

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 the best possible operational planning. Sida's humanitarian assistance is based on the four humanitarian principles, 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.

For 2021, the crisis in Yemen is allocated an initial 245 MSEK. Close monitoring and analysis of the situation in Yemen will continue throughout the year and inform possible decisions on additional funding.

1 Crisis overview

1.1 Humanitarian overview

The crisis in Yemen is considered the world's worst humanitarian crisis with 24 million people (80% of the total Yemeni population) in need of humanitarian assistance. Brought about by the ongoing civil war in the country, the protracted humanitarian crisis is largely a man-made catastrophe that demands a political solution. Humanitarian needs are driven by an interplay of political decisions (such as blocking fuel imports to the north and key donors discontinuing support for the Riyal) and escalation of conflict along key frontlines, most recently around Marib and Hodeidah, fuels localized displacement, worsened protection risks, and disruptions to local economies and livelihoods.

Violations of international humanitarian law (IHL) is a repeated element contributing to the humanitarian crisis with all sides responsible but not accountable. Access challenges are problematic, especially in DFA-controlled areas, increasingly hampering aid delivery. Further, complex elements can be found in the multiple health crises, such as COVID-19 and recurring cholera epidemics, which quickly spread across large segments of the population, as well as seasonal flooding and recent locust infestations which cause large disruptions in agricultural

activity, thus impacting food security. Humanitarian needs and vulnerabilities are concentrated in, but not limited to, the northern parts of the country and close to frontlines, with other parts of the country generally displaying lower levels of violence and vulnerability. In general, humanitarian needs have increased compared to 2019, and are likely to further deteriorate in 2021.

1.2 Affected population

The conflict has displaced over 3.6 million people, who are some of the most affected in the crisis. IOM estimates that 153 000 were displaced in the first three quarters of 2020 alone, the majority of which came from areas around Marib and al Jawf. An increasing number of displaced are settling in specific sites, leading to overcrowding and increasing risk of water-borne diseases and spread of COVID-19.

Women and children are particularly affected by the conflict. The prevalence of sexual and gender-based violence (SGBV) is widespread and on the rise according to partners on the ground. The situation tends to be more acute close to the front lines, where trauma and scarce economic resources combined drive domestic violence, child marriage and child recruitment as negative coping mechanisms. Girls and young women are at particular risk when it comes to SGBV, although boys and young men also are affected, not least through lower access to support due to social and cultural stigma. Boys are also disproportionately represented in verified violations against children, the majority of which are incidents of denial of humanitarian assistance and killing/maiming of children.

The situation for migrants, mainly from the Horn of Africa, is dire – while fewer numbers of migrants have been recorded coming into Yemen in recent months, those in Yemen are subjected to baseless detentions and forced transfers from northern governorates to the south as part of a hostile approach toward migrants.

Marginalization of ethnic and religious minorities also leave specific groups particularly vulnerable. One report suggests that the Muhamasheen, an ethnic minority group that even before the conflict endured systematic discrimination, have been under-assisted or outright excluded from humanitarian assistance despite demonstrating acute needs.

2 The humanitarian response

2.1 National and local response

National-level efforts to respond to the crisis are divided along the conflict lines, with the internationally recognized government (IRG) of Yemen formally leading efforts in southern parts of the country and the De Facto Authorities (DFA) leading the response in Houthi-controlled areas. Efforts in southern parts are hampered by divisions between the government and critical stakeholders in the south, such as the Southern Transitional Council (STC), on whom the government relies for their grassroot support. Fragmentation, not seldom fuelled by competing political agendas, make for a complex and at times an unpredictable operational environment for humanitarian partners. In northern parts of the country, the DFA has established the Supreme Council for the Management and Coordination of Humanitarian and

International Affairs (SCMCHA) to coordinate humanitarian efforts. SCMCHA has taken several steps that restrict and impede humanitarian partners in delivering principled assistance. Some of these restrictions and impediments may be linked to capacity constraints, but a more fundamental question remains regarding the willingness of SCMCHA to support a principled international humanitarian response in northern parts of the country, not least given the delays and restrictions imposed on partners in relation to the approval of proposed activities and sub-agreements.

Across Yemen, international humanitarian organisations work closely with local partners (civil society organisations, community-based organisations and faith-based organisations) to deliver humanitarian assistance. These local organisations work in highly exposed circumstances and are not seldom intimidated or pressured by local and national government stakeholders, yet their role in the humanitarian architecture is fundamental.

