Policy Paper

South Sudan Common Humanitarian Fund (CHF)

2013 Second Round Standard Allocation

12 July 2013

1. This paper outlines the allocation strategy for the second round standard allocation of the. As of early July, projected donor deposits to the CHF amount to approx US$ 33 million.

2. The projected donor deposits will cover the second round allocation, the CHF reserve and administrative fees (1) in relation to the allocation.

3. This paper includes the parameters on the scope of the allocation. Additional criteria for the definition of clusters’ priorities and project prioritisation will be established by clusters and their partners. The paper is supplemented with separate guidance note on priority activities and locations following preliminary consultations with the Inter Sector Working Group (ISWG).

Humanitarian situation and related priorities

4. The CAP 2013 MYR has been revised from $1.16 billion to $1.05 billion due to an improved harvest, fewer refugees and returnees than expected. However, while the needs of many vulnerable communities have stabilized as evidenced by the reduction in the number of food insecure from 4.6 to 4.1 million people, needs remain high.

5. There are still 1 million people severely food-insecure across the country. Although the pace of refugee arrivals slowed, some 263,000 refugee are expected to need assistance, particularly with regard to nutrition, health interventions and resilience.

6. The plight of returnees, thousands of whom have been stranded or are living in desperate conditions, continues to be troubling. 70,000 returnees are expected to arrive from Sudan in 2013, lack of transport means to their final destinations and scarcity of integration opportunities and resources are main obstacles to ensure that returnees reach their final destinations, as such returnees continue to require support at transit sites. Needs persist in Abyei where internally displaced people continue to require assistance.

7. Armed hostilities and inter-communal clashes continue to wreck people’s lives in parts of Jonglei State where violence and insecurity have displaced tens of thousands of people since the start of the year. Since the start of the current wave of fighting between the South Sudan army and non-state armed actors, most people have left key centres in Pibor County either seeking safety in the bush, moving to other parts of South Sudan, or seeking refuge in neighbouring countries such as Ethiopia and Kenya. Due to access constraints, humanitarian actors have not been able to assess the full scale of needs in the area, but it is estimated that between 100,000 and 120,000 people are either displaced or in inaccessible areas, and are in need of assistance.

8. The revised 2013 CAP maintained the following seven over-arching strategic objectives of the humanitarian response in South Sudan:

   i) Prepare for and respond to emergencies on time by preposition supplies via core pipelines, securing alternative supply chains, upgrading access routes, mapping at-risk communities, building partner capacity, mobilizing logistics, conducting multi-agency assessments and monitoring delivery.

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1 UNDP as Participating Agency for NGOs projects will charge 7% to cover indirect costs in accordance with its financial rules and regulations. The Multi-partner Trust Fund (MPTF) as Managing Agent of the CHF will charge 1% of incoming contributions. The level of CHF reserve to be maintained can be up to a maximum of 20% of fund committed to the CHF as decided by the HC in consultation with CHF AB.
ii) Maintain frontline services in hotspot areas until other delivery, regulatory, and funding mechanisms are in place, linking short-term action to longer-term goals.

iii) Assist and protect refugees and host communities.

iv) Protect people affected by crisis by mitigating the effects of violations related to violence or displacement. Improving child protection and combating gender-based violence will be key priorities.

v) Support returns in a voluntary, safe and sustainable manner.

vi) Increase resilience of households suffering from recurrent shocks that make people vulnerable to food insecurity.

vii) Improve the operating environment by monitoring interference in humanitarian action, advocating with the state and military authorities, and building state capacity.

9. The second standard allocation will support the overarching objectives of the CAP. However food aid assistance will not be eligible for the second round standard allocation.

