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OUTCOME OF PROCEEDINGS

From: Presidency
To: Delegations
Subject: Reducing the humanitarian funding gap

At the informal videoconference of the members of the Working Party on Humanitarian Aid and Food Aid (COHAFA) of 8 December 2021, the Presidency followed up on the 9th informal meeting of the EU Humanitarian Directors-General of 16 November 2021 with a discussion on the following issues:

- Monitoring and sharing data on national humanitarian budgets, including "soft" reporting from Member States;
- Undertaking in COHAFA regular overviews on main crises and the level of funding of corresponding UN appeals, including EU and Members States' contributions;
- Encouraging Team Europe approaches to humanitarian crises and developing a framework to facilitate joint EU pledges.

Guiding questions for the discussion were:

1. What would be the preferred timing for a COHAFA contribution to the implementation of the related aspects of the Council Conclusions?
2. What possible actual deliverables could be agreed on in this respect at the European Humanitarian Forum?
3. What would be the next steps in COHAFA on outreach and opportunities for relations with third countries?

Delegations will find in the Annex the operational outcome on reducing the humanitarian funding gap, which should serve as a basis for further discussions among Member States in COHAFA, as well as with partners, other humanitarian stakeholders and civil society at the European Humanitarian Forum on 24-26 January 2022.

REDUCING THE HUMANITARIAN FUNDING GAP

1. What would be the preferred timing for a COHAFA contribution to the implementation of the related aspects of the Council Conclusions?

There were several proposals and the majority of Member States supports first half of the year for the annual exercise, especially as they would be able to share annual budgets and related strategies, but also to mark the anniversary of the adoption of the Council Conclusions in order to measure the implementation progress, although regular discussions about the specific aspects of the Council Conclusions could be held throughout the year.

Furthermore, some Member States underline that such an exercise would profit from the outcome of the discussions held at the European Humanitarian Forum and could result in preparation of guidelines, including specific objectives (e.g. addressing the funding gap, flexible funding, ways of outreach to emerging donors) and annual overview of implementation of tasks and objectives stemming from the Council Conclusions. One Member State proposed six-monthly reporting, once per Presidency, in March and September, thus aligning with the reporting periods for DAC.

The information sharing should further include intentions for donor conferences as well as regular overviews and level of funding of corresponding UN appeals. Therefore, several Member States are of the view that such a coordinated reporting should be done on a regular basis throughout the year. Additional information could be provided at the end of the year on how the budget was spent.

One Member State would be interested to compare data on the share of different types of funding in the annual humanitarian budget (e.g. unearmarked versus softly earmarked funds, share of nexus projects). Another Member State called to ensure that assistance is adapted to the needs of vulnerable beneficiaries (e.g. women and girls) and that agreement is taken on certain joint humanitarian actions. Most importantly, such coordination should serve to prevent duplication, identify deficiencies and establish burden sharing, as well as share lessons learned and best practises.

According to several Member States, COHAFA is the forum to hold discussions on new and emerging crises during the year and monitor funding levels regarding specific crisis contexts in order to use available resources more efficiently, as well as to encourage multilateral flexible humanitarian funding. Nonetheless, one Member State cautioned against duplicating reporting channels and creating similar mechanisms to existing ones.

2. What possible actual deliverables could be agreed on in this respect at the European Humanitarian Forum?

Apart from being an effective tool to increase the EU's visibility in humanitarian assistance, attract political attention and funding and engage with civil society on humanitarian issues, the majority of Member States see the European Humanitarian Forum as a good opportunity to agree on a more efficient cooperation. Humanitarian funding gap would need a special attention, looking for possible efficiency gains, how to expand the donor base – also from within the EU – and engage the private sector in principled humanitarian action. In this sense, an agreement to prioritise dialogues with international financial institutions and the private sector could be envisaged.

In view of other actors present, mainstreaming the Team Europe approach and implementation of the humanitarian-development-peace nexus should also become long-term deliverables along with exploring ideas on improving public communication on the relevance and the principles behind humanitarian funding in order to boost support for the humanitarian action. Another deliverable in this sense could be cooperation with implementing partners on humanitarian outreach, possibly through a digital platform.

Several Member States proposed sharing data of national humanitarian budgets based on clear definitions as per the Grand Bargain commitments (e.g. localisation and quality funding), including allocations by geographical context, sectors and partners and possibly agreeing on the percentage of humanitarian budgets dedicated to core, predictable and flexible funding respectively. Information should be shared also on new and protracted crisis in order to have coordinated and effective EU approach, and having a better inclusion of relevant stakeholders.

Invitation should be extended especially to emerging donors to share best practices and engage them on financing tools for multilateral and innovative funding, private sector, which should play a greater role in providing logistics of humanitarian aid, and development actors to explore addressing humanitarian crises under the Team Europe approach and develop a framework to facilitate joint requesting of EU funds for crises. Concrete outcomes could be agreed in this regard during the European Humanitarian Forum.

3. What would be the next steps in COHAFA on outreach and opportunities for relations with third countries?

Several Member States proposed to share experience – best practices, but also challenges – on outreach to potential and emerging donors, as well as financial institutions and private sector. On that basis, COHAFA could establish and regularly update a list of potential and emerging donors and develop outreach strategies and tailored approach in different regions of interest, such as the Gulf, China and emerging economies in Asia, and Latin America.

Some Member States would invite officials from relevant third countries to brief COHAFA on their own countries' humanitarian funding priorities and policies, and exchange on increasing humanitarian needs and the importance of securing more funding to enable adequate and principled responses to those needs; this would serve as an opportunity to also hear about possible constraints and concerns they may have. One Member State was of the opinion that permanent dialogue on the respect of the humanitarian principles with those countries could also be established. However, several Member States have indicated that such cooperation could not be established with third countries that do not respect the humanitarian principles that underpin EU's humanitarian aid.

The European Humanitarian Forum would be a good place to invite and exchange with the new and non-traditional donors on humanitarian priorities for the year. Some Member States stressed the importance of strengthening coordination with likeminded international partners, as well as non-traditional donors, including through Team Europe approaches in humanitarian contexts. Rather than on funding alone the discussion should be about the broader humanitarian effectiveness agenda, including quality financing, coherence and coordination, also with local partners, and better nexus implementation.

In addition to the current information sharing, discussions about humanitarian crises in COHAFA should become more operational and output oriented. In this respect, it might be useful to have exchange of views with representatives of the most fragile third countries in order to ensure a more effective and efficient humanitarian assistance.

Some Member States also shared a view that COHAFA should increase the visibility of COHAFA common messages and their use together with the geographical Council Working Parties. Moreover, COHAFA could further elaborate common messages on the outreach to third countries and institutions (based on the common approach agreed under the German Presidency).
