



actalliance

Guidance Note

Rapid Response Fund

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ACT Humanitarian Policy

The work of the ACT Alliance on emergency preparedness and humanitarian response is founded on its strategy to enable an effective ecumenical response that saves lives and maintains dignity. ACT is committed to strengthening the resilience of affected communities and accountability to people and communities affected by crisis. Humanitarian needs define our priorities and the humanitarian principles of humanity, impartiality, neutrality, and independence guide our actions. The three pillars of ACT's work are development, humanitarian, and advocacy work. In pursuit of its aim to have a holistic and integrated approach, ACT's work on emergency preparedness and humanitarian response will invest further in preparedness, disaster risk reduction and resilience, in addition to its work in life-saving emergency assistance. This will be supported by stronger humanitarian coordination and partnerships at all levels, and appropriate humanitarian advocacy with duty bearers and other positions of power.

Purpose of Rapid Response Fund

The RRF is ACT's main mechanism for locally led response in accordance with the localisation agenda of the Grand Bargain. The primary purpose of the ACT RRF is to provide financial resources to members of the ACT Alliance in the first days following an emergency, and where national members have the capacity to respond. The emergency could be of a rapid onset nature (e.g. earthquake or flood), slow onset emergency requiring early response or emergency relief (e.g. drought), or of a complex humanitarian character (e.g., refugee or internal displacement situation, resulting from breakdown of social, political, and economic systems). These disasters are mostly small or medium sized emergencies¹ that require immediate response to urgent needs. Requesting members are strongly encouraged to use the RRF funds as leverage to access other funding. RRFs will be implemented within six months, with the possibility to extend for another month.

RRF proposals may allocate up to 10% of total funding to preparedness and disaster risk reduction where activities may include community vulnerability and hazard assessments and contingency planning.

Global RRF Appeal

The global RRF (GRRF) appeal is issued at the end of February of each year, soon after the issuance of the appeal report of the previous year, based on an analysis of the humanitarian needs overview and early warning guidance. The appeal is issued by the Head of Humanitarian Affairs. The target amount of the GRRF Appeal will be determined based on the historical trend of RRF responses, the analysis of available humanitarian needs overview and early warning guidance. An updated report will be released in the third quarter of each year updating the project summaries and accomplishments of projects implemented towards the end of the reporting year.

The ACT Scale-Up Model

Rapid Response Fund (RRF) funding applications are required to meet at least two (2) of the Scale-Up criteria to be considered:

- **Scale:** number of affected/potentially affected people; size of affected areas. There are four levels of scale. Emergencies of large or mega scale are eligible for an ACT Appeal.
 - **Small Scale (localised):** Emergencies that are localised in areas where ACT is already working or where members can easily move to respond. Often related to flooding, drought, landslides,

¹ Please refer to the ACT Humanitarian Operations Manual on ACT Scale Up criteria.

etc., they are responded to by the regular staff of members. Normally a small-scale emergency does not require external funding or capacity assistance. The response addresses the needs of a small number of affected people. For a small-scale response, ACT Forums can indicate their request for an RRF, through its local/National members.

- **Medium Scale (localised or nationwide):** Emergencies may be localised or nationwide and will likely have a considerable impact on the lives of people covering a larger geographical area or a significant number of affected people. ACT members may need to add additional capacity to respond to the disaster. ACT Forums can indicate their request for an RRF, through its local members, for a medium scale response.
- **Large Scale (localised or nationwide):** Emergencies that surpass the capacity of local or national ACT members to respond. Additional and specialised staff need to be hired or deployed, which may be national or international. An ACT Appeal will likely be issued.
- **Mega Scale (national or regional):** Emergencies that surpass the capacity of most national and international humanitarian actors to respond. They will often have a great impact on the local, national, or regional infrastructure, which require complex mechanisms to set up emergency responses. An ACT Appeal will likely be issued.
- **Urgency:** people have been displaced with; crude mortality rates; minimal or no access to life-saving support; critical protection risks.
- **Complexity:** multi-layered emergency; presence of a multitude of actors; high risks of politicisation; lack of humanitarian access; high security risks to humanitarian actors.
- **Capacity:** low levels of local or international response capacities, including lack of required specialised or technical expertise; needs outweigh the capacity to respond; inadequate humanitarian leadership.
- **Risk of failure to deliver effectively and at scale to affected populations:** vis-à-vis assessed need and severity (violations of human rights and international humanitarian law; exacerbation of food insecurity; deterioration of civil unrest).