The allocation strategy

10. In light of the resources available for the CHF second round standard allocation will target the following thematic areas:

i) Addressing the needs of only those pipelines that are at risk of rupturing (i.e. experiencing a supplies stock out) before end of the year (Category A);

ii) Ensuring common logistics services to facilitate access during the rainy season (Category A);

iii) Supporting frontline services in vulnerable locations focusing on activities as prioritized by clusters (Category B)(2);

11. In considering the support to core pipelines and provision of essential common services, clusters should consider:

a. Critical gaps for the humanitarian operations in light of support given through the CHF 2013 first round standard allocation (see status of pipelines in the Guidance Note);

b. The ability of the pipeline managing agency to procure, transport and preposition by October/November 2013, considering challenges posed by the rainy season.

12. In considering the provision of support to frontline service providers, the Guidance Note on activities prioritized by the clusters in locations specified should be used as reference.

CHF Reserve

13. The CHF Advisory Board will recommend the CHF reserve amount to be maintained to enable the Humanitarian Coordinator to allocate funds in the event of unforeseen needs arising outside the CHF standard allocation. Projects in and outside the CAP will be eligible for allocations from the CHF Reserve if meeting the requirements set out in CHF guidelines and are endorsed by cluster coordinators and co-coordinators. Allocations from the reserve will be approved by the Humanitarian Coordinator in consultation with the CHF Advisory Board. In reviewing applications, the Humanitarian Coordinator and the CHF Advisory Board will consider the appropriateness of proposed activities as well as the suitability of other funding mechanisms such as the CERF, and the IOM “Rapid Response Fund” available in country. This approach will help ensure a high degree of complementarity among pooled funds and support the identification of priorities for all funding streams.

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2 The WFP nutrition project for treatment of malnutrition in children less than 5 years and pregnant and lactating women is eligible among core pipelines.

3 To include addressing vulnerability of individuals affected by natural disaster and conflict as well as the refugee programme.
Prioritization criteria for selection of projects

14. The following criteria are proposed to support the prioritization of the CHF second round allocation and the work of the Peer Review Teams (PRTs): 

i) Implementation of activities: CHF second round should prioritize activities that are in accordance with the cluster priorities defined in the Guidance Note and will not be hampered by the rainy season.

ii) Timely expenditure and reporting: The PRT should consider the ability of applying organization to timely disburse and report on previous CHF allocations. The CHF Technical Secretariat (TS) will provide Cluster Coordinators/Co-Coordinators financial data based on estimated expenditures by UN agencies and NGOs quarterly financial reports.

iii) Life-saving activities: should be prioritized so as to maximize the impact of the funds. Clusters should apply the CERF life-saving criteria when defining priority activities.

iv) High Priority projects in CAP 2013: Projects classified as high priority in the CAP 2013 should be weighted higher in the selection process at the Peer Review Team (PRT) meetings.

v) Projects with a significant chance of success: as a result of resource mobilization ability, established capacity on the ground, previous track record of good performance and likely continued access should be prioritized.

vi) Complementarity with CHF 2013 first round: Organizations that have received funding from CHF R1 and apply for CHF R2 should clearly indicate how the new funding will complement the previous allocation.

vii) Gender mainstreaming: Projects with gender code of 2 in the CAP 2013 should be weighted favorably in the vetting process at the Peer Review Team (PRT) meetings.

viii) Indirect costs: Projects that can demonstrate low indirect costs as a proportion of direct costs should be weighted favorably.

ix) Value for Money: Projects that can demonstrate the most ‘value for money’ (e.g. maximum outcome and beneficiary reach for each dollar invested) relative to the project budget should be prioritized.

x) The needs of Abyei returnees in relation to life-saving humanitarian activities will be catered for through the core pipelines.

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4 Numerical score approach is recommended to PRTs for the prioritization exercise.

5 Projects selected for funding can run up for 12 months. PRTs may decide to allocate funding to shorter terms programmes if deemed appropriate.

6 UN agencies will be requested to provide estimates of CHF 2013 financial expenditure as of 30 June 2013. Expenditures data from CHF 2012 allocations will be provided to clusters by the CHF-TS as reference.

7 Use the CERF guidance to define life-saving activities.

8 Guidance on how to calculate direct and indirect costs will be provided by the CHF T in the project template. Indirect costs include overheads and other costs not incurred in project location.