THE EHF THANKS ITS DONORS FOR THEIR GENEROUS SUPPORT IN 2021

Credits
This document was produced by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) Ethiopia. OCHA Ethiopia wishes to acknowledge the contributions of its committed staff at headquarters and in the field in preparing this document.

The latest version of this document is available on the EHF website at www.unocha.org/Ethiopia/EHF.

Full project details, financial updates, real-time allocation data and indicator achievements against targets are available at gms.unocha.org/bi.

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Front Cover
Credit: UNICEF/Demissew Bizuwerk

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FOREWORD

I am pleased to share with you the 2021 Ethiopia Humanitarian Fund (EHF) Annual Report. The document reviews EHF operations and demonstrates how the Fund was used strategically to address the urgent humanitarian needs of the most vulnerable people, especially displaced people, in 2021. It provides an update on the management and accountability of the Fund, and a brief overview of achievements by cluster.

I would like to commend the generous contributions of donors and acknowledge the efforts of our partners, the recipients of EHF funding – national and international NGOs and UN agencies – and cluster coordinators for their dedication and tireless response in Ethiopia.

In 2021, the EHF funds enabled humanitarian partners to respond to the impacts of the conflict in northern Ethiopia and other parts of the country, the drought in the south and south-east, and the COVID-19 pandemic. The two EHF Reserve Allocations enabled the scale-up of humanitarian response at critical moments, when financial resources were scarce or unavailable.

The added value and comparative advantages of the EHF continued to be shown in 2021, as the Fund supported response to many emergencies differing in scale, nature, and location. Combining flexibility and strategic focus with robust accountability, the EHF supported collective prioritization, helped ensure timely allocation of limited resources, enabled critical humanitarian interventions, and ultimately strengthened humanitarian coordination, leadership, and efficiency of response.

The second Standard Allocation was instrumental in upholding protection at the center of humanitarian response including the prevention of sexual exploitation and abuse (PSEA), accountability to affected populations (AAP), and gender-based violence (GBV). It also helped enhance the inclusion of local and national actors in line with the localization agenda.

As Ethiopia continues to face emergencies related to conflict and climatic shocks such as drought and floods, we affirm the Fund’s added value in 2021 by emphasizing the key role it has played in direct implementation and promoted a more integrated response.

Today, the EHF remains one of the fastest and most efficient options to support humanitarian response in Ethiopia and we are confident of the continued support from our donors in 2022.

Dr Catherine N. Sozi
Humanitarian Coordinator for Ethiopia
The EHF remains one of the fastest and most efficient options to support humanitarian response in Ethiopia.

DR CATHERINE N. SOZI
HUMANITARIAN COORDINATOR FOR ETHIOPIA
2021 in Review

HUMANITARIAN CONTEXT

Humanitarian situation in 2021
The humanitarian situation in Ethiopia remained difficult throughout 2021. Conflict and insecurity added to underlying vulnerability because of displacement, drought, locusts and floods. COVID-19 has been an additional stress on the economy and the health system. The number of people in need of humanitarian assistance increased from 23.5 million at the end of 2020 to 29.7 million by the end of 2021, 26 per cent increase.

Climatic shocks
Recent droughts due to failed rains in the last two years, continued to lead more people into humanitarian needs. Many southern and south-eastern pastoral areas experienced below-normal rainfall starting from late 2020 resulting in drought conditions mainly in Somali and Oromia regions affecting some 5.8 million people and expanded to other areas in the country. These conditions were further exacerbated by below normal belg (short rainy season) rains in the lowlands of Somali and Oromia regions from March to May 2021. Other parts of the country experienced erratic rainfall during the season. A third consecutive below-average season occurred from October to December, causing severe drought.

Climate change continued to be one of the major factors contributing to the displacement of people in Ethiopia. Erratic rainfall received during the belg rainy season also caused flooding with devastating humanitarian consequences. In July, the Ethiopia Dis- aster Risk Management Commission assessed that floods across the country affected up to 1.7 million people, while over 360,000 were displaced in Afar, Amhara, Benishangul Gumuz, Gambella, Oromia, SNNP and Somali regions.

Disease outbreaks
The COVID-19 pandemic, cholera and measles continued to affect thousands of vulnerable people, compounded by limited access to WASH and health services. In conflict-affected areas, several health facilities were looted, damaged or destroyed leading to additional stress on the health system. Insecurity left many health facilities not functioning. In 2021, COVID-19 remained the main concern in Ethiopia, with a spike in recorded cases during March and April and further in July and August, which are attributed to low vaccination rates and decreased adherence to COVID-19 prevention measures. Other diseases such as cholera, measles and yellow fever were among the top diseases in the country that affected the population during the year. The malaria mortality risk in Ethiopia was further aggravated by the high prevalence of acute malnutrition following harvest loss in drought-affected areas.

Conflict and internal displacements
Conflicts erupted and escalated in various parts of the country, with severe effects on civilians and other vulnerable groups. Fighting took place in Metekel and Kamashi zones in Benishangul Gumuz region, along the Afar-Somali border, and among Amhara and Oromo communities in North Shewa and Oromo Special zone in Amhara region. In addition, conflict and insecurity escalated in Amhara and Afar regions due to the spillover of the Tigray conflict.

The intensification and expansion of the conflict in the north, in addition to violence and regional border disputes and recent natural hazards, have caused an increase in the number of displaced people in the country. At the end of 2021, about 5.8 million people were internally displaced in Ethiopia, including around 4.8 million displaced by conflict, 360,000 people by floods and 175,000 by drought. Out of the total number, 51 per cent were female, 34 per cent were children and 5 per cent were elderly people. They had limited access to nutritious food, protective shelter, safe water, sanitation facilities, and basic services.
The conflict in northern Ethiopia has unleashed major protection risks, including gender-based violence, family separation, land and property issues, loss of civil documentation and livelihood concerns with reported abuses and other serious human rights violations by parties to the conflict. Many of the displaced people sought shelter in urban areas, further increasing the pressure on vulnerable families in host communities, living in overcrowded settlements and continuing to face serious risks, including marginalization and exclusion, health outbreaks, economic hardships, and lack of access to basic services.

Because of conflict and the prevalence of explosive ordnances, civilians are increasingly exposed to severe risks of death and injuries. Surveying of potentially contaminated areas, marking and humanitarian clearance alongside risk education were identified as priorities to be scaled-up to prevent accidents, while assistance for victims of such accidents needed to be enhanced.

**Security and access constraints**

In 2021, insecurity remained the main impediment to relief operations in conflict-affected areas in the country. Humanitarian partners faced multiple limitations on movement because of security issues and restrictions by parties to the conflict. In Benishangul Gumuz, lack of access led to a sub-standard response to the needs of affected communities. In Northern Ethiopian and throughout conflict-affected areas, people continued to bear the brunt of violence, with restricted access to essential services such as health, water and sanitation, education and livelihoods.

During the year, the safety and security of aid workers was affected by the upsurge of violence in various parts of the country, including in Tigray. Since the start of the conflict in northern Ethiopia in November 2020, 23 humanitarian workers were killed. Humanitarian partners’ ability to respond to humanitarian needs was likewise hampered across the country due to the looting of vehicles, ambulances, and warehouses by parties to the conflict.

**Food insecurity and malnutrition**

Food insecurity and malnutrition remained widespread across Ethiopia in 2021. Droughts, floods, locusts and cropland, which contributed to large-scale livestock death, leading to food and nutrition needs among farming and herding communities and conflict-affected people. With over 172,000 livestock deaths reported, over two million people were at-risk and in critical need of emergency feed, water, and vaccination by the end of 2021. The capacities of affected communities to sustain productive assets, protect livelihoods and access nutritious food has been undermined. Over the year, malnutrition was driven by persistent food insecurity, poor maternal and child feeding practices, high incidence of infectious diseases, and limited access to quality health and nutrition services. Admissions of Severe Acute Malnutrition (SAM) cases with complications have increased due to the drought, damaged stabilization centers, and multiple displacements, mainly in Tigray, Sidama, Somali and Oromia regions. The number of children with SAM cases admitted to therapeutic feeding programmes has increased by 18.4 per cent in 2021 compared to the previous year marking the highest level of increase in the last 10 years. Additionally, a significant increase has been recorded in the number of pregnant and lactating women with acute malnutrition in the conflict-affected areas of Afar, Amhara and Tigray. The persons with disabilities, elderly, orphans and child-headed households have also been identified to be vulnerable to malnutrition and more likely to face barriers in accessing assistance and services.

