

THE SHF THANKS ITS DONORS **FOR THEIR GENEROUS SUPPORT IN 2021**













NORWAY













PRIVATE DONATIONS

Credits

This document was produced by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) Somalia. OCHA Somalia wishes to acknowledge the contributions of its committed staff at headquarters and in the field in preparing this document.

The latest version of this document is available on the SHF website at www.unocha.org/Somalia/SHF.

Full project details, financial updates, real-time allocation data and indicator achievements against targets are available at CBPF DataHub.

About SHF

For additional information, please contact: Somalia Humanitarian Fund Shf@un.org

Tel: +254 (0) 73 23 910 43

Insert caption. Credit: OCHA/Photographer

The designations employed and the presentation of material on this publication do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Financial data is provisional and may vary upon financial certification

TABLE OF CONTENTS

Λ	Г	\cap	D	E١	W	\cap	D	Γ
4	г	U	П		٧V	U	п	L

6 **2021 IN REVIEW**

- 6 HUMANITARIAN CONTEXT
- 8 VISION STATEMENT

12 **DONOR CONTRIBUTIONS**

16 **ALLOCATIONS OVERVIEW**

- 16 STRATEGIC STATEMENTS
- 19 HIGHLIGHTED ACHIEVEMENTS

24 LESSONS LEARNED AND BEST PRACTICES

26 **FUND PERFORMANCE**

- 27 INCLUSIVENESS
- 28 INCLUSIVENESS
- 31 FLEXIBILITY
- 33 TIMELINESS
- 35 **EFFICIENCY**
- 37 RISK MANAGEMENT

40 **ANNEXES**

- 41 ACRONYMS & ABBREVIATIONS
- 42 SHF ADVISORY BOARD
- 43 REFERENCE MAP
- 44 ALLOCATIONS BY RECIPIENT ORGANIZATION



FOREWORD

I am pleased to share with you the 2021 Somalia Humanitarian Fund (SHF) Annual Report. The report outlines how the SHF was timely and agile in providing integrated lifesaving response in the complex operating environment of Somalia. The report also provides an overview of its robust management and accountability systems.

The year was marked by persistent drought in large areas of Somalia. Households across the country remained in deep need, with many struggling to achieve essential services and resources necessary to meet the basic requirements of life. In response, the SHF launched multiple allocations that focused on relief to the severe drought conditions in complementarity to four CERF allocations, bringing the overall pooled funds response to \$98 million.

The SHF continues to champion localization. In 2021 it achieved a new milestone, direct funding to local and national NGOs rose to 61.3 per cent far exceeding its internal target of 45 per cent. This increase was consistent with the overarching objective of the Fund to support partners best placed to implement activities in a timely, efficient, and accountable manner. In all interventions, the SHF continued to prioritize life-saving humanitarian response with emphasis on underserved and hardto access areas, while ensuring the centrality of protection and accountability to affected people, with a focus on women and girls and people with disabilities. Direct implementation through international and national non-governmental partners, accounted for 98 per cent of allocations.

I would like to express my gratitude for the continued trust and support of SHF donors. This was demonstrated by increased contributions in 2021, with deposits reaching a total of \$58.7 million representing a 19 per cent increase from the year before. Consequently, the SHF was able to increase its allocations from \$37 million in 2020 to \$46.3 million in 2021. As the drought situation severely deteriorated in November 2021, donors were proactive and responsive by generously depositing \$17 million to allow for an early allocation in 2022, underscoring the importance of early contributions.

I would also like to acknowledge the efforts of the Advisory Board members and their proactive engagement in the governance of the Fund and thank clusters, UN and NGO partners for their partnership and tireless support to the Fund. The SHF continues to rely on and empower the Somalia inter cluster coordination system by placing cluster coordinators at the center of prioritization and decision-making processes.

There is a serious risk that the combined impact of consecutive failed rainy seasons may develop into a major drought by early to mid-2022. The number of people estimated to require humanitarian assistance in 2022, has sharply risen from 5.9 to 7.7 million Somali women, men, and children. Given the scale of humanitarian needs and the comparative advantage of the SHF, I encourage donors to maintain their generous support to the SHF as one of the best placed and most agile funding mechanisms in Somalia.

ADAM ABDELMOULA
Humanitarian Coordinator for Somalia



2021 in Review

HUMANITARIAN CONTEXT

HUMANITARIAN RESPONSE PLAN

The 2021 HRP sought \$1.09 billion to provide lifesaving assistance across Somalia. The appeal covered requirements across eight emergency clusters providing assistance to 5.5M people.

7.7M
PEOPLE IN NEED

5.5M
PEOPLE TARGETED



Humanitarian situation in 2021

In 2021, Somalia experienced a myriad of persistent and protracted humanitarian crises driven by alarming political instability, widespread insecurity and recurring climate disasters. Somalia also continued to address the emergency phase of the COVID-19 pandemic and its far-reaching aftershocks.

These perpetuated high levels of humanitarian needs, and protection concerns across the country particularly in Somaliland, Puntland, Galmudug, Hirshabelle and Jubaland states.

The number of people in need of humanitarian assistance increased from 5.9 million reported in February 2021, to 7.7 million people by the end of 2021, representing close to half of the country's population.

Prolonged drought conditions

In 2021, Somalia was the most severely drought-affected country in the Horn of Africa. There were three consecutive failed rainy seasons, severe water shortages and rising food prices.

The October to December 2020 short rains, April to June 2021 long rains and October to December 2021 short rains began late, were erratic and ended prematurely. These negative rainfall anomalies, coupled with two dry seasons (December to March and July to September) resulted in hunger, malnutrition and increased poverty particularly among rural communities.

In February over 34 districts across Somalia faced alarming water shortages. The drought spread to 66 out of the country's 74 districts by December, leaving over 3.2 million people in distress. Thousands of people abandoned their homes in search of water, food and pasture. Extreme drought, led to water scarcity, a spike in water and food prices and widespread

livestock deaths. By mid-2021, 60 per cent of water catchments in Somalia had dried up and water prices had increased by almost 70 per cent in key drought hot spot districts in pockets of the country. These are Gedo, Galgaduud, Mudug, Puntland and Somaliland with severely drought-affected districts in Galmudug reporting an increase of up to 300 per cent, leaving millions of people dependent on water trucking

Riverine and flash flooding

In late April and May heavy rains hit various parts of Somalia triggering riverine and flash flooding that affected 400,000 people in 14 districts. Over 100,000 people were displaced from their homes. In the hardest hit district of Jowar, more than 40,000 hectares of farmland was destroyed. The floods disrupted learning in 12 schools and damaged 82 per cent of WASH infrastructure. In most riverine areas, the heavy rains caused deaths, damaged crops and destroyed livelihood assets and economic infrastructure in some areas.

Food Insecurity and malnutrition

Cyclical drought and floods resulted in a sharp increase in food insecurity especially in rural areas. The invasion of desert locust in 2020 through to mid-2021 worsened food security in many areas where households were already experiencing widening food consumption needs and erosion of their coping capacity. The number of people in crisis or worse food security outcomes rose from 1.6 million in early 2021 to 3.5 million by December 2021

Acute malnutrition continued to worsen, driven by increasing food insecurity, lack of access to water and lack of sanitation. By December, 1.2 million children were projected to be acutely malnourished including nearly 330,000 severely malnourished children.



Prevalence of disease outbreaks

Somalia continues to experience cases of acute watery diarrhea (AWD)/ cholera outbreaks in multiple locations because of the scarcity of safe water, sanitation services. About 3,858 AWD/cholera cases and 27 related deaths were reported from January to August 2021. During the same period, 695 cases of suspected measles were investigated and 595 were found positive.

Internal displacements and protection risks

About 2.9 million people, mostly women and children, are displaced due to conflict, drought, lack of livelihood opportunities and forced evictions from their settlements, mostly by landlords. They live in extremely poor conditions in overcrowded settlements with limited access to protection and remain at high risk of contracting AWD/cholera and measles due to limited access to safe water, basic sanitation and hygiene services.

The displaced people face a high risk of forced evictions, discrimination, violation of children's rights and pervasive gender-based violence (GBV) including sex-

ual violence. Of the 2.9 million IDPs, 537,000 were displaced in 2021, of whom 420,000 were forcibly displaced due to conflict.

limited access to health facilities, poor hygiene and Forced evictions continue to undermine efforts to assist IDPs and hinder acceleration of durable solutions. In June alone, some 18,273 IDPs were evicted in Somalia. IDPs in Banadir, Bay and Lower Juba regions face increased evictions or eviction threats.

Security and access constraints

The operating environment in Somalia remains complex and dangerous. Active conflict, movement restrictions, interference in the implementation of humanitarian activities and bureaucratic impediments continue to affect the ability of humanitarians to reach people in need promptly. The presence of multiple armed groups including non-state armed groups disrupt movements along main supply routes. Limited and poorly maintained infrastructure is an impediment to reaching people in need with assistance. Road movement restriction, including unauthorized roadblocks and checkpoints, resulted in increased reliance on air transport for humanitarian supplies and personnel.

VISION STATEMENT

In 2022 Somalia is expected to continue facing significant humanitarian challenges. Drought conditions are predicted due to the risks associated with the high chance of a La Niña developing through March, which will likely affect crop production and food security. Between 76,000 and 250,000 people are projected to be displaced by floods and about 190,000 people will be displaced by conflict, while additional risk of displacement is predicted should the electoral process falter, or drought conditions become severe.

The SHF will continue to prioritize life-saving humanitarian response with emphasis on underserved and hard-to-access areas, while ensuring the centrality of protection and accountability to affected people, with a focus on women and girls and people with disabilities, in all SHF-funded interventions.

