ALLOCATION STRATEGY PAPER – SECOND ROUND (AUGUST 2014)

The Common Humanitarian Fund (CHF) for Afghanistan was established in January 2014 under the leadership of the Humanitarian Coordinator (HC). The objectives of the Afghanistan CHF are to promote needs-based assistance in accordance with humanitarian principles, to respond to the most urgent needs, and strengthen coordination and leadership through priority clusters and the HC.

The total amount of funding available for the second round allocation to the Afghanistan CHF in 2014 is US$12.6 million. This paper outlines the Allocation Strategy for this round of funding.

The CHF Advisory Board (AB) met on 6 August 2014 to discuss the priorities for the second standard allocation. At only 3% of the Common Humanitarian Action Plan (CHAP) / Strategic Response Plan (SRP), the primary objective of the second allocation will be to maximize the impact of funds already committed by the CHF under the first standard allocation, where life-saving results can be achieved, value for money ensured, and coherence between sectors is shown.

Rationale for the allocation: Prioritisation of Humanitarian Action within the Strategic Response Plan (SRP)

The 2014 CHAP is focused on saving lives. It recognises that the overall scale of need and vulnerability in Afghanistan is enormous and is much beyond the scope of the humanitarian Fund to respond to them all. The HC requested the clusters to focus their response on the most conflict-affected people for 2014. The most acute humanitarian needs identified in the CHAP 2014 are centred on emergency health services provision forwar wounded and the loss or inaccessibility of essential life-supporting services to people living in conflict areas.

The second allocation of the CHF operates within the boundaries of the SRP 2014 and prioritises response to acute life threatening situations, where the risk of death is highest. For the purpose of the second round, which focuses on nutritional response, these are gauged by levels of acute malnutrition.

The Allocation Strategy

Within the framework of the SRP, the CHF strategy focuses on the essential life-saving elements of the humanitarian crisis in Afghanistan: to save human life where it is threatened on a wide scale; or in other words, to reduce large-scale preventable excess mortality.

Decisions on how to allocate very limited resources reflect a judgment about the criticality of the response needed, and to distinguish between life-saving and sustaining livelihoods activities, prioritizing the life-saving ones. The rationale for taking this approach is to allocate scarce resources towards achieving the most life-saving outcomes.

The humanitarian responses which the CHF prioritises are those which are evidenced-based, supported by needs assessments that show actual and imminent threats to life and health and which distinguish between the needs requiring immediate relief interventions and those requiring medium-term, long term or preventive interventions.

Judgments about these threats to life should be based on outcome indicators - such as mortality, morbidity and incidence of malnutrition. This is to support consistency in the needs analysis and to standardise the results to be delivered, by partners accessing the Fund.

In prioritizing lifesaving humanitarian action, the use of crude mortality rate, under five mortality rate, and under five malnutrition indicators form the basis to establish emergency thresholds for which intervention is required as a matter of priority. Proposed relief interventions seeking funding from the CHF must have taken into account the relationships between mortality, morbidity, malnutrition and insecurity in their analysis and planned response.

Funding Status

The total amount of funding available for the second allocation from the Afghanistan CHF is US$12.6 million, or about 3% of the requested humanitarian funds for 2014 in the SRP. As of 21 August 2014, the SRP is 51% funded, one of the better funded SRPs globally this year.

To date in 2014 the clusters reported the following funding received compared to requested:

2014 CHAP Funding Status – Requested vs. Received *as of 21 August 2014*			**$ million**	**$ million**
Rank		**% Covered**	**Requested**	**Received**
1	Nutrition	73%	48	35
2	Humanitarian Aviation	56%	20	11
3	WASH	48%	17	8
4	Protection	45%	31	14
5	Multi-sector	45%	58	26*
6	Emergency Shelter and NFI	43%	29	12
7	Coordination and Common Services	41%	12	5
8	Health	35%	44	15
9	Food Security and Agriculture (FSAC)	31%	149	46**

*UNHCR received additional $59 million from BPRM for refugees and IDPs in both Afghanistan and Pakistan
**WFP received approximately $100 million of requested $150 million for 2014 country operations.

