**Terms of Reference**

**HIGH-LEVEL PANEL TO ADDRESS THE GROWING GAP BETWEEN HUMANITARIAN NEEDS AND RESOURCES**

**I. Rationale**

A key challenge facing the humanitarian system is the growing gap between the increasing number of people in need and the lack of sufficient resources to assist them. Humanitarian actors are being asked to do more, for more people than ever before. The demand for humanitarian assistance has risen to unprecedented levels, with the number of people in need tripling since 2004 to over 100 million, and humanitarian funding requirements increasing by more than 600 percent in that same time period, reaching a record $17.9 billion in 2014. This is partly due to the cost of response rising, the effect of conflicts being more protracted, with the average time a person is displaced rising to 17 years, and the deepening environmental vulnerability being experienced in some parts of the world. These vastly increased the need for humanitarian assistance due to intensifying conflicts, climate change, demographic shifts, displacement, food insecurity, urbanization, and water scarcity among other factors. At the same time, the generous funding - $9 billion so far in 2014 - provided by international donors cannot keep pace with growing needs. Forecasts predict that inequality, vulnerability and need will continue to grow significantly over the next 25 years, setting us on a trajectory that is clearly unsustainable.

The UN Secretary-General has decided to convene a High-Level Panel that will explore ways to address the gap between growing humanitarian needs and the resources available to meet those needs. This is an issue which requires a global and collective response from the international community. The Panel is expected to produce recommendations based around 3 questions:

1. How can more be raised from traditional donors and through innovative funding mechanisms to address the growing gap?
2. How can we increase the predictability of funding, e.g. through insurance and better planning?
3. How can the humanitarian system make the best use of the resources available?

**II. Objectives**

In addressing these key questions, the Panel will examine a number of issues that have already been identified as challenges in the current humanitarian financing system:

* securing additional resources through innovative funding mechanisms, risk insurance, strengthened partnerships with the private sector, regional banks and Islamic financing among others;
* establishing multiyear programming backed by more predictable, longer-term funding;
* developing a longer-term approach to addressing crises, including through the use of local and global pooled funds;
* building more effective linkages between funding for prevention, resilience, preparedness, and other long-term interventions in order to reduce humanitarian needs and vulnerabilities;
* identifying when the most critical funding gaps occur in humanitarian operations and suggesting ways they may be addressed;
* identifying opportunities for greater cost-effectiveness, including more efficient ways of delivering humanitarian assistance.

**III. Scope and Proposed Methodology**

* Mapping of current financing initiatives around humanitarian action, development, preparedness and peacebuilding.
* Meta-analysis of existing, ongoing studies and work on humanitarian financing by the IASC, agencies and think tanks.
* Conducting interviews and discussions with affected government representatives, civil society, donor representatives, aid officials and private sector experts.
* Face to face meetings of Panel members.

**IV. Composition**

To help generate the support needed and to propose solutions to address these profound challenges, the Secretary-General will convene a High-Level Panel. The Panel will comprise a group of senior leaders looking at the problem from different perspectives and suggesting creative solutions for change.

**V. Timeline**

The Panel, and the secretariat supporting it, will be expected to conduct its work over a six month period and present its findings to the Secretary-General. OCHA will be responsible for ensuring that the recommendations are followed through and implemented to the extent possible through avenues including the General Assembly, ECOSOC, Inter-Agency Standing Committee, World Humanitarian Summit, and development initiatives.

**VI. Staffing and Budget**

The Panel will be supported by a small secretariat to facilitate the work of the Panel. The budget, including travel for Panel members, is expected to remain under US$900,000.