LASER PULSE

# THEMATIC EVALUATION 2: LESSONS ON BHA SURGE FUNDING

The Epilogue is The Prologue
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# TANGO/TULANE EVALUATION TEAM

This thematic study was drafted by Shalean Collins, Tim Frankenberger, Suzanne Nelson, Maryada Vallet, Tommaso Russo, and Nancy Mock, with inputs from others on the TANGO/Tulane University team.

# OUTLINE

- Evaluation Background and Thematic 2 Methods
- Evaluation Findings
- Kenya and Jordan Case Studies
- Conclusions and Recommendations

Photo credit: TANGO/Jordan

# EVALUATION BACKGROUND AND METHODS

# BACKGROUND TO THE THEMATIC EVALUATIONS

**Purpose of the Thematic Evaluations:** To conduct in-depth thematic analyses into aspects of BHA's FY20 - FY 22 COVID-19 response, with particular focus on improved future management of large-scale infectious disease outbreaks and/or global emergencies.

**Final Topics:**

1. Thematic 1: Pandemic Preparedness Capacities in Humanitarian Settings

2. Thematic 2: Lessons on BHA Surge Funding

# RATIONALE FOR THEMATIC 2

- Emergency funding to BHA and legacy Office of Foreign Disaster Assistance (OFDA) and Food for Peace (FFP) has proportionately increased over the past decade in response to crises

- Supplemental funding can be rapidly mobilized mid-year to address some of the most severe humanitarian crises and bolster existing budgets

- While supplemental funding is not new, the scale and magnitude of the COVID-19 FY 2020/2021 and Ukraine 2 Supplementals were extraordinary to respond to the unprecedented confluence of global emergencies

- As large-scale shocks increase in frequency, severity, and complexity, effective management of surge funding will continue to be a critical concern for BHA and its partners

# THEMATIC 2 RESEARCH QUESTIONS

1. What was the extent of surge funding from FY 2020 through FY 2022, and what were the **programming or operational impacts** for BHA?

2. What are the **benefits and unintended consequences** of surge funding for BHA's **implementing partners**?

3. What are **benefits and unintended consequences** of surge funding for **communities that received assistance**?

4. What are **promising practices** of the FY 2021 Supplemental that can guide future surge funding?

# METHODS

**Mixed-methods research:**

- Review and analysis of supplemental award data (COVID-19 FY 2020, COVID-19 FY 2021, Ukraine 2)

- Key Informant Interviews (KIIs) with BHA and IPs

- Focus group discussions (FGDs) with affected communities on 'do no harm' and 'no regrets' programming and to assess surge funding impacts

**Sources:**

- **KIIs:** IPs, BHA, other stakeholders

- **Case studies:** WFP awards in Kenya and Jordan (including KIIs, FGDs)

