



TUFTS UNIVERSITY

**THE QUALITY OF MONEY  
DONOR BEHAVIOR in HUMANITARIAN FINANCING**

**An Independent Study by Ian Smillie and Larry Minear**

April 2003

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**EXECUTIVE SUMMARY**

Donor behavior currently represents a patchwork of policies and activities by individual governments which, taken together, do not provide a coherent or effective system for financing the international humanitarian enterprise. Humanitarianism is the foundation and rationale for donor assistance to persons affected by humanitarian emergencies and natural disasters. Its underlying proposition is that international assistance and protection activities will reflect the severity of need, wherever it exists, and that the world's humanitarian apparatus will operate according to acknowledged principles of proportionality, neutrality, impartiality, and independence. The study finds, however, that humanitarian action is largely imbedded within competing and sometimes inconsistent domestic and foreign policy priorities. Much donor behavior reflects foreign policy concerns, as was the case during the Cold War, but domestic politics now plays an even greater role. The influence of the media and of personal and institutional leadership on policy and action is evident as well.

The overall effectiveness of humanitarian action is compromised by donor earmarking, by short funding cycles, by unrequited pledges and late funding, by tying contributions to a donor's own nationals, NGOs, and contractors, and by donor political interests. The lack of standard donor definitions, priorities, time-frames, and reporting requirements places the onus for efficiency and effectiveness on delivery agencies that are, as a result, unable to perform to their own satisfaction or to that of most donors. One of the most striking and disquieting themes to emerge from the hundreds of interviews conducted for this study is that mistrust and opacity pervade humanitarian financing and donor behavior. Some donors express a surprising degree of doubt as to the capacities and even the *bona fides* of front-line UN humanitarian agencies and NGOs.

The paper addresses a number of implementation issues, finding that there are both advantages and disadvantages for donor governments in spending bilaterally and multilaterally. These cover a range of considerations, including coordination, coverage of need, profile, management, and accountability for resources. In sum, however, choices regarding the allocations of resources appear to express broad preferences for bilateral over multilateral channels, for military over civilian aid providers (most notably in high-profile crises), and for northern over southern non-governmental structures. These preferences are expressed largely in the absence of qualitative assessments of the relative effectiveness or cost-effectiveness of available institutions. Moreover, while it makes good sense for individual donors to seek to carve out a particular niche within the humanitarian financing economy, greater thought needs to be given to the composite puzzle into which the separate pieces fit.

The report deals with issues of time and timing, which play a critical role in determining the effectiveness of humanitarian action. And it discusses the architecture of donor organizations as well as those of implementing agencies, concluding that today's structures for managing humanitarian action are in many ways dependent on outmoded and artificial constructs. A final section of the report deals with the growing concern for effectiveness, concluding that the way effectiveness is measured in humanitarian delivery can lead to dysfunctional behavior.

The report make twelve recommendations, proposing broadly that donors work towards a strengthened multilateral core which has the mandate, capacity, and resources to meet humanitarian needs in a more impartial and effective manner. It urges the strengthening of civilian as against military channels and of the institutions of southern civil society as humanitarian actors.

## **1. INTRODUCTION**

MUCH HAS CHANGED in the world of humanitarian action since the end of the Cold War. The number of emergencies to which the international humanitarian enterprise has responded has grown dramatically. Conflicts have become more typically internal rather than international, generating massive numbers of displaced people and civilian victims of war. Humanitarian aid has tripled in a decade, mostly at the expense of longer-term development spending, and yet it is still far from adequate. Emergencies are more protracted, and they are no longer restricted to the developing world. National sovereignty has lost much of its sanctity, and sovereign authorities have more widely accepted humanitarian and human rights obligations. There is more discussion about, if not significantly more resources devoted to, the prevention of conflict. Interactions between humanitarian activities and political-military strategies have increased. Effective humanitarian action is now seen variously as a complement to political objectives and as a substitute for political action at the preventive and even the remedial stages of protracted emergencies. The traditional and well understood East-West political parameters of humanitarianism have changed entirely, leaving much of the political roadmap uncharted and perilous. There are now more players in the field, including military and peacekeeping forces and for-profit contractors.

In all of this, the roles of humanitarian agencies are evolving apace. Non-state humanitarian actors have assumed larger and more high-profile roles. Multilateralism is finding new modes of expression, through devolution to regional groupings and "coalitions of the willing," and this is testing older ways of responding to humanitarian crises. The rapid changes in the political economy of humanitarian action have exposed major gaps in the international system: between prevention and cure; between protection and succor; between relief and development; between expectations and available resources; between comprehensive coverage based on need and patchwork politically-driven programming. The humanitarian enterprise has become both more self-critical, and more criticized. The focus of attention has shifted from the transfer of assistance aimed at people in complex humanitarian emergencies to the quality of the interactions and the longer term impacts of the resources transferred. History, as it turns out, did not end in 1989.

This is an independent study of donor behavior in financing humanitarian action in today's tumultuous world. It draws on more than 300 interviews, conducted between May 2002 and February 2003, of eleven bilateral agencies and eight multilateral agencies in Bern, Bonn, Brussels, Canberra, Dublin, Geneva, The Hague, London, Rome, Stockholm, New York, Ottawa and Washington. These discussions were complemented with field interviews of these and other donor agencies in three humanitarian emergency situations: Afghanistan, Sierra Leone, and East Timor. In the field we interviewed representatives of additional bilateral and multilateral agencies and met with academics, journalists, diplomats, and peacekeepers. We met representatives of more than fifty NGOs as well as officials of the Red Cross and ICRC at their headquarters and in the field.

Interviews were conducted on an off-the-record basis so as to encourage candid expression of views, which were indeed forthcoming. An early draft of the report was widely circulated, and it was presented at a meeting of donors in Montreux in February 2003. A second draft was also circulated and benefited from helpful comments. In addition, the study makes use of more than a decade of research and publications by the Humanitarianism and War Project on related issues, which provide the broad context for this research and amplify the data gathered over a ten-month period (see [www.hwproject.tufts.edu](http://www.hwproject.tufts.edu)). The report will be expanded into a book to be published in 2004.

Readers found an early version of the report, paradoxically, both “controversial” and “a familiar read.” The latter comment suggests that much of the ground may have been plowed before. One commentator said that the authors must be the last people on the planet to discover that humanitarian assistance is driven as much by politics as anything else. To the extent that the paper actually is a “familiar read,” the “controversy” then doubtless lies in its impatience with inaction on problems that have been discussed by donors for a decade without resolution: policy confusion, the growing intrusion into decision-making of politics and geo-politics, dissatisfaction with UN agencies, NGO swarmings, inadequate needs assessment, the ambivalent role of the military, inattention to capacity building, flawed linkages between relief and development, and insufficient attention to results.

In this study we have referred to “donors” without always saying clearly who we meant. At an aggregate level, “donor” means a government, or a government agency, including all the policies and programs implied therein. At this level, the term also comprises the many contradictions, pathologies, and dysfunctions that have been discussed in this paper. At the core of a donor agency, however, are the people who make it function: civil servants who help to create policies and programs but who more importantly make the day-to-day decisions, run the department, visit the projects, take risks, authorize payments, and write reports. Despite the criticisms contained in this report, we were impressed everywhere we went by the seriousness and professionalism with which the responsible officials in donor agencies treat the issues under discussion. The levels of personal dedication and commitment are high, and they provide the promise that some of what we are suggesting in this report – which after all comes from them as well – may be possible.

We wish to thank the many individuals who have shared their views and facilitated our work. We are particularly grateful to the organizations that have contributed funds to underwrite the

research: the governments of Australia, Canada, Sweden, and Switzerland; the UN Office for the Coordination of Humanitarian Affairs; four NGOs, CARE Canada, Oxfam America, Trocaire, and World Vision Canada; and the Aga Khan Foundation Canada.

## **2. KEY FINDINGS**

Much of the humanitarian debate over the past decade has been about the delivery-end of the humanitarian apparatus: needs assessment by implementing agencies, the quality of the consolidated appeal process (CAP), prioritization and coordination among UN agencies, NGO weaknesses; inattention by implementing agencies to impact, and institutional arrangements within the UN humanitarian community. This report focuses instead on the supply side: donor motivation and behavior in financing emergencies, and its implications for the delivery of timely, effective and adequate humanitarian assistance. The data assembled point toward four overarching conclusions.

### **2.1 Humanitarian principles are not the main driver of donor behavior in financing humanitarian work. It is a sub set of donors' foreign and domestic policies and politics.**

Humanitarianism is the foundation and rationale for donor assistance to persons affected by humanitarian emergencies and natural disasters. Its underlying proposition is that international assistance and protection activities will reflect the severity of need, wherever it exists, and that the world's humanitarian apparatus will operate according to acknowledged principles of proportionality, neutrality, impartiality, and independence. The study finds that humanitarianism is located within competing and sometimes inconsistent domestic and foreign policy priorities. Much donor behavior (Section 3) reflects foreign policy concerns, as was the case during the Cold War, but domestic politics now plays an even greater role.<sup>1</sup> The influence of the media and of personal and institutional leadership on policy and action is evident as well. A further factor is a lack of proportionality in funding among emergencies, among countries and regions in trouble, and among delivery mechanisms.

### **2.2 The donor humanitarian policy framework is inconsistent and contradictory.**

Where implementation is concerned (Section 4), many donors have no explicit policy to guide their choice of multilateral or bilateral channels. Nor are there policies to guide the utilization of civilian as distinct from military intermediaries and or the selection of international NGOs rather than Southern civil society institutions. The processes of resource allocation are rarely based solely or specifically on the merits of available institutions. In fact, donors have developed little data to demonstrate the comparative effectiveness of multilateral as against bilateral programs, civilian as against military channels, and northern as against southern institutions.

The timing and quality of assistance also raise fundamental questions. One of the most problematic is the need for solid links between humanitarian funding and reconstruction and development. Although the need is widely recognized, the paucity of real linkages on the ground



threatens even the most basic investments in humanitarianism. In response to the recurrent challenges of humanitarian action in the post-Cold War era, some donors are now seeking to connect their humanitarian work more closely with conflict prevention and resolution, peacemaking and peacebuilding, democratization and good governance. The jury is still out, however, on whether such an all-embracing context for humanitarian work produces more effective assistance and protection activities than does an architecture which injects a degree of separation between humanitarian and other activities.

### **2.3 In its application, the whole of the humanitarian endeavor is less than the sum of its parts.**

The overall effectiveness of humanitarian assistance is compromised by donor earmarking, by short funding cycles, by unrequited pledges and late funding, by tying contributions to a donor's own nationals, NGOs, and contractors, and by donors' political interests. The lack of standard donor definitions, priorities, time-frames, and reporting requirements places the onus for efficiency and effectiveness on delivery agencies that are, as a result, unable to perform to their own satisfaction, or to that of most donors.

Section 3 of this report deals in more detail with the drivers of donor behavior: foreign and domestic policy and politics, the role of the media and individuals. Section 4 deals with the choice of delivery channels, timing issues, and the influence of donor architecture. The data do not suggest, and the analysis does not argue, that the dysfunctional aspects of donor behavior are a product of calculated malevolence or deliberate perversity, or that the present state of affairs does not have certain advantages in the area of flexible and responsive programming. Instead, the underlying problem involves fundamental and structural disconnects within the overall humanitarian economy, as suggested in a comment by Carolyn McAskie, OCHA'S deputy emergency relief coordinator, interviewed for this study. "Most donor behavior is rational from a donor point of view. However, the sum total of all donor behaviors doesn't produce a rational whole."

### **2.4 The humanitarian enterprise is marked by a climate of mistrust and a lack of transparency.**

One of the most striking and disquieting themes to emerge from the hundreds of interviews is that mistrust and opacity pervade humanitarian financing and donor behavior. Some donors express a surprising degree of doubt as to the capacities and even the *bona fides* of front-line UN humanitarian agencies and NGOs. Such suspicion is reflected in an unhealthy degree of reciprocal antipathy by their implementing partners. This antipathy contrasts sharply with the optimism and transparency which the public associates with the humanitarian enterprise. These attitudes vary in intensity between field operations and headquarters as well as within individual agencies. But they are passed up and down the delivery chain between donors and UN agencies, between UN agencies and their implementing partners, between international NGOs and civil society organizations in host countries, and between humanitarian organizations and persons and institutions with political and diplomatic, military and peacekeeping responsibilities.

When a draft of this report was presented to a group of donor representatives at Montreux in February 2003, it was this finding that sparked the most debate, crowding out discussion of many points that we regarded as more important. It was said that we had overstated the case, reaching a conclusion not borne out in the research. In fact the issue of mistrust ran like a *leitmotif* through a very large proportion of the interviews conducted for this report. It is one reason for earmarking, micro-management, more and more codes of conduct, and the ever-growing donor chorus of demands for results. A major ODI report says that “The question of trust – or the lack thereof – seems to underlie at least some of the recent transformations in humanitarian aid.”<sup>2</sup> And Mukesh Kapila, former head of Britain’s humanitarian aid program, wrote in the *International Herald Tribune* in January 2003 of the changes that would be required “to regain trust in the humanitarian system”.<sup>3</sup>

Trust is a two-way street. In the context of humanitarian financing, it should be taken to mean the establishment of mutual confidence between those who provide money and those who spend it. It is not about blind faith, nor should it be. But if confidence is to be established, and if humanitarian financing is to be improved, substantial change will be required among those providing the finance. Changes are needed as well, of course, in the humanitarian institutions to which donors relate. In this report we explore humanitarian financing in a variety of its manifestations. We make recommendations that we believe can contribute not just to a rebuilding of confidence between donors and front-line agencies but also to greater effectiveness and efficiency in the overall humanitarian enterprise.

### **3. DRIVERS OF DONOR BEHAVIOR**

We began our study by examining humanitarian assistance and protection policies among donor agencies with a view to determining how these are shaped and applied in action. We aimed to test a widespread assumption among practitioners that humanitarian principles of impartiality, neutrality and proportionality remain paramount as drivers of donor behavior, and that while foreign and domestic policy interests frequently impinge, they are not major drivers of donor behavior. In our discussions in donor capitals, at headquarters and in different field settings, however, we found that humanitarian policies – to the extent that they are articulated – are a subset of, and subordinate to, the foreign and domestic policies (and politics) of donor countries.

#### **3.1 Foreign Policy**

##### **3.1.1 General**

Each donor country has its own foreign policy interests. These are influenced by domestic policies and politics and by the behavior and foreign policy interests of other countries. The “humanitarian imperative,” in and of itself, is, it seems, not a sufficient cause (sometimes not even a necessary cause) to spark donor action. This is not always a bad thing, however. Canada, for example, appears to have increased its aid allocations and speeded up its decision-making process in order to be able to announce a package of emergency aid for southern Africa at a G-8 meeting it was hosting in July 2002. The decision gave a boost to NGO advocacy efforts in

Canada and elsewhere on the drought and famine which had theretofore generated little interest. But aid officials in several countries note that approvals for many crises languish, or that grants are delayed pending ministerial visits to the respective emergencies where they might be announced in person. U.S. humanitarian policy toward North Korea has been noteworthy for its apparent depoliticization. However, with North Korea's withdrawal from its nuclear non-proliferation commitments, the continued provision of U.S. food aid through WFP has edged closer to the political bargaining table.

