

Common Humanitarian Fund for Somalia

Standard Allocation Document

Second Standard Allocation 2012 - September/October 2012

I. Overview

The Common Humanitarian Fund for Somalia (CHF-Somalia) was established in 2010 as an upgrade of the earlier Humanitarian Response Fund. The aim of the CHF is to make humanitarian funding for Somalia more predictable, strategic and flexible. Since its inception, the fund has disbursed a total of \$101 million, through three rounds of allocations. In addition to the standard allocations, a total of \$32.5 million has been disbursed from CHF's Emergency Reserve to support 113 projects for lifesaving and time critical activities.

The CHF Advisory Board met on 19 September 2012, to discuss the priorities for the second standard allocation for 2012. The following priorities were agreed upon:

- Lifesaving response to populations in **emergency** to increase access to food and to prevent loss of lives and reduce morbidity
- Protection and restoration of livelihood assets for populations in **crisis**
- Provision of an integrated package of basic services to **IDPs/Returnees**
- Strengthening the protective environment for vulnerable women and children
- Strengthening disaster risk management for **stressed** populations in the north
- Support for common services including security, information and coordination services.

The publication of this allocation guidance on 26 September 2012 allows the Humanitarian Coordinator for Somalia to launch the second CHF standard allocation for 2012. The document outlines the allocation of funding envelopes to seven priority clusters, as well as to Common Services/Enabling Programmes. ,

From the date of publication of this document, clusters have **two** weeks to compile a list of priority projects for CHF funding.

This standard allocation document outlines:

- The humanitarian context in Somalia and priority humanitarian needs for this standard allocation.
- Criteria for the allocation of CHF funds.
- The allocation of funding envelopes to priority clusters, with guidance to cluster review committees for the prioritization of CAP projects.
- A timeline for the standard allocation process.

II. Humanitarian context

The number of people in crisis in Somalia has reduced by 16 per cent, from 2.51 million to 2.12 million, according to the latest data released by the Food Security and Nutrition Analysis Unit (FSNAU) and Famine Early Warning Systems Network (FEWSNET).

The improvements are mainly attributed to sustained humanitarian interventions over the last year, improved food stocks at the household and market levels following the exceptional harvest in January, increased milk availability, and higher livestock prices in most pastoral areas of Somalia.

Despite these improvements, almost a third of the Somali population, including 1.36 million internally displaced persons still remain in a crisis situation with 165,000 people assessed to be in an emergency and slightly over one million in crisis. Both these groups remain vulnerable to shocks and are unable to fully meet essential food and non-food needs. Moreover, with these numbers projected to rise to 2.12 million in the next six months, lifesaving humanitarian assistance remains necessary between now and December to help meet immediate needs and protect livelihoods and assets.

While there has been an improvement in the numbers of acutely malnourished children from 323,000 (93,000 severely) in August 2011 to 236,000 (54,000 severely) at the time of the post *Gu* assessment, the south still hosts 70 percent of acutely and severely malnourished children. The situation in this region is likely to remain *Critical to Very Critical* over the coming months as a result of the below average *Gu* harvest and projected seasonal acute watery disease and cholera outbreaks. Sustained treatment programmes with concomitant interventions to address contributing factors such as poor health outcomes are crucial.

Protection also remains a critical priority, in particular with regard to the necessity of strengthening response to GBV, child protection and community policing.

Finally, the projection of *El Niño* underscores the necessity for strengthening disaster risk management and supporting response to its potential effects.

Given the current and projected scenarios, the following responses will be required:

- Immediate lifesaving assistance to the population in **Emergency** to increase access to food, and to acutely malnourished children with concomitant interventions to prevent loss of lives and reduce morbidity
- Prevention in the deterioration of livelihoods for populations in **Crisis** conditions through the protection and restoration of livelihood assets and integrated responses
- Provision of an integrated package of basic services to improve key humanitarian indicators among IDPs and durable solutions for returns.
- Strengthening the protective environment for vulnerable women and children by increasing response to protection violations
- Strengthening disaster risk management and response to the potential effects of *El Niño*.