The Fund will continue to prioritize direct **implementation** through international and national non-governmental partners, accounting for at least 80 per cent of annual SHF funding. Funding will be

channeled through partners that are best placed to deliver activities following humanitarian principles in a timely, effective and impactful manner. By doing so, SHF will support local partners, as the best responders, by striving to channel at least 45 per cent of funding directly through national partners.

Finally, SHF promotes integration of response across clusters and complementarity with other funding sources to support a stronger collective response while supporting funding for pipelines, enabling programmes and other support services provided by the United Nations or NGOs, up to a maximum of 20 per cent of the annually available funds.

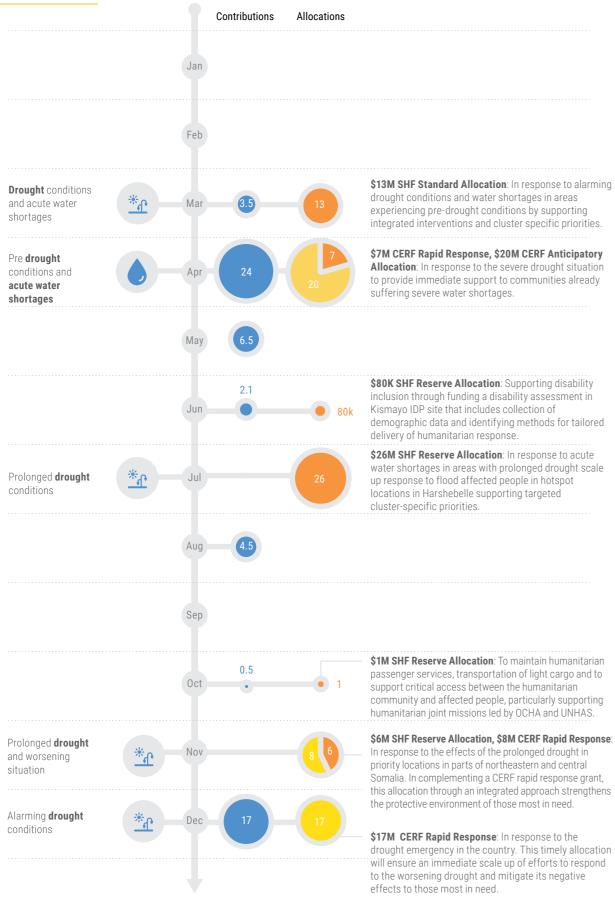
These will allow the SHF to support collective prioritization, ensure timely allocation of scarce resources where needed the most, enable effective humanitarian interventions and ultimately strengthened humanitarian coordination, leadership and efficiency of response.



PAGE ANNUAL REPORT 2021

10 SF 2021 IN REVIEW

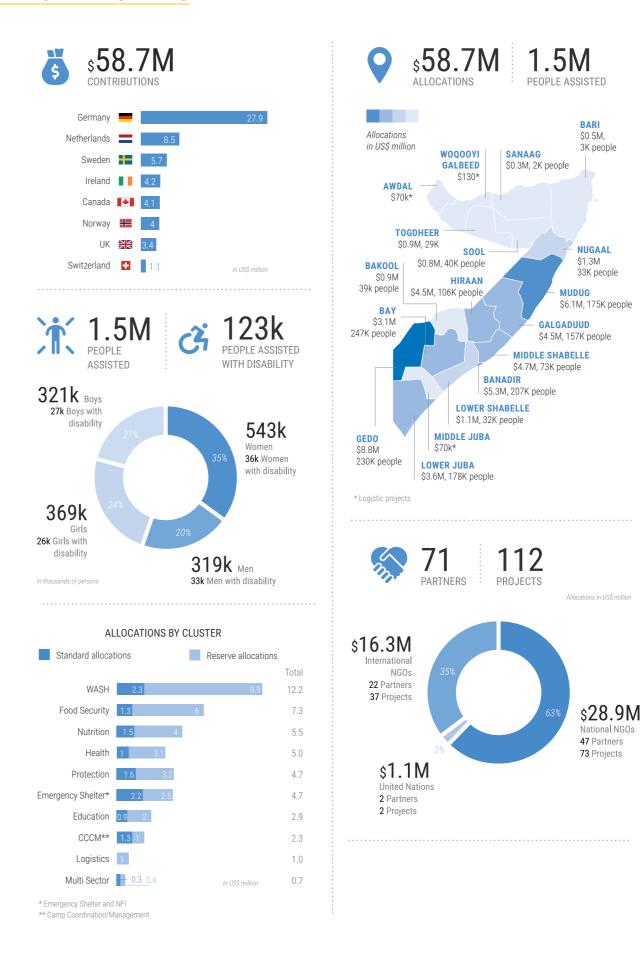
2021 TIMELINE



PAGE ANNUAL REPORT 2021

11 SHF 2021 IN REVIEW

2021 IN NUMBERS



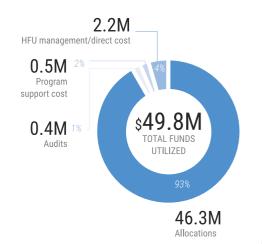
PAGE ANNUAL REPORT 12 SHF 2021

Donor contributions

DONOR CONTRIBUTIONS

UTILIZATION OF FUNDS



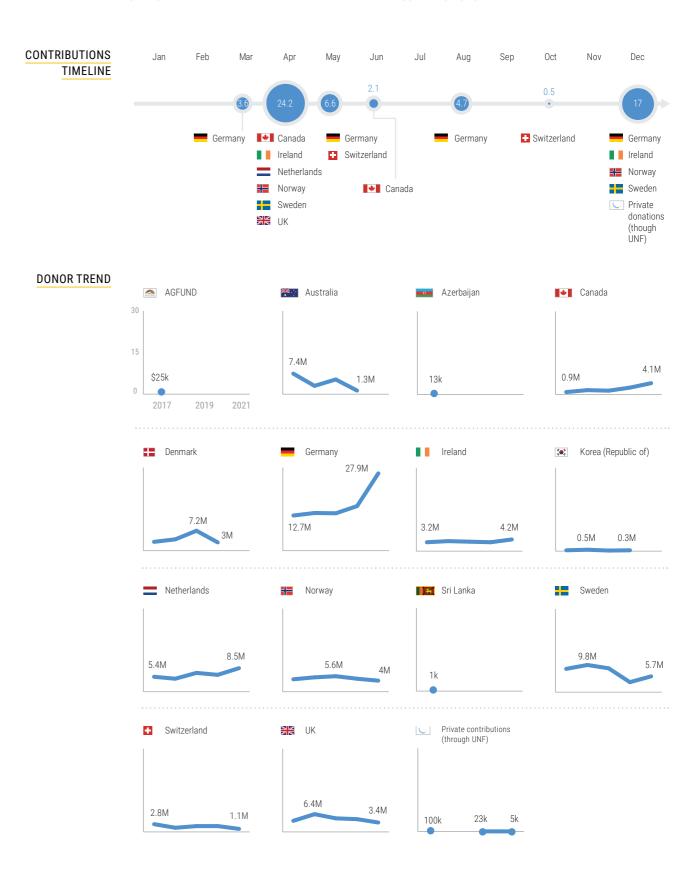


In 2021, SHF contributions reached \$58.7 million. These generous contributions have allowed \$46.3 million in allocations that focused primarily on the severe and persistent drought conditions that plague Somalia and closely complemented CERF funding.

Donors have continued to demonstrate their trust and support for the SHF by increasing contributions in 2021, depositing \$58.7 million which represents a 19 per cent increase (equivalent to \$12 million) from the year before. Consequently, the SHF was able to increase its allocations from \$37 million in 2020 to \$46.3 million in 2021. As the drought situation severely deteriorated in November 2021, donors were responsive by generously depositing \$17 million to allow for an early allocation in 2022, underscoring the importance of early contributions. The proportion of SHF funding as a percentage of the overall humanitarian funding increased from 5.75 per cent in 2020 to 7.5 per cent in 2021. This was a result of the increased contributions but a drop in the overall HRP funding in 2021 despite a higher HRP requirements.

PAGE ANNUAL REPORT DONOR

13 SHF 2021 CONTRIBUTIONS







47.5 2020 - 2024

Donor trend

There was an increase in contributions despite the number of donors dropping from 11 to 8. Some countries changed their funding priorities because of the COVID-19 pandemic. Denmark pledged a contribution in December 2021 which will be reflected in the 2022 contributions.

Four out of the eight donors have made their highest contributions ever to the fund in 2021. Germany remains the top donor for the fifth consecutive year. Their contributions have increased steadily year on 3 donors have decreased their funding in 202, and year, and in 2021, they increased 72 per cent from the previous year. This amount equals 47.5 per cent of the total contributions received by the fund in 2021, which indicates high confidence in the SHF.

For two years, the second highest donor was the Netherlands with a \$8.5 million contribution. This was a 40 per cent increase from the year before.

Canada contributed \$4 million in 2021, a 61 per cent increase from 2020, and this is their highest contribution to the SHF yet. In response to the drought, Ireland contributed a top up in November, representing a 30 per cent increase from the previous year.

Important to note, is the upward trend of funding from Sweden after a decline in 2020. Contributions by Sweden increased 59 per cent from the previous year, rising from \$3.6 million to \$5.6 In summary, although another two have stopped funding the SHF, the Fund still enjoys a firm donor base and support.

The Humanitarian Coordinator has visited many donor capitals in the Gulf and Europe to raise the profile of the SHF and attract potential donors. In addition, he has made regular donor visits to Nairobi to update on the deteriorating humanitarian situation in Somalia and reaffirm the integral role of the SHF to the overall response, particularly for localization.



