BACKGROUND

Since the beginning of 2020, the humanitarian situation has deteriorated in the east of the Democratic Republic of the Congo (DRC), with an increase in population movements and protection incidents caused by the intensification of conflicts. The COVID-19 epidemic has affected the Congolese economy and households, most of which were already living in extreme poverty with limited access to basic services.

Despite the extremely challenging and complex operating environment in 2020, the DRC Humanitarian Fund (DRC HF) proved to be a critical tool to address humanitarian needs of the most vulnerable population. Through eight allocations amounting to US$ 74.9 million, the third largest Country-Based Pooled Fund (CBPF) allocations in 2020 after the Turkey Cross-borders and Yemen Funds. 66 humanitarian partners were funded to provide assistance to a cumulative number of 5.4 million people (51 per cent of women and girls), through 111 projects. This work was only possible with the support of ten donors, whose contributions reached $57.1 million by the end of the year.

In 2020, the DRC HF continued to demonstrate its commitment to the targets of the Grand Bargain agreed at the World Humanitarian Summit to support national and local actors. Throughout the year, nearly 31 per cent of all funds went directly to 30 national partners (including the national Red Cross) and 8 per cent of the funds were channeled to support local institutions.

In 2021, the country continues to face an acute and complex humanitarian crisis marked by population movements, food insecurity, acute malnutrition, epidemics and protection issues. The number of people in acute food insecurity should reach 19.6 million in the first half of the year, of which 4.8 million are in emergency phase and 14.8 million in crisis phase. Furthermore, humanitarian access is likely to continue to be restricted in some areas due to insecurity or physical constraints, especially during the rainy season.

In 2021, the humanitarian response plan (HRP) is targeting 9.6 million people for urgent humanitarian assistance, which represents 49 percent of those estimated to be in need, compared to 9.2 million in 2020. The humanitarian response strategy, in support of support to the Congolese authorities, will focus on two key objectives: meeting the vital needs of people affected by the crisis and improving their living conditions.

2021 DRC HF STRATEGY

The CBPFs are meant to be strategic instruments that can make a change and a difference through the humanitarian assistance – CBPFs are “not gap fillers”, they are catalysts for change. The Pooled Fund is expected to be country specific and adapted to the local context, it must also follow the global guidance for CBPFs, as communicated with the Pooled Fund Working Group and the member states.

STRATEGIC FOCUS

In 2021, the $60 million expected contribution to the DRC HF will be used to support the HC in delivering his vision to bring system change and ensure maximum impact through allocations to increase effectiveness and efficiency of the humanitarian system in the DRC in order to alleviate the suffering of the most vulnerable populations in the country.

Therefore, responding to life-saving humanitarian needs will be a central aspect for the DRC HF 2021 interventions. The Fund will adopt a person-centered approach to ensure that those most vulnerable in the country receive much-needed assistance and greater attention will be given to the ERC’s underfunded priority areas: 1) support for women and girls, including tackling GBV, reproductive health and empowerment; 2) programmes targeting disabled people; 2) education in protracted crises; and 4) other aspects of protection.

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1 At global level, the Pooled Fund Working Group brings together key stakeholders (representing donors, NGOs, UN agencies) to provide policy guidance to CBPFs.
2 In January 2019, the ERC identified four priority areas as often underfunded and lacking appropriate consideration and visibility. Therefore, an increased focus on these areas was recommended to ensure particular attention in CBPFs allocations.
More precisely, the vision statement will be articulated around the following strategic orientations:

1. **Ensure alignment with the country HRP/HNO in effect**: priorities of the humanitarian response are based on high-quality needs analysis;

2. **Reach the most vulnerable population**: To address the most acute needs first, the allocation strategies must prioritize sectors as well as the following geographical areas:
   - with high severity of overlapping multisectoral needs as defined in the HRP/HNO;
   - forgotten; and/or
   - highly underfunded.

3. **Enhance the complementarity of the Fund’s interventions**: with the support of DRC HF donors, the HFU will strengthen its capacity to complement other funding mechanisms, particularly in the area of rapid response, including CERF.

4. **Ensure adherence to the Grand Bargain commitments**: CBPFs play a key role in delivering the Grand Bargain commitments to improve the humanitarian financing system which was agreed by aid organizations and donors during the 2016 World Humanitarian Summit, incentivizing inclusiveness and promoting localization of aid and cash-based programming. The DRC HF will strive to provide flexible funding in a strategic and principled manner for local frontline responders.

**ALLOCATION MODALITIES**

In terms of modalities, 70 per cent of the secured funds will be channeled through the **Standard allocation** modality. The remaining 30 per cent will be allocated under the **Reserve allocation** modality in order to:

- Respond to new emerging humanitarian needs – *set a minimum envelope and prioritization of sectors in consultation with the AB members before the launch of the allocation, to ensure maximum impact.*
- Support an enabling operational environment by maintaining funding to projects that improve the common ability of actors to deliver a more effective response, **through common services** (at least 10 per cent of the total funds allocated).

