Less Paper More Aid
Round-Table Discussion
Amman, 8 March 2016
Summary Report

Through different international agreements, donors of humanitarian aid have committed to reducing the administrative burden on those receiving and managing donor funds. And yet to date progress on these commitments has been mixed. With the upcoming inaugural World Humanitarian Summit momentum is gaining, however, providing not only a platform for discussion but also impetus to examine the challenges in delivering humanitarian aid on the ground. In particular, interest has been expressed within the donor community to look at the issues related to their grant conditions.

Less Paper More Aid is an initiative carried out by NGOs[1] to reduce the burden of donor conditions on aid agencies and thereby improve the efficiency of humanitarian action. To gather evidence of the impact of donor conditions and identify potential solutions, the initiative is reaching out to NGOs to collect data and information on the ground focusing on donor reporting, partner capacity assessments and audits. NGOs in Jordan were asked to fill in a detailed questionnaire to gather insight on: the challenges related to reporting, partner capacity assessments and audits; the resources involved; the implications and effects they have on NGOs; and ways forward. Findings from the questionnaire were then used to shape the agenda for the Amman round-table discussion, where a more refined understanding of the specific challenges these conditions posed and the steps for action were sought.

14 representatives from national and international NGOs working in Jordan attended the round-table held in Amman on 8 March 2016. From the analysis of the data collected and the discussions held at the round-table some key challenges emerged. Participants also identified potential ways forward to increase efficiency for each of the three conditions.

The table below provides an overview of the main outcomes.

Donor Condition	Challenges	Ways Forward
Partner Capacity Assessments implemented by UN/Donors	• Focus is on systems rather than operational capacities; • There is no distinction between small/big NGOs (lack of proportionality); • Higher number of PCA request from UN agencies; • Differences in templates; • Questions asked through PCAs are too detailed; • There is limited or no feedback from PCA process, especially if the outcome is negative. This prevents using the PCA as a tool to improve organizational capacities;	• Consider introducing comprehensive PCA that focuses on operational and technical capacity as well as knowledge of context and targeted communities; • Promote clear access to guidelines and process; • Streamline terminology; • Harmonize to the extent possible PCAs, taking into consideration minimum

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	• Lack of knowledge in the case of some third-party service providers; • Limited time validity of PCAs (e.g. per-contract), especially by UN agencies;	requirements by region, type of crisis (e.g. conflict), size of NGO, grant amount; • Consider proportionality when applying PCAs;
Partner Capacity Assessments implemented by INGOs	• Limited transparency as to INGOs' back-donors; • Discrepancies in formats and templates; • Overlapping deadlines; • Language (and jargon) barrier; • No clear scope (feeling of doing it for the sake of doing it); • Limited time validity; • PCAs oblige NGOs to "write up" new policies with no capacity-building programs attached/ resulting in high costs borne by NGO.	• Extend validity time-frame (3-5 years); • Each UN agency should accept the PCA performed by another UN agency avoiding duplications; • Provide feedback on PCA results for capacity-strengthening purposes.

Donor Reporting	• Frequency of reporting (weekly, quarterly);
	• The number of annexes;
	• Differences in templates;
	• Budgeting and financial reporting required per activity;
	• Too strict financial reporting deadlines;
	• Additional requests for reporting (disaggregation of data, GPS coordinates of facilities in conflict zones) not foreseen in grant agreements;
	• Duplication with coordination reporting and host government reporting requirements;
	• These challenges result in the following impacts:
	    ○ Time-consuming;
	    ○ Costly;
	    ○ Quantity (of reports) vs. quality;
	    ○ Less focus on implementation;
	    ○ Leads to NGOs refusing some donor funding if cost of managing grant is disproportionate.
		• Reduced frequency (no monthly or quarterly reports);
		• Improved, less formalized communications;
		• Timely feedback on reports (to make them useful communication and accountability tools);
		• Training on reporting procedures;
		• Streamline coordination reporting with donor reporting (possibly with standardized output indicators);
		• (Financial) reporting per budget line rather than per activity;
		• Avoid *ad hoc* reports unless through amendment of the contract;
		• Extend deadlines for submission for final reports (good practice: 3 months after the end of the project);
		• Use simplified formats (good practice: ECHO single form, one document for proposal writing and reporting).

Audits	• Auditors lack experience and knowledge; • Short notice; • Use of 3rd parties by larger audit firms; • Sometimes lack of feedback (discussion with team) to enable improvement; • Final (audit) reports are delayed; • Some audit firms lack access to the field hence require sending documentation to HQ or regional offices with high associated costs;	• Apply standardized minimum common denominator between donors; • Find ways to ensure quality and humanitarian knowledge in audit firms (e.g. feedback on auditors);

• Procurement requirements of some donors are impossible to fulfill (e.g. request for 7 quotations in countries with only two suppliers), whereas waiver procedures are too slow for emergency work;
• Overlap/duplication:
   o internal and external audits;
   o UN and donor audits;
   o Co-funded projects;
   o pre-audit questionnaire covering same points as in-person audit.
• UNHCR specific: quarterly or more frequent 'verification' in addition to annual audits;
• Sometimes auditors go beyond their ToR;
• Lack of clear guidance and scope in advance of audit (good practice: DANIDA is very clear beforehand on what will be audited and when);
• Lack of harmonization between donors on audit ToRs.
	• Increase auditors' visits to field locations rather than NGOs sending documents;
	• Share clear ToR with roles and responsibilities and clear process at the start of the grant;
	• Use the same auditor for consistency and feedback on progress over a few years;
	• Donors should accept (to the extent possible) audit reports done by other (external, third-party) auditors;
	• Approach audits (and UNHCR-style verification) as learning exercises for improvement, rather than trying to catch and generalize the smallest detail;
	• Avoid duplications between UN audits and quarterly verification of expenditures.

Representatives from the donor community in-country participated in the last session of the round-table and were presented with the main findings and outcomes from the discussion.

- The DFID representative stressed the importance of the Principles of Partnership in guiding and governing the relationship between donors and NGOs.
- The Representative from Canada showed great interest in the findings from the research and pointed to the fact that NNGOs being at the end of the transaction chain are those suffering the most from the burden of donor conditions.
- UN agencies were not invited to attend this round-table discussion but are involved in the process at the global level as part of the IASC Humanitarian Financing Task Team.

Findings from this initiative will be combined with the outcomes of the field research carried out in Lebanon and Niger and complemented by semi-structured interviews conducted with 11 NGO representatives.

A final round-table is planned in Geneva on the 11th of April to validate the overall results of the research. The final report will be presented to donors and UN agency representatives in Geneva and used as a basis for a multi-year advocacy strategy. The main findings will contribute to the currently-ongoing discussions around the proposed Grand Bargain in the lead-up to the World Humanitarian Summit.

NGOs who participated to this exercise through the questionnaire and/or the round-table discussions will be kept informed about the process and receive a copy of the final report as soon as it is published. Updates, advocacy tools and resource documents are regularly uploaded to the Less Paper More Aid initiative website.

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