Each year, Sida conducts a humanitarian allocation exercise in which a large part of its humanitarian budget is allocated to emergencies worldwide. The allocation and subsequent disbursement of funds takes place in the beginning of the year to ensure predictability for humanitarian organizations and to allow for best possible operational planning. In an effort to truly adhere to the humanitarian principles, Sida’s humanitarian assistance is grounded in the four humanitarian principles, and in particular impartiality, with its compelling urge to ensure that humanitarian action is carried out based on “needs alone”, giving priority to the “most urgent cases of distress”. Therefore, Sida’s allocation methodology is grounded in several objective indicators such as; the scale of humanitarian needs (number of people in need), the severity of humanitarian needs (including food insecurity/IPC levels), the number of people targeted for the humanitarian response, the financial coverage of the respective humanitarian appeal, national capacities to respond and underlying risks, as well as distinct indicators related to forgotten crises. Sida also strongly supports the humanitarian coordination structures. Besides this initial allocation, another part of the humanitarian budget is set aside as an emergency reserve for sudden onset emergencies and deteriorating humanitarian situations. This reserve allows Sida to quickly allocate funding to any humanitarian situation throughout the year, including additional funding to the Ethiopia crisis.

For 2019, the Ethiopia crisis is allocated an initial 140 MSEK. Close monitoring and analysis of the situation in Ethiopia will continue throughout the year and will inform possible decisions on additional funding.

1. CRISIS OVERVIEW

1.1. Type of crisis

Conflict

Ethiopia suffers from long-standing conflicts driven by ethnic motives, competition for scarce resources, land issues, limited social services, infrastructure and weak governance. Intercommunal violence has in recent years resulted in the displacement of some 2.7 million people, of whom 1.4 million people were displaced in the first six months of 2018 alone, making it the world’s highest level of internal displacement in 2018.

In April 2018, Ethiopia elected a new prime minister and a number of political reforms followed, including the annulment of the state of emergency and a peace agreement with Eritrea. Other reforms included the release of political prisoners, allowance of exiled dissidents to return home, decriminalisation of armed opposition groups, the call for financial and democratic reforms as well as the commitment of free and fair democratic elections in 2020. These unprecedented reforms are however not without its challenges and loosening up of state control has opened up for a surge in lawlessness and ethnic violence.

Ethiopia is also affected by the dynamic and volatile situation in the Greater Horn of Africa, a region suffering from recurrent natural disasters and complex emergencies. Conflicts in the neighbouring countries, particularly in South Sudan and Somalia, which have triggered 920,000 refugees to seek protection in Ethiopia, which is now the second largest refugee recipient country in Africa.

Natural disaster

Ethiopia also has a long history of natural disasters with recurrent droughts and flooding. Moreover, insect infestations and epidemics, such as AWD, are common and the country is ranked among the eleven most risk prone countries globally in 2019, according to the INFORM index. Aggravated by climate change, droughts have in recent years become more frequent and intense, especially in the northern and south-eastern parts of the country. Ethiopian agriculture is largely rainfed and more erratic, hence unpredictable rains will have significant impact on livelihoods and food security for farmer and pastoralist communities. Intensive deforestation has further increased the risks for soil erosion, land degradation, desertification and flooding, putting pressure on already limited resources. Climate change coupled with population growth is likely to further increase the competition for land and natural resources, with risks of further conflicts and displacements.

In 2015/16 Ethiopia was hit by a powerful El Niño weather event, resulting in one of the worst droughts in decades. The situation deteriorated further in the 2017 as the Indian Ocean Dipole-induced drought struck the country affecting more than 10 million people. The drought has resulted in massive loss of livelihood assets and over half a million people have been internally displaced. Although communities have slowly started to recover, food consumption gaps with high acute malnutrition levels persist in several of the drought-affected areas and due to the large-scale conflict-related displacements, the total number of people in need of food assistance throughout the country remains largely unchanged.
In total, 8.2 million people are in need of WASH interventions, 7.9 million people need food assistance and 7.5 million need access to health services. There are also massive shelter and NFI needs and the acute malnutrition levels in Ethiopia are among the most alarming globally with 4.16 million children and pregnant and lactating women (PLW) expected to suffer from Moderate Acute Malnutrition (MAM) and 370,000 children under age five from Severe Acute Malnutrition (SAM). The malnutrition levels are particularly worrying in IDP sites, such as in Gedeo and West Guji, where rates in several camps are higher than the emergency threshold of 15%. In West Guji the average malnutrition levels are 27 percent GAM and 3 per cent SAM among children under five years of age, according to the revised HDRP 2018.

