

WHO Conference on Health Aspects of Tsunami Disaster in Asia

Donor Response, Funding Policies and Practices

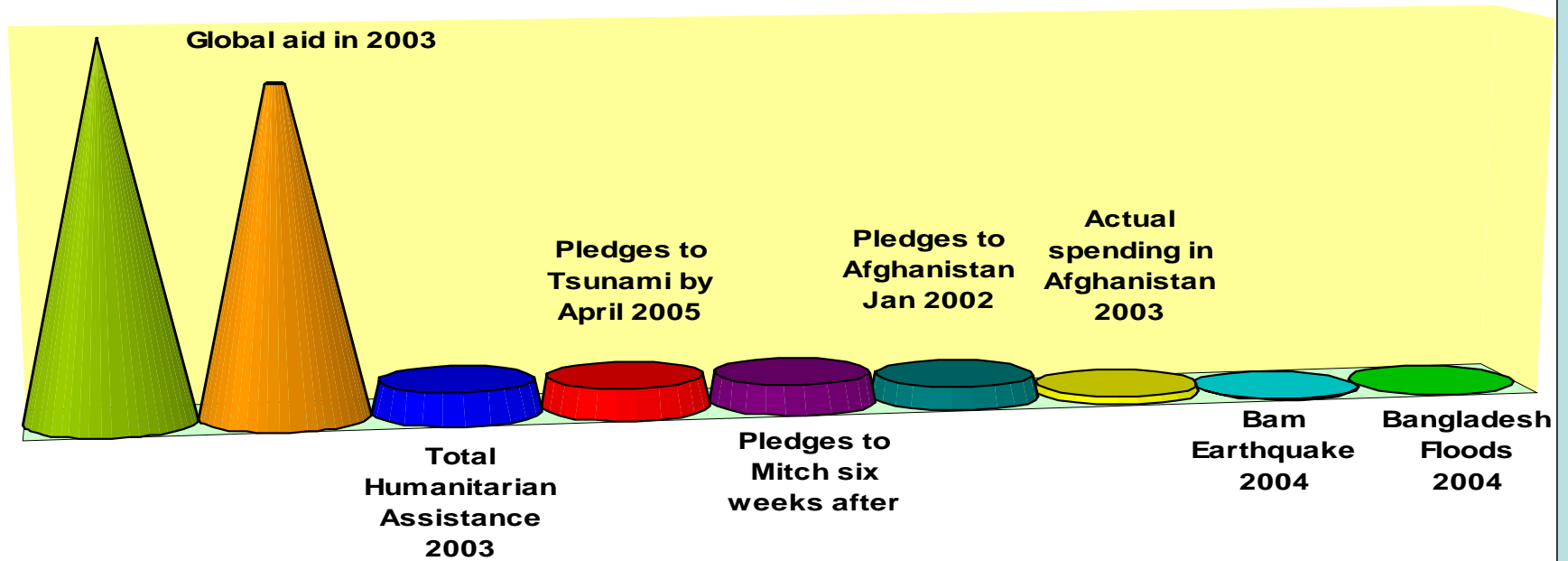
Tony German 5 May 2005

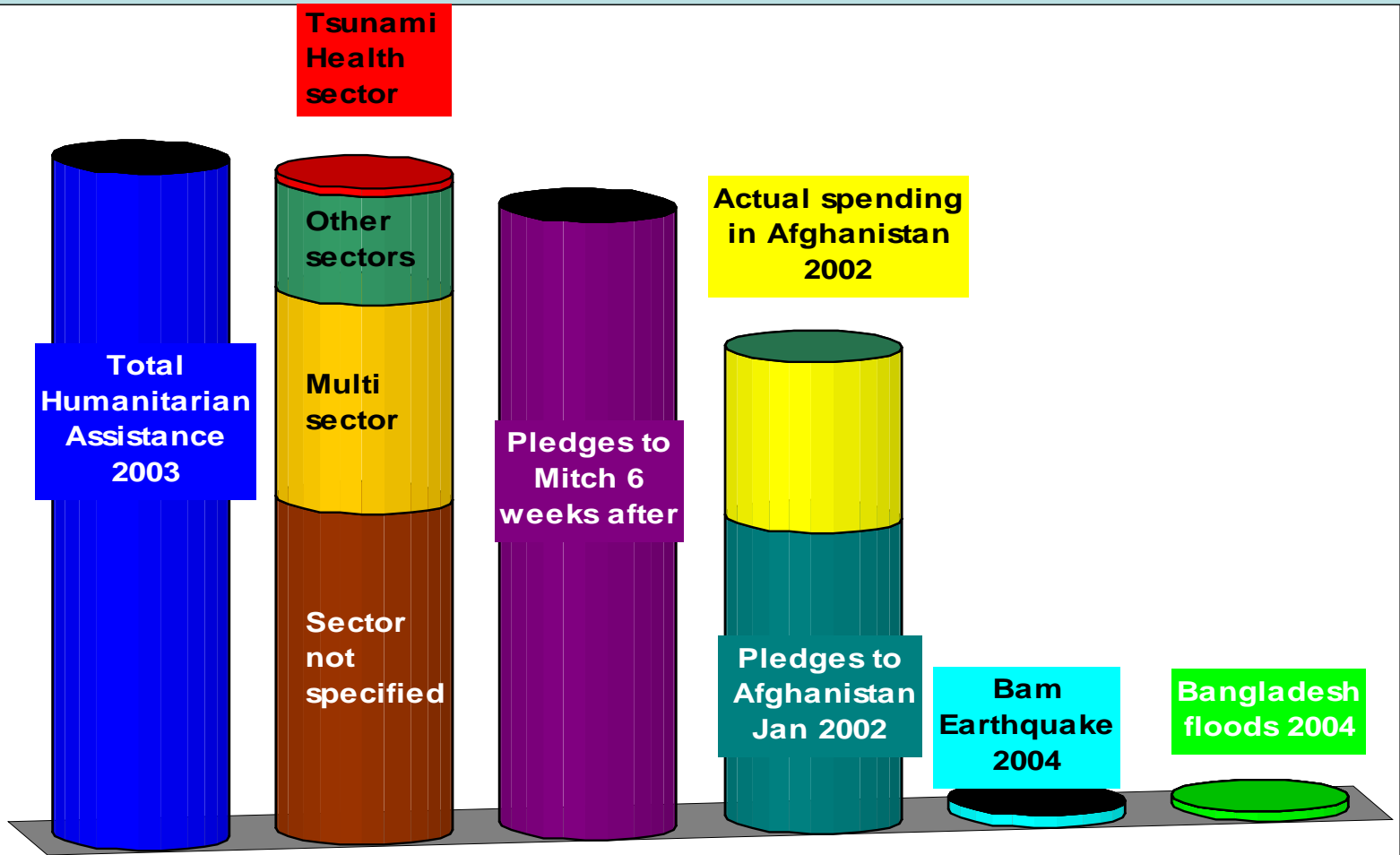


- Worth repeating that most humanitarian assistance – and effort to eliminate poverty – comes not from aid but from governments' and communities' own efforts.
- Data presented here based on OCHA FTS and OECD DAC statistics. Problems of timely reporting, voluntary reporting, difficulty of being clear on pledges, commitments and disbursements.
 - Important work going on between OCHA and DAC to improve statistics – in the meantime care is needed! Table 3.1 GHA.
- Several of the issues that I refer to are already being addressed under the Good Humanitarian Donorship Initiative – more on that later.

