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ACVFA RECOMMENDATIONS HUMANITARIAN ASSISTANCE

Since USAID's inception in 1961, humanitarian assistance has been a core objective of the agency. In today's complex global environment, effective humanitarian assistance has become increasingly challenging and more important than ever. As the F process goes forward, USAID's ability to respond effectively to humanitarian crises should not only remain a core objective, but also be enhanced. The ACVFA Humanitarian Assistance Working Group recommends that USAID consider four important recommendations to ensure its continued ability to provide rapid, effective and high impact humanitarian assistance:

1. **Maintain a central emergency fund** with "notwithstanding capabilities", dedicated to humanitarian assistance;
2. **Fund humanitarian assistance programs through core budgets** and shift away from an over-reliance on supplemental funding;
3. **Create a clear strategy and appropriate funding mechanisms for transitional programming** to provide an effective transition from relief to development;
4. **Assert the central role played by USAID during emergency response and ensure a strong, well-funded capacity** for response in complex emergencies to reduce a growing reliance upon military capacity in a range of humanitarian and complex emergency environments.

I. Maintain a central emergency response fund

An important pillar of effective USAID response has been the availability of immediate emergency funding through dedicated funding mechanisms that have "notwithstanding capabilities". Continuation of these central funds is essential for a continued ability to respond quickly and without regard to constraints imposed by other potential legislation limitations.

We are concerned however about the seeming reduction in the quantity and flexibility of funds available for contingency and rapid response in emergencies. Increasingly, funds are being pulled out of the central emergency fund and “locked up” in country budgets where money is less flexible and less available for subsequent allocation to burgeoning crises elsewhere around the globe. In certain cases, pulling money into country budgets for long standing crises, such as in Sudan, may in fact make considerable sense, but we would argue against doing so in way that undercuts the central emergency fund. Allocating potential emergency response funds to country budgets can inhibit effective non-programmed responses to slowly evolving challenges such as the IDP crises in Iraq and DRC as well as rapid-onset emergencies like the recent floods in south Asia and East Africa.

We therefore recommend the F process maintain a robust central emergency fund with “notwithstanding capabilities”, available for rapid response.

II. Fund Humanitarian Assistance through core accounts and reduce reliance upon supplemental funding

Increasingly, the Administration and Congress are using budgetary supplementals to provide emergency and contingency funding for crises around the world. Consistent with the F process goal of creating a more logical and harmonized approach to foreign assistance programming, we recommend the core humanitarian budget line items in the 150 account (IDFA, MRA, ERMA, and PL 480) be fully funded through core budgets to meet emergency needs more quickly and effectively. While it is important to maintain the ability to use budgetary supplementals in the event of a truly overwhelming emergency, the current over-reliance on this mode of funding frequently creates political uncertainties and delays in developing, financing and implementing programming.

Unpredictable and unreliable funding presents significant challenges and inefficiencies for planning and programming on the ground, including a stop-start dynamic, breaks in critical activities, and an inability to plan for and maintain well-designed and implemented programming. Implementing agencies must frequently rely on short-term contracts for staff, often resulting in reduced staff capacity, and leaving needy beneficiaries without critical assistance. Many NGOs and other service providers also find themselves having to apply continually for new grants, a process that absorbs valuable person hours that might otherwise be devoted to providing assistance. In other cases, agencies are forced to make strategic decisions to divert money from programs where funding pipelines are most vulnerable, essentially pitting beneficiaries against each other. In short, the supplemental process threatens many effective programs with closure or fitful stops and starts, a process that fractures relationships with beneficiaries, damages the reputation of implementers, and in some cases increases the possible loss of life. Overall, the current funding approach has direct costs to the most vulnerable groups through disrupted and delayed programs and benefits.

We strongly recommend that the central humanitarian assistance accounts be fully funded through the core budget in order to maintain a continuous and reliable funding stream for humanitarian assistance.

III. Create a clear strategy for transitional programming

More than a decade ago, the Brookings Process called for a more informed understanding of how to enable a smoother, more effective transition from relief to recovery. Despite many years and much discussion of the importance of “bridging the gap,” little has been done to ensure effective funding and strategies are in place to link emergency and longer term recovery activities.

In 1994, USAID created its Office of Transition Initiatives (OTI). From the start, OTI was intentionally and narrowly focused on the political challenges of a transitioning environment. Although an important tool, despite its name, it has never purported to accomplish the larger requirements of an effective transition, nor could it do so with the current structure and mandate. Serious and significant gaps persist in most countries recovering from emergencies, with many USAID missions unprepared to build upon and transition from programs funded by emergency mechanisms.

The need to “bridge the gap” between relief and development activities must first be addressed strategically through program design that more effectively links relief and longer term recovery programs, bolstered by funding mechanisms that enable a smoother transition. Under current circumstances, USAID programs clearly distinguish between funding for relief programming through central emergency funding and funding for development programming through the country missions, an approach that too often results in significant gaps in momentum and lost opportunities to build upon initial investments, trained staff, community relationships and trust earned during critical emergency periods.

We therefore recommend that the F process (1) enable OFDA to focus on a mandate of both relief and longer term recovery through provision of longer term, more flexible grants that promote programs that can and should evolve in response to quickly changing emergency environments; and (2) promote a more comprehensive transitional strategy that requires a firmer “handshake” between emergency activities and longer term mission funded programming.

IV. Ensure a robust capacity within USAID to respond fully to humanitarian crises without over-reliance on military capacity

As USAID’s budget, size and operational capabilities have declined over the last decade, its reach and effectiveness in complex emergencies and conflict environments have been increasingly strained. In particular, the declining operational and expense budgets have limited staffing and training critical to meeting the demands of these more challenging environments. In the resulting void, the US military is increasingly stepping into key program areas to provide both emergency and increasingly longer term recovery

assistance. We believe firmly in the need to improve coordination between humanitarian aid agencies and military actors to ensure that military engagement in humanitarian spheres is responsive to the needs of beneficiaries. The military possesses unique capabilities, specifically airlift capacity that should be employed during life-saving situations. However, we believe that the central role USAID and other civilian arms of the U.S. government with specialized assistance capacity should be maintained and enhanced. Instead, according to a recent report released by Senator Lugar, the Pentagon's share of the foreign aid budget has risen from seven percent of the total in 2001 to about 22 percent in 2007.

Therefore, we recommend that the F Process assert the primary role of USAID/OFDA in providing primary response to emergencies and prioritize a robust operating budget for USAID to ensure that it has the capacity to respond fully to humanitarian needs with appropriate staffing, planning and training capacities. We further recommend that USAID's specialized civilian response capabilities be strengthened and enhanced. A more robust, professional civilian capacity within USAID will help ensure the optimal program and cost effectiveness of humanitarian assistance provided by the American people.

The ACVFA's Humanitarian Assistance Working Group wishes to thank all those who submitted feedback and thoughts. While all comments were appreciated and considered, they may not have been deemed appropriate for incorporation into the final recommendations of the working group.