



UNITED NATIONS

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Statement on the occasion of the
MID-YEAR REVIEW OF THE CONSOLIDATED APPEALS PROCESS
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It is my pleasure to welcome you here today on behalf of all colleagues in the humanitarian community. I look forward to engaging in what we hope will be a productive discussion. While I will be speaking on behalf of the Inter-Agency Standing Committee, my Agency colleagues, NGO and Red Cross movement representatives are here to complement my presentation. The Mid-Year Review is an opportunity for us to review progress and priorities together. We are all partners in ensuring a coordinated and effective response. How can we do this better together? You are about to hear me make several points that will come as no surprise. The challenge will be to overcome them – I am looking forward to discussing creative solutions with you.

Each year, we undergo an exercise of joint planning to meet anticipated needs and respond to humanitarian crises. Our field teams work together to agree upon goals and strategies to save lives and to alleviate suffering and reduce vulnerability. And we present donors with a strategy and a budget for these needs at the Consolidated Appeals launch in November.

At the launch, we appeal for early decisions and timely disbursement. Today, we have an estimated **shortfall of US\$ 2.2 billion** to implement programs designed to meet priority needs identified by the UN and its participating partners in the CAP in nineteen complex emergencies. This means we have received **38.5% of the US\$ 3.67 billion** we require to assist **approximately 33 million vulnerable people**. However, this percentage is distorted by the Afghanistan crisis. As may be expected, the response to Afghanistan has been impressive, with already 48% of needs met. Excluding Afghanistan, response to the remaining 18 Consolidated Appeals is 29%.

Funding constraints force agencies to re-prioritise, according to available resources rather than need – which is contrary to the objectives of the Consolidated Appeals Process. The CAP is, above all, a strategic planning tool to help develop a full response to emergencies – to make sure that needs are properly assessed; all bases covered, food is accompanied by fresh water and medical support; to ensure equitable distribution, rather than over-concentration in easy-access or high-profile areas; and to meet the special needs of the most vulnerable.

The CAP is the primary coordination tool for humanitarian assistance. It remains the only coordination mechanism that continually brings together IASC members, governments, NGOs, and donors for shared analysis, and to discuss and set common strategies, objectives and principles. There is clear value in the Process of analysis and planning, but without resources, the system is undermined. The strategy has no leverage without financial support, or if most funding flows outside the identified priorities.

Priorities and Progress

Since the CAP launch last November, we have been faced with major humanitarian challenges. Have the new international security agenda and the aftermath of the September 11 attacks affected humanitarian action? Yes, but it may be too early to tell how. A challenge for the humanitarian community will be to ensure that attention focused on previously 'forgotten' emergencies, such as Afghanistan and Tajikistan, will be sustained and similar attention paid to other areas. And, while **Afghanistan** has received many pledges of support, severe humanitarian needs remain, particularly food to sustain 9 million people.

The imperative to address deep-seated causes of humanitarian crisis in the interest of international security may help us bring attention to the imperative of equitable response to humanitarian emergencies, no matter how marginal these may appear according to geo-political considerations.

With the increased attention and spending on international security, an associated increase of aid should be allocated to humanitarian and development needs. Failed states, lack of infrastructure, and the absence of an accepted judicial system in poor countries wracked by conflict can constitute a breeding ground for terrorism.

Where peace *has* provided opportunities for expanded humanitarian action, **progress** has been made.

The civil war in **Sierra Leone** was declared over, following the completion of the disarmament and demobilisation campaign. Peaceful elections signalled the transition to democracy, which augurs well for continued stability. Rapid improvement in the security situation has provided humanitarian agencies access to all parts of the country for the first time in ten years. Ninety-five percent of the chiefdoms have been declared "safe for resettlement" in Sierra Leone, which has encouraged 154,360 IDPs and 38,000 returnees to register for resettlement. Some 15,000 refugees from Guinea and 7,100 from Liberia have also been assisted in their return. Building upon these positive developments is now a priority – providing for reintegration, also of former combatants, and generating employment opportunities.