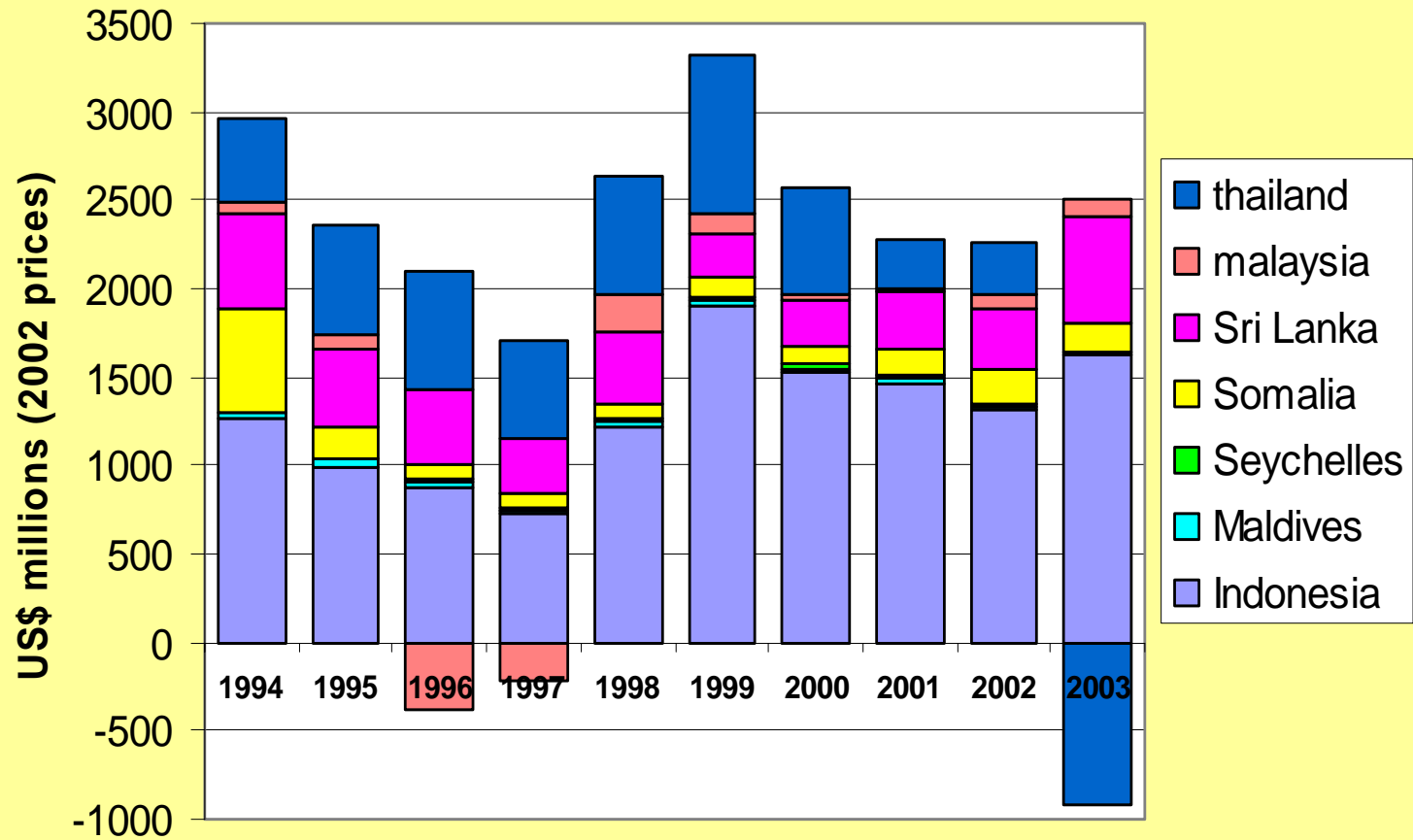
Comparing Tsunami Response

Global aid in 2004





Total ODA to the Tsunami Affected Countries 1994 - 2003

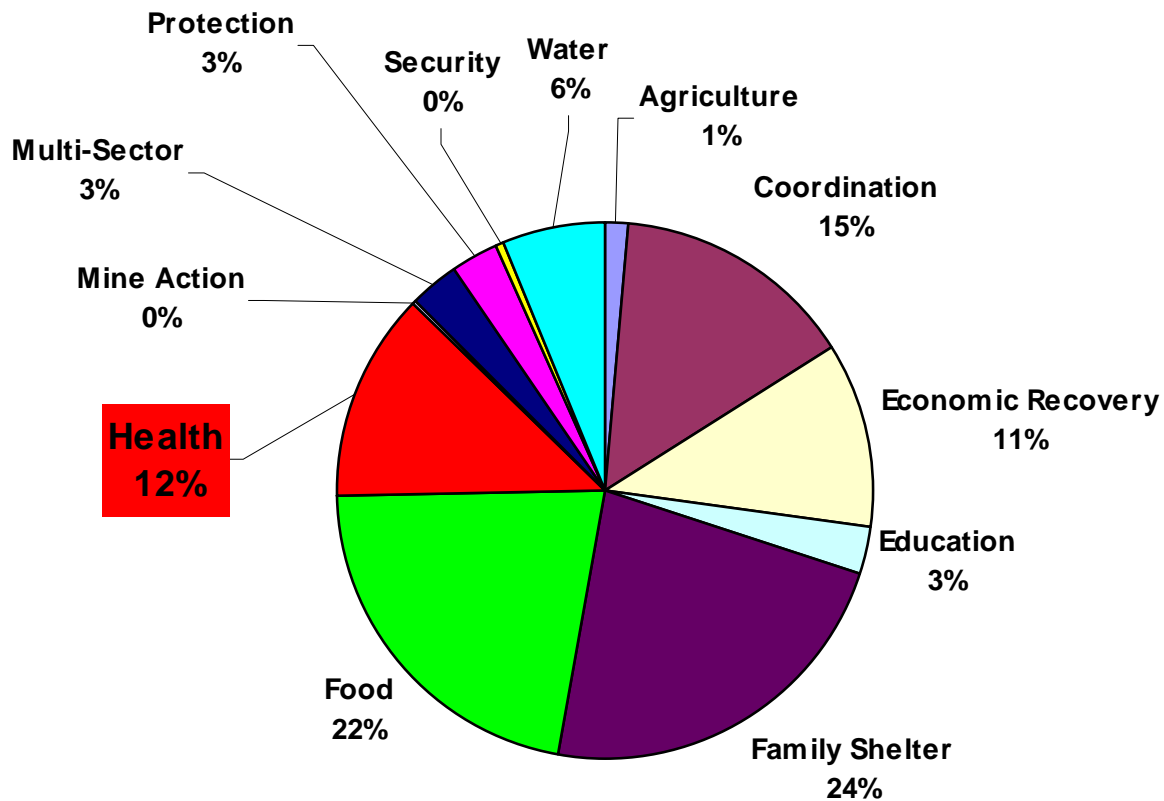


Some issues so far:

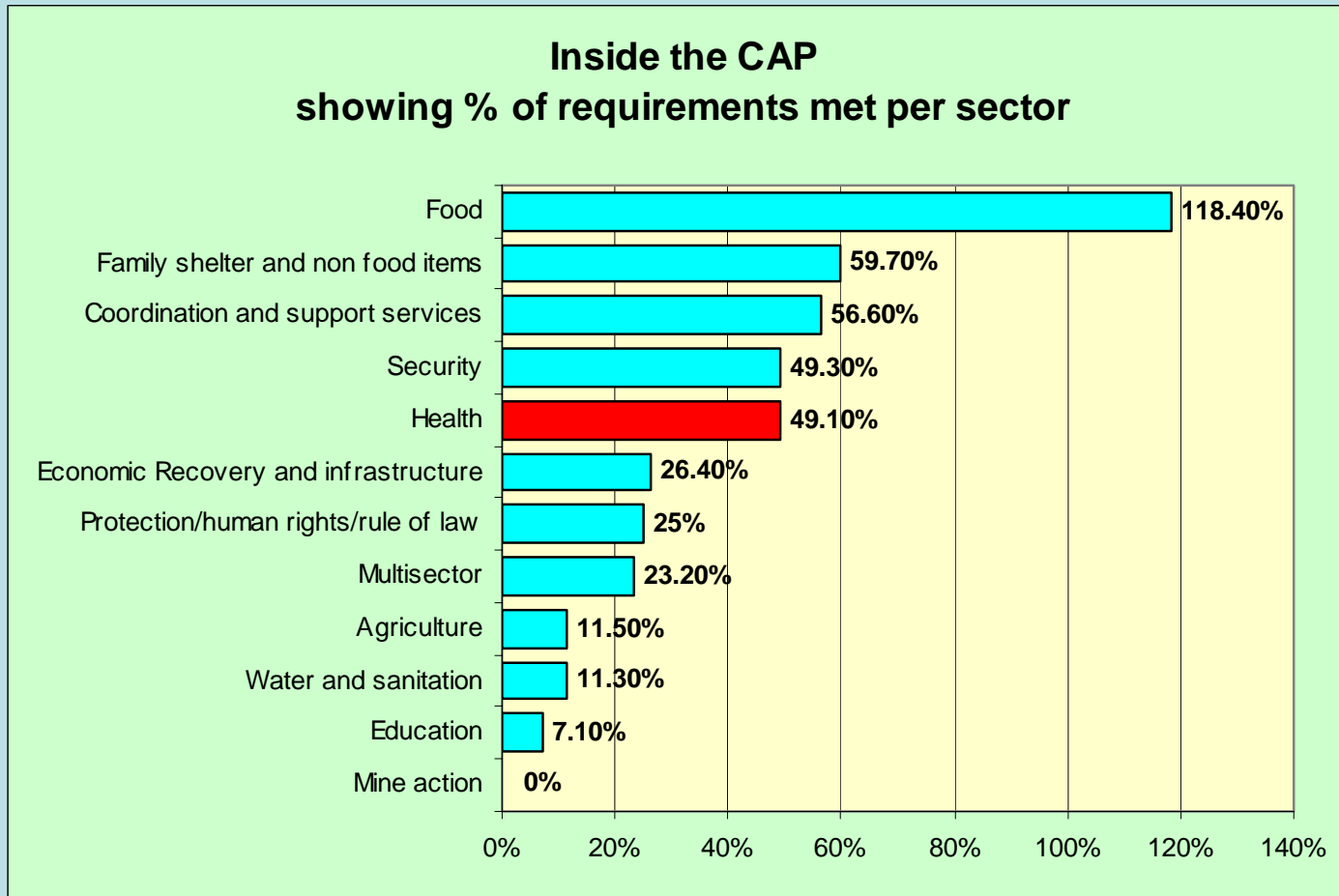
- The Tsunami appeal was one of the minority that attract big headlines and funding
- Good Donorship means managing 'CNN emergencies' to ensure equity with other crises and chronic but acute poverty
- Experience shows that some pledges made by donors are never actually fulfilled
- Coordination is a huge challenge: 59 countries, 10 multilaterals, 15 NGO, private or municipal organisations – just counting those who report!

Health formed 12% of requirements in the Flash Appeal – which is meant to define initial priorities

