

SOUTH SUDAN HUMANITARIAN FUND (SSHF)
2016 SECOND RESERVE ALLOCATION ROUND STRATEGY PAPER

BACKGROUND

1. In view of the high level of humanitarian need in South Sudan, and given the uncertainty around the size and timing of further donor contributions at the end of 2016 and beginning of 2017, the South Sudan Humanitarian Fund (SSHF) and Advisory Board (AB) have decided to undertake a Reserve Allocation before the end of 2016 to support prioritised pipeline requirements at the beginning of the dry season.
2. In addition to injecting vital funds into core pipelines (a critical enabler and efficiency-driver in humanitarian response, as highlighted in the Grand Bargain), the Reserve Allocation will highlight the declining humanitarian situation in the country, and the urgent need to mobilise additional resources for dry season priorities in the lead-up to the launch of the 2017 Humanitarian Response Plan.
3. It is recognised that front line activities will also require urgent support at the beginning of 2017. To this end, the focus of any first SSHF allocation in 2017 - contingent on funds received - would be on frontline response, including local and national responders.

ENVELOPE, STRATEGY AND PROCESS

Overall Envelope

1. **The envelope for this reserve allocation is \$11m.** The SSHF balance remains at US\$11.5m, as reported during the Advisory Board meeting in October. One additional donor deposit expected before the end of 2016 would increase the total to \$13m. A small reserve of around \$2m will be retained for any unforeseen circumstances in the coming period.

Overarching Strategy

2. **This reserve allocation will provide targeted support to core pipeline requirements for the most critical life-saving activities in the Equatorias.** Since the July 2016 conflict in Juba, conflict has spread rapidly across the Equatorias, generating large-scale displacement and humanitarian needs. Over 400,000 people are estimated to be internally displaced in the Equatorias, while over 300,000 South Sudanese have fled to neighbouring counties since July 2016, predominantly from the Equatorias. Protection concerns are dire in multiple locations where clashes are ongoing, including Yei (Central Equatoria), Mundri (Western Equatoria) and areas around Torit (Eastern Equatoria). Food security, livelihoods and nutrition have been severely impacted, with key roads and markets affected by violence and civilians in many locations unable to access their crops due to restrictions on freedom of movement. Health and education facilities have faced growing challenges, with many staff fleeing and supply chains cut. WASH infrastructure has been eroded and stressed by fuel shortages, fighting, displacement in key urban centres including Torit (Eastern Equatoria), Yei (Central Equatoria), Yambio and Mundri (Western Equatoria), and the cholera outbreak (Pageri, Eastern Equatoria). Many of the most-affected areas were previously considered to be on the development track and were therefore not incorporated in the planning of humanitarian organisations at the outset of 2016. However, in the latter half of the year, humanitarian organisations have stepped-up their response in multiple locations, straining resources and pipelines intended for responses in other parts of the country.
3. The allocation will prioritise funding for core pipeline projects that:
 - a) *demonstrate optimal use of the limited resources available* in light of pipeline status and other complementarity resources. Funding decisions will take into account actual or anticipated stock outs of supplies, as well as secured and committed funding from other sources, including previous SSHF allocations, CERF allocations, and funding from bilateral donors.

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- b) *support activities to address the most critical, life-threatening humanitarian needs in the Equatorias*, taking into consideration the unique needs of women, men, boys and girls. The relative severity of humanitarian needs and vulnerability should be evidenced by field assessments and other secondary data as relevant;
- c) *promote inter-cluster collaboration and synergies*¹. Proposed pipeline supplies and modalities that will increase impact across multiple clusters through addressing key cross-cutting issues (e.g. gender-based violence) or promoting integrated response will receive preferential treatment;
- d) *support activities that are feasible within the operating context*. Proposed activities should be backed by a compelling case for their feasibility, including information regarding operational static and mobile partners able to immediately use the pipeline supplies and consideration of different delivery modalities in view of the complex and insecure situation on the ground.

Process

4. The final date for fund disbursement from the Multi-Partner Trust Fund (MPTF) Office in 2016 is 15 December. The process is as follows (further details are available in the attached timeline):
 - Week commencing 21 November 2016:
 - Issuance of the Allocation Strategy Paper
 - Issuance and return of accompanying template for relevant clusters to highlight and justify most time-critical core pipeline requirements in the Equatorias.
 - Week commencing 28 November:
 - Working ICWG meeting to review and prioritise requirements across the core pipelines.
 - Submission of recommended project portfolio to SSHF AB for review and endorsement.
 - Opening of Grant Management System for submission of proposals.
 - Week commencing 5 December:
 - Technical review and finalisation of proposals.
 - Preparation of allocation letters and Fund Transfer Request for signatures.
 - Week commencing 12 December:
 - Fund disbursement.

25 November 2016

Attached:

- Timeline.
- Cluster template

¹ *Support to the refugee response and food aid are generally excluded from allocations due to the overall magnitude of their requirements compared to the relatively small resources available to the SSHF. However, given the rapidly rising needs in South Sudan, if funding to either the refugee response or food aid is agreed as an inter-cluster priority, pipeline projects may be exceptionally considered.*