
Broke or broken? A necessary discussion about the humanitarian funding gap

Thursday, 6 July 2023, from 15:00 to 16:30 Brussels time

Egmont Royal Institute: Rue des Petits Carmes 24A

Panelists:

- **Mickael Koehler**, Deputy Director General, DG ECHO, European Commission
- **Hugo Brauwers**, Deputy Director General for Development Cooperation and Humanitarian Aid, Ministry of Foreign Affairs Belgium
- **Anja Silke Nitzsche**, Chief of the Partnerships and Resource Mobilization Branch, OCHA
- **Marta Valdés García**, Humanitarian Director, Oxfam International
- **Edouard Rodier**, Managing Director, Norwegian Refugee Council Europe

Recording: [Broke or Broken Webinar](#)

Summary Report

The multiplication of crises over recent years has led to a massive increase in the number of people in need of humanitarian assistance: from 125 million (2016) to 339 million (2023), according to OCHA's Global Humanitarian Overview (GHO) for 2023. The level of funding made available covers these needs only partially, and recent projections question our collective capacity to provide the required support in the years to come. Some predictions indicate that by 2029 (if not already by 2027), the GHO will reach the USD 100 billion mark with no significant increase in the funding made available. **In this scenario, 3 out of 4 persons in need would be left without assistance in five years from now¹.** Following the EU Communication on humanitarian aid, the launch of the European Humanitarian Forum and the organization by DG ECHO of dedicated brainstorming sessions reaffirmed the **ambition of the EU to play a leading role to find solutions to core humanitarian challenges, and to the humanitarian funding gap.**

As a way of taking stock of the recent developments and discussions on the matter, the Egmont Institute, in partnership with the Norwegian Refugee Council organized a live webinar which allowed participants to exchange views, share experiences and set actions for the coming year. The audience was mainly composed of representatives from research centers, think tanks, and operational actors and included a Q&A with the panelists.

The webinar focused on the pressing issue of the humanitarian funding gap and explored ways to address it. The discussion involved several speakers, including Hugo Brauwers, Michael Koehler, Anja Nitzsche, Marta García, and Edouard Rodier. The speakers emphasized the increasing humanitarian needs and voiced their concerns over the lack of available funds to address these needs, while highlighting the role of the European Union (EU) as a significant donor, stakeholder, and diplomatic entity in the humanitarian field.

¹ [The Year Ahead 2023: 5 things not in the 'GHO' \(humanitarianfundingforecast.org\)](#)

The Belgian presidency of the EU, along with the following presidencies of Spain and Hungary, identified the funding gap as one of their main priorities. Hugo Brauwiers spoke about Belgium's plan to bring back the focus on forgotten and underfunded crises, especially protracted ones. He stressed the need for strategic outreach to potential donors and announced the government's plans to organize the next humanitarian forum in collaboration with DG ECHO. This forum would provide an opportunity to collectively address the funding gap and promote discussions on protracted and forgotten crises. Moreover, Belgium expressed its commitment to achieving the goal of 0.7% of Official Development Assistance (ODA) by 2030 and discussed a new path to reach this target in the next 5-6 years.

The webinar also highlighted the significant increase in the humanitarian budget over the last decade, reaching 200 million EUR per year. However, the discussions on the funding gap were intertwined with considerations of how to fund these needs effectively. It was emphasized that elected officials bear the responsibility for allocating and visibly utilizing the funds. To effectively address the funding gap, the discussion also revolved around the importance of not simply increasing the humanitarian fund but also focusing on funding structural projects in fragile contexts. Donors and development actors were urged to enhance their capacity to work in such contexts, with Belgium specifically emphasizing its focus on fragile contexts.

The DG ECHO representative, Michael Koehler, warned that the humanitarian sector might become increasingly irrelevant if it fails to adapt to the changing situation. He stressed the worsening humanitarian needs and the anticipated decrease of funding from traditionally generous donors, such as the United States, Germany or Sweden. Mr. Koehler advocated for enlarging the donor base and exploring innovative funding instruments. He highlighted the contributions made by countries like India, China, and the Gulf countries, which provide substantial humanitarian aid but operate outside the traditional framework.