III. Criteria for allocation of CHF funds

In line with the priority needs outlined above, the Humanitarian Coordinator and the CHF board members agreed to focus the second standard allocation on two strategic tiers:

1. Tier I: Response to emergency and crisis: A total of US\$34.1 million will be allocated to support populations in emergency and crisis as follows:

- i) \$4 million for lifesaving interventions aimed at reducing mortality and morbidity rates in pastoral areas of coastal Deeh, Mudug and Galgaduud. The clusters prioritised are Food Security (livelihoods), Nutrition, and WASH.
- ii) \$30.1 million to protect and restore livelihood assets of populations in crisis. The funding will be split between rural and urban populations in crisis with \$11.5 million for urban and \$18.5 million for rural. The earmarked funding for rural in crisis will be used for Food Security (Livelihoods), Nutrition, WASH and Health intervention in the Jubas, North Gedo, Hiran, Bay, Bakool, Aden Yabal and Adale districts in Middle Shabelle and W. Galbeed and Awdal regions in the north. Targeted urban/semi urban areas include Lower Juba, Dollow in Gedo, Beletweyne in Hiran, Baidoa in Bay and Hudur in Bakool. The clusters prioritised are Food Security, Health, Nutrition, WASH, Education and Shelter.

2. Tier II: IDPs, Protection and Disaster Risk Management: A total envelope of \$7.5 million will be allocated to the three categories as indicated below:

2.1 IDPs: A total of \$4.9 million will be used for:

- i) The expansion of the tri-cluster services in Zona K to include Education and Protection and additional shelters
- ii) Durable solutions in Bosasso and Galkayo, Puntland, targeting WASH, Nutrition, Shelter and Education

2.2 Disaster Risk Management: \$600,000 will be used to support SWALIM's watershed management project in Hargeisa and Garowe.

2.2 Protection: An allocation of \$2 million will be made to the Protection Cluster to strengthen response to protection violations. Specific interventions should include GBV, Child Protection and community policing in Gedo, Banadir and Puntland.

3. Common Services.

Specific activities included under 'Enabling Programmes' in the CAP will be supported through an envelope of \$2.4 million. This includes supporting the UNDSS security aircraft used for conducting rapid security assessment and medical evacuations and support to NGO coordination and security projects. Further allocations will go towards Radio Ergo, FSNAU assessments and in supporting SWALIM's information systems for

flood risk and response management. OCHA is designated to coordinate common services proposals.

IV. Allocations per cluster and guidance for project selection

A total \$44 million will be used for this standard allocation. About 15 percent of the total available funding of \$51 million will be kept in the emergency reserve.

An estimated \$660,000 will be reserved for OCHA's indirect costs (three percent project support costs of 50 percent of the standard allocation) in its role as Managing Agent, in addition to requisite auditing costs and one percent in support costs for UNDP in its role as Administrative Agent.

Summary of final allocation

The total amount for this allocation will be allocated as below:

Themes	Allocation (US\$)	%
TIER I	34,100,000	77%
HE	4,000,000	
Crisis	30,100,000	
- Urban	11,600,000	
- Rural	18,500,000	
TIER II	7,500,000	17%
IDP/Durable solutions	4,900,000	
Protection	2,000,000	
Disaster Risk Management	600,000	
TOTAL TIERS	41,600,000	95%
Enabling programs	2,400,000	5%
Total Allocation	44,000,000	100%

Allocation by Cluster

Cluster	Allocation (US\$)	Percentage
Food Sec	12,150,000	29%
Nutrition	11,450,000	28%
Wash	6,050,000	15%
Health	4,400,000	11%
Shelters/NFI	3,250,000	8%
Education	2,300,000	6%
Protection	2,000,000	5%
Total	41,600,000	100%

Allocation by Region

Region	Allocation (US\$)	Percentage
Somaliland	3,300,000	8%
Puntland	7,300,000	17%
South Central	30,900,000	70%
Countrywide	2,400,000	5%
Total	44,000,000	100%

Guidance and specifications for project prioritization

As overall guidance for the clusters, decisions taken with regard to CHF funding allocations must be in line with agreed priorities and arrived at through the established coordination mechanism, in particular the cluster review committees (CRC). As decided by the Board, the CRCs will initially focus on the selection of projects. A joint review committee will then review the technical aspects of each selected project.

When prioritizing projects, cluster review committees should take into account the following **principles**:

1. Only projects in the priority regions under each priority category mentioned above can be put forward.
2. Projects should be complementary and coordinated across clusters.
3. The recommended minimum budget size for CHF projects is \$250,000. Where the budget is lower, the cluster will have to provide a justification. This may be the case for proposals submitted by Somali NGOs in areas where access is limited.
4. Organisations, as well as cluster review committees, must use the CHF online database and the CHF project ranking tables for the submission and review of proposals.