Students in class in Jalalagsi © OCHA/ Randa Merghani

Abdullah meeting READO representative to get registered at the local school in Baidoa, South West State, Somalia. © READO



FROM SHINING SHOES TO SCHOOL

I never ever want to go back to the shoe shining again, I felt bad seeing other children go to school, but there was nothing I could do.

Abdullah 11, resides in Madhayto camp, one of the 517 sites for internally displaced people (IDP) in Baidoa, South West State, Somalia. At this young age, family circumstances had forced him to work as a shoe shiner in Baidoa town.

As other children from the IDP settlement picked their books and head to school, Abdullah would pack his tools (brush and polish) and head in the opposite direction. He would spend the whole day at work to ensure that he returns home with food for his siblings. He quietly wished to go to school but that was not a priority for his family due to financial constraints.

A local non-governmental organization stepped in to meet the educational needs at the IDP sites. The partner, Rural Education and Agriculture Development Organization (READO) supported by the Somalia Humanitarian Fund (SHF), supported 15 schools: 10 public schools in Bardaale, Xudur and Awdinle areas and five temporary schools in the IDP sites.

As a result of the support, the schools were able to retain 5,190 learners, (2,676 boys, 2,514 girls), and to enrol 28 new learners from the marginalized minority communities, including Abdullah.

"I never ever want to go back to the shoe shining again, I felt bad seeing other children go to school, but there was nothing I could do," said Abdullah, now a student in Madhayto IDPs school. "At least writing is softer than brushing the shoes," he jokes, hiding the blisters on his hands.

In collaboration with the community leaders, READO was able to sensitize members from the community on the importance of sending their children to school. In addition to back-to-school campaigns, READO provided dry food ration, clean water and learning kits for the children on a monthly basis.

"The IDP schools have saved the lives of many children, their future was uncertain, and this is how they become vulnerable to abuse and bad elements in the community who enlist them in armed conflict," the head teacher of Madhayto, Mr. Hassan Mohamed Adan. "But now they are settled in school, and this is good for us as a community."

The SHF through its implementing partner is prioritizing saving the future of young children through various interventions. Providing access to quality education is not only a right of every single boy and girl in Somalia, but also an investment.

Allocations overview

STRATEGIC STATEMENTS

Strategic, life-saving and effective response

The SHF continues to demonstrate its comparative advantage through its allocations and attainment of its localization targets. In 2021, the SHF channeled 61.3 per cent of its funding to national NGOs as front-line responders. Increased funding allowed for one Standard Allocation, two Reserve Allocations to respond to sudden onset emergencies, and an additional two special Reserve Allocations for small and targeted projects. Much of the funding focused on relief of the severe drought conditions. Many of these allocations complemented CERF funding.

First Standard Allocation: Anticipatory Drought relief

In response to the Government's appeal to address the devasting drought conditions in Somalia, the HC released all available SHF funds (\$13 million) to launch a targeted response to drought. The allocation focused exclusively on water shortages in the most affected districts of Somaliland, Jubaland, Puntland and Galmudug. An appeal followed this to the ERC for CERF Rapid Response and CERF Anticipatory Action as the triggers for these interventions had been met. This unique allocation was complemented by the two CERF allocations, allowing NGOs and UN early action to save lives, alleviate suffering, reduce displacements, and deliver assistance before the situation further deteriorated.

First Reserve Allocation: Reaching persons with

This allocation funded a three-month disability inclusion assessment in 146 IDP sites in Kismayu to assess the needs of displaced persons with disabilities and identify actions to reach them that can be replicated in different displacement sites. The findings were presented to all relevant stakeholders, encouraging agencies working in IDP sites to take practical measures such as - door to door visits or shelter level information engagement, provision of mobility aids and specialized mobility assistance- in streamlining disability inclusion within their programmes.

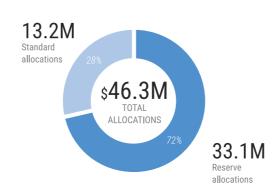
Second Reserve Allocation: Reducing vulnerabilities due to floods and drought

This \$26 million allocation addressed the acute water shortages in selected drought hot-spot areas in Banadir, Galgaduud, Gedo, Lower Juba and Bay regions, and scaled up immediate response to flood-affected communities in two severely affected districts of Jowhar, Baardheere, Garbahaarey and Beletweyn. The allocation came at a critical time, mid 2021, when overall humanitarian funding to Somalia was at its lowest in six years and the coping mechanism of communities had been eroded by multiple shocks.

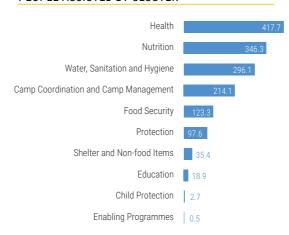
2021 ALLOCATIONS

Month	Fund	Envelope	Purpose
March	1st Standard	\$ 13.3 M	Anticipatory Drought Response
April	1st Reserve	\$ 0.08 M	Disability assessment
July	2nd Reserve	\$ 26 M	Water shortages and floods
September	3rd Reserve	\$ 1 M	Enabling programmes (UNHAS/WFP)
November	4th Reserve	\$ 6 M	Drought response

ALLOCATION BY TYPE in US\$ million



PEOPLE ASSISTED BY CLUSTER



ALLOCATION BY STRATEGIC FOCUS in US\$ million

S01 Reduce loss of life for 3.1 million of the most severely vulnerable people by decreasing hunger, acute mainutrition, public health threats and outbreaks.

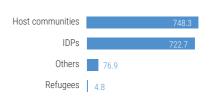
S02 Sustain the lives of 4 million people requiring humanitarian assistance people by ensuring safe, equitable and dignified access to livelihoods and essential services by the end of 2022

S03 Uphold commitments to the centrality of protection across the humanitarian response through protection mainstreaming, accountability to affected populations and monitoring of the protection environment

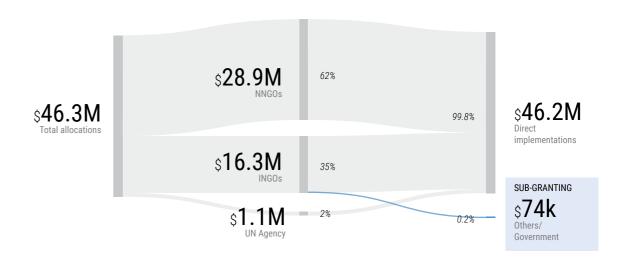
ALLOCATIONS BY STRATEGIC FOCUS



PEOPLE ASSISTED BY TYPE



ALLOCATION FLOW BY PARTNER TYPE in US\$ million



Third Reserve Allocation: Maintaining critical services to reach people in hard-to-reach areas

A UNHAS project of \$1 million maintained humanitarian passenger services, transportation of light cargo and ensured continued humanitarian access in hard-to-reach locations mostly in southern Somalia.

This SHF allocation contributed to bridging their funding needs during severe drought conditions that required a stable continuation of humanitarian assistance.

Fourth Reserve Allocation: Integrated response through complementary funding streams

In response to the prolonged drought in priority locations in parts of northeastern and central Somalia where the situation had rapidly worsened, a \$6 million allocation was released to partners already on the ground. The allocation also supported an integrated/multi-sectoral project (those that cover two or more sectors or clusters) where the needs of communities were addressed through a suite of life-saving services including protection support. The allocation was complemented by a CERF rapid response grant of \$7 million and an additional grant of \$17 million shortly after in 2022.



HIGHLIGHTED ACHIEVEMENTS



1,238
GVB survivors

provided with specialized protection service GVB prevention activities and awareness raising.



\$41.7M of project funded by CBPFs contributed to gender equality.



In the implementation of SHF funded projects, partners developed guidelines for the inclusion of children with disabilities in humanitarian action to ensure they receive equal access.

PROMOTING LOCALIZATION

he Fund supports the localization of humanitarian response through local and national implementing partners, whose share of direct funding rose from 45 per cent in 2019 to 53 per cent in 2020 and 61.3 per cent in 2021. This exceeds the Fund's internal targets to channel at least 45 per cent of funds in 2021 to local and national partners. The increase in funding to local and national partners was consistent with the overarching objective of the Fund to support partners best placed to implement activities in a timely, efficient and accountable manner.

The close work with local and national NGOs is valued as an investment contributing to improved delivery of services. In 2021, the SHF management organized nine training sessions for partners, developing capacity to design, manage and implement the SHF projects, ranging from programmatic to financial issues, compliance, operational modali-

ties and risk management. More than 200 partners participated in trainings, of which 64 per cent were local and national, and 36 per cent were international non-governmental partners.

While not a strategic objective of the Fund, capacity development of partners is, and will continue to be, essential to the Fund's effectiveness. Close partnership through training, partner-specific assurance activities, and one-on-one exchanges, which primarily aim to ensure compliance with the Fund's standards and procedures, are all concrete examples of investment in the capacity strengthening and development of partners, thereby contribute to localization in Somalia.

Through working directly with national and local actors, the SHF strives to better serve communities in need by bringing local and national actors closer to prioritization and decision-making processes.



