

### ***First standard allocation 2015***

This document outlines the strategic objectives of the Somalia Common Humanitarian Fund (CHF) first standard allocation for 2015, and summarises the analysis leading to the strategic decisions made. The document further provides guidelines to ensure that the allocation achieves its objectives.

#### **I. Overview**

The Somalia CHF was established in 2010 with the aim of ensuring predictable, strategic and flexible funding. Since its inception, the fund has disbursed a total of US\$281 million through its standard allocation and emergency reserve windows.

The CHF Advisory Board met on 14 November 2014 to discuss the priorities for the first standard allocation for 2015 and agreed that the allocation of \$30 million will focus on the first strategic objective in the Humanitarian Response Plan (HRP) which relates to timely and quality life-saving assistance to people in humanitarian emergency and crisis.

The following outcomes are envisioned through the allocation:-

1. Contribute towards reducing the number of people in emergency and crisis.
2. Improve the nutritional situation in IDP settlements with most alarming nutrition rates.
3. Address acute needs of vulnerable people in key newly recovered towns.

The publication of this allocation guidance on 8 December 2014 allows the Humanitarian Coordinator (HC) for Somalia to launch the first CHF standard allocation for 2015. The document outlines the allocation of funding envelopes to clusters and to Common Services/Enabling Programmes.

This document outlines:

- I. Criteria for the allocation of CHF funds.
- II. The allocation of funding envelopes to priority clusters, with guidance to cluster review committees (CRC) for the prioritization of HRP projects.
- III. The humanitarian context in Somalia and priority humanitarian needs for this standard allocation.
- IV. A timeline for the standard allocation process.

#### **II. Criteria for allocation of CHF funds**

The CHF allocation strategy is closely aligned to the 2015 HRP strategic objectives and therefore responds to the most critical humanitarian needs in Somalia.

This allocation will contribute to the achievement of the following HRP strategic objectives:

1. Provide timely and quality life-saving assistance to people in humanitarian emergency.
2. Enhance the scale and quality of humanitarian protection services and improve the broader protective environment through preventative measures.

It will focus on two areas of concern and on the most critical priority regions to ensure focus on an integrated response and maximise the potential for impact.

**Priority I: Lifesaving interventions** targeting people in humanitarian emergency and crisis through support to:

a) IDPs and host communities in seven urban IDP settlements. The allocation will target settlements with the most alarming malnutrition rates, mainly IDP camps in Dhobley, Doolow, Dhusamarreeb, Garowe, Galkaacyo, Kismayo and Mogadishu.

Amount allocated: \$15.6 million or 52 per cent. The clusters prioritized are Food Security, Health, Nutrition and WASH, with complementary services by the Education, Shelter, Multi-sector for Refugees (IDP returns) and Protection clusters. Clusters are encouraged to coordinate their activities and ensure that services provided are integrated.

b) Vulnerable communities in emergency and crisis with acute needs in new areas with increased access. Priority towns and rural areas where CHF partners have access include Waajid and Xudur in Bakool, Bulo Burto and Maaxas in Hiran, Warshiikh in Middle Shabelle and Kurtunwaarey in Lower Shabelle.

c) Communities with serious to alarming malnutrition rates, very high WASH vulnerability, Health and Food Security needs. Priority districts are Ceel Waaq and Bardheere in Gedo and Baidoa in Bay.

Amount allocated: \$11.9 million or 40 per cent to sub priority b and c. The clusters prioritized are Food Security, Health, Nutrition and WASH, with complementary services by the Education, Shelter, Multi-sector for Refugees (IDP returns) and Protection clusters. These clusters will be required to, where possible, coordinate their activities in the selected regions.

**Priority II: Common Services:** Specific activities included under 'Enabling Programmes' in the HRP may be supported through an envelope of \$2.5 million. This includes support to organisations providing common services to the humanitarian community provided strong justifications and realistic funding is presented. OCHA is designated to coordinate the review of common services proposals.

### **III. Humanitarian context and needs**

The above priorities take into consideration the deteriorating humanitarian situation in Somalia since the start of the 2014. A combination of the delayed rains, a disrupted planting season and rising food prices in south central regions affected by the ongoing military offensive have worsened the humanitarian situation in the country. The number of people facing crisis and emergency food security situation has increased by 20 per cent to over 1 million from 857,000 people, according to the recent assessment by the Food Security and Nutrition Analysis Unit (FSNAU). About 62 per cent, or around 635,000 people, of those who face acute food insecurity are internally displaced. An additional 2.1 million people are barely able to meet their food needs and remain vulnerable to shocks that could push them back into a food security crisis, if no appropriate support is provided. This brings the total number of people in need of lifesaving and livelihood assistance to over 3 million. Additional interventions will also be required to protect livelihoods and assets, and strengthen the resilience of communities to reduce vulnerability against future shocks.

