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### **OUTCOME OF PROCEEDINGS**

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
No. prev. doc.:	9282/23
Subject:	Council Conclusions on addressing the humanitarian funding gap

Delegations will find attached the Council conclusions on addressing the humanitarian funding gap as approved at the 3950th meeting of the Council on 22 May 2023.

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### **COUNCIL CONCLUSIONS**

#### ON ADDRESSING THE HUMANITARIAN FUNDING GAP

- 1. The Council expresses deep concern at the sharply increasing global humanitarian needs, at a time of shrinking humanitarian space, protracted conflict, politization of aid, and increasing vulnerabilities due to climate change, and re-affirms its commitment to principled and effective humanitarian action. More than 350 million people around the world are in need of lifesaving humanitarian assistance which is more than a 20% increase compared to 2022 and more than a 40% increase compared to 2021. Over 100 million people have been forcibly displaced and 43 million people in 51 countries are on the brink of starvation. The Council notes that, globally, recent humanitarian appeals only secured half of the required funding and expresses deep concern over the growing gap between estimated needs and funding, including in forgotten crises.
- 2. The Council expresses alarm at the scale of human suffering, violations of international humanitarian law, loss of life and dignity, including the violence against civilians and deliberate and targeted destruction of civilian infrastructure worldwide, such as in Ukraine as a result of Russia's war of aggression. The Council further expresses deep concern at the war's devastating global consequences, as it has exacerbated the global food crisis, and reiterates its commitment to support global food security and nutrition, including through the UN Black Sea Grain Initiative and the EU-Ukraine Solidarity Lanes.
- 3. The Council reiterates the essential role of the EU and its Member States in supporting humanitarian action worldwide, as demonstrated with the launch of the European Humanitarian Forum, and recalls the 2021 conclusions on the Communication from the Commission to the European Parliament and the Council on the EU's humanitarian action: new challenges, same principles, and takes note of the European Parliament 2021 Resolution on new orientations for the EU's humanitarian action.

4. The Council underlines the urgent need to address the increasing gap between humanitarian needs and resources through increased efforts along three interrelated and mutually reinforcing strands: increasing and broadening the resource base for humanitarian action, enhancing the effectiveness and efficiency of the humanitarian system, and reducing humanitarian needs.

# I. INCREASING AND BROADENING THE RESOURCE BASE FOR HUMANITARIAN ACTION

- 5. The Council stresses the need to mobilise additional humanitarian funding globally and achieve a more balanced funding structure which draws on the resources of traditional, emerging and potential donors, philanthropic foundations, the private sector, as well as other relevant stakeholders.
- 6. The Council notes the commitment by its Member States on securing additional funding for humanitarian assistance. The Council will take forward the work of ensuring a more sustainable and balanced sharing of humanitarian financing between Member States and invites the Commission to report annually in this regard. The Council reaffirms the collective commitment of the EU to provide at least 0.7% of collective GNI as ODA by 2030, and encourages its Member States to continue their efforts to close the humanitarian funding gap by contributing at a level commensurate with their financial means, and ensuring that an appropriate share, for example 10%, of their ODA is devoted to humanitarian action, on the basis of existing humanitarian needs.
- 7. The Council encourages the EU and its Member States to enhance dialogue and intensify their outreach to countries with the economic potential to assume a greater responsibility for increased and predictable needs-based humanitarian funding, in particular those in OECD and G20, for example by systematically including humanitarian action in their third country dialogues and regularly putting humanitarian affairs on the agenda of bilateral meetings at all levels. The promotion of respect for international humanitarian law and humanitarian principles is an integral part of the outreach to expand the donor base.

8. The Council calls on Member States and the Commission to promote engagement of the private sector, including philanthropic foundations, and encourages efforts to build partnerships between the humanitarian and private sectors. The Council further encourages Member States and the Commission to explore innovative financing approaches with a view to involving all interested stakeholders.