Residents of the IDP Camp B come to get water from the truck that supplies water for the entire settlement. © OCHA/ Tanya Lyubimov
 PAGE
 ANNUAL REPORT
 ALLOCATIONS
 PAGE

 20
 SF 2021
 OVERVIEW
 21

EFFECTIVE PROGRAMMING

KEY PRINCIPLES FOR INCLUSIVE PROGRAMMING

Strengthening Accountability to Affected People

All SHF-funded projects are required to embed community participation and feedback mechanisms into the design of projects. Field monitoring visits include consultations with the assisted people to assess community engagement in project implementation, verify complaint mechanisms in place, and address barriers to people's feedback and opinions. The importance of AAP in humanitarian response has been highlighted in all SHF allocation strategies, which have provided general guidance on AAP and refer to SHF Programme Manual that provides further guidance to partners. Additionally, the Fund's remote call monitoring services capture assisted peoples' project implementation feedback and propose recommendations to strengthen programming and community participation. Within the SHF context, remote call monitoring is a program monitoring approach which enables the SHF to obtain independently verified information about the status of implementation of the SHF projects in inaccessible areas.

Promoting the Centrality of Protection

The SHF supported the collection, verification and analysis of information on people with disabilities, older persons at risks and persons from minority clans/communities, in order to identify the protection risks faced by these groups and inform effective responses. In IDP sites, protection monitors ensured safe and accessible WASH facilities for individuals with mobility restrictions such as older persons and people with disabilities.

Addressing Gender Equality and Responding to Sexual- and Gender Based Violence (SGBV)

The SHF aims to ensure protection of women and girls in humanitarian action by consistently embedding gender and protection mainstreaming in multi-sector interventions and targeted stand-alone protection projects. Through these projects and within the severe drought context of 2021, WASH projects ensured that water services were brought closer to settlements, reducing walking distance for water and associated risks. In addition, 1691 gender-sensitive latrines were installed with solar lighting. Awareness trainings on GBV focused on village leaders given their great influence in the community.

91% of all SHF projects funded in 2021 contributed to gender equality and \$4.5 million was allocated to help protect the most vulnerable reaching 100,000 people.

The Fund also oversaw the expansion of community-based child protection and GBV/SGBV services and established referral pathways to affected communities, including clinical, psychosocial, security and safe house services as well as training of community leaders. SHF projects aim to empower women by ensuring they are heavily involved in the relevant committees and are part of the project design, implementation and monitoring.

Including Persons with Disabilities

Persons with disabilities face extreme barriers and stigma in being recognized, accessing resources and feeling valued in their community. Women and girls with disabilities often experience 'double stigma' because of their gender, putting them at additional risk of GBV. The SHF funded an extensive disability inclusion assessment in Kismayo IDP sites that collected important demographic data on Persons with disabilities and identified methods, in consultation with the community, for tailored delivery of humanitarian services to persons with disabilities in IDP sites in Kismayo district. The assessment applied an intersectional gender lens and considered the needs and the specific challenges faced by different gender and age groups.

The survey found that 20 per cent of the respondents were persons with disabilities, higher than the 15 per cent planning figure in the Humanitarian response Plan (HRP). In December 2021, the assessment results were shared with the wider humanitarian community and will inform quality programming of future SHF projects in IDP sites. In 2021, 6.5 per cent of the people assisted through SHF projects were people with disabilities. This is a modest increase from 6 per cent in 2020.

AREAS OF CONTEXTUAL PROGRAMMING

Advancing Cash and Voucher Assistance (CVA)

Prioritization of cash as a response modality, where appropriate, has been actively and strategically encouraged by the SHF through its allocation strategies since early 2017. In the context of humanitarian assistance cash-based interventions refer to the provision of cash transfers or vouchers given to individuals, household or community recipients.

However, individual decisions on prioritizing cash intervention are placed within individual clusters and guided by the local context analysis of the affected population, market function, and harmonized cash transfer values by the Cash Working Group (CWG).

In 2021, 11 per cent of allocations (\$5.1 million) were channeled as cash transfers. Cash was used in all allocation rounds and was instrumental to respond to the critical needs of vulnerable populations affected by prolonged drought conditions and sudden onset flooding.

To respond to the food and security crisis in northern Somalia, integrated food security and nutrition projects partly provided cash transfers, primarily targeting women-headed households and families with children discharged from therapeutic feeding centers. To augment response, the cash plus initiative was used where the cash benefit was supplemented with complementary activities, such as restocking of livestock, to restore livelihoods and boost nutrition.

Improving humanitarian access

ANNUAL REPORT

SHF 2021

Through the wide network of national and local SHF partners, the SHF has reached vulnerable people in hard-to-reach areas. Access-constrained areas are locations that are remote or insecure, making them difficult for members of the humanitarian community to reach. The SHF's success in localization has greatly improved its reach to communities at risk of being left behind. A recent mapping of SHF partners shows extensive coverage of partners in hard-to-reach like Bay, Bakool, Gedo and the Shabelles.

Enhancing complementarity with CERF and other funding streams

RAPID RESPONSE

Amid calls for urgent action to mitigate the impact of the worsening drought conditions in Somalia, three CERF Rapid Response (RR) grants were released in 2021. In March, the first CERF grant was aligned with the Anticipatory Action (AA) response. The other two

came back-to-back in November and December as the situation in Somalia reached alarming levels after three failed rainy seasons. These CERF/SHF complementing grants served a dual purpose. First, it combined with ongoing efforts to sustain livelihoods by supplementing UN response and providing immediate relief to the drought affected communities. Second, it aimed to mitigate the effects of a fourth consecutive failed season in early 2022. Using the learnings from the anticipatory action pilots, multi-purpose cash allowed people to make informed and timely choices to protect their livelihoods and reduce vulnerability.

ANTICIPATORY ACTION

ALLOCATIONS

OVFRVIFW

In 2021, as Somalia faced increasing needs and diminishing resources, two CERF allocations, totaling \$ 20M, were granted in tandem with an SHF allocation of \$20 million. The CERF Rapid Response Grant signaled to the humanitarian community the need for immediate response. It aimed to jump start response in the areas hardest hit by drought still waiting for relief, while extensive resource mobilization efforts were ongoing. The CERF AA grant built on the success of the 2020 Somalia AA pilot and was in response to alarming drought conditions rapidly increasing in parts of Somalia, triggering the AA framework.

Setting precedent, this double CERF allocation for Somalia allowed the Rapid Response grant to provide immediate assistance to those facing crisis right now while the Anticipatory Action grant complemented the response by reaching those at risk of sliding into crisis. This innovative approach to CERF allocations was strategically designed to address recurrent climate shocks through short- and longer-term integrated interventions.

2021 ALLOCATIONS

Month	Fund	Envelope	Purpose
March	1st Standard	\$ 13.3 M	Drought response
March	CERF RR	\$ 7 M	Drought response
March	CERF AA	\$ 20 M	Drought response
April	1st Reserve	\$ 0.08 M	Disability assessment
June /July	2nd Reserve	\$ 26 M	water shortages and floods
September	3rd Reserve	\$ 1 M	Enabling programmes (UNHAS/WFP)
Nov/Dec	CERF RR	\$ 8 M	Drought response
Nov/Dec	4th Reserve	\$ 6 M	Drought response
Dec	CERF RR	\$ 17 M	Drought response

PAGE ANNUAL REPORT ALLOCATIONS 22 SF 2021 OVERVIEW

SECTOR/CLUSTER ACHIEVEMENTS

18.9k children are provided with school and learning supplies



123k people in need received assistance under the food security





people were assisted under the Camp Coordination and Management cluster













91% of the projects funded by SHF contributed to gender equality.









In 2021, SHF supported

71 partners by funding

112 projects mainly the national NGOs **WASH** activities received the highest proportion of SHF funding, amounting

\$12M covering

18 regions





Lessons learned and best practices

Investing in hygiene facilities makes handwashing easier to practice

WASH projects implemented during the COVID-19 pandemic have shown that access to handwashing facilities, soap and water has been essential to improving hygiene behavior. This has ultimately driven community-led and institutional efforts to drastically scale up access to handwashing facilities with the support of SHF funding. Ultimately, due to the associated improved hygiene this is expected to lead to reduced disease incidents resulting in improved health.

Community campaigns are an opportunity to strengthen immunization services

SHF projects capitalized on the benefits of community campaigns to draw public attention to the benefits of routine immunization and essential health services. They familiarized communities with COVID-19 vaccine rollout in their areas.

Meaningful and ongoing community engagement is the foundation of a successful project

All SHF-funded projects must include a to mainstream AAP and thereby ensure that community priorities and preferences are addressed satisfactorily into the design of projects. Through the different oversight mechanisms, the SHF has assessed the community's level of engagement throughout the life cycle of a project. Findings have shown that the projects with consistent inclusion of the community at the different phases of the project align with the project's a comprehensive review of project deliverables.

success and the community's acceptance. Additionally, the SHF remote call monitoring services have helped capture project implementation feedback from beneficiaries and resulted in recommendations to strengthen programming and community participation. The SHF Complaint Mechanism has successfully brought community concerns on SHF projects to the attention of the Fund.

Building trust through open community meetings for selection of assisted people

SHF projects have shown that conducting open community meetings for selection of assisted people at the village level with participation of target and non-target households has reduced misunderstandings, negative perceptions and improved collaboration. It is good practice to ensure a transparent process in beneficiary selection - the target community must understand the selection process and have appropriate information.

Cluster involvement in project monitoring contributes to better technical verification

Engaging the cluster at the national and sub-national levels has contributed to better technical verification of the implemented activities, leading to timely corrective measures for the projects to achieve the desired objectives and serve the right needs. After COVID-19 lockdowns were lifted and field monitoring resumed, the monitoring teams consisted of SHF members. OCHA field staff, and cluster technical staff to ensure

Practicing the correct handwashing at the Weedo health facility. © OCHA/Ahmed Fais



"I WOULD ENCOURAGE OTHERS TO SEEK HELP," SUPPORTING GBV SURVIVORS WITH HEALTH AND **PSYCHOSOCIAL SERVICES**

wasn't sure to get treatment, more specifically disclosing it to anyone but I'm grateful for the support I received. I would encourage others as well to seek help if they experience the same," says a GBV survivor

Gender-based violence is a violation of human rights that inflicts suffering on the people who are survivors. GBV is any act committed against a person's will, which can be physical, emotional, psychosocial and sexual, and can be expressed through deprivation of resources or access to services.