There are an estimated 1.1 million internally displaced people (IDP) in Somalia living in appalling conditions in crowded settlements. IDP settlements in major towns, particularly Mogadishu, that were created as a result of conflict, drought and famine in previous years are still crowded and at high risk of communicable diseases outbreaks including AWD/cholera due to limited access to basic, health, sanitation and hygiene services. IDPs remain the main victims of protection violations such as forced evictions, sexual and gender based violence, harassment, and denial of access to assistance by gatekeepers and armed militias.

Acute malnutrition levels in Somalia are alarming. An estimated 218,000 children under five are acutely malnourished and require emergency nutrition support, access to clean water and better hygiene. Of these, about 44,000 are severely malnourished and are at risk of death if they do not receive urgent medical treatment and therapeutic food. Assessments by food security partners have found that the situation is particularly critical among displaced communities, with global acute malnutrition rates up to 18.9 per cent in seven urban displacement settlements, well above the 15 per cent global emergency threshold. The high levels were associated with disease outbreaks caused by lack of adequate and commensurate water and sanitation activities. Such persistent emergency levels of malnutrition are also related to food intake, dietary balance, disease, lack of clean water, poor hygiene practices and poor child feeding practices. Sustained preventative treatment programmes with concurrent interventions to address contributing factors such as poor health outcomes are crucial.

Inadequate and lack of access to basic services is a chronic and pervasive problem across Somalia. About 3.2 million Somalis require emergency health services, while 70 per cent do not have sustainable access to water. Around 1.7 million children are out of school, and among those in school only 36 per cent are girls. The impact of lack of basic services is felt strongest among the internally displaced people who continue to be affected by cyclical disease outbreaks. Lack of basic services undermines the resilience and coping mechanisms of vulnerable people.

Protection continues to be a critical priority in Somalia, particularly among IDPs as many have lost their social and protective structures. Sexual and gender-based violence against women and girls, including rape, is widespread, particularly in settlements where displaced people reside. Addressing protection concerns through supporting activities such as shelter and education that enhance the protective environment of the most vulnerable is thus vital.

#### **IV. Allocations per cluster and guidance for project selection**

Based upon donor indications \$30 million will be used for this standard allocation.

##### **Summary of allocation**

<b>Priority I : Lifesaving interventions</b>	<b>Allocation (US\$)</b>
<b>Support to IDPs and host communities in 7 urban settlements</b>	<b>15,600,000</b>
Education	1,000,000
Food Security	2,000,000
Health	3,000,000
Nutrition	3,800,000
Protection	1,200,000
Shelter	1,100,000
WASH	3,500,000
<b>Lifesaving support to vulnerable communities in new areas with increased access and Key areas with serious malnutrition rates and vulnerabilities</b>	<b>11,900,000</b>
Education	1,000,000
Food Security	3,500,000
Health	1,800,000
Multi-sector for Refugees	800,000
Nutrition	1,100,000
Protection	1,000,000
Shelter	900,000
WASH	1,800,000
<b>Priority II: Common Services/Enabling programs</b>	<b>2,500,000</b>
<b>Allocation by Cluster</b>	
Food Security	5,500,000
Nutrition	4,900,000
Health	4,800,000
WASH	5,300,000
Enabling Programmes/Common Services	2,500,000
Shelter	2,000,000
Education	2,000,000
Protection	2,200,000
Multi-sector for Refugees	800,000
<b>Total</b>	<b>30,000,000</b>

##### **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 CRCs. The CRCs will initially focus on the selection of projects. A Joint Review Committee (JRC) will then review the technical aspects of each selected project.

## Project prioritization

When prioritizing projects, CRCs should take into account the following **principles**:

- a) NGOs applying under this allocation must have passed the CHF capacity assessment. A list of eligible NGO partners has been posted on OCHA's website. All UN agencies are eligible for CHF funding.
- b) To facilitate decision making in terms of selecting partners and projects for this allocation, clusters should take into consideration the risk profiles of CHF partners and recommendations in the CHF Risk Management dashboard.
- c) Organisations, as well as CRCs, must use the CHF online database and the CHF project scoring sheets for the submission and review of proposals.
- d) All projects must respond to the strategic priorities in the priority regions/locations and for the clusters specified under each strategy.
- e) Projects should be complementary and coordinated across clusters.
- f) Projects can be implemented within 12 months.
- g) Clusters can make discretionary decisions to move their allocated funds between strategies I and II.
- h) Organizations that have an ongoing CHF project and apply for the same activities under the first standard allocation for 2015 should clearly indicate how the new funding will complement the previous CHF project.
- i) To the extent possible the CRC should ensure that recommended projects include an analysis of the specific needs and priorities of women, girls, boys and men and that all activities are informed by this analysis. This requirement does not apply to 'gender-neutral' projects under the common services funding envelope.

