OBJECTIVES

The Myanmar Humanitarian Fund (MHF) aims to ensure that humanitarian needs are addressed in a timely and collaborative manner, fostering cooperation and coordination within and between clusters, sectors and humanitarian organizations. As such, the MHF promotes joint needs assessments; the use of the Humanitarian Response Plan (HRP) as the basis for strategic planning; close coordination with sectors, clusters, the Humanitarian Country Team (HCT), sub-national coordination bodies, other pooled funds and funding mechanism, and the Government, when possible; and accountability through a solid monitoring, reporting and risk management framework. Allocations are made based on a rigorous process of prioritization, taken into account a number of factors, including the magnitude and relative severity of needs, underlying causes, anticipated trends and response capacities and access constraints in targeted locations. It has also considered the specific vulnerabilities of the population groups including those linked to age, gender, disabilities or other diversities such as ethnic background and sexual orientation and gender identity. Allocations will also consider operating constraints due to the possible increased vulnerability of the COVID-19 pandemic and access restrictions for MHF partners, ensuring that adequate resources are provided to facilitate safe access to the affected populations including those in hard-to-reach areas.

Through this strategy, the MHF aims to achieve four main objectives, grouped in two priority categories:

- Priority 1:
  - Address acute unmet emergency and humanitarian needs, including those related to protracted humanitarian crisis situations.
  - Respond to new emergencies, sudden-onset disasters and the aggravation of existing emergencies.

- Priority 2 (only if there are no other sources of funding available)
  - Prevent a worsening of the situation and increased vulnerability.
  - Increase the emergency response preparedness capacity, including early warning alert and response systems.

The February 2021 political and human rights crisis, and possible humanitarian consequences, may warrant expansion of the MHF priorities beyond the areas indicated in the 2021 HRP, in addition to strengthened efforts to address the possible increase in needs in areas already experiencing humanitarian crisis.

OPERATING PRINCIPLES

The MHF Advisory Board agrees that funding allocations will be in line with the following principles:

- Provide assistance based on the severity of assessed needs and an agreed allocation strategy, in accordance with the humanitarian principles of humanity, neutrality, impartiality and independence.

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1 This includes specific guidelines for the prevention and reporting of suspected cases of fraud, corruption, conflict of interest and loss, diversion and theft of assets, cash, property, or other. An additional signed declaration of no-engagement with companies listed in the Annex II.B. of the Independent International Fact-Finding Mission (FFM) report on Myanmar on “The economic interests of the Myanmar military” has been requested to eligible partners since January 2020. Regarding the February 2021 crisis, a guidance on the type and level of engagement with the de facto authorities must be discussed and endorsed by the Advisory Board, taking into account the protection of the humanitarian space and the respect of the humanitarian principles. Risk matrix and mitigation measures will be revised, as well.

2 The main reference documents are the 2021 Humanitarian Needs Overview (HNO) and the 2021 Humanitarian Response Plan (HRP). The HNO includes an analysis of the severity of sectoral and inter-sectoral needs in priority areas, which is the base of the response prioritization presented in the HRP. A real-time update of the information may be included during the consultation process before a new allocation of funds.
• Reinforce existing capacity of local and national partners operating in the affected areas, considering their mandates and activities and based on comparative advantages.
• Target sectors, activities and geographical areas prioritized in allocation strategy papers.
• Ensure the application of minimum humanitarian standards depending on the local context, particularly in displacement sites, including by avoiding harm through mitigating environmental risk.
• Mainstream the centrality of protection in all humanitarian action to avoid and/or minimize any potential protection risk.
• Ensure a gender-responsive\(^3\) and disability inclusion\(^4\) approach across humanitarian interventions, through specific targeting and mainstreaming in all the humanitarian programme cycle to ensure that assistance and services are accessible by women and girls and persons with disabilities and based on their self-stated needs in accordance with the “leaving no one behind” commitment.
• Ensure a conflict-sensitive approach to all humanitarian action, including by applying the principle of “do no harm” at all times.
• Encourage the use of cash-based programming, including specific funding envelopes for multi-sector and multi-purpose cash assistance, when possible and appropriate.
• Promote the principle “as local as possible, as international as necessary”, prioritizing direct funding to partners, particularly local and national NGOs, where possible, or through equitable partnership as sub-partners. It must include local women’s rights and women-led local organisations (WRO/WLO) and other marginalized groups of civil-society organizations (CSOs).\(^5\)
• Encourage consortiums of different organizations for better integrated responses, when possible.
• Prioritize multi-sector and integrated interventions for the same target population and geographical areas to increase impact, while recognizing that, in some circumstances\(^6\), where there is a particular emergency, more focused interventions are warranted.
• When appropriate, prioritize specific allocations based on common vulnerabilities or thematic(s) for an increased impact.
• Ensure accountability to affected people and their meaningful participation in planning and decision-making, with particular consideration to the accessibility of those population groups with specific vulnerabilities linked to age, gender, disabilities or other diversities such as ethnic background and sexual orientation and gender identity, to accountability mechanisms and their input and participation in programme design and project management.
• Commit to the prevention of sexual exploitation and abuse (PSEA) by regular training of programme staff and functional mechanisms for affected populations to make anonymous complaints.
• Support durable solutions for displaced people through the provision of short-term humanitarian assistance.
• Contribute to the discussion on the nexus agenda to create conditions for collaboration, linkages and synergy with relevant development programmes and funds operating in the same geographical areas; while keeping humanitarian action based on a principled approach.