- **Review:** Relevant award reports, empirical and grey literature



Photo credit: TANGO/Syria

# SURGE FUNDING FROM FY 2020-2022: PROGRAMMATIC AND OPERATIONAL IMPACTS FOR BHA



Legacy OFDA and FFP offices and BHA annual budget within the past decade, in USD Billions
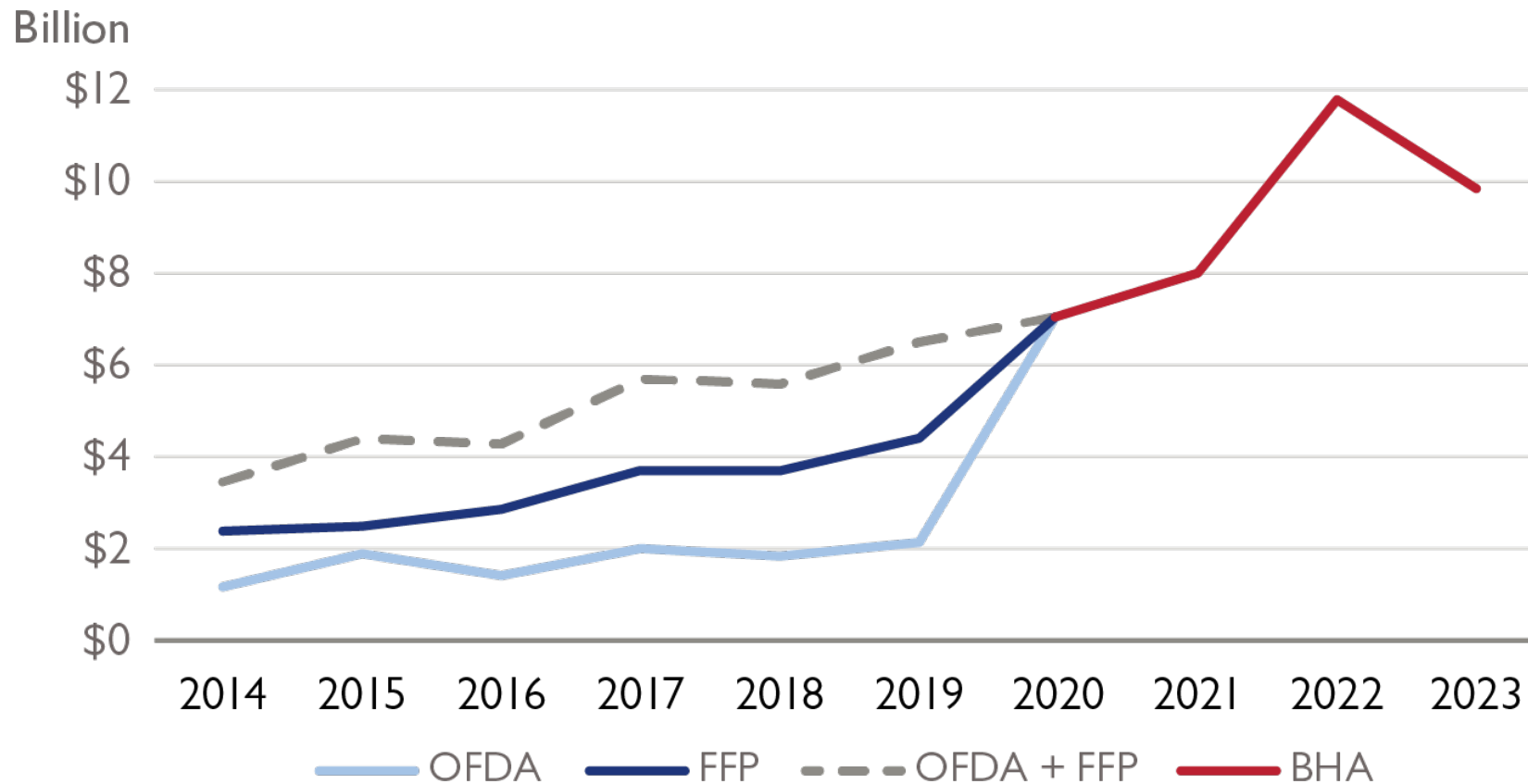
BHA disbursed record amounts of surge funding during FY 2020-2022, providing critical support for humanitarian needs but also straining its operations.

