

**global
humanitarian
assistance
report 2019**

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acknowledgements

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Thank you



Somalia, 2017

Women from conflicting clans in El Wak are brought together by USAID, through the Somalis Harmonizing Inter-Intra Communal Relationships programme, to learn, decide and plan the future of their district.

Credit: PACT/Mohamed Abdullah Adan



contents

Foreword	6
Executive summary	9
Chapter 1	
People, crisis and assistance	15
Poverty and crisis	16
People affected by crisis	20
Forced displacement	23
Targeting of crisis financing	27
Chapter 2	
International humanitarian assistance	31
International humanitarian assistance	32
How did assistance compare with requirements set out in appeals?	33
International government funding: largest donors	36
International government funding: donor regions	39
Private donors	40
Chapter 3	
Wider crisis financing	43
Resources beyond humanitarian assistance	44
ODA to protracted crisis response countries	46
Loans to protracted crisis response countries	50
Foreign direct investment to crisis contexts	54
Risk financing	57
ODA for disaster risk reduction	60
Chapter 4	
Effectiveness, efficiency and quality	61
Channels of delivery	62
Funding to local and national actors	64
Pooled funds	65
Earmarking	67
Multi-year funding	68
Cash	71
Methodology and definitions	73
Data sources	79
Acronyms	81
Notes	83

foreword

Welcome to the *Global Humanitarian Assistance Report (GHA) 2019*.

Many people across the world are leading healthier, safer and more prosperous lives, yet despite this progress there remains significant demand for humanitarian assistance. In 2018, 206.4 million people were estimated to be in need. Ongoing conflicts in Syria, Yemen and the Democratic Republic of the Congo continued to cause untold suffering and contributed to the record numbers of people who were forced from their homes. In Afghanistan and Sudan, drought and floods devastated the lives of people whose resilience had already been weakened by conflict. The now-established pattern of recurrent, protracted and complex crises disproportionately affects the poorest people and further entrenches poverty, particularly in politically and environmentally fragile contexts.

New and ongoing initiatives in 2018 sought to bring about change. Global compacts for refugees¹ and safe, orderly and regular migration² were agreed. Efforts were also made to reinvigorate the Grand Bargain process, to make sure it achieves its goal of enhancing the efficiency and effectiveness of humanitarian assistance. The UN, Organisation for Economic Co-operation and Development and others likewise continued work to deliver collective humanitarian, development and peacebuilding outcomes. These processes show a continued commitment to change and adapt but much remains to be done.

This year's *GHA Report*, like those published every year since 2000, aims to reflect, respond to and inform efforts to improve the delivery of humanitarian assistance. And every year we provide an update on what the new data tells us by linking it to changes in the crisis financing landscape. We also get user feedback to define the thematic focus of forthcoming reports. This year, we have focused on recurrent and protracted crises in our analyses, to better understand how assistance is provided over the multiple years of a crisis. In the context of ever-more-complex and enduring crises and the increasing demand on limited resources, there is a pressing need to address the underlying causes of crises. The *GHA Report* therefore looks beyond humanitarian financing to examine other resource flows to countries in crisis, including developmental official development assistance (ODA less humanitarian assistance) and foreign direct investment, and the role they can and should play alongside humanitarian assistance to address crisis.

We highlight where there are significant gaps in the data available that impede our understanding of progress against commitments, as well as the context in which assistance is delivered. We have sought to fill some of these knowledge gaps through our own, independent data collection and analysis. This year's report therefore contains new analysis on multi-year and unearmarked funding, cash programming and contributions from private donors. We hope this analysis provides an interesting insight for decision-makers setting policy in these areas. However, this should not distract from the collective responsibility of all donors and agencies to improve open reporting of usable and useful data, and to invest in and support data platforms, such as the UN Office for the Coordination of Humanitarian Affairs' Financial Tracking Service, and data standards, such as the International Aid Transparency Initiative.

Development Initiatives is committed to providing decision-makers and practitioners with data-led evidence in an accessible and easily digestible form. The *GHA Report* therefore presents a timely analysis of emerging trends in humanitarian financing, as part of our larger programme of humanitarian analysis. We hope that the report provides you with the information and analysis you need. As ever, we welcome your feedback so our research and analysis can better support your work.

Thank you for your interest.

Harpinder Collacott

Executive Director



Ethiopia, 2016

A new water point in Asore Kebele,
Southern Nations, Nationalities and
Peoples' Region.

Credit: UNICEF Ethiopia/Mulugeta Ayene



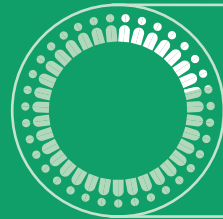
executive summary

humanitarian assistance in numbers

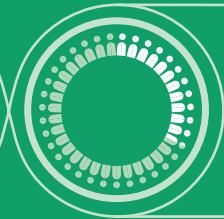
poverty and crisis*

21% of people living in poverty also live in countries with recurrent humanitarian appeals

33% of people living in extreme poverty also live in countries with recurrent humanitarian appeals

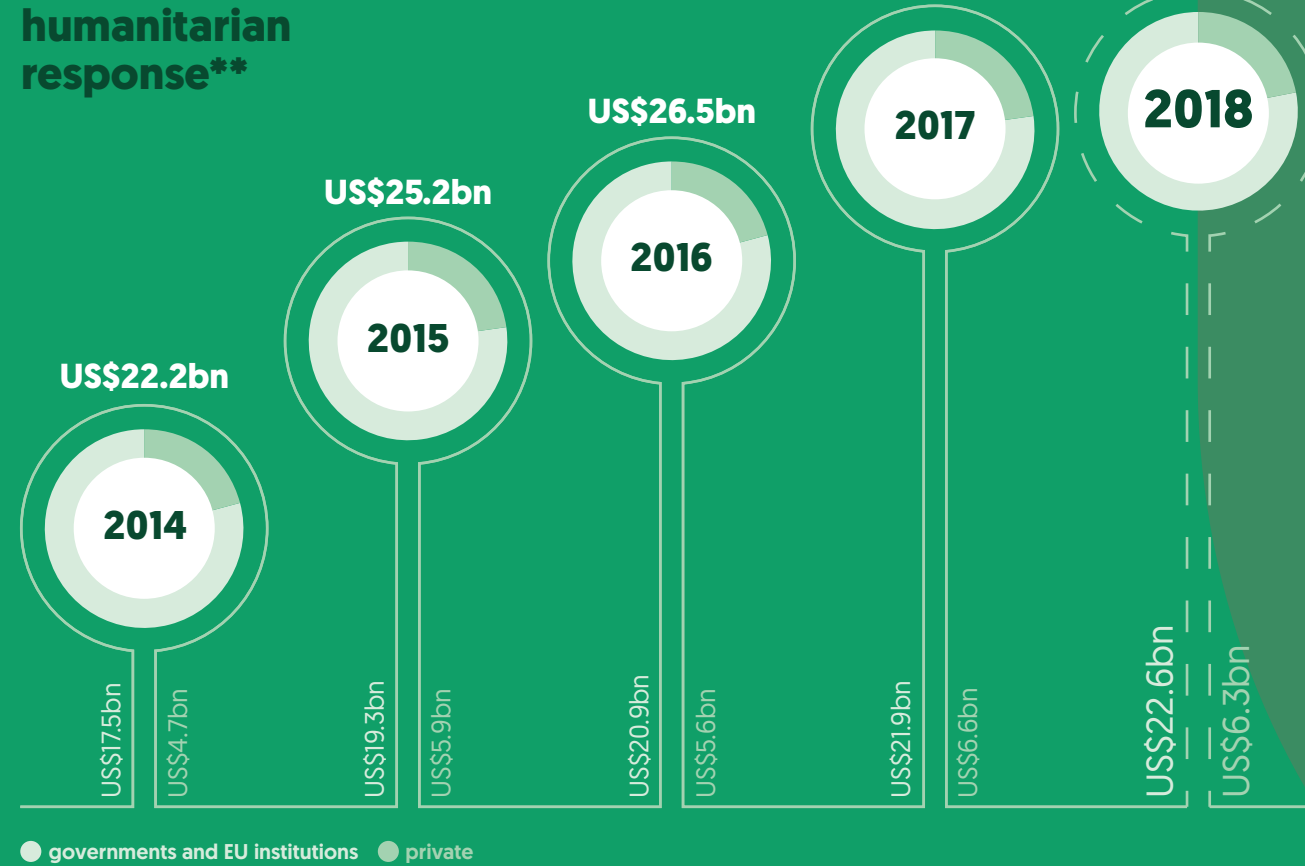


1.8bn
people live in poverty worldwide



697m
of these people live in extreme poverty

international humanitarian response**



Notes: *People living in poverty are defined as living on less than \$3.20 a day; people living in extreme poverty are defined as living on less than \$1.90 a day. **Data consists only of humanitarian assistance directed internationally by donors. Data for 2018 is preliminary. ***Contributions of EU member states include an imputed amount of the EU institutions' expenditure. EU institutions are also included separately for comparison and are shaded differently to distinguish from government donors. Turkey is shaded differently because the humanitarian assistance it voluntarily reports to the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) is largely made up of spending on hosting Syrian refugees within Turkey. Therefore, it is not strictly comparable with the international humanitarian assistance totals from other donors in this figure. Data for 2018 is preliminary.