2.2 International response

The international response to the humanitarian crisis is led by the United Nations and structured in ten clusters that deliver direct services to beneficiaries through 208 humanitarian partners. The food security and agriculture cluster stands out in targeting 19 million people (out of 20.1 million in need), followed by the WASH cluster aiming to support 12.5 million (out of 20.5 million in need), and the health cluster targeting 7.3 million people out of 17.9 people in need.¹ Aside from the Humanitarian Response Plan (HRP) Extension (a roll-over document from previous HRP), separate lines of effort also exist, addressing the direct and indirect impact of COVID-19 in Yemen.

In late 2019, Sweden and like-minded donors grew increasingly concerned about the ability of humanitarian partners to deliver aid in a principled manner due to increasing administrative and bureaucratic constraints, IHL violations, and safety and security of humanitarian workers. As a consequence, the United States suspended funding and many donors, including Sida, delayed disbursements. This led to Sweden and ECHO gathering humanitarian partners for a Senior Official's Meeting (SOM) in February 2020, where the humanitarian community collectively agreed to pursue a joint approach to affect change in the operating environment (particularly in the north) through high-level advocacy and dialogue efforts, calibration of risks in humanitarian programs, and communicating a series of indivisible demands to authorities. The continued commitment to this joint approach was reaffirmed during a second SOM meeting in November 2020.

The underfunding of the humanitarian response, likely to continue into 2021, is driving an increasingly difficult discussion around prioritisation within the humanitarian response, as it has received less funding over the past year and gradually taken on supporting activities that

¹ These figures are approximations of persons in need and targeting by the humanitarian response from June to December 2020. Due to access restrictions in the operating environment, the figures are extrapolations of project assessments and rollover figures from previous HRPs, due to the fact that countrywide assessments (MCLA, Smart Survey, FSLA) that normally underpin the evidence-base of a response have not been allowed to be undertaken by humanitarian organisations.

may more adequately be covered by development or early recovery programs (see 3.4). This has left a previously well-funded humanitarian response now struggling with financial gaps.

2.3 Challenges and risks for the humanitarian response

Key challenges, risks and threats in the humanitarian context for 2021 are:

- *Intensification/escalation in the conflict:* An escalation in the conflict, both in terms of intensity and location, constitutes the most serious risk for further exacerbating needs and vulnerabilities.
- *Food Insecurity & Malnutrition Crisis:* Early indications from the IPC analysis suggest a growing food insecurity crisis with the prospects of developing into pre-famine conditions by early 2021.
- *Access/IHL:* The ability of the humanitarian operation to respond to people in need is jeopardised due to lack of access and respect for IHL. Severe access restrictions, particularly, but not exclusively, found in northern parts of the country have resulted in nine million people being denied humanitarian assistance in 2020. Besides access challenges, violations of IHL, such as attacks on civilians and health infrastructure, are causing devastating consequences for the population.
- *Underfunded response:* Key Gulf donors have decided not to fund, or drastically reduce funding in 2020. Taken together, these factors have reduced the impact of the humanitarian response, from serving around 14 million people per month at the beginning of 2020 to serving 10.6 million people per month by September 2020. In the absence of drastic change in the funding situation and/or the operating environment, the impact and reach of the response can be expected to further reduce, putting lives at risk.
- *Economic collapse:* Pressure on the Riyal, restrictions on the flow of goods in and out of the country (especially northern parts) and a reduction in remittances continue to collectively reduce the purchasing power of Yemeni households increasing economic vulnerability and the use of negative coping mechanisms.
- *Terrorist designation:* There is concern that a possible designation of Ansar Allah as a terrorist organisation by the United States could further restrict the ability of humanitarian organisations to support the response in northern parts of the country, as well as limit funding and affect the national economy at large.
- *COVID-19:* The political, economic, health and social impact of COVID-19 is expected to further drive needs, particularly in already highly vulnerable groups, such as displaced populations and individuals with underlying health risks.
- *Environmental Catastrophe:* *FSO Safer*, anchored off the western coast of Yemen, could turn into a regional environmental catastrophe if the 1.1 million barrels of oil on board begin to leak. Aside from eroding fishing capabilities and livelihoods for millions along the coastlines, an oil spill from the ship could effectively close Hodeidah port – the lifeline of goods and commodities for northern parts of the country – for six months, with cataclysmic impact for the humanitarian situation.