The Somalia Humanitarian Fund through its implementing partner; Somalia Young Doctors Association - SOYDA has designed projects that aim to provide immediate lifesaving services and risk mitigation to GBV survivors living in the displacement and host communities in Marka district, Lower Shabelle, Somalia.

Through the project, SOYDA provides clinical care for sexual assault survivors, case management, psychosocial support, tailored material emergency support and dignity kits to survivors of GBV and other vulnerable people. In addition, SOYDA provides transport cost to GBV survivors to facilitate access to post exposure prophylaxis in different health facilities and treating each case with care and confidentiality.

One such example of this support is a GBV survivor who was afraid to go to the hospital, believing that this was destined to happen and that no one could help her.

The SOYDA case workers spoke with her about the importance of treatment within 72 hours to prevent STIs, pregnancy, and HIV. With all the information she provided, she agreed to go the hospital to access

"I wasn't sure to get treatment, more specifically disclosing it to anyone but I'm grateful for the support I received. I would encourage others as well to seek help if they experience the same," says a GBV survivor.

SOYDA provided case management and basic psychosocial support to 492 (143 girls, 341 women,1 man, 7 boys) GBV survivors per global guidelines and provided direct services in (Awyaale, Nuurta Taliyow, Buufow, Isman quule and Hawl-wadag IDP camps in Marka district. The caseworkers created individual action plans for immediate medical, emotional assistance, and safety plans for survivors.

Fund performance

The SHF measures its performance against a management tool that provides a set of indicators to assess how well a Fund performs in relation to the policy objectives and operational standards set out in the CBPF Global Guidelines. This common methodology enables management and stakeholders involved in the governance of the Funds to identify, analyze and address challenges in reaching and maintaining a well-performing CBPF.

CBPFs embody the fundamental humanitarian principles of humanity, impartiality, neutrality and independence, and function according to a set of specific principles: Inclusiveness, Flexibility, Timeliness, Efficiency, Accountability and Risk Management.



PRINCIPLE 1

INCLUSIVENESS

A broad range of humanitarian partner organizations (UN agencies and NGOs) participates in SHF processes and receive funding to implement projects addressing identified priority needs.



The Advisory Board has a manageable size and a balanced representation of SHF stakeholders.

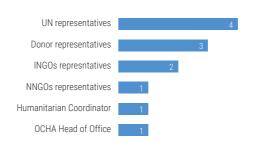
Target

As per 2021 SHF Operational Manual, the SHF Advisory Board (AB) should be composed of the HC; four UN Agency Focal Points; four NGO representatives (two (2) international, one (1) national, and one (1) representative of the Somalia NGO consortium); four donor representatives (three (3) SHF-contributing donor and one (1) non-SHF donor member of the Somalia Informal Humanitarian Donor Group (IHDG)); and OCHA Somalia Head of Office (OCHA HoO).

Results

The SHF Advisory Board in 2021 was composed of 12 representatives: Humanitarian Coordinator, four UN Agency Focal Points (IOM, UNICEF, WFP & WHO), four NGOs (ACF, FCA, ASAL & NGO consortium), three donor representatives (Ireland, Sweden & Switzerland) and the OCHA Somalia Head of Office.

COMPOSITION OF ADVISORY BOARD



The Humanitarian Coordinator chaired the SHF AB, and the OCHA Head of Office and Fund Manager were members of the board. International and national NGOs were represented by the head of agency or country director of their respective organizations. The members were actively engaged in strategic discussions about the direction of the Fund.

Analysis and follow-up

In 2021, the SHF was strengthened by the support of a diverse, well-balanced and active Advisory Board. The AB composition was as required in the SHF Operational Manual for 2021. The composition of the AB was revised, as NGOs and donor representatives usually serve two years. Majority of the AB representatives were rotated, with eight AB membership rotations, which were in the following stakeholder categories: UN Agencies (2), Donors (3), INGOs (2), and NNGOs (1). The Donor Member Observer (ECHO), a long serving observer, exited in the 3rd quarter of 2021 as its term ended. The SHF plans to onboard a new observer in the next rotation, which may include consideration of a non-traditional donor. The election of new AB members followed a participatory and transparent process led through the NGO forum, INGO channel, and the UN Heads.

Four meetings were arranged in 2021. Despite the movement restrictions due to COVID-19, all constituencies actively engaged in the Advisory Board via remote meetings and bilateral communications throughout the year to direct the strategic use of the Fund. The SHF will continue the annual rotation of the donor representatives in the second half of the year.

PRINCIPLE 1

INCLUSIVENESS

The review committees of the Fund have the appropriate size and a balanced representation of different partner constituencies and cluster representatives.



INCLUSIVE PROGRAMMING

The review committees of the Fund have the appropriate size and a balanced representation of different partner constituencies and cluster representatives

The size and composition of strategic and technical review committees(S/TRCs) is between 6 members (2 LNGO, 1 INGO, 1 UN, cluster coordinator, co-chair, HFU) and 11 members (3 LNGO, 3 INGO, 3 UN, cluster coordinator, co-chair), and is determined by cluster coordinator.

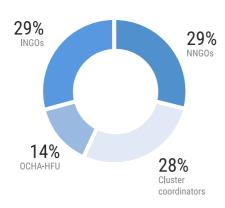
Results

In 2021, the S/TRCs remained within the required size of between 6 and 11 members, with representation from a minimum of six members representing NNGO (1), INGO (1), UN Agency (1), Sector Coordinator (2), and the OCHA-Humanitarian Financing Unit (OCHA-HFU) (1). The size of the S/TRCs varied across the clusters as the size and composition is determined by the cluster coordinators.

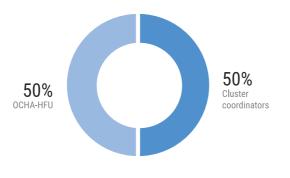
Analysis and follow-up

bers of the respective clusters, representing INGOs, NNGOs, UN Agencies, cluster coordinators and OCHA-HFU. All project proposal reviews were chaired by cluster coordinators (which are co-led by UN agencies and INGOs in Somalia), playing an impartial role and attended by UN agencies, INGOs, and OCHA representatives. More clusters ensured NNGO representation in S/TRCs compared with the previous year. Multi-cluster project proposals were vetted in the respective review committees and clusters coordinated to ensure the quality and complementarity of different cluster components within these projects. The HFU and clusters will continue to promote increased participation of NNGOs in the review committees of all clusters.

REPRESENTATIVES IN THE REVIEW COMMITTEES



 $\ensuremath{\mathsf{OCHA}}$ HFU focal points were assigned to represent the fund in all SRC meetings. For the integrated projects, clusters held sector specific strategic review meetings with their respective SRCs members; thereafter, a subset of the SRCs participated in the joint SRCs for the review of integrated projects.



In 2021, the S/TRCs were composed of elected mem-



Target

Six training rounds (with multiple sessions) for partners, to ensure understanding of CBPF processes and procedures, and improve their capacity to manage and implement of SHF projects. Dedicated training sessions for newly eligible partners, individual partner sessions (on-demand).

Results

In 2021, the SHF staff conducted 24 trainings across various topics. The trainings were attended by 302 participants from 203 organizations.

129

FROM NNGOS

TRAININGS



24

203

TRAININGS



ORGANIZATIONS TRAINED

TRAININGS FOR WOMEN-LED ORGANIZATIONS

TOTAL PEOPLE TRAINED

PRINCIPLE 1 **INCLUSIVENESS**



INCLUSIVE IMPLEMENTATION

SHF funding is allocated to the best-positioned actors, leveraging the diversity and comparative advantage of eligible organizations.

At least 80 per cent of available funding channeled to national and international NGOs to prioritize direct implementation At least 45 per cent of available funding channeled through NNGOs, if possible.

Support integration across clusters and complementarity with other funding sources in support of a stronger collective response.

Results

In 2021, 99.8 per cent of available funding was channeled through direct implementation by the UN, national and international NGOs. Two per cent (2 per cent) of funding was directly allocated to UN agencies, 32 per cent to INGOs and 62 per cent to NNGOs which are the best positioned actors to deliver front-line response in Somalia.

Analysis and follow-up

The overall funding to INGOs and NNGOs in 2021 increased, with a majority of funding allocated to NN-GOs. The SHF exceeded its target for the proportion of funds allocated to local and national NGOs by 17 per cent, an increase of eight per cent from the previous year's achievement (55 per cent), and in line with the Grand Bargain commitments. With 62 per cent allocated to local NGOs, the SHF remains a key funding source for organizations at the frontline of the humanitarian crisis in Somalia.

The SHF plans to increase the number of partners to increase geographical access, inclusion of minority organization, and strengthening of technical capacity under strategic thematic areas. The SHF will continue to offer a variety of trainings to partners before allocations. This will strengthen the capacity of partners to submit quality proposals. The Fund will conduct a thorough review of partner presence in all areas, particularly the hard-toreach areas. This will provide useful information required to encourage more partners to submit proposals.

