The Yemen Humanitarian Fund (YHF) is a Country-Based Pooled Fund (CBPF) that makes funding directly available to humanitarian partners operating in Yemen enabling them to deliver timely and effective life-saving assistance to people who need it most.

How we work

Donor contributions are unearmarked and are allocated to eligible partners through an inclusive and transparent process in support of priorities set out in the Yemen Humanitarian Response Plan (YHRP).

There are two types of YHF allocations: standard allocation and reserve allocation. The Fund holds a standard allocation once or twice a year through a call for proposals for collectively identified strategic needs in the YHRP. Reserve allocations are launched in response to sudden onset humanitarian needs and specific crises.

Cluster coordinators drive the prioritization exercise, while the Humanitarian Coordinator, in consultation with an Advisory Board, determines the amount available for each allocation. This approach ensures that funding is prioritized at the local level by those closest to people in need, which empowers the leadership of the humanitarian operation and fosters collaboration and collective ownership of the emergency response.

To ensure fairness, project proposals are assessed by an inclusive strategic and technical review committee based on a pre-defined scorecard. Funding levels and assurance mechanisms applicable to each successful project are guided by the partner’s risk level, which is determined by a capacity assessment and their past performance.

The OCHA Humanitarian Financing Unit (HFU) manages day to day operations of the YHF.

Our priorities

The YHF supports the YHRP’s strategic objectives to expand the delivery of humanitarian assistance by focusing on critical humanitarian needs. In 2021, the YHF is focusing on the following priorities:

• Helping respond to acute vulnerabilities through covering gaps in first and second line cluster response as identified in the YHRP. This includes emergency, life-saving assistance and protection to people most at risk.
• Covering critical gaps with a focus on hard-to-reach areas. In support of this, the YHF will use standard allocations to support projects which address critical gaps in cluster strategies and which expand coverage in remote and hard-to-reach areas.
• Leaving no-one behind by focusing on a range of needs and vulnerabilities specific to different population groups. In support of this, the YHF will ensure funding goes to all marginalized people in most acute needs, including minority groups, people most at risk, people excluded from services and with a view to promote gender equality.

2021 achievements

By mid-2021, the Yemen Humanitarian Fund remains the second largest CBPF in the world with 21 donors contributing almost $84 million to the Fund. Through the 2021 first reserve and standard allocations, the Fund has so far allocated $55.9m to implementing partners’ life-saving activities. This includes $46.3m to Non-Governmental Organizations (NGO) and Red Crescent Societies (82.8 per cent of the total amount) including $13.2m to national NGOs.

Building on previous years’ focus on accountability to affected populations, the
Fund has continued throughout 2021 to ensure the existence of systematic complaint and feedback mechanisms in each partner’s projects, including through the Beneficiary Verification Mechanism (BVM) and Beneficiary Feedback and Complaint Mechanism (BFPCM). BVM is used to contact beneficiaries by phone in remote villages and increase the number of beneficiaries interviewed to verify the quality of services provided by YHF partners. Through the BFPCM, beneficiaries can provide feedback regarding the implementation process and assistance received from YHF-funded projects by calling a toll-free hotline number set up by third-party monitoring (TPM) companies. The YHF has so far in 2021 managed 832 feedback calls from beneficiaries/BFPCM. In addition, from January through July 2021, 38 monitoring missions were conducted by either the OCHA Humanitarian Financing Unit or TPM companies to 14 governorates.

**Top ten reasons to contribute to the YHF**

1. **Reach**

In 2020, our 35 partners targeted 4.5m people in need, including 2.38m women and girls, across 20 of Yemen’s 22 Governorates. So far in 2021, over 3.3m people in Yemen will benefit from YHF partners’ interventions. As in 2019, the YHF also provided dedicated funding to front-line responders who could expand humanitarian service delivery in hard-to-access high need areas, including areas of conflict.

2. **Inclusiveness**

As of August 2021, 78 UN agencies, international and national NGOs, and Red Crescent Societies are eligible to receive YHF funding. The YHF relies on its inclusive governance and decision-making structures to effectively implement its mandate: the activities of the YHF are carried out under the overall leadership of the Humanitarian Coordinator, who is supported by an Advisory Board composed of representatives from donors, UN agencies, and international and national NGOs. Project review committees are similarly inclusive, with cluster coordinators appointing representatives from each implementing partner constituency to participate in the process. To ensure all partners have an equal chance of accessing YHF funding, in 2020–2021 OCHA has trained over 1,500 partner staff on YHF procedures, allocations, its operational manual, project cycle management, the Gender and Age Marker, Prevention of Sexual Exploitation and Abuse, and inclusion of persons with disabilities in humanitarian programming. This is more than twice the number of partner staff trained in 2019.

