CRISIS BRIEFING: 20 APRIL 2016 Humanitarian funding analysis: Anticipation of rain after drought, Ethiopia





1. Key points

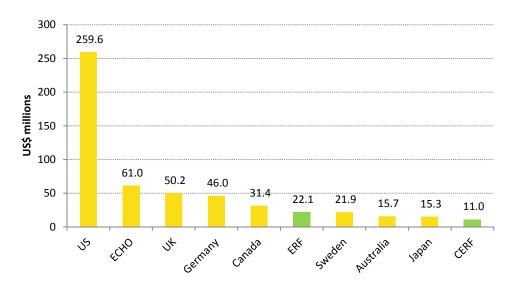
- According to the UN Office for the Coordination of Humanitarian Affairs (OCHA)'s Financial
 Tracking Service (FTS), donors have committed/contributed US\$588.3 million of
 humanitarian assistance to Ethiopia since the start of 2016.
- The US is currently the largest donor to Ethiopia, contributing 44% of total funding so far in 2016 (US\$259.6 million). The five largest donors account for 76% of current reported funding in 2016.
- Currently the **food sector** has received the largest volume of funding, **US\$367.5 million (62%** of the total). The **agriculture sector** has received **US\$2.2 million (0.4%** of the total).
- Funding in 2016 already exceeds the three previous years' totals.

2. Recent humanitarian funding to Ethiopia

Donors have reported commitments/contributions totalling US\$588.3 million in response to emergencies in Ethiopia so far in 2016. There are two outstanding uncommitted pledges totalling US\$44.3 million from the US and China. The US has uncommitted pledges totalling US\$36.3 million, of which 97% is for in-kind food assistance to the World Food Programme (WFP) for refugees. China's US\$8-million uncommitted pledge is for the WFP to help people affected by drought as a consequence of El Niño.

The US is currently the largest donor in 2016, having committed or contributed US\$259.6 million, accounting for 44% of total reported funding. The next largest donors have been the European Commission's Humanitarian Aid and Civil Protection Department (ECHO), reporting US\$61 million, followed by the UK (US\$50.2 million), Germany (US\$46 million) and Canada (US\$31.4 million). These five donors' combined funding represents 76% of total reported funding so far in 2016.

Figure 1: The ten largest humanitarian donors to Ethiopia, 2016



Source: Development Initiatives based on UNOCHA FTS data. Data downloaded on 19 April 2016

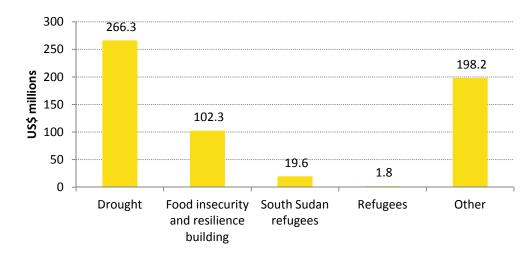
Note: US: United States. ECHO: European Commission's Humanitarian Aid and Civil Protection department. UK: United Kingdom. ERF: Emergency Response Fund. CERF: Central Emergency Response Fund.

3. Recent funding to droughts in Ethiopia

According to the FTS, so far in 2016 US\$266.3 has been reported as specifically allocated to drought response, 45% of the total. A further US\$102.3 million (17% of the total) has been reported to tackle food insecurity and build resilience. A combined US\$21.5 million (4% of the total) has been earmarked to meet the needs of refugees from South Sudan and other neighbouring countries.

It is likely that additional funds are available that are not earmarked or described as specifically directed to the drought response in the project descriptions recorded on the FTS. ii

Figure 2: Humanitarian funding reported to Ethiopia, by response type, 2016



Source: Development Initiatives based on UNOCHA FTS data. Data downloaded on 19 April 2016 Note: Based on analysis of project description reporting on the FTS

3. Pooled funding as part of the response

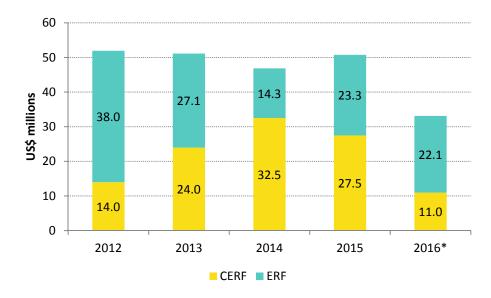
i. Central Emergency Response Fund (CERF)

Ethiopia currently ranks as the 8th largest recipient of CERF funds in 2016, receiving US\$11.0 million, 6.2% of total allocations so far. All CERF contributions for Ethiopia in 2016 have come from the Underfunded Emergencies Window (UEW), of which 84% has been allocated to meet the needs of South Sudanese refugees.

ii. Ethiopia Emergency Response Fund (ERF)

According to the UNOCHA FTS, in 2016 the humanitarian country-based pooled fund in Ethiopia, the ERF, has received contributions and commitments from donors totalling US\$64.4 million, of which US\$22.1 million is currently reported as allocated. In the first four months of 2016, total allocations are already close to the US\$23.3 million reported for the whole of 2015.

