

STATEMENT

Revision of the EU's long-term budget: a step backwards for EU humanitarian funding

On 27 February 2024, the European Parliament [consented](#) to the [decision](#) taken by the European Council on the revision of the European Union's (EU) long-term budget, the multiannual financial framework (MFF).

The VOICE network expresses profound disappointment with the outcome of this revision. Not only does it fail to increase the EU's humanitarian budget, it also leads to cuts in the emergency funding available to complement it. This leaves the EU's humanitarian partners with less support than before the revision. At a time when the number of people in need reached [364.6 million](#) in 2023, with a staggering [€34 billion](#) funding gap resulting from only [40%](#) of the global humanitarian appeal being funded, this decision marks a significant step backwards in addressing the escalating humanitarian crises worldwide.

It is worrying that the European Council, regardless of its [recently reaffirmed commitment](#) to address the humanitarian funding gap:

- **failed to reinforce the main budget line for humanitarian aid (HUMA).** The annual baseline set in the MFF for this line falls €1 billion short of the funding needed to continue financing all of the programmes run by the EC's humanitarian partners (€1.6 billion against €2.6 billion). Because no margins are left under the MFF's Heading 6, which encompasses HUMA, it is particularly difficult to reinforce the humanitarian budget during the annual budget procedures. The revision of the long-term budget was the opportunity to address this underfunding. It could have tackled the dependency of the humanitarian aid budget line on complementary emergency funding, a direct consequence of chronic underfunding which reduces the operational readiness of funds. Emergency funding was until now provided by the Solidarity and Emergency Aid Reserve (SEAR), which aimed to reinforce the humanitarian budget line, among other priorities.
- **cut by €1 billion the increase in the SEAR [proposed by the European Commission \(EC\)](#).** While the EC's suggestion to mobilise additional resources for the SEAR was appreciated, the most impactful and sustainable solution would have been to reinforce HUMA. In addition to this, the additional amount proposed for the SEAR fell short of the funding needs. As detailed above, the humanitarian budget, one of the priorities reinforced by the SEAR, needs an additional €4 billion for the four remaining years of the MFF. The Commission had only proposed an additional €2.5 billion for the SEAR as a whole. It is upsetting that the Member States decided to reduce this already insufficient proposition to €1.5 billion.
- **divided the SEAR into two financial instruments but only allocated 1/3 of the funds to the Emergency Aid Reserve (EAR), which reinforces HUMA.** Before the revision, the EAR was the component of the SEAR reinforcing the humanitarian budget throughout the year. It will now be a stand-alone instrument. Although VOICE has always been in favour of the EAR and the EU Solidarity Fund remaining separate, the division of the SEAR would only have been welcome if at least 50% of the funds had been allocated to the EAR. The failure of the EU to take this opportunity may have catastrophic consequences for crisis-affected communities. In the unrevised MFF, the EAR could receive funding from a dedicated strand as well as funding from the end-of-year cushion. These two components totalled up to €615 million per year (2018 prices). From now on, the EAR will only receive up to €508 million per year (2018 prices).

In other words, less funding is now available to complement the very scarce humanitarian budget, as this decision fails to reinforce the humanitarian budget and cuts by 17% the complementary emergency funding provided by the EAR.

The revision halts the positive – albeit limited - increase in the funding allocated to the EAR (and therefore to HUMA) from 2021 to 2023 ([€334 million](#) to [€579 million](#)). This progressive increase supported responses to the rising level of needs in a context where the main humanitarian budget was completely unable to meet the EU’s humanitarian funding ambitions. Even with heightened political will, until the end of the MFF, the EAR will not be able to reinforce the humanitarian budget to the extent it could have before the revision.

The decision of the European Council undermines one of the objectives of the revision: making more resources available for humanitarian crises worldwide. It disregards the suggestions of the European Commission, as well as the recommendations of the European Parliament:

- In the [European Commission’s proposal](#) to revise the MFF, which put forward an additional €2.5 billion for the SEAR without changing its structure, up to €935 million¹ could have been received by the EAR (and sent to HUMA) every year. The final decision on the MFF revision represents a 46% cut in the funding which was suggested by the EC for the EAR. In its proposal, the Commission [acknowledged](#) that humanitarian needs had dramatically increased in the past years and that humanitarian aid was “one of the most pressured instruments” under the MFF.
- The [European Parliament’s report](#) reacting to the European Commission’s proposal recommended that the Member States should mobilise an additional €4.5 billion for the SEAR (rather than the €2.5 billion proposed by the EC). Had this recommendation been followed, up to €1.2 billion² could have been received by the EAR (and sent to HUMA) every year. The final decision on the MFF revision represents a 57% cut in the funding which was suggested by the EP for the EAR. The report from the European Parliament followed the publication of a [resolution](#) requiring additional funding to be provided by Member States, especially for external funding such as humanitarian aid. Following the EC’s proposal of June 2023, the EP’s specialised Committee on Development, which deals with humanitarian aid, [highlighted](#) the need to reinforce both the budget line for humanitarian aid and the SEAR. The Committee qualified the proposal to solely reinforce the SEAR as a mere “ad-hoc solution” which needed to be accompanied by an increase in the main humanitarian budget line for the years to come.

The decision made by the European Council to ignore the need to reinforce the humanitarian budget – and instead reduce it - will have disastrous consequences for the hundreds of millions of people affected by crises and reliant on support from the humanitarian community.

UNTIL THE END OF THE MFF 2021-2027, WE URGE THE EU TO:

- Increase HUMA to €2.6 billion per year.

On the occasion of the annual budget procedures 2025-2027, all efforts must be made to increase the budget line for humanitarian aid to €2.6 billion.

- Make sure that, every year, the entirety of the EAR is mobilised to reinforce HUMA.

The budgetary authority, formed by the Council and the European Parliament, must approve all requests made by the Commission to transfer funding from the EAR to HUMA, which will undoubtedly lead to the exhaustion of the EAR every year.

¹ This figure is the sum of the part of the SEAR earmarked for its EAR component (35% of the maximum 75% to be made available before October) and of the end-of-year cushion available from October (remaining 25%), once the additional €2.5 billion would have been made available for the SEAR for the 4 remaining years of the MFF (2024-2027). 2018 prices.

² This figure is the sum of the part of the SEAR earmarked for its EAR component (35% of the maximum 75% to be made available before October) and of the end-of-year cushion available from October (remaining 25%), once the additional €4.5 billion would have been made available for the SEAR for the 4 remaining years of the MFF (2024-2027). 2018 prices.

www.VOICEeu.org

+32 (0) 2 541 13 60 ■ voice@VOICEeu.org ■ [X @VOICEeu_](https://www.instagram.com/VOICEeu)
VOICE asbl ■ Rue Royale 71 ■ 1000 Brussels ■ Belgium
Company number: 0475213787 ■ RPM Brussels

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