Clusters have reported achieving the following % of their planned outputs:

2014 MYR SRP – People in need compared to people reached		
Rank		**% of needs reached**
1	Food Security and Agriculture (FSAC)	67
2	Nutrition	41
3	WASH	38
4	Emergency shelter NFIs	37
5	Protection	42
6	Health	23
7	Multi-sector	5
8	Aviation	34

To date the three biggest donors to the SRP (US, Japan and Canada) have contributed over 64% of the SRP (US$125 million). Donors which have contributed in excess of US$5 million to the SRP 2014 are (in declining order) Korea, Sweden, Denmark, Norway, Germany, UK, ECHO and the Netherlands, contributing over US$ 90 million (22%).

Allocation Envelopes and Specific Priorities

Allocation Envelope 1	Cluster	Associated SRP Strategic Priority	Amount and % of Allocation
• **Humanitarian aviation as an enabler for all**	UNHAS	All	$3 million / 24%
• **CHF Reserve for unforeseen events**	Non defined		$2 million / 16%

UNHAS and the CHF Reserve

UNHAS is a critical enabler for humanitarian partners in Afghanistan, given the security constraints, and is an enabler to all life-saving humanitarian actions. Funding for UNHAS was proposed in the CHF first standard allocation round with the Advisory Board recommending postponing the decision until the second half of the year to allow donors to make bilateral contributions directly to UNHAS. In the face of no new direct bilateral funding as of August 2014 and the continued need to maintain the operations of the high-altitude helicopter, the CHF Advisory Board identifies this as a priority need for the second half of the year. UNHAS is eligible for application to the CHF for up to a maximum $3 million.

Noting that the Emergency Response Fund (ERF) has now closed, the Advisory Board identified the importance of keeping an emergency reserve window, to respond to unforeseen humanitarian needs such as rapid-onset disasters. The CHF 1st round allocation strategy made provisions for a $3 million emergency reserve envelope which was later reduced to $2 million. The Advisory Board recommends maintaining this strategic reserve. Eligibility for funding under this envelope will be extended to all NGOs providing emergency assistance in Afghanistan who have undergone and passed the CHF partner due diligence assessment.

Allocation Envelope 2	Cluster	Associated SRP Strategic Priority	Amount and % of Allocation
• **Life-saving action: treating acutely malnourished in the worst provinces in un-served districts**	Nutrition	Providing emergency health care and prioritising access to critical services	$7.6 million / 60%

Addressing Critical Gaps in Malnutrition Response

The National Nutrition Survey highlighted the extraordinary burden of children under five requiring urgent life-saving treatment for acute malnutrition. The CHF alone can do little to guarantee adequate response of the size and scale required to address the enormity of these needs. In the first instance this second allocation will be prioritized towards ensuring maximum impact of funds already committed in the first allocation of 2014. The Advisory Board has identified a gap in the supplies of ready to use supplementary food (RUSF) available in current CHF partner priority districts to complement the treatment being provided by ready to use therapeutic feeding (RUTF). In the face of no bilateral funding to address these gaps, second round CHF funding will be made available to ensure all interventions funded under the first allocation have adequate supply to implement this critically, integrated approach to managing malnutrition.

Under the direction of the Nutrition Cluster additional support will be made available where partners can demonstrate an ability to increase coverage of the response to the crisis through delivery of comprehensive,

integrated programming or where critical impediments to delivering effective treatment programmes have been identified and can be addressed with clearly evidenced results impacting malnutrition incidence. The focus of the response should be on the worst affected districts (in terms of nutritional indicators, insecurity and access), where the provision of nutrition treatment services is limited or non-existent.

Background: While chronic malnutrition causing stunting is common in Afghanistan, acute malnutrition or wasting carries a much higher risk of mortality in the short term. Globally, 45% of total child deaths in 2011 were attributable to under-nutrition.

The 2013 national nutritional survey found that at the time of assessment, an estimated 200,000 children under five years old were severely acutely malnourished. In some provinces (Khost, Kunar, Laghman, Nangarhar, Nuristan, Paktya, Uruzgan and Wardak) global acute malnutrition rates were reported to be in excess of 15%, the WHO threshold to indicate an emergency or crisis situation. Based on the survey results, an estimated burden of 500,000 children a year, require treatment in Afghanistan for severe acute malnutrition. As of mid-2014, the Nutrition Cluster has been able to treat some 35,000 children.

Nutrition treatment is only available in approximately 26% of health facilities in the country and only 2.5% of children with acute malnutrition are registered in the Basic Package of Health Services (BPHS) or other nutrition programmes.