3 Sida's humanitarian allocation

3.1 The role of Sida's humanitarian support

Sweden's humanitarian support to Yemen has increasingly grown over the past decade, reaching close to two billion Swedish krona between 2011 and 2020. Sweden has been thoroughly engaged and active in donor fora connected to the response, for instance leveraging its position as a key donor by withholding funding in early 2020 in anticipation of a more conducive humanitarian environment in the north. Over the past few years, Sida's focus has had a multisectoral approach, including protection, given the vast and varying needs in the country. The support has been in line with the "Strategy for Sweden's humanitarian aid provided through Sida 2017-2020", and included results such as increased access to basic health services, improved water and sanitation and improved nutritional status of those deemed most vulnerable.

Yemen is a country currently characterised by conservative societal norms and a volatile environment. Sida has given priority to gender and protection related programmes, including SGBV; however past experience shows that these components must be handled with great care and cultural sensitivity in order to avoid long delays and refusals from authorities.

Lessons learned from previous years will affect the 2021 portfolio through:

- Encouraging projects applying an integrated protection and gender approach, rather than direct protection programming, given the contextual restrictions.
- Giving priority to partners most likely to gain acceptance for the activities, i.e. those able to implement their planned activities and present a realistic project idea, in line with needs and contextual preconditions (linked to point above, and in an effort to reduce levels of non-implementation and unspent funding).
- Investigate possibilities of conditioning full disbursement on approved sub-agreements for efficient use of funds by partners.

3.2 Allocation Priorities 2021

Needs are vast across all humanitarian intervention sectors and 80 % of people in need are found in hard to reach districts. Sida will finance actors active in a multitude of sectors, with a main focus on food security, WASH, health and protection. The majority of the assistance will be targeted towards hard to reach areas and a combination of response modalities will be used. Ahead of any support, Sida will make an assessment of the implementing organisation's capacity in a number of areas, including conflict sensitivity and gender equality.

- Food Security/Livelihoods: Yemen is in imminent danger of famine; food deprivation levels are, at household levels, the highest since October 2018 and available funding to tackle the situation is insufficient. Food security levels are projected to deteriorate further over the first half of 2021, increasing the number of people living in an area with IPC 3 or higher from 13.5 to 16.2 million people – a number which signifies over half of the country's population. The projection shows 154 governorates in IPC 4 and a further 11 in IPC 5 for

the period, which would indicate much more wide spread food insecurity than in 2018, when famine last threatened the country. In southern governorates Taizz highland, Aden and Al Dhale'e show the highest caseloads of Acute Malnutrition levels in children under five years old. The analysis for northern governorates is currently on-going, thus detailed figures are not yet available.

Sida response channels: WFP, NRC, IR, RB, NRC, ICRC, SMR, WFP

- **WASH:** Over 20 million people are affected by the poor water and sanitation facilities, not least IDPs in hosting sites. Inadequate access to WASH facilities compound the spread of water-borne and communicable diseases (incl. COVID-19) and negatively affect feeding practises for already vulnerable infants and young children. Over 10 million people are targeted in the HRP extension.

Sida response channels: IR, NRC, ICRC, SMR, UNICEF

- **Health:** The protracted conflict has caused the collapse of Yemen's health care system. Immunization coverage is low and access to basic health and nutrition services poor. People in need is estimated to 17.8 million people, with an optimal target of 7.3 million. The response plan highlights children and women of childbearing age in need of obstetric care and maternal services as particularly vulnerable, and outlines a need for strengthening of services available (e.g. rehabilitation of structures, supply of equipment/medicines, training of staff).

Sida response channels: IRC, IR, ICRC, UNICEF

- **Protection:** Factors that exacerbate the vulnerabilities of the Yemini people continue to worsen and people are forced to resort to negative coping mechanisms to make ends meet (see section 1.2). 14.2 million people are in need of protection assistance, with a target of 4.7 million through the HRP extension. The key objectives are to provide specialised services that help reduce the factors forcing highly vulnerable people into unsafe and undignified practices and promoting social practices that help identify and address protection risks. HRP activities include referrals to appropriate services, provision of specialised services, mine action and training on prevention of violence. Partners active in the cluster are continuously met with delays and interference, which hamper the response.