Oromia is the worst affected region with 3.2 million people in need of humanitarian assistance, mainly due to the large-scale internal displacements that was a consequence of intercommunal violence along the border between Oromia and Somali, Gedeo and West Guji as well as recent clashes in Benishangul-Gumuz. As a result, the region hosts a majority of the country’s 2.2 million conflict-related IDPs who are currently living in dire conditions in overcrowded collective shelters with limited food, shelter, health, nutrition, WASH, education and protection services.

In certain parts of the country, such as in the Somali region and in Gedeo-West Guji, the government has started to relocate IDPs to their places of origin. The security situation in the areas of return remains highly volatile and humanitarian actors are concerned about the premature return processes that do in several cases not meet the international guiding principles of safety, voluntariness and dignity. In some instances, humanitarian actors have been restricted to provide assistance in both areas of displacement and areas of return. In addition, many returnees have not returned home due to life-threatening protection risks but have been forced into secondary displacements in the areas of origin with limited access to food and other basic services. Conflict-affected woredas affected by displacement in Oromia, Somali, SNNPR and Benishangul-Gumuz are likely to remain in Crisis (IPC Phase 3) throughout at least the first half of 2019.

In addition to the conflict-related displacements, large population groups are still in need of humanitarian assistance due to the effects of the Indian Ocean Dipole-induced drought which struck large parts of the country in 2017. Somali is the worst affected region hosting 350,000 of the 530,000 climate-related displacements and Crisis (IPC Phase 3) outcomes are expected to continue throughout the first half of 2019. The recovery of drought-affected populations will largely depend on the duration and intensity of the 2019 spring rains as well as how the anticipated El Niño phenomenon will affect the region. Even in a best-case scenario with favourable climate conditions, the drought-related humanitarian caseload will most likely only slightly decrease in 2019.

Ethiopia also hosts 920 000 refugees, mainly from South Sudan, Somalia and Eritrea. The refugees reside in 25 camps throughout the country, mainly in Gambella and Somali, but also in Benishangul-Gumuz, Tigray, Afar and Addis Ababa where conditions are dire and high levels of malnutrition and food insecurity persist. The camps are overcrowded and the risk of disease outbreaks, such as AWD, is high. The Government of Ethiopia’s maintains the open-door policy for refugees and, in line with the Comprehensive Refugee Response Framework (CRRF), the government has pledged to revise its encampment policy. Until the refugee proclamation (which is currently under revision) is implemented, however, the refugees will continue to be largely camp-based, making them entirely dependent on humanitarian assistance.

Finally, Ethiopia is a patriarchal society, ranked 173 out of 189 countries in the Gender Inequality Index 2017, where issues of GBV are deep-rooted. In most parts of the country a disproportionate burden of domestic work is put on women, yet women and girls often lack decision making powers and resources and household responsibilities are not shared equally. Child marriage is not uncommon and 65 % of girls and women aged 15 to 49 years have undergone Female Genital Mutilation/Cutting (FGM/C). In Afar and Somali regions the proportion of women and girls who have undergone FGM/C are 98 per cent and 99 percent respectively. The drought and conflict-induced displacements have accentuated the already deep-rooted issues of domestic violence and harmful practices, resulting in vast protection issues for vulnerable population groups. Reports of women and girls trading sex for food, abuse and exploitation as well as child protection issues, such as child marriage and child labour are serious concerns. Separation from caregivers and psychosocial distress are also widespread.

