EUROPEAN COMMISSION



DIRECTORATE GENERAL FOR HUMANITARIAN AID (ECHO)

Presentation by Antonio Cavaco, Director-General, DG ECHO to the ECOSOC Humanitarian Affairs Segment 2006: Panel on "Addressing chronically underfunded crises" Geneva, 18 July 2006.

I welcome this opportunity to participate in this panel on the important question of underfunded crises. As a major donor, the European Commission adheres firmly to humanitarian principles. EC Humanitarian Aid is granted solely according to target population needs and interests, respecting the principles of impartiality, neutrality and independence.

In 2005, the European Commission, through its Department for Humanitarian Aid (ECHO) provided 652.5 million euros of humanitarian aid to assist people in 84 countries, and to fund Disaster Preparedness activities and thematic support to international organisations. The European Union as a whole - the European Commission (ECHO) plus the EU Member States - provided 2.2 billion euro of humanitarian aid in 2005, making the EU one the world's biggest humanitarian aid donors.

Our humanitarian aid is an expression of European solidarity. But like others, we work with the reality that resources are finite. So the challenge is to ensure that our assistance reaches those most vulnerable.

The European Commission gives special attention to 'forgotten crises'. Those where human suffering has fallen out of the spotlight of the world's media. These 'forgotten crises' are most often complex emergencies of long duration. They fail to attract adequate international funding to meet even the most basic needs. Institutional donors, such as the European Commission, have a particular responsibility to ensure that vulnerable populations receive adequate assistance in such cases.

In 2005, through ECHO the European Commission provided €87.1 million of humanitarian aid funding to eight crises that we had identified as 'Forgotten Crises'. This humanitarian aid allowed, for example, €16.5 million of assistance to help people in Myanmar (Burma) and displaced populations in the border area with Thailand; and 9.3 million euro to continue our support to the Sahrawi refugees who have lived in camps in Algeria since 1975.

In 2006, we give particular priority to the 'Forgotten Crises in Chechnya, Myanmar, the Sahrawi refugees, Nepal, and India - for the crisis in Kashmir.

But I recognise that <u>under-funding</u>, notably in response to the UN Appeals process, is a broader issue. The UN has rightly drawn attention to the problem of unevenness and unpredictability of humanitarian aid flows between countries and crises; between sectors; and over time.

To give just one illustration, in the Greater Horn of Africa, an area that has failed to attract sufficient funding, nearly 3000 children under 5 die every day principally as a result of malnutrition. The child deaths in this region are the equivalent of per year nearly three times the number of victims of the last tsunami in Indonesia.

So we agree that we in the international community must do more to ensure that funds are spread more evenly, according to need.

How do we identify those needs?

The European Commission already allocates much of its humanitarian aid using a longer-term strategic approach based on careful needs assessment.

A high quality field assessment is fundamental to assessing needs in a given crisis, coupled with that we use another tool. DG ECHO has developed an approach for a global analysis of needs, through which we seek to ensure consistency and impartiality in allocation of our overall budget for humanitarian aid.

Our starting point is that humanitarian needs in crisis are likely to be greatest in the poorest countries, with limited coping capacities and more vulnerable populations (for example uprooted people - particularly women and children).

We undertake an annual Global Needs Assessment for developing countries. At headquarters, we look at a series of statistical indicators, essentially developmental in character, to assess the degree of vulnerability of populations.

The Global Needs Assessment is complemented by a second assessment tool: the "Forgotten Crises Assessment", through which we seek to identify the most serious humanitarian crisis situations where the beneficiary populations are receiving little or no humanitarian aid. Up to now this assessment has been based on desk analysis, in addition to measures of media coverage and (development) aid per inhabitant, but we are currently working on refining the approach.

Any approach based on statistical indicators has a number of in-built limitations: in particular data is subject to time-lag and is collected at a national level, whereas humanitarian crises are often specific to certain regions or minority populations.

A complete picture of numbers of people affected by a crisis, of actual needs and of coping capacities, relies on a comprehensive qualitative assessment from our network of experts in the field. Currently we have over 100 experts in more than 40 field offices around the world, including six Regional Support Offices.

The European Commission and the UN Consolidated Appeals.

We welcome the UN work on highlighting under-funded crises. The European Commission (ECHO) and a number of European Union Member States are amongst the most significant donors in UN humanitarian appeals.

Of the 15 Consolidated Appeals and 10 Flash Appeals made in 2005, ECHO provided funding to assist the vulnerable people in all countries covered.