## Eligibility criteria

In addition, and in accordance with the CHF Guidelines, CRCs will ensure that the following **criteria** are respected:

- j) Recommended funding is strategic and concentrated on the highest-priority projects, rather than funding many projects that would receive a small amount each. Larger projects that maximise on direct benefit to beneficiaries are encouraged.
- k) Funding responds to the greatest and most immediate needs.
- l) Projects that demonstrate linkage or integration with projects of other clusters will be prioritized.
- m) Selected projects help achieve the strategic priorities and cluster objectives as specified in the HRP. Projects that are ranked as 'high' in the HRP should be prioritized.
- n) Implementing partners must be fully compliant with the CHF rules and regulations, have a good track record, represented in the cluster's 3W matrix, and present in the project area in Somalia.
- o) 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.

## Budgeting and finance

- p) Projects that can demonstrate 'value for money' (e.g. maximum outcome and beneficiary reach for each dollar invested and effectiveness of the intervention) relative to the project budget should be prioritized. CRCs should agree on the approach to define 'value for money' in the cluster and should not only consider cost efficiency (e.g. the indirect costs as a proportion of direct costs, cost per beneficiary, economy of scale, etc.), but also the effectiveness and timeliness of the intervention.
- q) Projects that can demonstrate low indirect costs as a proportion of direct costs should be ranked favourably. Information on direct and indirect costs is contained in the CHF budgetary guidance.
- r) Organisations have confirmed in their CHF proposal that they are able to produce a financial certificate that is not older than 18 months.
- s) The organisation has a valid bank account capable of receiving foreign currency by wire transfer.

The JRC will review all projects using the CHF standard proposal review template paying further attention to the following:

- The technical quality of the proposal;
- The adherence to the CHF budgetary guidelines;
- The financial efficiency of the project;
- The coherence between the narrative, work-plan, log-frame and budget;
- The complementarity and consistency of projects across sectors, seeking to build synergies with other sectors;

To improve on the timeliness of the joint review, only **three** revision rounds will be allowed for proposals. Projects that fail to reach the required level of quality after three rounds of revision will not be funded, and the funding earmarked for the project will be returned to the CHF reserve.

## V. *Timeline and Procedure*

This document is published by the Humanitarian Coordinator on Monday, 8 December 2014. Interested humanitarian organisations with HRP projects in the priority clusters and regions may submit project proposals to the relevant Cluster Coordinator.

Organisations can only submit projects that are already included in the 2015 HRP, or subsets of activities from HRP projects. Organisations should submit proposals via the CHF online database, available at <http://funding.ochasomalia.org/ochachf/>. The recommended deadline for submission of proposals in the CHF database is Friday, 19 December 2014 unless otherwise advised by the relevant cluster coordinator. CRCs will then meet to select 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 Friday 23 January 2015, the cluster coordinators submit a final list of prioritized projects and scoring sheets showing the process of selection 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 Advisory Board's decisions.

8 December 2014	The Humanitarian Coordinator publishes the CHF First Standard Allocation 2015 Document.
19 December 2014	Deadline for submission of proposals by partners, unless otherwise advised by the relevant cluster coordinator.
20 December to 2 January 2015	This period is not counted in the timeline given limited presence of partners and staff.
3 January– 30 January 2015	CRC review of projects and followed shortly thereafter by the technical review of recommended projects.
23 January 2015	Deadline for CRCs to submit list of prioritized projects for CHF funding, according to the funding envelope allocated to the cluster.
30 January 2015	CHF Advisory Board consultation to review, approve or reject prioritized proposals 'in principle'. OCHA informs organizations and clusters of these decisions thereafter.
1 February-31 March 2015	OCHA and partners finalise agreements and disbursements for approved projects.

## VI. *Reserve*

The reserve will continue to be used in line with the key requirements specified in the CHF guidelines. The reserve can also be used to provide an immediate response in areas not within the HRP as well as regions not prioritised in this standard allocation where need has been demonstrated. The CHF Reserve is primarily intended for the rapid and flexible allocation of funds in the event of unforeseen circumstances, emergencies, or strategic needs.