Historical ties are important, and can have an energizing influence on the military as well as the humanitarian side. The commitment of Belgian troops to UNAMIR in pre-1994 Rwanda and the military intervention of France in Ivory Coast in late 2002 are two such examples. Britain's eventual activism in Sierra Leone reflects a combination of political and humanitarian factors: historic ties, Commonwealth links, large-scale humanitarian need, and possibly, lingering embarrassment over the Sandline weapons affair. The deep involvement of Britain in Rwanda and its relatively smaller interest in the grave problems of the DRC is criticized by some British NGOs as reflecting the "pet projects" of senior officials, facilitated by the absence of any major articulated British foreign policy interest in the region. Italian aid to some countries in Africa reflects historic ties, while Italy's high level of humanitarian and military involvement in Kosovo and the Balkans was in part a function of geographical proximity.

Foreign policy interests or, rather, a lack thereof, are to a large extent responsible for the phenomenon of "forgotten emergencies." Lack of access is often given as a reason for weak donor response in such cases. But because they are of little interest to anyone and because there are no other compelling reasons for action beyond humanitarian need, some crises are essentially ignored in the competitive world of higher profile emergencies. Thus, Liberia received only half of the tiny \$15 million requested in the 2002 UN Consolidated Appeal, and the response to the DRC appeal that year was even worse. The 150,000-plus Tindouf IDPs and refugees in Western Algeria receive little attention, as did the victims of conflict in Bougainville and the Solomon Islands. That Australia focused on the latter two emergencies speaks to the issue of regional foreign policy interests.

Much has been written in recent years about humanitarianism as a substitute for other forms of action. For several years the Bosnian crisis was treated as a humanitarian problem rather than a political and military issue. Until the Rwandan genocide had ended and the need for international peacekeepers had largely passed, that emergency was also treated by most U.N. Security Council members as a humanitarian problem, rather than as a political or security issue. In both cases, humanitarian action became a fig leaf for political and military inaction.

### ***3.1.2 Regional Foreign Policy Interests***

Disproportionate spending is likely to flow to emergencies that are closer to donor countries than to those that are farther away. Examples include European support to Bosnia and Kosovo; Italian aid to Albania; Australian funding to East Timor and the Solomons; and U.S. and Canadian funding for victims of Hurricane Mitch in Central America. Australia indicates that one reason for its significant expenditure of funds on emergencies in Asia and the Pacific is that overall

donor funding for these regions is disproportionately low in relation to the need, and to what is spent elsewhere. The Swiss executive added Sfr 50 million to the SDC budget in 2002 for flood relief in Eastern Europe and Asia, raising the agency's humanitarian budget by 20 percent and leapfrogging critical needs in southern Africa for which staff had been requesting additional funds for months. While geographical proximity can exert an understandably strong influence on donor behavior, humanitarian principles stress proportionality in the response to need and the protection of persons, regardless of where on the globe they, or donor nations, happen to be located.<sup>4</sup>

Regional foreign policy interests may also draw funds from non-traditional donors in a given region. Thus, China, Pakistan and India have been major donors to post-9/11 Afghanistan; Malaysia, China, and Singapore have contributed to East Timor; Nigeria, Guinea, and Ghana provided peacekeeping troops to the UN peacekeeping force in Sierra Leone.

Regional peace and security interests can also ensure that a potentially catastrophic emergency is well handled. The reasons for good donor coordination and generosity in East Timor in 1999 and 2000 had less to do with the humanitarian emergency itself than with stability in the region. If humanitarianism had been the primary concern, there would have been considerably more donor action during the previous 25 years, during which an estimated 200,000 Timorese died as a result of the brutal Indonesian occupation. In fact, political imperatives rescued East Timor from its forgotten emergency status. Among these was a strong desire by Asian and Western powers to ensure political stability in one of the most important countries of Asia, Indonesia. When it became obvious that East Timor would become independent, it was important that the process not destabilize Indonesia and that it take place as peacefully as possible. Security of shipping lanes and oil in the Timor Gap were additional considerations. Guilt over previous donor apathy no doubt also played a role.

It was therefore a positive confluence of political interests that brought Australian, Japanese, American, and other political concerns to bear on the humanitarian problems of this very small island in 1999. Not only was there unprecedented coordination between national donors, the UN and the World Bank; there was for the first time in a long chain of humanitarian disasters adequate funding to meet the needs. However, consistent with the geopolitical motivation in East Timor (but not with humanitarian interests) is the view in some donor capitals that Indonesia should not be pressed on human rights abuse or humanitarian access in Aceh and West Papua, given its geopolitical importance, political fragility, and cooperation in the wider war against terrorism.

### ***3.1.3 The Impact of Foreign Policy Interests of Large Countries***

While the influence of superpower politics as a driver of, or damper on, humanitarian assistance may have declined somewhat since the end of the Cold War, they remain an important consideration. They can, for example, result in disproportionately large levels of international humanitarian activities in areas where the security and other interests of large countries are perceived to be at stake. The growing emphasis on terrorism has had multiple ripple effects on the humanitarian enterprise. There can be no doubt, for example, that the post-9/11 emergencies

in Afghanistan and Iraq drew humanitarian attention and expertise, and also funding, away from other emergencies. Desk officers in aid agencies point out that concerns about terrorism undercut the relative importance of objective assessments of need. Multi-year programs in lower profile parts of the world have become more difficult to sustain. Particular casualties include natural disaster preparedness and mitigation, which require longer time frames.<sup>5</sup> So great are the pressures that high-profile emergencies bring to the overall and the day-to-day management of humanitarian activities that many veteran aid officials underscore their preference for settings with lower geopolitical gravitas.

One of the signal developments of the post-Cold War era has been the higher priority accorded to humanitarian crises and responses within the international peace and security agenda. However, the higher humanitarian profile is a mixed blessing.<sup>6</sup> In the case of Afghanistan, the strategic donor coordination framework that had been evolving steadily since 1997 among agencies based in Islamabad was overwhelmed by the sudden post 9/11 interest in the country, heightening the difficulties of coordination and of coherence between humanitarian and political activities. “The good news is that a lot of high-level U.S. policy makers are interested in Afghanistan,” says one senior aid official. “The bad news is that a lot of high-level U.S. policy makers are interested in Afghanistan.” He adds that “If Afghanistan were Liberia, we’d have a lot easier time managing the crisis.”

Some conflicts with major political import have been largely off limits to international humanitarian involvement. During the Cold War, UN presence and humanitarian activities in Soviet-occupied Kabul were overshadowed by more generously funded programs for Afghans in neighboring countries, particularly Pakistan. Today, many officials in donor agencies lament the absence of a wide-ranging international policy debate on the humanitarian dimensions of the Israeli/Palestinian conflict. Others note that for a number of years international humanitarian access to Chechnya has been limited by the political sensitivities and the global importance of the Russian Federation.

### ***3.1.4 Foreign Policy Influence on Front Line Agencies***

Foreign policy interests can exercise a major influence on the humanitarian behavior of UN agencies and NGOs. They can skew programs in the same direction as donor funding, and can have a direct impact on advocacy as well. The international director of a large transnational NGO speaks of being constrained against taking a position on the humanitarian crisis in the Middle East. The US member of the organization “won’t allow it. This is partly because of the Jewish donor base and partly out of US patriotism. They calculate that criticism of Israel could cost us \$90 million. So we put out platitudes. And we have nothing to say about Afghanistan either. Seventy five per cent of our funding comes from the US government, so we are bound to reflect their policies, whether they are ours or not. The US has been much more aggressive since 9/11 in making sure everyone falls into line behind their strategy. Play the tune, or they’ll take you out of the band.”

As terrorism has become an overriding international preoccupation, donor allocations and donor government pressure on the selection of operational partners have escalated. The U.S.

government now requires NGO grantees to certify that their operational partners have no connections with terrorist groups and has pressured UN humanitarian agencies to cut off funding for partner organizations alleged to have terrorist or other undesirable political connections.

Donor pressures notwithstanding, some NGOs hold that acceptance of government funding gives them a place at the table from which to influence government policy. Many reach decisions about whether or not to accept such funding not as a matter of global policy but rather on a case-by-case, crisis-by-crisis basis. In both the Afghanistan and Iraq crises, however, a number of NGOs have concluded that the humanitarian space within which they can function with integrity has been significantly reduced by the geopolitical nature of donor state involvement. Following the failure to receive Security Council approval for military action against Iraq, a number of NGOs decided against accepting any funds from governments that are members of the US-led coalition. Several have expressed concern that collaboration with donor governments that are belligerents in Afghanistan and Iraq may put at risk their own programs and personnel in other Islamic countries.

### ***Conclusions***

The historical record suggests that foreign policy interests will always to one degree or another intrude on the humanitarian response to emergencies. While this can have positive outcomes, it can deflect humanitarian attention and resources away from those most in need. This problem, of course, is not new. It is one of the reasons that multilateral humanitarian institutions and the Red Cross movement were created and have been sustained – to reduce the influence of unilateralism and other extraneous factors in the response to humanitarian need. It is an argument in favor of basic humanitarian principles and a strengthened multilateral core, the subjects of later recommendations.

## **3.2 Domestic Policy**

The humanitarian behavior of donor governments is also influenced by domestic policies and politics. These overlap with foreign policy, and are often difficult to disaggregate. Taxpayers, however, may expect their government to respond to a crisis, even where it has no particular foreign policy imperative, and no experience or comparative advantage. Regional, historical, and personal connections can also play a part. The role played by individuals, diaspora communities, and NGOs may override stated national policies. Leadership by politicians and ordinary citizens can put crises on a given country's map. And while the media does not play a pivotal role in each and every humanitarian emergency, it can be a powerful motivator, as well as a source of distorted perceptions and disproportional response. The following paragraphs describe some of the influences that may come into play as donor governments consider their humanitarian responses to an emergency.

### ***3.2.1 Domestic Politics***

*History.* Examples abound of countries whose financial support for humanitarian activities reflects historical relationships with a given area. With respect to East Timor, for example, there

is a strong World War II resonance in Japanese aid. Conversely, Australia, the U.S., Canada, and others are seen by many as compensating for their lack of interest in East Timor's humanitarian crises between 1975 and 1999.<sup>7</sup> The considerable Portuguese support of recent years recalls the country's history as a Portuguese colony for almost five centuries. The fact that East Timor has chosen Portuguese as one of its official languages has attracted language-teaching expertise and technical assistance from Portugal as well as Brazil, which has opened an embassy in the country. Ironically, the choice of Portuguese is viewed by some in East Timor as a possible cause of conflict in the future. Because the language is currently spoken only by returning exiles, they have had the first pick of senior government positions, at the expense of those who stayed and fought inside the country for 25 years. The ensuing resentment is real and understandable.

*Conditionality.* Some donors insist on the use of their nationals in humanitarian programs, or will be more generous if their nationals are placed in key positions. Others tie humanitarian funding for UN agencies to the use of their national NGOs, consultants, and companies. Some countries give preference to "their own" NGOs because of the visibility their work commands on the home front. National NGOs, in their advocacy as well as their delivery modes, are often more attractive to donors than more remote, bureaucratic, and sometimes unpopular UN organizations. Japanese construction companies were major beneficiaries of Japanese funds for reconstruction in East Timor, even though they were often commercially uncompetitive.

Interestingly, British humanitarian aid is now completely untied. DFID can fund NGOs of any nationality, for example, removing the issue of national identification and focussing more on geographic, sectoral, and performance-based criteria. For several donors, food aid is often available because of, and tied to, domestic procurement. Nevertheless, some countries provide cash rather than commodities to the World Food Program. The idea of "triangular transactions," involving purchase of commodities with donor funding in a third country near to a given crisis (or even in the country itself), has now taken root. It has benefits in the areas of both burden-sharing and economy.

*Diaspora and activist groups* often play a major role in influencing the financing decisions of donor governments. Gujaratis in Britain were major contributors to NGO fundraising campaigns at the time of the earthquake. Turkish-born Australians encouraged Australia to respond to the Turkish earthquake. Italian support for an Argentinean disaster was influenced by the presence of a sizeable Italian community in Argentina. A pro-Massoud lobby in France resulted in pre-2001 aid going mainly to the north of Afghanistan. Swedish aid to Afghanistan has been consistently high for two decades because of popular interest generated by the Swedish Committee for Afghanistan. Fretilin political activists such as José Ramos-Horta and the East Timor Action Network built a base of quiet political support that was finally activated for East Timor in 1999, influencing funding decisions in Portugal, Brazil, Ireland, and the US. The U.S. administration requested \$10 million from Congress for East Timor in 2000 and received \$25 million.

*Other domestic agendas.* Other political factors also have a bearing on the financing of international humanitarian activities. Within a week of the beginning of the U.S.-led war against Iraq, the announced U.S. policy of limiting major contracts for Iraqi reconstruction to U.S.-based firms caused considerable debate at home and in Western Europe.<sup>8</sup> U.S. funding for family

planning activities has reflected the attitudes of successive American administrations and their constituent bases among “right to life” and “pro-choice” groups. Funding to UNFPA was cut during the administration of Ronald Reagan, reinstated during the Clinton years, and then cut again during the current administration. During the mid 1990s, Germany funded housing projects in Bosnia aimed primarily at encouraging Bosnian refugees in Germany to go home.

It would be a mistake to assume that the influence of domestic politics is always negative and distorting, or to limit the existence of such influence to the major donors. Keeping ODA at or above the OECD target of 0.7 percent of GNP has become a point of pride for many smaller countries, with scores of civic, religious, and solidarity groups firmly committed to sustaining or improving contribution levels. There are indeed a number of “humanitarian superpowers,” who have distinguished themselves by the level and the steadiness of their contributions in recent years, as well as by the quality of the funding that they provide.

Officials from governments with superior track records in humanitarian financing – the Netherlands and Sweden are examples – note that broad support among their citizenry for responding to emergency and reconstruction situations provides them with “a fairly free hand” in their use of resources. By contrast, officials from countries where the public is less well informed and less engaged believe that their hands are tied when it comes to responding creatively to particular challenges.

Amidst the multiple factors that drive political decision-making is a nation’s commitment to humanitarian ideals. The idea formulated by U.S. President Ronald Reagan at the time of the 1984 Ethiopian famine – that a hungry child knows no politics – played a role in continuing U.S. humanitarian assistance to people in that country despite active U.S. government opposition to the Mengistu regime. While the humanitarian strand in U.S. policy has not always carried the day, the *idea* that emergency assistance (unlike other forms of economic and military assistance) should not be subject to political conditionality has shown remarkable staying power. Other donors, too, have been reluctant to grant or withhold humanitarian financing as a political quid pro quo. Good donor behavior involves a largely unspoken reluctance to penalize people *in extremis* for the politics and policies of their government.

### **3.2.2 Leadership**

Recent experience suggests that humanitarian policy is neither self-starting nor self-correcting. A strong minister can influence the volume and the quality of allocations by country, by sector, and by delivery mechanism. Foreign Minister Lloyd Axworthy is credited with having raised Sierra Leone on Canada’s humanitarian agenda, in part as a test case for his own “human security” agenda. Development Minister Jan Pronk made it his personal business to visit humanitarian crises, returning to report in person to the Dutch parliament, mobilize his ministry, and galvanize Dutch public opinion. His influence on Dutch financial and military engagement in several major crises was palpable. Aid and human rights workers also recall with appreciation Irish Foreign Minister David Andrews’ visit to East Timor in April 1999 and British International Development Minister Clare Short’s leadership on Rwanda and Sierra Leone.