Analysis and follow-up

Due to COVID-19, all the trainings were conducted online by either SHF staff and/or by specialized staff from other organizations. New approaches and online tools were introduced to ensure that the trainings were interactive. The SHF exceeded its planned trainings by about four times. Aside from the regular trainings on the CBPFs programme and grant management cycle, the SHF offered trainings on International Humanitarian Law, gender and protection mainstreaming, disability inclusion, and PSEA.

Based on the partners feedback, 75 per cent said the trainings met their expectations, 86 per cent found the use of polls interesting and useful, 88 per cent enjoyed the participation levels. 100 per cent found the examples used in the training relevant. The SHF partners expressed interest for in-person trainings; trainings that offer certificates; and for trainings to include government officials.

INCLUSIVENESS

PRINCIPLE 1



Targe

All SHF-funded projects ensure accountability to affected populations (AAP) as part of the implementation. All monitoring instances include consultation with assisted people to assess community engagement in project implementation.

Results

All SHF-funded projects were required to include a plan on engaging direct and indirect assisted people for all projects awarded. All projects provided accessible and functional feedback and/or complaint mechanisms for assisted people. All field monitoring visits (including those conducted by third-party monitors) included consultations with assisted people to assess community engagement in project implementation. Visualize that 100 per cent of all projects fulfilled the requirement to include Complaints Feedback Mechanisms. Similarly, out of the projects implemented, 66 per cent per cent have CFM in IDP sites.

Analysis and follow-up

FUND

PERFORMANCE

As part of the Fund's strategic objectives in 2021, the SHF promoted AAP throughout the partner project cycle. The HFU conducted an online training on protection-mainstreaming to support their project development under the Standard and Reserve Allocations. Further, the Strategic Review scorecards for all allocations launched included a specific question about protection mainstreaming principles including Do No Harm; Meaningful Access; Accountability to Affected Populations; Participation and empowerment of women); and awarded scores to projects that incorporated these elements.

The HFU will ensure that all SHF funded projects continually incorporate and implement a plan to ensure AAP through project reviews, monitoring and report reviews.

ACCOUNTABILITY TO AFFECTED PEOPLE



2 The project includes the provision of accessible and functioning feedback and/or compliant mechanisms for beneficiaries 1 The project partially includes the provision of accessible and

functioning feedback and/or compliant mechanisms for beneficiaries

The project does not include the provision of accessible and
functioning feedback and/or compliant mechanisms for beneficiaries



100%
Of projects includes complaints feedback mechanism



Of projects includes complaints feedback mechanism in IDP camps

ALLOCATION THROUGH

COMMON SERVICES

7 K

\$0.7M Enabling programmes 2 Projects

\$44.5M Non-common services 110 Projects

PRINCIPLE 2

FLEXIBILITY

The programmatic focus and funding priorities of CBPFs are set at the country level and may shift rapidly, especially in volatile humanitarian contexts. CBPFs are able to adapt rapidly to changing priorities and allow humanitarian partners to identify appropriate solutions to address humanitarian needs in the most effective way.



ASSISTANCE

Targe

Cash as a response modality is operationally considered and strategically prioritized by clusters and partners, where appropriate.

Results

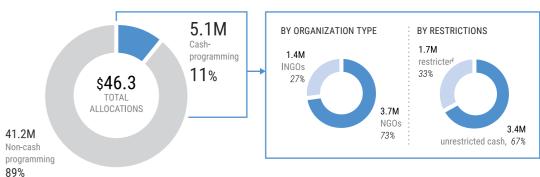
High Score: \$5.1 million was allocated through cash modalities in 2021, of which \$1.7 M was restricted cash assistance. Analysis and follow-up

Analysis and follow-up

In 2021, 11 per cent of the funding was allocated towards cash, exceeding the target of 10 per cent of

the grant value. The largest proportion of the cash assistance (67 per cent) was from the 2nd reserve allocation of 2021 which supported the response to acute water shortages in areas with prolonged drought and scale up respond to flood affected people in Somalia. Cash assistance increased immediate access to food, facilitated access to safe water during severe water shortages and allowed beneficiaries to purchase emergency shelter and NFI kits. 73 per cent and 27 per cent of cash assistance was allocated to national and international NGOs respectively.

CASH TRANSFER PROGRAMMING





FLEXIBLE OPERATION

CBPF Funding supports projects that improve the common ability of actors to deliver a more effective response.

Targe

CBPF funding supports an enabling operational environment through funding allocated to common services funding allocated to common services.

Results

The SHF allocated \$1.7 million to support common services (logistics and enabling programmes). \$1 million was allocated to WFP towards transportation of humanitarian cargo by UNHAS, \$0.4 million to support the Somali National NGO Consortium and \$0.3 million to a project for safety and security services to NGOs working in Somalia,

Analysis and follow-up

In 2021, 3.7 per cent of the allocated funding was made available for common services. SHF funding for support services was reflective of the focus on direct implementation and support for service delivery.

It demonstrates the Fund's flexibility as a funding mechanism that can support common services when urgent needs arise, yet it does not serve as the principal source of funding for these sectors.

FLEXIBILITY



At least 60 per cent of the total funds are allocated through Standard Allocation(s) and up to 40 per cent of the available funds are kept for Reserve Allocation(s) to respond to changes in the humanitarian context.

Results

The Fund allocated \$13.1 million through standard allocations and \$33.1 million through reserve allocations. This represents 28.4 per cent and 71.6 per cent respectively. Life-saving reserve allocations were needed due to sudden onset emergencies related to acute water shortages, floods and drought in parts of Northeastern and Central Somalia.

ALLOCATION BY MODALITY



28.4%



allocations

71.6%

\$25.7 million was allocated to respond to acute water shortages in areas with prolonged drought and scale up response to flood-affected people in hotspot locations in Hirshabelle. \$6 million was utilized in responding to the effects of prolonged drought in priority locations in parts of north eastern and central Somalia where the situation was rapidly worsening as of December 2021.

Analysis and follow-up

During 2021, the SHF launched one Standard Allocations (SAs) and five Reserve Allocations (RAs). The largest portion of the funds was allocated in the first half of the year to support the continuation of lifesaving and basic services. The fund will continue working flexibly with these two modalities as the sit-



100 per cent of the revision requests are processed.

Results

In 2021, the HFU processed 39 revision requests from 36 projects. These included 58 different instances of revisions (multiple types of revisions were included in some revision requests). No-cost-extensions (16 revisions) and change in locations (16 revisions) were the most frequent.

NUMBER OF **REVISIONS IN 2021**



Analysis and follow-up

The Fund allocated \$23.8 million (74 per cent) through a Standard Allocation and the Cost Extensions strategy (which cost-extended previous Standard Allocation grants) and \$8.2 million (26 per cent) through two Reserve Allocations. The Reserve Allocations were pivotal in financing time-critical inter-sectoral responses to emerging humanitarian needs (i.e., an increase in COVID-19 cases in IDP camps and sudden camp closures) in the last months of the year.

Reasons for No Cost Extension/NCE



PRINCIPLE 3

TIMELINESS

CBPFs allocate funds and save lives as humanitarian needs emerge or escalate.

10 **TIMELY**

ALLOCATION

Target

Standard Allocation projects are processed (from the submission deadline to the HC signature) within 30 days on average. Reserve Allocation projects are processed (from the submission deadline to the HC signature) within 20 days on average.

Results

The average time taken from allocation closing date to Humanitarian Coordinator's signature of grant agreements increased by two days for standard

allocations. It decreased by nine days for reserve allocations in 2021 as compared with 2020. The timeline for standard allocations was within the target of 30 days maximum.

Analysis and follow-up

The SHF will continue working with Strategic Review Committees on reducing turnaround times for proposal reviews and selection, especially for reserve allocations.

AVERAGE WORKING
DAYS OF ALLOCATION
PROCESSING

Milestones	Category	2019	2020	2021
rom allocation closing date to HC	Standard Allocations	18	27	29
ignature of the grant agreement	Reserve Allocations	34	34	25



TIMELY **DISBURSEMENTS**

10 days from Executive Officer signature of a proposal to first payment.

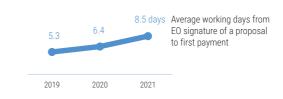
Results

Average number of days for standard allocations: 9.5 days

Average number of days for reserve allocations: 8 days

Analysis and follow-up

The Fund processed payments within the target of 10 days maximum in 2021, with a slight increase in the duration of processing payments for standard allocations. Projects funded under the reserve allocations modality received timely disbursements allowing for a rapid response to needs. The SHF will continue working to ensure that funds are disbursed as guickly as possible once the Fund approves grant agreements.



PRINCIPLE 3

TIMELINESS

12

TIMELY CONTRIBUTIONS

Pledging and payment of contributions to the SHF is timely and predictable.

Two thirds of annual contributions committed and paid before the end of the first half of the year.

62 per cent of SHF funding was received between January and June 2021 compared with 61 per cent in 2020. 82 per cent of contributions were received within one month of pledging by donors. The SHF thanks its donors for the generous and sustained contributions made in 2021 against increased global humanitarian needs. Contributions increased by 60 per cent from \$36.6 million in 2020 to \$58.7 million in 2021.

CONTRIBUTIONS **TIMELINESS**



Analysis and follow-up

Timelines for contributions by donors within a month of pledging improved slightly in 2021 compared to 2020. Only six per cent of pledges took longer than three months to be honored. Whereas funding received was slightly below two-thirds of total contributions by the end of the first half of the year, the Fund optimized allocations with the wider humanitarian programming cycle and seasonal requirements. The SHF will continue to strengthen advocacy, at global and country levels, for early and predictable funding and multi-year commitments by existing donors. The aim is to attract new donors, approach donors that had previously contributed to the Fund and reach out to potential donors.