The allegations of sexual exploitation and abuse in refugee camps in West Africa have demonstrated just how important monitoring is to improve accountability. What has been reported is unacceptable. These allegations highlight the vulnerability of refugees and IDPs and the failure of the system to provide adequate protection and monitoring. The IASC has acknowledged that this is a global problem presenting a challenge to the entire humanitarian community. An IASC Task Force on Protection from Sexual Abuse and Exploitation in Humanitarian Crises has been established; it has encouraged immediate local remedial measure while assembling a code of conduct that sets minimum standards of behaviour. To achieve more effective humanitarian response, robust **monitoring** of strategy and programmes must be carried out with transparency and the full participation of beneficiaries

Newly accessible areas in **Angola** will require immediate and increased response by both donors and humanitarians with 500,000 additional vulnerable persons in need of support who can be reached following the end of hostilities between the government and UNITA forces. The plight of Angola's children is catastrophic – preliminary results indicate critical levels of malnutrition in approximately half of the locations assessed to date. Populations in all assessed areas urgently require life-saving assistance, including food, basic health care, sanitation, potable water, essential non-food items and protection. Immunisation, therapeutic feeding and provision of essential drugs are currently underway. The CAP country team is working around the clock to lay the groundwork for rapid assistance to be followed by resettlement and recovery. Now, 1.9 million IDPs and vulnerable persons are in need of assistance, with needs expected to rise with further expansion of access. A revision to the CAP is expected in June.

Response to the humanitarian crisis in **Liberia** is a priority. Following the imposition of sanctions by the Security Council and in line with the Security Council Resolutions, we have an obligation to ensure humanitarian assistance is provided to IDPs and other vulnerable groups. This is not happening. The recent deterioration of security conditions has resulted in an estimated 200,000 displaced persons that agencies have not been able to reach. Again, due to the lack of resources, protection needs of IDPs and host populations are not adequately covered.

In **Sudan**, the long running crisis has witnessed a success in the cease-fire agreement for the Nuba Mountains, signed in January 2002, is a major breakthrough. It guarantees the free movement of civilians and goods throughout the Nuba Mountains region, with the aim of promoting a peaceful settlement of the conflict between the Government and the Southern People's Liberation Movement/Army (SPLM/A) and among the different ethnic groups. However, there is an urgent need for support, with only 18% of CAP requirements met.

Security conditions are a major constraint to humanitarian action in places such as Somalia and Northern Caucasus. **Reaching the vulnerable** is essential to provide adequate protection and assistance. However, in addition to access negotiations, humanitarian space must be preserved, and adequate staff safety and security measures are essential. The UN system, with support from donors, has prioritised creating a safer operating environment by devoting larger resources to security. The UN General Assembly last year agreed to increase funding for enhanced but still minimum measures for staff safety and security measures out of the regular budget. Yet substantial additional funds for security are still needed and these needs, amounting to US\$ 13 million, are reflected in the Appeals.

We are also responding to **new emergencies** – a resurgence of fighting in Congo-Brazzaville, humanitarian crisis in the occupied Palestine territories and Sri Lanka and the drought emergency in Southern Africa.

Challenges to Coordination: improving assistance through improvements to the CAP

A major **challenge** to the humanitarian system is **ensuring effective coordination** on the ground. While all stand to benefit from better coordination, conversely the lack of commitment to the process undermines its value for all. Improvements to strengthen the Consolidated Appeals Process as a coordination tool alone are not enough to address the fundamental inequities of the current system.

The CAP offers an unparalleled opportunity to define a joint and shared strategy to meet continued needs. Yet, the CAP cannot fully serve its purpose as a system-wide basis for analysing needs and prioritising resource allocation without the full participation of key stakeholders. Donor governments, in particular through the Montreux process, have come to realise their role in supporting the CAP and many have committed to support the strategy as articulated in the CAP through Common Humanitarian Action Plans (CHAP) by ensuring coherence with their bilateral programmes and encouraging the NGOs they fund to participate in the strategic planning process.

We fully endorse the observations of the Montreux Donor Retreat, where donors stated commitment to strengthen coordination among themselves and internally, agreed to pursue coherence on transition within their respective administrations, and to seek to identify ways to promote coordinated donor response to the CAPs and to engage more actively in the CHAP.

In April 2002, the IASC principals endorsed recommendations and a comprehensive plan of action to strengthen the CAP (based upon a comprehensive review by David Bassiouni of UNICEF) through reinforcing senior level involvement in the CAP, using the CAP as an advocacy tool, and improving the mechanisms involved in the process, including joint assessments and strategic monitoring.

An External Review of the CAP, commissioned by OCHA, noted that the CAP reflects weaknesses of the humanitarian system in general, such as monitoring and reporting, and suggests ways to strengthen both through common services that would benefit all stakeholders.