Experience also documents the dramatic influence on public awareness and donor policies that concerned individual citizens may have. That role was played by the musician Bob Geldoff in the Ethiopian famine of the 1980s and more recently by U2's Bono on humanitarianism and debt issues, and Tom Hyland, an activist bus driver in Ireland who helped put the crisis in East Timor on the map of Irish policy-makers during the 1990s.

Strong-willed drivers of policy, however, can overplay their hands. The visit of ECHO head Emma Bonino to Kabul in September 1997 is credited with having helped to mobilize European sentiment in support of the human rights of Afghan women. But it led overnight to harassment and increased difficulties for aid personnel and Afghan women in the country itself. A visit by U.K. Minister Clare Short to Kabul in mid-2002 was welcomed by many UN agency personnel, then under what they considered unreasonable pressure from the Afghan authorities to be more responsive to the government's relief and reconstruction agenda. The Kabul authorities, however, made no secret of their view that her message and approach were high-handed and patronizing.

It should be noted that high-profile politicians and media personalities are not the only ones with influence over where and how humanitarian assistance is delivered. Officials within government aid agencies have tremendous influence, and in the absence of political pressures and undue media attention, they are, in a sense, the guardians of the agency's humanitarian policies and vision. In the words of one such mid-level official interviewed for this study, "Political considerations in aid are a given. Yet many people in the aid business would like to bridge the tension between politics and human need." That bridging often takes place successfully on a day-to-day basis by committed people working quietly behind the scenes.

### **3.2.3 Media**

Humanitarian agencies and donor governments have relationships with the media that can be at times highly supportive of, and beneficial to the humanitarian enterprise, and at others, deeply antagonistic and even damaging. Occasionally the media will force overdue humanitarian action, as suggested by the comment of former UN Secretary-General Boutros Boutros-Ghali in 1995 that the media is the sixteenth member of the Security Council.<sup>9</sup> However, that is more the exception than the rule.

It has become fashionable to argue that the "CNN effect" is not a major factor in the provision of emergency assistance and that political interests and proximity are more powerful stimulants of humanitarian action. Angola and Sudan, for example, with no media attention to speak of, have received several hundred million dollars worth of humanitarian assistance in recent years. And North Korea, with virtually no media coverage, received significantly more than Sudan or Angola between 1997 and 2001. This reflects in part the need, and in part the strategic interest of the donors involved. The media played no appreciable role.

Where strategic interests are not a major determinant, however, the media may play a key role in the initiation of mass public support. This was the case in Biafra in 1967 (initiated by one determined reporter, Frederick Forsythe) and in Ethiopia in 1984 (by another determined

reporter, Michael Buerk). The media may also make the difference between a generous response and one that is less so: its coverage of, and the humanitarian response to, the Mozambique floods of February 2000 were considerably more generous than the much worse Orissa cyclone, only a few months earlier in October 1999.<sup>10</sup>

The media can play a role in holding both donor governments and humanitarian agencies accountable for their efforts, but this function is uneven and unreliable. Many emergencies receive no international media attention and virtually no humanitarian response. That said, the media *can* be very important in drawing public attention to a humanitarian emergency. The media can also play a positive and sometimes necessary role in shaping public impressions of need. Sustained media attention, however, is important to creating political movement. One reason for the lack of international public interest in Sierra Leone was that media coverage was patchy and brief. In addition, there are problems with complexity. The public, politicians, and decision makers cannot understand an issue if it is presented mainly in 30-second sound bites. International NGOs thus had great difficulty in raising funds for Sierra Leone, with one Canadian NGO unable to cover even its fundraising costs.

Unlike NGOs, governmental donors sometimes ignore the media, or try to. Some fear the media and are annoyed by it; the media can pressure governments to do things they would otherwise avoid. An interesting study has been done of the relationship between the Australian media and government over the issue of East Timor between 1975 and 2000. Here the media played a key role in keeping human rights and humanitarian issues in the public eye, creating real friction in Australian-Indonesian relations.<sup>11</sup> In other instances, governments *need* media attention before they can allocate or reallocate funding to a new emergency. They may also need media coverage to justify disproportionate spending in some political/humanitarian emergencies (e.g. Kosovo, Afghanistan, Iraq).

Some humanitarian events are more newsworthy than others. NGOs had funding pushed at them by governments and private donors alike after the highly photogenic Goma volcano, but could not get adequate funding for the much larger on-going emergency in the DRC, despite reports of as many as 2.5 million deaths in 32 months. “You know instinctively what will sell and what won’t,” says an NGO director, speaking from years of experience. “You can’t raise private donor money for Angola; you need sustained media attention.”

There is of course concern that the media can be “used” politically. By their own admission, journalists were part of the chorus of wishful thinking on Afghanistan at the beginning of the current crisis. Earlier on, they had been joined in on a misleading “genocide” refrain on Biafra.<sup>12</sup> In 2002 they reported widely on a story about the sexual abuse of children under the care of humanitarian agencies in West Africa without ever investigating it directly, and without following up to see what action, if any, had been taken.

It should be recognized, however, that the media are not a humanitarian instrument as such. Journalists are not part of a humanitarian “amen chorus;” they have their own needs, missions, and ethics. Even very sympathetic journalists must winnow out what is real news amidst the avalanche of turgid press releases they receive from governments, UN agencies, and NGOs. The

Red Cross issues a new appeal, on average, twice a month. The needs are real, but there is only so much “disaster news” that the media can and will handle at one time.

### ***Conclusions***

In sum, foreign and domestic policies and politics are important drivers of donor behavior and of funding levels for humanitarian work. Analysis of recent humanitarian action confirms that there is no “invisible hand” that ensures that the behavior of all donor governments, each with its own mix of driving factors, will, when taken together, produce effective global coverage of urgent human needs. A humanitarian economy driven more thoroughly on the basis of human need will require built-in features to utilize – and protect against – these formidable drivers of humanitarian action.

### ***Recommendation: Toward Less Politicized Humanitarian Financing***

While some of the foreign and domestic political pressures on the humanitarian delivery chain are unavoidable, many could be mitigated by more pro-active initiatives from the humanitarian community, including government agencies, UN organizations, and NGOs. Many spend as much time promoting themselves as the issues. Joint briefings and study missions for journalists could be encouraged, and for key parliamentarians and members of financial oversight bodies as well. Better contextualization of evaluations and broader dissemination of findings might help build a better climate of understanding among potential critics. Joint studies that demonstrate the humanitarian cost of politicized choices could also be supported.<sup>13</sup>

### **3.3 Humanitarian Policy**

Donor humanitarian policies are not freestanding; they flow from a country’s foreign and domestic policies and politics. Often framed in terms of humanitarian principles, donor policies range widely from those that are clearly articulated (e.g. Switzerland, Sweden, U.K., Australia) to those that are not (Canada, United States). Parliaments in some countries legislate binding ground rules governing the objectives and allocations of emergency assistance. In other countries, there is an absence of clear policy and/or officials enjoy broad latitude in its application. Swiss law not only provides clear objectives for the activities of the Agency for Swiss Development Cooperation; it specifies that resources will be equally divided among the ICRC, the United Nations agencies, and NGOs.

American legislation is framed in more general terms, leaving most country allocations and channeling choices up to U.S. officials. This opens the way for fierce institutional combat across the executive branch in Washington, where the State Department’s Bureau for Population, Migration and Refugees (BPRM) sees its primary funding clients as UNHCR and ICRC while AID’s Office of Foreign Disaster Assistance (OFDA) channels most of its assistance to NGOs and WFP. The Office of Management and Budget, which orchestrates the overall U.S. national budget, concerns itself little with humanitarian policies, and even less with humanitarian principles.

US officials interviewed for this study expressed impatience with outsiders who do not take time to understand essential distinctions between USAID and the State Department, between OFDA and BPRM, and between their respective enabling statutes. To others, however, European structures can appear equally opaque and arcane. Several of those interviewed in Britain for this study believe that, as with the U.S., and despite the availability of clear policy documents, there is no effective overall U.K. humanitarian policy. And Australian NGOs criticize AusAID for “policy on the run”, despite one of the more clearly articulated donor humanitarian policy statements.<sup>14</sup>

Humanitarian policy confusion and obscurantism is often the source of misunderstanding and antagonism among donors and between donors and the agencies in the field which deliver humanitarian assistance. Rather than exhibiting policy coherence, donors in some emergency situations behave as though they are in a bazaar, funding favored agencies for reasons known only to them, sometimes encouraging individualistic and erratic “cowboy” behavior. Suggestions have been made from time to time that donors take a more disciplined approach to their selection of NGOs. For example, SIDA proposed limiting funding in Afghanistan to those with prior experience in the country. However, such proposals have generally been rejected as an undesirable limitation of donor flexibility.

There are varying degrees of consistency between articulated policy and actual implementation. Views expressed in The Hague about the Dutch government’s commitment to the multilateral system and its impatience with the “flag-flying” proclivities of other donors are mirrored with remarkable precision in the field. In Afghanistan, for example, the Netherlands channeled its contributions to NGOs entirely through the UN Office for the Coordination of Humanitarian Assistance to Afghanistan and did not require the display of its logos by its operating partners.

A lack of clarity at headquarters may lead to serious policy confusion at the operating level. NGOs and aid officials in other governments were stunned to hear from the USAID mission director in Kabul in mid-2002 that no U.S. funding would be directed through Afghan government ministries. Since the regime of Hamid Karzai had been largely installed by Washington and its president at the time was protected by U.S. security forces, the expectation was that the U.S. aid program would support Kabul’s languishing ministries. A visit in November 2002 by the then-Treasury Secretary sought to clarify the point: the U.S. had a stake in the Karzai government and would provide direct support to it. However, confusion remained.

In reviewing donor policies in the area of humanitarian financing, considerable inconsistency emerges, both in nomenclature and practice. Donors interpret “humanitarian,” “reconstruction,” “recovery,” and “peace building” in very different ways. Linking relief and development is broadly recognized as essential to building sustainable peace, but many donors have no mechanism for funding recovery and reconstruction work. Those without on-going bilateral programs will leave a country as soon as the emergency is deemed to be “over.” While they have clear authority to respond to emergencies, many have difficulty in funding reconstruction activities. As a result, some define “emergencies” expansively. Policy in this area is a source of particular frustration to NGOs, which often find themselves forced to apply for a series of short-term grants, often for durations of only three or six months. The resulting discontinuity is

reflected in patchwork approaches on the ground and an absence of transparency in donor-partner relationships. This is an area of great importance if humanitarian action is to be more than what one writer calls “global poor relief and riot control”.<sup>15</sup>

Aid officials caution against bald comparisons between and among donors, as if the policy formation and implementation processes of the United States, United Kingdom, Japan, or the EU should be expected to have the clarity that prevails in Switzerland, Sweden, Australia, or the Netherlands. It is of course true that donor policies and programs and the national foreign policy contexts in which they are formulated differ significantly. While it makes good sense for individual donors to seek to carve out a particular niche within the humanitarian financing economy, greater thought needs to be given to the composite puzzle into which the separate pieces fit.

It is also true, however, that major donors have larger impacts on the international humanitarian enterprise and thus bear disproportionate responsibility for the widespread disarray prevailing in humanitarian financing. In fact, one senior American aid official expressed his personal view that the single most important improvement in the area of donor behavior in humanitarian financing globally would be for the United States to achieve greater coherence in its own policy, rather than to have governments instead seek greater harmonization of the policies of all donors.

On a more positive note, the political economy of humanitarian financing is characterized not only by discontinuities but also by the creative efforts of some donor governments at gap-filling. While the U.S. and the EU have debated the issue of genetically modified (GM) food aid (with domestic interests in recipient countries seeing GM food as a stalking horse for efforts by donors to expand or preserve commercial market share), the Swiss and Canadian governments have agreed to absorb the cost of milling GM food in order to enhance its acceptability to wary southern African drought-affected countries. Also in the food aid sphere, the Netherlands is considering how it might facilitate a first-ever contribution of one million tons of food aid by India to WFP.

A government’s other policy interests are often reflected in its approach to humanitarian financing. Norway gives additional humanitarian assistance to countries such as Guatemala, Sudan, and Sri Lanka where it is supporting efforts at peace and reconciliation. Fifty years of activism by the Swedish Committee for Afghanistan is reflected in the twenty-year stretch of SIDA involvement in Afghanistan pre-2001 and in the significant levels of SIDA funding for humanitarian and reconstruction work more recently. Such interest is particularly welcome and significant at a time when other donors have only just recently become seriously engaged.

Policies can be a valuable device for assisting aid officials in fending off importuning politicians on the home front, inappropriate funding applicants, and other elements from across the government bureaucracy. Aid officials in various governments also use existing policy as an anchor to the wind in rapid onset emergencies. At the same time, policy may prove less useful in major crises than “run of the mill” emergencies. But even clearly stated policies can be broken or ignored, as in CIDA’s response to the earthquake in Taiwan, a country not eligible for official development assistance. Of 35 major emergencies, Britain is responding to only 16, giving the

impression of judicious, needs-based allocations. Officials concede that political priorities move less deserving crises to the front of the queue.

### ***Conclusions***

“Policy” is a word with high elasticity. Dictionaries define policy as a definite course or method of action; a decision or a set of decisions; or a set of decisions and related actions to implement them. An absence of written humanitarian policies, or of an overarching policy framework, does not mean that there is no policy; nor does a clearly articulated policy mean that effective implementation takes place. A course of inaction can be as much a policy as a course of action.

One observer has noted that “Creative tension between humanitarianism and politics is not necessarily a bad thing. There is no absolute; consistency is neither desirable nor possible.” Notwithstanding the need for flexibility and the pressures of foreign and domestic policies, the response to humanitarian emergencies is too important, and the funding is too limited, to leave everything to chance. The objective should not be complete and rigid consistency, but something more than the confusion that now surrounds the humanitarian policy debate. Some unpacking of what actually constitutes humanitarian policy would therefore be desirable, not least because what is understood as policy to one set of observers is clearly being translated into a lack of policies by others.

### ***Recommendation: Toward Policy Clarification***

Donors should consider disaggregating humanitarian policy under the following headings:

- *humanitarian principles*: these reflect international humanitarian, refugee, and human rights laws and can form an agreed basis for humanitarian action.
- *sectoral policies*: some donors may emphasize some sectors over others in the content of their humanitarian activities. Food is a major priority for the United States but no longer for Canada;
- *delivery policies*: greater clarity among donors on their preferred delivery channels and the basis for their choices among UN agencies, NGOs, the IFRC, and ICRC could enhance predictability in humanitarian financing;
- *geographic policies*: clearly articulated priorities and preferences would help front-line agencies in planning their own response to particular emergencies; and
- *cross-cutting policy themes*: gender, children, risk reduction, conflict prevention, capacity building, coordination, and quality control play a greater (or lesser role) in the humanitarian policy of some donors.