Financial Requirments by Sector to the Tsunami Flash Appeal



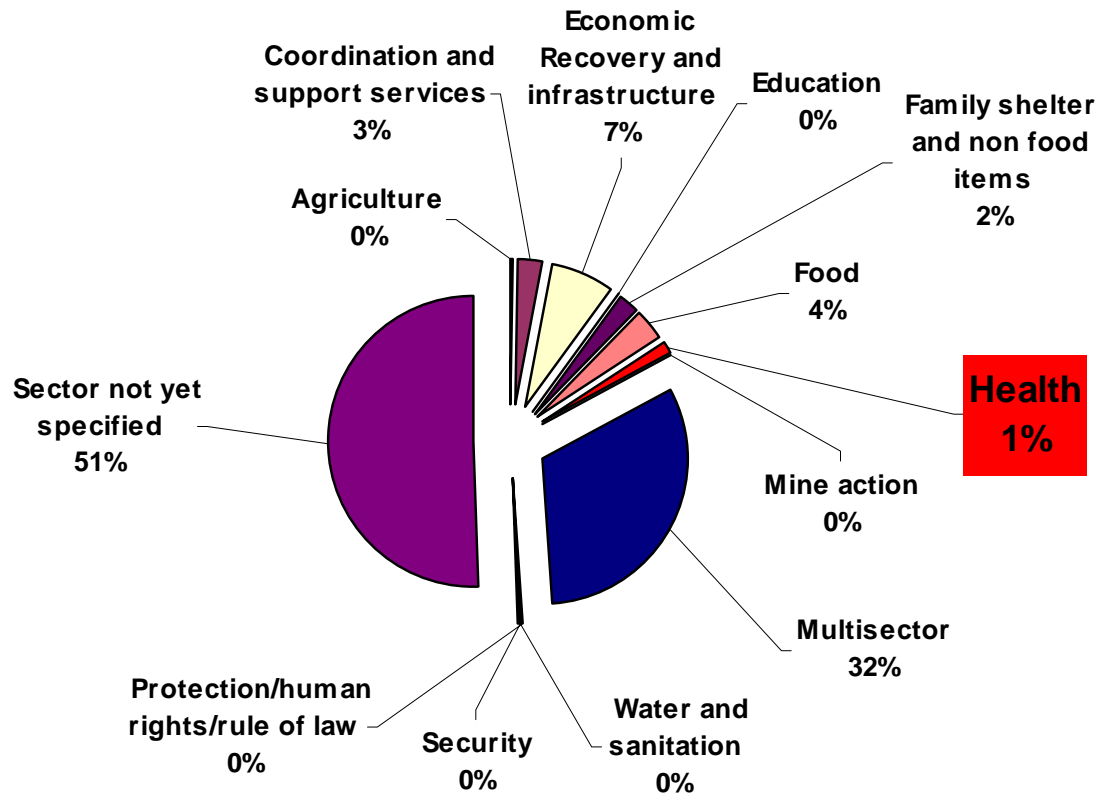
By April 5 health had received \$63.2 million - half the amount requested



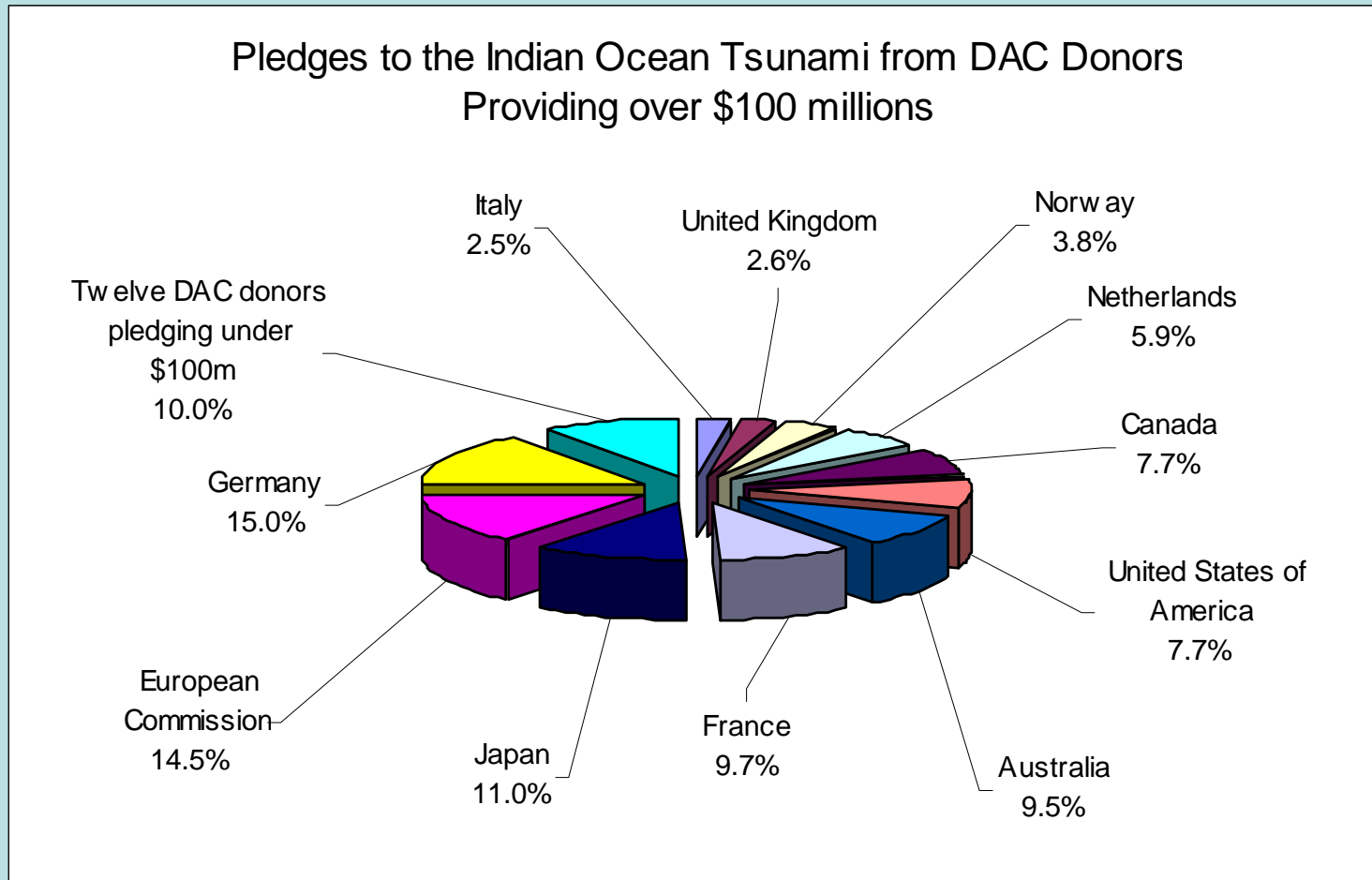
- Whilst the Tsunami MTR identifies unmet requirements of \$216m – including health - donors are making pledges outside the CAP
- \$5 out of every \$6 pledged to the Tsunami were for needs outside the CAP.
- CAP is both a fundraising tool and a needs assessment – difficult balance
- CAP is a snapshot – needs evolve
- Need to address reasons why donors working outside the CAP – and how this fits in with equitable needs assessment.

