

THE FINANCING OF HUMANITARIAN AID: A SUSTAINABLE APPROACH

By Kayla Zhu

**“It is simply not enough to save a person’s life.
We don’t want to leave them in
extreme vulnerability either.**

**The moral imperative extends all the way to
reducing and eliminating needs.”**

–Stephan O’Brien, USG and ERC

WHY IS THE HUMANITARIAN RESPONSE NECESSARY?

- Majority of present-day conflicts are protracted
- Multidimensional poverty
- The absence of political solutions in regional conflict
 - Erosion of development gains

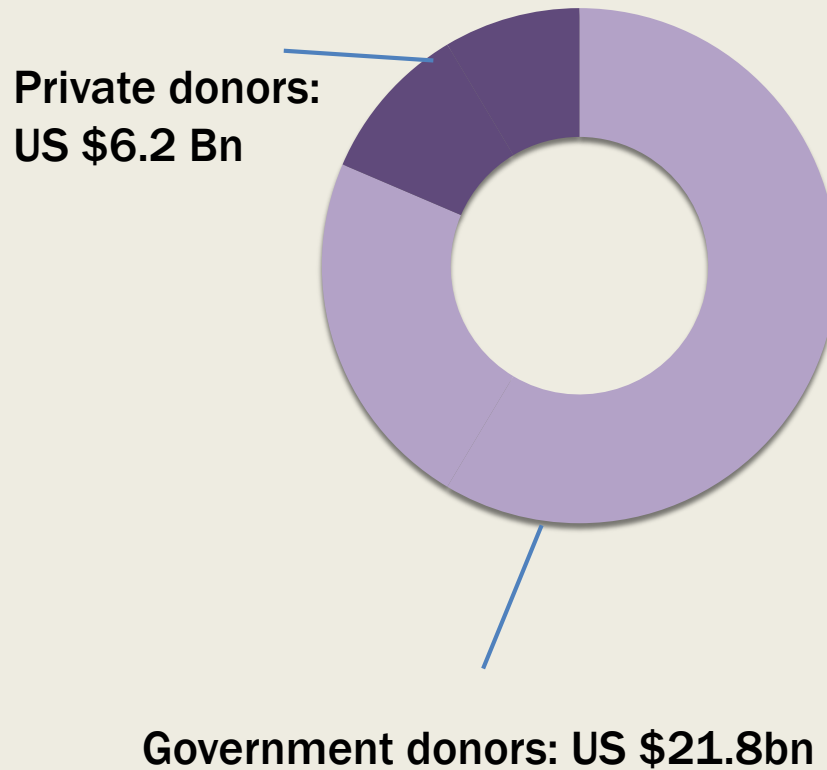


[HTTPS://WWW.YOUTUBE
.COM/WATCH?V=I41QWJ
6QJPI](https://www.youtube.com/watch?v=I41QWJ6QJPI)