Donors can facilitate the tasks of operational agencies by making their policies in each of these areas more clear. To the extent that greater policy consistency among donors is a prerequisite for more concerted donor behavior, a higher level of literacy among donors regarding each other’s policies and processes would also be helpful. Perhaps the most important area for priority attention, however, has to do with definitions.

### ***Recommendation: Toward Shared Definitions***

The lack of shared definitions lies at the heart of much of the disarray in the current system of humanitarian financing. A *common* definition of “humanitarian response” is long overdue simply for reporting and statistical purposes. *Strict* definitions and clear exit options are necessary for those donors that have a limited mandate in a particular country. Greater clarity on what is meant by transition, on which donors can support transition, and on how delivery agencies can or should be organized to implement transition initiatives will help to coordinate funding and reduce the funding gaps that are now so common. The meaning of “transition” needs to be better defined for UN agencies as well and a common understanding developed for the consolidated appeal process.

Definitions have consequences, as does the presence (or absence) of policy. Clearer articulation of humanitarian claims on resources would arguably elevate humanitarian considerations among competing priorities. Unless donors embrace an agreed commitment to proportionality in the allocation of resources, improvements in a system which functions by patchwork rather than principle will be hard to achieve.

### ***Recommendation: The Transition from Relief to Development***

Definitions and mandates aside, investments in the transition from relief to development and in post-emergency reconstruction efforts are very much an *ad hoc* affair. Each humanitarian agency winds down according to its own institutional imperatives, making whatever arrangements for follow-on activities it deems best, which in many cases are none at all. Pressed at the 2002 ECOSOC session on humanitarian issues for a statement of agency policy regarding phasing down food aid programs in crisis countries, a senior WFP official replied that programs ceased when donors no longer provided food.

If huge investments in humanitarian assistance are to bear fruit, it is essential that longer-term development issues be addressed in a comprehensive manner *during* the emergency phase. Donors must develop common strategies to address relief and development issues concurrently and plan for the longer term. Doing so may be beyond the mandate of humanitarian departments in donor agencies, but it is not beyond the mandate of the donor agency itself, whether or not it intends to stay on after the emergency is over. Distinctions of mandates within individual donor governments should not be allowed to interfere with transition planning and funding.<sup>16</sup>

## 4 IMPLEMENTATION ISSUES

Research conducted for this study confirms that needs assessment generally represents the starting point for most donor decision-making on aid allocations. The annual exercise of allocating a government’s humanitarian budget across emergencies, notes one donor aid official, involves “all of the desk officers sitting around a table and outlining the needs and potential pressure points in the coming year.” The exercise, as she describes it, “lacks formal ‘objective’ quantifiable and qualitative tools. [However,] the fundamental drivers are an assessment of perceived needs, of the capacity of partners and of access to vulnerable populations. Geopolitics and domestic politics do definitely come into play in an important way, but in our case ... it is the exception rather than the rule.”

How, then, do donors arrive at their decisions about allocating humanitarian resources and implementing programs? How do they make choices between available multilateral and bilateral channels, between civilian and military structures, or between northern NGOs and southern civil society institutions? To what extent are their choices of implementation vehicles influenced by the timing and timeframes for humanitarian activities and the architectural framework within which such decisions are made? Each of these sets of choices will be examined in this section.

### A Note on Humanitarian Terminology

Because of the different uses in different quarters of the terms “multilateral” and “bilateral,” it is important that the ways they are used in this report be clear.

Earmarking	Earmarking is a device by which a bilateral donor agency specifies the geographic or sectoral areas in which a multilateral agency or NGO may spend its contribution. There are different degrees of earmarking: earmarking by agency, by country, by sector, or by project.
Unearmarked	Contributions made by a donor that are not committed to any specified purpose.
Multilateral Aid	Official development assistance (ODA) which is received and spent by multilateral agencies of the UN system. Multilateral funds are derived primarily from bilateral donor agencies. While the DAC does not consider as multilateral any funds that are earmarked by bilateral agencies, this report treats all spending by UN agencies as multilateral unless otherwise specifically noted.
Bilateral Aid	ODA channeled by a government donor agency through the departments of recipient governments, through NGOs, through other independent agencies, or spent directly itself.
Bilateralization	This term refers to greater spending by donor governments through bilateral channels. It has also been used to describe the increased earmarking of multilateral assistance. In this report the term is used only in the former sense.
ECHO	As a mechanism of the European Union, ECHO is a multilateral agency. Unlike most multilateral agencies in the UN system, however, it is usually not directly operational in the field. It is a donor to UN agencies, NGOs, and others, behaving very much like a bilateral agency. ECHO is something of a hybrid, in the sense that it is the only multilateral <i>donor</i> organization in the humanitarian system. For the purpose of analysis in this report, however, ‘multilateral assistance’ refers only to agencies of the United Nations system.



#### 4.1 Choice of Bilateral/Multilateral Channels

There are both advantages and disadvantages for donor governments in spending bilaterally and multilaterally. They cover a range of considerations, including coordination, coverage of need, profile, management, and accountability for resources.

While multilateralism may not be “living on borrowed time,” as some have hypothesized, it has changed dramatically over the past two decades. Most donors speak enthusiastically about their commitment to multilateralism, and several (notably the US and Britain) have recently launched special initiatives aimed at strengthening their relationship with UN agencies. The Netherlands, Sweden, and Switzerland are seeking to move to new collaborative relationships with one or more multilateral organizations, ensuring greater predictability of resources and reduced micro-management.

In the interest of reduced micro-management, greater predictability and continuity of funding, some donors are entering into “framework agreements” with individual UN agencies. While there are demonstrable advantages to all parties from such arrangements, some officials question whether they could undercut the role of the agencies’ governing bodies. Furthermore, if all donors wanted framework agreements, the burden on the recipients could become as confusing and conflictive as the current system of earmarking.

Despite promising innovations, however, very high levels of earmarking by most donors (as much as 85 per cent in the case of resources received by UNHCR and WFP) sends quite another message. Earmarking results from a combination of dissatisfaction with the perceived ineffectiveness of multilateral agencies and from related concerns about accountability, geopolitics, and the growing importance of domestic political interests in donor allocations. One result is that the intended role of multilateral agencies in levelling out the peaks and troughs in humanitarian financing – between regions, countries, and emergencies – has diminished. The so-called “forgotten emergencies,” which reflect in the first instance a lack of bilateral donor interest, are also a casualty of the absence of unearmarked funds available to UN agencies to respond to otherwise unmet needs. As a halfway house between the bilateral and multilateral concepts, ECHO can (and says it intends to) address this issue. ECHO can obviously depoliticize funding from its constituent members, but it introduces its own priorities and earmarking into the system. Since its inception, ECHO has behaved like a bilateral agency in its choice of emergencies, delivery channels, and contracting procedures.

The Consolidated Appeal Process (CAP) has predictably contributed to the earmarking phenomenon.<sup>17</sup> By asking UN agencies to lay out their wares on a smorgasbord each year, donors have contributed to the creation of a system which is based primarily on “cherry picking.” Even donors that would prefer not to earmark are part of a system which encourages it, often allocating their own contributions against specific countries, sectors and projects.

Many donors complain, nevertheless, that a given CAP is simply an interagency wish list without any tough-minded vetting of priorities to bring individual items in line with available funding. At the same time, even those CAPs that are more rigorous fail to generate the necessary resources.

“It’s a mad world,” observes one OCHA official, “in which agencies appeal for what they can get and donors provide what they think their actions will support.” Even granted the unevenness in the quality of CAP appeals, donors who do not take the CAP process seriously undermine the possibility of an effective global and country-specific response to need.

Donors require accurate and comprehensive assessments of need as well as realistic programming requests.<sup>18</sup> In the absence of the former, which may completely dwarf the latter, the foundation for an effective humanitarian enterprise is lacking. It is critical to understand the extent and severity of need, quite apart from a judgment about what donors can or will provide. “The 2002 CAP for Indonesia was only funded 31 per cent. This is totally unrealistic. Why don’t they prioritize?” asks a frustrated donor representative.

Beneath the frustration lies a confusion about the CAP. Is it an assessment and a priority-setting exercise, a fund-raising tool, or a coordination effort? Different donors answer the question differently. In our view, each function is critical but the CAP cannot perform them all. Assessment will identify need; coordination will ensure efficient use of resources; and fundraising will mobilize them. Fund-raising is more likely to be supply-based rather than needs-based, pitching its message at perceived donor interests, priorities and resources. Despite immense needs, a fundraising document would never request funds, as in the Indonesian CAP, that are out of all proportion to the resources available.

Multilateral channels have the ostensible advantage of encouraging burden-sharing. In fact, the rationale for multilateral assistance is that it ensures more equitable coverage of need. Whether that objective is borne out in practice, however, is difficult to determine. Certainly the desideratum is undercut by the pattern of donor government earmarking. Australia earmarks for the Asia and the Pacific because other donors do not. USAID is concerned that falling levels of Canadian and EU food aid place an undue burden on the United States. Other donors deprecate what they consider undue US influence in WFP.

As if to underscore the absence of allocations according to need, improvements in the CAP process that have brought more uniformity to country analyses have not been matched by an increase in donor subscriptions. Indeed, because it is regularly undersubscribed, the CAP remains a forum for competition and exaggeration. Donors make decisions about UN agencies based on their assessment of program-specific capacities and individual country program managers. Agencies that develop a bad reputation may take years to rehabilitate themselves in a donor’s estimation. In the end, the CAP may distort donor perceptions and funding because of the inadequacy of the response.

Donor priorities often trump UN agency priorities. The WHO Director in one crisis country laments that all the donors want to support HIV/AIDS, despite his best efforts to raise funds for a more prevalent and more treatable disease. A UN electoral support project in another country became an implementer’s nightmare. None of the 14 donors wanted to pay for vehicles and gasoline; ECHO wanted all staff contracts denominated in Euros and used a different exchange rate; Japan wanted Japanese stickers on everything bought with Japanese funds, a requirement that took the time of three individuals for two days.

Some UN agencies are under-recognized as contributors to humanitarian action. In the 28 months following the East Timor crisis, the United Nations Volunteers (UNV) supplied 30 personnel to UNHCR, 79 to UNDP, 11 to WFP, 7 to UNICEF and 19 to other UN agencies. In addition, it provided over 500 individuals to support and manage the electoral process before the crisis erupted. The fact that it is funded only indirectly through the CAP process contributes to its relative anonymity. Similarly, NGOs implement huge proportions of the UN humanitarian effort, and some resent the fact that they are usually (in their view) under-funded and are rarely recognized publicly for their work.

A review of the donor response to six CAPs in 2002 can be found in Annex 1. Several conclusions can be drawn from it:

- whether or not UN agencies are setting priorities in the CAP, donors are clearly funding what they deem to be their own priorities. With the exceptions of WFP, UNHCR, UNICEF and OCHA, most UN agencies receive little or nothing of what is requested through the CAP;
- food is a higher donor priority for donors (at least for the US) than it is for UN agencies: although food represents about half of what was requested in most CAPs, it usually received about 75 per cent of donor resources;
- other sectors (agriculture, water and sanitation, health, and education) therefore received less priority attention from donors than is reflected in CAP requests;
- donors channelled much more of their funding through UN agencies in Angola than in the other countries, and much less in Sierra Leone. This may represent the availability of other options – i.e. more NGOs with a better track record. It could also represent lower donor confidence in Sierra Leone-based UN agencies;
- NGOs are simply not reflected in the CAP statistics. While they represent a small part of the appeal, they are recorded in most countries as having received nothing. In fact NGOs received at least as much as was requested on their behalf, but outside the CAP. In Sudan they received nine times what was requested for them in the CAP. NGOs appear not to be taken seriously in the CAP process, and do not appear to take it seriously themselves;
- the response to these six CAPs suggests that the CAP requests do not reflect donor priorities very well. Another way of saying this is that UN priorities are not being met very well, except where food, UNHCR, UNICEF and OCHA coordination are concerned; and
- further and most fundamentally, the CAP is not a full reflection of need as perceived by donors, as significant funding is going to delivery agents that were not included in it.

### ***Conclusions***

It is generally accepted that the CAP should be a reflection of priority needs in a given emergency. The CAP is an attempt to gather all priority humanitarian needs into a single document to help orchestrate coordinated action by UN and non-governmental delivery mechanisms. (The self-limitations on the ICRC's involvement in the process are now accepted.) Most CAPs are significantly under-funded, while at the same time, activities not described in the

CAP receive a considerable proportion of donor funding. It could, *but should not*, be assumed that under-funding in the one is made up by funding for the other. It could, *but should not*, be assumed that CAP plans and priorities are worthy, on average, of only 60-70 per cent donor funding, and that the CAP process is incapable of identifying the other priorities to which donors commit at least one third of their humanitarian funds.

### ***Recommendation: Toward a More Inclusive CAP***

If donors are serious about achieving a more needs-based approach to programming, they should work with the UN and NGOs to make the CAP process more inclusive. This can be achieved by ensuring (and insisting) that all humanitarian actors are part of the Consolidated Humanitarian Assistance Process (CHAP) and the CAP. The UN system will have to be more accommodating of non-UN actors, and donors will have to refrain from rewarding free-lance behavior, working to ensure that non-UN actors behave more like team players. A more inclusive approach does not mean that donors would be any more or less obliged to fund UN agencies over other delivery mechanisms or that NGOs would be unable to approach donors for direct funding for their work. It does mean, however, that proposals would not be entertained for activities that are not included in the CAP. NGOs will stop behaving like cowboys if donors refuse to fund cowboy behavior and if the UN system gives NGOs the respect they deserve. The same holds true for UN agencies: there should be no freelancing with donors unless significant new developments during a given year require additional funding. A strengthened CAP process will represent an investment in a more multilateral approach to humanitarian crises, even if certain funds continue to be channelled bilaterally.

## **4.2 Choice of Civilian/Military Channels**

During the past decade, donor governments have more routinely pressed international and national military and peacekeeping resources into service in the humanitarian sphere. In some instances (such as the EU, the UK, Germany, and the Netherlands), a government's humanitarian budget has helped to underwrite the costs of doing so; in others (such as the United States and Australia) the cost has been borne by the defense ministries themselves. The commitment of troops is increasingly viewed as an element in good global citizenship, and civic action (e.g., the Japanese contingent treating the medical needs of refugees in Goma in late 1994 or the Japanese engineering battalion in East Timor after 1999) is often more attractive to troops than their more obvious and indispensable security chores.<sup>19</sup>

At the now-more interactive interface between contributed military assets and the humanitarian apparatus, the choice by donors of one channel over the other is often murky and confused.<sup>20</sup> For UN Security Council-blessed deployments of military and peacekeeping troops, boilerplate language is now common in resolutions, authorizing such troops to provide security and support for humanitarian operations. That expectation is generally "implied, if not specific," notes a senior OCHA official. Yet in many such deployments, and even more so in interventions without a Security Council imprimatur, the rules of engagement do not correspond to the expressed needs of humanitarian organizations. The troops are more comfortable doing hands-on relief and

reconstruction projects, and donors ostensibly more comfortable with having them do so. Most aid agencies, however, would rather have troops providing security.