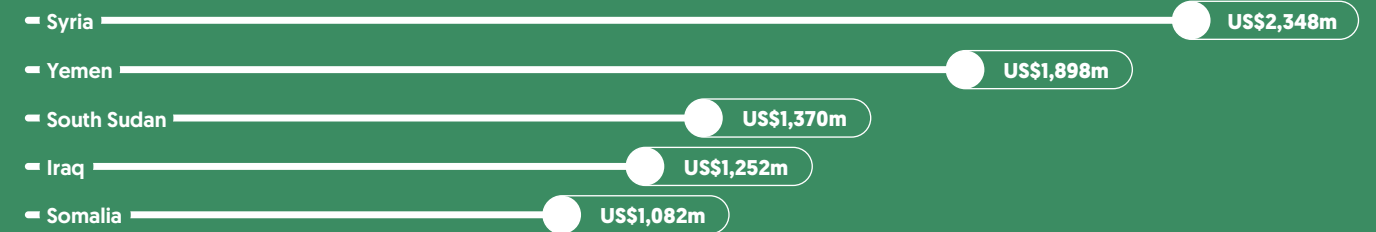
where does this come from?

donors, 2018 (largest by volume)***



where is it going?

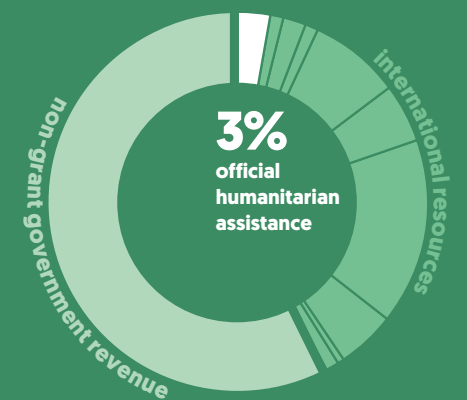
recipient countries, 2017 (largest by volume)



how does it get there?



resource mix in countries with recurrent humanitarian appeals, 2017



For sources and full notes see Figures 1.1, 1.6, 2.1, 2.4, 3.1 and 4.1.

executive summary

In 2018, an estimated 206.4 million people living in 81 countries were deemed in need of humanitarian assistance. A large portion of these people continued to be concentrated in a small number of countries: six countries accounted for 80.6 million people in need. The well-established trend of a small number of crises receiving a large proportion of all humanitarian assistance continued. Ten countries received 63% (or US\$11.8 billion) of all country-allocable humanitarian assistance in 2017.

Crises are frequently protracted. Between 2000 and 2017, 27 countries had more than 5 consecutive years of UN-coordinated appeals. Of these countries, 16 still had appeals in 2018. Recurrent crisis disproportionately impacts people in poverty. A third of the global population living in extreme poverty (on less than \$1.90 per day) are in countries with UN-coordinated appeals in 2018 and consecutively for at least one preceding year. Crises are also often complex. Nine of the ten countries with the largest populations in need faced conflict and forced displacement in 2018. Globally the numbers of forcibly displaced people grew for the seventh consecutive year, to 70.8 million in 2018 (a 3% rise from 2017).

International humanitarian assistance from governments and private donors continued to increase in 2018, reaching US\$28.9 billion. This represents growth of almost a third since 2014. Yet the pace of growth has slowed, rising by just 1% from 2017 to 2018. Contributions from public donors drove the overall increase in 2018, as preliminary estimates of private contributions indicated a slight decrease.

In 2018, the amount requested through UN-coordinated appeals rose for the third consecutive year, reaching a new high of US\$28.3 billion. While a record volume of funding was committed towards these appeals (US\$17.0 billion), there was still a funding shortfall of US\$11.1 billion, with only 61% of requirements met.

The well-established trend of a relatively small group of governments and EU institutions providing the majority of international humanitarian assistance remains unchanged. The three largest donors continue to be the US, Germany and the UK. These countries accounted for 52% of all government contributions, although contributions from all three decreased in 2018. Among other donors, substantial increases were made by the United Arab Emirates and Saudi Arabia, providing an additional US\$1.7 billion (567% rise) and US\$806 million (173% rise) in 2018, respectively.

Given the protracted and complex nature of many crises and the strain on available resources, directing a wide range of domestic and international resources to complement humanitarian assistance is important if both immediate and long-term needs are to be met. However, in countries with UN-coordinated appeals in 2017 and consecutively for at least one preceding year, domestic resources are significantly lower than in other developing countries (US\$272 per person, compared with almost US\$1,000), while international flows per person are over 40% lower.

Developmental official development assistance (ODA less humanitarian assistance) and humanitarian assistance are progressively being channelled to the same protracted crisis contexts. A greater proportion of developmental ODA is being delivered in the form of loans. Protracted crisis response countries (see Chapter 1, Box 1.1) are receiving significantly more lending of all kinds. ODA loans to these countries have grown and at a much faster rate (by 394%) than loans to other developing countries (by 40%) between 2012 and 2017. However, in 2017, 75% of ODA loans went to just 7 of 34 protracted crisis response countries, with many others in this group of 34 receiving little or no lending of this kind.

Protracted crises can have a significant impact on international and domestic private flows, but there is also potential for the private sector to complement humanitarian assistance and improve the management of crises more broadly. Assessment of 27 countries with 5 or more consecutive years of UN-coordinated appeals shows that foreign direct investment can be volatile, and inflows can fall rapidly in the face of a crisis, decreasing on average by 47% in the first year of a crisis. The size of the domestic private sector as a proportion of GDP is also substantially lower for countries with recurrent appeals. Blended finance is growing but remains small, with only a fraction going to protracted crisis and fragile contexts. However, there is also potential for the private sector to assist in managing crises, such as through risk finance mechanisms that contribute to a layered financing strategy that brings together different sources of finance.

The targeting, channels and modalities of humanitarian assistance delivery impact the effectiveness and efficiency with which funding reaches people in need. In 2017, almost two thirds of direct government funding (64%, US\$14.0 billion) went to multilateral organisations. Meanwhile, most funding (85%, US\$5.7 billion) from private donors was channelled to NGOs. Funding to UN pooled funds doubled between 2013 and 2018 (from US\$717 million to US\$1,439 million). These funds received 6.4% of all international humanitarian assistance from public donors in 2018.

Unearmarked and multi-year funding allow for resources to be delivered predictably and flexibly. Between 2014 and 2018, unearmarked funding to nine UN agencies increased in volume but decreased incrementally as a proportion of all funding received, from 20% in 2015 to 17% in 2018. In 2018, data collected directly from donors showed that multi-year funding accounted for 37% of their total humanitarian-related contributions, increasing from 33% in 2017. However, improved reporting of volumes and the impact of unearmarked and multi-year funding is still needed.

Cash-transfer programming can enable recipients of humanitarian assistance to choose how best to meet their needs and offer potential gains in dignity. Volumes of humanitarian cash and voucher assistance continued to rise to a record US\$4.7 billion in 2018. An increasing proportion of this assistance has been transferred to beneficiaries in the form of cash rather than vouchers since 2015, rising from 55% to 78% in 2018.



Lebanon, 2015

Members of MENNA, a nationwide network of over 650 rural and refugee women producers and cooperatives in Lebanon, make a rare, traditional bread called Mallet El Smid to be sold at the MENNA shop in Beirut.

Credit: UN Women/Joe Saade



chapter 1

people, crisis and assistance

The recurrent, protracted and complex nature of many crises re-enforces the importance of developing longer-term interventions that address humanitarian needs as well as development and peacebuilding challenges. This requires sufficient, flexible and predictable funding. Between 2000 and 2017, 27 countries had more than 5 consecutive years of UN-coordinated appeals. Of these, 16 countries still had UN-coordinated appeals in 2018.

Crisis disproportionately impacts people in poverty. A third of the global population living in extreme poverty (on less than \$1.90 per day) are in countries with UN-coordinated appeals in 2018 and consecutively for at least one preceding year. Crisis also has a notable impact on levels of poverty. By the third consecutive year of crisis – in countries with at least five consecutive years of UN-coordinated appeals – populations in extreme poverty were on average 10% larger than poverty projections for these countries had there not been crises.