# SURGE FUNDING FROM FY 2020-2022: PROGRAMMATIC AND OPERATIONAL IMPACTS FOR BHA
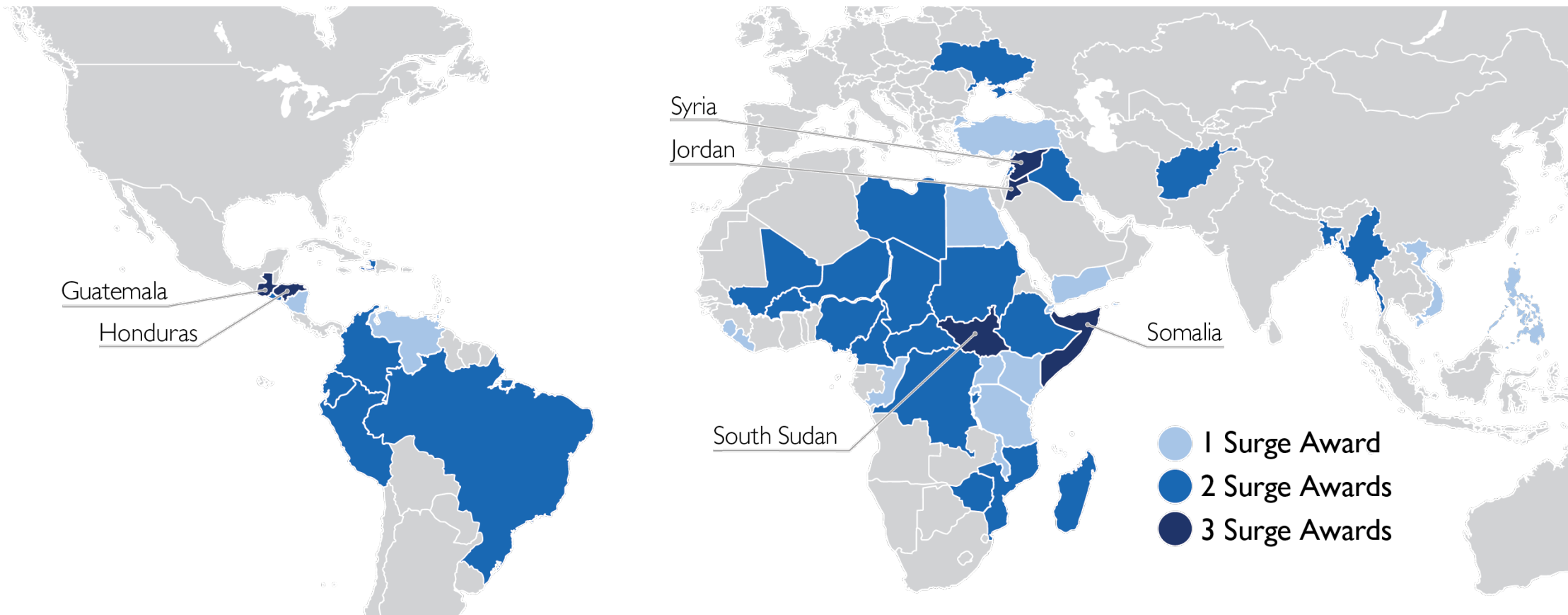


Map of countries that received COVID-19 FY 2020, FY 2021 and Ukraine Emergency Supplemental 2 Funding

# EVALUATION FINDINGS

# PROMISING PRACTICES

**Improved USAID/BHA tools and processes**

Budget Evaluation Team (BET), Needs-Based Starting Point, Shock-Agnostic Readiness and Response Portal (SHARP)

**Longer funding duration**

Implementation period for FY 2021 was 12 months, compared with 6-9 months in FY 2020

**Expanded coverage**

Vertical and horizontal expansion of program coverage, sometimes among 'novel' populations

**Flexibility to meet multi-sectoral needs**

FY 2021 Supplemental provided more opportunities to address multi-sectoral humanitarian needs; BHA was flexible to adapt activities as needed

**Community engagement and communication**

Strong community involvement played a critical role, empowering communities to identify vulnerable populations and ensuring accountability during scale-up and -down



Photo credit: TANGO/ANED/Honduras

# BENEFITS OF SURGE FUNDING FOR BHA'S PARTNERS

**Surge funding enabled significant benefits for BHA's partners, including expanded assistance to vulnerable populations and greater flexibility in response to shifting needs.** However, challenges arose due to inadequate scale-down planning, stretching resources and creating unintended negative consequences for some communities.

**Expanded Caseloads:** Surge funding allowed partners to extend assistance to more individuals, including refugees, urban populations, and Indigenous communities

**Retargeting:** Some IPs worked with community partners to ensure that individuals most vulnerable to the secondary impacts of COVID-19 were reached, even with limited resources

**BHA Flexibility:** BHA's adaptability enabled partners to shift programs in response to evolving crises, such as conflict

*"…we are lucky that BHA is an incredibly flexible donor and understands the flexibility required in these types of responses…BHA is truly a partner in how we work together."*
*–KII IP Mozambique*

# UNINTENDED ADVERSE CONSEQUENCES OF SURGE FUNDING FOR PARTNERS

- **Staff turnover:** Frequent staff turnover led to loss of continuity in award management

- **Insufficient scale-down planning:** Lack of built-in scale-down planning led to rapid scaling up and cutbacks in staffing and programming, negatively affecting participants when funding ceased

- **Dependence on unsustainable funding:** Layered but unpredictable supplemental awards created reliance, leading to sudden disruptions when funding ended

- **Safety concerns for IP staff:** In areas with dramatic reductions in assistance, program participants' frustration posed safety risks to IP staff and researchers

- **Misinformation and distrust:** Sudden cessation of assistance increased conflict, violence, distrust, and spread of misinformation in some instances, such as in Yemen, Syria, and Libya

- **Risks of overcommitting:** IPs expanded quickly but faced issues like staff layoffs, reduced assistance, and strained relationships when unable to meet expectations

# WFP JORDAN, SCALING-UP EFFICIENTLY

**WFP Jordan was able to rapidly retarget resources to meet the needs of vulnerable refugee households while maintaining a lean staffing model, which allowed for efficient and effective mobilization of resources. WFP Jordan used contactless/low-contact modalities and remained engaged with communities to ensure awareness around changes to assistance.**

- WFP Jordan has a strong enabling context to respond quickly and effectively, in addition to robust logistical capacity
- Helpdesks in camps and communities, SMS messaging, WhatsApp groups, and a Facebook page allowed program participants to connect with WFP, providing ample pathways for accountability
- Mobile money pilot and restricted vs. unrestricted cash study illustrate forward-thinking nature of the organization with positive receipt from program participants



