

# Common Humanitarian Fund for Somalia

## Standard Allocation Document

### *First Standard Allocation 2012, March/April 2012*

#### *I. Introduction*

Following extensive consultations, the Common Humanitarian Fund for Somalia (CHF-Somalia) was established in 2010 and incorporated the earlier Humanitarian Response Fund. The aim of the CHF is to make humanitarian funding for Somalia more predictable, strategic and flexible. The first standard allocation of the fund took place in June and July 2010 and allocated \$19.7 million for interventions addressing the critical nutrition situation in the country following the WFP suspension of operations in South and Central regions. The CHF's Emergency Reserve provided funding to life-saving and time-critical activities worth some \$5 million in the following months, in particular for drought response. The second standard allocation took place between February and May 2011. About \$43.6m was allocated for interventions targeting IDPs in Puntland and for drought response as a package of interventions aimed at improving food security of the affected populations in all regions of the country. In the same year, a total of 144 projects worth \$41.4m were funded. This included an emergency allocation of \$14.5m to 48 famine response projects.

The CHF Advisory Board met on 17 February and 9 March 2012, to discuss the priorities for the first standard allocation for 2012 and agreed on four priorities mainly:-

- Lowering malnutrition, morbidity and mortality rates of populations recovering from severe drought and famine through providing emergency **life-saving** response.
- Responding to the plight of **IDPs and returnees** by improving living conditions of secondary displaced populations in Mogadishu, responding to needs of newly displaced in Mogadishu or other priority areas, developing coherent sustainable activities to cater for returnees to other parts of Somalia and mainstreaming/encouraging protection based programming in all programmes focusing on IDPs and returnees.
- Preparing for outbreak of **cholera/AWD** in highly populated and AWD prone areas in Somalia.
- Supporting key **common services** mainly security assessment, medical evacuation and coordination.

The publication of this document on 15 March 2012 allows the Humanitarian Coordinator for Somalia to launch the first CHF standard allocation for 2012. The document outlines the allocation of funding envelopes to six priority clusters, as well as for common services/Enabling Programmes, taking into account the strategic advice provided by the CHF Advisory Board. From the date of publication of this document, clusters have four weeks to compile a list of priority projects for CHF funding, based on

the funding envelope allocated to each priority action and cluster. This standard allocation document outlines:-

- The humanitarian context in Somalia.
- 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***

Somalia has been embroiled in conflict and a large part of the population has suffered from a chronic humanitarian crisis. The near failure of two rainy seasons (the Deyr rains of October-December 2010 and the Gu rains of April to June 2011) led to a deepening drought that further affected a population whose livelihoods and coping mechanisms were already weakened because of the protracted conflict and displacement. The failure of rains, coupled with the suspension of large-scale food distribution following the banning of the World Food Programme (WFP) by non-state armed groups further constrained access to food. The limited humanitarian actions could not prevent a large part of southern Somalia from sliding into famine.

In July 2011, famine was declared in two regions and later in a further four. By August, 750,000 people were at risk of death and living in famine conditions. Malnutrition levels increased throughout the year. The number of malnourished children in Somalia increased from 390,000 in January to 450,000 in July, of whom 190,000 were severely malnourished. Some 84% of the severe cases were in the southern regions. In September, the crude mortality rates reached a high of 5.7 per 10,000 per day among Mogadishu IDPs. The global acute malnutrition (GAM) rates rose to as high as 58% in Bay region, nearly four times the WHO emergency threshold of 15%. The median rate of acute malnutrition in southern regions rose from 25% in January 2011 to a record of 36% in August 2011.

Limited access and disease outbreaks, such as cholera, further complicated the situation in the second half of the year as the high levels of malnutrition especially in children made them even more vulnerable to disease. About 51,000 cases of acute watery diarrhoea (AWD)/cholera were reported in southern and central regions.

Massive displacements, mainly in southern and central Somalia, occurred throughout the year. In July 2011, the number of drought affected IDPs fleeing to Mogadishu from other southern Somalia regions increased significantly. Drought, famine and conflict between the TFG and Al-Shabaab were the main reasons for massive displacements.