Over the years, there has been a significant investment to improve the CAP. Key recommendations have been proposed. There have been considerable improvements to the quality of the CAP itself. Procedural improvements and guidelines have been refined following input from field practitioners. A more professional approach to the training process has increased the scope and reach of CAP training workshops. However, there has never been a more opportune time to move forward. There is increased commitment from donors, and buy-in from participating Agencies. The IASC has endorsed clear recommendations and donors have committed to conducting a review of the humanitarian financing system.

But, while implementing recommendations to improve the Process are necessary, we may be reaching the point of diminishing marginal returns. Procedural improvements to the CAP will not address the fundamental discrepancies in funding that are repeated year after year.

Continued imbalances and discrepancies

It is routinely said that the CAP is only one portion of total humanitarian assistance, indeed it is estimated that contributions received against the CAP represent approximately 30% of total humanitarian assistance. Where does the balance go? Presumably, countries without CAPs, natural disasters, or channeled through NGOs, the Red Cross Movement, and bilateral aid agencies directly. We are now tracking funding that goes via non-UN channels and the evidence does not suggest that needs are being met through alternative means. Indeed, so far we have tracked US\$ 200 million outside the framework of the CAP to the same countries – our shortfall is currently US\$ 2.2 billion. To the best of our knowledge, inequities continue to persist in allocations. NGOs are usually advocating for support in the same locations as the UN – such as in Liberia.

In addition, what does the 'declining market share' of the CAP tell us? In certain crises, the CAP strategy seeks to address all humanitarian needs, in others the role of the CAP may be limited. We need more information on where humanitarian aid is flowing, and we need better reporting by donors and agencies to help us coordinate and prioritise appropriate response.

The Mid-Year Reviews demonstrate significant progress in areas where funding has been forthcoming, and the dire consequences where donor support is absent. Similar patterns of unequal funding between crises and sectors are repeated as in previous years. What lies behind these discrepancies? A closer look at the figures raises even more questions. The case is made for the comprehensive study of global humanitarian assistance and donor behaviour as now proposed by a group of key donors. Joint efforts between donors and humanitarian practitioners will also be needed to overcome fundamental causes to these imbalances.

For all its success, the CAP is a system with some clear problems. There is a continued discrepancy in funding between the most visible emergencies and the score of major forgotten emergencies. And there is a heavy imbalance in the CAP between generous support in the food sector and the weaker – and declining – support in the non-food sectors.

[Slide: Inequitable distribution of resources between different crises 1994 to 2001]

An even greater concern is the discrepancy in what is given to whom. As you can see from this slide, where the two yellow bars on the left side of each line represent the resources provided for the two highest visibility emergencies, while the brown lines to the right represent the sum of the contributions to all other CAP emergencies combined – usually about 17 of them.

[Slide: Inequitable distribution of resources between different crises mid-year 2002]

As you can see, this problem looked as though it was getting better over time, but this year suggests that the problem is still firmly with us.

[Slide: Inequitable distribution of resources between sectors]

The impact of food assistance on nutrition has a somewhat limited impact, unless it is provided along with essential health care, hygiene education and programmes that provide clean water and sanitation. In Angola, for example, one in every five children dies before the age of five. But the high mortality rates are frequently attributable to malaria and diarrhoea caused by poor sanitation, not only to starvation.

Consequences of lack of funding

The direct impact of inadequate resources is not easily quantifiable, but the consequences in human lives and suffering are grave.

The effect of funding on smaller projects is clear – where the project involves setting up structures, for example, the rehabilitation of health clinics, the work is simply not begun. Agriculture projects need to be implemented before the crucial planting season. When the season is missed, we have simply failed to assist vulnerable people, failed to support coping mechanisms to help them mitigate against the next shock, when their margin of survival is already weakened by conflict. Failure to support livelihoods means that food aid will be needed, an expensive and inefficient outcome.

In **Guinea**, shortage of funds has prevented reducing the risk of cholera or measles epidemics, with 1 million children not immunised against measles. In **DPR Korea**, low funding has placed the 10,000 severely malnourished children who are admitted to nutrition rehabilitation centres at risk of dying, due to lack of drugs and fortified food.