1.2. Critical assumptions, risks and threats

The combined effects of drought and conflict have resulted in exhaustion of households’ coping capacities and many resort to negative coping strategies, such as reduction of portion sizes, skipping of meals, low diversity of food consumption as well as selling of assets for food purchase. Although the overall performance of the latest rains has been average to above average and vegetation conditions continue to improve, pastoralists have either sold or lost most of the breeding stock and the herd sizes are hence too small to be able utilise the rain for recovery. Livestock herd sizes need years to fully recover and any additional shock is likely to result in the loss of the remaining assets, leaving large population groups vulnerable to falling back into extreme food insecurity.
The political situation remains unpredictable and resource scarcity and land issues frequently culminate in clashes between different ethnic groups. Mobs and youths group are continuously carrying out brutal attacks resulting in deaths and displacements and arbitrary arrests are common. Intercommunal violence, particularly in Oromia, Somali, SNNPR and Benishangul-Gumuz, has already resulted in massive displacements and new clashes throughout the year cannot be ruled out. Current IDP sites are overcrowded with a lack of basic services and frustration is high as few durable solutions are in sight. Displacements have also impacted livelihood opportunities as land has been damaged or abandoned and farming assets and livestock have been lost. The risks of additional premature, non-voluntary returns of displaced populations persist as well as the limited space for principled humanitarian action in certain conflict-affected areas.

In refugee recipient parts of the country, an increased influx of refugees is possible due to the unpredictable situation in neighbouring countries, particularly in South Sudan and Somalia. In addition, the influx from Eritrea is likely to continue as long as the border remains open.

Although the humanitarian response in 2018 was rather well-funded, several humanitarian actors, such as Unicef and WFP, experienced funding gaps during parts of the year, resulting in lack of service provision in parts of the country.

Data collection still lack in transparency and selection of beneficiaries is often not in line with the principle of impartiality.

Finally, corruption is a serious issue as Ethiopia is currently ranked as number 107 out of 180 countries by Transparency International with a corruption perception index score of 35 out of 100.

1.3. Strategic objectives and priorities of the Humanitarian Response Plan

The humanitarian response in Ethiopia is organised within the framework of a government-led process, the Humanitarian and Disaster Resilience Plan (HDRP), which compiles humanitarian needs in the country on a yearly basis with a mid-year review. The HDRP aims at presenting a planning framework that will increase the quality and predictable delivery of required multi-sector humanitarian response; mitigate future needs in areas that experience recurrent climate induced shock; support the strengthening of national service provision to address chronic and acute needs; and, the recovery of communities affected by drought and conflict.

Geographical prioritisation is based on the government’s hotspot woreda (district) classification, which is informed by six multi-sector indicators. As of July 2018, 444 woredas are prioritised, of which nearly half, 215 woredas, are classified as “priority one” (very severe). Most of the prioritised districts are located in Oromia and Somali.

Due to the deterioration of the humanitarian situation in 2018, the HDRP was revised in October 2018 and the number of people in need of food assistance increased from 7.88 to 7.95 million and the number of people in need of non-food assistance from 8.49 to 9.45 million. As of November 2018, there is a funding gap of USD 478 million against the revised HDRP amounting to USD 1.495 billion.

The revised HDRP focuses on emergency food and non-food assistance for the conflict-induced crises in Gedeo-West Guji and along the Somali-Oromia border as well as the drought and flood-induced crisis and other crisis (AWD).

The strategic objectives of the revised 2018 HDRP remain the same as in the initial HDRP:

- Save lives and reduce morbidity due to drought and acute food insecurity.
- Protect and restore livelihoods.
- Prepare for and respond to other humanitarian shocks - natural disasters, conflict and displacement.

The HDRP does not include 3.3 million PSNP beneficiaries requiring humanitarian assistance until the end of 2018.

Refugees are also not covered by the HDRP but are instead included in the Ethiopia Country Refugee Response Plan as well as the South Sudan Regional Refugee Response Plan (RRRP) 2018 and the revised RRRP 2018 (July 2018).