3. **Localization**

The YHF is one of the largest sources of direct funding for national NGOs in Yemen, with almost $72m allocated to national NGOs between 2019 and 2020 and $172m since 2017 (excluding funds received as sub-implementing partners of YHF-funded UN and international NGO projects), thus meeting the Grand Bargain of aid localization. National NGOs are represented on the YHF Advisory Board and allocation review committees, giving them an active voice in the Fund’s governance and decision-making processes. Training and support is provided throughout the project cycle.

4. **Accountability**

The YHF builds on a comprehensive accountability framework work enshrined in the YHF Operational Manual which has been adapted to the Yemen complex emergency. These accountability management measures include:

- A risk management strategy, identifying risks to the YHF, including fraud and aid diversion, with an analysis of potential impact and mitigation strategies.
- A systematic governance mechanism, ensuring the transparency and quality of allocation decisions.
- Verification of partner eligibility and capacity through clear due diligence and capacity assessment processes, and performance tracking of grant recipients throughout project implementation and completion.
- A comprehensive monitoring system, combining field monitoring missions by OCHA and clusters with the support of two external TPM service providers. Audits are performed by an external company.

5. **Flexibility**

In Yemen’s complex environment, flexible humanitarian programming is essential. The unearmarked nature of the YHF allows it to allocate funding for priority interventions, wherever and whenever they are most needed. The YHF provides funding for in-kind and cash and voucher assistance, for small and large organizations, and for start-up and running costs. It also supports common services such as logistics, telecommunications, coordination, and needs assessments. Acknowledging the complex field realities, it allows partners to revise ongoing projects when the circumstances warrant it.

With the onset of the COVID-19 pandemic, the YHF had to swiftly adapt to a new working environment and maintain dedicated support to humanitarian partners despite additional challenges. The YHF responded with increased flexibility and simplified funding arrangements while retaining accountability measures governing the use of funds. Flexibility measures were introduced at the global level allowing partners to re-programme interventions in support of the COVID-19 response, to include contingency a line in their budgets and to seek no-cost extensions more easily.

6. **Timeliness**

The YHF allocates timely funding as humanitarian needs emerge or escalate.

To mitigate the negative impact of the fuel crisis, in August 2021, the YHF launched its first Reserve Allocation amounting to $5.4m aiming to provide urgent fuel to the Local Water and Sanitation Corporation and public health facilities. This funding will enable UNICEF to continue providing access to water and sanitation services to 2.5m vulnerable people through 34 water facilities across Yemen. Funding will also enable WHO to continue supporting 206 health facilities benefiting 5m people seeking in-patient and out-patient care across the country. In particular, the fuel support will enable health facilities to remain open and run critical life-saving services such as operating theatres and intensive care units. Thanks to generous donor support, the YHF was able to quickly react.
7. Analysis

The HPU produces periodic analyses including on monitoring, and operational and bureaucratic impediments that YHF partners face in the field, and on audit findings. These analyses inform the YHF Advisory Board decisions and is included in YHF’s quarterly dashboards.

8. Cost-efficiency

The HPU’s direct costs in running the YHF was 3.3 per cent of funds received in 2020, making it one the most cost-efficient CBPFs in the world, while maintaining an adequate staffing structure to support YHF partners.

9. Risk-sharing

The YHF offers an opportunity for donors who do not have an in-country presence or the capacity to manage multiple grants to channel funding towards a wide range of partners, while OCHA handles grant management, the strategic use of the contribution, and monitoring and reporting. The pooled nature of the YHF enables donors to maximize impact in a high-risk environment.

10. Transparency

Real-time information on contributions and allocations, including projects funded, is publicly available on the global CBPF transparency website (https://gms.unocha.org/bi) which is fully compliant with International Aid Transparency Initiative (IATI) standards. Transparency is at the core of the allocation process – priorities for allocations are discussed collectively by the Advisory Board and explained in publicly available allocation strategy papers. Projects are selected after a collective strategic and technical review process that includes the UN, national and international NGOs, and cluster and HPU representatives, and individual feedback is provided to partners. Finally, OCHA’s HPU generates periodic public analytical, information products which features best practices, lessons learned and challenges, and prepares the YHF Annual report and annual Monitoring report.

Overview of the Yemen Humanitarian Fund 2015 – 2021

| USS 899M received | USS 854M allocated | 37 donors | 80 implementing partners | 646 projects implemented |

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