Beyoncé on
World
Humanitarian
Day 2012

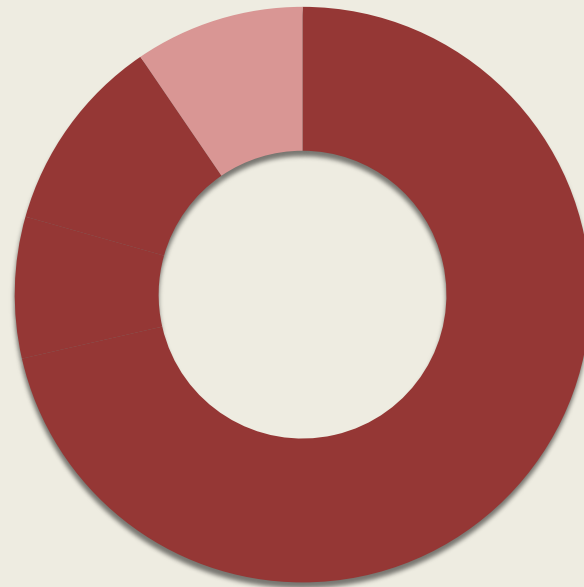
FLOW OF AID

Total international humanitarian assistance 2015



FLOW OF AID

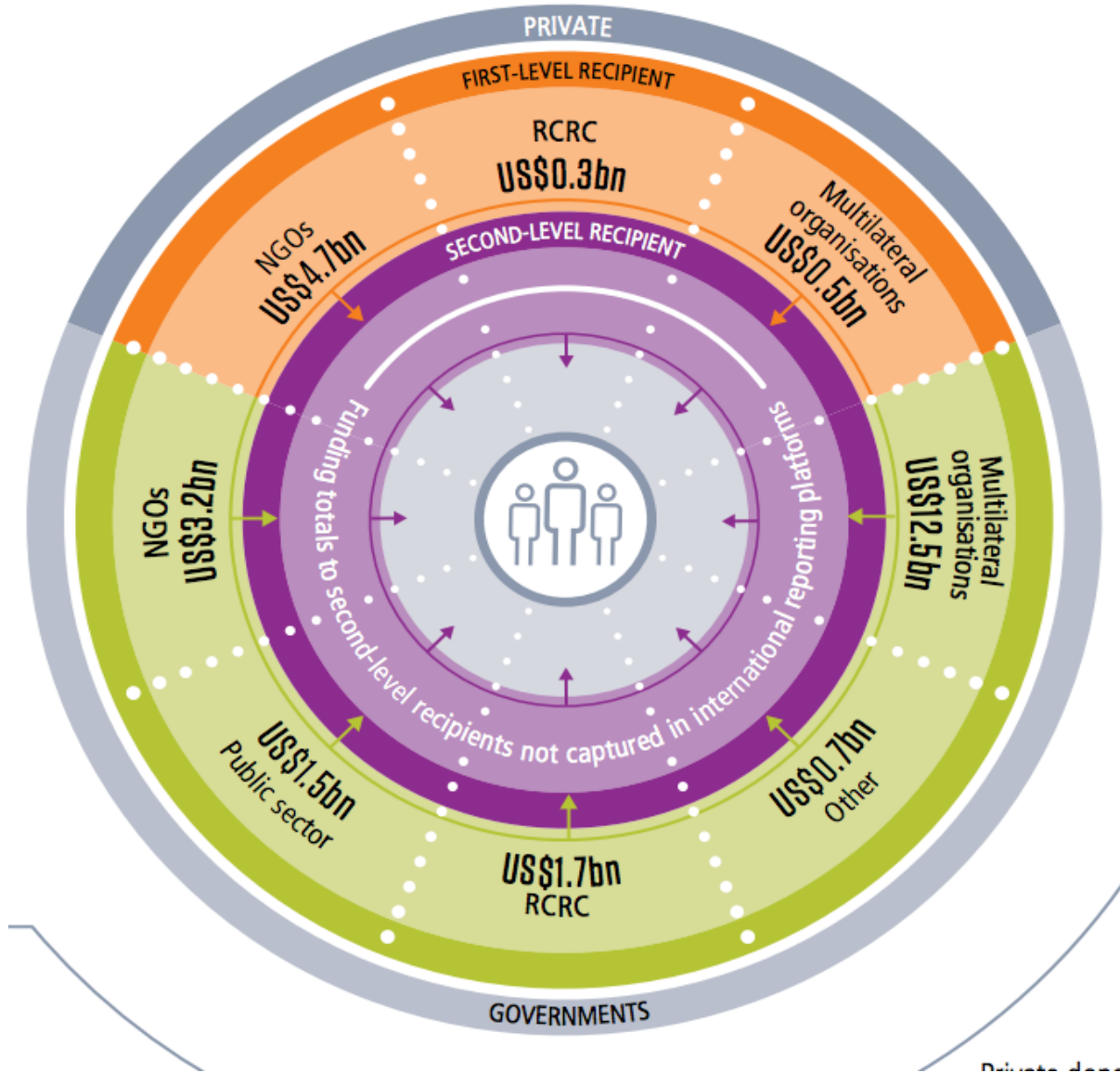
90% of humanitarian appeals last longer than than 3 years



COLLECTIVE OUTCOMES

- Sets groundwork to transition to development
- Pre-crisis, protracted crisis, and post-crisis consultations
- A widely accepted result or impact in reducing a population's risks through the combined efforts of various actors
 - Shared objectives (ex. SDGs)

First-level channels of funding, 2014



COLLECTIVE
OUTCOMES
Protracted
crisis calls
for
collective
response

WHY THE COMPLEMENTARY DIALOGUE IS INEFFECTIVE

- **Collective outcomes yields long-term results**
 - Ask the “big questions” as a sector (ex. Should food be purchased nationally or imported)
- **Forces humanitarian and development activities to be more genuinely complementary, not co-existing**
 - Mutual reinforcement