PRINCIPLE 4

EFFICIENCY

Management of all processes related to CBPFs enables timely and strategic responses to identified humanitarian needs. CBPFs seek to employ effective disbursement mechanisms, minimizing transaction costs while operating in a transparent and accountable manner.

13

EFFICIENT SCALE

The SHF has a significant funding level to support the delivery of the HRP.

SHF allocations amount to at least 15 per cent of Humanitarian Response Plan (HRP) funding received.

Funding to the Somalia Humanitarian Fund in 2021 amounted to 7.5 per cent of HRP funding for Somalia as compared with 5.3 per cent for 2020, 6.7 per cent in 2019 and 6 per cent in 2018. \$58.7 million out of \$829.82 million of the HRP was funded through the SHF in 2021.

Analysis and follow-up

SHF funding as a percentage of the HRP improved as compared to 2020 allocation year.

It was the highest in the last four years. SHF will continue to enhance advocacy and bilateral and collective engagements with existing and potential donors, in line with the Fund's resource mobilization plans.

14 **EFFICIENT PRIORITIZATION**

SHF funding is prioritized in alignment with the HRP.

Target

All funded projects address HRP strategic priorities. At least 80 per cent of value of funded projects is linked to HRP projects.

Results

100 per cent of SHF funding was strategically aligned to priorities in the 2021 Humanitarian Response Plan. \$20.2 million was allocated to reduce loss of life for 3.1 million of the most severely vulnerable people by decreasing hunger, acute malnutrition, public health threats and outbreaks, and abuse and violence by 2021. \$20 million was allocated to sustain the lives of 4 million people requiring humanitarian assistance and \$6 million to uphold commitments to the centrality of protection across the humanitarian response

Analysis and follow-up

The SHF aligned its allocations with the strategic objectives of the HRP thereby ensuring 100 per cent of projects were aligned to one or more objectives. This was achieved through inclusive and consultative prioritization processes. Allocation rounds included a prioritization framework that collectively reflected individual clusters' inputs. Using various needs assessments tools and severity mapping at the cluster level, clusters discussed and agreed on the broader focus of the allocations and priority geographical targeting. The clusters' central role in allocation processes enhanced coordination, ensured targeted response to identified needs, and promoted efficiency by supporting integrated programming.

ALLOCATION BY HRP STRATEGIC OBJECTIVES



S01 Reduce loss of life for 3.1 million of the most severely vulnerable people by decreasing hunger, acute malnutrition, public health threats and outbreaks

\$02 Sustain the lives of 4 million people requiring humanitarian assistance people by ensuring safe, equitable and dignified access to livelihoods and essential services by the end of 2022

S03 Uphold commitments to the centrality of protection across the humanitarian response through protection mainstreaming, accountability to affected populations and monitoring of the protection environment

PRINCIPLE 4

EFFICIENCY

15

EFFICIENT COVERAGE

SHF funding effectively assisted people in need.

Target

100 per cent of funded projects address HRP strategic priorities and are disaggregated by gender, age, disability, and geographic areas (district level).

Results

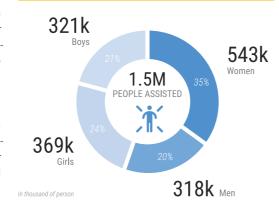
100 per cent of the targeted people were reached with assistance. 1.5 million people were reached with assistance. The consolidated maximum figure per district is applied for reporting purposes and to minimize double counting of assisted people in the same district receiving multiple types of assistance.

Analysis and follow-up

Whereas the number of men reached was lower than targeted by a small margin, the number of girls, women and boys were exceeded. The SHF reached 100 per cent of the affected people targeted under standard

and reserve allocations. The report results reflect the maximum number of people assisted per community in efforts to avoid double-counting of assisted people to the extent possible

PEOPLE ASSISTED



16

EFFICIENT MANAGEMENT

Targe

HFU operations cost (cost-plan) accounts for less than 5 per cent of overall utilization of funds (allocations + operations costs).

Results

In 2021, the HFU operations cost was \$2.2 million and the total allocations to projects was \$46.3 million. The HFU cost constituted 4.8 per cent of the total funds utilized. This was within the maximum target of \$5 per cent of overall utilization of funds.

Analysis and follow-up

The overall proportion of HFU management costs in 2021 is within the target and testifies to SHF resources' efficient and cost-efficient management. The cost plan for 2021 increased as compared with 2020 by \$ 0.2 million (10 per cent) to accommodate increased need for audit and monitoring costs and staff costs.



EFFICIENT MANAGEMENT

larget

Operational Manual is updated based on the latest version of Global CBPF Guidelines by the end Q1. Annual report and allocation papers fully compliant with global guidance documents.

Results

The Operational Manual was updated in 2021 and the annual report and allocation papers were prepared in line with the Global Guidelines.

Analysis and follow-up

The Operational Manual was updated in 2021 and went through an iterative and consultative process throughout the year. The operational modalities and the risk management elements of the Operational Manual were updated, and annual report and allocations papers were fully compliant with the Global Guidelines.

The SHF will ensure that the SHF operational manual guidelines are compliant with global guidelines contained in the operational handbook for OCHA CBPFs.

PRINCIPLE 5

RISK MANAGEMENT

CBPFs manage risk and effectively monitor partner capacity and performance. CBPFs utilize a full range of accountability tools and measures.

18

RISK MANAGEMENT OF PROJECTS

Target

100 per cent compliance with operational modalities on five categories of risk management pillars.

Results

During the 2021 allocation year, 100 per cent of financial spot-checks and 98 per cent of monitoring instances were conducted as required. 93 per cent of audits were completed while seven per cent were ongoing. 98 per cent of final financial reports and 97 per cent of final narrative reports were submitted on time.

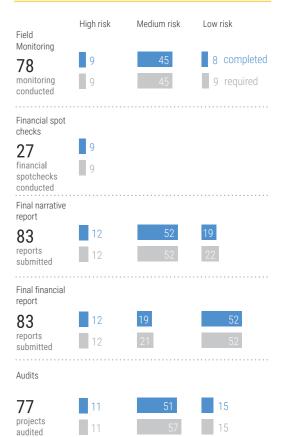
Analysis and follow-up

In 2021, the SHF sustained the level of results in 2020. monitoring was conducted for 17 high-risk, 72 medium-risk and 15 low-risk partners across different locations and clusters 85 per cent (104 out of 123) of audits required were completed on time in 2020.

This is a significant improvement from last year results at 69 per cent. While in 2020 the SHF was more flexible in its assurance mechanisms to deal with COVID-19 restrictions in line with the CBPF COVID-19 flexibility guidance, in-person missions increased in 2021.

OCHA will continue following up on assurance measures to sustain the high compliance rates achieved in 2021

PROGRESS ON RISK MANAGEMENT ACTIVITIES



19

RISK MANAGEMENT OF FUNDING

ON GOING CASES

AS AT END OF 2021

On going cases: # of incidents

for which measures (inquiry,

settlement etc.) were still on

going as of 31 December 2021

assurance, measures,

Target

Full compliance with CBPFs standard operating procedures (SOPs) on Response to Concerns of Fraud or Misuse of Funds by Partners.

Results

No new cases involving partners of the SHF were opened in 2021. However, the SHF found other incidents of under-performance by partners which were not reported as fraud cases and did not require the commencement of inquiries (investigations or forensic audits) Cases involving 14 partners were ongoing at the end of 2021. Assurance measures (audits and investigations) were ongoing for four partners., and their final reports were under review. Inquiries had been completed for six cases but awaiting further action including recommendations from Office of Internal Oversight Services. The SHF remained transparent to its donors in sharing information on compliance cases. Overviews of fraud and non-compliance cases were shared with donors semi-annually at country level in 2021.

Analysis and follow-up

There has been a gradual decline in the number of new cases opened between 2018 and 2021 due to increased awareness on fraud prevention and detection measures. This comes due to capacity development work by the SHF and more rigorous capacity assessments that identify red flags. SHF continues to be vigilant in uncovering and addressing new schemes of fraud including double-billing, falsification of documents (on a reducing scale), collusions, conflicts of interest and bid-rigging among other forms of fraud.

The SHF will continue improving accountability through lessons learnt to ensure that all potential diversion or fraud instances are prevented and responded to in line with CBPFs standard operating procedures on Response to Concerns of Fraud or Misuse Funds by Partners.

RISK MANAGEMENT

MANAGEMENT OF PARTNERS

SHF funding is allocated to partners with demonstrated capacity. In 2021, the SHF strived to actively engage all the eligible partners in the Standard and Reserve allocations. To achieve this, completion of the GMS registration process and subsequent eligibility of partners whose capacity assessments were finalized in 2020 remained a priority.

Results

creased by 21 to 137 between 2020 and 2021. One organization was suspended from eligibility due to compliance reasons. No new capacity assessments were conducted in 2021. However, 22 partners from assessments conducted in 2019 and 2020 became eligible in 2021 following finalization of reports and due diligence processes. Capacity assessments for 19 and 20 new partners were conducted in 2019 and 2020 respectively.

The SHF prioritized funding to the best positioned partners in 2021, while considering the risks associated with the modalities selected and the targeted locations. In 2021, 112 projects were implemented by 71 partners. Seven partners were rated high risk, 57 were rated medium risk and seven were rated low risk. Most partners (80 per cent) who implemented projects were rated medium risk. Correspondingly, 7 projects were implemented by high-risk partners, 94 by medium risk partners and 10 by those rated low risk.