As noted in the Great Lakes Mid-Year Review, “quality costs money”: if the SPHERE minimum standards for disaster response are to be maintained, this requires sufficient staff to provide the necessary coverage. There has been a temptation, perhaps, when a programme is under financial pressure to cut resources to those areas deemed ‘non-essential’, usually the non-food sector. The rationale is understandable, but while the provision of non-food items may be delayed and the consequences not seen as life-threatening, this impacts in many ways on the affected persons, including health, education, welfare and livelihoods, preventing their right to a life with dignity.

Next steps

We will continue to implement improvements to the CAP, and are already engaging in the multi-donor studies on donor behaviour and global humanitarian assistance. Country teams are preparing CAP strategy

workshops in the field, and I encourage NGO and donor representatives to engage with this process. CAP workshops are vital to establish the Common Humanitarian Action Plan and to develop shared goals and strategy. To date, ten workshops are planned, beginning in June with DPRK, Indonesia, and Guinea. Gender issues have been integrated into CAP training, with gender specialists to be deployed to the field as trainers.

Welcome initiatives to overcome funding dilemmas

You will have become as tired of listening to these same points as I am of repeating them at these Mid-Year events– but the bottom line is that it is difficult to make a difference without a significant change in donor response. Our sad experience over time as we have seen is that there is a direct correlation between media attention and funding levels. But there is no correlation between the quality of the CAP and funding levels. The purpose of the CAP is to provide more effective action through elimination of duplication and gaps. The participation – no, the collaboration of all key stakeholders, donors in particular, is essential for our collective efforts to be able to make a difference.

Options to explore

The imperative to improve humanitarian action concerns us all. We are all involved as partners in ensuring cost-effective and timely delivery of urgently needed assistance and protection. We seek **greater donor partnership** to help us strengthen the performance framework of the CAP, and are committed to do so.

Different models for donor collaboration are already in use. These include fora where agencies and donors sit as partners in a **consultative mechanism** to identify priorities, such as the Somalia Aid Coordinating Body, the Afghan Support Group and the International Advisory Group for the Sudan. There are also donor support groups, or the “friends of” model – such as the DRC Contact Group. Should these models be extended?

In some field locations, Mid-Year Reviews are being held with local donor representatives – this is happening this week in Nairobi for the Great Lakes Region and in Moscow for the Northern Caucasus. Should we encourage **in-country discussions** around the Mid-Year Review prior to a meeting in Geneva? Or perhaps as follow-up to this meeting?

There have been donor **field missions** to Sierra Leone and the DR Congo, and last year a **media mission** was conducted in Tajikistan. Were these effective in increasing visibility and support for humanitarian action?

Humanitarian Coordinators from Somalia and the Republic of Congo have taken initiatives to **visit donor capitals**, (this is also an objective of the decentralised CAP launches) and we have held crisis-specific donor briefings here in Geneva. Does it make sense for us to organise these types of visits and briefings on a regular basis?

We are told that lack of funding for certain programmes sometimes results from poor performance. However, where performance is considered poor, we should be informed, so that these problems can be addressed. As it is our responsibility to report to you on the use and impact of funding, we ask that donors intensify their dialogue with UN partners on possibilities and problems. Why are certain projects included in the CAP supported? And why not?

The initiatives above seek to improve consultations and discussions on the CHAP, and should also encourage better communication between donors themselves, not just between donors and agencies.

For example, at the Montreux donor retreat in March, donors suggested exchanging views on funding intentions early in the year. We appreciate the support to the CAP expressed by the Montreux participants, and hope this support is communicated to their field representatives. We welcome the proposal to use the **Humanitarian Liaison Working Group** here in Geneva to serve as a forum to further discuss relevant issues.

These are all models for increasing donor engagement. However, even greater impact will come from analysing the forces that underpin why donors do or do not give money to the CAP.

Thus, we need a better understanding of the total aid picture for each emergency. The Financial Tracking System on ReliefWeb has been improved, and can reflect contributions of humanitarian aid outside the CAP.

Third background document : CAP-Report of the Mid-Year Review

We therefore ask donors and agencies to **report on all contributions** allocated to a CAP crisis, even those not allocated to a project in the CAP.

The CAP can help the humanitarian community to **advocate for humanitarian principles** and better standards in humanitarian assistance. How can we do this more effectively?

You are certainly expecting me to close with an appeal for more funds. Additional resources are clearly needed. But today I would like to emphasise mechanisms for moving forward.

How can we do more, together, to improve the CAP, and to improve our response? I welcome your views on these thoughts, and look forward to hearing further ideas.