In 2011, the humanitarian community provided life-saving emergency assistance including emergency food assistance and clean water to more than two million people, and basic household items to 700,000 displaced. Approximately, 2million persons were reached with essential health services. The humanitarian community also supported community resilience with programmes such as livestock vaccinations, food and cash-for-work, and emergency education.

Limited access remained the most critical issues affecting humanitarian activities in Southern Somalia. Response operations were severely affected by the Al Shabaan ban on the operations of 16 UN agencies and international NGOs from areas under their control in southern Somalia. Throughout the country access by humanitarian actors to populations in need is uneven and constantly fluctuates. Implementing agencies undertake a range of measures to maintain the quality and integrity of programmes under difficult circumstances.

### **III. Humanitarian needs and priorities**

Though famine no longer exist in Southern Somalia, an estimated 2.51 million people or a third of the population, including about 1.7 million (68%) in the south, remain in crisis and are unable to meet essential food and non-food needs. Malnutrition rates are still among the highest globally. An estimated 325,000 children under 5 years of age are acutely malnourished, with 70% located in the southern regions. Mortality rates remain at concerning levels of 2 deaths per 10,000 people per day.

The food security situation has generally improved due to the good Deyr harvest and scale up of multi-sectoral humanitarian assistance. This led to a significant reduction in local cereal prices in the most vulnerable areas in the south, improved purchasing power for pastoralists and increased agricultural wage labour opportunities for poor agropastoral households.

These gains may be lost due to the poor Gu seasonal rainfall outlook. In the **most likely scenario**, there is a high likelihood of Gu rains (April to June) underperforming (75% of average across the country). This will mainly affect rain fed agriculture in southern regions and rangeland conditions throughout Somalia. Irrigated agricultural production along the Shabelle and Juba rivers are less likely to be affected, given their water sources come from the Ethiopian Highlands where average rainfall is predicted. However, if the *Gu* rains are below average as predicted, additional populations are likely to fall into crisis, mainly among agro-pastoralists and pastoralists. The interventions required to address this humanitarian situation include the provision of improved agricultural inputs especially to Riverine populations to maximize crop production, support to the livestock sector to ensure water and fodder access during the dry period, repairs and maintenance of strategic water sources in advance of the dry season, in addition to essential lifesaving activities aimed at improving the health and nutrition status of the population.

The military operations aimed at expulsion of Al Shabaab from areas in the South, is expected to intensify in the coming months. The number of displaced persons will continue to increase. There was an initial exodus of IDPs fleeing for fear of more intense military operations. Since February a total of 40,000 people were displaced to and within Mogadishu. Most IDPs leaving the Afgooye corridor made their way to Mogadishu though others moved to other districts in Lower Shabelle. The number of IDPs in Mogadishu continues to rise despite the poor living conditions in the camps. A significant number of IDP shelters lack basic standards and are inadequate to provide protection from the sun, cold, heat or rain. Due to overcrowding, lack of proper sanitation and excessive rains there is a high risk of AWD outbreak during the upcoming peak AWD transmission periods of March to June.

The following response will therefore be needed to address the critical needs of populations in humanitarian emergency (HE):-

- Critical **life-saving** interventions to lower malnutrition, morbidity and mortality rates of populations recovering from severe drought and famine through provision of improved treatment within medical centres, hospitals and nutrition centres complemented by provision of hygiene kits. Interventions aimed at increasing access to food for agro-pastoral and riverine households will be required.
- Interventions targeting IDPs and returnees aimed at improving the living conditions of secondary **displaced populations** in Mogadishu and responding to needs of newly displaced in Mogadishu and other priority areas. This also includes developing coherent sustainable activities to cater for **returnees** to other parts of Somalia and mainstreaming protection as well as encouraging protection based programming in all programmes focusing on IDPs and returnees.
- Prevention of AWD **outbreak** focusing on densely populated and cholera prone areas.