# II. ENHANCING THE EFFECTIVENESS AND EFFICIENCY OF THE HUMANITARIAN SYSTEM

- 9. The Council highlights the importance of ensuring effectiveness and efficiency in aid delivery so as to optimise the use of available resources and confirms the importance of a purely needs-based approach as well as transparent and principled prioritisation across humanitarian crises. The Council welcomes the key role of the UN system, notably the UN Office for Coordination of Humanitarian Affairs (OCHA) and other UN agencies, in ensuring effective coordination and assessment of needs, including efforts towards making analyses of severity of needs comparable across crises, on connecting needs assessments and response planning, and on ensuring quality through independent oversight, which will enable donors to allocate funding based on needs.
- 10. The Council recognises the value of quality funding, i.e. multi-year and flexible funding, in securing efficient and effective humanitarian action. Flexible funding enables a quick scaling up of response to urgent needs and ensures operational continuity in neglected crises. In this regard, the Council therefore encourages Member States and the Commission to increase their levels of flexible funding, defined as non-earmarked or softly earmarked, in line with the Grand Bargain commitments. The Council further recalls the Grand Bargain caucus on quality funding outcomes with the commitment to increase multi-year humanitarian funding by 30%, recognising that multi-year funding also has the potential to strengthen local capacity and leads to better outcomes for affected populations, especially in protracted crises.

- 11. The Council recognises the important role played by local and national actors, including participation and leadership of women-led organisations, in facilitating efficient humanitarian action by acting as frontline responders who are in place before, during and after emergencies. Accordingly, the Council encourages Member States and the Commission to enhance cooperation with local organisations in line with the Grand Bargain commitment to deliver at least 25% of humanitarian funds as directly as possible to local or national actors, whilst supporting capacity strengthening and meaningful, inclusive participation of local actors in decision-making at all stages of the program cycle, and notes with appreciation the Commission's guidance on localisation.
- 12. The Council stresses the potential of humanitarian logistics for a more efficient and effective humanitarian aid. The Council encourages Member States and the Commission to make use of innovative approaches to further increase the efficiency of humanitarian action, including through the framework of the Grand Bargain. The Council encourages the humanitarian sector, including donors, to continue to develop and support a strategic approach to logistics.

#### III. REDUCING HUMANITARIAN NEEDS

- 13. The Council considers that the most effective way, ultimately, to address the humanitarian funding gap is to reduce the level of humanitarian needs. In this context, the Council underscores the need to sustainably address the underlying root causes through a strengthened operationalisation of the humanitarian-development-peace (HDP) nexus, working together in a Team Europe approach, and in accordance with inter alia the commitments of the Humanitarian Donor's Declaration on Climate and the Environment.
- 14. The Council notes that armed conflict remains the primary driver of humanitarian needs and that political solutions are needed to end human suffering. The Council reiterates the importance of continued efforts in conflict prevention, mediation and inclusive peacebuilding and stresses the need for a more systematic and coordinated approach to humanitarian diplomacy.

- 15. The Council underscores the importance of putting respect for and compliance with international humanitarian law consistently at the heart of the EU's external action and promoting it through all available means, and highlights the paramount task to respect and protect civilians in compliance with international humanitarian law, preserve humanitarian space and ensure the safety and security of humanitarian personnel. It further emphasises the need for accountability for violations of international humanitarian law.
- 16. The Council stresses the need to avert and reduce humanitarian needs through a HDP nexus approach addressing the root causes of crises, investing in Disaster Risk Reduction and Disaster Preparedness, while adopting a gender-responsive approach and by strengthening the resilience of people in need in a timely manner, whilst upholding non-discriminatory basic social services, including for women and girls, particularly in protracted and politically complex humanitarian crises. In this context, the Council encourages intensified dialogue between humanitarian actors and peace and development actors, notably the International Financial Institutions (IFI), in order to secure sustained flexible and reactive development funding for stabilization and engagement in fragile and conflict-affected states experiencing humanitarian emergencies.
- 17. The Council reiterates that climate change is a growing driver of humanitarian needs. The Council encourages Member States and the Commission to explore possibilities to maximise the effect of all finance flows, through existing funding arrangements, to better respond to climate-induced humanitarian crises.
- 18. The Council acknowledges the importance of acting ahead of predicted hazards in preventing or reducing acute humanitarian impacts before they unfold into full-blown humanitarian emergencies. In this context and in line with the UN Secretary-General's 'Early Warnings for All' initiative (EW4All), the Council stresses the vital importance of scaling up anticipatory action with the aim to reduce humanitarian needs, including by strengthening synergies between humanitarian, development and climate actors.