

Sida's global humanitarian allocation analysis methodology was updated during 2023 and was used as a basis for the 2024 initial allocation of funding to humanitarian crises.¹ The overall aim of this methodology update was to more clearly inform an allocation of funding that is proportional to severe humanitarian needs across crises. Key changes seen in funding levels when comparing the initial allocations for 2023 and 2024 for specific crises, are therefore not only reflecting changes in the humanitarian situation but also changes in the analysis methodology.

The analysis is anchored in three overarching principles:

- 1) The analysis must be based on the humanitarian principles, with particular attention to the impartiality principle and people with the most severe needs, wherever they are.
- 2) The analysis must be of a "good enough" quality, meaning data and indicators must demonstrate a minimum level of transparency, relevance, comparability and trustworthiness.
- 3) It must be a "live analysis" that can be updated with the latest data as ongoing crises evolve or new crises appear.

The allocation analysis is based on six overall Questions that are answered for each crisis. Each question generates an Indicator that identifies proportional differences for each question across crises:

DIMENSION	QUESTION	INDICATOR
HUMANITARIAN NEEDS	1. How many people have humanitarian needs - in crisis X?	% of All people with humanitarian needs – that live in crisis X
	2. How many people have severe humanitarian needs – in crisis X²?	% of All people with severe humanitarian needs – that live in crisis X
HUMANITARIAN SYSTEM CAPACITY	3. How many people with humanitarian needs risk being left without assistance due to lack of funding – in crisis X?	% of All people with humanitarian needs (PIN) who risk being left without assistance due to lack of funding – that live in crisis X
	4. How many people with severe humanitarian needs risk being left without assistance due to lack of funding – in crisis X?	% of All people with severe humanitarian needs who risk being left without assistance due to lack of funding – that live in crisis X

¹ Sida's yearly humanitarian initial allocation process consists of two steps; Firstly, the global allocation analysis is conducted to inform how the overall initial allocation budget should be distributed between crises. Secondly, a humanitarian crisis analysis is carried out for each of the crises that will receive funding through the initial allocation. This crisis level analysis helps Sida form a detailed understanding of humanitarian needs and identify the partner organisations that are best placed to respond in a given crisis. This document outlines the 2024 methodology for the first step in this process – the global allocation analysis.

² "Severe" refers to levels 4 and 5 on humanitarian severity scales used in analysis frameworks such as the Joint and Intersectoral Analysis Framework (JIAF) and the Integrated Food Security Phase Classification (IPC) which generally range from 1-5 where 5 is most severe (e.g. "famine" being the most extreme level 5 situation in food security terms).

CRISIS COUNTRY CAPACITY	5. How many people out of the total country population have a humanitarian need – in crisis X?	% of a country's total population that have a humanitarian need ³
	6. What is the level of capacity of the country to respond to needs – in crisis X?	% of INFORM Risk Lack of capacity scores across all crises, that are found in a given crisis ⁴

For the 2024 initial allocation, data from the humanitarian system was consolidated and analysed to identify the answer to each question and the percentage for each corresponding indicator.⁵ To create a simple composite “Sida HUM index”, the overall average percentage was then obtained giving all six indicators equal weight. That means, for example, that if a country has a comparatively high share of people in need (question 1) but a low share of people in need who risk being left without assistance (question 3), question 1 would “pull up” the final percentage, while question 3 would “pull down” the percentage. No rationale has so far been identified that would justify any specific weighting, hence all questions weighed the same in the final score.

The Sida HUM index was then used to rank a longlist of countries where humanitarian crises are occurring, according to the overall percentage score. The 30 countries with the highest scores were selected for the 2024 initial allocation, with two exceptions:

North Korea was amongst the 30 countries with the highest scores but was excluded from the initial allocation due to current challenges implementing humanitarian programming in the country, which made a set budget difficult to commit and spend. However, Sida welcomes proposals from partners who can operate in the country, which are assessed on a case by case basis.

Turkey was also amongst the countries with the 30 highest scores but was excluded from the initial allocation. This was due to Turkey's significant capacity to respond to humanitarian needs, which is reflected by the lowest lack of capacity score across all crises and by corresponding agreements that are in place between Turkey and international institutions.

When the composite index scores of the 30 countries with the highest scores were applied to the initial allocation budget, this revealed substantial reductions in funding for some crises when compared to the 2023 allocation. These reductions were largely due to the updated analysis methodology and the increased focus on unmet severe needs. In line with Good Humanitarian Donorship principles regarding predictability of funding, Sida aims to avoid massive negative fluctuations in funding from one year to another. The initial 2024 allocation therefore included “top-up” funding in four crises to ensure funding was not reduced below 70% of the previous (2023) initial allocation – Ethiopia, Somalia, Syria and Ukraine.

³ These % values were normalised to enable aggregation with the other 5 indicators, meaning the % values were converted to a 1-100% scale.

⁴ Higher scores on the INFORM Risk Lack of capacity component signifies a more severe lack of capacity.

⁵ Sources that directly informed these indicators included: INFORM (Severity – Conditions of People affected component; Risk – Lack of Capacity component), IPC (Acute food insecurity scale), FEWSNET (Food Assistance Outlook Briefs), OCHA (GHO/HNO, HRP, Flash appeals, Sit-reps), IFRC (appeals), ICRC (appeals), UNHCR and IOM (RRP/RMRPs), World Bank (Population figures), Sida Humanitarian Crisis focal points.