The Nutrition envelope is limited, and therefore consideration for nutrition projects will be based largely on the below table:

Key Areas of Focus with SAM ≥4%

Province	SAM % rate	Estimated SAM caseload	Province	SAM % rate	Estimated SAM caseload
Nangarhar	11.9	60,047	Helmand	7.1	21,897
Nuristan	11.4	5,638	Kunar	6.5	9,859
Urzgan	11.2	14,506	Laghman	5.1	7,661
Khost	10.9	20,903	Zabul	4.6	4,650
Paktya	9.2	17,048	Samangan	4.4	5,644
Wardak	8.8	17,511	Paktika	4	5,861
Kandahar	8.4	34,196	Ghazni	4	16,377

Given these figures it is inevitable that children's lives are being lost. Whilst mechanisms exist under the BPHS to treat acutely malnourished children, there is an urgent need to both scale up coverage and increase effectiveness, particularly in the provinces with the highest burden and poorest access and service provision.

With appropriate management, acute malnutrition can be reversed and management of SAM is by far the most effective nutrition intervention for averting deaths in children under-five. Provision of therapeutic feeding to children under-five as a stand-alone intervention, while lifesaving, is inadequate to reduce the significant and life-threatening burden of acute malnutrition in Afghanistan.

Comprehensively addressing the underlying causes of malnutrition is beyond the scope of emergency CHF funding. However, targeting of all vulnerable groups, SAM and MAM, under-fives and pregnant and lactating women is critical to prevent further multiplication of acute malnutrition cases as well as reducing maternal deaths and life-threatening pregnancy complications.

Guidance and Specifications for Selection of Projects:

All concept notes and proposal submissions will be done using the CHF online grant management system (GMS) to be found at chfafghansistan.unocha.org. The following criteria will be used by the Strategic Review Committees (SRC) when reviewing potential projects:

1. Only eligible NGOs recommended by OCHA's Humanitarian Financing Unit (HFU) following the completion of the Due Diligence process can apply for funding.
2. Projects must be in the priority provinces.
3. Projects must be in line with the allocation envelope objectives and should demonstrate complementarity and coordination with the prioritized cluster.
4. Projects can be completed within 12 months.
5. Direct implementation of CHF-funded projects by the recipient agency, rather than through an implementing partner organization, is preferred (where this is not possible, justification to be provided, including clarity on transactional costs).
6. To reduce overhead costs, pass-through arrangements - where organisations simply pass on funding to their implementing partner organisation 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.
7. The recommended minimum amount for proposals to be submitted for CHF funding is US$250,000. Where the budget is lower, the cluster will have to provide a justification for this. This may be the case for proposals submitted by smaller NGOs in areas where access is limited.

In addition the SRCs will use the following criteria to score concept notes submitted:

1. *Monitoring and Reporting*: Projects demonstrating clear linkages between their monitoring methodology and geographic/thematic requirements will be favourably weighted.
2. *Innovative approaches to work*: the use of innovative methodologies or modalities for aid delivery, which are relevant to the beneficiary group, geographic specificities or thematic context.
3. *Value for Money*: projects that can demonstrate a high degree of cost effectiveness (i.e.: maximum outcome and beneficiary reach for every dollar invested) relative to the project budget will be prioritised.
4. *Crosscutting Issues*: Projects demonstrating significant attention to environment, gender and protection as mainstreamed components of aid delivery will be favourably weighted.
5. *Coordination*: Strategic Review Committees will review participation of proposing partners in national and regional coordination forums. Strong participation is encouraged.
6. *Accountability to Affected Populations*: Proposals that demonstrate strong linkages with beneficiary communities, feedback mechanisms, etc. will be favourably weighted.

Timeline and Procedure

This CHF Allocation Strategy is published by the HC on Monday 25 August 2014. From this day, **eligible humanitarian organisations with projects aligned to the allocation envelopes have 14 days, i.e. until Monday 08 September 2014, to submit project concept notes**through the CHF online Grants Management System (GMS), available at **https://chfafghanistan.unocha.org/**. Eligible organizations must register online following the given instructions.