In addition, and in accordance with the CHF Guidelines, cluster review committees will ensure that the following criteria are respected:

- Recommended funding is strategic and concentrated on the highest-priority projects, rather than funding a large number of projects that would receive a small amount each. While the recommended minimum budget is \$250,000, there is no upper limit. Larger projects that maximise on direct benefit to beneficiaries are encouraged.
- Funding responds to the greatest and most immediate needs.
- Selected projects help achieve the strategic priorities and cluster objectives as specified in the CAP. Projects that are ranked as 'high' in the CAP should be prioritized.
- Organizations and their implementing partners are fully compliant with CHF rules and regulations. Organisations have the capacity and expertise to implement projects, have a good track record, have demonstrated implementation of recommendations of audit findings, are represented in the cluster's 3W matrix, and are present in the project area in Somalia.
- Projects can be implemented within 12 months.
- Direct implementation of CHF-funded projects in Somalia by the recipient agency, rather than through an implementing partner organization, is encouraged.
- To reduce overhead costs, pass-through arrangements - where organizations simply pass on funding to their implementing partner organization without providing any meaningful guidance, coordination, capacity building, technical advice, monitoring and evaluation capacities or any other function of additional value - are not eligible for funding.

- Organizations have confirmed in their CHF proposal that they are able to produce an external audit or financial certificate that is not older than 18 months.
- The organisation has a valid bank account capable of receiving foreign currency by wire transfer.

CRCs can develop additional criteria specific to their cluster, according to which they will prioritize projects.

Timeline and Procedure

This CHF Allocation Document is published by the Humanitarian Coordinator on Thursday, 26 September 2012. From this day, interested humanitarian organisations with CAP projects in the priority clusters and regions have seven days, i.e. until Sunday 7 October 2012 to submit project proposals to the relevant cluster lead.

Organisations can only submit projects that are already included in the revised 2012 CAP, or subsets of activities from CAP projects.

For the submission of proposals, organizations should use the CHF online database, available at <http://funding.ochasomalia.org/ochachf/>. Only organizations that are based in Somalia and have very limited internet access can still use the proposal template in MS Excel, available on the CHF website at <http://ochaonline.un.org/somalia/chf>.

Concerned CRCs will then meet to start selecting a list of priority projects, their combined budgets being within the limits of the funding envelope allocated to the cluster. Clusters have to involve Somalia-based coordination mechanisms and humanitarian staff by sharing proposals with them for comments. By closure of business on Monday 15 October 2012, the cluster coordinators submit a final list of prioritized projects to the HC and Advisory Board via OCHA for their decision on proposals 'in principle' during the same week. OCHA, as the CHF Secretariat, will inform clusters and organizations of the HC and Board's decisions.

In a departure from previous allocations, OCHA and selected CRC members will conduct a joint detailed review of provisionally approved projects from 22 October to 5 November 2012. At this point, organisations may be requested for additional clarifications or changes, including adjustments in the budget. In order to reduce the period of joint review, only **three** revision rounds will be allowed for proposals. Organisations whose projects have also been provisionally approved will be required to submit completed Due Diligence forms in the CHF database.

Wednesday 26 September 2012	The Humanitarian Coordinator publishes the First CHF Standard Allocation 2012 Document
Sunday 7 October 2012	Deadline for interested organisations to submit CHF project proposals based on existing CAP projects to relevant cluster lead
Monday 15 October 2012	Concerned clusters submit list of prioritized projects for CHF funding, according to the funding envelope allocated to the cluster.

Wednesday 17 October 2012

CHF Advisory Board consultation to review, approve or reject prioritized proposals 'in principle'. OCHA informs organizations and clusters of these decisions thereafter

Monday 22 October –Monday 5 November 2012

OCHA and cluster review committees conduct detailed formal review of projects approved by the HC and Advisory Board. OCHA starts preparing the agreements and disbursements for approved and finalized projects.

Emergency Reserve

The Board members agreed that 15 percent of available funding amounting to \$7.5 million would be kept in the Emergency Reserve. The emergency reserve is available for use to support **response** to the potential effects of El Nino including acute watery diarrhoea (AWD)/cholera outbreaks; and for emergency projects in newly accessible areas. The emergency reserve should be used in line with the key requirements specified in the CHF guidelines. The emergency window can also be used to provide an immediate response in areas not within the CAP as well as regions not prioritised in this standard allocation where need has been demonstrated.