Overall picture inside and outside CAP: large not-yet specified and multisector – smaller health

Total contributions by sector - both within and outside the CAP - including multisector & sector not specified

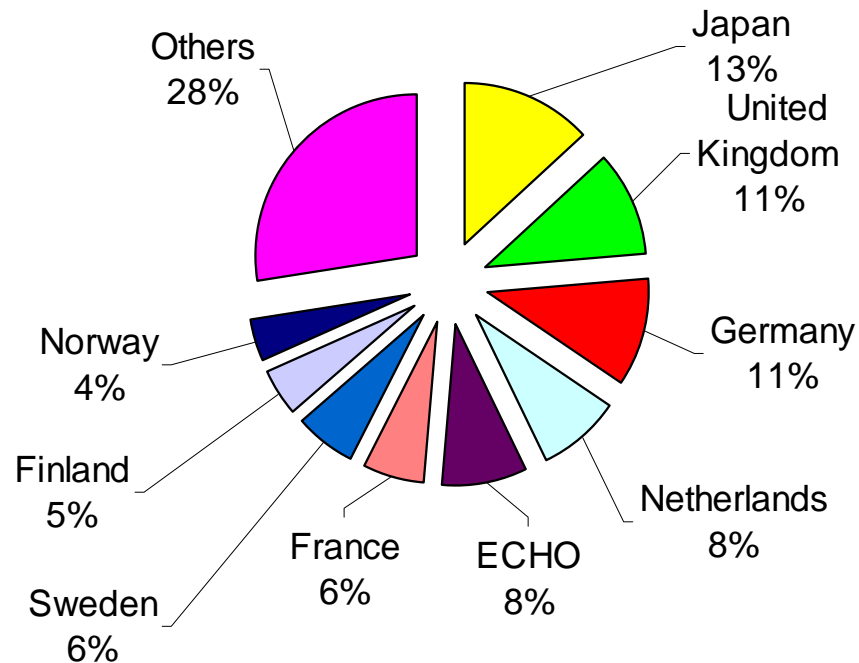


Which DAC donors are providing most overall Tsunami assistance (including health) ?