**Locust invasion**

The desert locust infestation has also negatively affected food security and the livelihoods of people in the early months of the year. Ethiopia experienced its worst desert locust infestation in 25 years, where close to 200,000 hectares of cropland were damaged.
VISION STATEMENT

Ethiopia is suffering from complex humanitarian emergencies marked by conflict and violence between the Government and various armed groups, as well as the effects of climate change. The humanitarian situation is further exacerbated by the COVID-19 pandemic.

The EHF will save lives and alleviate the suffering of crisis-affected people. The Fund will be a driver of localization, focusing on promoting participation and inclusion of national organizations in the EHF governance structure and the increase of quality partnerships with local and national organizations including women-led organizations and women rights organizations (WLO/WRO). It will also prioritize the most vulnerable, with a focus on tackling gender-based violence and reproductive health in supporting women and girls, to persons with disabilities by promoting greater advocacy, inclusion, and response to them, promoting education in protracted emergencies and mainstreaming of protection in all sectoral humanitarian response efforts.

The EHF, considering the increasing conflict and displacement situation in the country, will ensure inclusion of conflict sensitivity measures and the promotion of ‘do-no-harm’ approach. In addition to the existing assurance mechanisms and the overall accountability framework, the Fund provides due consideration to accountability to affected people (AAP) to ensure clear communication about EHF projects, targeting criteria and entitlements. Noting the increasing trend of sexual exploitation and abuse in the country following growing incidences of conflict, the EHF is committed to upholding Protection from Sexual Exploitation and Abuse (PSEA) by ensuring partners’ awareness and compliance and active engagement with relevant networks.

Finally, the EHF will promote a flexible humanitarian response to a fluid environment using cash and voucher assistance (CVA), where workable, to promote assistance that is agile and adaptable to the specific needs of affected people.
2021 TIMELINE

In April 2022, an additional $11.2 million allocated in top ups for projects funded during 2021.

Intensification of conflict/Insecurity
Expansion of the northern conflict to Amhara and Afar regions

Flash floods in 6 regions
High inflation rate recorded

Belg failure/drought in south and eastern Ethiopia

Contributions  Allocations

Jan
Feb 1.2M
Mar 0.7M
EHF 1st Reserve Allocation
2021 Humanitarian Response Plan Finalized

Apr 22.3M
EHF 1st Standard Allocation
CERF Anticipatory Action

May 0.5M

Jun 11.4M
CERF Rapid Response (Northern Ethiopia)
CERF Rapid Response Drought

Jul 8.0

Aug 25.8M
EHF 2nd Reserve Allocation

Sep

Oct 8.7M
CERF Under-Funded Emergency (Northern Ethiopia)
2021 Mid-Year Review

Nov 5.2M

Dec 14.5M
EHF 2nd Standard Allocation
CERF Rapid Response (Northern Ethiopia II)
CERF Rapid Response (Drought II)
2021 IN NUMBERS

**$93.2M**
CONTRIBUTIONS

<table>
<thead>
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<tr>
<td>Germany</td>
<td>24.7</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>13.3</td>
</tr>
<tr>
<td>United States</td>
<td>12.9</td>
</tr>
<tr>
<td>Ireland</td>
<td>11.4</td>
</tr>
<tr>
<td>Canada</td>
<td>10.5</td>
</tr>
<tr>
<td>Sweden</td>
<td>9.4</td>
</tr>
<tr>
<td>Denmark</td>
<td>9.0</td>
</tr>
<tr>
<td>Norway</td>
<td>4.5</td>
</tr>
<tr>
<td>Switzerland</td>
<td>3.6</td>
</tr>
<tr>
<td>France</td>
<td>2.8</td>
</tr>
<tr>
<td>New Zealand</td>
<td>1.2</td>
</tr>
<tr>
<td>Italy</td>
<td>1.1</td>
</tr>
<tr>
<td>Jersey</td>
<td>0.9</td>
</tr>
<tr>
<td>Somalia</td>
<td>0.5</td>
</tr>
<tr>
<td>Austria</td>
<td>0.2</td>
</tr>
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Private donations (through UNF)

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<thead>
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<th>Country</th>
<th>Contributions in US$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Azerbaijan</td>
<td>7.1</td>
</tr>
<tr>
<td>Jersey</td>
<td>5.4</td>
</tr>
<tr>
<td>Italy</td>
<td>4.6</td>
</tr>
<tr>
<td>New Zealand</td>
<td>4.0</td>
</tr>
<tr>
<td>France</td>
<td>2.5</td>
</tr>
<tr>
<td>Switzerland</td>
<td>1.2</td>
</tr>
<tr>
<td>Norway</td>
<td>0.6</td>
</tr>
<tr>
<td>Denmark</td>
<td>0.1</td>
</tr>
<tr>
<td>Sweden</td>
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</tr>
<tr>
<td>Canada</td>
<td>0.02</td>
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<tr>
<td>Ireland</td>
<td>0.004</td>
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**$98.5M**
ALLOCATIONS

<table>
<thead>
<tr>
<th>Region</th>
<th>Allocations in US$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tigray</td>
<td>21.9</td>
</tr>
<tr>
<td>Amhara</td>
<td>13.9</td>
</tr>
<tr>
<td>Benishangul</td>
<td>5.9</td>
</tr>
<tr>
<td>Dire dawa</td>
<td>0.9</td>
</tr>
<tr>
<td>Addis Ababa</td>
<td>21.7</td>
</tr>
<tr>
<td>Gambela</td>
<td>4.1</td>
</tr>
<tr>
<td>SNNP</td>
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</tr>
<tr>
<td>Sidama</td>
<td>0.9</td>
</tr>
<tr>
<td>Gromia</td>
<td>20.3</td>
</tr>
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</table>

**$3.2M**
PEOPLE ASSISTED

<table>
<thead>
<tr>
<th>Category</th>
<th>Assisted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3.2M</td>
</tr>
<tr>
<td>Men</td>
<td>0.6M</td>
</tr>
<tr>
<td>0.026</td>
<td>Men with disability</td>
</tr>
<tr>
<td>Women</td>
<td>1.0M</td>
</tr>
<tr>
<td>0.029</td>
<td>Women with disability</td>
</tr>
<tr>
<td>Girls</td>
<td>0.8M</td>
</tr>
<tr>
<td>0.034</td>
<td>Girls with disability</td>
</tr>
<tr>
<td>Boys</td>
<td>0.8M</td>
</tr>
<tr>
<td>0.033</td>
<td>Boys with disability</td>
</tr>
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**$23.4M**
United Nations

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<thead>
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<th>Allocations in US$ million</th>
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<tr>
<td>Shelter/NFIs</td>
<td>14.9</td>
</tr>
<tr>
<td>WASH</td>
<td>12.8</td>
</tr>
<tr>
<td>Health</td>
<td>12.0</td>
</tr>
<tr>
<td>Protection</td>
<td>11.0</td>
</tr>
<tr>
<td>Nutrition</td>
<td>9.3</td>
</tr>
<tr>
<td>Education</td>
<td>7.1</td>
</tr>
<tr>
<td>Camp coordination/Management</td>
<td>5.0</td>
</tr>
<tr>
<td>Agriculture</td>
<td>4.8</td>
</tr>
<tr>
<td>Logistics</td>
<td>1.0</td>
</tr>
<tr>
<td>Coordination and Support Services</td>
<td>0.7</td>
</tr>
</tbody>
</table>

**$12.1M**
National NGOs

**$63.0M**
International NGOs

* During 2021, the total allocated amount for the EHF is $87.3 million, and an additional $11.2 million allocated in 2022 in top-ups for projects funded during 2021.

** The Annual Report will use the number of people targeted as a proxy for the number of people reached and henceforth the term people assisted will be used. This approach allows for more timely global reporting as the final data on people reached only becomes available over a year after the allocation of CBPF funds. The reported outcomes will be available on the https:/ /cbpf.data.unocha.org/ and the CBPFs will continuously monitor if targets are reached.

