assessments:

Donors requesting assurance is a normal part of the donor-agency relationship and critical to upholding accountability.

Key factors driving donors to conduct extensive assessments are often beyond the influence of the donors themselves.

Donors can improve their assessment practices and rely more on joint assessments to reduce the volume of donor assessments.

Agencies should strenghten internal oversight, increase transparency and manage assessments more efficiently.

Reducing the assessment burden is possible and requires:

Recommendations to Donors and Agencies

Share risks, build trust and foster learning.

- Donors should adopt risk-sharing policies to **better balance risks between donors and agencies**.
- To encourage learning, donors should – as a rule – **share assessments with assessed agencies** and provide space for a management response.
- Agencies should **proceed similarly with their own downstream partners**.
- Agencies should continue to **improve the scope and quality of their internal oversight**.
- Agencies should rigorously **implement compliance-related key performance indicators**.
- Agencies should **engage in confidence-building activities with donors** by proactively sharing information on their internal oversight.

Utilize all opportunities for joint assessments.

- The European Commission, the UK and MOPAN should cooperate to determine aspects of their pillar reviews, central assurance assessments and MOPAN assessments that **allow for cross-reliance**.
- Donors and agencies **should jointly determine under which circumstances donor assessments can be shared with other donors** and then proactively share reports among all actors.

Recommendations to Donors

Improve the Design and Implementation of Assessments.

- Donors should **exclude requests for assurance on broad organizational aspects in project-oriented assessments**.
- Donors should lighten the burden of institutional assessments by **using assessments by the Multilateral Organisation Performance Assessment Network (MOPAN)** or relying – as much as possible – on either **internal agency audit/ oversight reports or previous institutional assessments conducted by other donors**.
- Donors should **establish risk-based criteria for triggering assessments**.
- Donors should **establish and ensure consistent assessment standards**.

Recommendations to Agencies

To Agencies: Improve the Management of Assessments.

- Agencies should **create an assessment backstopping/coordination unit at HQ level** if such or comparable structures do not yet exist.
- Agencies should **create a central repository holding their oversight and compliance documents**.
- Agencies should **limit duplicative assessments of their downstream partners and design assessments as tool for accountability and learning.**

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