In 2018, an estimated 206.4 million people living in 81 countries were deemed in need of humanitarian assistance. A large portion of these people continued to be concentrated in a small number of countries: six countries accounted for 80.6 million people in need. As in 2017, Yemen and the Syrian Arab Republic [Syria] had the highest numbers of people in need, 22.2 million and 13.3 million, respectively.

Both conflict and forced displacement in 2018 were prevalent in the crises with the largest populations of people in need. Many countries faced complex crisis situations¹ involving at least two forms of crisis [conflict, disasters associated with natural hazards or forced displacement]. Of the 40 countries with the largest populations in need, 23 experienced two or more forms of crisis.

Globally the numbers of forcibly displaced people grew for the seventh consecutive year, to 70.8 million in 2018 [a 3% rise from 2017]. For the first time in eight years, the largest numbers of forcibly displaced people were hosted in the South of Sahara region, where the number of internally displaced persons grew by 20%.

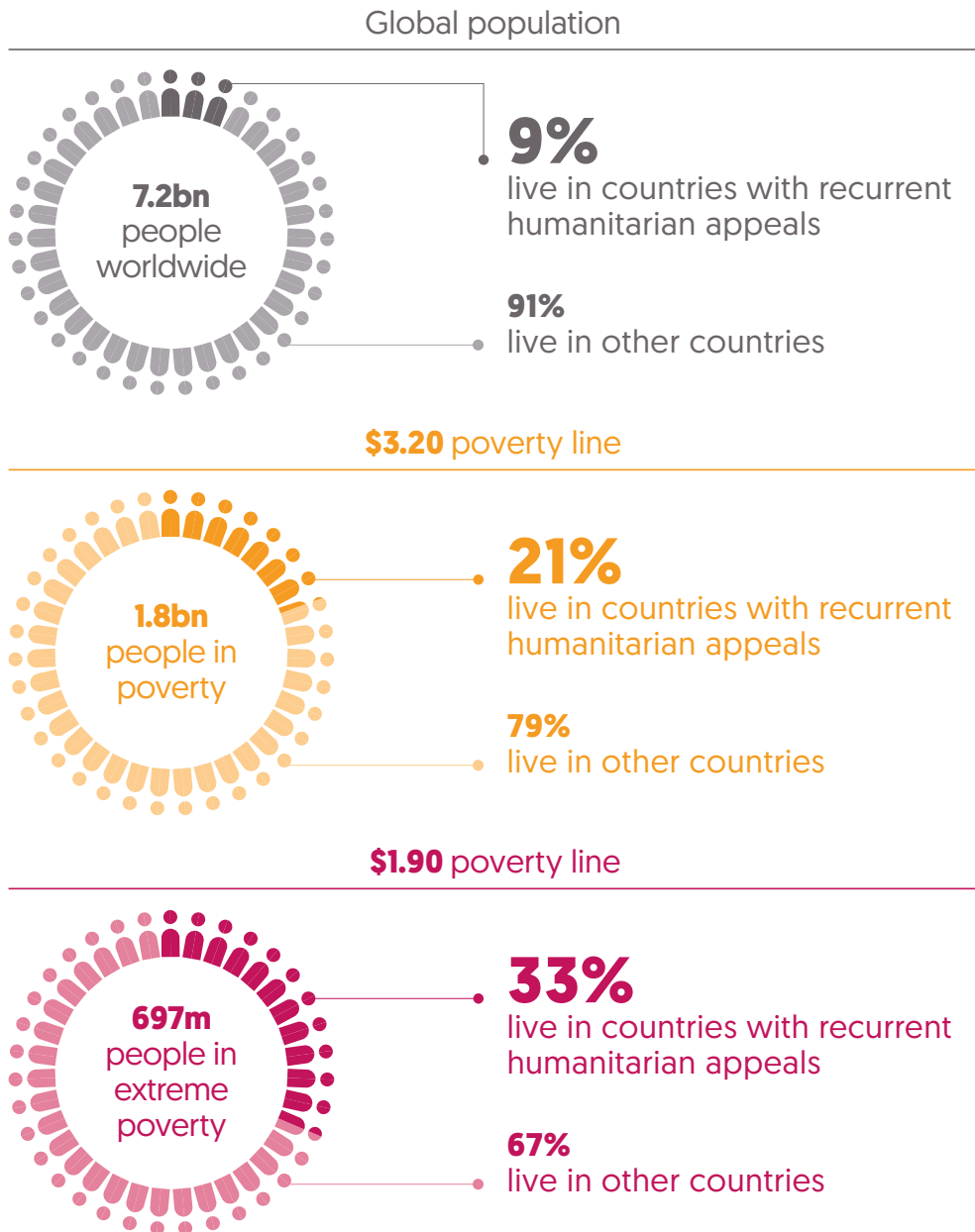
The latest comprehensive data on assistance targeted to respond to need shows that the well-established trend of a small number of crises receiving a large proportion of all humanitarian assistance continued in 2017. A total of 10 countries received 63% (or US\$11.8 million) of all country-allocable humanitarian assistance.

Poverty and crisis

Figure 1.1

Countries with recurrent crises are home to less than a tenth of the global population, but more than a third of people in extreme poverty

Proportion of global population, of people in poverty and of people in extreme poverty who live in 22 countries with recurrent humanitarian appeals



Source: Development Initiatives based on World Bank PovcalNet, World Development Indicators, International Monetary Fund World Economic Outlook and various national survey sources.

Notes: People living in poverty are defined as living on less than \$3.20 a day; people living in extreme poverty are defined as living on less than \$1.90 a day. The appeals considered in this analysis are UN-coordinated country response plans.

Crisis can disproportionately impact people in poverty. Limited access to resources among the poorest people can exacerbate vulnerability to crisis, while experiencing crisis can draw people further into poverty. Over time, poverty is expected to become increasingly concentrated in contexts characterised by fragility, conflict, environmental insecurity and protracted crises. This makes the need for a more joined-up approach to development, humanitarian assistance and peacebuilding ever more critical.

Countries with recurrent humanitarian appeals (see Box 1.1) account for a significant share of global poverty.

- The 22 countries with a UN-coordinated appeal in 2018 and consecutively for at least one preceding year are home to 9% of the global population. Yet this group of countries accounts for more than a fifth of the global population in poverty (an estimated 376 million people), defined as living on less than \$3.20 a day.²
- These countries account for an even higher proportion of the global population living in extreme poverty, defined as surviving on less than \$1.90 a day. A third (estimated at 231 million) of people living at or below this international extreme poverty line live in countries with recurrent appeals.

When crises hit, poverty reduces at a slower rate. With more consecutive years of crisis, this impact worsens.

- In countries with at least five consecutive years of UN-coordinated appeals between 2000 and 2017, average rates of poverty reduction fell from 4% of the poor population a year to 0% in the first two years of a crisis.
- By the third consecutive year of crisis – in countries with at least five consecutive years of UN-coordinated appeals – populations in extreme poverty were on average 10% larger than projections of poverty for these countries had there not been crises.

Countries with recurrent humanitarian crises have a disproportionate poverty burden.

- In aggregate, more than a third of the population (35%) of the 22 countries with a UN-coordinated appeal in 2018 and consecutively for at least one preceding year live in extreme poverty (on less than \$1.90 a day). This is three times the developing country average of 11.5%.
- Of these 22 countries, 5 have had appeals in at least 10 consecutive years. The average extreme poverty rate across these countries is six times the developing country average, at 64.3% of the population.
- Of the 12 countries worldwide with extreme poverty rates over 50%, 5 have had protracted crisis responses, with five or more consecutive years of appeals since 2000.



Box 1.1

Recurrent and protracted crisis response countries

Development Initiatives has consistently reported that a large number of countries experience crises for multiple years.³ Countries are now in crisis and in receipt of assistance for longer. This means they need limited resources to be stretched further and responses to be planned, coordinated and implemented over a longer time frame. The current focus on promoting flexible and predictable funding and on effectively delivering collective humanitarian, development and peacebuilding outcomes, in part recognises the need to respond to this altered humanitarian context (see Chapter 3, Figure 3.2, and Chapter 4, Figures 4.5 and 4.6).

In 2018:

- 22 countries were **recurrent crisis response countries**, meaning that they had UN-coordinated country response plans in 2018 and consecutively for at least one preceding year.
- 27 countries have been **protracted crisis response countries** between 2000 and 2017, meaning that they had UN-coordinated country response plans for at least 5 consecutive years at some point in this period.⁴
- Of these 27 countries, 16 still had UN-coordinated country response plans in 2018.