Photo credit: Collins/Jordan

# WFP KENYA, A SCALE-DOWN SUCCESS

**WFP Kenya's proactive planning and strong community engagement helped manage the scale-down of surge funding more effectively, ensuring smoother transitions for participants. Their preparedness, stemming from prior simulations and cross-training, allowed for a rapid and efficient response during the COVID-19 pandemic.**

- Community engagement smoothed the scale-down process in Kenya
- WFP Kenya benefited from pre-pandemic simulations, which prepared them for future emergencies
- Staff were cross-trained in emergency response roles, enhancing coordination and efficiency
- Public-private partnerships and strong government coordination supported the successful mobilization of surge funding



Photo credit: USAID/Kenya

# BENEFITS OF SURGE FUNDING FOR COMMUNITIES

**Surge funding made major contributions to improved outcomes and was largely perceived to be lifesaving.** IPs and communities that received assistance emphasized the importance of the funding for households and communities to meet short-term food security and protection needs.

- **Famine Prevention & GBV Reduction:** The FY 2021 Supplemental played a critical role in preventing famine and reducing the risk of gender-based violence (GBV), aligning with its strategic focus on mitigating COVID-19's secondary impacts

- **Protection Integration:** The integration of protection into awards, guided by a BHA directive, was highly successful in addressing community vulnerabilities

- **Short-Term Needs:** Communities highlighted the importance of surge funding in meeting immediate food security needs, though some used cash assistance to pay off debts at the expense of nutrition outcomes

- **Economic Buffer in Kenya:** In Kenya, cash assistance, combined with recovery activities, helped recipients revive small businesses, creating a buffer that reduced economic backsliding after funding ended

# UNINTENDED ADVERSE CONSEQUENCES OF SURGE FUNDING FOR COMMUNITIES

**Uncertainty for Program Participants:**

- Participants in several regions were not properly informed about when their assistance would end, leaving them unprepared for sudden funding shortages

**Post-Funding Decline in Wellbeing:**

- In South Sudan, the end of surge funding resulted in reduced access to health and nutrition services, increasing risks of malnutrition, maternal mortality, and GBV as women traveled further to reach clinics

- Across contexts, newly reached groups struggled to maintain gains after funding ended, with consequences like school truancy and increased dependence on aid
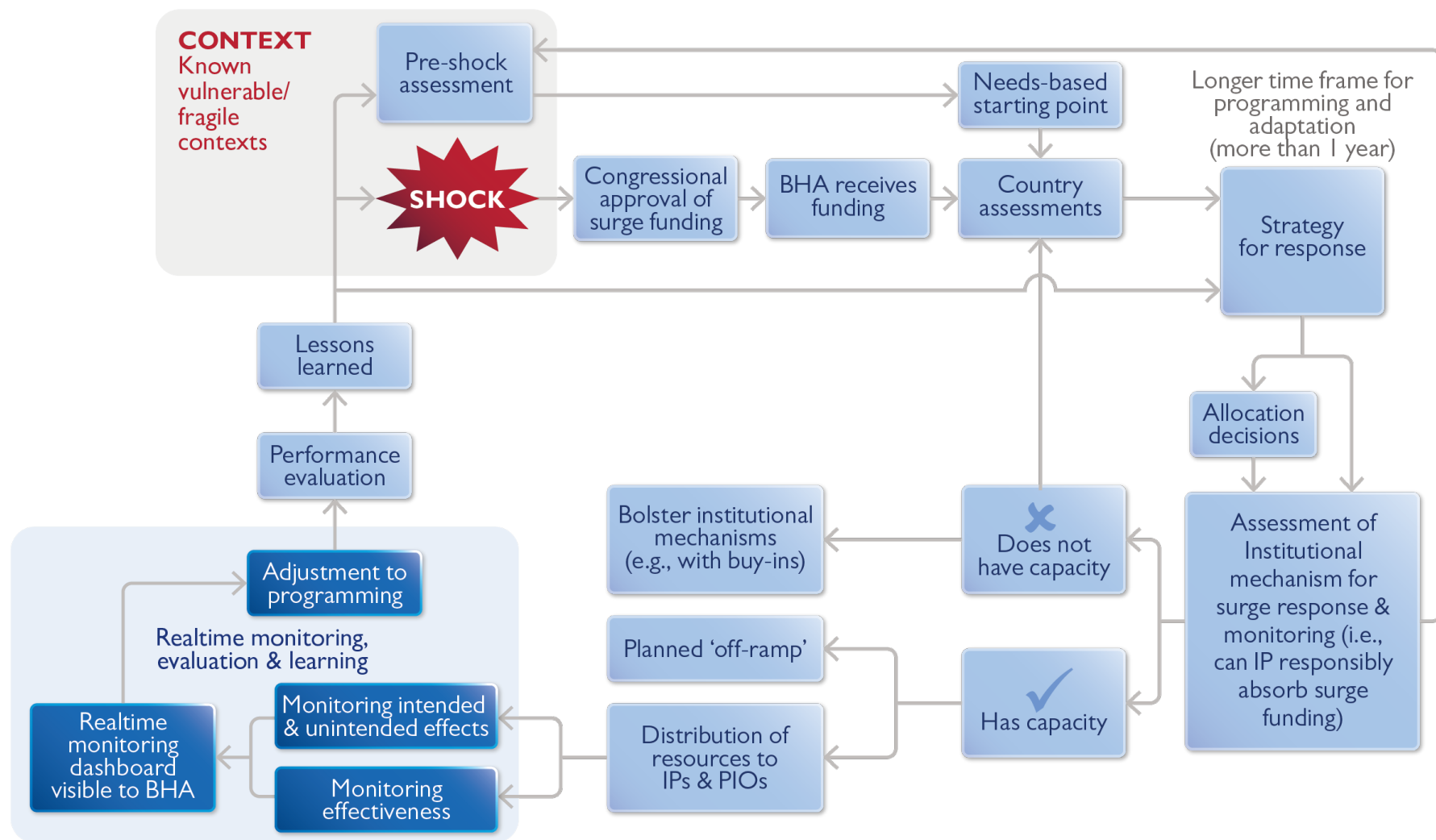
*"…the drop [in assistance] is painful. It didn't do more harm but needs to be better anticipated [by participants] that it will be short-term."*
*– KII IP Yemen*