Military officials, and some humanitarian personnel with responsibilities for liaison with the military, often downplay the nature, scale, and frequency of the growing interaction. “With rare exceptions,” notes one UN agency military liaison with logic that some aid groups question, “humanitarian action by the military doesn’t come at the expense of civilian agencies.” For their part, military officials, seeking to reassure aid organizations, describe the funds available to troops for civic action as “pocket money” or “chump change.” The military, it is said, are temporarily filling gaps in the odd crisis until aid agencies can take over. The stationing of UN humanitarian personnel at the headquarters of the US Central Command (CENTCOM) in Tampa was described in late 2002 as a “one-off” arrangement. Yet by early 2003 similar arrangements were being repeated for the looming war in Iraq, this time at the U.S. military’s Humanitarian Operations Center in Kuwait City.<sup>21</sup> Before their replication in the Iraq theater, the arrangements in Afghanistan were never the subject of an independent evaluation, or, it seems, an internal UN review.<sup>22</sup>

Despite a widespread perception of a trend among some donor governments to favor military over civilian channels of assistance, the evidence is not clear-cut.<sup>23</sup> Yes, military and peacekeeping troops have become aid actors in the highest profile complex humanitarian emergencies, most recently Bosnia, Kosovo, Afghanistan, and now Iraq. Yet while the military have a perceived comparative advantage in deploying in a crisis more quickly than aid agencies and may attract greater media coverage than their civilian counterparts, they generally hand over their duties as soon as aid agencies are able to take responsibility. Humanitarian and development budgets are sometimes raided to underwrite military expenses, but aid agencies can succeed and have succeeded in resisting. CIDA protested in vain about being dunned for the costs of Canadian military transport of humanitarian materiel to Rwanda in 1994, but more recently won a battle with the Defence Ministry on the grounds that humanitarian principles would be violated if CIDA funds were used to fund “hearts and minds” activities by the military in Afghanistan. (The Defence Ministry drew down its own funds instead.)

However fragmentary the data, there is indeed some cause for alarm not only about the frequency of utilization and relative scale of human needs assistance provided by the military troops but about the necessarily political context in which such aid is provided. One donor aid official views “the misuse of the term ‘humanitarian’ for hearts and minds operations with little attention or understanding for the principles of universality, impartiality, neutrality and proportionality [as] a troubling trend.” Interviewed in Kabul, a senior U.S. military official confirmed that the purpose of extensive civil-military activities by Coalition forces there is “to garner support for U.S. military objectives.” Donor governments do seem to be placing a higher premium on defense budgets as against human needs there. Of the \$10.2 billion in international funds spent in Afghanistan in the year beginning October 7, 2001, 84 per cent was committed to the Coalition’s war against al Qaeda and the Taliban, four per cent to international peacekeeping, nine per cent into humanitarian aid, and three per cent to reconstruction. As for the gap-filling rationale for utilizing the military, humanitarian organizations do concede that they may be overmatched by the scale of rapid onset disasters (Kosovo refugees on the Macedonian border in

late March 1999 offers a case in point). However, observers note that UNHCR's request for assistance to NATO military contingents followed years of donor-imposed budget austerity on the refugee agency.

The quality of resources committed by the military to tasks in the humanitarian sphere is also a recurring issue. Some aid actors who have sought to access the vaunted logistics capacity of the military have encountered a daunting bureaucracy and culture. The experience has led both WFP and individual NGOs, apart from very exceptional circumstances, to hire their own commercial transport rather than relying on the lifting capacity of the military,<sup>24</sup> "What is it about our field," asks one seasoned NGO official with exasperation, "that makes everybody think they can do it?" In one highly publicized incident in southern Iraq, one early-arriving U.S. army contingent sought out Iraqi middlemen to sell potable water to those in need. Of course, the exasperation is often mutual. In each theatre where humanitarian and military actors have met, military liaison officers have been confounded by the perceived disarray and, in their view, rank amateurism, within the UN and particularly the NGO ranks.

As with donor governments themselves, different military forces have different styles and are perceived differently by humanitarian interlocutors. Some national military contingents are demonstrably better at chores in the humanitarian sector than others. The debate regarding the military has been an active one in the United States, where NGOs have taken various positions, from embracing active collaboration with the military to keeping their distance. In Europe, NGOs fear that the growing tendency of governments to think of comprehensive interventions that embed humanitarianism within political and military strategies will undermine their own independence and neutrality.

A similar debate has yet to take place in Australia, however, where there has been much consultation with NGOs on the military's civil-military doctrine and little antagonism between civilian and military actors. Even in the United States, one senior USAID official says, "I haven't felt too crowded by the military," the increased involvement of which, he believes, has not relieved USAID of its traditional responsibilities. At the same time, he concedes that as security for humanitarian operations and the need for nation-building has become more recognized, the U.S. military has come to play a role that may well grow over time. Some suspect the evolution a two-tiered humanitarianism: crises that are important enough to commit the military, and run-of-the-mill emergencies with which humanitarian agencies can be entrusted.

The Oslo II guidelines, finalized in March 2003 after lengthy consultations among governments and international organizations, affirm the "UN identity and civilian nature of humanitarian assistance," distinguishing clearly between the functions and roles of military and UN humanitarian actors. "A humanitarian operation using military assets must retain its civilian nature and character," the guidelines state. "While military assets will remain under military control, the operation as a whole must remain under the overall authorization and control of the responsible humanitarian organization. This does not infer any civilian command and control status over military assets." The guidelines also specify that UN Military and Civil Defence Assets, "like all humanitarian assistance, is to be provided at no cost to the affected State and receiving agency."<sup>25</sup>

The war in Iraq has led to the issuance of guidance from the UN secretariat regarding the interaction between UN personnel and military forces. Building on the Oslo guidelines, it reaffirms basic humanitarian principles such as independence, neutrality, and impartiality which are then translated into detailed practical “do’s and don’t’s” for UN aid personnel in the field. The guidance also reaffirms the indispensability of civilian authority and responsibility for humanitarian activities. “When in doubt, the civilian and independent nature of United Nations humanitarian assistance must be emphasized.” The fact that the guidelines were issued during the first week of the conflict and that they are operationally specific is helpful as the UN and associated humanitarian actors work to establish appropriate relationships with the U.S.-led coalition.<sup>26</sup> Although the ground rules reflect a hardwon consensus among governments in order to guide the United Nations, it remains to be seen whether they will influence the behavior of donors themselves in the utilization bilaterally of their own military resources in the humanitarian sphere.

### ***Conclusions***

Donor governments have made and continue to make choices between civilian and military channels for assistance. Military forces are undoubtedly playing a larger role in major complex humanitarian emergencies, as their involvement in Kosovo, Afghanistan, and now Iraq suggests. More and more, however, military forces are also engaged in tasks which, in normal circumstances, would be filled by humanitarian organizations. Some donor governments see the expanded role of the military as indispensable and supportable, even using dedicated humanitarian resources for that purpose; others see the larger role of the military as a threat to established humanitarian principles and a recipe for politicization and instrumentalization.

A number of factors seem to be at work in decision-making by donor governments, including a lack of faith in the ability of aid agencies to function under duress (e.g., Macedonia and Albania), the desire to make maximum use of military assets already deployed to high-profile emergencies (e.g., Afghanistan), a sense of obligation to meet the responsibilities of an occupying power (Iraq), and a desire to be publicly identified with a particular relief and/or peacekeeping operation. Available data does not demonstrate whether assistance provided by military forces to civilian populations is more effective or more cost-effective than that provided by humanitarian organizations. In that regard, the absence of necessary data is comparable to the situation involving choices of multilateral vs. bilateral channels. In each instance, the absence of independent reviews undercuts the likelihood of merit-based allocation of resources by donors. The donor government official quoted earlier is surely correct in her comment that basic implementation choices are made without “formal ‘objective’ quantifiable and qualitative tools.”

### **4.3 Choice of Northern and Southern NGOs**

Thirty years ago – even as recently as fifteen years ago – NGOs led on humanitarian programming. They were first off the mark, and were the most vocal advocates in emergencies such as Biafra, Bangladesh, and Cambodia. Today, the tables have turned. Many international NGOs have leveraged the resources they receive from donor governments and UN agencies to

such an extent that they now follow their lead in matters programmatic and geographical. Over time, many have become essentially service providers for donor agencies rather than programming agencies in their own right.

In fact, some international NGOs have become little more than “ambulance chasers”, arriving in an emergency situation with certain skills and commitment but little or no funding or geographic expertise. Much of their initial effort goes into public relations and fundraising from local donor government missions and UN agencies. And some are now in direct competition for donor funds with local civil society organizations in crisis situations. Despite the increasing convergence of NGO and donor priorities and activities, however, many donors seem increasingly wary, even critical, of NGOs. Issues of legitimacy, transparency, cost, capacity, programming rigor, discipline and, in a broad sense, professionalism, are frequently raised.

While some donors may regard NGOs as somewhat uneven and prickly counterparts, most donors are at the same time heavily dependent on NGOs as operational partners. But there has been surprisingly little donor investment in building the capacities of international NGOs, and even less investment in strengthening local civil society to deal with emergency situations.

NGOs are often lumped into a single category, when in fact they come in a hodge-podge of sizes, histories, competencies, interests, and attitudes. Donors can pick and choose among NGOs because they offer a variety of competencies, approaches, ideologies, connections, and normative processes. NGOs are favored in some cases because they can be held more accountable than multilateral agencies and provide more national visibility. For some donors NGOs are a key part of “badging” humanitarian assistance, since they can serve as exemplars of national identity. Coordination – much desired – is therefore always likely to be somewhat elusive. Donors, in fact, want and encourage the rainbow, while decrying its effects in terms of coordination. Despite the plethora of agencies, however, most NGO emergency assistance is in reality delivered by six or seven major NGOs, or families of NGOs.<sup>27</sup>

For all NGOs there are issues regarding the *quality of money*. A dollar in untied funds raised from private donor constituencies is worth at least twice as much to most NGOs as a dollar raised from donor governments that is earmarked for a specific emergency. In fact, untied funds are priceless because NGOs simply cannot function without them. Contracting with governments and UN agencies has, however, become the norm for many. As a result, NGOs may have inadequate funding to program food aid for maximum long term effect or be unable to pay for the staff, follow-up and recovery programs that are necessary for professionalism, for the achievement of real results and for linking relief and development. Also reflecting the proclivities of donor governments, they may be unable to mount activities where needs are greatest or where their competencies are greatest, contributing as a result to the “forgotten emergency” syndrome.

In order to maintain a core humanitarian team, NGOs need a basic level of programming activity. What may seem like opportunistic behavior to donor governments, therefore, may be nothing more than efforts to keep the NGO operational engine fuelled and ready. UN field



operations are no different. They, too, need a certain level of programming activity to justify and sustain a core team of professionals and support staff.

Donor governments generally expect NGOs to “bring something to the table,” a euphemism usually meaning that NGOs should pay for their own administration and capacity-building costs. One major donor, for example, comments that “the premise of our grantmaking ... is that the NGO wants to do and believes in a program, but we consider that it is the NGO’s program and that they are responsible for its continuity. Perhaps part of the problem,” the aid official continues, “is that NGOs do not make the necessary commitments to specific sectors or parts of the world and don’t forego being in every spotlight situation.” WFP argues along similar lines that its costs are higher than those of NGOs, in part because NGOs have “access to private funds to defray some support costs.”<sup>28</sup>

Behind such statements lie worlds of complexity and misunderstanding, which without doubt contribute to the prevailing climate described earlier. Suffice to say here that NGOs have only two sources of funding: institutional donors such as donor governments and UN agencies, on the one hand, and private individual donors, on the other. Individuals give money in order to save lives, not “to defray some support costs” of WFP and other large organizations. NGOs are therefore caught in a cleft stick. Institutional donors, which should be the first to understand the need for institutional support, are often the most miserly in its provision.

Many NGOs are also ethically exposed to charges that they are not neutral, impartial, or independent of their government’s foreign and domestic policies. US NGOs have been criticized for their willingness to follow the State Department lead into areas of questionable programming (Central America in the 1970s; Afghanistan in 2002; perhaps Iraq in 2003). German NGOs were keen to sponsor programs for returning refugees to Bosnia in 1997 and 1998 not because it was safe for them but because speeding them home from Germany was a priority for the German government. Many European NGOs have a bad taste about their behavior in Kosovo. Others have been criticized for political advocacy that goes beyond humanitarian norms, or for lack thereof (e.g. in Somalia, Rwanda, Israel/Palestine). The De Waal, Marren, and Rieff critiques may be overstated and unfair but contain disturbing elements of truth.<sup>29</sup>

There is a very real competition for market share among NGOs. This is becoming sharper as the larger NGOs streamline and consolidate their transnationalism. Competition has an upside, which includes greater attention to results, economies of scale, ability to specialize and globalize, the possibility of linking relief and development, geographic spread, and experience. Its downside involves exaggerated claims, demeaning advertising, and lack of coordination. For many NGOs, it is difficult to handle more than one or two large emergencies at a time unless they have an on-going program in the country in crisis. They are likely to be more effective in countries or areas where there is an “NGO culture” and an understanding and acceptance of civil society. NGOs functioned well out of Peshawar during the Afghan crises of the 1990s, even though the “NGO culture” was weak in the rest of Pakistan.

NGOs are often the favored delivery channel for donor governments at the beginning of fast-onset emergencies, but as the emergency matures, funding will become more diversified to UN

agencies and others. This can create a ballooning problem for NGOs at the outset of an emergency and a subsequent need to downsize even though the needs it is addressing remain. And donor appreciation of NGOs as a delivery channel is vulnerable to major mood swings. NGOs may be seen as fast, courageous, and efficient in one situation, and unrealistic, mercenary, and grasping in another. Doubts are expressed by some donors about NGO cost-effectiveness; in the absence of real data and good comparative evaluations, this sentiment is only a stick to beat NGOs with.<sup>30</sup>

NGOs that stand on principle where a donor is concerned and refuse what they consider to be unreasonable requests are likely to be undercut by “NGO defectors.” For example, MSF could walk out of the Goma refugee camps in a righteous dudgeon, knowing that it would “look good on their CV” but that it would not make any difference in human lives, because other NGOs would quickly fill the void. The lack of coordination and coherence across the NGO community makes it possible for governments to play some agencies off against others.

The result of this melange of economic and ethical, ideological and institutional factors is an extremely complex funding relationship between donor governments and NGOs. Maintaining capacities from one emergency to the next, reinforcing an agency’s identity, covering overheads, and meeting their own priorities represents a complex and difficult management problem.

Apart from occasional training grants, donors generally do not support functions that would increase NGO capacities or contextual awareness. Capacity building of southern civil society, however, has become an essential element in the mantra of donor agencies and northern NGOs. Yet it is the exceptional northern NGO or international donor that will work seriously at helping to create “an emergency capacity with a southern face.” Mostly, capacity-building means “training” for service delivery.<sup>31</sup> It is rarely responsive to the local organization’s need for institutional enhancement or its own priorities. This is partly because external humanitarian agencies are given resources to save lives rather than to build the capacity of others to do so. Typical six-month funding cycles also work against longer-term capacity building.