Not only are countries regularly in crisis for multiple years, they also frequently suffer from complex crises, experiencing a combination of conflict, forced displacement and/or disasters associated with natural hazards (see Figure 1.2).

Given the prevalence of recurrent and protracted crises, this report looks closely at recurrent and protracted crisis response countries to better understand how international humanitarian assistance and wider financing are being delivered. Throughout, it uses the analysis groupings **recurrent crisis response countries** and **protracted crisis response countries**. For the latter grouping, the report looks at either the situation of these countries in 2018 or 2017 (depending on the year for which the most recent data is available) or at their situation during the first five years of each crisis, comparing countries by the year of crisis (rather than by calendar year).

These groupings – focused on the existence of UN-coordinated country response plans⁵ – provide a simple and useful, though not comprehensive, proxy for the existence of ongoing and recurrent crisis. Development Initiatives will work to deepen and nuance how it categorises recurrent and protracted crisis response countries for future reports, building on the work of others.⁶



Box 1.2

Poverty data in crisis contexts

There are many well-documented challenges for collecting poverty data in crisis settings. Most poverty data is derived from household income and expenditure surveys. To be useful for understanding poverty, these surveys should be representative of the entire population, but a crisis can undermine this goal.

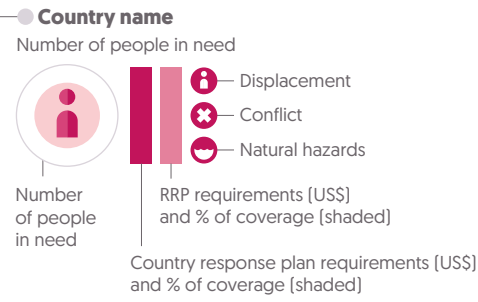
- Crises can alter survey preparation. Surveys rely on census data to know where populations are, so they know where to send enumerators. However, in crisis settings there may not be a recent census or the data from the latest census may no longer reflect the population. Surveyors must also decide who to include in the survey and frequently exclude displaced persons, nomadic populations, non-citizens and people living in camps. These choices make poverty numbers unrepresentative for key parts of the population.
- Crises frequently disrupt data collection. They can make it impossible to collect data in certain areas or may lead to the loss of records and data. Crises also can distort pricing data at a subnational level making it difficult to compare incomes across the country. Some countries lack any internationally comparable data (such as Afghanistan, the Democratic People's Republic of Korea, Somalia and Libya). In some countries where there is poverty data, the most recent data predates the crisis onset (such as Yemen and Syria). Survey coverage of conflict-affected states is particularly poor, with no representative survey for over 10 years in half of those countries.

There are several initiatives underway to address these issues. The World Bank, for example, has made a strong commitment to expanding poverty data collection throughout the world – with a focus on certain countries in crisis. One line of research has focused on technology and big data. Satellite imagery, for instance, can provide some data about conditions on the ground. Nonetheless, it cannot provide as rich data as can be collected on the ground and depends on having some data about the population which needs to be collected by other means. Despite some advances, the challenges to gathering poverty data in crisis areas are still significant.

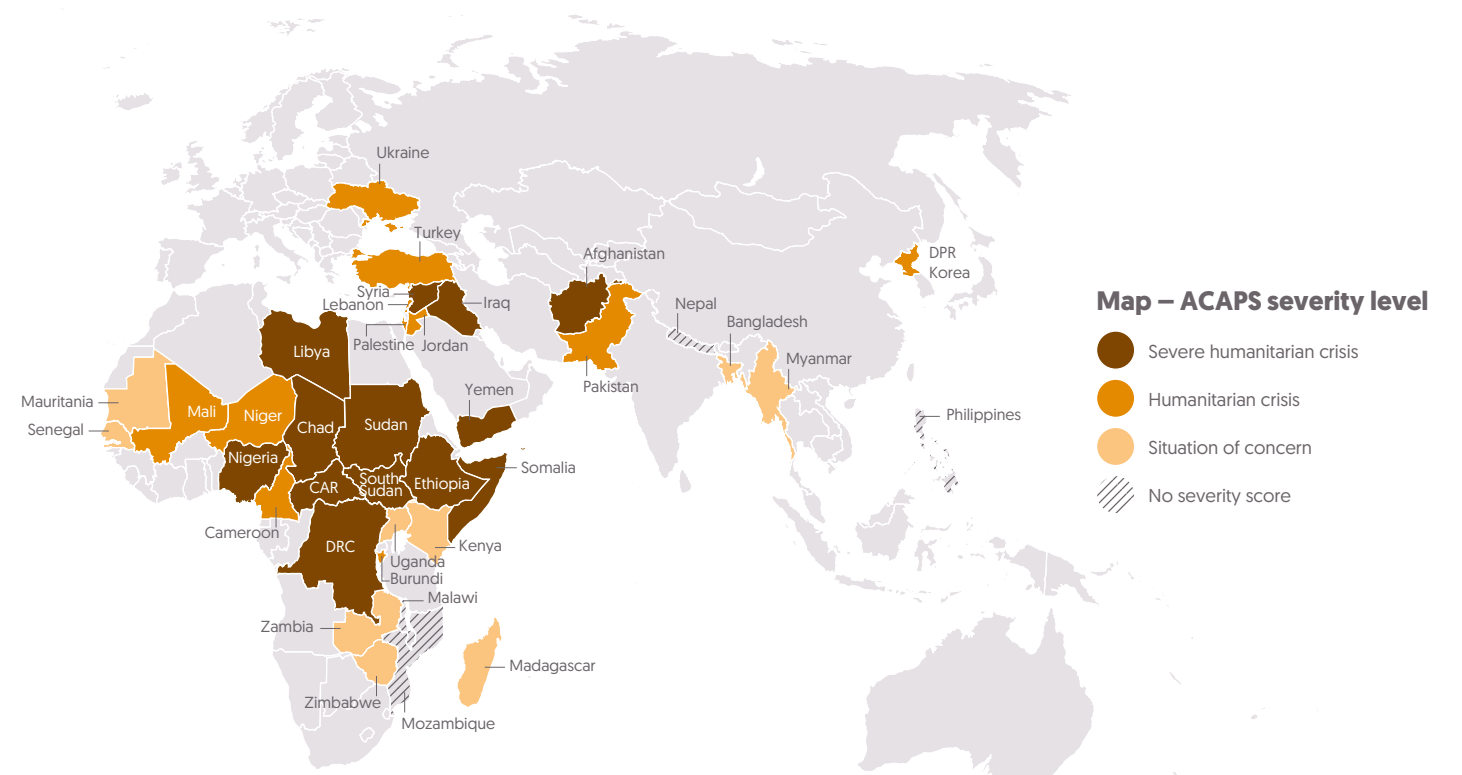
People affected by crisis

Figure 1.2
Severe crises are concentrated in sub-Saharan Africa and the Middle East
People in need, type and severity of crisis, and funding requirements, 2018