Figures for people assisted may include double counting as people often receive aid from multiple cluster/sectors. The maximum methodology was applied by the Ethiopia Humanitarian Fund to estimate the number of people assisted in 2021. This means that for each admin level x, the cluster/sector that targeted the maximum number of people is used as the total number of people assisted.

See explanatory note on p.6
In 2021, donors continued to provide generous support to the Ethiopia Humanitarian Fund, depositing US$93.2 million between January and December 2021. In the year, the highest contribution was received when compared to the last five years. The substantial funding allowed the EHF to support humanitarian partners implementing urgent and life-saving humanitarian projects in Ethiopia.

Donors’ commitments and contributions in early 2021 and funding carried over from the previous year enabled the Fund to allocate resources strategically and early in the year. Some 1.3 per cent ($1.2 million) of funds deposited in 2021 were made available by the end of the first quarter, and 38 per cent of all 2021 deposits ($35.4 million) reached the Fund in the first half of the year. Early and predictable contributions are crucial as they give stakeholders enough time to prioritize funds strategically and in complementarity with other available funding. End-of-year 2020 contributions and commitments were critical for the early 2021 response. The timeline of the two highest donor contributions aligned with the allocation strategy, helped launch the two largest allocations during the year.

While the EHF remained pivotal in addressing critical humanitarian needs in Ethiopia, the contributions to the Fund increased from $61 million in 2020 to $93 million in 2021. By the end of 2021, the EHF accounted for approximately 12.6 per cent of Ethiopia’s total HRP funding.

Donor funding to the EHF and its subsequent allocations complemented other sources of funding, particularly $64.58 million received in 2021 from Central Emergency Response Fund (CERF). The two funds jointly supported the scaling-up of the humanitarian response to the worsening conflict and drought conditions in Tigray, Amhara, Afar, Oromia, Somali and Benishangul Gumuz regions. Ethiopia was the second-largest recipient of CERF funds in 2021, receiving 11.8 per cent of the year’s allocations.
The EHF received the highest funding ($93.2 million) over the last five years, making the Fund the fourth largest country-based pooled Fund worldwide.

Between 2017 and 2021, the Fund received $376 million in contributions. About 87 per cent ($328 million) of the Fund was provided by the top five donors, namely the United Kingdom, Germany, USA, Ireland, and Sweden. The two top donors were the United Kingdom and Germany, which provided 51 per cent ($192 million) of the overall funding over these years.

The EHF doubled its donor base from 7 to 14 between 2015 and 2021. From 2015 to 2018, donor contributions increased exponentially and almost quadrupled. In 2019, four new donors contributed to the Fund, namely Canada, Czech Republic, Malaysia, and New Zealand while three additional donors, including Azerbaijan, France, and Jersey contributed in 2021, increasing the donors base to 14. Thereafter, the contributions were reduced to $63 million in 2019 and $61 million in 2020.

Six donors have consistently supported the Fund for the last four years. In addition, five donors have made multi-year commitments, which helped the Fund to be predictable, ensuring an effective response. Compared with 2020, donors’ contributions have increased by 51 per cent and the donor base increased by three.
Allocations overview

STRATEGIC STATEMENTS

First Reserve Allocation: Scaling up response in Tigray
This allocation in March supported $0.7 million as security, humanitarian access and connectivity situations deteriorated in Tigray because of the conflict. The funding helped to establish humanitarian hubs in Mekelle and Shire to enhance safety, security and wellbeing services to operational partners including UN and NGOs. The projects supported an expansion of humanitarian access by installing additional security capacities in the two towns and enabled continuation of humanitarian aid delivery to the population in need by UN agencies and their partners. This 1st Reserve Allocation was critical to re-establish internet communication for operational partners through VSAT installation in the hubs.

First Standard Allocation: Responding to displaced and crisis-affected people
As a result of the rapid deterioration of the security situation following the military confrontation between the Government and armed forces in Tigray, continuing inter-ethnic conflicts, deteriorating climatic conditions and desert locust infestation, the humanitarian situation in the country worsened quickly. The EHF’s $42.3 million allocation in April 2021 supported immediate scale-up of life-saving activities including access to safe water, establishment of sanitation facilities, support to health and nutrition services, response to COVID-19 and protection services to communities affected by conflict in most prioritized crisis-affected areas in six regions as articulated in the 2021 HRP and the joint inter-cluster advocacy paper for health, WASH and nutrition responses. The allocation was critical as, among other things, it involved pre-positioning of essential ES/NFI, WASH, and Health supplies and cash response which enabled strengthen the response capacity in prioritized conflict hotspot areas and in view of projected instability around the 2021 national election.

Second Reserve Allocation: Meeting urgent conflict-related needs in northern Ethiopia
This allocation of $20 million in August was made available to provide an immediate humanitarian response with emergency shelter and non-food items, health, nutrition, protection, WASH and camp co-ordination, camp management to address emerging critical needs because of the conflict and displacement situation in the northern part of the country - Tigray, Afar and Amhara regions. The allocation encouraged other funding to scale-up response in Tigray and neighboring regions of Afar and Amhara. Because of the volatile context and access constraints, this allocation round enabled flexible programming and the inclusion of local and national partners.

Second Standard Allocation: Protection response to escalating displacement and drought
At a critical moment when funding was highly limited to respond to the expanding conflict and displacement situation in various parts of the country and when escalating severe drought conditions were overshadowed by the overwhelming humanitarian needs in the northern part of the country, the EHF announced this allocation of $24.3 million in December. This allocation was significant and strategic as due considerations were given to place protection and cross-cutting issues at the center of humanitarian response through seed funding to support AAP, Gender and PSEA. Additionally, noting the volatile security and access contexts, the allocation prioritized localization through enhanced partnerships with local and national actors.

In 2021, EHF allocated a total of $87.3 million. In 2022, the EHF allocated $11.2 million through top-up of some 2021 on-going projects.

2021 ALLOCATIONS

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<thead>
<tr>
<th>Amount</th>
<th>Category</th>
<th>Launch month</th>
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<td>$0.7M</td>
<td>First Reserve Allocation</td>
<td>March 2021</td>
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<td>$42.3M</td>
<td>First Standard Allocation</td>
<td>April 2021</td>
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<tr>
<td>$20.0M</td>
<td>Second Reserve Allocation</td>
<td>August 2021</td>
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<td>$24.3M</td>
<td>Second Standard Allocation</td>
<td>December 2021</td>
</tr>
<tr>
<td>$11.2M</td>
<td>Top Ups/Cost Extension</td>
<td>April 2022</td>
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**ALLOCATION BY TYPE**  
in US$ million

<table>
<thead>
<tr>
<th>Description</th>
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<tbody>
<tr>
<td>Reserve allocations</td>
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<tr>
<td>$98.5M TOTAL</td>
<td>$98.5M</td>
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<tr>
<td>Standard allocations</td>
<td>$77.8M</td>
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**PEOPLE ASSISTED BY TYPE**

<table>
<thead>
<tr>
<th>Type</th>
<th>People Assisted</th>
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</thead>
<tbody>
<tr>
<td>IDPs</td>
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</tr>
<tr>
<td>Host communities</td>
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</tr>
<tr>
<td>Returnees</td>
<td>26k</td>
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<tr>
<td>Refugees</td>
<td>10k</td>
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<td>Others</td>
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**ALLOCATION BY STRATEGIC FOCUS**  
in US$ million

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<th>Focus</th>
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<td>S01</td>
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<tr>
<td>S02</td>
<td>$34M</td>
</tr>
<tr>
<td>S03</td>
<td>$9M</td>
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**ALLOCATION FLOW BY PARTNER TYPE**  
in US$ million

- **INGOs** $63M (64%)
- **UN Agency** $12.1M (12%)
- **NNGOs** $23.4M (24%)
- **Direct implementations** $85.2M
  - **INGOs** $7.4M
  - **NNGOs** $5.7M
  - **Others/Government** $15k
  - **Private Contractor** $13.3M SUB-GRA NT

**PEOPLE ASSISTED BY CLUSTER**

- Health $3.9M
- NFI and Emergency Shelter $1.8M
- Protection $1.7M
- WASH $1.7M
- Camp Coordination and Camp Management $0.2M
- Nutrition $0.2M
- Education $0.2M
- Agriculture $0.1M
- Coordination and Support Services $10k
- Logistics $25

**SO1** Morbidity, mortality and protection risks are reduced among affected population.

**SO2** Affected population in Ethiopia have safe, dignified, accountable and equitable access to critical and essential services with a conflict-sensitive approach.