The response plan for 2019 will target 8 million people at a cost of $1.2 billion and the three strategic response objectives will remain the same as in 2018, with focus on food, shelter, WASH and protection. The HDRP will still be an annual humanitarian planning document, but a multi-year strategy is about to be developed by the government, together with humanitarian and development partners in 2019 to address issues of recovery, prevention and mitigation as well as strengthening of national systems.
2. IN COUNTRY HUMANITARIAN CAPACITIES

2.1. National and local capacities and constraints

The overall humanitarian coordination is led by the government’s National Disaster Risk Management Coordination Commission (NDRMC), which leads federal and regional level Disaster Risk Management Technical Working Groups (DRMTWG), co-chaired with OCHA. In order to respond to the large-scale internal displacements, the government and humanitarian partners have also established two Emergency Operation Centres (OICs) in Gedeo and West Guji as well as a regional emergency technical committee in Assosa.

Administration for Refugees and Returnees Affairs (ARRA) is the leading agency for the overall coordination of refugee assistance in Ethiopia, in close cooperation with UNHCR. The Regional Governments and the Regional Health Bureaus are also engaged in the refugee response.

In general, the capacities of national and local service providers are low and as a result of the political changes, both at the national and local level, staff turnover is high, further limiting the response capacity.

The space for civil society in Ethiopia is limited, partly because of restrictive laws limiting NGOs' possibility to attract funding from external funders as well as to work in certain thematic areas. As a result, very few national NGOs take part in the humanitarian response. The Charities and Societies Proclamation is currently under revision and until it has been amended, the number of national NGOs in the humanitarian response will remain limited. In 2018, 8 national NGOs have been active participants within the HDRP, together with the Ethiopian Red Cross Society.

2.2. International operational capacities and constraints

The international humanitarian presence has in 2018 consisted of 8 UN agencies, 57 INGOs and the ICRC and IFRC. Among the international actors, OCHA has the main responsibility for coordination of the response, while the Ethiopia Humanitarian Country Team (EHCT) is the principal humanitarian policy and decision-making body. Together with ARRA, UNHCR has the overall coordination responsibility for the refugee response. This collaboration was further enhanced through a Refugee Task Force, co-chaired by the government and UNHCR.

WFP provides emergency food assistance to the Somali Region as well as to refugee populations and provides targeted supplementary feeding in geographical areas with high risks of acute malnutrition. In other parts of the country, food assistance is provided by the Government of Ethiopia and the NGO consortium Joint Emergency Operation Program (JEOP).

The humanitarian response has been massively scaled-up in 2017 and 2018 mainly as a result of the Indian Ocean Dipole-induced drought and the large-scale conflict and climate-related displacements. Quality and speed of assistance have varied between sectors and geographical areas due to funding shortfalls, logistical challenges and a volatile security situation. The quality of coordination has varied between regions and clusters depending on the strength and commitment of individual cluster coordinators.

Although the HDRP is based on a three-pillar approach allowing for long-term planning and development investments, development actors are barely involved in the plan and the two pillars focusing on Prevention and Mitigation as well as National Systems Strengthening and Recovery have so far received minimal funding.

2.3. International and regional assistance

Ethiopia is one of the world's top-ten recipients of Official Development Assistance (ODA) and the country also receives large-scale humanitarian funding annually (the humanitarian appeals amounted to USD 948 million in 2017 and USD 1.7 billion in 2018). As of September 2018, USA was the largest humanitarian donor to Ethiopia in 2018 with USD 245 million in funding to the HDRP. Other major donors include ECHO (USD 53 million), United Kingdom (USD 52 million), Germany (USD 15 million) and CERF (USD 11 million). Sweden was the 4th largest humanitarian donor in 2018 (USD 25 million). The major part of the US assistance consisted of food, while ECHO, UK and Sweden mainly funded multiple sectors.

2.4. Access situation

Access is restricted in many parts of the country, particularly in conflict affected areas in the Somali region, along the border between Oromia and Somali, in SNNPR as well as Benishangul-Gumuz. This is mainly due to security issues, but also because of restrictions placed on humanitarian actors in certain geographical areas, seriously limiting people’s access to humanitarian assistance. In addition, several humanitarian actors are facing logistical challenges in several parts of the country resulting in delays and disruptions of humanitarian assistance. The security situation is likely to
remain volatile in 2019, posing challenges for humanitarian partners to get access to affected populations. The challenge to obtain transparent and reliable data about humanitarian needs is also likely to persist.