Eligibility

1. All national ACT members are eligible to apply.
2. Organizational and/or Forum Emergency Preparedness and Response Plans (EPRPs) will be mandatory to access the RRF.
3. Requesting members are required to apply the Core Humanitarian Standard and Sphere and companion standards in the design and implementation of RRFs. Enhanced accountability requirements may be introduced by the ACT secretariat proportional to the size of the RRF grant, including additional monitoring and capacity support.
4. In exceptional circumstances, **international members** can be eligible to apply by meeting one of the following exemption criteria:
 - a. No ACT national member is present in the country, and the RRF is accessed as an advance to jumpstart operations. The RRF pot will be replenished when additional funds are secured.
 - b. ACT national members affirm that they are not in a position to respond.
 - c. Funding is allocated to an international member with an additional objective to provide capacity support to an ACT national member or local partner.

Grant amount

The maximum grant amount is USD150,000 per requesting member, which is dependent on the feasibility of the response plan based on the needs assessment, availability of funds and overall

health of the global RRF fund. The approved amount will be based on the practicality of the proposal based on the needs assessment and reasonable budget.

Submission Timeframe

RRF proposals will be submitted to the ACT secretariat within 48 hours of Alert issuance, together with a rapid needs assessment. The proposal will be developed by requesting members with endorsement from the ACT forum. Where there is no ACT forum, requesting members may submit directly to the ACT secretariat. Proposals submitted after the due date may not be accepted.

Criteria for proposal approval

- The RRF must be channeled towards life-saving actions in the first days following an emergency (e.g., food, nutrition, health, water/sanitation, clothing, shelter, household kits, psychosocial activities, and essential transport/logistics, staff and support costs; no more than 5% of the total budget will be allocated to indirect costs).
- The RRF request should be submitted within 48 hours of the occurrence of the emergency and will be approved within 24 hours of receipt by the ACT Secretariat. Timeframes as per the Humanitarian Mechanism will be strictly followed.
- Proposals submitted should be supported by a clear needs assessment with adherence to Core Humanitarian Standard.
- RRFs will be used where a one-time transfer of RRF funds combined with locally available resources will be sufficient to meet the needs of that emergency.
- In exceptional cases, where the RRF is accessed by an **international member** to jumpstart their operations, the RRF funding will be treated as a funding advance that will cover up to three months of the appeal not exceeding the RRF ceiling amount. The RRF can only be accessed if ESC has already given their decision to launch an appeal. This means that once funds for the appeal are received, the ACT Secretariat replenishes the advance from appeal funds until the full amount has been recovered.
- Only one RRF per emergency will be issued. As decided in the Emergency Preparedness and Response Plan (EPRP) forum members will determine who will implement the response. The alert informs the alliance of members responding.
- The RRF request should be sent by the forum or endorsed by all ACT members in a country where no forum exists.
- RRF requests must be made in accordance with other ACT Alliance policies and guidelines.

Key narrative considerations

- Within the 'Description of Target Population' section, it is important to provide as much detail regarding affected populations as possible. Reference rapid assessment data collected and analysed that provides insight to the scale of the crisis and the profile of affected populations.
- Disaggregating data, such as breaking the estimated number of persons impacted down by gender or age, is essential to ensuring that the most vulnerable populations are identified, and the complex toll of a disaster is understood to a fuller extent. Crises affect different groups of people differently, and often exacerbate pre-existing intersecting inequalities, so understanding which specific populations are affected by the crisis can help response efforts to be more successful at targeting the needs of different populations.
- Specify all actions previously taken by the members and forum, including data collected in the rapid assessment phase.

- While planning proposed assistance, keep in mind that requesting members are expected to provide initial assistance to beneficiaries within two weeks of the project start date. This expectation seeks to ensure that funds are used for their intended purpose of rapid response.
- In completing the implementation arrangements, coordination, and communication sections, please provide **detailed descriptions** of what the intended response would entail. Where elements of the plan are unknown or subject to change, identify what factors you are considering as you move towards making more specific decisions and how you will take the changing context into account.
- Within these sections, address feasibility and how your response plans take into account member resources and capacity.

Key budget considerations

- A maximum of 5% indirect costs are allowed within the RRF Budget.
- RRFs may allocate up to 10% of total funding to preparedness and disaster risk reduction (DRR).
- Purchase of equipment are allowed only on exceptional cases and should be justified since there is an assumption that the requesting members have the assets and other resources already in place for the response.
- For assets purchased using RRF funds should be reported if it is more than USD500. The secretariat will issue a certificate of donation at the end of the project.
- For requesting members receiving more than \$50,000, an external project audit specific to the RRF must be conducted within three months of completing the response. For members receiving less than \$50,000, the ACT Secretariat may request verification through an examination of the annual audit, wherein income and expenditures related to the RRF should be clearly distinguishable and identifiable.