**ENHANCING AGE, GENDER, DIVERSITY AND CLIMATE CHANGE**

The MHF is committed to mainstreaming protection in all the phases of the project management cycle, by incorporating protection principles and promoting meaningful access, safety and dignity in humanitarian aid.\(^7\) In

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\(^5\) In line with the IASC Interim Guidance on Localization and the COVID-19 Response, as well as the UNSG Statement of 25 November 2020 on violence against women. Following the IASC Interim Guidance, “humanitarian leadership should advocate for local and national NGOs, including women’s rights and women-led local organisations and other marginalized groups of CSOs, to be fully included in balanced -and impartial pooled funding decisions on allocations, evidence suggests that they are often left out of the process.”

\(^6\) For example, flooding or other natural hazards. In such circumstances, targeted interventions in a particular sector are likely to have quicker and greater impact than interventions that operate across many sectors. For example, in communities affected by floods, where the principle concern is around rebuilding livelihoods, intensified support to strengthening farming and production capacity may respond better to the immediate needs of the community, allowing them to build resilience and access social services.

\(^7\) Further information at the [Global Protection Cluster](https://www.globalprotectioncluster.org/) website.
addition, the MHF will contribute to the application of the HCT Protection Strategy and other relevant guidance. Promoting approaches sensitive to age, gender and diversity through funding actions is a requirement for partners applying for MHF funding. The MHF is compliant with the new Gender with Age Marker, the use of which is required for partners applying for funds since January 2019. Gender and age must be mainstreamed throughout the project including analysis, design, implementation and monitoring with accountability mechanisms being accessible and participation of women of all ages in project design and management ensured. Age, gender and disability disaggregated data will be collected and analysed during the implementation period, for monitoring, reporting and programming purposes. The MHF will advocate at global level to revise the project proposal and narrative reporting templates to reflect distinct age categories for older persons, avoiding that significant differences between the age cohorts are neglected and result in failure to address specific rights and needs. Disability inclusion will be mainstreamed in all the activities and projects supported by the MHF and closely monitored. Further, the MHF will require partners to have clear policies and operational mechanisms on safeguarding including the prevention of sexual exploitation and abuse and feedback/complaints handling mechanism. The MHF will be willing to extend appropriate support as needed. The MHF is also committed to systematically identify and act on climate change and environmental issues, as required by the Sphere Standards and the Core Humanitarian Standard on Quality and Accountability. Since 2020, funded partners should demonstrate that climate change and environmental risk have been assessed and that mitigation measures have been put in place.