Competition between Northern and Southern NGOs for the same resources also works against one advancing the capacities of the other. In addition, international NGOs and UN agencies all need local staff, and because they pay good salaries, they can very often depopulate local organizations, including government, of the best talent. Afghanistan represents a noteworthy but cynical laboratory in that the initial year of international engagement after 9/11 led to a net loss of capacity in almost all local institutions, governmental and non-governmental. It remains to be seen whether the Afghan government’s insistence on exercising authority and control will swing the balance to the positive side of the ledger.<sup>32</sup>

### ***Recommendation: Administrative Overheads and Capacity Building***

Burden sharing on administrative costs for NGOs should be negotiated and shared proportionally by NGOs and institutional donors. In other words, donors and UN agencies should not expect NGOs to cover a disproportionate share of the overheads on program delivery. This will lead only to NGOs having to subsidize institutional donors with hard-won private donor income, or to

the cutting of corners on program delivery. The provision of adequate administrative overheads should be viewed as an integral part of quality control, rather than a formulaic and unwanted necessity, to be minimized at all cost.

Capacity-building for local civil society in conflict prevention and emergency assistance needs to be taken much more seriously. It should become an automatic feature of donor funding in any emergency that extends beyond three months. In East Timor, Oxfam UK sent in a traditional emergency response team, while the Dutch member of Oxfam, NOVIB, provided funding specifically and only for local civil society capacity building. The two approaches, coordinated from one Oxfam office, were complementary and demonstrated that relief and capacity building are not mutually exclusive and that one does not have to be addressed at the expense of the other.

Other recommendations dealing with NGO effectiveness are dealt with in Section 5, below.

#### **4.4 Time, Timing, and Time Frames**

Time and timing play critical roles in determining the effectiveness of humanitarian action. Obviously, timing is more critical where food is concerned than in any other kind of assistance; people cannot go more than a few days without sustenance. Timing is an element in the choice of delivery channel. NGOs sometimes have a timing advantage over UN agencies. They may be able to move faster and so may receive more funding in the early stages of an emergency. This is not universally true, however; UN agencies were present in the Balkans before most NGOs.

Donors are likely to be less selective in their partners and less demanding of results early in a fast-onset emergency than they will be as it evolves. The situation in Kosovo and East Timor in 1999 contrasts with that in Sierra Leone, which was as needy in 1999 but where the emergency had built up over 8 years. The political imperatives, objective needs, and media pressures will all have more weight at the outset of an emergency; considerations about results and professionalism will develop later. Conversely, money is harder to get as an emergency ages; this is sometimes because of declining needs, but donor attention and money may also be diverted to newer, more high profile emergencies.

Donor financial years differ, ending variously on March 31, June 30, September 30, and December 31. This affects responses to time-bound appeals and often creates cash-flow and programming problems for implementing agencies. Unfulfilled donor pledges cause problems for everyone, including intended beneficiaries and other donors. By 1997, the U.S. had disbursed only \$207 million out of the \$500 million pledged in 1993 to the Palestinian Authority. Similar problems have bedeviled donor pledges for Cambodia, Rwanda, and, more recently, Afghanistan.

Some donors can act quickly, while others are extremely slow. Rapid British support for vehicles, generators, and other hardware was much appreciated in East Timor. Donor alacrity changes with time, however, and over time donors tend to become more paper- and results-oriented. Results-based management, however desirable in principle, may have severe limitations where timeframes are short. Some donors have delegated humanitarian decision

making to the field, while others require most decision-making to be done at headquarters. This has time implications. Despite their own timing problems, donors often have unrealistic timing expectations of front-line agencies. For example, AusAID put out a call for submissions from NGOs for the Southern Africa drought on the Friday before Christmas 2002, with a closing date of Jan. 3, 2003.<sup>33</sup>

Donors may stay involved in an extended humanitarian crisis for years, but most funding cycles are short – typically 6 months – which makes strategic planning for implementing agencies very difficult. While there are reasons for this, it makes even medium-term planning very difficult for UN agencies and NGOs. That, of course, is not news to donors, many of whom treat short timeframes and funding cycles as a given. In fact, one government aid official would like to shift the onus to NGOs. “Why have NGOs continued to rely so heavily on donor funding for long-term crises?” she asks. “Perhaps there should be some longer term sustainability of programming efforts by NGOs so that they actually plan on the funding having to come from some place else.” The comment revives the argument above, however. NGOs have only two sources of funding – institutional donors and private donations. There is no “someplace else.” If all NGOs were to cut back on government donors for long-term crisis funding, the NGO presence would simply decline by the amount of the cutback. Private donor funding *itself* is limited; it is frequently tied to a particular emergency; and it is usually given only when the emergency is “hot” and well publicized.

The fact remains that chronic emergencies do not fit the standard donor project cycle; another way of saying this is that donor project cycles are not adequate to the needs they aim to address. Some donors want an “exit strategy” before they become involved in an emergency. This is especially true of departments with limited mandates and time frames such as USAID’s Office of Transition Initiatives. By contrast, many of today’s emergencies are open-ended in nature. They do not fit donor funding cycles, time frames and exit strategies.

There is a tendency in examining the donor response to a crisis to isolate it from other events. Figure 1 shows some the major emergencies of 1999. Three simmering emergencies flared into major humanitarian emergencies that year – Sierra Leone, Kosovo, and East Timor – while others in Afghanistan, Orissa, and Turkey demanded attention as well. Each one competed with others for donor staff time and funding, helped or hindered by media attention, geo-political and domestic concerns and other factors.

**FIGURE 1: HUMANITARIAN EMERGENCIES 1999**

	Sierra Leone	East Timor	Afghanistan	Kosovo	Orissa	Turkey	
Jan	RUF invasion of Freetown; massive destruction & loss of life	Talks lead to agreement on ballot re independence		Crisis continues from 1998: 863,000 refugees; over 500,000 displaced, 10,000 killed; Yugoslav offensive in Kosovo; March 24 NATO bombing campaign against Yugoslavia begins			
Feb			Earthquake; 70 dead, 18,000 affected				
March							
April	Peace talks begin in Lomé	Liquica massacre		78 days of bombing; 600 civilian dead, massive destruction			
May	Cease-fire agreed	Violence escalates					
June	RUF attacks Guinea	SC establishes UNAMET; violence continues	2.6 million Afghan refugees in Iran and Pakistan; fighting in last half of the year leaves 250,000 displaced; serious food deficits regionally; UN sanctions imposed because of Taliban support for Al Qaeda	June 10 bombing ends			
July	Peace agreement signed						
Aug.		Voter registration & campaigning; violence continues					Earthquake; 18,000 dead, 100,000 affected
Sept		Vote; massive violence; INTERFET troops arrive					
Oct	SC authorizes creation of UNAMSIL	Indonesians leave, UNTAET established; first troops arrive				Orissa Cyclone; 10,000 dead, 12m affected	
Nov	Serious cease-fire violations; first UNAMSIL troops arrive						
Dec							

When should spending move from relief to recovery and reconstruction? As noted in the earlier discussion of policy (3.3), each donor has its own thermometer. As a timing issue, this creates uncertainty for implementing agencies in planning and unevenness in linking relief and development. Such decisions are often made without consensus among donor agencies. Some move too quickly, creating a vacuum. This was the case in Haiti during the mid 1990s, and there was general agreement in East Timor early in 2003 that the pace of transition there had been too fast. In other cases, the shift comes too late, creating dependencies. For example, the Afghanistan government was calling for an end to humanitarian funding, cash instead of food aid, and a start to reconstruction as early as mid 2002. Despite the debate in recent years about the “continuum” between relief, reconstruction, and development, as noted in Section 3.3 above, few donors are providing resources which can be used with the flexibility needed in protracted complex humanitarian emergencies.

Antagonism frequently develops between host governments and NGOs as a given emergency moves towards the recovery phase. Host governments resent the resources bestowed by donors on NGOs and they find NGOs difficult, if not impossible to coordinate. They become increasingly anxious about demonstrating their own credibility and authenticity to their citizens. For their part, NGOs are reluctant to cede initiative to governments they regard as weak or corrupt and are often encouraged in their position by donors that want the accountability NGOs can provide. This was problematic in Sierra Leone in October 2002 where NGOs were concerned, and even more problematic in Afghanistan in 2002-2003 with regard to UN and bilateral agencies.

The observation made in Section 3.3 above is worth repeating here: definitions and mandates aside, donor investments in the transition from relief to development, and in post-emergency development efforts are very much an *ad hoc* affair. Each humanitarian agency winds down according to its own institutional imperatives, making whatever arrangements for follow-on activities it deems best, which in many cases are none at all. If the currently huge investments in humanitarian assistance are to be sustained, it is essential that longer-term development issues be addressed in a comprehensive manner *during* the emergency phase. Donors must develop common strategies to address relief and development issues concurrently and to plan for the longer term. This may be beyond the mandate of humanitarian departments in donor agencies, but it is not beyond the mandate of the donor agency itself, whether or not it intends to stay on after the emergency is over. To excuse the absence of such planning on the basis of institutional architecture is tantamount to donor delinquency.

### ***Recommendation: Toward Longer Perspectives***

Predictable funding is a key element in all successful planning and implementation, humanitarianism not least. Short donor time frames lead to unpredictability and therefore poor planning. This is exacerbated by a compartmentalization in donor agencies of funds and departments which reduces the possibility of funding for recovery and reconstruction and for linking relief and development.

There are a number of innovations worthy of wider consideration. Australia's new peace, conflict, and development policy "aims to reduce the traditional distinction between development and humanitarian assistance". Australia argues that the CAP process needs a separation of "wider humanitarian needs from narrower institutional ones" – not a bad idea if it leads to more holistic funding approaches. In East Timor, USAID's OFDA used "pre-grant authorization letters" assuring selected NGOs of eventual funding so they could advance other funds and move quickly. A Tufts University team is credited with demonstrating to USAID in 2002 that the Afghan emergency is ongoing, with drought endemic, rural assets depleted, and life not expected to return to normal in the short-term future, requiring a more sophisticated, longer-term approach to recovery than many agencies had been willing to consider. World Bank reconstruction funds have a one-year time frame, which is an improvement on six month tranches. Norway made a four year grant to the IFRC for reconstruction in Bosnia.

None of this is very complicated or radical, except within the context of traditional humanitarian thinking, which has seen emergencies as short-term affairs, with clear beginnings, middles, and ends. Apart from natural disasters, this type of old-fashioned emergency barely exists any more, and a different approach to timing and budgets is long overdue. In protracted emergencies, donors must find ways to make longer-term allocations, even if they are notional and conditional. This would help implementing agencies to plan better, to find and retain good staff, to develop greater synergies between relief and development, and to become more professional in other ways.

## **4.5 Humanitarian Architecture Issues**

### **4.5.1 The Architecture of Giving**

The organization of responsibilities for financing humanitarian activities varies widely from one donor government to the next. In some countries, the humanitarian portfolio is lodged within the ministry or department responsible for official development assistance. This is the case in Australia and in Canada where the International Humanitarian Assistance department and responsibility for food aid are part of CIDA's Multilateral Branch. In some countries (Italy, Japan, Ireland), responsibility for all ODA, including humanitarian assistance, falls under branches situated squarely within the foreign ministry.

In other countries there is a more mixed approach. In the United States, the State Department's Bureau for Population, Migration and Refugees deals with some aspects of humanitarian assistance, while USAID's Office of Foreign Disaster Assistance deals with others. In Sweden, some aspects of multilateral assistance are handled by the foreign ministry, others by SIDA. In Germany, the foreign ministry handles immediate emergency assistance, while BMZ handles anything that relates to recovery and reconstruction. In Britain, the Department for International Development is a stand-alone ministry of the government, but a "conflict prevention pool" has also been created to bring together the collective thinking, expertise and programming of DFID, the Ministry of Defence and the Foreign Office. In several countries, ministries of defence have created humanitarian rapid response mechanisms.

It is probably safe to say that there is no “model” humanitarian architecture for any and all governments, and that no two systems are exactly alike. This stands in fairly sharp contrast to other forms of ODA and ensures that the mix of pressures and players will make coordination more complicated than might otherwise be the case. It can become especially problematic when there is a fast-onset, high profile emergency such as Kosovo or Afghanistan. In Canada before 9/11 there were six people, all of them within CIDA, discussing Afghanistan. Once the larger crisis began, however, as many as 24 government departments became involved. In March 2003, USAID’s Disaster Assistance Relief Team (DART) had 47 members from a wide variety of agencies.

Often responsibility for relationships between donors and UN agencies is lodged in different bureaus, or shared among various government officials. Individual UN agencies may well receive conflicting guidance from different government stakeholders. The problem has been described as the “humanitarian triangle:” different people speaking for the same donor at a UN agency headquarters, in the field, and in the donor’s headquarters. A complicating factor is the perception among UN officials that they are sometimes expected to take their cues on major policy and programming issues from very junior officials, many of them without field experience and many of whom soon move on to other assignments. Good donor behavior means that a donor needs to speak over time with the same voice in different venues.

An absence of consistency in a given government can lead to contradictory positions from the same donor as well as among donors. For example, there is no agreement among major supporters of WFP as to whether food aid activities should be limited to emergencies or should also include development. There are diverse donor opinions about whether an agency such as UNHCR should move beyond the provision of immediate relief. For some, UNHCR is seen to be shirking responsibility if it simply “drops refugees off” at their village, while for others, anything more is “mission creep.” The issue of where responsibility for internally displaced persons (IDPs) should be lodged has also proven divisive. In such circumstances, a given agency has difficulty maintaining the attention and confidence of all of its contributors.

Perhaps the most debated issue in the area of humanitarian architecture today concerns the linkages within donor governments between emergency assistance and political policies and objectives. There is a growing consensus among donor agencies about the need for a more comprehensive approach to humanitarian emergencies, taking into account prevention and mitigation and combining military, political, and humanitarian instruments in remedial efforts.

For some donor governments and humanitarian organizations, the “new humanitarianism” reflects a willingness to include the actions and presence of aid agencies within an analytical framework of causal and consequential relations<sup>34</sup> and to make direct links between humanitarian action and a range of other interventions, from “conflict prevention” to “peace enforcement”. Others are concerned that a more comprehensive approach to conflict prevention and resolution will compromise basic humanitarian principles, especially if they are incorporated into a military command and control structure.



In some governments (the Netherlands is an example), humanitarian programming, democracy, and conflict resolution objectives are housed within the same department while in others (such as Switzerland), humanitarian programs are insulated from broader political objectives. At this point in time, it remains unclear which approach is associated with greater benefits for the effectiveness of humanitarian activities. In fact, as in the instances of other choices made by donors examined in Section 4, the absence of comparative data regarding effects and effectiveness provides government decision-makers with little guidance.

### ***Recommendation: Toward Improved Governance of UN Agencies***

It is beyond the scope of this report to suggest appropriate forms of humanitarian architecture. Standardizing a particular approach across the donor community seems politically unrealistic as well as institutionally problematic. It is not impossible, however, for donors to mitigate the negative impacts on UN agencies of their structural and political diversity. There is something to be learned from governing boards in the private sector, the nonprofit world, and within government, which bear a common *accountability* for organizational behavior and achievement. Members are *trustees*, with allegiance to a range of stakeholders. They are responsible for setting policy and standards of ethics and prudence and are expected to defend, protect, and advance the organization's aims and objectives.

