Roundtable Report

Challenges for EU humanitarian aid in 2014

Tuesday, 11 March 2014, 11.30 – 17.00
Berlin Office of the German Caritas – Reinhardtstr. 13, 10117 Berlin

On 11 March 2014, VOICE and VENRO jointly organised a Roundtable in Berlin for German humanitarian actors under the theme of **EU humanitarian aid challenges in 2014** in the German Caritas offices**.** Representatives from more than 20 NGOs, the VOICE Board and Secretariat, ECHO, the German Foreign ministry, the German Parliament, academia and the military participated in the discussions, helping to feed the links between German and EU humanitarian aid.

Implementation of the European Consensus on Humanitarian Aid and European humanitarian aid funding in 2014 dominated the morning's discussions while the afternoon discussions focused on innovative approaches to resourcing and ensuring quality in humanitarian aid.

Introductions:
VENRO Chair Sid Peruvemba and **VOICE President Nicolas Borsinger** highlighted the topics arising in 2014 such as EU funding for humanitarian aid, quality standards and the European elections. VOICE was keen to learn from recent German experiences with the national elections and in civil-military coordination.

Session 1: EU humanitarian aid in 2014
Peter Runge – VOICE Board member, CARE Germany, chairing the session noted that with a new European Parliament and Commission expected in 2014, a number of large scale crises, and less EU humanitarian aid funding, there would be a number of challenges for the sector this year.

Kathrin SCHICK- VOICE Director, noted that ECHO is an important donor both in terms of volumes of aid but also as a standard setter. NGOs are its main implementing partners and as such VOICE helps to ensure their concerns are heard. Ms. Schick asked that VENRO members push for new Consensus Action Plan and vote in the European elections in May 2014!

She spoke about two main issues in 2014:
- European Consensus on Humanitarian Aid. The five year Action Plan expired end 2013. In 2014 VOICE will advocate for a new follow-up Action Plan with a renewed focus on the humanitarian principles, diversity of actors in the sector and MS implementation. VOICE did a study on the Consensus' impact. The initial findings are that: i) it strengthened the humanitarian architecture at EU level, and policy in MS; ii) MS discuss policy with NGOs (Germany is a good example of this); iii) but most MS give funding to the UN; and iv) MS are committed in their policy to humanitarian principles but decisions on implementation are frequently guided by other concerns such as historical links to other countries, or promoting an EU 'comprehensive approach' to crisis placing more emphasis on security or politics.

- EU humanitarian aid funding situation. ECHO started 2014 with a backlog of €400 million. As a result it has reduced its initial contracting for implementation of the 2014 Humanitarian Implementation Plans (HIPs) by half globally. This has been met with deep concern by all partners, and VOICE is helping its members to understand, follow and advocate for solutions to this problem. Additional funding is required to resume full programming.

Member States and the European Parliament are important actors in resolving this issue as they have the final say on the EU's humanitarian budget.

Simon HORNER - Advisor Directorate B – Operations, Directorate General for humanitarian aid and civil protection (ECHO) European Commission, spoke about the overall developments in the EU humanitarian system and about ECHO's current funding situation.

- <u>overall developments</u> in the EU humanitarian system:
    - increased interaction with i) development colleagues (LRRD, resilience), ii) with more political actors, e.g. EU Comprehensive Approach to crisis situations (*see [VOICE General Assembly resolution 2013](#)*), and iii) other donors including non-traditional ones.
    - There have also been changes in how ECHO can accept resources, for example through the Nobel Peace prize money.

- <u>ECHO's current funding situation</u>: There is a shortfall which has arisen over the last years from a structural gap in the EU budget between a ceiling for spending and the cash that follows. Commissioner Georgieva is committed to securing funding to ensure the EC remains the 2nd largest provider of humanitarian assistance in the world. In her outreach to EU budget decision makers she is underlining the moral imperatives and the specificities of humanitarian aid in the EU budget (e.g. life-saving). ECHO is also looking at other sources of funding for ECHO; additional funds from the European Development Fund, 'assigned revenue' (eg Nobel prize money) and the possibility of proposing an Amending Budget 2014.

Dr. Aderholdt Eltje, German MFA Humanitarian department, spoke about Germany's commitment to supporting ECHO, the value of the European Consensus on Humanitarian Aid, NGOs as humanitarian aid partners and preparations for the World Humanitarian Summit.

- <u>ECHO funding situation</u>: German MFA is following this situation closely and liaising with other EU foreign ministries. Information from NGOs is valuable as Germany can see how the MFA can address specific project problems but also use this information to inform the German position in EU budget discussion.
- ➢ *Msg to NGOs: Inform German MFA of cuts/problems with specific proposals.*
- <u>ECHO value:</u> Amongst EU member states as donors and policy makers there are mixed levels of humanitarian aid activity, capacity and understanding. The German MFA values ECHO as a principled donor and as an ally to other MS who most value the humanitarian principles.
- <u>Consensus:</u> has helped grow understanding of humanitarian principles and is a useful tool for discussions with new donors. The Action Plan has had positive effects on common needs assessment, mixed results in relation to the capacity to respond and links with the international aid architecture. Germany sees less progress on climate change and in relation to the 'aid continuum', citing work on LRRD.
- Strategic partnership with <u>NGOs</u> is very important: Germany is committed to NGOs not being seen as implementing partners or recipients of funding but also partners in dialogue. There are administrative limits to funding for NGOs and Germany has been exploring pooled funding and different models for assuring quality to reduce the administrative burden on both sides.
- Germany will have a specific role in the preparation of the <u>World Humanitarian Summit</u> in 2016, hosting thematic preparation meetings in 2014. ECHO is expected to play an active role and Germany is committed to it being an open and inclusive process, including traditional donors, emerging donors and civil society, as this is the best means to ensure spreading the 'principled action' approach.