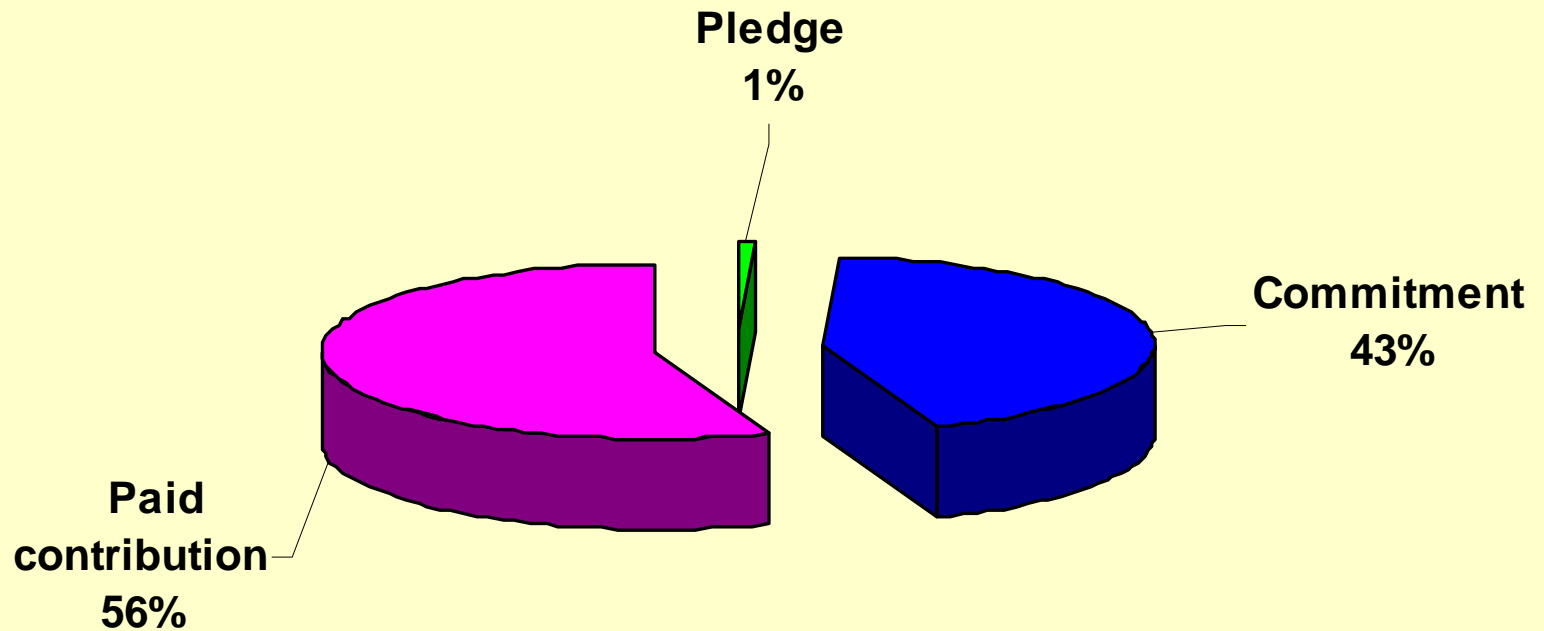


Main bilateral donors to health

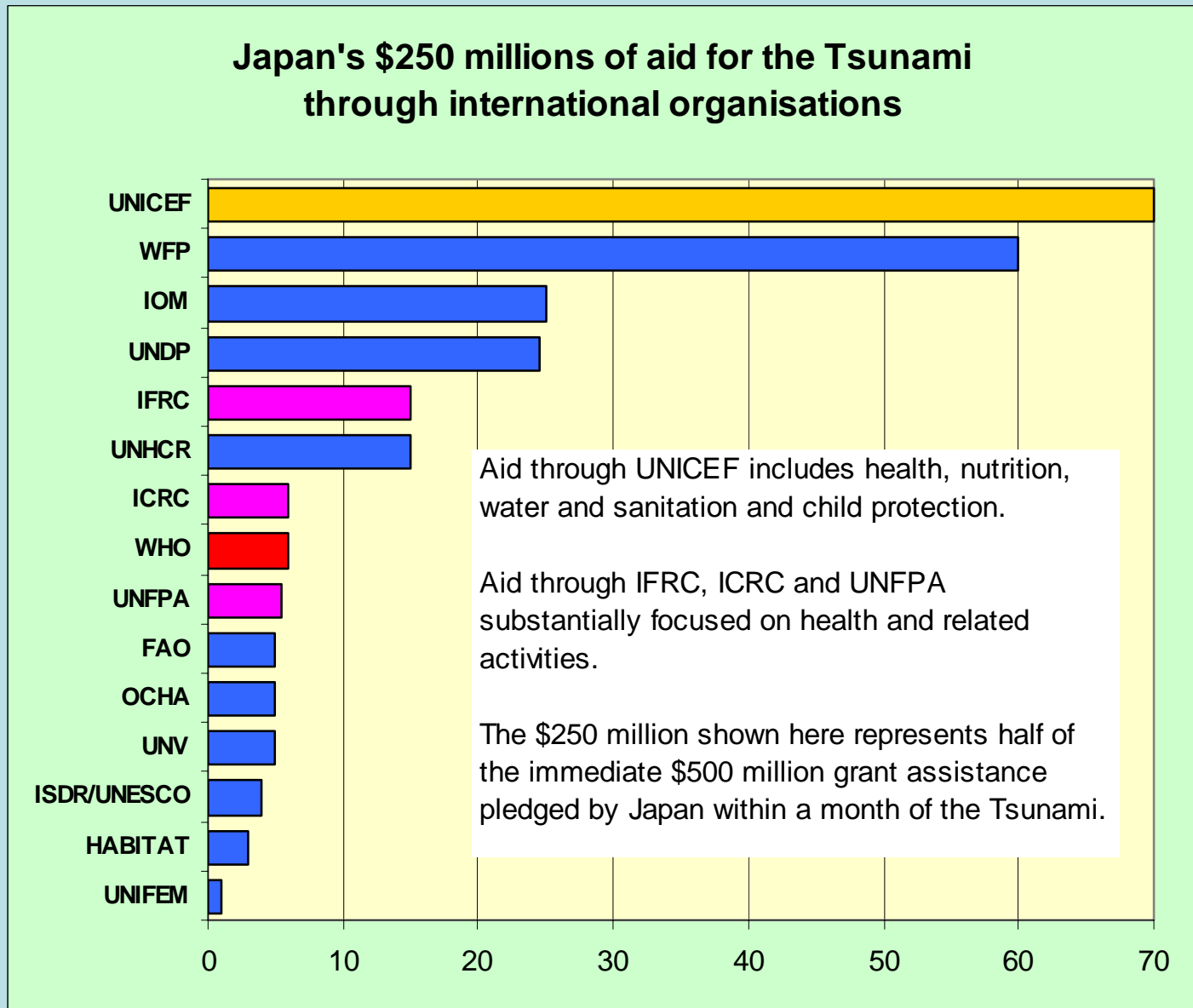
**Paid contributions and commitments
to the health sector - total value \$87.6 millions**



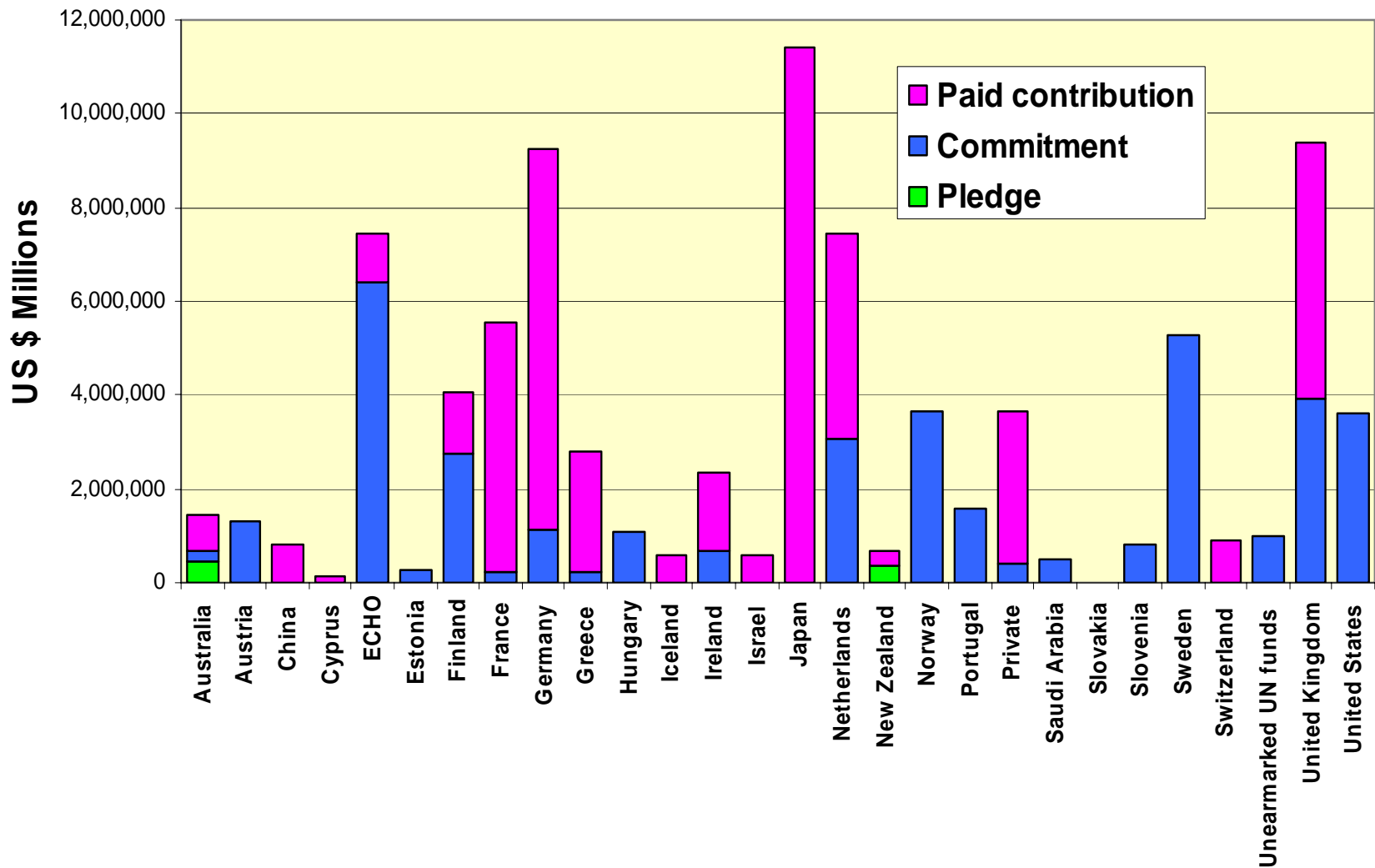
Figures for pledges, commitments and paid contributions to the Health Sector by 12 April 2005



To accurately assess how much is really going to health you need to look at the spending in detail.



Donor Country Paid Contributions, Pledges and Commitments Total to Health



Importance of further steps to improve data on aid flows in disasters

Efficiency – which organisations for which needs, when delivered, how earmarked, cash or kind.

Equity – which disasters, which people, how much per head and how much in relation to needs

Adequacy – funding in relation to priority needs

Resource Mobilisation – who has given what, where the shortfalls are, who has not delivered on commitments?

How does humanitarian aid relate to longer term funding?