COMPARATIVE ADVANTAGE

- **The group/institution/individual with the most fitting capacity and expertise delivers the different activities towards collective outcome**
 - **Cultural acceptance, familiarity with local populations, technical expertise, cost, etc.**
 - **Extends beyond multilateral humanitarian and development actors**

MULTI-YEAR TIMEFRAMES

- **Analyzing, strategizing, and planning over several years to reach context-specific benchmarks**
 - **Allows for agencies to contribute to development investments as well**
- **Need to break out of parallel planning with incoherent short-term results**

MULTI-YEAR FINANCING

- **Lack of political incentive for donors to break out of single-year financing cycles**
- **Difficulties from the parliamentary budget approval process**

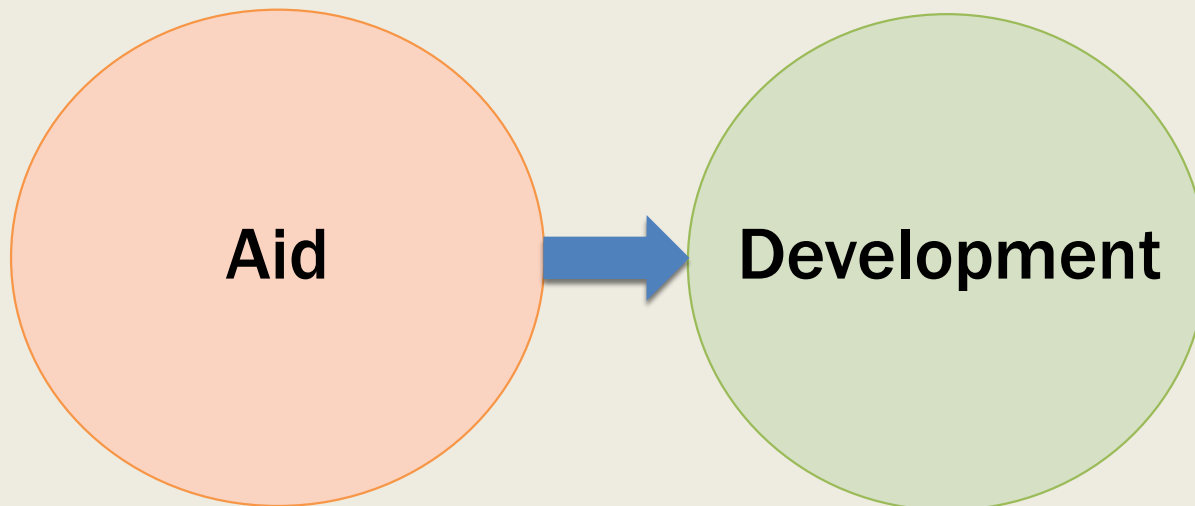
BREAKING DOWN DONOR BUDGET SILOS

- Donor budgets are separated to prioritize life-saving interventions
 - Rigidness of silos does not allow for these funds to be allocated to the most efficient areas for humanitarian needs
 - Causes difficulties for addressing protracted crisis
- Must focus on overall objectives instead of inputs