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

In line with the priority needs outlined above, the Humanitarian Coordinator and the board members agreed on the following priorities for the CHF standard allocation:

1. **Life saving interventions:** The total allocation of **\$18.75m** will be divided among the prioritised clusters as follows: Health \$4.8m, Food Security \$5.25m, Nutrition \$3.9m and WASH \$4.8m. Interventions aimed at improving access to food should focus on cash and employment generation measures.
2. **Interventions targeting IDPs and Returnees**, primarily focusing on addressing the urgent needs of IDPs and Returnees. The total envelope of **\$18.75m** will be split as follows:-
  - a) **\$10.75m** for improving the living conditions of secondary and newly displaced populations in Mogadishu and other areas. Projects can include provision of Emergency Assistance Package (EAP) and shelter kits, WASH and health activities. This envelope has been further split by priority region:- \$4.25m to Lower Shabelle, \$5.5m in Banadir and \$1m in Middle Shabelle. The break down per region is \$11.5m to Middle and Lower Juba, \$3.7m to Middle Shabelle and \$3.6m to Bakool.
  - b) **\$6m** to promote sustainable activities for returnees. The Shelter/NFI cluster will jointly with relevant clusters identify projects addressing this priority.
  - c) **\$2m** for protection of IDPs. 60% of the allocation of \$2m will be directed towards addressing GBV, 35% for child protection and 5% for protection integration. Majority of the funds should address protection needs in Banadir and L.Shabelle.
3. **Preparing for AWD outbreak.** The envelope of **\$0.5m** should be used in providing lifesaving AWD/cholera prevention and preparedness in highly populated, high risk areas. The response should be in line with the joint health and WASH cluster strategy for this allocation.

4. **Common services.** Specific activities included under 'Enabling Programmes' in the CAP will be supported through an **envelope of \$2 million**. This includes supporting UNDSS security aircraft used for conducting rapid security assessment and medical evacuations with \$960,000, support to NGO coordination with \$260,000 and \$780,000 towards strengthening coordination of life saving clusters in Mogadishu through technical support. OCHA is designated to coordinate common services proposals. The priority clusters are Shelter, Health, Nutrition and WASH.
5. All interventions prioritised for CHF funding must demonstrate that they address critical life-saving interventions, reduce the rates of malnutrition, morbidity and mortality in priority regions as well as improve the living conditions of IDPs.

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

In line with the CHF Advisory board decision of 17 February and based on the available CHF funding, \$40 million will be used for this standard allocation. The project selection process will begin based on the available funds and allocations will be disbursed to organisations whose projects are approved for CHF funding. An estimated \$600,000 will be reserved for OCHA's indirect costs (3% project support costs of 50% of the standard allocation) in its role as Managing Agent, in addition to requisite auditing costs and 1% in support costs for UNDP in its role as Administrative Agent. In addition, about 20% of the total available funding of \$50 million will be kept in the emergency reserve. Thus, for this first CHF standard allocation 2012 a total of \$40,000,000 will be available.

The list below summarises the allocation of funding under the first standard allocation 2012 from the CHF. It excludes the amount that will be kept in the Emergency Reserve, which is \$ 10 million (20% of the overall funding available for the CHF).

#### **Summary of allocations:**

##### **Per priority:**

Life saving	\$18.75 million
IDPs & Returnees	\$ 18.75 million
AWD preparedness	\$ 0.5 million
Common Services:	\$ 2 million

##### **Per cluster:**

Shelter/NFI	\$ 10 million
WASH	\$ 9 million
Health	\$ 7.8 million
Food security:	\$ 5.25 million
Nutrition	\$ 3.9 million
Protection	\$ 2 million
Enabling Programmes	\$ 2 million

#### ***Guidance and specifications for project prioritization***

As overall guidance for the clusters, it is crucial to ensure that decisions taken with regard to CHF funding allocations are in line with agreed priorities and arrived at

through the established coordination mechanism, in particular the cluster review committees.

It is also expected that, within each cluster, projects that have been ranked as high priority in the CAP process will be given consideration when recommending projects for CHF funding and subsequently given priority in the process of disbursing funds. In contrast, if clusters select projects of medium priority for CHF funding, they should justify such a decision. Projects ranked as low priority should not be prioritized.