This is not, however, a good description of the governing boards of most UN agencies. These boards are made up exclusively of government representatives of varying seniority and from varying ministries and departments, who change frequently, who may or may not articulate a well-defined position on an issue, but who very much represent the interests of their employer first and foremost. If executive board meetings are at all like donor meetings, participants are likely to talk at cross purposes, agreeing to disagree politely, but expect the agency in question to meet all demands, no matter how contradictory. This ultimately relegates real governance of the agency to the best devices and sleights of hand of its managers. Depending on the severity of a given problem and the divergence of viewpoints, an agency could find itself without a functional governance mechanism at all.

To expect governments, especially donor governments, to give up their role on governing boards would be unrealistic, but consideration could be given to reducing the size of governing boards, to bringing in knowledgeable but disinterested professionals, and to the creation of mechanisms where boards or their executive committees (including non-government professionals) can discuss issues in greater detail and more frequently than is currently possible.

#### **4.5.2 The Architecture of Receiving**

While the focus of this report has been on the behavior of donors in financing humanitarian action, the behavior of implementing organizations – be they UN agencies, NGOs, the Red Cross Movement, or governments themselves – is a major part of the equation. If the architecture of giving is variable, so too is the architecture of receiving. It is beyond the scope of this report to comment on reforms needed in the humanitarian praxis of implementing agencies. Yet it is

necessary to comment on the central issue of coordination among the agencies that turns donor resources into assistance and protection activities.

Every observation made of donors in this report could be matched by a companion comment about those who receive donations. Governments are chided for a lack of firm commitment to financing multilateral institutions, yet the UN agencies are an uneven lot. Governments are criticized for favoring military over civilian actors, but the can-do spirit of the military has a certain attractiveness over the might-have-done complaints of NGOs. Donors are faulted for inattention to capacity building among southern civil society institutions, yet the UN has a patchy record and northern NGOs are not much better. Donors are criticized for putting too little reliance in the consolidated appeals process. Yet the CAP, despite its improvements, is rife with its own evident compromises.

At the heart of the architecture of receiving is the UN Office for the Coordination of Humanitarian Affairs (OCHA), headed by an under-secretary-general who also serves as the emergency relief coordinator. In the checkered evolution of coordination, OCHA is an improvement over its predecessor Department of Humanitarian Affairs (DHA), as was DHA over the UN Disaster Relief Organization (UNDRO). Notwithstanding the progression, however, the centripetal forces of implementation overmatch the centrifugal efforts of OCHA, whether at headquarters or in the field. The fact that donor policies complicate the coordination conundrum does not relieve OCHA of its responsibilities to orchestrate effective humanitarian action. There is, *we believe*, no substitute for a more assertive UN coordinating nexus, which will require not only more discipline and team-play on the part of UN agencies but also a more restrained and supportive approach on the part of donors and NGOs.

As the world's major humanitarian actors – givers and receivers alike – seek to define their respective niches, the overall architecture within which those niches reside is provided by the United Nations. It is inconceivable that the international humanitarian enterprise will be characterized by greater proportionality of responses to human need, wherever it exists, in the absence of a firmer multilateral anchor. Although the points of accountability of UN agencies are boards comprised of Member States, it is unlikely that political inroads into the global functioning of humanitarian work can be effectively minimized in the absence of more strenuous efforts by the UN to honor the cardinal humanitarian principles of neutrality and independence.

Interviews in national capitals and visits to crisis settings have suggested innovations that hold some promise of putting the humanitarian enterprise onto a more serviceable footing. These include the framework agreements being negotiated between donors and particular UN agencies to provide greater predictability and flexibility; the selection of Dutch NGOs for funding in Afghanistan by the UN Office for the Coordination of Humanitarian Assistance to Afghanistan rather than by the Netherlands government that provides the funds; the recent review of the impacts on vulnerable people of donor underfunding of the Sierra Leone CAP; the protection of humanitarian resources by CIDA from pre-emption by the military; and the creation of a fund for forgotten emergencies by SIDA. Such initiatives underscore the need to move beyond mutual recrimination and finger-pointing and to embrace more creative approaches. They are investments in changing the well-entrenched political economy of the humanitarian enterprise.

An analysis of the architectures of giving and receiving cannot conclude without acknowledging the artificiality of the giver/receiver construct itself. There is no gainsaying the widespread gaps that exist between donors with resources and implementing agencies in need of such resources (not to mention “beneficiary populations” with resources of their own). Such imbalances in power relations are a fact of life. However, “the tensions inherent in the giving and receiving of aid need not be antagonistic and destructive,” notes analyst Mary B. Anderson. “[I]nternational aid is fundamentally about relationships,” she says, which do indeed lend themselves to management and change.<sup>35</sup>

## 5 RESULTS

Greater effectiveness in humanitarian spending is a prominently stated aim for most donors. No donor appears satisfied with the overall effectiveness produced by the current system. Effectiveness is, of course, no less important an issue for donors’ partners, who are judged on the quality of their delivery. The desire for effectiveness and the way it is measured, however, can lead to dysfunctional behavior.

Donors are *not* always concerned about longer term impact, especially where the prime motivation in an intervention is more political than humanitarian. Attempting to hold humanitarian actors accountable without considering the extraneous factors that impinge on their effectiveness (donor behavior, other humanitarian actors, peacekeeping forces, warring parties, local government, the media) will inevitably be unsuccessful and even pointless. There is no evidence of a positive correlation between donor conditionalities and effective programs. In fact there is probably a negative correlation. Furthermore, risk aversion (rather than risk management) may direct greater resources to “safer” emergencies (e.g. East Timor rather than the DRC). While this tendency may contribute to greater effectiveness in the well-resourced crisis, it may also contribute to weakening the effort in, and protracting suffering in the neglected emergency.<sup>36</sup> Demands for overly detailed risk assessments in fluid situations can also be time consuming and in the end, diversionary.

Evaluations of emergency assistance remain infrequent, although interest in post-mortems has grown during the past decade.<sup>37</sup> Most reviews do not extend beyond the parameters of a specific agency or a specific emergency. The result is that there is very little documented memory and even less inter-agency learning. Cross-fertilization between emergencies becomes little more than *ad hoc*. No methodology exists for comparisons of who does what most effectively (in terms of results) or most cost-effectively (in terms of investments made). There is no measure, for example, of the value of the empowerment approach of NGOs as contrasted with the bottom-line style of private contractors. In addition, almost all evaluations are *by* donors *of* those who deliver emergency assistance: UN agencies and NGOs. There are few examples of evaluations of donor agencies themselves. The imbalance contributes to the prevailing attitude of mistrust and cynicism within the system noted earlier, as reflected in the comment of a senior UN official, “I profoundly resent the fact that donors consider themselves immune from empirical analysis.”

Despite a growing results orientation, most donor funding does not appear to be merit-based. Consequently, incentives for greater effectiveness are unrelated to incentives for future grants. And when donors talk about a greater emphasis on results, it is by no means clear what they mean. The concept of results is clear enough in long-term development programming, but it is not always evident as to what more can be squeezed out of an already under-funded feeding program in a refugee camp. “If you want better nourished children, you need a baseline. When would this be done? When the refugees arrive? When the project is submitted? When the project is funded? When the food arrives? There could be months between the first and the last.” There are no commonly agreed objectives, indicators, targets, or measurement tools in the humanitarian field. Even agreed standards (such as Sphere) may be completely unachievable if funding is inadequate or if events (such as continuing conflict) or other actors (such as warring parties or local government) intervene.

“The incessant demand from donors for greater transparency is part of a controlling mechanism; it isn’t about accountability,” says a senior NGO official. Monitoring and evaluation for accountability often work at cross purposes to monitoring and evaluation for learning. If accountability in the objective, failures will be downplayed or hidden by recipient agencies in order to preserve funding. “There is a real fear of being held accountable among NGOs,” says an NGO evaluator. The fear is not a concern about embarrassment or even failure; it is about money, and a general donor (and media) intolerance for failure. If learning is the objective, by contrast, practitioner agencies are more open.

In confidence and to each other, donors express concerns about individual managers and the leadership in some UN agencies and NGOs. Weak donor confidence in turn has a negative impact on volumes and types of funding, a problem that goes largely untreated. Yet most donors at one time or another have foisted questionable senior people onto the UN system. For example, a former development minister from a donor country was accepted by UNDP as a resident representative because the country was an important contributor. A one-time school teacher, the ex-minister was not a success in the posting. How is this kind of negative pressure to be offset against the confidence that donors get in having their nationals in key positions within UN agencies? A commitment to excellence would call various such donor behavior into question.

A number of codes of conduct have been developed over the past decade, often at the initiative of practitioners themselves. Some governments now insist that the NGOs they fund subscribe to Sphere standards, for example. However, codes are often limited to specific sectors of programming, NGO compliance remains voluntary, and when funding is inadequate, no code or exemplary performance can make adequate supplies of food and medicine appear. In the field, the Sphere code is widely under-utilized. “Sphere has made me old fast,” says one of its developers, exasperated with its limited uptake. Lip service is also paid to the “do no harm” concept. Although it is embraced by many NGOs, the embrace is often light. “Our agency’s *Do No Harm Manual* is embarrassing.”

## ***Innovations and Ideas***

There are, however, a number of specific new evaluation and quality improvement initiatives that bear monitoring and, where appropriate, replicating. For example, the funding and operation of the Afghanistan Research and Evaluation Unit (AREU), which has been supported by Netherlands, Switzerland and Sweden, injects a more reflective approach into program operations as they are being carried out rather than after the fact. UNDP has instituted a “competency assessment” system for all new Resident Representatives, even if they have already served in that capacity. The test is administered by an independent firm in London. Such a system in other UN agencies might help to build greater donor confidence.

There is a growing variety of initiatives that aim to enhance the quality of humanitarian assistance: the Active Learning Network for Accountability and Performance in Humanitarian Action (ALNAP), the Humanitarianism & War Project, The Humanitarian Policy Group at the Overseas Development Institute (HPG/ODI), Sphere, the Red Cross/Red Crescent Code of Conduct, the Humanitarian Accountability Project.<sup>38</sup> If there is a quality problem in humanitarian delivery, it is not because nobody is thinking about the issue. Many of the initiatives, however, have been fraught with lengthy debate in their development and indifference in their application. This is not so much because humanitarian agencies don’t want to be held accountable, but because there is almost no way that high standards can actually be met in fluid, under-funded emergency situations and because of the fear that “failure” will result in reduced funding. The “quality of money” and the political economy of standards and evaluation almost guarantee that learning will be constrained and, as a result, that quality will suffer. It is a vicious circle.

### ***Recommendation: Evaluation as a Tool for Learning***

A recurrent theme in the interviews conducted for this report is that the issue of accountability has been taken, in general terms, to the point of dysfunctionality. The demand for accountability ostensibly aims to satisfy “taxpayers” that money channeled through UN agencies, NGOs, and others is being well spent. But in its standard application, it contains a large element of control – and threat. Because of low donor tolerance for failure, accountability processes as currently applied can actually drive underground real lessons, especially the important lessons that might be derived from failure. The upshot is an approach to evaluation that is limited in scope, imagination, and potential for learning. Useful lessons can be learned from the evaluation of difficult and risk-prone enterprises if punishment is not a likely outcome. This is not to suggest that willful or repeated mistakes should be ignored but only that mistakes are much more likely to be repeated if they are hidden.

We recommend a more holistic approach to evaluation that puts *learning* at center stage. If this is done well, the accountability requirements of donors will also be satisfied – as a byproduct rather than as the only product. Consideration should be given to evaluations which transcend one organization, one emergency, and one donor. And the focus should be broadened from the delivery end of the chain to encompass the entire system, from design and supply to end result. In other words, we are recommending much greater emphasis on multi-donor evaluations that take a variety of approaches – geographical, sectoral, comparative, assessing the role of donor

organizations, comparing delivery mechanisms, and examining end results. Joint evaluations should be widely posted on the websites of donors, agencies, and evaluators.

### ***Recommendation: Common Reporting Formats***

As noted at the outset, trust in the humanitarian enterprise is a two-way street. It is not only about givers trusting receivers. The February 2003 donor retreat at Montreux concluded, as have other donor meetings, with a list of things that OCHA and UN agencies must do to improve donor confidence. But as is all too common in the world of ODA, there was no *quid pro quo*. The donor always knows best. One small step forward would be the establishment of common reporting formats for UN agencies. Donors complain that reports are late, incomplete and inadequate. Agencies complain that they have to deal with myriad forms, formats, definitions and queries. If donors are serious about coordination and about reducing the costs of administration and if UN agencies are serious about building better donor confidence, the development of a common reporting format could represent a breakthrough that might help establish greater two-way trust.

## **6 TOWARD A STRENGTHENED MULTILATERAL CORE**

Despite the many fora for coordination and shared learning, each donor has its own analysis of a given emergency, its own policies and strategies, its own organizational and political imperatives. The multiplicity of actors, overlapping and underlapping mandates, weak histories of collaboration at field level, and the competition for funds by front-line agencies all undercut the coordinating mandate and potential of the United Nations. This report began with a quotation which sums up the overall problem: “Most donor behavior is rational from a donor point of view. However, the sum total of all donor behaviors doesn’t produce a rational whole.”

It has been suggested by some that the move to greater earmarking and direct donor intervention in humanitarian financing is the result of three converging influences. The first was the end of the cold war and the mainstreaming of aid into the international security agenda. The second was greater international engagement in internal wars such as Kosovo, where donors wanted greater visibility and recognition of their humanitarian assistance. Tight earmarking was one way of achieving this. And the third influence is said to result from changes in public sector management, with a greater emphasis on results.<sup>39</sup> In the latter scenario, multilateral agencies fall victim to their own unwillingness to “reform,” and the idea that unrestricted multilateral aid promotes a more equitable allocation of funds than bilateral methods is dismissed out of hand: “There is insufficient evidence to support this in practice.”<sup>40</sup>

The present study has attempted to demonstrate that individualistic donor behavior is considerably less effective than the *ideal*, at least, of multilateralism in humanitarian action. It is beyond its scope to calculate the hypothetical leavening effect, or the efficiency of unearmarked funding given through multilateral agencies for humanitarian need. Given the clustering of bilateral donor funding around geo-political hotspots in recent years, however, and the growth in

“forgotten emergencies,” there is not just insufficient evidence to demonstrate that donor individualism is any better. There is no evidence at all.

The major humanitarian challenge for the UN and for donors is to create a strengthened multilateral core which has the capacity, resources, and mandate from its members to meet humanitarian needs in a more impartial and effective manner. As Gilbert Loescher puts it, “The absence of an autonomous resource base and the limited mandates and competencies of international humanitarian agencies continue to hinder the international community in its response to most post-Cold War refugee crises just as they have done for the past fifty years.”<sup>41</sup> There will always be tradeoffs in changing this situation. Tight earmarking and bilateral spending may well be more efficient in specific instances than working through a generalized multilateral system. But the wider benefits of a less political humanitarian system may be more effective in addressing a broader set of human needs.

Many donors are dismissive of the idea of unearmarked funds, saying that if donors do not keep their hand on the tiller, UN agencies will spend the money in areas of low humanitarian priority. However, with donors crowding into favorite donor-priority areas, it is inevitable that unearmarked money *will* be spent in other areas. The issue then becomes one of bridging the gap between donor priorities and those of front-line delivery agencies and of matching needs with resources in a more equitable manner. A strengthened multilateral system of financing and implementation is an investment in a more proportional and less politicized response to human need.