3. SIDA’S HUMANITARIAN RESPONSE PLAN

3.1. The role of Sida

In order to respond to the deteriorating humanitarian situation in Ethiopia, Sida allocated extra funding in addition to the initial allocations in both 2017 and 2018, with a total funding level of 206 million SEK in 2017 and 212 million SEK in 2018. As of November 2018, a total of 14 Sida partners have provided life-saving humanitarian support in line with the HDRP priorities. WFP has distributed food to more than 2 million people and reached 800,000 individuals with treatment for MAM, Unicef has admitted 226,000 children under 5 years with SAM to therapeutic care programmes and 392,000 people have got access to health care services. Moreover, the WASH cluster has been able to reach 5.5 million people with WASH services through the establishment of permanent water systems, rehabilitated boreholes, water trucking services, construction of latrines as well as sanitation and hygiene promotion. The Ethiopia Humanitarian Fund (EHF) has supported 103 projects through 34 UN agencies and NGOs in the sectors of nutrition, WASH, health, protection, NFIs, agriculture and education.

3.2. Response Priorities 2019

Ethiopia is affected by multiple crises and the volatile operational environment pose challenges for humanitarian action. The unpredictability of the political developments risks resulting in further instability in various parts of the country and new or intensified intercommunal clashes in 2019 can therefore not be ruled out. To enable an efficient humanitarian response in such a dynamic context, Sida will in 2019 focus on flexible funding solutions to enable partners to effectively respond to the changing humanitarian needs. This will mainly be achieved through unearmarked funding to selected UN agencies, a scale-up of programme-based support to relevant NGOs as well as a significant amount of funding channelled through the Ethiopia Humanitarian Fund (EHF).

In line with the above, Sida’s humanitarian assistance in 2019 will focus on needs-based, life-saving humanitarian interventions for conflict and climate affected populations, including refugees and IDPs, in line with Pillar 2 priorities of the HDRP. Partners are expected to carry out the interventions in hotspot priority woredas with focus on geographical areas with the most severe needs. The following areas will be of particular importance:

- Focus on the geographical areas most severely affected by conflict, most likely in border areas between Oromia and Somali, Oromia and SNNPR as well as Oromia and Benishangul-Gumuz. Refugee settings, particularly in Assosa, Gambella and Dollo Ado will also be prioritised.
- Assistance to communities still facing food consumption gaps as a result of climate-induced hazards.
- Assistance to the most vulnerable groups, including people affected by displacement as well as children under five years of age and PLW suffering from acute malnutrition.
- Mainstreaming of gender and protection, in particular among displaced populations, to prevent, reduce and respond to the risks and exposure of vulnerable groups based on identified threats, vulnerabilities and capacities with focus on the collective responsibility to achieve meaningful protection outcomes.
- Given the vast depletion of natural resources, fuelling conflicts and displacement, minimising environmental impact must be a priority for humanitarian actors.

Although a sustained humanitarian response focusing on life-saving activities will be needed throughout at least the first half of 2019, Sida will continue the dialogue with donors and humanitarian partners about the necessity of finding more sustainable solutions and building resilience of vulnerable communities. This includes durable solutions for displaced populations and sustainable approaches addressing the needs of drought-prone communities recovering from climate-induced hazards, including the increased engagement of development actors in the HDRP, to prevent stabilised households from falling back into high levels of food insecurity and malnutrition. Sida will also continue the dialogue with the government, donors and humanitarian actors about the safe, voluntary, and dignified nature of return processes as well as exploring the possibilities of voluntary relocation and integration where possible.