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 prioritized.
2. Projects should be complementary and coordinated across clusters as far as possible meaning it should be in line with the joint cluster strategies.
3. The budget size for CHF projects in accessible areas such as in Mogadishu should be large where possible and more cost effective (less operational costs and more direct support to the beneficiary).
4. The recommended minimum budget size for CHF projects is \$250,000. In cases where the budget is lower, the cluster has to provide a justification. In particular, clusters should consider making an exception - especially where access is limited- for proposals by Somali NGOs that are based on a CAP project of less than \$250,000.
5. Organisations, as well as cluster review committees, should use the CHF online database and the CHF project ranking tables for the submission and review of proposals.
6. When recommending projects to the Humanitarian Coordinator for funding clusters must rank the selected projects to enable the highest priority activities receive funding first.

In addition, and in accordance with the CHF Guidelines, cluster review committees 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 highly 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. Only CAP projects are eligible.
- Organizations and their implementing partners have the capacity and expertise to implement projects, have a good record, are represented in the cluster's 3W matrix, and are present in the project area in Somalia.
- Projects can be implemented within 12 months.



- To reduce overhead costs, pass-through arrangements, where organizations simply pass on funding to their implementing partner organization without providing any meaningful guidance, coordination, technical advice, monitoring and evaluation capacities or any other function of additional value, are not eligible for funding.
- Direct implementation of CHF-funded projects in Somalia by the recipient agency, rather than through an implementing partner organization, is encouraged.
- 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.

In addition, cluster review committees should develop additional criteria specific to their cluster, according to which they prioritize projects.

### ***Timeline and Procedure***

This CHF Allocation Document is published by the Humanitarian Coordinator on Thursday, 15 March 2012. From this day, interested humanitarian organisations with CAP projects in the priority clusters and regions have seven days, i.e. until Thursday 22 March 2012 to submit project proposals to the relevant cluster lead. Organisations can only submit projects that are already included in the 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 cluster review committees should then meet from the week of Monday 26 March 2011 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 Friday 13 April 2012, the cluster leads submit a final list of prioritized projects to the HC via OCHA for his decision on proposals 'in principle' during this same week. OCHA, as the CHF secretariat, will inform clusters and organizations of the HC's decisions. OCHA will then conduct a detailed formal review of projects approved by the HC, and may request organizations for additional clarifications or changes, including adjustments in the budget. The duration of this process depends on the amount of revisions that are required for proposals.

Thursday, 15 March 2012	The Humanitarian Coordinator publishes the First CHF Standard Allocation 2012 Document
Thursday, 22 March 2012	Deadline for interested organisations to submit CHF project proposals based on existing CAP projects to relevant cluster lead

Friday, 13 April 2012	Concerned clusters have prioritized projects for CHF funding, according to the funding envelope allocated to the cluster.
Monday, 16 April 2012	The Humanitarian Coordinator approves or rejects prioritized proposals 'in principle' and OCHA informs organizations and clusters of these decisions
Tuesday, 17 April 2011	OCHA conducts a detailed formal review of projects approved by the HC. This process may take longer if substantial changes or several rounds of revisions are needed. OCHA starts preparing the agreements and disbursements for approved and finalized projects.

### ***Emergency Reserve***

The Board members agreed that 20% of available funding, about \$10m, will be kept in the Emergency Reserve. The emergency reserve is available for use in response both to naturally triggered disasters- e.g. floods and droughts- and to conflict-related complex emergency crises. The emergency reserve should be used in line with the key requirements specified in the CHF guidelines. It can also fund projects responding to a demonstrated need, and could focus on areas where access has recently opened up or has been promised. 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. The reserve may be used to respond to emerging critical needs of populations in crisis along the coastal strip of Somalia.

### **Conclusion**

As this standard allocation of \$40m only meets a small fraction of the CAP 2012 requirement of \$1.5 billion and given the severity of the crisis in the southern Somalia, the Advisory board took a calculated discussion to maximise on the impact of the fund by directing it to critical life-saving interventions targeting vulnerable famine affected populations in the south. The need to protect livelihoods and productive assets through scaling up resilience activities was acknowledged and in view of the limited funds available for this standard allocation, a conscious decision was made to potentially use the next allocation to support programmes on building resilience. The emergency reserve is available to respond to emerging crisis in all areas in Somalia that have not been prioritised in this standard allocation.