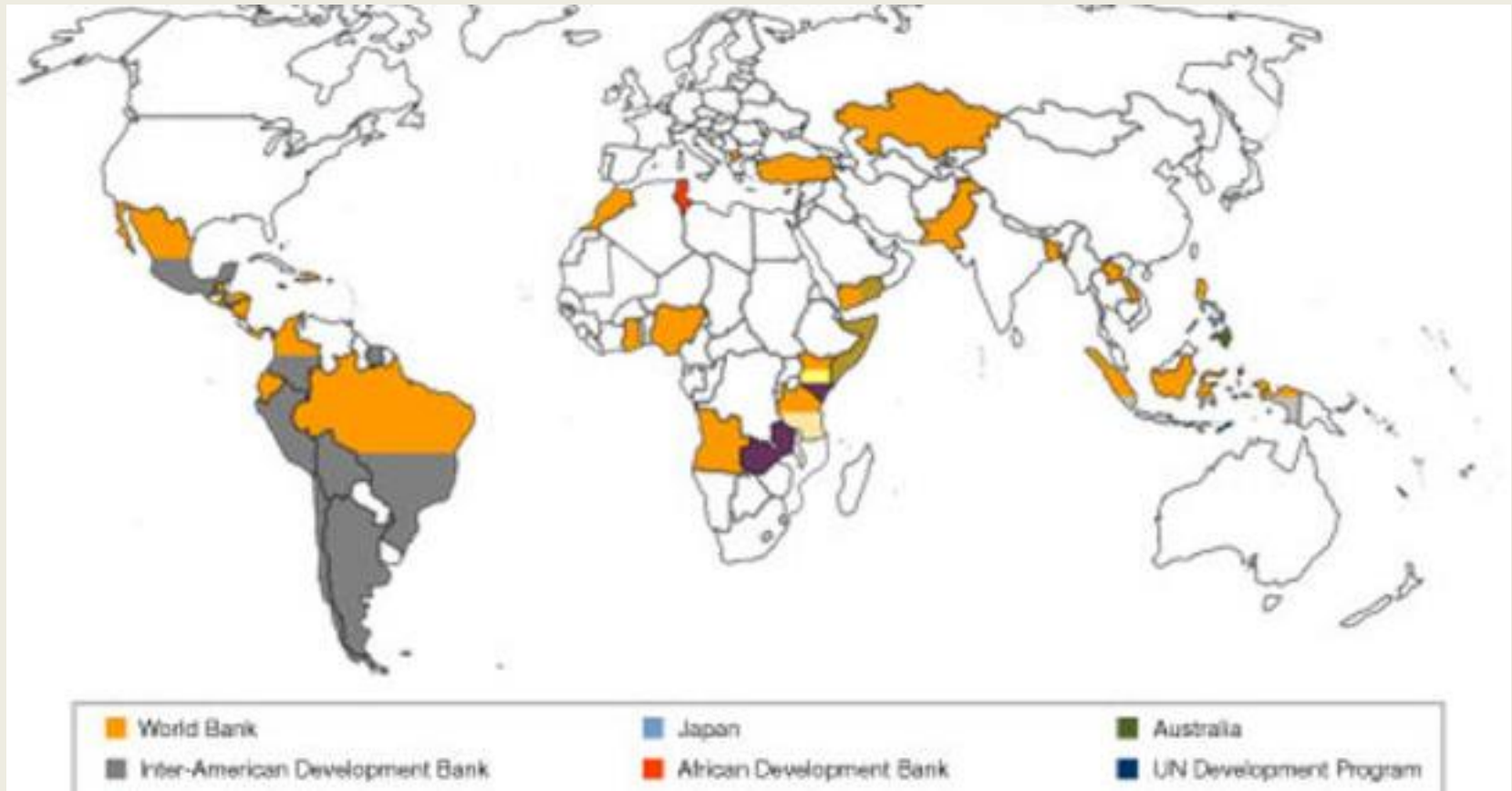
FINANCE MECHANISMS

CONDITIONAL CASH TRANSFERS

- **Conditional Cash Transfers (CCT) reduce poverty while beneficiaries are required to invest in child education and health**
- **Increase consumption among poor to substantially alleviate poverty**



CCT IMPLEMENTATION



CCTS AND LONG-TERM DEVELOPMENT

- Programs in Chile and Turkey are focused on most socially and economically marginalized
- Programs in Bangladesh and Cambodia are used to reduce the gender disparities in education
- Pilot program in Sub-Saharan to address orphans affected by HIV/AIDS

OTHER CASH-BASED PROGRAMS

- Leads to multi-sectorial programming
 - Households will spend on what they feel is necessary
 - Planning among actors is challenging to coordinate

RISK ANALYSIS AND JOINT ASSESSMENTS

- **Mechanisms for pooled and combined data analysis**
 - **Provides better foundation for joint humanitarian and development efforts**
 - **Must become a sector standard rather than exception**

“Without reliable data, we cannot know who is in need, what challenges they face, what support can assist them and whether interventions are making a difference.”