Figure 3: Pooled funding to Ethiopia, 2012-2016



Source: Development Initiatives based on UN OCHA FTS data. Data downloaded on 19 April 2016

Note: Data on Ethiopia's HRF is drawn from UN OCHA's FTS and not from OCHA Ethiopia. On the UN OCHA's FTS

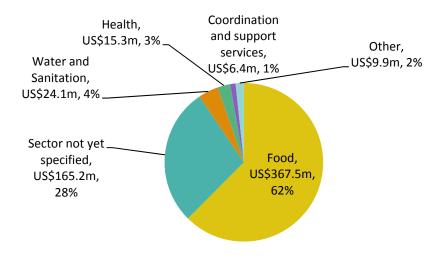
Ethiopia's HRF is labelled as 'Emergency Response Fund'. *2016 data is up to and including 19 April 2016.

4. Funding to sectors

The largest proportion of humanitarian funding to Ethiopia this year has been allocated to the food sector (US\$367.5 million), accounting for 62% of the total. 28% (US\$165.2 million) is currently reported as 'sector not specified'.

The agriculture sector has received comparatively small levels of funding, just US\$2.2 million so far this year, accounting for 0.4% of the total.

Figure 4: Humanitarian funding to Ethiopia by sector, 2016



Source: Development Initiatives based on UN OCHA FTS data. Data downloaded on 19 April 2016

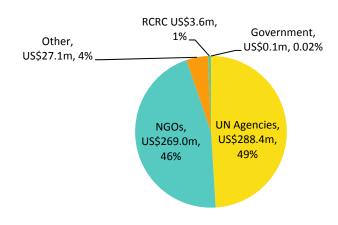
Notes: If funding is given in an unearmarked manner and not yet allocated by the recipient agency to a particular project and sector, FTS shows the funding under the heading 'Sector not yet specified'. 'Other' includes: Shelter and non-food items, Multi-sector, Agriculture, Protection/Human rights/Rule of law.

5. Funding channels

The vast majority of funding has been channelled through either a UN agency (US\$288.4 million, 49% of the total) or NGOs (US\$269 million, 46% of the total), accounting for 95% of reported funding. WFP has received the bulk of funding, reporting US\$157.2 million (55% of UN agency funding).

Funding channelled through NGOs in 2016 is already 2.5 times greater than the previous year, rising from US\$106 million in 2015 to US\$269 million in the first four months of 2016. The increase in funding to NGOs is largely down to a contribution of US\$206.8 million^{iv} (77% of funding channelled through NGOs) from the US to Catholic Relief Services for the Joint Emergency Operation Program (JEOP), which aims to assist 2.6 million drought-affected people in five regions across the country.

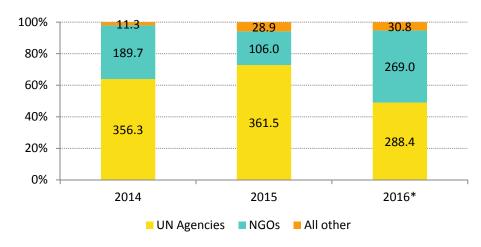
Figure 5: Humanitarian assistance to Ethiopia by funding channel, 2016



Source: Development Initiatives based on UN OCHA FTS data. Data downloaded on 19 April 2016

Notes: RCRC: International Red Cross and Red Crescent Movement. Percentage total does not equal 100% due to rounding.

Figure 6: Volume of humanitarian funding to Ethiopia by funding channel, 2014-2016



Source: Development Initiatives based on UN OCHA FTS data. Data downloaded on 19 April 2016

Note: 'Other' includes funding reported to the International Red Cross and Red Crescent Movement, governments and other agencies. *2016 data is up to and including 19 April 2016.

6. Appeals and response plans

There is a UN-coordinated appeal for Ethiopia for 2016 requesting US\$1.4 billion, primarily to respond to El Niño-induced drought and to protect and restore livelihoods threatened by the lack of food and water and limited access to seeds and other agricultural inputs for the coming year. While a humanitarian requirements document (HRD) for Ethiopia was launched in 2015, this is the first time Ethiopia has been included in the global UN coordinated appeal, an indication of the severity of the 2016 situation. The 2016 requirement for Ethiopia is triple that of the mid-2015 HRD, making it the fourth-largest appeal for 2016. From the available data it is currently not possible to tell how much of the funding reported to the FTS is directed to the appeal, or what the level of funding against the appeal is.

In January 2016 the Food and Agriculture Organisation (FAO) of the UN launched an El Niño response plan^{vi} requesting US\$50 million to assist 1.8 million pastoralists, agropastoralists and smallholder farmers affected by the conditions created by the natural phenomenon.