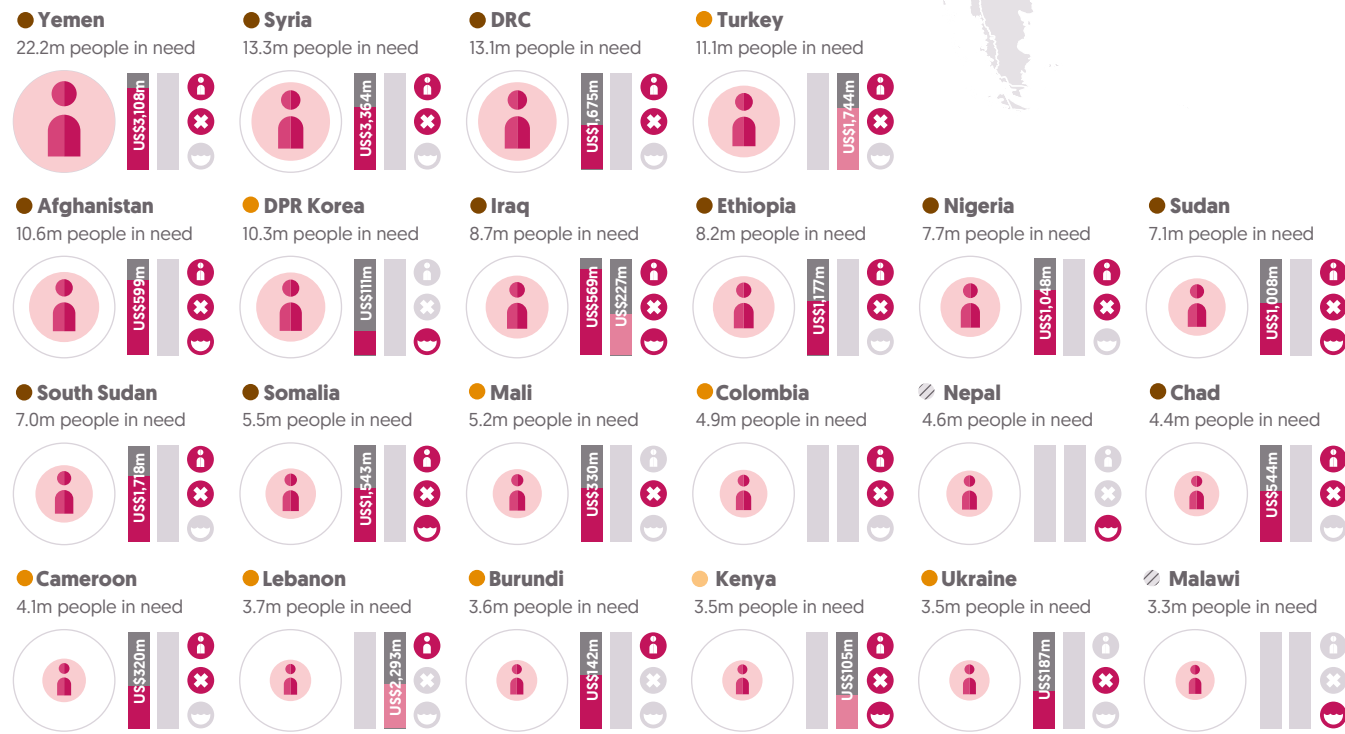
Country summaries key



ACAPS severity level
[see map legend for colouring]



Country summaries ordered by number of people in need



Source: Development Initiatives based on ACAPS, Food and Agriculture Organization, UN High Commissioner for Refugees (UNHCR), UN Relief and Works Agency for Palestine Refugees in the Near East, Internal Displacement Monitoring Centre (IDMC), INFORM Index for Risk Management, Centre for Research on the Epidemiology of Disasters, Heidelberg Institute for International Conflict Research and UN Office for the Coordination of Humanitarian Affairs (OCHA) Financial Tracking Service (FTS) data.

Notes: CAR: Central African Republic; DPR Korea: Democratic People's Republic of Korea; DRC: Democratic Republic of the Congo; RRP: regional response plan. Countries selected using ACAPS data and corresponding estimates of people in need. Countries with fewer than an estimated 0.8 million people in need are not shown. For further information on coding crisis types see our online *Methodology and definitions*.

In 2018, the well-established trend of conflict as a primary driver of large-scale crises continued, as severe violence in Syria, Yemen, Central African Republic (CAR) and the Democratic Republic of the Congo (DRC) resulted in the suffering and widespread displacement of millions of vulnerable people. In Afghanistan, drought and food insecurity, exacerbated by ongoing conflict, saw growing numbers of people in need of humanitarian assistance. Because crisis exacerbates vulnerability and weakens resilience, countries often experience more than one form of crisis (conflict, forced displacement or disasters associated with natural hazards), either from one year to the next or at the same time. In 2018, people in need of humanitarian assistance were widely dispersed geographically, across almost a quarter of all countries, but with high numbers in a small group of countries.

- In 2018, an estimated 206.4 million people living in 81 countries were assessed to be in need of humanitarian assistance.
- There was a high concentration of people in need in just six countries, with more than 10 million people identified in Yemen (22.2 million people in need), Syria (13.3 million), DRC (13.1 million), Turkey (11.1 million), Afghanistan (10.6 million) and the Democratic People's Republic of Korea (10.3 million). These six countries accounted for 80.6 million people in need, almost two fifths (39%) of the total number.

Population data, particularly in countries in crisis, can be out of date, incomplete and miss those people affected by crisis, in particular refugees and internally displaced persons (IDPs) [see Box 1.2]. Notwithstanding these caveats the proportion of a population identified as in need gives an indication of the extent of crisis and need.

- For the six countries with more than 10 million people in need these totals represent the equivalent of more than half their population, with especially high levels of need in Syria (equivalent to 78.7% of the domestic population) and Yemen (77.9%). However, four additional countries also had a high percentage of their population in need: South Sudan (63.8%), CAR (62.1%), the State of Palestine (Palestine) (54.7%) and Lebanon (54.6%).

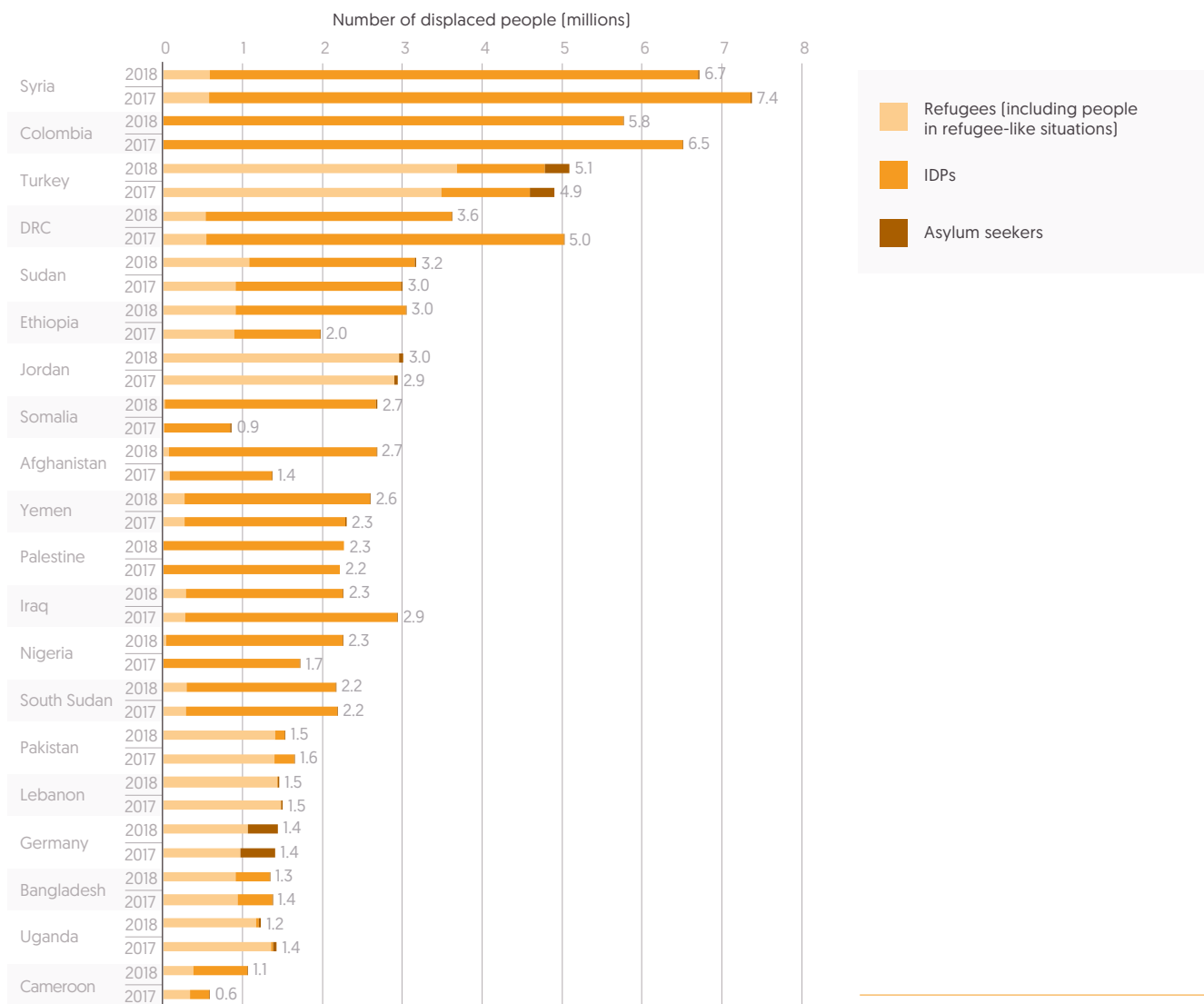
In 2018, conflict and forced displacement drove the crises impacting the largest populations of people in need. Many countries – particularly those with the largest numbers of people in need – experienced more than one form of crisis (conflict, forced displacement or disasters associated with natural hazards), complicating response, exacerbating need and increasing the duration of crisis situations.