**SO3** Support affected people to recover from crisis, seek voluntary, safe, and dignified solutions to displacement, and build resilience to withstand future shocks in 2021.
ALLOCATION OVERVIEW

HIGHLIGHTED ACHIEVEMENTS

PROMOTING LOCALIZATION

During the reporting period, the Ethiopia Humanitarian Fund (EHF) provided $12.1 million - 12 per cent of overall 2021 funding - in direct support to local and national partners. Through sub-granting arrangements, the Fund distributed an additional $7.4 million to local and national organizations. in 2019 and 2020, the EHF allocated $2.7 million and $3.6 million respectively through direct funding to NNGOs. A national NGO representative maintains access to decision-making as a member of the EHF Advisory Board – the highest governance structure of the Fund. A national NGO representative participates in the Advisory Board Technical Working Group where recommended project proposals are reviewed. The EHF also promoted localization through additional score for submissions from NNGO or submission by INGO working with NNGOs as sub-implementing partners. The EHF conducted workshops, and trainings and held regular clinics during the year to familiarize national partners about the EHF funding processes and requirements and enhance awareness on various topics, including fraud identification and reporting, Prevention from Sexual Exploitation and Abuse (PSEA), and visibility.

Translating the commitments made in the HCT-National NGO Engagement Strategy, the EHF will prioritize expansion of its national NGO partners base, including women-led and women's rights organizations, ensuring national NGO's presence across regions and sectors. This will be done through a dedicated NNGO capacity assessment process to ensure eligible NNGO presence with sector expertise in all regions. Resource allocation will be increased through strong preference to NNGO submission and/or partnership. Equal representation in the Advisory Board will be strengthened through additional national NGO members.

EFFECTIVE PROGRAMMING

KEY PRINCIPLES FOR INCLUSIVE PROGRAMMING

**Strengthening Accountability to Affected People**

During the reporting period, the EHF provided due consideration to Accountability to Affected People to ensure clear communication about the EHF-funded projects, the targeting criteria and other benefits. The Fund required partners to engage affected people in all project cycles and ensure that projects establish and maintain a complaint and feedback mechanism for assisted people. Additionally, the Fund revised the EHF capacity assessment and monitoring tools to ensure the existence of AAP tools and that they are practically used to inform future project plans. In a more general manner, the EHF allocation strategies articulate AAP as one criterion for funding.

**Promoting the Centrality of Protection**

Protection was at the center of the EHF allocations in 2021, given the year’s conflict and displacement-dominated operating context. The Fund took action to include guidance and required project proposals to include protection mainstreaming activities and indicators. In line with this, the 2021 EHF-funded 15 per cent of the total allocations for protection response projects incorporated activities ranging from protection monitoring, Gender-Based Violence/Child Protection (GBV/CP) case identification and management, GBV risk mitigation and awareness, to emergency assistance including mental health and psychosocial support, legal counseling, referral, safe and dignified return/relocation and distribution of dignity kits and cash.

**Addressing Gender Equality and Responding to Sexual- and Gender Based Violence (SGBV)**

One of the key achievements for the Fund during the year was promoting gender equality and response to GBV through prioritization in allocation strategies and ensuring that projects consist of activities such as the collection of data disaggregated by age and gender assessment and analysis and use of data for project design and implementation. Ensuring gender equality in supported projects enabled the Fund to achieve effective and rights-based humanitarian outcomes for the most-vulnerable and crisis-affected people.

**Including Persons with Disabilities**

In 2021, the EHF encouraged inclusion of persons with disabilities by ensuring that beneficiary selection criteria significantly includes them. The EHF-funded projects reduced discrimination and exclusion in humanitarian response by doing so.

**Strengthening Protection from Sexual Exploitation and Abuse (PSEA)**

EHF funding in 2021 enabled the inter-agency PSEA network to significantly strengthen interagency capacity and collaboration on PSEA, including establishing regional sub-networks in Somali, Oromia, SNNP, and Tigray (Mekelle and Shire), Amhara, Afar and Gambella regions. The allocation further helped, among other things, to develop the Network’s training packages, Code of Conduct, Information, Education and Communication (IEC) materials for both
stakeholders and the affected population in English and four local languages and to design and contextualize the GBV pocket guide on survivor-sup-port. Through these projects, PSEA Induction and Training of Trainers (ToT) were provided to staff in humanitarian organizations. Furthermore, the PSEA network, in collaboration with partners, included PSEA risk assessment and mapping in Site Assessment (SA) and Village Assessment Survey (VAS) using the EHF funding. The assessment findings will be instrumental in establishing a national baseline for risk identification and mitigation and a useful resource to inform and shape the next plans and targets of the Network.

Enhancing Complementarity with CERF and Other Funding Streams
In the last quarter of 2021, the EHF and CERF conducted a joint prioritization process to maximize the complementarity of both Funds. CERF allocated $20 million to scale up the responses in conflict-affected areas in the north, while the EHF focused on an additional $24.3 million in its 2nd Standard Allocation to respond to the crisis in the other parts of the country where the needs were high. Through this, the funds were able to achieve comprehensive geographical coverage. With the spillover of the conflict in Tigray to neighboring regions of Afar and Amhara, humanitarian needs increased sharply, even as funding became more limited. Against this backdrop, CERF’s agility was key to address the deteriorating situation once the ERC approved the additional allocation to northern Ethiopia, enabling humanitarian partners to scale-up the response as needed.

On the other hand, despite the great needs in the north, Ethiopia also had several other conflict-affected hotspots, which were of great concern, but did not have the same attention from other donors. Therefore, to maximize the effectiveness of OCHA’s pooled funds and optimize their complementarity and efficacy, the EHF 2nd SA focused its resources on the conflict hotspots outside of the northern crisis, mainly Benishangul Gumuz, Oromia and Somali regions. In addition, the EHF’s comparative advantage in providing funds to NGOs ensured that partners’ presence could be maintained in key locations.

In response to the drought in the south of Ethiopia, CERF allocated $5 million to the agriculture and WASH sectors, while the EHF allocated some $2 million to nutrition and health priorities. Through this combined prioritization exercise, CERF and the EHF were able to achieve desired programmatic coverage and effectively use the funding available for the drought emergency.

Preparedness and Immediate response capacity
The consortium established in 2019, led by Save the Children with World Vision, Action Against Hunger and Norwegian Refugee Council, known as SWAN, pre-positioned critical supplies of ES/NFI, WASH, Protection and Health, developing preparedness and immediate response capacity in identified election hotspots. The elections in June and September 2021 were conducted peacefully. Accordingly, the SWAN consortium shifted its response to providing urgent life-saving needs nationwide based on priority areas as triaged with the national clusters and Inter-Cluster Coordination Group (ICCG). In 2021, CERF allocated a total of $20 million for Anticipatory Action pilot.
### SECTOR/CLUSTER ACHIEVEMENTS

<table>
<thead>
<tr>
<th>Category</th>
<th>Count/Number Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of households received emergency seeds and tools</td>
<td>27,600</td>
</tr>
<tr>
<td>Number of school age girls and boys have access to learning opportunities</td>
<td>84,476</td>
</tr>
<tr>
<td>Security awareness briefings and weekly security update reports issued</td>
<td>24</td>
</tr>
<tr>
<td>Number of displaced people received emergency shelter and NFI assistance</td>
<td>329,608</td>
</tr>
<tr>
<td>Number of women and children assisted through nutrition intervention</td>
<td>608,165</td>
</tr>
<tr>
<td>People provided with specialized protection service and assisted with GBV prevention activities and awareness raising</td>
<td>463,804</td>
</tr>
<tr>
<td>Sites with improved and/or maintained communal infrastructure, including through CfW</td>
<td>140</td>
</tr>
<tr>
<td>1 million people with access to safe drinking water</td>
<td>1M</td>
</tr>
<tr>
<td>Number of children 6 months to 15 years receiving emergency measles vaccination</td>
<td>2,410</td>
</tr>
</tbody>
</table>
Lessons learned and best practices

**Improving outreach and support to NNGOs**
During the reporting year, the EHF organized two after action review sessions with the ICCG and NNGOs. The aim was to draw lessons from the allocations process and to understand areas for improvement and capitalize on best practices.