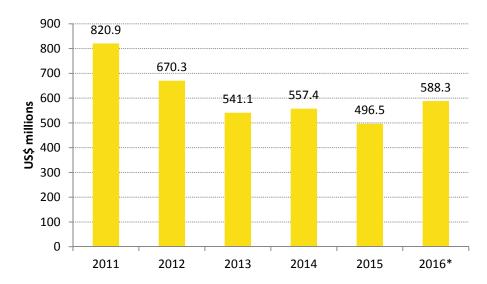
Launched on 4 January 2016, the International Federation of Red Cross and Red Crescent Societies (IFRC) emergency appeal for the drought in Ethiopia^{vii} requests a total of CHF2.2 million (approximately US\$2.2 million). It focuses on delivering assistance on health, water and sanitation, food security and livelihoods.

7. Humanitarian funding trends to Ethiopia (historic)

Funding peaked in 2011 when Ethiopia received US\$820.9 million, mainly due to the drought and extreme food insecurity that affected Ethiopia and other countries in the Horn of Africa at the time. Funding subsequently dropped in 2012 to US\$670.3 million and then again in 2013 to US\$541.1 million.

The current humanitarian funding reported to Ethiopia in 2016 already exceeds the totals reported in 2015 (US\$496.5 million), viii 2014 (US\$557.4 million) and 2013 (US\$541.1 million).

Figure 7: Humanitarian funding to Ethiopia, 2011–2016



Source: Development Initiatives based on UN OCHA FTS data. Data downloaded on 19 April 2016 Note: *2016 data is up to and including 19 April 2016.

8. Recent pledges of assistance and other financing mechanisms

- On the 8th of April the European Commission announced €122.5 million to assist Ethiopia in responding to the continuing humanitarian situation caused by the El Niño weather phenomenon.^{ix} The funding is in line with their resilience approach^x combining humanitarian response with initiatives to tackle fragility and vulnerability.
- In February 2016 Ethiopia's Ministry of Finance and Economic Cooperation was accredited to receive funds from the <u>Green Climate Fund</u> and <u>Adaptation Fund</u>. The Ethiopian government had identified these funds as important financial sources for both green growth interventions and building the country's resilience to climate extremes.^{xi}
- Oxfam America and WFP's joint <u>Rural 4 Resilience Initiative</u> programme is currently active in Ethiopia. The programme aims to empower farmers and food insecure rural households with integrated risk-management tools, including drought insurance, risk reduction, credit and savings. The final <u>quarterly report</u> for 2015, reports that 19 villages out of 81 selected for the project were due to receive payouts as result of the

severe drought conditions in 2015 exacerbated by El Niño. XIII At the end of 2015 the Ethiopian Government announced its intention to introduce weather index-based crop insurance to help reduce the impact of unpredictable weather on smallholders' crop production. XIIII

Data is correct at time of writing and subject to change. For up-to-date figures on the humanitarian response to Ethiopia and other crises see UN OCHA FTS: tts.unocha.org/pageloader.aspx?page=home

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ⁱThis includes one lump sum of US\$206.8 million reported at the end of 2015 to Catholic Relief Services for the Joint Emergency Operation Program.

iiThis falls within 'Other' funding in figure 2.

iiiData on Ethiopia's HRF is drawn from UN OCHA's FTS and not from OCHA Ethiopia. On the UN OCHA's FTS Ethiopia's HRF is labelled as 'Emergency Response Fund'.

^{iv}Note the decision date for this funding was reported in December 2015 but falls within the 2016 emergency year for reporting. In USAIDS own reporting this falls in 2015 https://www.usaid.gov/crisis/ethiopia/fy16/fs02. However, Catholic Relief Services have indicated that the bulk of the funding from US fiscal year 2015 will be used in 2016, hence it is recorded as 2016 expenditure.

^vwww.humanitarianresponse.info/en/system/files/documents/files/ethiopia - synopsis of hrd 2016 - as presented in geneva 7 december.pdf

vihttp://www.fao.org/fileadmin/user_upload/emergencies/docs/FAO-Ethiopia-ElNino-Response-Plan-2016.pdf

viihttp://reliefweb.int/sites/reliefweb.int/files/resources/MDRET016ea.pdf

viii The totals from this briefing for 2015 are lower than those reported in the Ethiopia Draught Crisis briefing – January 2015. This is due to retrospective amends in the FTS, and the reallocation of financing reported against the emergency year 2016.

ix http://europa.eu/rapid/press-release IP-16-1292 en.htm

xhttp://ec.europa.eu/echo/files/aid/countries/factsheets/thematic/resilience_en.pdf

xihttp://cdkn.org/2016/03/feature-ethiopias-investment-in-climate-compatible-development/?loclang=en_gb

xiihttp://documents.wfp.org/stellent/groups/public/documents/newsroom/wfp281956.pdf

xiii http://newbusinessethiopia.com/index.php/society/16-environment/715/715