Anja Nitzsche, Chief of the Partnerships and Resource Mobilization Branch, OCHA, presented the stark figures of the humanitarian requirements and the funding gap, which stood at 55 billion USD. She called for a focus on high- and middle-income countries and expanding the donor base beyond EU member states. The importance of engaging the private sector and climate financing was also emphasized. Nitzsche stressed the need for a holistic approach that considers potential partners, their needs, and long-term system development. Collaboration between climate change and humanitarian aid advocates was seen as crucial.

Marta García, Humanitarian Director from Oxfam International, expressed the need to fill the financing gap and highlighted the existing trust gap with potential donor countries, citing the sector's technical and often cloudy language as a barrier. She discussed the relevance of climate financing and the private sector's role in the humanitarian sector. García proposed a polluter's tax and emphasized the importance of dialogue with private sector actors and developing a fragility partnership to expand the donor base.

Speaking on behalf of the Norwegian Refugee Council in Europe, Edouard Rodier raised questions about the humanitarian sector's ability to meet the needs of vulnerable populations and emphasized the need for a transformative approach. He called for a reassessment of the universal nature of International Humanitarian Law (IHL) and humanitarian aid, focusing on operational continuity between emergency and long-term funding. Furthermore, Mr. Rodier highlighted the challenges of connecting large actors with smaller ones operating in the field.

During the Q&A session, participants discussed the need to lobby against budget cuts and engage in discussions with new donors. The importance of including local NGOs and actors in the decision-making process and adopting a global system of humanitarian aid was emphasized. Concerns were raised regarding political interest in neglected crises and the need to focus on positive aspects and engage the younger generation in addressing these issues. In short, the discussion stressed the urgency of addressing the humanitarian funding gap and called for operationalization, responsibility from EU member states, and inclusion of new topics in policy discussions.

As for **the possible ways forward**, a few suggestions were made on how to tackle the issue of the funding gap. The role of new partnerships, dialogue with potential donors, and the private sector were highlighted as crucial elements in filling the funding gap. The need for a transformative approach, adapting to the changing landscape, and ensuring a global system of humanitarian aid were also emphasized.

One potential way of drawing the much-needed attention to the challenges and possible solutions which were debated during the webinar would be to push for the inclusion of some of these items on the agenda of high-level political sessions, starting with those taking place in the EU. In a way, this has already been done by the Union with the organization of a European Humanitarian Forum in March 2023, which was followed by the much-expected European Council conclusions from 29-30 June and therefore connecting the two events and resulting into clear political statements.

In the next twelve months, the Union, at the level of the Council, will begin the preparation of its next Strategic Agenda. Should there be at least one sentence included in the paragraph dedicated to the external dimension of the Union, which would refer to the cruciality and strategic importance of humanitarian aid for the geopolitical dimension of the EU, then this would mean that it would be blessed by all heads of state or governments and be recognized as a strategic priority for the next five years.

More can also be done to achieve the 0.7% ODA target by donor countries. One of the suggestions mentioned during the webinar was to reach out to countries in the Global South which are not originally seen as being able to provide humanitarian aid and to ask them to step up as donors, even if it is just in their own neighborhoods. However, simply asking new countries to step up and expect them to play by the rules which the Global North already established would not be entirely fair. Hence the reason why the current system ought to transform into a global system and why the narrative around it should be rewritten to showcase this change and make new donors feel that they are indeed a part of the system.

Finally, while there has been a lot of discussion about change, it is important to note that by bringing in new partners to the donors table and having tough conversations about funding for aid does not mean that the humanitarian sector should forget about the wealthy knowledge and experience it has acquired thus far. Despite being confronted with the need for change, it does not mean that the sector should change entirely its way of working. What does need to happen, however, is a conversation with high level leaders on how to reform the sector and engage in more partnerships with local actors.

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