**GUIDING PRINCIPLES**

Five core principles guide the management of the CBPFs and how they achieve the strategic objectives to improve the response, strengthen leadership and ensure better coordination and resourcing of humanitarian plans: **1) Inclusivity; 2) Flexibility; 3) Timeliness; 4) Efficiency; 5) Accountability & Risk Management.**

On the operational side, among the 20 indicators of the Common performance framework, attention will be given to the following:

1. **Inclusivity**:
   - **Inclusive implementation**: Allocate funds to the best-positioned actors to deliver the humanitarian assistance in a timely, effective and impactful manner. Prioritizing partners: 1) proposing direct implementation; 2) having confirmed operational presence in the targeted areas.

2. **Timeliness**:
   - **Timely allocations**: Demonstrate that the speed of CBPF allocation processes adapts to volatile change and avoids delayed decisions that might compromise the achievement of the intended operational objectives, while ensuring a timely allocation process as well as quick contracting and disbursement.

3. **Efficiency**:
   - **Efficient prioritization**: Ensure that the allocation strategies are aligned with the HRP/HNO to cover with most flexibility life-saving needs identified by the humanitarian community in the DRC.
   - **Efficient programming**:
     - Further reinforce efficiency through integrated multisectoral projects;
     - Ensure project proposals are based on updated needs assessments;

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3 Humanitarian assistance aims to save lives and preserve human dignity while ensuring access to basic services for communities. Protection and accountability to affected populations are at the heart of the interventions.

4 The DRC HF operational manual will be revised by the Humanitarian Financing Unit, with the support of OCHA CBPF section. Attention will be given to minimize the consultation processes and secure timely disbursement of the allocated funds.

5 According to the risk analysis, 265 health zones are classified as risk zones in 2021, including 211 as medium risk zones (80 percent of risk zones) and 54 as high-risk zones (20 percent).
o Ensure that **project duration is adapted to the humanitarian situation in order** to address as many needs as possible (6-12 months)\(^6\): considering the protracted nature of the crisis in the DRC, the Fund will favor projects with longer timeframes, especially activities that are particularly sensitive and/or require longer preparation (e.g. protection, education, health and nutrition sectors).

o Ensure that cross-cutting issues are reflected as much as possible in the allocation strategies and reflected in an efficient programming: **gender, protection, inclusion, environment, and nexus**.

o Ensure **analysis of strategic impact** and **clear exit strategies** at project level.

4. **Flexibility:**
   
   - **Funding allocated to cash-programming**: Select and support the most context-appropriate/feasible cash modality of delivering assistance to meet the needs of affected people **(at least 10 per cent of the funded assistance is delivered through cash)**\(^7\).

5. **Accountability & Risk Management:**
   
   - **Accountability to affected people**: Engage and seek feedback from affected communities:
     
     o Promote the **participation of affected people** at all levels of the project cycle; pay greater attention to the effectiveness of the feedback complaints mechanisms and PSEA approach in the project cycle.
     
     o Strengthen partnership and coordination with the local authorities and administrations.
   
   - **Accountability and risk management for projects**: Maintain a regular follow-up on progress made towards the projects’ targets and verify the accuracy of reporting submitted by partners:
     
     o Ensure that the HF funded projects are effectively monitored in line with the operational modalities of the DRC HF;
     
     o Work with cluster coordinators/co-coordinators and co-facilitators to ensure that monitoring is undertaken in close coordination with other cluster monitoring activities;
     
     o Review and analyze information collected through monitoring activities; reflect on best practices and lessons learned using findings and recommendations for results management, risk mitigation and public information.
   
   - **Accountability and risk management of implementing partners**:
     
     o Ensure that the DRC HF has an **appropriate and qualified pool of eligible partners**, through a targeted capacity assessment of potential new partners, based on coverage gaps per cluster per geographical area.
     
     o Strengthen mechanisms to prevent and combat fraud, as well as to combat sexual exploitation and abuse (SEA).

**ALLOCATION DECISION MAKING PROCESS**

The DRC HF is locally **managed by OCHA** under the **leadership of the Humanitarian Coordinator (HC)** and in consultation with the humanitarian community.

The **Advisory Board** provides guidance on key decisions to ensure efficient and effective management of the Fund.

The HC, in consultation with the AB, provide orientations on allocation envelopes, breakdown and deadlines.

The country **inter-cluster coordination** mechanism is supporting the needs and response prioritization. The HFU develops the allocation strategy with the support of/through the National Inter-Cluster Coordination Group (cluster coordinators, co-facilitators, and co-coordinators at the national level) that should consult with relevant Inter-Cluster Coordination Groups at the field level (ICR) and commit to the agreed deadlines.

Notwithstanding the above, the **HC has the final responsibility** to define the strategic focus and amount of Fund allocations based on the humanitarian situation; and to make final decisions on projects recommended for funding. This responsibility is exclusive to the HC and cannot be delegated.

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\(^6\) In line with the HRP cycle and the secured multi-year contributions. **According to the 2021 Board of auditors, projects more than 12 months are not in line with the global guidelines. Thus, we might need to review our manual for future funding, pending guidance from the Executive officer.**

\(^7\) The HFU with CBPF finance will facilitate the revision requests. **However, from an accountability perspective and in line with the global handbook (p44-46), all changes must be reflected in GMS.**