The exercises highlighted that improvements need to be made in the selection of projects for funding and that there was a lack of consistent and systematized support to promote NNGOs. Considering this priority, the EHF worked to boost localization by including strong requirements in the funding criteria of allocation strategies to promote incorporation of local and national actors in humanitarian response. The EHF funding to NNGOs increased from 6 per cent in 2020 to 12 per cent in 2021. Additionally, the Fund devised innovative mechanisms to conduct a mapping of eligible partners to better understand the operational capacity of the response. For the first time, the Fund developed a capacity assessment strategy incorporating these provisions.

**Integrate protection into the response**
Similarly, noting increasing protection issues in the country because of the effects of conflict, displacement and COVID-19, the Fund adopted a strategy requiring projects to integrate protection and other cross-cutting activities, including AAP, PSEA and GBV. The Fund encouraged partners to create complaint mechanisms for assisted people to receive feedback on the entire Programme Cycle Management. One of the critical evaluation areas in conducting capacity assessment of candidate partners is the existence and practice of strong AAP mechanism. In this process, the Fund encountered cases where some organizations own AAP policies and theoretically agree on the need, however, operationalizing AAP in a meaningful manner is far from being practical. By taking a lesson from such experiences, the Fund further strengthened capacity assessment tools used during spot checks to ensure the existence of the policy documents, as well as field project visit checklists to witness the practical use of the AAP policies and tools in project planning and implementation. This is further triangulated during key informant interviews with key stakeholders including beneficiaries, at the project visit stage.

**Integrated, multi-sector allocation**
The integrated allocation approach was a best practice for the Fund, as the allocation allowed partners to work to address multiple needs of affected/vulnerable people. In the future, better coordination on needs assessment and joint strategy development would help make such “integrated allocations” even more effective. Proper identification of partners and ensuring appropriate linkage of activities across integrated sectors will be further strengthened in the future.

**Flexibility Measures**
The EHF proactively organized blanket no-cost extension (NCE) for 63 projects considering the operating context of 2021, whereby conflict and displacement affected the smooth implementation of projects. This enabled partners to ensure effective implementation of supported projects. In security, access restrictions and lack of supplies and services (bank, cash, and fuel) resulted in the suspension and/or delay of some projects, particularly in areas with active conflict (northern Ethiopia and some parts of Oromia).
FAMILIES DEVASTATED BY DROUGHT RECEIVE NUTRITION ASSISTANCE

Zahra, a mother of nine, lives in Asahiba village in Erer district of Somali region with her family. Zahra and her family lost most of their livestock due to the prolonged drought affecting their village, and the rest of the region, after the failure of the gu (long) and the deyr (short) rains.

Zahra told us: “I don’t know my exact age, maybe I am in my late thirties or early forties. My husband and I have nine children; the first two are grownups and they live on their own. None of my children have ever been to school.”

“We used to own five camels, seven head of cattle and more than 50 shoats. Now, we are only left with one camel, less than ten shoats and three head of cattle. Last week alone, we lost four shoats. We are suffering from a shortage of water for ourselves and for our animals.”

“Currently, we are entirely dependent on the cash support that we receive from the Government and other donors through the safety net cash for work programme. The money is not enough to cover our food expenses. Food prices are increasing by the day, while the market value of our livestock is alarmingly decreasing.”

“For the past three days, Hibo, my eight-month-old baby girl, has not been feeling well. She had fever, stomachache and she was vomiting. She lost her appetite and even had stopped breastfeeding. Health workers tell me that she is malnourished. She was given plumpy nut (ready to use therapeutic food), tablet and a syrup. I hope this treatment will improve her condition soon. They have also told us to bring her back after one week for check-ups.”

Zahra was able to access health care for Hibo at the EHF-supported Save the Children mobile clinic.
The EHF measures its performance against a management tool that provides a set of indicators to assess how well a Fund performs in relation to the policy objectives and operational standards set out in the CBPF Global Guidelines. This common methodology enables management and stakeholders involved in the governance of the Funds to identify, analyze and address challenges in reaching and maintaining a well-performing CBPF.

CBPFs embody the fundamental humanitarian principles of humanity, impartiality, neutrality and independence, and function according to a set of specific principles: Inclusiveness, Flexibility, Timeliness, Efficiency, Accountability and Risk Management.
PRINCIPLE 1
INCLUSIVENESS
A broad range of humanitarian partner organizations (UN agencies and NGOs) participate in CBPF processes and receive funding to implement projects addressing identified priority needs.

1 INCLUSIVE GOVERNANCE
The Advisory Board has a manageable size and a balanced representation of CBPF stakeholders.

Target
The EHF Advisory Board includes a maximum of 12 representatives from the donor, INGOs, NNGOs and United Nations agencies.

Results
The EHF Advisory Board includes 11 representatives from the Donor community, International and National NGOs and the United Nations. United Kingdom, Ireland, Switzerland and USA were its donor members, WFP and UNICEF represented the UN agencies, Save the Children and COOPI were the international INGOs and MCMDO was the NNGO representative.

Analysis and follow-up
The selection of Advisory Board (AB) members is received through existing constituencies. The Humanitarian International NGO forum (HINGO) nominates INGO members to the Board, while the Humanitarian and Resilience Donor Group (HRDG) selects donor representatives. The EHF, in consultation with the HC, nominates the NNGO representative. Three Advisory Board meetings were organized in 2021. Despite the movement restrictions due to COVID-19, all constituencies actively engaged in the Advisory Board via online meetings and bilateral communications throughout the year.

In line with the new CBPF Global Guidelines, EHF will revise the AB ToR in 2022, which includes equal membership of NNGO, INGO, donor and UN agency.

COMPOSITION OF ADVISORY BOARD

<table>
<thead>
<tr>
<th></th>
<th>UN representatives</th>
<th>Donor representatives</th>
<th>INGOs representatives</th>
<th>NNGOs representatives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

2 INCLUSIVE PROGRAMMING
The review committees of the Fund have the appropriate size and a balanced representation of different partner constituencies and cluster representatives.

Target
A diverse and balanced representation among UN agencies, INGOs and NNGOs, and Humanitarian Financing Unit (HFU) participation are maintained in review of project proposals.

Results
The review committees had overall equitable representation.

Analysis and follow-up
The EHF Advisory Board Technical Working Group composition mirrors the AB membership at the technical level plus Cluster Coordinators. During the year, a total of 11 online meetings were arranged in 2021. In addition, Cluster Review committees organized review processes that are relevant to the context.

In the year, the review of multi-sector project proposals was conducted with a mixed approach whereby the review of the first Standard Allocation was vetted jointly in the presence of the respective cluster review committees, ensuring the quality and complementarity of different cluster components, while the process for the second Standard Allocation was done separately by the different cluster review committees. The timeline for both review processes was delayed as most projects were designed in silos, without a common strategic paper to guide the response. With the revision of the Global Guidelines, the EHF intends to adjust the strategic governance structure, including the review committees, to mirror the global standards. Moreover, the EHF and clusters will work to promote increased participation of NNGOs in the review committees of all clusters.
**Analysis and follow-up**

The EHF remained a key funding source for organizations at the front-line of humanitarian crisis across the country. With geographic priorities and response requirements clearly defined in all allocation strategies, partner selection was based on a proactive identification of partners with operational presence in the targeted areas and better absorption and response capacities. In 2021, the EHF prioritized consideration of NNGOs and promoted partnership with national partners in its allocation documents. Cluster coordinators (some) introduced expression of interest (EOI). Although the use of EOI is an optional approach, it assisted technical working groups in short-listing better-positioned partners for implementation.

**Target**

100% of EHF funds are allocated to the best placed actors by diversifying the allocations when possible and ensuring that clusters vet project proposals.

**Results**

A total of 76% per cent of funding was directly allocated to NGOs (national and international), which are considered to be the best-positioned actors to deliver front-line responses across the country. Out of the total allocation of $98.5 million, $19.5 million was allocated to NNGOs, $12.1 million was direct funding and $7.4 million was through sub-grants.