Decision-making

The Global Humanitarian Operations Manager will make decisions on RRF project proposals within two days after submission and upon the endorsement by the ACT Regional Representative. GHOM will also inform the members of the RRF approval and non-approval of the applications. Upon approval, the regional humanitarian programme officer publishes the approved RRF and setup an inception meeting with the requesting member(s).

The Emergency Steering Committee (ESC) will not be activated for RRF applications. However, if a request for an appeal proposal is not endorsed by the ESC, may advise the member/s to access the RRF instead.

RRF Proposal process

Refer to the Humanitarian Operations Manual on the process prior to the issuance of the alert.

1

Alert

Forum submits the Alert to the HPO in the region where the forum is located.

For sudden onset

within 24 hours after a sudden-onset emergency with latest information from relevant sources.

For slow onset

Based on any of the following information:

Local needs assessment

Government's declaration of emergency or request for assistance

Secondary information from other humanitarian actors

The Alert template asks for an indication whether the forum plans to access the RRF or launch an appeal.

2

Proposal Submission

Members submit within 48 hours after the Alert has been published

Requirements:

Proposal in RRF Template

Needs Assessment

Requesting Member has an EPRP

3

Proposal Review and Approval

Humanitarian Programme Officer

- Oversees the entire proposal process from supporting requesting member to publication of the proposal
- Makes sure that the proposal meets the criteria and all requirements have been submitted
- Quality checks based on CHS commitments and ACT Scale up criteria
- Forwards to the Humanitarian Finance Coordinator for budget review copying the Global Humanitarian Operations Manager

Humanitarian Finance Coordinator

- Reviews the financial budget and confers with the HPO if there are questions and corrections
- Provides the proposal exchange rates
- Finalize the budget proposal for publication

Global Humanitarian Operations Manager

- Final review and approval of the proposal
- Sends an approval email to the requesting members with a copy of the approved proposal and

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Proposal Publication

Humanitarian Programme Officer

- Publish the approved RRF proposal on the website
- Sends an email to all members using the humanitarian mailing list with copy to ACT Secretariat staff
- Schedules an inception meeting with the requesting members

Humanitarian Finance Coordinator

- Transfer approved funds for the RRF to the requesting member
- Sends Payment Advice Note to the requesting members

Inception Meeting

An inception meeting is scheduled within seven (7) days after the proposal approval. The purpose of this meeting is for the requesting members and the secretariat to discuss the response plan, agree on monitoring schedule and reporting deadlines, and quality standards. All main project staff should attend the inception meeting which will be facilitated by the humanitarian programme coordinator with the humanitarian finance coordinator.

Monitoring

The humanitarian programme coordinator (HPC) is expected to monitor the progress of the response within the project period. The monitoring schedule will be agreed during the inception meeting and may be conducted remotely or through a field visit. The terms of reference will be agreed between the HPC and the requesting member(s) before the visit. A financial monitoring visit by the humanitarian finance coordinator (HFC) may be requested by the HPC if needed.

Reporting Requirements

Requesting Members

- At the end of the first month following the project start date, the forum/requesting member(s) will submit a situation report (sitrep) to the ACT secretariat, using the ACT sitrep format. Forum/members are expected to accompany the sitrep with photos and human-interest stories.
- A final report (narrative and financial) will be prepared by the requesting member(s) and submitted to the ACT secretariat within 60 days after the project end date, using the RRF report template.
- Expenditure will be reported against the original budget headings. The USD equivalent MUST be shown alongside with local currency reporting as was in the budget.
- Transactions reported should be within the project period using the approved proposal's exchange rate.
- For assets purchased using RRF funds should be reported if it is more than USD500. The secretariat will issue a certificate of donation at the end of the project.
- An audit report is required by the ACT Secretariat if one member receives USD50,000 or more for an RRF. The audit report must be submitted within 90 days of the project end date.

- An underspent amount of more than USD500 should be returned to the rapid response fund.
- If a member receives less than 50,000 USD, an audit report does not need to be submitted to the ACT Secretariat. However, the member must include the RRF funds in the annual audit of the member organization. Income and expenditure incurred on the RRF should be clearly distinguished and identifiable from the annual audit report. While ACT will not be requesting these audit reports on a regular basis, the member must be able to produce the annual audit report upon request by the ACT Secretariat.

ACT Secretariat

- The ACT Secretariat will prepare and disseminate a summary report (narrative and financial) to the alliance on the use of RRF funds for the period January to December of a given year, submitted at the end of February of the following year.
- The ACT Secretariat annual audit report will include the RRF.
- The above reports will be disseminated to all members within six months of the completion of the year.
- In the case where funds were contributed by a member towards a specific RRF project, final financial and narrative reports (including audited financial statements where applicable) that are received from the requesting member(s), will be shared with the ACT funding member.

RRF templates

RRF proposal template

RRF reporting template