- In 2018, 24 of the 40 countries with the largest populations in need experienced conflict, while 27 experienced forced displacement.
- Meanwhile, 18 of the 40 countries with the largest populations in need experienced disasters.
- Often in 2018, however, countries faced complex crisis situations⁷ involving at least two forms of crisis. Of the 40 countries with the largest populations in need, 23 experienced two or more forms of crisis, including six which experienced all three forms of crisis (Afghanistan, Iraq, Sudan, Somalia, Kenya and Libya).
- The impact of complex crisis is pronounced among the 10 countries with the largest populations in need. The combination of conflict and forced displacement affects nine of these countries, where 102.0 million people are in need.

Forced displacement

Figure 1.3

Record numbers of IDPs and refugees mean the seventh consecutive annual increase in forced displacement
20 countries with the largest forcibly displaced populations, 2018



In 2018, the Global Compact on Refugees⁸ and the Global Compact for Safe, Orderly and Regular Migration⁹ were agreed against a backdrop of conflict, violence and persecution which continued to force growing numbers of people from their homes or prevent their safe return.

- In 2018 the total number of displaced people increased for the seventh consecutive year, to 70.8 million, up from 68.4 million in 2017, an increase of 2.3 million [3%]. The numbers of IDPs and refugees both reached record levels in 2018, increasing to 43.6 million and 23.6 million respectively.

Source: Development Initiatives based on UNHCR, UN Relief Works Agency for Palestine Refugees in the Near East (UNRWA) and Internal Displacement Monitoring Centre (IDMC) data.

Notes: The 20 countries are selected based on the size of displaced populations that were hosted in 2018. 'Displaced population' includes refugees and people in refugee-like situations, internally displaced persons (IDPs) and asylum seekers. IDP figures include a total number of IDPs at the end of 2018 as reported by the IDMC. Data is organised according to UNHCR's definitions of country/territory of asylum. According to data provided by UNRWA, registered Palestine refugees are included as refugees for Jordan, Lebanon and Syria, and as IDPs for Palestine.

- In 2018, Turkey hosted the largest number of refugees [3.7 million], as it did in 2017, with the refugee population increasing by 0.2 million from the previous year. Syria continued to be home to the largest number of IDPs – 6.1 million in 2018.
- 10 countries hosted 54% [38.4 million] of the total displaced population in 2018, a slight reduction from 58% in 2017.
- While refugee numbers increased by 1.0 million among these 10 countries, the overall reduction was driven by a fall of 1.9 million in the number of IDPs.

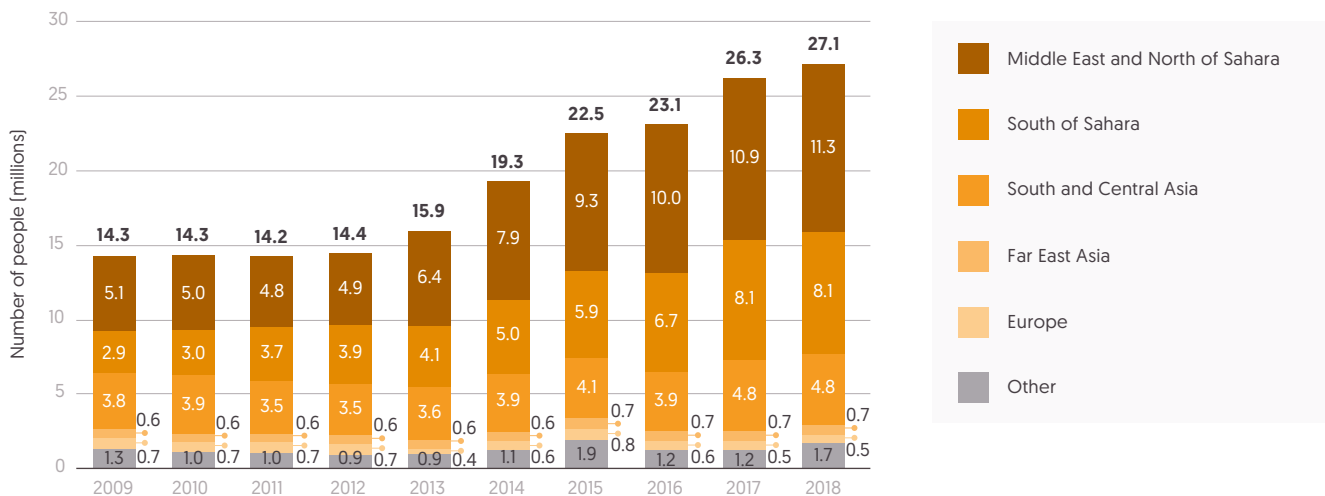
In 2018, the South of Sahara region, rather than the Middle East and North of Sahara region, hosted the largest number of displaced persons for the first time in eight years, driven by 20% growth in IDPs from 2017.

- From 2009 to 2018, the South of Sahara region has seen the largest rise in the number of displaced persons, up by 10.6 million. Meanwhile, this number grew by 8.9 million in the Middle East and North of Sahara region and by 6.4 million in Europe.

A greater number and proportion of the total displaced population were hosted in low income countries in 2018 than in 2017.

- In 2018, 39% of the total displaced population were in low income countries, compared with 22% in 2017, with 54% in middle income countries compared with 70% in 2017. The proportion in high income countries, 7%, remained unchanged.
- This large proportional shift from middle to low income hosting countries is explained by the impact of ongoing crisis in Syria and Yemen, which has resulted in both countries being reclassified from middle to low income countries.
- Among the ten countries with the largest displaced populations in 2018, Syria and Yemen now sit alongside four other low income countries (DRC, Ethiopia, Somalia and Afghanistan), with the remaining four (Sudan, Colombia, Turkey and Jordan) all being middle income countries.

Figure 1.4
Rising numbers of refugees and asylum seekers from Africa and the Middle East drive new global record
Regions of origin for refugees and asylum seekers, 2009–2018



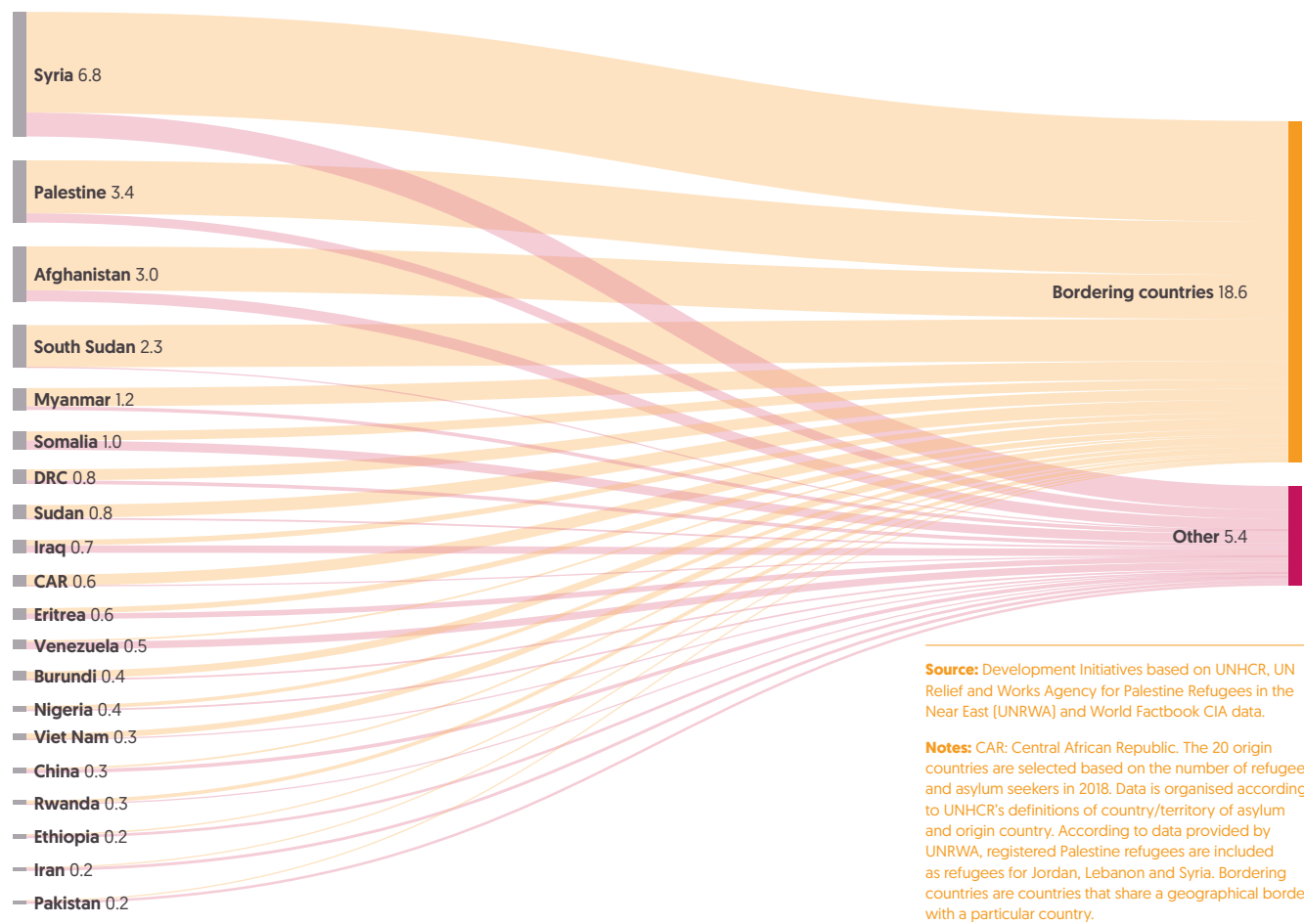
The total number of refugees and asylum seekers continued to rise in 2018, maintaining the trend seen since 2013, and driven by increases from the Middle East and North of Sahara and South of Sahara regions.