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**Analysis and follow-up**

In 2021, the EHF remained accessible to national partners - organizing meetings, workshops and After-Action Reviews (AAR). A refresher workshop was conducted, introducing the eligibility requirements and policies as well as procedures of the Fund. Trainings related to fraud identification and reporting, PSEA, visibility and reporting were provided to all partners. After Action Review meeting dedicated to the NNGOs was also conducted for the first time. In addition, regular clinics on the basics of the web-based grants management system (GMS), application and budget preparation guidance continued during the year. Due to COVID-19, all the trainings were conducted online by specialized EHF/OCHA staff. Going forward, the EHF is committed to supporting the meaningful and coordinated engagement of NNGOs in humanitarian operations. This tenet is translated into action by expanding the NNGOs’ partner base and supporting their operational and financial capacities through various approaches, including representation, participation, coaching and resource allocation. The EHF is particularly keen to partner with Women-Lead NNGOs and NNGOs whose focus is on the under-served members of the community (women, girls, persons with disabilities and the elderly).
INCLUSIVE RESPONSE

CBPF-funded projects have a clear strategy to promote the participation of affected people.

Target
All EHF-funded projects ensure accountability to affected populations (AAP) as part of the implementation. All monitoring instances include consultations with assisted people to assess community engagement in project implementation.

Results
All EHF-funded projects were required to include a plan to ensure AAP as a project component and report against it. In addition, all monitoring visits involve discussion with beneficiaries. One of the critical evaluation areas in conducting capacity assessment of candidate partners is the existence and practice of a strong AAP mechanism.

Analysis and follow-up
In addition to the existing assurance mechanisms and overall accountability framework, the EHF provided due consideration for AAP to ensure clear communication about EHF projects, the donor, targeting criteria and entitlements. The EHF requires partners to establish and maintain complaint mechanisms to receive feedback about the assistance provided. One of the critical evaluation areas in conducting capacity assessments of candidate partners (INGOs/NNGOs) is whether they have and apply strong AAP mechanisms, including community engagement and meaningful participation in all stages of the project cycle.

Most of the projects had complaint feedback mechanisms (CFM). However, awareness among assisted people and utilization of the system requires improvement. There is also a feedback/complaint reporting platform for the EHF stakeholders managed by the senior leadership of OCHA country office: feedback-ehf@un.org.
**PRINCIPLE 2**

**FLEXIBILITY**

The programmatic focus and funding priorities of CBPFs are set at the country level and may shift rapidly, especially in volatile humanitarian contexts. CBPFs are able to adapt rapidly to changing priorities and allow humanitarian partners to identify appropriate solutions to address humanitarian needs in the most effective way.

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**6 FLEXIBLE ASSISTANCE**

*CBPF funding for in-kind and in-cash assistance is appropriate.*

- **Target**
  Cash as a response modality is operationally considered and strategically prioritized by clusters and partners, where appropriate.

- **Results**
  The Fund allocated $1.6 million through cash modalities, of which 0.9 M was through restricted cash assistance.

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**7 FLEXIBLE OPERATION**

*CBPF Funding supports projects that improve the common ability of actors to deliver a more effective response.*

- **Target**
  EHF supports an enabling operational environment through funding allocated to common services.

- **Results**
  Up to ten per cent ($10.2 million) of the funding was allocated to support common services including logistics, coordination and procurement of essential supplies and to augment the national logistics structure.

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**ALLOCATION THROUGH COMMON SERVICES**

- **$0.7M**
  Coordination
  2 Projects

- **$8.5M**
  National Pipelines
  1 Projects

- **$88.3M**
  Non-common services
  171 Projects

- **$1M**
  Logistics
  1 Projects

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**Analysis and follow-up**

The EHF prioritizes cash as a preferred response modality, where feasible, including it as a requirement in its ‘allocation principles’ in all strategy documents. The EHF made a significant investment supporting SWAN, an NGO consortium project to facilitate timely and coordinated multi-sectoral emergency interventions in health, WASH and ES/NFI, through immediate response and pre-positioning of essential supplies, delivered to affected populations using cash and in-kind modalities. Challenges related to functioning and accessible markets, Internet and service limitations, including presence/operation of banks, limited its expanded utilization in more geographic areas.

- **Analysis and follow-up**
  In 2021, 10 per cent of the allocated funding was made available for common services. The allocations focused on creating a rapid multi-sectoral response capacity in identified crisis-prone areas, including election hotspots, pre-positioning supplies, and life-saving interventions. In addition, funding was allocated to bridge critical needs for emergency telecommunications, logistics and coordination services, supporting the broader humanitarian community to deliver response, especially during the conflict in the northern part of the country and the COVID-19 pandemic.

The EHF continues to support strategically identified common service projects that support the implementation of other programmes. This includes projects focused on augmentation of logistics, support to national pipelines and other support services.
FLEXIBLE ALLOCATION PROCESS
CBPF funding supports strategic planning and response to needs identified in the HRPs and sudden onset emergencies through the most appropriate modalities.

Target
At least two Standard Allocation(s) and one Reserve Allocation(s) organized in response to national strategic documents

Results
The EHF made four allocations (two Standard and two Reserve) during the year in support of needs articulated in the national Humanitarian Response Plan (HRP) and its Mid-Year Review, and to respond to the unprecedented incidences of conflict and displacements.

ANALYSIS AND FOLLOW-UP
During 2021, two Standard Allocations followed the finalization of the HRP and its subsequent Mid-Year Review, responding to the immediate priorities to collectively identified needs by the inter-cluster coordination group. The two Reserve Allocation(s) were initiated to address the life-saving needs that arose due to the conflict in the northern part and drought in other parts of the country. The Fund provided 79 per cent through Standard Allocation and 21 per cent through the Reserve Window. The Fund will continue working flexibly with these two modalities as required by the context and funding availability.

ALLOCATION BY MODALITY
$77.8M
Standard allocations
79%
$20.7M
Reserve allocations
21%

FLEXIBLE IMPLEMENTATION
CBPF funding is successfully reprogrammed at the right time to address operational and contextual changes.

Target
Project revision requests are processed to respond to shifting/emerging operational needs.

Results
In 2021, the HFU processed 77 revision requests for 66 EHF-funded projects (multiple requests were submitted for some projects), with multiple types of revisions included in some revision requests), of which changes to the budget and project duration (no-cost extension) were the most frequent.

Analysis and follow-up
During the reporting year, access, lack of fuel and cash, restricted banking system and communication services, market and price inflation because of conflict and insecurity were the main challenges that hindered timely project implementation as designed. The EHF remained agile and supported flexible programming notably for project implementations in northern Ethiopia. Extended delays of project startups, high staff turnover, and recruitment challenges were among the main reasons identified for the large number of revision requirements. As a result, a blanket three months no-cost extension (NCE) was provided for 63 projects to ensure the effective implementation of supported projects.

NUMBER OF REVISIONS IN 2021
31 Change in Budget
19 Significant Change in activities
18 Others
55 Change in Project duration/NCE
146 TOTAL REVISIONS
21% Change in Location
27% Change in Staffing/Recruitment
35% Change in Insecurity
32% Change in Inaccessibility

Reasons for No Cost Extension/NCE
- Insecurity: 46
- Inaccessibility: 33
- Staffing/Recruitment Delays: 11
- Programmatic Delays: 11
- Delay in Securing Supplies from Pipeline: 11
- Others: 14
**PRINCIPLE 3**

**TIMELINESS**

CBPFs allocate funds and save lives as humanitarian needs emerge or escalate.

---

**10 TIMELY ALLOCATION**

CBPFs allocation processes have an appropriate duration.

**Target**

Standard Allocation projects are processed (from the submission deadline to the HC signature) within 34 days on average; and Reserve Allocation projects are processed (from the submission deadline to the HC signature) within 24 days on average.

**Results**

The high percentage of funding allocated through Reserve Allocations is justified by the large-scale emergencies — displacement and COVID-19 — taking place during 2021, which required a rapid response at scale.

**Analysis and follow-up**

The overall allocation processing timeline in 2021 was longer than usual because of the extended duration required in organizing Reserve Allocation. This was true in organizing the second Reserve Allocation that included the integrated response envelopes in addition to the traditional sectoral allocation. The Reserve Allocation timeline was mixed with the first Reserve Allocation finalized in 13 days as it was a very focused allocation, complementing a previous allocation made late in the preceding year. However, the second Reserve Allocation took a long time as it supported a comprehensive response plan (Northern Ethiopia Response Plan) to the conflict in the north, with a larger funding envelope of $20 million, supporting 50 proposals.

