Background to the Ethiopia Humanitarian Fund
Established in 2006, the Ethiopia Humanitarian Fund (EHF) responds to disasters triggered by natural hazards, such as droughts, floods and outbreaks of diseases, as well as conflict-related crises. The EHF aims to support the timely disbursement of funds to the most critical humanitarian needs in the context of both the annual Humanitarian Requirements Document (HRD) and emerging unforeseen emergency needs.

Since its inception in 2006, the EHF has mobilized US$ 541.4 million and allocated $538.8 million to 884 projects through 59 partners, including United Nations (UN) agencies and non-governmental organizations (NGOs).

In 2017/2018, the EHF continued to play an important role as a timely and flexible financing mechanism, supporting the humanitarian community to achieve its goals by funding the most critical needs in response to the El Nino and the Indian Ocean Diapole driven droughts.

The EHF in 2018 allocated $86.4 million supporting 142 projects for life-saving sectors of nutrition, WASH, health, agriculture, NFI/ES, education and protection. Funding was received from eight donors namely Denmark, Germany, Ireland, Korea, Switzerland, Sweden, United Kingdom and United States.

In 2019, the EHF allocated US$ 35.5 million supporting 69 projects in the Nutrition, WASH, health, protection, NFI, agriculture and education sectors.

Objectives of the Ethiopia Humanitarian Fund
The EHF enables the delivery of humanitarian assistance by specifically focusing on:

1. Ensuring more adequate, timely, flexible and effective humanitarian financing through the use of the pooled funding mechanism;
2. Ensuring well prioritized use of resources, primarily in support of the needs and strategies outlined in the national HRD;
3. Empowering the Humanitarian Coordinator to enhance coordination;
4. Supporting coordination efforts through the cluster approach;
5. Enhancing partnerships between UN and non-UN actors.

An effective tool to address needs
Donor contributions to the EHF are un-earmarked. The Humanitarian Coordinator (HC) allocates funding through a consultative process, based on identified humanitarian needs and priorities at the country level. Inclusiveness, flexibility, timeliness, efficiency, partnership, transparency and value for money are the principles which underpin the use of the EHF.

Allocation modalities
The EHF has two windows for allocating funds: (a) Standard Allocation and (b) Reserve Allocation. At the HC discretion and following on the HRD and inter-agency prioritization exercise, the Fund issues a Standard Allocation for collectively identified strategic needs. The cluster coordinators drive the prioritization exercise and the HC in consultation with the Advisory Board (AB) will determine the amount to be allocated through the Standard Allocation. The Reserve Allocation is open for proposals throughout the year, responding to humanitarian needs identified in the HRD and other emerging humanitarian needs.
Coordination Saves Lives

Allocation parameters
The maximum allowable grant amount will be determined and disbursed in tranches on the basis of project duration, partner capacity and risk levels.

Eligibility
Eligible EHF recipients include UN agencies, NGOs and the Ethiopian Red Cross. International and national NGOs participate in the due diligence and capacity assessment processes to determine their eligibility.

Leadership and Governance
The activities of the EHF is carried out under the overall leadership of the HC, supported by Advisory Board and Advisory Board Technical Working Group and an OCHA-led Humanitarian Financing Unit (HFU) that fulfills the EHF’s secretariat functions. The HC chairs the Advisory Board which includes senior-level participation of donors, UN organizations (in their capacity as cluster lead agencies) and NGO representatives (INGOs and NNGO). Cluster coordinators play a key role in prioritization as well as project review at both strategic and technical levels in consultation with government counterparts. OCHA chairs the Advisory Board Technical Working Group, which includes technical experts representing donors, UN agencies, international and national NGOs. Humanitarian donors attend as observers.

Accountability Framework
The EHF accountability framework strikes a balance between providing assistance to people in need, while implementing viable and effective oversight mechanisms. These accountability management efforts include:

- development of an accountability framework including a Risk Management Framework to identify risks to the EHF, analyse their potential impact, and create strategies to mitigate them;
- establishment of a proper governance mechanisms to ensure the transparency and quality of allocation decisions;
- verification of partner eligibility and capacity through clear due diligence and capacity assessment processes;
- tracking performance of each grant recipient throughout the project implementation and closeout;
- development of clear monitoring, reporting and audit requirements;
- compliance with OCHA’s Global Guidelines for Country-Based Pooled Funds (CBPF).

Transparency
The OCHA HFU generates periodic public information products at appropriate stages during the year with information on donor contributions and allocations: EHF Update, Allocation Dashboards and costing matrix.

The HC, supported by the OCHA HFU and in close consultation with the Cluster Coordinators, prepares the narrative Annual Report of the EHF activities based on information which each participating UN agency and NGO partner provides. Published at the beginning of the second quarter of the following year, the Annual Report features best practices, lessons learned and challenges, and showcases success stories and achievements of the Fund.
Most of the 2017 humanitarian needs were carried over into 2018 given insufficient recovery opportunities, rising food levels of inflation and the lack of sustainable sources of livelihood. From a context in which partners were responding to climatic shocks, the situation is further exacerbated by the continued large-scale displacement due to ethic violence where significant adjustments have been made, to also respond to an upsurge in conflicts occurring in some regions in the country.

Recently, in September 2018, a new wave of violence in Benishangul-Gumuz region left more than 250,000 people displaced within the region and West and East Wellega of Oromia region. At present, humanitarian partners have limited access to some of the affected locations due to ongoing insecurity and the scale and magnitude is currently not known. While the Oromia Region Disaster Prevention and Preparedness Office is working to establish the actual number of the displaced, it is anticipated that there will be increased needs in this region. To date, humanitarian partners have had access to the 180,000 people displaced in Oromia, between East and West Wellegas, where the humanitarian needs are still very critical but the response has been meagre due to lack of resources (both human and commodities).

In the first half of 2018, inter-communal tensions between Gedeo and Guji communities led to large-scale displacements of about 960,000 people along the SNNPR-Oromia regional boundaries between Gedeo and West Guji zones. Civilian deaths, damage to properties and to public infrastructures, including schools and health facilities were also reported. Government security forces are deployed to the area to prevent the escalation of the conflict and for protection of civilians, but the situation remains tense. Although response has been ongoing, both zones suffered widespread food insecurity and both zones were “hotspots” of acute malnutrition. A multi-sector response plan requesting for US$ 117.7 million was launched on 22 June for priority sectors of ES/NFI, WASH, Food, Protection, nutrition, education and health requirements. Although returns started, the people (IDPs/returnees) still require humanitarian assistance.

An additional 1.01 million persons are displaced and located in 388 sites following conflict between Somali and Oromo communities along the border separating the two regions in September 2017. The result of these conflicts is new displacements which continue to leave people vulnerable and in need of life-saving assistance. According to the 14th round of the Displacement Tracking Matrix (DTM), there are close to 2.3 two million persons displaced in the country and located in 1,190 sites. Of this total, close to 1.7 million people (76 per cent) are conflict induced and 498,417 (21 per cent) are climate induced IDPs while 61,037 (per cent) are displaced by other factors. Approximately 58 per cent of IDPs are children while 42 per cent are adults.

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