**PROMOTING LOCALIZATION**

The MHF will continue its ongoing efforts to promote a localization approach in the humanitarian response in Myanmar, with a focus on local and national partners. It would be done in line with the above-agreed MHF operating principles including the respect of the humanitarian principles and considering conflict sensitivity. Localization-focused actions may include the following:

- Participation of local and national partners in accountability and coordination mechanisms, and decision-making processes will be reinforced, including the preparation of allocation strategies, the pre-selection of submitted proposals and the technical reviews of selected projects. It may include ad-hoc meetings with the MHF Advisory Board upon request and decentralized consultations at sub-national level.
- Accessible language and definitions of key international humanitarian concepts by using relevant Myanmar context and case studies to improve the understanding of national partners about the MHF funding mechanisms and processes;
- Adapted strategies to get a better and higher engagement of local and national partners into the MHF funding and processes, particularly at sub-national level with local organizations, WRO/WLO and CSOs, in linkage with existing initiatives of increasing engagement with local partners through capacity mapping and development, including leadership and other key competencies.
- Discussion on practical ways to pre-position funds ready-to-go to support immediate response from local CSOs, in case of sudden-onset natural disaster or other emergencies. It would require an operational partner with enough capacity to receive the funds and clear criteria for delivering the funds case-by-case to the CBOs requesting support.
- Awareness-raising sessions on the MHF with potential partners, particularly local and national partners in areas affected by protracted crisis and high-risk disaster-prone areas.
- Bilateral meetings and sessions in Myanmar language at national and sub-national level, as needed;
- Workshops on the MHF online Grant Management System (GMS) and project design with existing and new eligible partners (upon any new allocation).
- Refresher workshops on the project management cycle with funded partners and sub-partners in English and Myanmar language (any time after approval of grants within a specific allocation), which may include specific modules on staff safety and security, remote management and risk management, mainly for those operating in conflict-affected areas.
- Active engagement with WRO/WLO and other marginalized groups of CSOs to raise awareness on their eligibility to the MHF, encouraging their participation in capacity building activities around project design, project management cycle and other questions such as conflict sensitivity and humanitarian principles.
EMBRACING THE NEW WAY OF WORKING

OCHA will ensure that MHF funding contributes to the humanitarian-development-peacebuilding nexus, by funding humanitarian activities that reduce risk and vulnerability and progressively achieve the Sustainable Development Goals (SDGs). This is directly linked to the Strategy of the 2021 Humanitarian Response Plan. This requires close cooperation between humanitarian and development partners, while at the same time ensuring respect for their respective operating principles. The specific role/activity of the MHF in this regard will be to enhance the information sharing, coordination and synergy among humanitarian, development, peace and nexus funding (other pooled funds and funding mechanisms in the country) to raise the global impact and the effectiveness of the interventions. It may include discussion on development partners’ role in the strengthening and promoting localization objectives through dedicated capacity building interventions and strategies to phase out the humanitarian support and possibly handing over to other actors where possible. This will apply in particular for sectors with large ongoing development programmes in the same geographical areas. For instance, the MHF will benefit of the ongoing coordination and collaboration between the Cash Working Group and the National Social Protection Working Group, contributing to a sustainable approach towards cash assistance through allocation strategies and funding actions, in line with the ongoing efforts on shock-responsive social protection systems in Myanmar. Additionally, MHF’s multi-sector and multi-purpose cash assistance will also promote the use of social and basic services among vulnerable and socially excluded groups.

The MHF will keep the focus on life-saving humanitarian activities, only extending it to immediate recovery activities when needed in complementarity to the initial response provided at the community level by local CSOs, Government entities and the private sector. Mainstreaming of increased resilience towards future disasters will be part of the response. To this end, MHF funded interventions will also consider approaches to minimize unintended negative environmental impacts of humanitarian activities. Partners applying for MHF funding will be requested to systematically assess, mitigate and monitor the environmental impacts of their programmes and report on progress.

ENSURING EFFICIENCY

The MHF will continue to strengthen coordination with other global and in-country funds and donors, building on the experience of integrated allocation strategies (MHF, CERF, other funds). The aim is to increase the efficiency of resource allocation in line with the commitments made at the World Humanitarian Summit to strengthen the impact of the humanitarian funding. The MHF will work on better reporting of the MHF contribution to other Grand Bargain’s goals.