In the future, concerted the Fund will make efforts to streamline the review process with the global guideline standards, monitor the milestones and coordinate efficiently with the partners, clusters and CBPF Section at the headquarters level.

**AVERAGE WORKING DAYS OF ALLOCATION PROCESSING**

<table>
<thead>
<tr>
<th>Category</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>From allocation closing date to</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HC signature of the grant</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>agreement Standard Allocations</td>
<td>32</td>
<td>33</td>
<td>30</td>
</tr>
<tr>
<td>Reserve Allocations</td>
<td>18</td>
<td>32</td>
<td></td>
</tr>
</tbody>
</table>

---

**11 TIMELY DISBURSEMENTS**

Payments are processed without delay.

**Target**

10 days from Executive Officer signature of a proposal to first payment.

**Results**

Average number of days of first disbursement processing: 7.1 days

**Average working days from EO signature of a proposal to first payment**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 days</td>
<td>5</td>
<td>5</td>
<td>7</td>
</tr>
</tbody>
</table>
PRINCIPLE 3
TIMELINESS

12 TIMELY CONTRIBUTIONS
Pledging and payment of contributions to CBPFs are timely and predictable.

Target
Fifty per cent of annual contributions committed and paid before the end of the first half of the year.

Results

- $93.2M contributions in less than 1 month from pledges (80%)
- 16.8M contributions between 1 - 3 months from pledges (18%)
- 1.8M contributions longer than 3 months from pledges (2%)

Analysis and follow-up
In 2021, the EHF received the highest amount of funding in the last five years, $93.2 million from 14 different donors, including three new contributors, including Azerbaijan, France and Jersey. Out of this, it received 36 per cent of the funding between January and June 2021. Multi-year funding was also received from five donors, including Canada, Germany, Sweden, Switzerland and United Kingdom for a total of $31.8 million. Going forward, improvements are required in the timeliness and predictability of funding as a majority of the funding was received after the second half of the year.

PRINCIPLE 4
EFFICIENCY

Management of all processes related to CBPFs enables timely and strategic responses to identified humanitarian needs. CBPFs seek to employ effective disbursement mechanisms, minimizing transaction costs while operating in a transparent and accountable manner.

13 EFFICIENT SCALE
CBPFs have a significant funding level to support the delivery of the HRPs.

Target
15% of HRP funding received.

Results
The EHF covered 12.6 per cent of the HRP funding received for the non-food sector.

Analysis and follow-up
The EHF was one of the prominent non-food funding resources for needs articulated in the HRP. The Standard Allocations supported immediate priorities collectively identified by the ICCG in the context of the HRP and its subsequent midyear review. The 2021 HRP requirement was over $2 billion to address humanitarian needs across the country. By design, the EHF is organized to respond to nonfood sectors as they continue to be under-funded as compared with the food sector, which has comparatively better recognition and bilateral support from various external donors.
PRINCIPLE 4
EFFICIENCY
Management of all processes related to CBPFs enables timely and strategic responses to identified humanitarian needs. CBPFs seek to employ effective disbursement mechanisms, minimizing transaction costs while operating in a transparent and accountable manner.

Target
All funded projects address HRP strategic priorities.

Results
All projects contributed to the HRP objectives.

Analysis and follow-up
In the year, the EHF was supporting HRP objectives and its revision of the MYR as well as the Northern Ethiopia Response Plan. The total requirement was close to $2 billion. The Second Standard Allocation was designed to respond to life-saving critical assistance in areas outside of the north. Fifty five per cent of EHF funding supported HRP Strategic Objective 1 "Morbidity, mortality and protection risks are reduced among affected population", which aligns with the core objective of the Fund.

Target
EHF collectively prioritized life-saving humanitarian needs and assisted identified as most vulnerable and at risk.

Results
CBPF funding effectively assisted people in need.

Analysis and follow-up
The reported results reflect the maximum number of people assisted per community in efforts to avoid double-counting of assisted people to the extent possible. The report is based on data received from 175 projects that had implementation and reporting in the fiscal year. The results of projects that were supported in late 2021 are not necessarily considered for this as their implementation/reporting crosses into the next year.
**ANNUAL REPORT**

**EHF 2021**

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**FUND PERFORMANCE**

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**PRINCIPLE 4**

**EFFICIENCY**

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16 **EFFICIENT MANAGEMENT**

CBPF management is cost-efficient and context-appropriate.

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**Target**

EHF direct operation cost expenditure is proportional to the total allocation in the fiscal year.

**Results**

In 2021, the HFU operations cost was $1.4 million, and the total allocations was $98.5 million.

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**Analysis and follow-up**

The HFU cost constituted 1.4 per cent of the total funds utilized. The EHF remained cost-effective, managing one of the largest CBPFs. The cost plan for 2021 slightly increased compared with 2020 to accommodate the cost-sharing with the country office for the services and operations supported.

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17 **EFFICIENT MANAGEMENT**

CBPF management is compliant with management and operational standards required by the CBPF Global Guidelines.

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**Target**

Compliance achieved with management and operational standard stipulated in the Global Guidelines.

**Results**

The Operational Manual was updated in 2021 and the annual report and allocation papers were prepared in line with the Global Guidelines.

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**Analysis and follow-up**

The Operational Manual was updated through an iterative and consultative process throughout the year. The operational modalities and the risk management elements of the Operational Manual were also updated in consultation with the Advisory Board considering the fluid security and access situation related with the context. Issues related to PSEA, AAP and conflict sensitivity were included along with the risk mitigation and management approaches. The annual report and allocations papers were fully compliant with the Global Guidelines.

In line with new CBPF Global Guidelines, EHF will revise the Operational Manual accordingly in 2022.
PRINCIPLE 5

RISK MANAGEMENT

CBPFs manage risk and effectively monitor partner capacity and performance. CBPFs utilize a full range of accountability tools and measures.

Target

100 per cent compliance with operational modalities on five categories of risk management pillars.

Results

The EHF implemented a hybrid approach of physical and remote call monitoring, audit and financial spot-check. As per the operational modality requirement, the compliance for monitoring lies at 96 per cent. In addition, the EHF monitors projects outside of the operational manual requirement, covering additional 56 projects those implemented in proximity with the prioritized projects.

Analysis and follow-up

In 2021, the EHF saw a significant increase in the monitoring, reporting and audit caseload, compared to 2020. The number of financial spot checks conducted increased from 13 in 2020 to 31 in 2021, and monitoring activities increased from 31 in 2020 to 43 in 2021.
**19**

**RISK MANAGEMENT OF PARTNER**

*Target*
Maintaining the same number of eligible partners.

*Results*
The number of eligible partners increased from 58 the previous year to 66 in 2021. The Fund prioritized local and national organizations for partnership—granting direct access to EHF funding to two NGOs in 2021.

*Analysis and follow-up*
The EHF prioritized funding to the best-positioned partners in 2021, while considering the associated risks with the modalities selected and the targeted locations. The EHF enhanced collaboration with various clusters to identify prominent local and national organizations for EHF capacity assessment and eventual eligibility. The EHF included localization requirements as one of the criteria for funding. The Fund organized sensitization workshops to existing and applicant national partners on finance, budget preparation, fraud management, monitoring and GMS as well as cross-cutting issues such as AAP, PSEA, and Gender. The Fund strengthened its Partners Performance Index (PPI) to update partners’ risk level on a real-time basis. In 2021, the risk level of six partners was adjusted. Close to one third of the funding allocated in 2021 was channeled through medium and high-risk partners funded. The Fund aims to increase frequency of updating performance index to ensure risk levels match the realities on the ground.

---

**20**

**RISK MANAGEMENT OF FUNDING**

*Target*
Full compliance with global CBPFs and EHF standard operating procedure (SoP) on fraud management.

*Results*
All potential aid diversions or fraud cases are addressed according to CBPF SoPs on fraud management.

*Analysis and follow-up*
The number of reported incidents to HQ slightly increased in 2021. This was mainly as a result of strengthened risk management systems in place of the EHF and implementing partners including compliance with the operational manual and SoP on Fraud reporting and management.

---

Reported cases: # of incidents (allegation, suspected fraud, confirmed fraud, theft, diversion, looting, destruction, etc.) in 2021, either open or closed.

