

Overview

1. This allocation paper is issued by the Humanitarian Coordinator (HC), in consultation with the Iraq Humanitarian Pooled Fund (IHPF) Advisory Board and clusters, to define the priorities and modalities of the first 2017 Standard Allocation.
2. A total amount of USD 45 million is available for this allocation.
3. On 28 March 2017, the Advisory Board established an emergency reserve of USD 4 million intended for rapid and flexible allocation of funds in the event of unforeseen circumstances, emergencies, or contextually relevant needs, as outlined in the IHPF Operational Manual.
4. Partners seeking funding from the IHPF first 2017 standard allocation round must adhere to the IHPF Operational Manual, as well as the guiding principles and strategic priorities outlined in this paper.

Allocation strategy and rationale

Situation overview

5. **The humanitarian crisis in Iraq remains one of the largest and most volatile in the world.** Over 3 million Iraqis are currently displaced, living in 3,700 locations across the country. In the year ahead, depending on the intensity and length of fighting in Mosul, Hawiga and Tel Afar, as many as 1.2 million additional civilians may be forced from their homes.
6. **More people are vulnerable now than at any time during the recent conflict.** Three years of continuous conflict and economic stagnation have impacted nearly every aspect of Iraqi society. In 2017, humanitarians estimate that as many as 11 million Iraqis will require some form of humanitarian assistance. Based on assessments conducted in the last months of 2016, 3.2 million people are currently food insecure, forced to rely on severe and often irreversible coping strategies. Inter-agency and cluster assessments confirm that 9.7 million people require health care, 8.7 million protection support and 6.3 million water and sanitation. About 3.9 million people need shelter and household goods while 3.7 million children need education support. Social tensions are expected to impact at least 5.2 million people.
7. **Virtually all civilians affected by military operations to retake Mosul from ISIL are vulnerable, and the estimated 550,000 to 600,000 civilians inside western Mosul are in extreme danger.** As of 23 March, the cumulative number of the displaced from the beginning of the Mosul Operation on 17 October has exceeded 350,000 people. With an estimated 76,000 people having returned to their places of origin, 274,000 people remain displaced, 172,000 of whom are from west Mosul.
8. **More than one million Iraqis have returned to their homes in the last year; up to 3-4 million may be outside their homes when anti-ISIL military operations conclude.** The conditions facing returning families vary enormously. Some return areas are contaminated by explosive hazards. Public infrastructure and private housing have been destroyed and damaged in at least half of all retaken areas. Essential services are available in only some districts and there are very few employment opportunities until local economies start to take off. Many families expect compensation. Acts of retaliation continue to fuel social tensions, particularly in communities where local populations are perceived as having supported ISIL. Efforts by local authorities to move families to their original homes, even if conditions for safe, voluntary, dignified returns are not yet in

place, are expected to accelerate as soon as ISIL is expelled from Mosul, Hawiga and Tel Afar.

Humanitarian Response Plan (HRP)

9. In support of Government efforts to address the humanitarian crisis in Iraq, partners are committed to upholding and defending humanitarian principles and will do everything possible, using the most efficient and effective modalities, to reach 6.2 million highly vulnerable people and contribute to international standards of care, assistance and protection by providing emergency support packages sequenced across first-line, second-line and full cluster responses.
10. In planning for 2017, humanitarian partners have focused on: *reaching* as many vulnerable people as possible regardless of whether they are displaced families, residents in host communities, have stayed in their homes in retaken areas or are returning to their areas of origin; *advocating* for principled returns in the expectation that many families may be encouraged to return home once ISIL is militarily defeated, including to areas with unsafe and uncondusive conditions; *alleviating* the long-term consequences of brutalization by providing specialized protection support to survivors of gender-based violence and highly at-risk children; and *supporting* families whose incomes and assets are exhausted, knowing that many households may see migration as their only option.

IHPF strategic priorities

11. The Advisory Board, in line with the IHPF objectives in section 2 of the Operational Manual and in respect of its discussions during its 28 March 2017 meeting, is recommending the following priorities:
 - First-line programmes implemented by partners in hard-to-reach areas;
 - First and second-line programmes: a) in areas where new displacement is expected; b) newly retaken and return areas with high concentrations of vulnerable populations; c) and in locations where vulnerable populations are in danger of being left without essential services.

Prioritization of projects

12. Clusters are asked to take the following criteria into consideration during the preparation of their funding portfolios and to give preference to projects that:
 - are aligned with the strategic priorities of the 2017 HRP;
 - meet the strategic priorities of this allocation;
 - can be implemented within the period of up to a maximum of 12 months;
 - include a gender and protection mainstreaming components;
 - demonstrate accountability to the affected population;
 - where applicable demonstrate inclusive programming;
 - where applicable demonstrate integrated programming (multi-cluster proposals);
 - demonstrate better cost-effectiveness where: a) for comparable activities and outputs, the total cost is less; b) the cost per beneficiary ratio is reasonable; c) support costs are reasonable and in line with accepted levels for a given activity; and d) the proposed period of implementation represents the best use of resources at that time.