# CONCLUSIONS AND RECOMMENDATIONS

# SURGE FUNDING FRAMEWORK



The Surge Funding Framework was developed through this evaluation study as a decision-making tool. New tools like the Surge Funding Framework and the Needs-Based Starting Point offer promising improvements for future funding decisions.

# RECOMMENDATIONS FOR BHA



Photo credit: TANaGO/South Sudan

**Award Management**

1. Incorporate processes and tools (e.g., BETs, Needs-Based Starting Point, SHARP, Surge Funding Framework) to guide award decisions

2. Factor in context vulnerability, past lessons, and partner capacity to absorb surge funding in pre-shock assessments

3. Ensure programming continuity by addressing staff turnover with strong handover protocols

4. Strengthen local organizations' capacity to reach hard-to-reach populations through integrated support in award allocation

5. Allow longer time frames for programming and off-ramp planning to avoid steep funding cliffs

6. Implement staggered funding with built-in monitoring and recovery provisions for better accountability and impact evaluation

# RECOMMENDATIONS FOR HUMANITARIAN PARTNERS



Photo credit: TANGO/ANED/Honduras

7. Incorporate agile programming, and cross-training (i.e., lean staffing models) to more efficiently scale-up and -down

8. Deploy real-time monitoring to inform dynamic programming

9. Build early recovery into awards during the planning process to improve durability of impacts after programming ends

# CONCLUSION

- Supplementals provide much needed support to address pressing humanitarian needs but create significant challenges on BHA and IPs to rapidly mobilize resources, and the unprecedented global emergencies of recent years provide an opportunity for learning

- The Surge Funding Framework in conjunction with processes and tools such as the Needs-Based Starting Point, BET, and SHARP should be used to manage awards

- BHA should support IPs to engage in regular or real-time monitoring to scale-up and –down activities and retarget resources and provide guidance on how to slowly taper programming toward the end of award life

- Introducing conditionality in awards could ensure flexibility, accountability, and proper off-ramp planning during crises

# CONCLUSION

- Strategic BHA leadership during the FY 2021 response resulted in significant gains in food security, protection, and gender equity

- Strengthening local actors' capacity is critical for long-term sustainability and rapid development, ensuring that surge funding benefits marginalized communities

- Cross-training staff for multi-functional roles improves agility, enabling rapid scale-up and lean staffing, which BHA and IPs should continue to support

- Implementing continuous process monitoring and investing in Early Recovery, Risk Reduction, and Resilience (ER4) activities can sustain long-term impacts and reduce future humanitarian costs

# THANK YOU

**Check out the ANNEX for case study reports and other supplementary information**

**Find other deliverables of this COVID-19 evaluation series here:**

- **Thematic 1 Evaluation Report:** Pandemic preparedness capacities in humanitarian settings

- **Performance Evaluation Report:** Overview of portfolio-level activities and findings

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