- Ratchet effect of humanitarian aid
- Political commitment to humanitarian work, translating into longer term commitment
- Note that Germany is reported to have been influenced by the public response to the Tsunami to increasing its overall aid budget and committing to 0.7 in 2014
- The relationship between humanitarian action, reconstruction and long term development.

Humanitarian Architecture

- OCHA established to coordinate
- Needs assessment through CAPs/Flash Appeals – CHAPs – but only partially successful
- As the Tsunami shows, there are an increasing number of actors to coordinate bilateral and multilateral agencies, NGOs and private sector, emerging donors, an increasingly proactive public, media.
 - And most people think coordination is important but resent being coordinated!

GHD Agenda

- to ensure that funding new crises does not adversely affect meeting needs in ongoing crises
- to provide predictable and flexible funding, reduced earmarking and longer term funding arrangements
- to contribute responsibly, on the basis of burden-sharing, to UN Consolidated and Red Cross/Crescent Appeals and in support of Common Humanitarian Action Plans (CHAPs).

Key issues for discussion

- Needs assessment are critical – but the CAP process combines needs assessment with resource mobilisation for individual agencies
- How can needs, analysis of resources and measurement of results be combined?

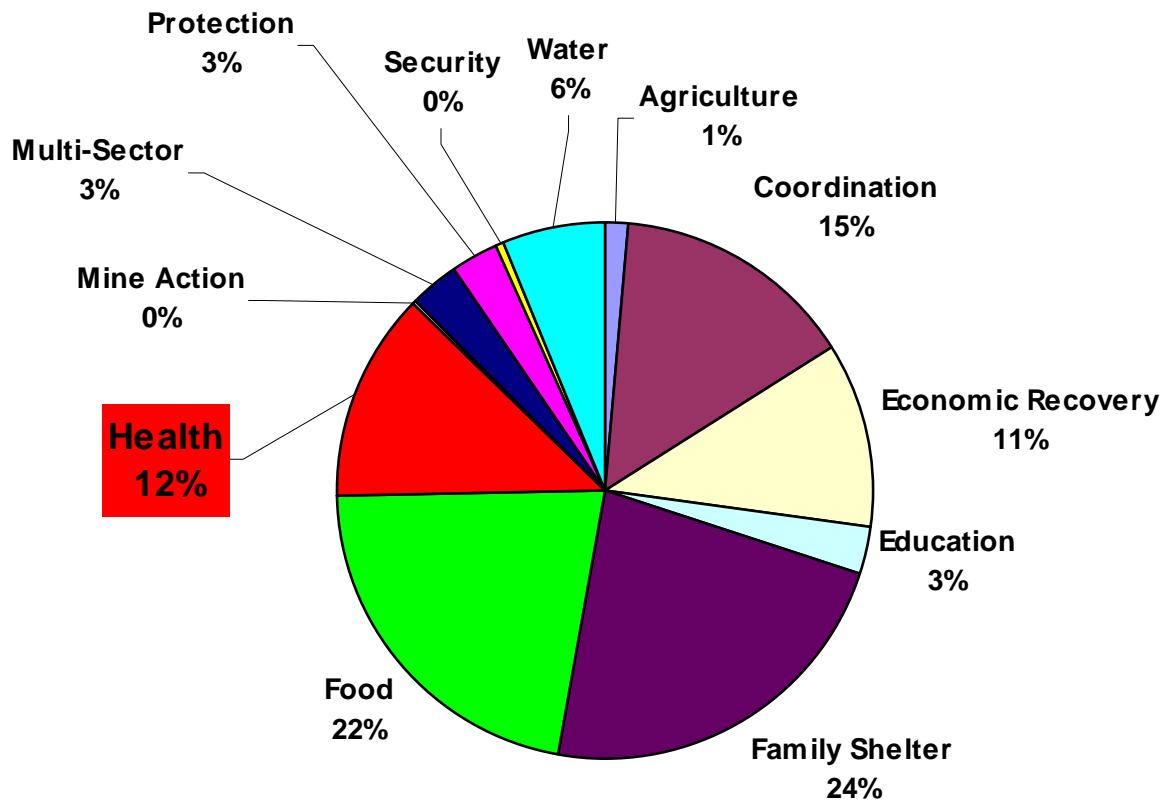
- Current system of collecting needs is based on agency requirements, which are then funded (or not) line by line. Then there are various mechanisms for filling the gaps.
- Why not a single fund set up under the Common Humanitarian Action Plan, which can be allocated in accordance with need (see Flexible Funding Paper)
- Equity in response: MSF told people to transfer support to other (less popular) emergencies once their requirements were met. There is currently no system for enabling overfunding to go to forgotten emergencies.
- But also equity needed not just between emergencies, but between communities affected by emergencies and people just suffering chronic poverty.

- Most humanitarian situations are underfunded according to the needs assessment (CAPs are not fully funded).
- the Tsunami CAP has been about 80% funded – high but still 20% of the priority needs have not yet been met.
- At the same time for every \$1 given through the Tsunami CAP/Flash Appeal, \$5 is spent beyond the CAP. So we the Tsunami shows we don't yet have a persuasive system for ensuring that top priorities get funded first.
- Should all funds be unearmarked – desirable but trade off with reporting, accountability and 'ownership'
- Linked issue – the pros and cons of multilateral spending