Moreover, to optimise use of resources, maximise synergies and avoid duplication, Sida funded projects should be aligned with established coordination mechanisms, such as the HDRP or equivalent coordination structures for the refugee responses, such as the Ethiopia Country Refugee Response Plan and the RRRP. Moreover, through support to OCHA and UNHCR and in ongoing dialogue, Sida will in 2019 work to improve coordination and integrated programming to ensure joint planning and analysis at an early stage and integration of cross-cutting issues in assessments, planning and operations. Sida will also continue to advocate for full integration of CMAM management into the existing health system.
Accountability to affected populations has so far been weak and Sida will in 2019 continue the dialogue with humanitarian partners to improve accountability mechanisms to ensure assistance is relevant and appropriate and that feedback is taken into consideration in programme design.

The possibilities for cash-based programming should be explored, but must be carried out carefully, taking into consideration the level of market functionality and accessibility, overall financial infrastructure as well as the capacities of national and local governments and humanitarian actors to carry out cash-based interventions.

Conflict affected areas, particularly IDP settings, together with refugee sites will be prioritised for follow-up in 2019. Thematically, protection and accountability to affected populations will be a priority and the possibilities for resilience initiatives in drought-affected areas as well as durable solutions for displaced populations will be explored. Sida will also continue to be a member of the Advisory Board of the EHF in 2019.

3.3. Partners

Based on the priorities described in 3.2., Sida has decided to allocate the initial funding to the following partners in 2019. Supported projects are coordinated within established coordination mechanisms.

**OCHA** has, together with the government, the overall coordination responsibility of the humanitarian response. OCHA has been able to adapt its coordination function well to the complex context and is also an important actor when it comes to the management of the EHF.

**The World Food Program (WFP)** is a key actor for food assistance in the Somali region and targets 3.7 million people through in-kind and cash-based programming. WFP is also the main actor for targeted supplementary feeding (TSFP) targeting 2 million children under 5 years of age and PLW suffering from moderate acute malnutrition (MAM). WFP has recently extended the TSFP support to all IDPs with MAM residing in and beyond Priority 1 woredas and are also targeting drought-affected populations and refugees. Sida will in 2019 fund the Strategic Result 1: Relief & refugees of WFP:’s Interim Country Strategic Plan for Ethiopia.

**UNICEF** is an important humanitarian partner operating country-wide to address the needs of vulnerable populations, including children suffering from severe acute malnutrition as well as children exposed to child protection concerns. As a cluster lead for nutrition, WASH and the child protection sub-cluster, it is well-place to respond to the various needs of affected populations. It is also an important actor regarding SAM and MAM integration. The funding to Unicef is unearmarked. Unicef’s response for 2019 will prioritize providing life-saving services, including the detection and treatment of SAM cases and the prevention and treatment of disease by providing essential medicines, strengthening response systems and developing the skills of health professionals.

In close cooperation with ARRA, **UNHCR** provides leadership in the coordination of the refugee response. In addition, close to a million people is currently being targeted for protection assistance throughout the country and UNHCR is an important actor when it comes to protection of displaced populations, in line with its protection mandate.

**The Ethiopia Humanitarian Fund (EHF)** is a pooled fund managed by the UN Resident and Humanitarian Coordinator in collaboration with OCHA and is an effective instrument to enable access to rapid funding, both for UN agencies and NGOs. The EHF has proven to be an efficient fund both in regard to addressing the annual priorities within the HDRP but also for meeting unforeseen emergency needs, given the dynamic humanitarian context. The EHF allocates funding to projects implemented in various parts of the country based on identified humanitarian needs.

**ICRC** focuses on protection and assistance to conflict-affected communities across the country and assisted more than 50,000 people displaced by violence with NFI support in the first half of 2018. After being prohibited by the government to work in the Somali region, ICRC has after 10 years been invited to operate in the region again. ICRC is an important actor when it comes to addressing the needs of people displaced because of conflict and is also the main actor to promote the International Humanitarian Law (IHL). ICRC’s main priorities for 2019 include responding to needs created by displacement and other crises, and helping communities to become more self-sufficient, particularly along the border between Oromia and the Somali region.