Sida response channels: IRC, RB, NRC, ICRC

3.3 Partners

International Rescue Committee (IRC) receives Programme based approach (PBA) support from Sida and the geographical footprint is predominately in IRG controlled areas of Yemen due to strong historical presence of IRC as well as bureaucratic impediments faced in north by DFA. Implementation will take place in 11 provinces, all being hard-to-reach areas except for Lahj and Abyan. IRC is especially well-equipped to respond to women's and girl's protection needs in the south (SGBV and child protection being part of their focus areas), and activities include the running of community centres. The programme will target IDPs and conflict affected households, and seek to engage minority groups including Mohamasheen and people

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with disabilities. Added value of IRC is the capacity to respond to humanitarian needs in the southern parts of Yemen and strong reach out to vulnerable and disadvantaged groups.

Islamic Relief (IR) plans to implement 63% of its programme in Hodeidah, mainly DFA territory and hard-to-reach area, and 37% in Lahj, which is under the control of IRG, reaching a total of 55 794 beneficiaries. Protection components will be integrated to target vulnerable and disadvantaged groups as well as sensitising the response to meet the needs in a responsible and integrated way. The added value of Islamic Relief is its high presence on the ground and valuable experience in integrating protection components.

Save the Children, for 2021 indicates full implementation of its project in DFA territory, with Hajjah and Sana'a both being hard-to-reach areas, and aims to reach 4 500 beneficiaries directly and 20 000 indirectly. Save the Children faced severe delay in getting its sub agreement approved from DFA authorities, which resulted in 76 % spending of funds while only reaching 13% of the intended beneficiaries. In the 2019 narrative report, a lesson learned was to work with an integrated child protection component, as is the plan for 2021, to allow for a smoother approval process. Sida will during 2021 closely monitor this aspect of Save the Children's operations.

Yemen Humanitarian Fund (YHF) aims to respond quickly to acute humanitarian needs. The Country Based Pooled fund (CBPF) of Yemen faced difficulties to disburse funds quickly in 2020 average time for approval of sub agreements being almost four months (north and south combined). The added value of disbursing almost a third of Sida's total portfolio envelope to the CBPF of Yemen, as in 2020, is hence difficult to justify for 2021. Sida will decrease the amount to 55 MSEK and pay special attention to governance and efficiency aspects during advisory board meetings and bilateral dialogue with YHF management in 2021. However, Sida sees value in the YHF's broad coverage and outreach, not least allocating funds to first line responders.

UNICEF estimates that 12.2 million children are in need of humanitarian assistance. The Humanitarian Action for Children (HAC) for 2020 is severely underfunded with an overall funding gap of 299 MUSD as of 30 September 2020. UNICEF plays a key role in terms of procuring and distributing vaccines (e.g. for polio and 2.4 million provided in August 2020). Moreover, key sectors of relevance for UNICEF such as nutrition, WASH and health remains acutely underfunded, according to the HRP 2020. Sida will explore sectors and added value to maximize impact of support to UNICEF in 2021.

Norwegian Refugee Council (NRC) are seeking flexible PBA funds for a multisector response. Their programming is vast (250 MNOK) and activities spread over 73 districts, whereof which 53 are categorised as hard to reach. Their target group include the most vulnerable among IDPs, refugees and host communities – including socially marginalized groups such as Muhamasheen – in both DFA (60%) and IRG (40%) controlled areas. NRC operates through three hubs (two in the north; Sana'a and Al Hudaydah). In 2021 NRC seek to expand further into areas with high concentrations of IDPs such as Marib. Given the difficulties in gaining access in DFA controlled areas, and in particular outside Sana'a, Sida considers partnering with NRC to have an added value in regards to their presence in the north. NRC is

also one of the main protection partners, both applying it through their ICLA component and through crosssectoral approaches, addressing both child protection and GBV.

International Committee of the Red Cross (ICRC) are present across the country, with approximately 60 % of activities implemented in the northern DFA-controlled parts. The main implementing partner is the Yemen Red Crescent Society, although 10 % of activities will be implemented through a 3rd party in order to reach people in particularly hard to reach areas. Apart from activities in the health, WASH and food security sectors, ICRC have an important mandate in Protection of the Civilian Population and advocating bilaterally for the respect of the civilians affected by the conflict. Sida proposes to fund ICRC in light of their strong protection component and reach-out in relevant sectors in both IRG and DFA-led governorates.

Swedish Mission Council (SMR)² are working through two partners; ADRA and one local NGO. ADRA’s focus will be on hard to reach DFA-controlled Kitaf and Al Hashwah, and the local NGO will most likely focus on IRG-controlled areas in front line locations yet to be decided (distributions to those vulnerable, locations will be based on needs).