The discussion focused on:
- Undue optimism on ECHO funding situation – many NGOs were concerned that the Commission and German MFA were portraying an optimistic scenario, in the face of what

seemed like a serious political and structural budget problem. Concerns were expressed for how to plan and the risks NGOs could take vis-à-vis ECHO funding.

- How to avoid 2015 ECHO budget situation being a repeat of 2014? Many participants identified that closing the gap between payments and commitments in the EU budget was crucial for humanitarian aid. German NGOs are not dependent on ECHO but were also concerned at the reputational risk to ECHO, which is seen very positively by the government and NGOs.
- Will German government consider 'assigning revenue' to EU budget for HA? Germany is looking at ways to ensure efficient and effective disbursement of a rising humanitarian aid budget, without increasing administrative costs. This is also linked to certification or quality standards processes. Priority is to look at pooled funds.
- World Humanitarian Summit process: NGOs are concerned that the WHS process may not be inclusive. There is a growing pool of less principled donors and the WHS process is a chance for ECHO and the EU to show leadership on principled needs-based aid.

Session 2: innovation in funding and quality
Sid Peruvemba – VENRO Chair speaking of the unprecedented high caseload in humanitarian aid, introduced the session, saying that the two examples of innovation in the humanitarian aid sector showed that NGOs could innovate to improve response, while maintaining their commitment to the humanitarian principles.

START pool fund
Jean-Michel Grand (AAH-UK) introduced the START network and pool fund (link to his PP here). This multi donor pooled fund, which is designed and managed by NGOs, aims for faster and earlier funding in emergencies, especially in the first 45 days and in particular to ensure funding for low profile and medium scale emergencies.

Discussion: NGOs in Germany were interested in the START fund's potential to deal quickly with low profile or forgotten crises but were concerned it may introduce another level of competition for restricted resources and asked about its relation to the UN CERF. There was particular interest in possible future developments, such as the development of global hubs (expansion beyond UK), maintaining donations to the fund (beyond DfID's current grant) and how to guarantee cost, timeliness and quality.

Framework for Ethical Resourcing
Florence Daunis (Handicap International – HI) gave an overview of the history and development and impact of HI's Framework for Ethical Resourcing (link to her PP here). HI reports that its private donor base has grown since the introduction of the framework, as fundraisers feel more confident in approaching donors on the basis of the pre-vetting.

The discussion focused on:
- whether there was potential to have joint NGO screening processes as the information available on companies' ownership and investments is limited and takes significant resources to investigate.
- whether it was possible to apply this framework to all potential donors including public donors.
- whether this was a realistic approach, given that the demand for resourcing is bigger than the offer.

Update and national perspectives on certification
Mags Bird (Programme Coordinator, VOICE Secretariat) gave an overview of the state of play of some quality standard and certification initiatives in the humanitarian aid scene with a particular focus on the Joint Standards Initiative (JSI) led by SCHR. VOICE follows this track to support its members in their pursuit of quality in the sector. VOICE does not take a collective position on this but facilitates engagement. This process has now produced two draft

certification models which are meant to be based on the joint standards that have been identified in the process looking in particular at quality and accountability. The final draft is expected in June and the findings of the process will be presented in Denmark in December.

VOICE Board members gave an overview of the reactions of NGOs in a few EU member states: there has been a disparity in the level of engagement, with for instance, strong NGO engagement in France but also a concern at the direction of the process, while in the UK, there was no collective engagement but certain NGOs were volunteering to pilot projects.

The Board discussed these initiatives. There is a perception by some that lots of resources have been spent on these processes but there are few promising outcomes yet; the distinctions between JSI, SPHERE and HAP have not always been clearly articulated, and there are concerns about the inclusivity of the humanitarian sector as the direction of these processes goes in favour of the largest of the established families of organisations. There is also a concern about certification being instrumentalised to exclude 'undesirable' NGOs in some countries but that equally the SCHR is nonetheless ongoing and NGOs may be faced with a 'fait accompli'. NGOs voices should be heard to show that quality is an issue that is broader than certification, and showcase that what they do on quality that is beyond the SCHR process.

In Germany: the **German MFA** is focused on quality and reducing the administrative burden project by project so that more time can be spent with strategic partners. Their starting point is pre-qualification and building on systems that exist, such as FPAs and would rather avoid that local partners and NGOs be excluded through certification systems. German MFA would like discussions on quality to be a positive learning process for all actors. **German NGOs** shared concerns of the VOICE Board. They are concerned about quality, but have found the certification processes difficult to engage with.

Conclusions
VENRO President thanked VOICE for bringing the issues of quality standards and certification more to the fore in the German NGO scene, believes more engagement on the quality standards questions is necessary. **VOICE President** noted the importance of NGO engagement in certification debates and of exchanges at national level on issues of EU relevance.

VOICE *(Voluntary Organisations in Cooperation in Emergencies*) is a network representing 83 European NGOs active in humanitarian aid worldwide. VOICE is the main NGO interlocutor with the EU on emergency aid, relief, rehabilitation and disaster risk reduction. It represents and promotes the values and specific features of humanitarian NGOs.	EUROPEAN COMMISSION Humanitarian Aid and Civil Protection	*This event is supported by the European Commission through its* Humanitarian Aid department