The MHF will continue to work to reduce paperwork and simplify processes to improve efficiency and flexibility, with a reinforced engagement with clusters and sectors at strategic and technical levels. It includes the revision of the prioritization process in preparation of the MHF allocation strategies as required, considering a real-time analysis of the severity of the needs as per sub-national level consultations through the existing coordination mechanisms and bilateral contacts with existing operating partners. The revision of the prioritization will ensure that the MHF funding focuses on the actual severity of needs and reaches the people most in need. Consultation and coordination with the Red Cross / Red Crescent Movement, other funds (HARP-F, LIFT, Access to Health

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8 Central Emergency Response Fund.
9 Humanitarian Assistance and Resilience Program Facility.
10 The Livelihoods and Food Security Fund (LIFT) is a multi-donor fund established in Myanmar in 2009. Operating under the management of the United Nations Office for Projects Services (UNOPS), LIFT aims to strengthen the resilience and sustainable livelihoods of poor households by helping people reach their full economic potential.
Fund\textsuperscript{11}, Joint Peace Fund\textsuperscript{12}) and bilateral donors will be actively sought. The methodology related to the strategic review and pre-selection of projects will also be revised.

The MHF will strengthen flexible funding regarding new/sudden-onset emergencies through MHF reserve allocations, particularly in the event of natural disasters and new and/or temporary displacement due to any humanitarian situation. In this case, the prioritization process may include consultations with the Government. The MHF also uses 8+3 harmonized reporting as per the World Humanitarian Summit’s commitments\textsuperscript{13} and the Grand Bargain’s goals\textsuperscript{14}. The MHF will also contribute to report its contributions against the World Humanitarian Summit and the Grand Bargain.

The MHF will also strengthen accountability to affected population and monitoring activities by extending remote modalities and exploring innovative solutions for hard-to-reach areas, non-Government controlled areas or non-accessible areas due to travel restriction or security concerns.

The MHF Advisory Board agrees to continue the experience of integrated allocation strategies, particularly through the pooled funds managed by OCHA (CERF, at global level, and MHF, at country level). In this regard, OCHA will facilitate a unique prioritization process considering the most appropriate source of funding per type of activity and organization. Joint coordination, reporting, monitoring and after-action review exercises will be organized as well.

**ALLOCATIONS TIMELINE**

The MHF Advisory Board agrees on the following tentative allocations timeline, subject to the timely receipt of donor contributions:

- May 2021 (projects starting in July 2021): First Standard Allocation of 50 per cent of the expected contributions.
- November 2021 (project starting in January 2022): Second Standard Allocation of 30 per cent of the expected contributions, including specific funding envelope for seasonal monsoon preparedness actions.
- Any time during the year: Reserve Allocations for 20 per cent of the expected contributions.

**DONOR CONTRIBUTION TARGET**

At the 2016 World Humanitarian Summit (WHS) humanitarian partners adopted the commitment to increase the overall portion of humanitarian appeal funding channelled through United Nations country-based pooled funds (CBPFs) to 15 per cent.\textsuperscript{15} As funding levels are not known until the end of the year, it is thus difficult to identify a contribution target at the beginning of the year. To overcome the challenge of setting an over-ambitious contribution target, the MHF Advisory Board agreed on calculating 15 per cent of the previous year HRP funding level.

In the case of the Myanmar Humanitarian Fund (MHF), the contribution target for 2021 has been established at **US$30.9 million**, which is 15 per cent of the actual funding received in 2020 against the HRP (**US$205.9 million**).

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\textsuperscript{11} The 3MDG Fund ended at the end of 2018. The UK, Sweden, Switzerland and the USA have decided to continue pooling funds in support to the Myanmar health response in 2019-2023 through the Access to Health Fund, a UNOPS-managed successor to the 3MDG Fund.

\textsuperscript{12} The Joint Peace Fund (JPF) is a multi-donor pooled fund, managed by UNOPS, which brings consolidated funding and coordinated support to the peace process, in support of international best practice. Currently, it has eleven donors: Australia, Canada, the European Union, Finland, Germany, Italy, Norway, Switzerland, the United Kingdom, and the United States. The fund is open to additional donors, and is expected to run until at least 2021.

\textsuperscript{13} The World Humanitarian Summit generated over 3,000 commitments to action, and over 2,500 alignments with the core commitments to deliver the Agenda for Humanity. In addition, more than 20 initiatives were either launched or strengthened, aimed at improving the lives of people affected by humanitarian crises.

\textsuperscript{14} The Grand Bargain commits donors and aid organizations to providing 25 per cent of global humanitarian funding to local and national responders by 2020, among other commitments.

\textsuperscript{15} Following the 2016 World Humanitarian Summit (WHS), the UN Secretary-General called for increasing the proportion of humanitarian appeal funding channelled through CBPFs to 15 per cent by 2018.