- The total number of refugees and asylum seekers globally rose to 27.1 million in 2018, almost double the level in 2012 [14.4 million].
- The number of refugees and asylum seekers originating from the Middle East and North of Sahara over this period increased by 6.5 million [51% of the total growth] and from the South of Sahara region by 4.3 million [33%].
- The largest number of refugees and asylum seekers originated from the Middle East and North of Sahara – 42% of the total [11.3 million] in 2018. Syria accounted for just under two thirds [60%, 6.8 million] of these refugees and asylum seekers. Despite the large-scale protracted crisis in Yemen only 1% [67,046] of the region's total came from this country.

Source: Development Initiatives based on UNHCR and UN Relief and Works Agency for Palestine Refugees in the Near East.

Notes: Organisation for Economic Co-operation and Development [OECD] country naming has been used for regions, except the Middle East and North of Sahara, which have been combined. 'Others' includes the combined total for regions where the number of refugees (including people in refugee-like situations) and asylum seekers was below 600,000 per year: North and Central America, South America, Oceania, stateless people and those with unknown regions of origin.

Figure 1.5
Countries bordering crisis countries bear disproportionate burden of hosting refugees and asylum seekers
 20 largest countries of origin for refugees and asylum seekers by bordering and non-bordering hosting countries, 2018



Source: Development Initiatives based on UNHCR, UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and World Factbook CIA data.

Notes: CAR: Central African Republic. The 20 origin countries are selected based on the number of refugee and asylum seekers in 2018. Data is organised according to UNHCR's definitions of country/territory of asylum and origin country. According to data provided by UNRWA, registered Palestine refugees are included as refugees for Jordan, Lebanon and Syria. Bordering countries are countries that share a geographical border with a particular country.

In 2018, 24.0 million refugees and asylum seekers originated from 20 countries, accounting for 88% of the total number of externally displaced persons. Figure 1.5 shows these 20 countries and whether refugees and asylum seekers move to countries directly bordering their country of origin. Countries neighbouring those in crisis receive the majority of refugees and asylum seekers, bearing the most significant burden for their support. They are very rarely rich, high income countries with the greatest resources to cope.

- Of the 24.0 million refugees and asylum seekers from the 20 selected countries, 18.6 million (78%) were displaced to bordering countries.
- Among the four largest countries of origin, most refugees and asylum seekers moved to bordering countries; this is most markedly the case for South Sudan, accounting for 99% of its refugees and asylum seekers leaving the country.
- Most refugees and asylum seekers (75%, 14 million) who moved to bordering countries went to middle income countries. The remaining 25% (4.6 million) were hosted in low income countries, with hardly any refugees and asylum seekers moving to high income countries (694).

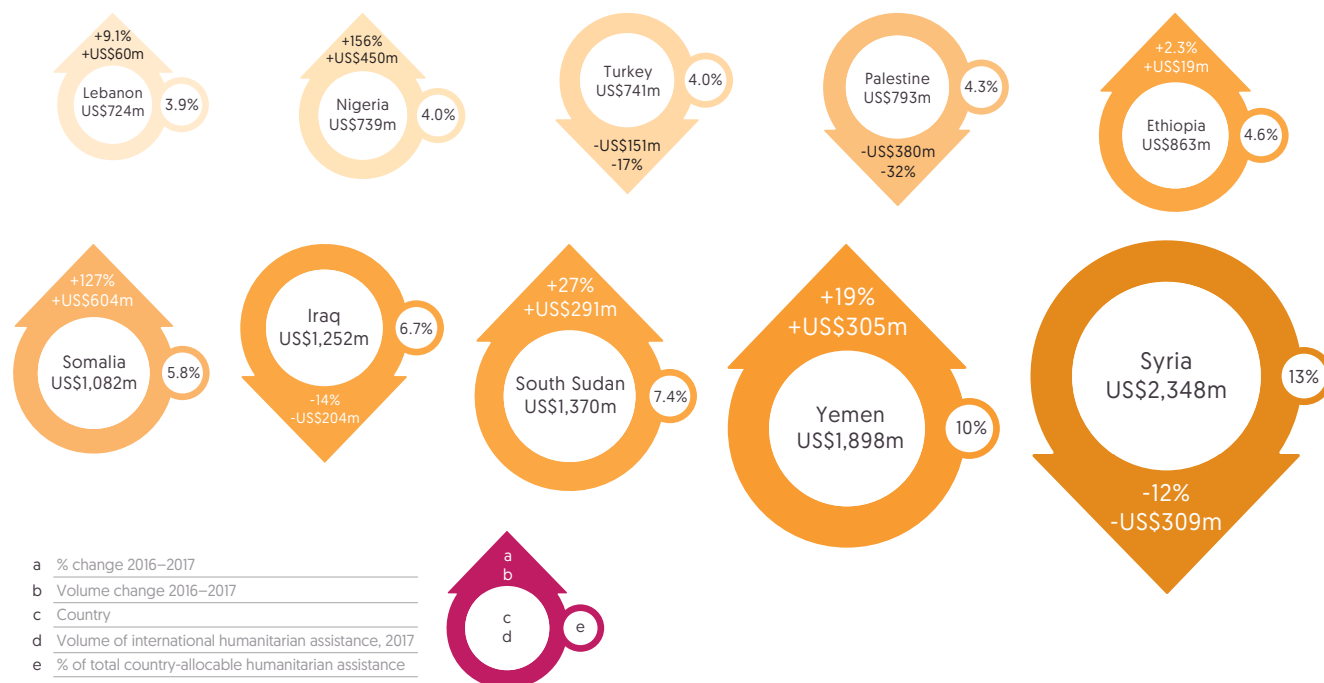
Where refugees and asylum seekers move beyond those countries immediately bordering their country of origin, the pattern changes, with over half moving to high income countries.

- Of the 24.0 million refugees and asylum seekers from the 20 selected countries, 5.4 million (22%) went to non-bordering countries.
- Of these 5.4 million refugees and asylum seekers, 57% (3.0 million) moved to high income countries, while 35% (1.9 million) moved to middle income countries and 8% (0.5 million) to low income countries.
- Among the four largest countries of origin, above-average proportions (76% and 67% respectively) of refugees and asylum seekers relocated from Syria and Afghanistan to non-bordering high income countries (as already noted, only 1% of South Sudan's refugee population moved to non-bordering countries). However, just 4% relocated to non-bordering high income countries from Palestine.

Targeting of crisis financing

Figure 1.6

Assistance continues to concentrate in a small number of crises
10 largest recipients of international humanitarian assistance, 2017



Large numbers of crises now endure for many years, requiring greater levels of resources and over a longer period of time [see Box 1.1 and Chapter 2, Figure 2.2]. There are growing numbers of people in need, including record numbers of forcibly displaced people. The volume of international humanitarian assistance has increased year-on-year in response to this growing need [see Chapter 2, Figure 2.1].

The latest comprehensive data from Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) sources on where assistance has been targeted in response to need is for 2017. This data indicates that the well-established trend of a small number of crises receiving a large proportion of all humanitarian assistance has remained unchanged. However, there were notable rises and falls in volumes of assistance among the group of largest recipients.

- In 2017, 10 countries accounted for 63% (or US\$11.8 million) of all country-allocable humanitarian assistance. This proportion has remained between 59% and 66% for eight years of the preceding decade to 2008.
- Seven of these ten countries had recurrent UN-coordinated country response plans in 2017. The remaining three countries, Lebanon, Turkey and Ethiopia, had received funding through regional refugee response plans for at least two of the immediately preceding years.¹⁰

Source: Development Initiatives based on OECD Development Assistance Committee (DAC), UN OCHA FTS and UN Central Emergency Response Fund (CERF) data.