DG ECHO not only funds assistance to respond to specific humanitarian crises, but we also provide considerable support to capacity building. Since 2002, ECHO has financed 92 million euro of so-called 'thematic support' to a number of UN Agencies (*OCHA*, *UNHCR*, *UNICEF*, *WHO* and the *WFP*) to help reinforce the UN-leadership capacity to respond effectively to humanitarian crises. With this funding, in future, we hope to support implementation of the humanitarian reform agenda.

The European Commission allocates most of its humanitarian funding for particular countries or regions applying the assessment tools I outlined earlier. Of course as donors,

we channel our funding not only through the UN, but also directly to other implementing Partners, notably to the Red Cross Movement and to NGOs. Supporting the multiplicity of implementing partners is very important.

Though there is scope for improvement, we feel that our assessment approach already provides a certain objectivity and consistency that has sometimes proved wanting in the Consolidated Appeals process. It is not enough simply to lament a lack of donor response to funding appeals. It is critical that UN Appeals should have a solid basis of needs assessment and should take into account local coping capacity and the ability to implement.

The UN Agencies are not always the best placed to deliver on the ground and ensuring that we work together with all partners in the humanitarian community is essential. We have in the past seen cases of the UN calling for more funding, where there has been a limited presence on the ground to be able to deliver humanitarian assistance. We must not forget our collective aim is to get out vital humanitarian aid as efficiently as possible to those most in need.

We understand the constraints involved in putting together accurate information on the ground in a timely and coherent way. It is vital therefore that we work together to ensure high quality Appeals. Much has been done in recent years to improve the quality and consistency of Consolidated Appeals, but there is more to be done.

Country consolidated appeals have in the past often contained a large number of projects covering many sectors, pointing to the need for clearer prioritisation within each appeal. It is in everybody's interest for the UN to ensure that Funding Appeals are uniformly based on realistic assessments of the needs on the ground, with a strong sense of prioritisation. The Humanitarian Coordinators have a key role to play in this respect.

Donors have asked the UN to ensure that Flash Appeals are published rapidly with the first appeal focusing on immediate short-term life-saving measures. In this case a second appeal covering longer-term needs would then be based on a detailed assessment.

Donors have also highlighted the need to present Consolidated Appeals in the context of overall humanitarian needs per country – an all-inclusive approach - so as to strengthen prioritisation and advocacy of 'forgotten crises' at a global level.

Rapid Response and the CERF

The European Commission has a rapid and well-tuned capacity to get funding for humanitarian aid out quickly to our multiple partners on the ground in the face of sudden on-set emergencies. Within 72 hours, we are able to take a preliminary emergency decision for up to €3 million of immediate relief aid, to be followed within days by emergency decisions for additional aid. We value the flexible and responsive approach this allows us to take.

This capacity to provide funds rapidly has proved invaluable, notably in response to natural disasters, for example the Pakistan earthquake and the earthquake that struck Indonesia (near Yogyakata, Java) at the end of May.

So we value the capacity of OCHA through the CERF to respond rapidly.

But once again we underline the importance of recognising the multiplicity of partners on the ground, who continue to require funding outside of the CERF. It is crucial that money is not drawn away from these partners. So, the European Commission has decided not to redirect its limited resources to the CERF, but will continue to make use of its own flexible and rapid emergency financing instruments.

We are glad to see that the CERF has also already begun useful work to identify underfunded crises and to channel additional resources from the Fund towards meeting humanitarian needs in those areas. It is important that selection criteria for funding from the CERF are transparent and consistent.

Conclusion

The European Commission (ECHO) has supported reform of the 'humanitarian system' and will continue that support in the crucial implementation phase. We share your preoccupation with the problem of ensuring adequate funding for responding to complex, often long-duration emergencies. For this reason we pay particular attention to certain 'Forgotten Crises'.

We must continue to work together in the international community towards an accurate common understanding of humanitarian needs, priorities, funding gaps, priorities and capacities. By so doing we should ensure that no one is forgotten.

In this spirit, we were pleased to be able to present our approach to needs-based assessment to a meeting of the Good Humanitarian Donorship Initiative here in Geneva last week.

We insist and advocate that OCHA has a unique role to play in providing leadership and co-ordinating the efforts of the international community, and we support you. Only with strong co-ordination can we ensure that there are no gaps in response capacity.

We are ready to continue work with all partners to ensure that the international humanitarian community improves its collective performance at its core task of saving lives and preserving human dignity.

My thanks to Jan Egeland and his team for the opportunity to address this panel today.

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