**One humanity: shared responsibility,
UN Secretary-General, January 2016**

TRANSPARENCY

- UN Secretary-General's HLP on humanitarian financing recommends that all donors and aid agencies publish their data
 - Data should be shared using the International Aid Transparency Initiative (IATI)
 - Fulfills the need for a single global data platform

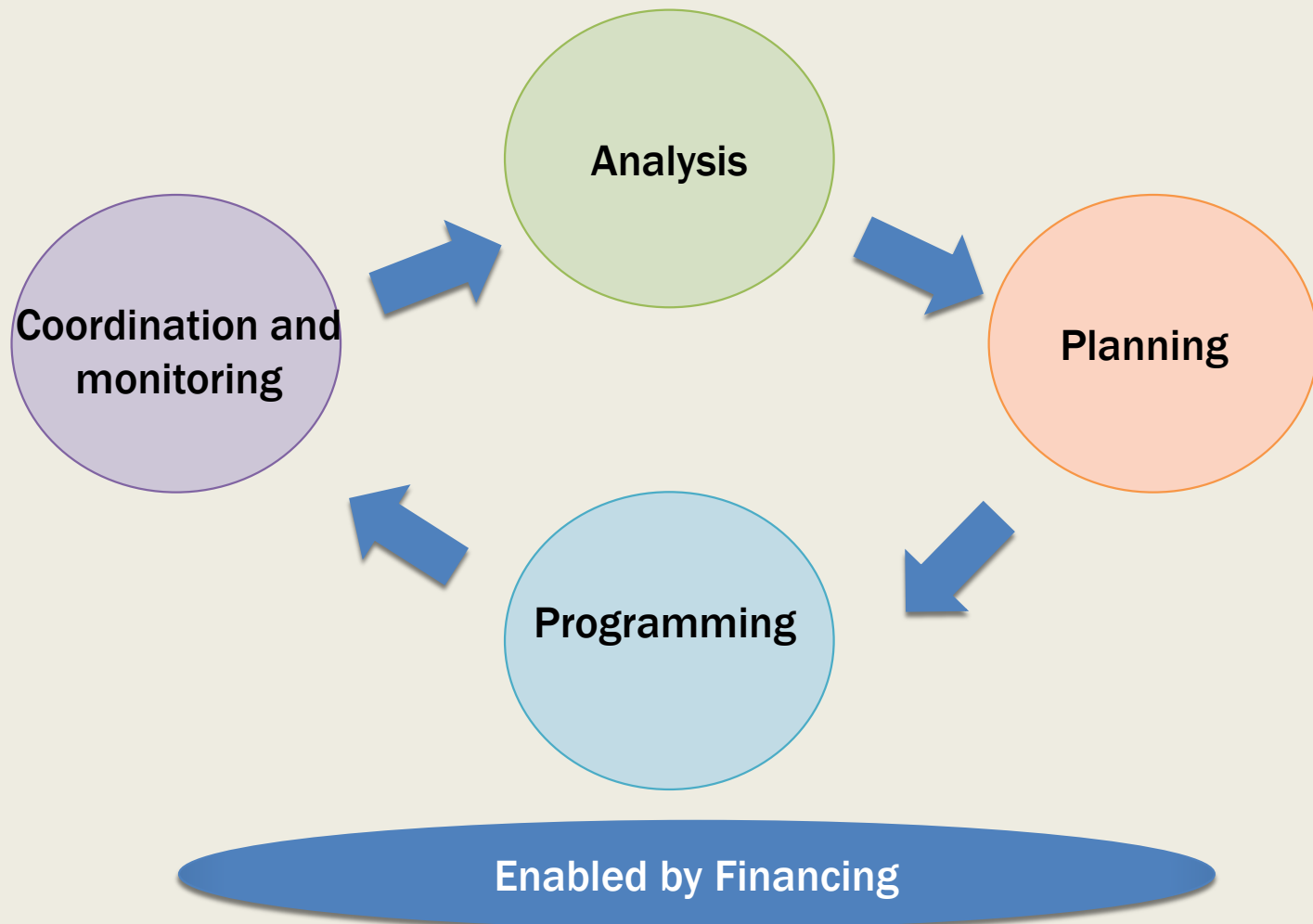
3TS OF TRANSPARENCY

- 1. Traceability-** the ability to follow money through a complex humanitarian financing system
- 2. Totality-** An understanding of the greater context to address multi-dimensional needs and eliminate silos (ex. development financing)
- 3. Timeliness-** Providing a basis for rapid decision-making

“For donors to provide more flexible and predictable funding they need reliable, real-time, prioritised, comparable and open data on the needs that they are being asked to finance and the results produced by their funding.”

**Too important to fail: Addressing the humanitarian financing gap, *High-Level Panel on Humanitarian Financing*
January 2016**

PRACTICAL STEPS FORWARD



Leave no one behind.



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Citations