World Food Programme (WFP) are providing food assistance to 13 million people on a continuous basis, which is unprecedented in both scale and need. Within 230 districts, considered as food insecure, 103 are at risk of famine. At the same time as WFP is forming the backbone of food assistance to Yemen’s most vulnerable people; WFP have witnessed a reduction in donor support during 2020, causing a significant funding gap affecting millions of people. Following WFP’s reduction of food assistance in the DFA-controlled areas, the proportion of beneficiary households with inadequate food consumption increased from 28 % in May to 46 % in September 2020. WFP has a financial gap of 438 MUS\$ to cover crucial activities between November 2020 and April 2021, and with an overall decreased level of funding, it is expected that needs on food security will remain challenging to meet. Sida considers funding vital as IPC level would worsen rapidly without timely intervention from the WFP.

Sida’s humanitarian allocation to the Yemen crisis in 2021		
Recommended partner for Sida support	Sector/focus of work and response modalities	Proposed amount
IRC	Sectors: protection, health, Modalities: multi	24 000 000
Islamic Relief	Sectors: wash, health, FSL Modalities: multi	30 000 000
Save	Sectors: child protection, education, FSL Modalities: multi	15 000 000
NRC	Sectors: FSL, WASH, Education, RRM/Protection, Shelter, ICLA, Camp Management Modalities: cash, in-kind, service delivery	16 000 000

² SMR is being phased out as a strategic partner to Sida’s humanitarian unit, hence the allocation to SMR is part of a separate allocation process.

YHF	Sectors: multi Modalities: multi	55 000 000
ICRC	Sectors: wash, health, multi Modalities: multi	30 000 000
SMR	Sectors: wash, livelihood, food security Modalities: in-kind, service delivery, cash	14 500 000 ³
UNICEF	Sectors: wash, nutrition, health Modalities: multi	35 000 000
WFP	Sectors: food security Modalities: multi	40 000 000
		TOTAL: 259 500 000

3.4 Strategic humanitarian funding and longer-term assistance

Humanitarian funding will not resolve the humanitarian crisis. Whilst there is need for progress in the peace process, there is also an urgent need to build resilience at the individual, community and institutional levels to reduce vulnerabilities and gradually reduce the overreliance on humanitarian support. Improved coordination and collaboration between humanitarian and development donors is important in supporting this transition. In light of this, the humanitarian unit, alongside EU DEVCO, continues to support UNDP to implement “Supporting Resilient Livelihoods and Food Security in Yemen Joint Programme (ERRY II)” until February 2022 with resilience funding from the humanitarian strategy 2017 – 2020.

The *Regional strategy for MENA 2016-2020* is currently piloting an initiative through International Media Support (IMS) that aims to develop a platform for Yemenis to provide feedback on the humanitarian response to improve information-sharing and better accountability of affected populations. UNFPA is supported in the area of GBV in Yemen with activities ranging from humanitarian to development work. Coordination between the humanitarian unit in Stockholm and the Embassy in Amman is expected to continue and to ensure adequate synergies between the two strategies.

Synergies will also continue to be explored with the *Strategy for sustainable peace*, not least through the ongoing support for the Peace Support Facility. With an increased focus on track 2 dialogue efforts at the local level, support from this strategy could possibly improve operational conditions in certain areas, which would benefit Sida’s partners and programs in Yemen.

On portfolio level, there are strong incentives to allow for multi-year funding in order to facilitate and expediting sub agreement approval by authorities for a number of partners, including for those with main activities in DFA controlled areas. Given the delays, aspects of efficiency and value-for-money would certainly increase as it would allow partners to implement activities without seeking approval for sub agreements on an annual basis.

³ Not included in the total amount of 245 MSEK.

4 References

IOM Yemen updates

UNFPA Presentations and position papers

UNICEF Presentations

San'a Center for Strategic Studies 2019

Presentation by RC/HC during SOMII in November 2020

Cash Consortium of Yemen Remittances Tracker

OCHA Yemen Situation Reports

OCHA Yemen HRP 2020

HRP Extension Document (July – December 2020)

OpenAid

UNICEF HAC 2020

UNICEF Yemen Situation Reports

WFP Global Update

UN Secretary General Statements

HCT Meetings Presentations

UNDP Yemen ERRY II Background document

WFP Nordic Delegation Meeting November 2020

Initials submissions of AAH, IRC, NRC, SMR, Oxfam; SRC, IR, SC