**ACF** is an important actor when it comes to reduction of morbidity and mortality related to acute malnutrition and targets one million people, particularly children under age five and PLW, in several parts of the country. Sida will in 2019 provide programme-based support to allow for further flexibility to enable ACF to respond to emerging needs throughout the country, both in drought-affected areas and in refugee and IDP settings. The key goal of the AAH programme is to address the emergency basic needs of the conflict induced IDPs through a multi-sectoral approach; including nutrition, WASH, health and mental and health care practices. The programme will also include multipurpose cash grants.
NRC

NRC works multi-sectoral and provides life-saving assistance to 500,000 vulnerable people, including refugees, IDPs, migrants and host communities throughout the country. The objectives of the NRC contribution in Ethiopia are to ensure that people affected by displacement have access to timely and effective protection and assistance and are supported in achieving durable solutions to their displacement. Sida will in 2019 continue to fund NRC through a programme-based approach to enable NRC to flexibly respond to new or deteriorating humanitarian needs.

The Church of Sweden (CoS) works multi-sectoral with a focus on psycho-social support and support to vulnerable groups. The overall objective is to contribute to supporting Eritrean refugees in the Aysaita refugee camp, with a focus of meeting their basic needs and helping them gain a greater sense of self-reliance. The implementing partner is the Ethiopian organisation Evangelical Church Mekane Yesus Development and Social Services Commission (EECMY-DASSC). The project includes the provision of alternative energy, sustainable livelihood opportunities, services to people with special needs, child and youth protection interventions as well as psycho-social support. In total, 17 420 refugees will receive support, in addition to about 3500 people belonging to the host community. In addition to the proposed funding in this analysis, funding for CoS/WPF’s interventions for South Sudanese refugees in Ethiopia is covered in the Humanitarian Crises Analysis for South Sudan.

### SIDA’s HUMANITARIAN ASSISTANCE TO ETHIOPIA in 2019

<table>
<thead>
<tr>
<th>Recommended partner for Sida</th>
<th>Sector/focus of work (incl. cross sectoral/multipurpose programming) and response modalities (e.g. in-kind, services, CVP or a mix)</th>
<th>Proposed amount</th>
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</thead>
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<tr>
<td>OCHA</td>
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<tr>
<td>WFP</td>
<td>Food security and nutrition</td>
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<td>UNICEF</td>
<td>Multi sectorial</td>
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<tr>
<td>UNHCR</td>
<td>Refugee response</td>
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<tr>
<td>EHF</td>
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</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td></td>
<td><strong>142</strong></td>
</tr>
</tbody>
</table>

#### 3.4. Synergies with long-term development assistance

The root causes of the recurrent humanitarian crises in Ethiopia could to a large extent be attributed to issues of poverty, inequality, chronic malnutrition and food insecurity, exacerbated by population growth and unequal economic development. Although Ethiopia has one of the fastest-growing economies globally, nearly 80 million people (88% of the population) suffer from multidimensional poverty and one third of the population is undernourished. 38% of the children under age five are stunted, 24% are underweight and 10% are wasted. In addition, sanitation services are only used by 7% of the population nationally and basic drinking water services in rural areas by 30% of the population, which contributes to the alarming malnutrition levels.

Looking back at the history of the government's and humanitarian partners’ hotspot priority woreda assessments, it is to a large extent the same woredas that require assistance over time. Between 2011-2017, an average of 5.3 million people were in need of humanitarian assistance annually, mainly due to recurrent drought to a cost of USD 650 million per year. Even in nonexceptional years, an average of 2.9 million people were in need of humanitarian assistance, which indicates that needs in certain geographical areas have become chronic, requiring other approaches than short-term humanitarian interventions.