### ***Recommendations: Toward Assessed Funding***

There is an inherent tension between the scale of human need for humanitarian action and the absence of adequate funding for assistance and protection activities. At a more fundamental level, there is a contradiction between the rights that are articulated in the UN Charter and in international humanitarian, human rights, and refugee law, on the one hand and, on the other, the approach of some donors to humanitarian financing not as an international obligation of states but as a kind of free-will offering.<sup>42</sup> This approach results in financing arrangements that reflect not obligations and duties but preferences and idiosyncrasies, with all the trappings of an “alms bazaar.”

To propose that contributions to humanitarian activities be “assessed” rather than “voluntary,” as at present, may seem unrealistic in the current circumstances. But hundreds, if not thousands of inadequate, earmarked voluntary contributions through the year from ten or twenty donors makes as much sense as trying to run a fire brigade in a big city on nothing but voluntary contributions. The result is not a “system.” It is instead a self-serving, hit-or-miss arrangement which aims to satisfy the givers first and foremost, at the expense of those for whom taxpayers are contributing their funds.

One senior aid official has offered the suggestion that the current percentage shares of assessments (for example, to UN peacekeeping operations) serve as the notional basis for establishing minimum targets in the area of humanitarian financing. His suggestion has the

virtue of avoiding a bruising discussion of the modalities and percentages of assessments while conveying the need to generate a more equitable and reliable system of burden-sharing. Such an idea could be crafted in such a way as to maintain current levels of effort by pace-setting nations while encouraging others to step up their contributions.

Indeed, humanitarian action is part of a system of official development assistance that is increasingly “rights-based.” Rights to life, food, shelter, and basic health and education are core tenets of humanitarian law, the UN Charter, the Declaration of the Rights of the Child and a dozen other charters, codes, and sets of standards. These contain very real implications for donor organizations regarding the quantity and the quality of the resources they provide for humanitarian assistance.

As a first step, it is recommended that donors establish two kinds of discretionary (i.e. unearmarked) trust funds on an experimental basis. The first would be for individual humanitarian agencies such as UNHCR and WFP; the second, for specific countries, to be allocated by the humanitarian coordinator in a given country according to priority need. Both trust funds would have advisory committees.

In the first instance, an advisory committee would review and approve allocations and report to donors at the end of the experimental period on its decisions and results. The committee should include a senior representative of the individual humanitarian agency, or the humanitarian coordinator, as *ex officio* member. The rest of the members would be appointed for their knowledge of humanitarian action, the agency, or the country in question. They could be drawn, in part, from donor agencies but *not* from donors contributing to the fund in question. Their purpose would *not* be to represent individual donor interests but to ensure that the unearmarked trust funds are spent in accordance with humanitarian *need*, complementing other funds provided by donors. In the second instance, an advisory committee would have similar make-up and functions but with a less agency-specific and more country-wide focus.

### ***Recommendations: Reducing Gaps in Knowledge and Funding***

At various points in the study, donors have been criticized for the choice of implementation strategies, partners, and structures based not on the merits of available options but on an amalgam of extraneous factors, including political pressures, habits and assumptions, personal connections, and the need for political visibility and immediate effects. In point of fact, however, decision-making based on the merits – for example, of bilateral or multilateral, civilian or military, northern or southern implementing partners, is often not possible because comparative data does not exist. To be sure, this report has recommended that higher priority be given to multilateral, civilian, and southern implementation partners. However, it has done so not because of the demonstrated superiority of the program impacts of those agencies but because of the broader importance of such channels to the core principles of humanitarian action and to burden-sharing and civil society-strengthening.

The existing gaps in data and knowledge, long since identified, should be the subject of new action-oriented policy research. Why should rigorous analysis not be applied to the program



impacts of civic action programs conducted by the military as contrasted with assistance and protection efforts by humanitarian agencies? Why should there not be an examination of the correlation, whether positive or negative, between donor conditionalities and effective programs? There is clearly enough experience available to assess whether an architecture which connects humanitarian work more closely with conflict prevention and resolution, peacemaking and peacebuilding, democratization and good governance produces more effective assistance and protection activities than does an architecture which injects a degree of separation between humanitarian and other activities.

Research could also further strengthen the utility of the consolidated appeals process. What happens, one should ask, to the proposed beneficiaries of CAP projects that are not funded in a given year? In the 2002 Angola CAP, IOM's request for \$2.7 million to assist 50,000 IDPs was largely unfunded. Although UNHCR had initially requested \$3 million to deal with 13,000 refugees, a cease-fire in April resulted in one million IDPs returning to their areas of origin and to grim human rights and humanitarian problems. UNHCR boosted its funding request to \$11.3 million but received only 39 per cent of the target. What happened to the intended beneficiaries? Were they "taken care of" by NGOs and the Angolan government with resources excluded from the CAP? Were their numbers and needs overstated, or did IDPs suffer serious hardships because assistance was unavailable? Independent sample reviews annually of two or three CAP countries could shed light on such issues. In addition, each CAP should include its own review of the consequences of underfunding in the previous year. An OCHA report on the CAP in Sierra Leone in 2002 provides an example of what would be useful.<sup>43</sup>

The absence of answers to such basic questions calls into question the credibility and the accountability of the humanitarian enterprise. Systematic efforts to identify gaps in knowledge and to reduce them through research and policy dialogue would contribute to a more merit-based humanitarian enterprise. It would also ease the climate of mistrust and confusion which prevails.

## ENDNOTES

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- 1 For a detailed analysis, see S. Neil MacFarlane, *Politics and Humanitarian Action* (Providence, RI: Watson Institute, 2000). [hwproject.tufts.edu]
- 2 Macrae, Joanna, et al, "Uncertain Power: The Changing Role of Official Donors in Humanitarian Action," HPG Report 12, Overseas Development Institute, December 2002, pg. 19.
- 3 Kapila, Mukesh, "Time for a Humanitarian Compact", *International Herald Tribune*, Jan. 8, 2003
- 4 Preliminary data compiled by Development Initiatives for a companion study, "Global Humanitarian Assistance Flows 2003," suggests a connection between humanitarian allocations and regional political and security considerations. Judith Randel writes that "it is certainly true that some donors – very notably Japan, Australia, the EC – are clearly influenced by political and regional interests." She also observes that "donors take on countries where they have a special (neighbourly in a broad sense) interest... It also seems to be the case that donors with less dominant geo-political interests have a broader spread of recipients in their top ten – e.g., Switzerland, Canada, Sweden, and Norway." E-mail correspondence with the authors, April 21, 2003.
- 5 For a more extensive discussion, see Larry Minear, "Humanitarian Action in an Age of Terrorism" (Geneva: UNHCR New Issues in Refugee Research, #63, August 2002).
- 6 See , "Humanitarian Politics," (chapter 6), in Larry Minear, *The Humanitarian Enterprise: Dilemmas and Discoveries*, (Bloomfield, CT: Kumarian Press, 2002), particularly 81-84.
- 7 Some donors were able to provide funding to East Timor before 1999, usually within the context of larger programs for Indonesia as a whole.
- 8 See, for example, Sinclair Stewart, "The new carpetbaggers," *Toronto Globe and Mail*, March 29, 2002, 18.
- 9 Quoted in Larry Minear, Colin Scott, and Thomas G. Weiss, *The News Media, Civil War, and Humanitarian Action* (Boulder, CO and London: Lynne Rienner, 1996), 4.
- 10 Comparisons of media coverage on Angola, Sudan, Kosovo, North Korea, Orissa and Mozambique are taken from a draft paper on media coverage and donor response to humanitarian emergencies forthcoming in the ODI/HPG series.
- 11 Rodney Tiffen, *Diplomatic Deceits: Government, Media and East Timor* (UNSW Press, Sydney, 2001).
- 12 Ibos were subject to terrible massacres in Northern Nigeria before the declaration of Biafran independence in 1967. But they were not the only ethnic group in Biafra. And as Biafran territory was taken over by Nigerian troops, there were no massacres. Likewise, when Biafra finally collapsed, there were no massacres. What looked like a tribal war at its outset was actually a war of secession that failed; it was not a genocidal war. For more on this subject, see, for example, Stremlau, John J., *The International Politics of the Nigerian Civil War 1967-77* (Princeton University Press, Princeton, 1977).
- 13 One of the recommendations of an earlier study was that a "humanitarian trigger" be devised that would require Security Council review of a humanitarian crisis that achieved certain proportions. See *A Critical Review of Operation Lifeline Sudan: A Report to the Aid Agencies* (Providence, RI: October, 1990), [hwproject.tufts.edu].
- 14 Government of Australia, "Humanitarian Program Strategy 2001-2003", AusAID, Canberra, January 2001.
- 15 Cox, Robert W., "Critical Political Economy", in Hettne, Bjorn (ed.) *International Political Economy: Understanding Global Disorder*, (Zed Books, London, 1995), 41.
- 16 For a more extended discussion, see Ian Smillie, *Relief and Development: The Struggle for Synergy* (Providence, RI: Watson Institute, 2000) [hwproject.tufts.edu].
- 17 This discussion builds on an earlier OCHA study on the CAP: Toby Porter, "An External Review of the CAP," (OCHA, April 2002).
- 18 This is the subject of a companion study by the Overseas Development Institute, "'Measuring Needs:' Needs assessment and decision-making in the humanitarian sector."
- 19 For a more extended discussion, see Larry Minear and Philippe Guillot, *Soldiers to the Rescue: Humanitarian Lessons from Rwanda* (Paris: OECD, 1996), particularly 47-48 and 161-163.
- 20 For a more detailed review, see "Coercive Humanitarianism (Chapter 6) in Minear, *The Humanitarian Enterprise*, 99-119.
- 21 To defuse the antagonism created by its name, the military is understood to be planning to rename its Humanitarian Operations Center "The Baghdad Forum" when it moves to the Iraqi capital later in the year.

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- 22 The British Ministry of Defence is reported to be conducting an evaluation of “humanitarian” work by British troops in Afghanistan.
- 23 See, for example, Larry Minear, Ted van Baarda, and Marc Sommers, *NATO and Humanitarian Action in the Kosovo Crisis* (Providence, RI: Watson Institute, 2000) [hwproject.tufts.edu].
- 24 See the discussions on operational strategies and cost and cost-effectiveness in Minear and Guillot, *op. cit.*, 119-125.
- 25 UN Office for the Coordination of Humanitarian Affairs, “The Use of Military and Civil Defence Assets to Support United Nations Humanitarian Activities in Complex Emergencies,” March 2003.
- 26 UN Office for the Coordination of Humanitarian Affairs, “General Guidance for Interaction between UN Personnel and Military Actors in the Context of Iraq,” March 21, 2003.
- 27 These include CARE, Oxfam, Save the Children, World Vision, MSF, ICRC and IFRC. While the ICRC and IFRC are somewhat different from the others, they are certainly non-governmental. There are also a number of faith-based relief agencies: Catholic Relief Services and its counterparts in other countries (e.g. Trocaire, CAFOD, CCOOP), the Mennonite Central Committee, Lutheran World Relief, Adventist Development and Relief Agency.
- 28 WFP, “Comparison Study of WFP and NGOs”, Executive Board Document, Rome, February 2003
- 29 See Alex de Waal, *Famine Crimes: Politics and The Disaster Relief Industry in Africa* (African Rights & The International African Institute in association with James Currey & Indiana University Press, London and Oxford, 1997); Michael Marren, *The Road to Hell: The Ravaging Effects of Foreign Aid and International Charity* (The Free Press, New York, 1997); and David Rieff, *A Bed for the Night: Humanitarianism in Crisis*, (Simon & Schuster, New York, 1992).
- 30 A “Comparison Study of WFP and NGOs” prepared for consideration by the WFP Executive Board at its meeting on Feb. 5-7, 2003 found that while WFP has economies of scale not enjoyed by NGOs, it also has a global mandate which adds significantly to its costs. No real cost comparison was therefore possible.
- 31 For a detailed discussion of relationships between international humanitarian actors and local civil society in emergency situations, see Ian Smillie (ed.) *Patronage or Partnership: Local Capacity Building in Humanitarian Crises* (Kumarian Press, Bloomfield CT), 2001.
- 32 For a discussion of capacity building in Afghanistan, see Minear, *The Humanitarian Enterprise*, 195-198.
- 33 The fact that the possibility had been discussed with NGOs in early December and that AusAID had asked for a ‘capacity statement’ rather than a full-fledged proposal did not make the timeframe more manageable. This was a document which would be instrumental in making funding decisions for an emergency that had been going on for months. AusAID views this as a non-issue, but Australian NGOs see it very differently, illustrating more than the timing issue under discussion.
- 34 Duffield, Mark, *Global Governance and the New Wars* (Zed Books, London, 2001), 75.
- 35 Anderson, Mary B., “Aid: A Mixed Blessing,” in Deborah Eade and Ernst Ligteringen, *Debating Development: A Development in Practice Reader* (London: Oxfam-Great Britain, 2001), 294.
- 36 The observation also suggests the need to examine the effectiveness of emergency responses not in isolation but in comparison with each other.
- 37 The Annual Review of 2002 by the Active Learning Network for Accountability and Performance in Humanitarian Action (ALNAP) surveyed 46 evaluation reports and 9 syntheses conducted during the period 2000-2001. ALNAP, *Humanitarian Action: Improving performance through improved learning* (London: Overseas Development Institute, 2002), 90.
- 38 Sphere Project: [www.sphereproject.org](http://www.sphereproject.org); ALNAP: [www.alnap.org](http://www.alnap.org); HPG/ODI: [www.odi.org.uk/hpg](http://www.odi.org.uk/hpg) ; Red Cross/Red Crescent Code of Conduct: [www.ifrc.org/publicat/conduct](http://www.ifrc.org/publicat/conduct); Humanitarian Accountability Project: [www.hapgeneva.org](http://www.hapgeneva.org); Humanitarianism & War Project: [www.hwproject.tufts.edu](http://www.hwproject.tufts.edu) ; Do No Harm/Local Capacities for Peace Project: [www.cdainc.com/lcp/lcp-publications](http://www.cdainc.com/lcp/lcp-publications) .
- 39 Macrae, Joanna, et al, “Uncertain Power: The Changing Role of Official Donors in Humanitarian Action,” HPG Report 12, Overseas Development Institute, December 2002.
- 40 ODI, “The Changing Role of Official Donors in Humanitarian Action: A Review of Trends and Issues”, HPG Briefing No. 5, December 2002.
- 41 Loescher, Gil, “Protection and Humanitarian Action in the Post-Cold War Era”, in *Global Migrants, Global Refugees*, A.R. Zolberg and P.M. Benda (eds.), Berghahn.

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42 See Karen Kenny, *When Needs are Rights: An Overview of UN Efforts to Integrate Human Rights in Humanitarian Action* (Providence, RI: Watson Institute, 2000). Also William O'Neill, *A Humanitarian Practitioner's Guide to International Human Rights Law* (Providence, RI: Watson Institute, 1999) [hwproject.tufts.edu]

43 "Final Report on the CAP for Sierra Leone" OCHA, Freetown, February 2003.