

#### **STATEMENT**

# Humanitarian Action at a Crossroad: Why the EU Must Boost Funding in the Next MFF

Post-2027 Multiannual Financial Framework

The European Union, a global humanitarian leader, allocates a mere 1% of its long-term budget to humanitarian assistance, despite soaring needs. This chronic underfunding weakens the EU's impact and risks compromising the humanitarian principles. The EU must increase humanitarian funding in the next Multiannual Financial Framework (MFF), reflecting its global responsibility and ensuring life-saving assistance reaches the most affected populations.

In 2024, a mere <u>45.5%</u> of the \$49.6 billion required by OCHA for humanitarian action was funded. This funding gap is a testament for an alarming global trend and is mirrored at the EU level, with DG ECHO's budget necessitating constant topups. Such a chronic shortfall jeopardises the EU's ability to effectively support people affected by crises and undermines the principles of humanitarian assistance.

Despite the strength of the EU's partnerships with its NGO partners, the current MFF framework leaves humanitarian assistance perpetually stretched thin. With global humanitarian needs exceeding 307 million people, funding must increase to match the scale of the crisis, yet only four Member States met the recommended 0.07% of GNI for humanitarian assistance in 2024.

This gap cannot be ignored; it is a glaring reflection of our failing collective responsibility. The looming threat of a decreased budget for humanitarian responses further exacerbates the situation. The EU must prioritise people, ensuring that life-saving assistance, guided by the humanitarian principles of humanity, impartiality, neutrality and independence, remains paramount.

A people-centered approach must be at the heart of humanitarian action. Profit-driven agendas must not overshadow the urgent need for humanitarian assistance. The next MFF must significantly increase funding for humanitarian assistance and safeguard the integrity of the EU's humanitarian response.

#### FOR THE NEXT MFF, VOICE URGES THE EU AND MEMBER STATES TO:

- 1. Preserve the separate budget line and instrument for humanitarian assistance within the new MFF structure.
- 2. Allocate a minimum of €18.2 billion for humanitarian action on a 7-year cycle for the next MFF with an annual baseline of at least €2.6 billion (2025 prices).
- 3. Keep the Emergency Aid Reserve (EAR) with a minimum annual amount of €600 million for external action.
- **4.** Increase the current level of EU Member States' national contributions to the EU revenue.

## 1. Preserve the separate budget line and instrument for humanitarian assistance within the new MFF structure.

Humanitarian assistance addresses immediate, life-saving needs in crises situations and adheres to the principles of humanity, impartiality, neutrality and independence, as enshrined in the <u>Treaty on the Functioning of the EU</u> (article 214) and the <u>European Consensus on Humanitarian Aid</u> (§10).

Humanitarian principles draw a fundamental distinction with other forms of aid (§22). These principles are essential for maintaining trust and access in conflict and crisis-affected zones. Upholding these principles is crucial to prevent humanitarian action from being compromised by political or economic interests and to ensure that assistance reaches those most in need.

A dedicated budget line is essential to ensure the swift and effective delivery of humanitarian action. This allows for rapid allocation of funds based solely on the immediate needs arising from emergencies, which often occur in volatile contexts. Unlike other sectors driven by profit, competitiveness, or productivity, humanitarian action, guided by the core principles of humanity, neutrality, impartiality, and independence, prioritises people affected by crisis with the sole objective of providing life-saving assistance.

### 2. Allocate a minimum of €18.2 billion for humanitarian assistance on a 7-year cycle for the next MFF with an annual baseline of at least €2.6 billion (2025 prices).

In 2024, the EU ranked among the world's top three humanitarian donors, alongside the United States (US) and Germany. Given the unpredictable nature of funding from other major donors, particularly following recent announcements in the US and in several EU Member States, any reduction in the EU humanitarian assistance would severely impact crisis-affected populations and diminish the EU's leadership role in global humanitarian response. The EU's reliable funding is a lifeline for millions of people affected by crises worldwide, and maintaining this predictability is crucial.

A decrease would mean the EU would no longer be able to respond - at short notice - to humanitarian emergencies like in the past. This would aggravate the conditions of local populations, deepening poverty and forced displacement.

Since the start of the current MFF, the EU's annual humanitarian budget has always been insufficient, calling for yearly reinforcements. For example, in 2022, the total humanitarian budget exceeded €2.6 billion, which was a welcomed outcome, but its trajectory underscored its reliance on unpredictable political will.

With the intersection of shortfalls in EU humanitarian financing with global economic crises, increasingly protracted conflicts, a polarised multilateral system, and climate change, humanitarian needs will continue to rise further. It is essential that the next MFF, aligned with the <u>Council Conclusions on Addressing the Humanitarian Financing Gap</u> (May 2023), ensures that more lifesaving assistance reaches affected populations without delay.

A €2.6 billion annual budget for humanitarian assistance is the bare minimum to remain coherent with the current DG ECHO budget. The previous European Parliament's Standing Rapporteur for Humanitarian Aid underlined the need for an increase in the humanitarian action budget in his report (§7).

### 3. Keep the Emergency Aid Reserve (EAR) with a minimum annual amount of €600 million for external action.

While the humanitarian budget line aims to fund needs that were foreseeable from the previous year, the Solidarity Emergency Aid Reserve (SEAR), now split between the EU Solidarity Fund (EUSF) and the Emergency Aid Reserve (EAR), was designed to finance the EU's response to sudden-onset crises, both within and outside the Union. The EAR is a critical financial instrument that ensures swift and effective responses to sudden crises. Its importance is amplified in a world increasingly characterised by unpredictability, including natural disasters, public health emergencies, and geopolitical conflicts.

Despite a constant increase in humanitarian needs, these may not be fully anticipated when establishing the MFF, which in turn may result in a mostly flat budget profile. In this context, reserves are essential to alleviate suffering and save human lives. EU humanitarian responses have been heavily dependent on funding from the SEAR, now the EAR.

The next MFF should maintain the EAR and the EU Solidarity Fund (EUSF) separate. To respond to persistent humanitarian needs, the EAR should count on at least €600 million annual allocation, ring-fenced for crises outside Europe. Humanitarian responses should have priority access to the EAR ensuring predictability. The EU must take the new MFF as an opportunity to enhance this emergency fund, the failure to do so may have catastrophic consequences for crisis-affected communities.

#### 4. Increase the current level of EU Member States' national contributions to the EU revenue.

A strong EU with a robust humanitarian response will not work without an equally strong budget. Member States which are becoming more frugal regarding their spending should not do so at the expense of crises affected communities, and life-saving programs. A decrease in the EU revenue will mean a decrease in humanitarian action as well as a decrease in resilience building and disaster risk reduction, which are key to helping mitigate the impact of crises and contributing to long-term stability. We ask Member States to increase their current level of contributions for principled humanitarian action.

VOICE is the largest European humanitarian NGO network promoting efficient and effective humanitarian action worldwide since 1992. VOICE is the main NGO interlocutor with the European Union on emergency action and promotes the values of its 89 member organisations who are implementing principled action in all humanitarian crisis worldwide.