The areas most severely affected by recurrent humanitarian emergencies have traditionally been politically neglected and receive minimal development funding. Given the costs and short-term approaches of immediate emergency interventions, the cost of water trucking alone peaked at USD 175,000 per day in 2017, there is a need to frontload development funding to invest in long-term solutions to address the underlying causes of crises and vulnerability. Specifically, risk and resilience should be integrated into analysis and programmes and cross-sectoral and multilevel programmes should be promoted with a focus on prevention and early action to ensure that results reach the poorest and most vulnerable populations with the aim of addressing chronic needs and reducing current and future humanitarian needs. In addition, as forced displacement situations in the Horn of Africa tends to become protracted, there is also an urgent need to invest in durable solutions for displaced populations.
Given the situation described above, building resilience against recurrent crises is a key priority, both for the Ethiopian government, humanitarian actors and development partners and a number of initiatives to address the chronic vulnerabilities and recurrent humanitarian shocks have already been implemented. Such initiatives include market-based approaches to resilience through BRACED, index-based insurance solutions through R4 Rural Resilience Initiative as well as livelihoods and employment measures through the Resilience Building and Creation of Economic Opportunities in Ethiopia (RESET II). The most far-reaching initiative to increase resilience is arguably the Productive Safety Net Programme (PSNP), a large-scale social protection programme targeting rural, food-insecure households with food or cash transfers with the aim of enabling the rural poor facing chronic food insecurity to resist shocks, create assets and become food self-sufficient. The programme currently targets 8 million people, of which 4 million live in drought-affected areas. If further scaled up and strengthened, it has the potential of lifting a significant number of people out of the chronic cycles of humanitarian appeals.

Strengthening peoples’ and communities’ resilience, addressing underlying causes of crises as well as building on and complementing humanitarian assistance are key priorities for Sida’s development cooperation with Ethiopia and a Resilience Systems Analysis (RSA) has been undertaken informing a resilience action plan for Ethiopia (2017-2018). Within the Strategy for Sweden’s development cooperation with Ethiopia 2016–2020, focusing on a better environment, limited climate impact and greater resilience to environment impact, climate change and natural disasters, strengthened democracy and gender equality and greater respect for human rights and better opportunities and tools to enable poor people to improve their living conditions, there are many opportunities for strengthening resilience, especially in the following areas:

- Strengthened management of natural resources and ecosystem services.
- Improved opportunities for productive employment with decent working conditions, particularly for women and young people.
- Sustainable food security with particular focus on resilient agriculture.

Sida’s development cooperation with Ethiopia amounts to 230 MSEK in 2018 and the country also benefits from the regional resilience initiative in the Horn of Africa within the Swedish regional strategy for Sub-Saharan Africa, amounting to an additional 139 MSEK in 2018.

Current Sida interventions in the development portfolio, both bilateral and regional, with a resilience focus include:

- Support to the contingency funding of the Productive Safety Net Programme (PSNP) through Unicef.
- Support to WFP, Mercy Corps and Farm Africa with the aim to promote innovative approaches of building resilience and self-reliance for refugee populations and host communities in Dollo Ado, through improved emergency preparedness and response, climate risk solutions, early warning systems, insurance solutions as well as livelihood promotion for small scale farmers and pastoralists and food security interventions. The programme is linked to and complements the BRACED programme.
- Support to UNFPA on sexual and reproductive health with focus on refugees and host communities in Gambella.

Opportunities for resilience building and further strengthening of synergies between Sida’s humanitarian assistance and the development cooperation in Ethiopia include the following:

- Play an increasingly active role to strengthen coordination between humanitarian action and development cooperation in relevant donor fora such as the Development Assistance Group (DAG) and the Humanitarian and Resilience Donor Group (HRDG).
- The HDRP provides an opportunity for joint analysis and programming among humanitarian and development donors and Sweden could promote that the plan becomes a multi-year tool for development programming and resilience building as well as contribute to attract development funding to the plan.
- The development of the Multidimensional Poverty Analysis (MDPA) with a focus on risk and vulnerability provides an opportunity to increase focus on the poorest and most vulnerable and a closer connect with humanitarian assistance.
- Together with other donors support the development of vulnerability analysis that could be used for both humanitarian and development planning, for example the roll-out of the Integrated Food Security Phase Classification (IPC) through FAO.
- Increase the engagement in the implementation of the Comprehensive Refugee Response Framework (CRRF) and advance in terms of New Ways of Working to enable durable solutions for displaced populations.
- Promote learning, building on experiences within current contributions (WFP) and strengthen links to larger donor programs on resilience to strengthen resilience in the most vulnerable geographical areas, particularly of drought-prone communities.