In addition:

- Partners are required to indicate the amounts and sources of any co-funding of proposals.
- Projects that have other sources of funding for similar activities are required to demonstrate how IHPF funding will be complementary and not duplicative.

- In cases where clusters wish to endorse more than one proposal for the same activities with the same district, robust justification must be made for the efficacy of such arrangements.

Criteria for strategic review of projects

13. Project proposals will undergo both a 'strategic' and a 'technical' review process. For the strategic review, project proposals will be scored against the objective evaluation criteria on a scale from 0 to 100 points, distributed among five key categories and summarized as follows:

1 Strategic relevance	35
Aimed at assessing the alignment of the proposed project with the HRP and the allocation strategy	
2 Programmatic relevance	25
Not about the technical details but simply to assess if the proposed activities are adequate to meet the proposed objective	
3 Cost effectiveness	15
Assess if the cost of the proposed projects is commensurate to the intended outputs and outcomes	
4 Management and monitoring	15
Effectiveness of arrangements in terms of management and monitoring	
5 Engagement with coordination	10
Assess if partners engage on humanitarian coordination in country	

Criteria for technical review of projects

14. In addition to the strategic review, all projects will undergo a technical review. Technical Review Teams (TRTs) will include technical experts within each relevant cluster and HFU staff and will assess the technical soundness of project proposals submitted after passing the strategic review. The TRTs will agree on the relevant cluster/technical criteria and methodology to assess projects. TRTs feedback will be consolidated and addressed to the applying organization through the Grant Management System (GMS).
15. In addition, the following rules apply:
- This allocation will consider national and international NGOs, organizations of the Red Cross/Red Crescent movement and UN agencies that successfully passed the capacity assessment and due diligence processes.
 - OCHA's online Grant Management System (GMS) will be used to administer this allocation (online proposal submission, review of proposals and submission of reports).
 - The maximum project support cost (PSC) to be charged per project is 7 per cent of the approved direct expenditures incurred by the implementing partner. PSC typically include corporate costs (i.e. headquarters and statutory bodies, legal services, general procurement and recruitment etc.) not related to service provision to a particular project.
 - Contingency budget lines are not permitted.
 - Project implementation period is twelve (12) months. Project duration is to be determined by the nature of the proposed activities. However, depending on the prevailing operational situation, no-cost extensions (NCEs) can be considered on a case-by-case basis.

Contacts and complaints mechanism

16. All correspondence regarding the Iraq Humanitarian Pooled Fund should be sent to ihpf@un.org. Complaints from stakeholders regarding the IHPF allocation process should be sent to feedback-ihpf@un.org. The OCHA Head of Office will receive, address and refer any critical issues to the HC for decision-making.

Timeline and procedure

Phase	Step	What	Who	Key Dates	
PREPARATION	1	Deliver training/refresher sessions to partners on the allocation process and the use of GMS	Training	OCHA HFU, Implementing Partners (IPs)	9-15 March 2017
	2	Agree on cluster priorities	Cluster priorities	Cluster Coordinators, OCHA	16 March 2017
	3	Draft allocation paper	Allocation paper	OCHA	16 - 24 March 2017
	4	Share a draft allocation paper Advisory Board (AB)	Draft Allocation paper	OCHA HFU, Advisory Board	26 March 2017
	5	Approve allocation paper	AB Meeting / Allocation paper	HC	28 March 2017
	6	Release allocation paper and call for proposals	Allocation paper/call for proposals	HC, HFU OCHA	29 March 2017
	7	Develop and submit proposals (Deadline 18:00 on 12 April 2017)	Project proposals	IPs	29 March - 12 April 2017
PP DEVELOPMENT	8	Provide training/refresher sessions to Cluster Coordinators on the allocation process and the use of GMS	Training	CCs, OCHA HFU	9-12 April 2017
	9	Conduct strategic reviews and prepare for cluster defences	Strategic Review (using score card in GMS)	SRTs, CCs, OCHA HFU	12-20 April 2017
	10	Prepare Annex 1 (summary of proposals) and power point presentation	Annex 1, power point presentation	CCs, HFU	23 April 2017
	11	Convene cluster defences	Cluster defences at Advisory Board	HC, CCs, OCHA HFU	24 April 2017
REVIEW PROCESS	12	Inform Cluster Coordinators of defence outcomes Preapprove proposals for technical review	HC debriefing eligible proposals	HC, OCHA HFU	25 April 2017
	13	Provide feedback to partners	Cluster briefings	HCCs	26-27 April 2017
	14	Resubmit project proposals	Revised proposals	IPs	26 April – 4 May 2017
	15	Conduct technical and budget review (TR)	Feedback to IP; revised proposals	CCs, OCHA IPs,	5-18 May 2017
	16	Prepare grant agreement (GA)	Grant Agreement	OCHA	16 May 2017
APPROVAL PHASE	17	Sign grant agreement	Grant Agreement	HC	17 May 2017
	18	Counter-sign grant agreement	Grant Agreement	IPs	18 May 2017
	19	Sign grant agreement	Grant agreement	OCHA	19 May 2017
DISBURSE- MENT	21	Disburse	Payment request	OCHA	Within 10 days from signature