

### **STATEMENT**

# Reforming the Humanitarian System: 5 Key Actions the EU must take!

The humanitarian sector is facing a dramatic financial shock. At the end of April 2025, only 9% of the financial requirements outlined in the <u>Global Humanitarian Overview</u> had been funded, leaving hundreds of thousands of people behind. This shortfall comes as the world faces a record <u>309 million</u> people living in humanitarian crises.

In response, <u>VOICE</u> and the <u>CEOs</u> of 112 humanitarian NGOs called on the <u>EU</u> and its <u>Member States to take a stand for humanity</u> in an open letter in February 2025. Since then, efforts have been made to identify solutions, and many European Union (EU) and Member States actors expressed support for the 'Humanitarian Reset', proposed by the Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, Tom Fletcher. This is necessary, but it will not be enough. The dismantling of USAID and funding cuts from the US and some EU Member States are stark indicators of a deep humanitarian funding and legitimacy crisis. These are not isolated events, but symptoms of broader systemic issues that require bold and radical solutions.

#### HERE ARE 5 KEY ACTIONS THE EU AND ITS MEMBER STATES MUST TAKE:

- 1. Uphold their Commitments to fund principled Humanitarian Action
- 2. Champion a System-Wide Reform Rooted in Principles and Local Leadership
- 3. Protect Quality, Dignity and Inclusion
- 4. Invest in Resilience: Preparedness, Anticipatory Action, and the Humanitarian-Development-Peace Nexus
- 5. Deliver on Long-standing Reform Commitments and Support NGOs

#### 1. Uphold their Commitments to fund principled Humanitarian Action

The EU and its Member States must meet their <u>promise</u> to allocate 0.7% of GNI to Official Development Assistance, including at least 10% for humanitarian action. It's time to turn values into action and put humanity at the centre to uphold the EU's legacy as a humanitarian leader, supportive of an independent, impartial and neutral humanitarian action.

#### 2. Champion a System-Wide Reform Rooted in Principles and Local Leadership

The EU must enable a reform that:

- Puts people first: Humanitarian action must stay anchored in the imperative to save lives and uphold dignity.
  The voices and needs of affected populations must be at the heart of the system, including through stronger accountability to affected people.
- Shift power and resources to national and local actors. The reform must lead to a fundamental shift in humanitarian power structures, with locally led responses as the norm. This requires quality funding, investments in local leadership, capacity sharing and collective rethinking of roles, responsibilities and mandates across the different stakeholders.

#### 3. Protect Quality, Dignity and Inclusion

With drastic funding cuts, remaining resources must reach people whose needs are most life-threatening. However, reprioritisation exercises should not lead to approaches that define lifesaving action too narrowly and that are less cost-effective and not necessarily based on the preferences and needs of affected communities.

## 4. Invest in Resilience: Preparedness, <u>Anticipatory Action</u>, and the Humanitarian-Development-Peace Nexus

These investments are central to effective humanitarian action and to build resilience. Scaling back longer-term programming in the name of lifesaving prioritisation is a short-sighted strategy that increases long-term harm, costs, and dependency without breaking the cycle of suffering.

#### 5. Deliver on Long-standing Reform Commitments and Support NGOs

The need for a more cost-effective and agile humanitarian system is not new, and any reform should focus on translating existing commitments, particularly those made under the Grand Bargain, into action. It includes a paradigm shift towards the simplification and harmonisation of compliance and administrative requirements. In addition, supporting NGOs is central for an effective reform. Working with NGOs delivers tangible results for people caught in a crisis. NGOs' diversity reflects a wide range of expertise, enabling them to operate in the most challenging contexts. Thanks to their proximity to communities and deep understanding of local circumstances, NGOs respond efficiently to the diverse needs of crisis-affected populations and effectively work with them.

With these five key actions, the EU and its Member States can change the course of today's humanitarian crisis. They must use their power and resources to help build a deeply renewed humanitarian system - one that is more inclusive, fair, and accountable to all people living in humanitarian crises.