Mo. 25 Aug 2014	The HC publishes the second CHF Standard Allocation 2014 Strategy
Mo. 08 Sept2014	Deadline for interested organisations to coordinate project concept note submissions with the respective clusters and submit CHF project concept notesthrough the online database
Th. / Su. 11 /14 Sept 2014	Concept Notes submitted are scored by the Strategic Review Committees (SRCs)
We.17 Sept2014	OCHA circulates a paper to Advisory Board outlining the Project Priorities

Su.21 Sept 2014	AB Meeting: Clusters defend list of prioritised projects for CHF funding to the AB
Tu. 23 Sept 2014	HC: Decision on concept Notes finalized
Th. 23 Sept 2014	Full-fledged Proposal Submission by invited organizations
Su. 5 Oct 2014	Deadline for Proposal Submission
We. 8 Oct - We. 22 Oct 2014	Technical Review, Partner Feedback and finalisation of Project Proposals
Until Th. 29 Oct 2014	OCHA HFU Reviews Documents and Prepares Letters for HC's Signature.
We. 29 Oct - We. 5 Nov 2014	Final Approval by HC – Agreement process
Th. 6 Nov 2014 onwards	Disbursement of Funding

Contact Information

Interested organizations should liaise with the respective clusters to ensure their proposed intervention is aligned to the CHAP 2014 priorities and the guidance provided by this Allocation Strategy paper and is properly coordinated with other stakeholders. Specifically the Nutrition Cluster Coordinator, Mr. Leo Matunga (lmatunga@unicef.org) should be consulted during the concept note and proposal elaboration processes.

The allocation process will be supported by the Humanitarian Financing Unit (HFU) based in OCHA Afghanistan, Kabul. The HFU can be reached at: chfafg@un.org.

Complaints Mechanism

CHF stakeholders with insufficiently addressed concerns or complaints regarding CHF processes or decisions can at any point in time contact the OCHA Head of Office or write to chfafgcomplaints@un.org with these concerns. Complaints will be compiled, reviewed and raised with the Humanitarian Coordinator, who will take decision on necessary action(s). The Humanitarian Coordinator will share with the Advisory Board any such concerns or complaints and actions taken.

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Afghanistan - Common Humanitarian Fund Allocation Strategy – 2014 Second Round

ANNEX ONE

CHAP 2014 STRATEGIC PRIORITY 1	OUTCOMES:	OUTPUTS:
Provide emergency health care and prioritize access to critical services	Reduced instances of emergency related deaths, injuries and illness due to the conflict.	Emergency health care and critical services are restored, or provided where there is limited access to them.
PRIMARY OUTCOME INDICATORS FOR CHF FUNDED IMMEDIATE LIFESAVING ACTIONS		
• % GAM;		• % SAM;

The CHF identifies saving lives and the treatment of acute malnutrition as immediate lifesaving actions to people affected by conflict; Therefore malnutrition and mortality rates will be considered priority indicators for measuring success of CHF funded interventions. The following is a guide of indicators that organisations should aim towards in development of their logical framework.

Life-saving action: treatment of acute malnourished in the most underserved, conflict affected provinces	**Nutrition**	**1: Providing emergency health care and prioritising access to critical services**	**$7.6 Million 60% of total**

CLUSTER OBJECTIVE 1:
Prevalence of acute malnutrition in U5 and PLW is reduced in most at risk communities.

Essential indicators:

- # children 6-59 months screened
- % of IPD & OPD SAM U5s discharged recovered / defaulters / deaths
- % OPD MAM U5s discharged recovered / defaulters / deaths
- % SFP PLW cured
- # mothers reached with IYCF support
- % coverage achieved in line with Sphere standards (>50 per cent in rural areas, >70 per cent in urban areas)

Advised indicators:

- Average weight gain of U5s in SAM treatment
- Average weight gain of U5s receiving SFP
- % breastfeeding mothers of targeted acutely malnourished infants < 6 months receiving SFP ration
- % PLW MUAC <210mm receiving SFP ration

Afghanistan - Common Humanitarian Fund
Timeline – 2014 Second Standard Allocation

Common Humanitarian Fund

25 AUGUST – HFU releases Allocation Strategy

21 AUGUST – AB: Allocation Strategy Review

11-14 SEPTEMBER – Strategic Review Committees Meetings

21 SEPTEMBER – AB Meeting: Cluster recommendations

29 OCTOBER – 5 NOVEMBER – Partner Notification and Grant Agreement Preparation

6 NOVEMBER – Disbursements

August | September | October | November

25 AUGUST – 8 SEPTEMBER – Inter/Intra-Cluster Coordination

8 SEPTEMBER – Deadline: Concept Note Submissions

23 SEPTEMBER – HC: Decision on Concept Notes finalized

5 OCTOBER – Deadline: Project Proposal Submissions

8-22 OCTOBER – Technical Review Committees, Partner Feedback

29 OCTOBER – HC: Decision on Project Proposals