As part of progressive updating of risk ratings for partners, the SHF maintained partner performance indices based on performance metrics such as quality and timeliness of submissions of project documents (proposals, and budgets); quality and timeliness of implementation against approved targets; quality and timeliness of reporting; frequency, timeliness and justification of project revision requests; quality of financial management and audit findings. Considering projects from previous allocation years, 174 partners had ongoing projects in 2021. Risk ratings for 133 partners required no change during the year while ratings for 29 were changed as recommended. Risk ratings for 12 that were recommended for change were not adjusted or changes were postponed in consideration of internal and extenuating information regarding partners

Analysis and follow-up

The SHF will continue working towards attaining the right pool of eligible partners with the best capacity to implement projects. Analysis of current partner portfolios (mainly from geographic and cluster coverage) and cluster inputs for prioritization of new partners will inform decisions on onboarding new partners. This will allow for an agile and adaptive implementation of future partner capacity assessments, ensuring that the Fund has enough partners with the necessary ca-The number of partners eligible for SHF funding inacross Somalia.

IMPLEMENTATION BY PARTNER RISK LEVEL TYPE



UPDATED RISK LEVEL BASED ON PERFORMANCE INDEX

Partners with no

changes

29 Partners with adjusted risks as the performanceindex recommendation

12 Partners with but not adjusted Xamaro and Simaan at their shop Beled-Amin site, Hawo district, Gedo region, Somalia. © Jafar/NoFYL



CASH FOR WORK LEADS TO **ENTREPRENEURSHIP**

I have always wanted to start a business to support my family, but this was not possible because I did not have money. I lived in debt and had no support except from my neighbors. Sometimes we skipped some of the meals.

Dressed in pine green aprons, people walk between shelters in Beled-Amin site, Hawo district, Gedo region, lugging wheelbarrows full of garbage. Armed with gloves and rakes, they spread across the camp collecting plastic bags and other litter strewn around the shelters.

In another section of the camp, another group of IDPs are cutting down overgrown bushes and shrubs. They are part of the Cash-for-Work program initiated by Northern Frontier Youth League-NoFYL and funded by the Somalia Humanitarian Fund. The project is aimed to improve the living conditions in the site while uplifting the economic status of households participating in the exercise through monthly stipends.

Among these assisted people are two women - Xamaro Qoriyow, 60, and Simaan Ismacil, 41, - who combined their monthly stipends and started a ioint retail business that has become a source of income for them.

"I have always wanted to start a business to support my family, but this was not possible because I did not have money. I lived in debt and had no support except from my neighbors. Sometimes we skipped some of the meals," said Xamaro, a widow raising 10 children (7 girls and 3 boys).

Xamaro was selected as a beneficiary of the cash for work programme, which is intended to address basic food and non-food needs of the most vulnerable households in the sites.

The novel idea to combine the monthly stipend to start a business was initially suggested by Simaan, a mother of 8 children (6 girls and 2 boys) who is the family's primary breadwinner.

"I spoke to several women who are participating in the camp cleaning exercise but only Xamaro accepted my idea. We agreed to put aside some money every month so that we could start a business." Over the next 3 months, the two IDP women saved enough money from the monthly incentive to start a small retail shop in Beled-Amin site. They are now able to make a decent living for their families.

"Can you believe we saved money for 3 months and now we have our own business?" said Xamaro. It came out half question, half statement. "Thanks to the cash for work program, I am living my dream of owning a business. We sell everything: food items, clothes, shoes, soaps and liquid shampoos. If we had a space here, we would bring camels here and sell them!" she laughed. "Our family's needs are now covered, and I don't depend on people for assistance anymore."

To supplement their income, the two women bought solar battery chargers and set up a mobile charging system in their shop where other IDPs can charge their mobile phones, at a small price of \$0.1. In a day, they can charge up to 50 mobile phones. This helps them pay rent of the shop and cover daily food cost and other basic needs. They are now planning to expand their business and sell fruits and vegetables.

PAGE ANNUAL REPORT ANNUAL REPORT ANNUAL REPORT ANNEXES 40 SHF 2021 SHF 2021

Annexes

Annex A Accronyms & abbreviations

Annex B Reference Map

Annex C SHF Advisory Board

Annex D Allocations by recipient organizations

ANNEX A

ACRONYMS & ABBREVIATIONS

ACF	Action Contre la Faim	IYCF	Infant and Young Child Feeding
ACTED	Agency for Technical Cooperation	MPTF	Multi-Partner Trust Fund
	and Development	NCA	Norwegian Church Aid
ADRA	Adventist Development and Relief Agency	NFI	Non-food items
ARC	American Refugee Committee	NGO	Non-Governmental Organization
AWD	Acute Watery Diarrhea	NNGO	National Non-Governmental Organization
CARE	CARE Somalia (CARE Somalia)	NRC	Norwegian Refugee Council
CBPF	Country-Based Pooled Fund	OCHA	Office for the Coordination of Humanitarian Affairs
CERF	Central Emergency Response Fund	PLW	Pregnant and Lactating Women
CESVI	Cooperazione E Sviluppo	RI	Relief International
COOPI	Cooperazione Internazionale	RMU	Risk Management Unit
CPD	Center for Peace and Democracy	SAFUK	Skills Active Forward Kenya (SAFUK-International)
DKH	Diakonie Katastrophen Hilfe	SC	Save the Children
DRC	Danish Refugee Council	SHF	Somalia Humanitarian Fund
ECHO	European Civil Protection and Humanitarian	SOYDA	Somali Young Doctors Association
	Aid Operations	SYPD	Sustainable Development & Peace
EO	OCHA Executive Officer		Building Initiatives
FAO	Food and Agriculture Organization	TPM	Third Party Monitoring
FCS	Funding Coordination Section	UK	United Kingdom
FENPS	Formal Education Network for Private Schools	UN	United Nations
FFR	Financial Regulations and Rules	UNDP	United Nations Development Programme
FGS	Federal Government of Somalia	UNDSS	United Nations Department of Safety and Security
FSNAU	Food Security Nutrition and Analysis Unit	UNFPA	United Nations Population Fund
GBV	Gender-based violence	UNHAS	United Nations Humanitarian Air Services
GMS	Grant Management System	UNHCR	United Nations High Commissioner for Refugees
HIWA	Hiraan Women Action on Advocacy for Peace &	UNICEF	United Nations Children's Fund
	Human Rights	UNOPS	United Nations Operation Services
HC	Humanitarian Coordinator	USD	United States Dollar
HCT	Humanitarian Country Team	WARDI	WARDI Relief and Development Initiatives
HFU	OCHA Somalia Humanitarian Financing Unit	WASDA	Wajir South Development Association
HIJRA	Humanitarian Initiative Just Relief Aid	WASH	Water, Sanitation and Hygiene
HRDO	Hidig Relief And Development Organization	WFP	World Food Programme
HRP	Humanitarian Response Plan	WHO	World Health Organization
ICCG	Inter-Cluster Coordination Group	WHS	World Humanitarian Summit
IDPS	Internally displaced persons	WOCCA	Women and Child Care Organization
INGO	International Non-Governmental Organization	WRRS	Wamo Relief and Rehabilitation Services
IOM	International Organization for Migration	WVI	World Vision Somalia

ANNEX B

SHF ADVISORY BOARD

STAKEHOLDER	ORGANIZATION
Chairperson	Humanitarian Coordinator
NGO	NGO Consortium
NGO	Action Against Hunger (ACF)
NGO	Action in Semi-Arid Lands (ASAL)
NGO	Finish Church Aid (FCA)
UN	International Organization for Migration (IOM)
UN	United Nations Children's Fund (UNICEF)
UN	World Food Programme (WFP)
UN	World Health Organization (WHO)
Donor	The Government of Ireland
Donor	The Government of Sweden
Donor	The Government of Switzerland

ANNEX C

REFERENCE MAP



ANNEXES

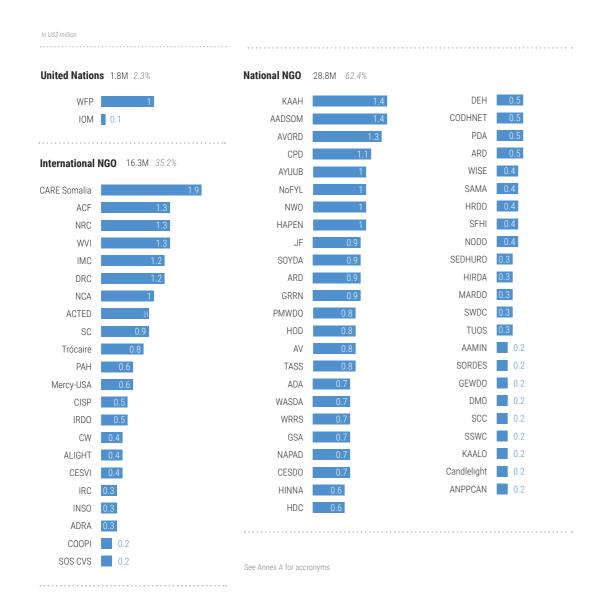
Map Sources: ESRI, UNCS, UNDP, UNHCR.

The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations. Map created in Apr 2012.

PAGE ANNUAL REPORT ANNEXES 44 SHF 2021

ΔΝΝΕΥ

ALLOCATIONS BY RECIPIENT ORGANIZATION



#InvestInHumanity

INSERT YOUR HF WORDMARK HERE

UNOCHA.ORG/COUNTRY/<COUNTRY>
<COUNTRY>.UNOCHA.ORG
GMS.UNOCHA.ORG
FTS.UNOCHA.ORG

SOCIAL MEDIA

Y @XHF_<COUNTRY> | @UNOCHA **f** FACEBOOK.COM/UNOCHA