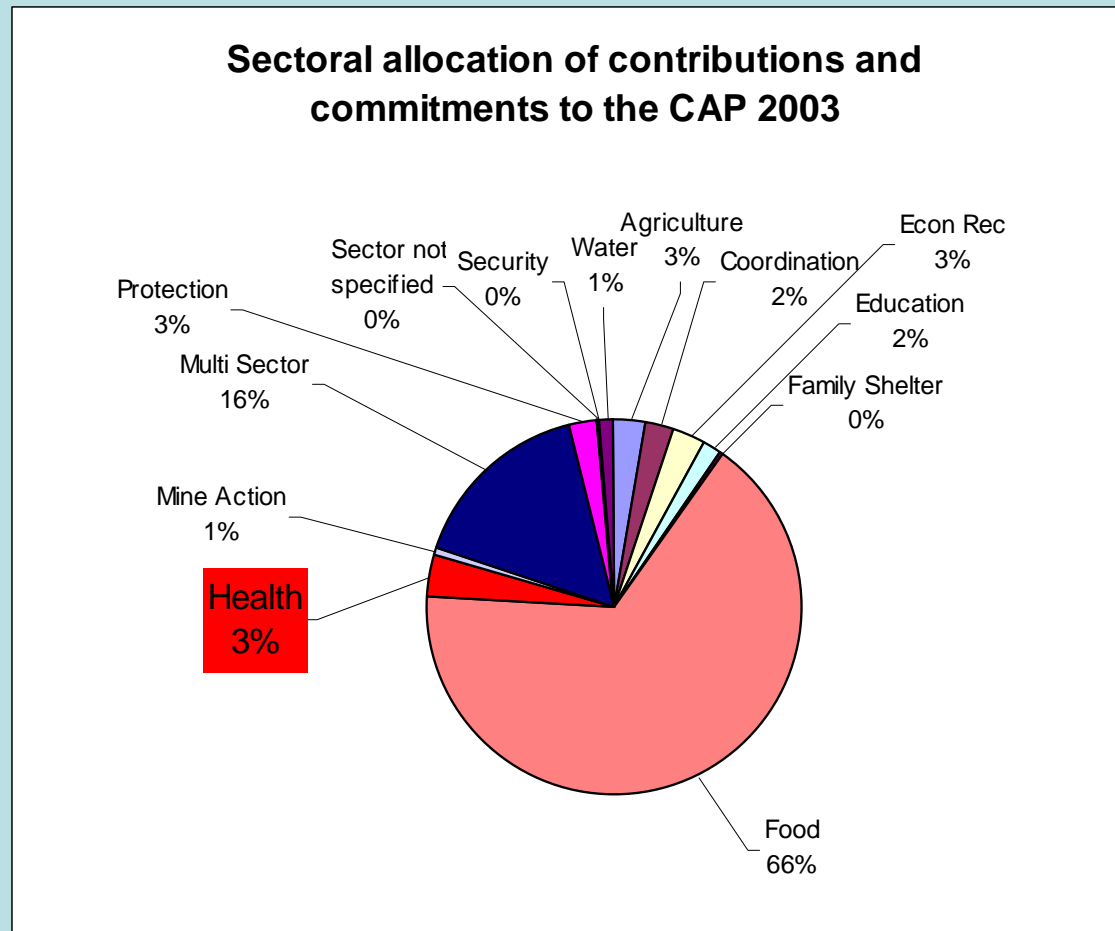
- Clear need for pooled funds – into which donors can contribute unearmarked money.
- Issues of funding are linked to UN reform – donors looking for opportunities to spend pooled unearmarked money through well coordinated non-fragmented UN.
- For agencies like WHO, the capacity to raise, track and account for funds becomes increasingly important.
- Attention needed to non-traditional actors – their potential and how they can be assisted to pursue best practice.
- Both for reasons of sustainability and equity, it is important to pay attention to the development aspects of humanitarian assistance and relationship to achieving the MDGs.

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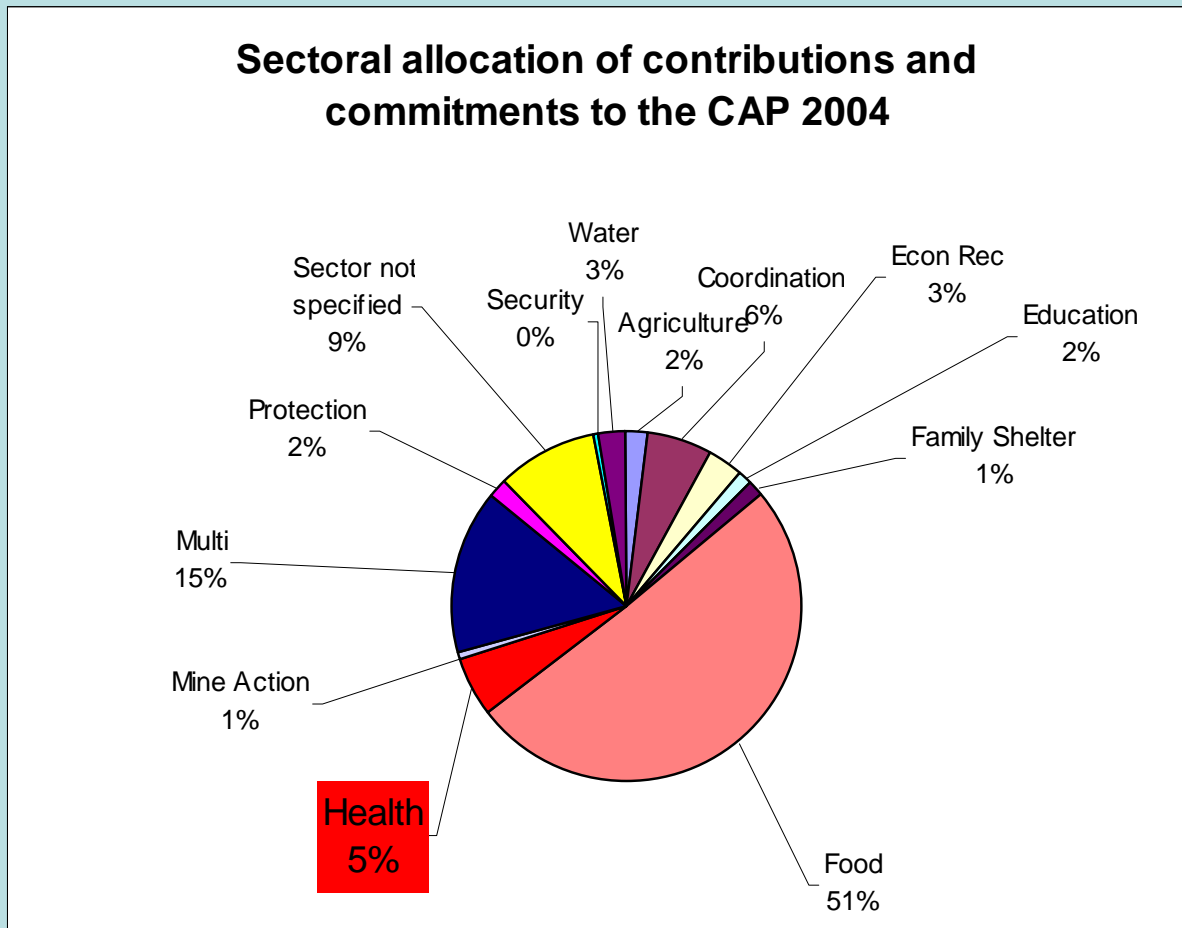
Financial Requirments by Sector to the Tsunami Flash Appeal



Tsunami 12% for health compares with 3% for health in all CAP appeals during 2003



Health represented 5% of all CAP appeals in 2004 compared with 12% in Tsunami CAP



Recommendations

- Develop a comprehensive understanding of the incentives donors have to provide targetted unearmarked funding, the constraints they face in providing unearmarked pooled funding, and how these might be addressed
- Evaluate Tsunami relief funding against best practice (DAC good humanitarian donorship) priniciples