On going cases: # of incidents for which measures (inquiry, assurance, measures, settlement etc.) were still on going as of 31 December 2021
INTEGRATED LIFE-SAVING AND LIVELIHOOD ASSISTANCE GIVEN TO A VULNERABLE FEMALE-HEADED FAMILY

In response to the current drought, Caritas, with support from the EHF, provided animal feed in Moyale woreda at Malab kebele, Ethiopia. This was part of an integrated response package that also provided safe water and NFIs, emergency shelter and multi-purpose cash, emergency education provisions and protection awareness and gender-based violence dignity kits.

Tume Jilo Boru, 55, is supporting seven family members; her husband died during the last conflict. Tume is a pastoralist with two cattle and three sheep, and sometimes makes a living by selling firewood.

Because of the drought she lost her two cattle, and the remaining animals are unwell and producing less milk. Tume has been requesting the Government and some NGOs for animal feed support.

Caritas provided emergency animal feed to her and other pastoralists, so that their animals have a better chance of surviving the drought.

Now, she and the community anxiously await the upcoming rains which they hope will come as normal.
Somali Region Dama Mohammed fetches water from a pond in Beda’as kebele, near the town of Derfan.
Credit: © UNICEF/Mulugeta Ayane
Annexes

Annex A  Acronyms & abbreviations
Annex B  Reference Map
Annex C  EHF Advisory Board
Annex D  Allocations by recipient organizations
## ANNEX A

### ACRONYMS & ABBREVIATIONS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAH</td>
<td>Action Against Hunger</td>
</tr>
<tr>
<td>AAP</td>
<td>Accountability to Affected People</td>
</tr>
<tr>
<td>ACTED</td>
<td>Agency for Technical Cooperation and Development</td>
</tr>
<tr>
<td>ADRA</td>
<td>Adventist Development and Relief Agency</td>
</tr>
<tr>
<td>CBPF</td>
<td>Country-Based Pooled Fund</td>
</tr>
<tr>
<td>CERF</td>
<td>Central Emergency Response Fund</td>
</tr>
<tr>
<td>COOPI</td>
<td>Cooperazione Internazionale</td>
</tr>
<tr>
<td>CWG</td>
<td>Cash Working Group</td>
</tr>
<tr>
<td>DRC</td>
<td>Danish Refugee Council</td>
</tr>
<tr>
<td>EDRMC</td>
<td>Ethiopia Disaster Risk Management Commission</td>
</tr>
<tr>
<td>EHF</td>
<td>Ethiopia Humanitarian Fund</td>
</tr>
<tr>
<td>EO</td>
<td>OCHA Executive Officer</td>
</tr>
<tr>
<td>EORE</td>
<td>Exploded Ordnance Risk Education</td>
</tr>
<tr>
<td>ES</td>
<td>Emergency Shelter</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agriculture Organization</td>
</tr>
<tr>
<td>FCS</td>
<td>Funding Coordination Section</td>
</tr>
<tr>
<td>GBV</td>
<td>Gender-based violence</td>
</tr>
<tr>
<td>GMS</td>
<td>Grant Management System</td>
</tr>
<tr>
<td>HC</td>
<td>Humanitarian Coordinator</td>
</tr>
<tr>
<td>HCT</td>
<td>Humanitarian Country Team</td>
</tr>
<tr>
<td>HFU</td>
<td>Humanitarian Financing Unit</td>
</tr>
<tr>
<td>HRP</td>
<td>Humanitarian Response Plan</td>
</tr>
<tr>
<td>ICCG</td>
<td>Inter-Cluster Coordination Group</td>
</tr>
<tr>
<td>IDPs</td>
<td>Internally displaced persons</td>
</tr>
<tr>
<td>IEC</td>
<td>Information, Education and Communication</td>
</tr>
<tr>
<td>INGO</td>
<td>International Non-Governmental Organization</td>
</tr>
<tr>
<td>IOM</td>
<td>International Organization for Migration</td>
</tr>
<tr>
<td>IYCF</td>
<td>Infant and Young Child Feeding</td>
</tr>
<tr>
<td>NFI</td>
<td>Non-food items</td>
</tr>
<tr>
<td>INGO</td>
<td>International Non-Governmental Organization</td>
</tr>
<tr>
<td>NNGO</td>
<td>National Non-Governmental Organization</td>
</tr>
<tr>
<td>OCHA</td>
<td>Office for the Coordination of Humanitarian Affairs</td>
</tr>
<tr>
<td>PLW</td>
<td>Pregnant and Lactating Women</td>
</tr>
<tr>
<td>PSEA</td>
<td>Protection from Sexual Exploitation and Abuse</td>
</tr>
<tr>
<td>RMU</td>
<td>Risk Management Unit</td>
</tr>
<tr>
<td>SA</td>
<td>Site Assessment</td>
</tr>
<tr>
<td>SC</td>
<td>Save the Children - Ethiopia</td>
</tr>
<tr>
<td>SNNP</td>
<td>Southern Nations, Nationalities and People's</td>
</tr>
<tr>
<td>SWAN</td>
<td>Consortium of Save the Children, World Vision, Action Against Hunger, &amp; Norwegian Refugee Council</td>
</tr>
<tr>
<td>ToT</td>
<td>Training of Trainers</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNF</td>
<td>United Nations Foundation</td>
</tr>
<tr>
<td>VAS</td>
<td>Village Assessment Survey</td>
</tr>
<tr>
<td>VSAT</td>
<td>Very Small Aperture Terminal</td>
</tr>
<tr>
<td>WASH</td>
<td>Water Sanitation and Hygiene</td>
</tr>
<tr>
<td>WLO</td>
<td>Women-Led Organization</td>
</tr>
<tr>
<td>WRO</td>
<td>Women’s-Rights Organization</td>
</tr>
</tbody>
</table>
## ANNEX B

### EHF ADVISORY BOARD

<table>
<thead>
<tr>
<th>STAKEHOLDER</th>
<th>ORGANIZATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chairperson</strong></td>
<td>Humanitarian Coordinator</td>
</tr>
<tr>
<td><strong>NGO</strong></td>
<td>Mothers and Children Multisectoral Development Organization (MCMDo)</td>
</tr>
<tr>
<td><strong>INGO</strong></td>
<td>Save the Children (SC)</td>
</tr>
<tr>
<td><strong>INGO</strong></td>
<td>COOPI</td>
</tr>
<tr>
<td><strong>UN</strong></td>
<td>United Nations Children's Fund (UNICEF)</td>
</tr>
<tr>
<td><strong>UN</strong></td>
<td>World Food Programme (WFP)</td>
</tr>
<tr>
<td><strong>Donor</strong></td>
<td>United Kingdom</td>
</tr>
<tr>
<td><strong>Donor</strong></td>
<td>Switzerland</td>
</tr>
<tr>
<td><strong>Donor</strong></td>
<td>Ireland</td>
</tr>
<tr>
<td><strong>Donor</strong></td>
<td>United States</td>
</tr>
<tr>
<td><strong>EHF/OCHA</strong></td>
<td>United Nations Office for the Coordination of Humanitarian Affairs (OCHA)</td>
</tr>
</tbody>
</table>
Map Sources: Central Statistical Agency of Ethiopia, Regional BOFED, UNCS, The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.
Map created 10 MAY 2022.
ANNEX D

ALLOCATIONS BY RECIPIENT ORGANIZATION

in US$ million

**United Nations** 23.4 27%

- IOM
- WHO
- WFP
- UNHCR
- UNFPA
- OHCHR
- UNOPS
- UNICEF
- UNWOMEN
- UNDP

**National NGO** 10.5 12%

- ASDEPO
- OWDA
- ANE
- MCMDO
- FIDO

**International NGO** 33.4 61%

- Save the Children Fund 12.5
- Plan
- WVE
- GOAL
- COOPI
- CARE
- IMC
- CRS
- ZOA
- AAH
- Imagine1day
- DWHH
- LWF
- DRC
- NRC
- CISP
- CaCH
- CAID
- HAI
- NCA
- MC
- ADRA
- HI
- ACTED
- FH
- VSF (Germany)
- VSFS
- OXFAM GB

See Annex A for acronyms
Benishangul Gumuz
Semira was born at Bambasi HealthCenter with adequate care by health professionals.
Credit: © UNICEF/Mulugeta Ayene

#InvestInHumanity