Notes: Data is in constant 2017 prices.

- Syria was the largest recipient of international humanitarian assistance for the sixth consecutive year, despite a 12% fall in funding received from 2016.
- Large increases in funding to Somalia (up 127%) and Nigeria (up 156%) meant they became the fifth and ninth largest recipients, respectively, in 2017, having not featured among the ten largest in 2016.
- Yemen and South Sudan also received large increases in international humanitarian assistance in 2017, with contributions growing by 19% and 27% respectively.
- Funding to Palestine, however, fell by almost a third (32%) in 2017, having risen by a similar proportion (30%) in 2016. This represented the greatest decrease among the 10 largest recipients, proportionally and by volume (falling US\$380 million), and was largely driven by a reduction in funding from the US of US\$323 million.
- Five of the ten largest recipients were low income countries (Syria, Yemen, South Sudan, Somalia and Ethiopia), two were lower middle income countries (Nigeria and Palestine) and three were upper middle income countries (Iraq, Turkey and Lebanon).

Figure 1.7

Trend of increasing assistance to middle income countries halted as Syria and Yemen become low income countries

20 largest recipients of international humanitarian assistance by income group, 2008–2017

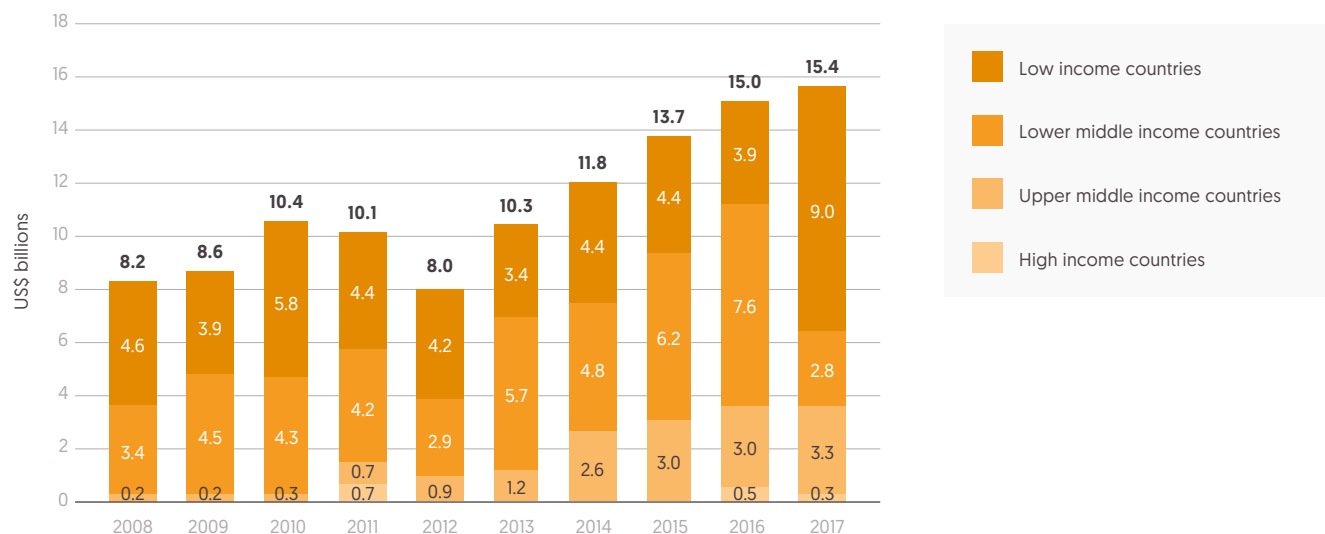


Figure 1.7 illustrates the distribution of international humanitarian assistance by income group for the 20 countries receiving the largest volumes of assistance. The ongoing crises in Syria and Yemen since 2012 have resulted in more international humanitarian assistance being directed to upper middle income countries. In 2017, the impact of protracted crisis in Syria and Yemen and the resultant deterioration and reclassification of their economies has contributed to a sharp rise in funding to low income countries.

- The proportion of assistance going to upper middle income countries has risen from 2% in 2008 to 22% in 2017, with proportions rising steadily from 2011 as increasing volumes of funding were channelled to Jordan, Lebanon and Turkey to respond to the Syria crisis.

Source: Development Initiatives based on OECD DAC, UN OCHA FTS, UN Central Emergency Response Fund (CERF) and World Bank data.

Notes: The countries' income groups are according to the classification of World Bank income groups for any given year. Income groups therefore might change year on year for the same recipient. The largest 20 recipients of international humanitarian assistance are also for each given year and hence vary year on year. Data is in constant 2017 prices.

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- This increase in funding among the 20 largest recipients to upper middle income countries in part explains the steadily reducing proportion flowing to low income countries between 2012 and 2016, falling from 52% to 26%, having averaged 56% in the preceding decade.

The channelling of funding to respond to the crises in Syria and Yemen has also driven the trend for more assistance being directed to countries with higher incomes. Yet income group data for these largest recipients of humanitarian assistance also illustrates the domestic impact of protracted crisis in these two countries.

- Syria and Yemen have both been recategorised from lower middle income countries to low income countries. This recategorisation is behind the sharp increase in assistance to low income countries in 2017, up US\$5.1 billion, and decrease to lower middle income countries, down US\$4.8 billion.



Yemen, 2019

A man stands against the ruins of a building destroyed during an air raid in Aden.

Credit: EU/Peter Biro



chapter 2

international humanitarian assistance

International humanitarian assistance from governments and private donors continued to increase in 2018, reaching US\$28.9 billion. This represents growth of almost a third since 2014. This increase has been driven almost equally by public and private donors, with increases of 29% and 32% respectively. Yet the pace of growth has slowed, rising by just 1% from 2017 to 2018. Contributions from public donors drove the overall increase in 2018, as preliminary estimates of private contributions indicated a slight decrease. This represents the first decline in private humanitarian assistance contributions in five years.

In 2018, the amount requested through UN-coordinated appeals rose for the third consecutive year, reaching a new high of US\$28.1 billion. This is despite the number of appeals falling from 41 in 2017 to 34 in 2018. Of these 34 appeals, 10 requested more than US\$1 billion, collectively accounting for 77% of all requirements. The Syria Regional Refugee and Resilience Plan (3RP) topped appeal requirements again in 2018, requesting US\$5.6 billion.

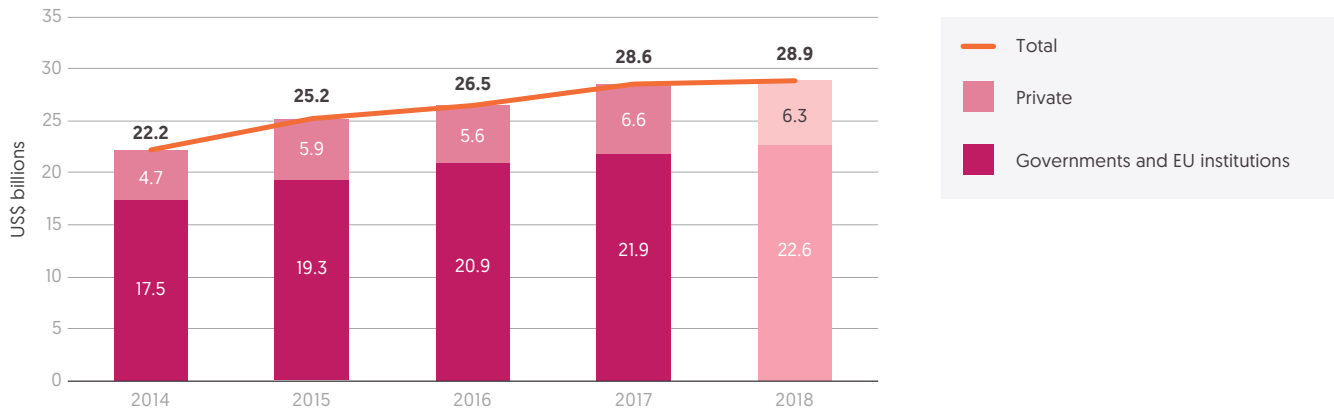
A record volume of funding was committed towards UN-coordinated appeals in 2018, rising by US\$1.0 billion from 2017 to US\$17.0 billion. This was the third consecutive year in which record volumes of funding were committed. However, requirements remained at the same level as in 2017 (61%), resulting in a shortfall of US\$11.1 billion. In 2018, only four appeals received more than 75% of the funds requested, while fifteen received 50% or less.

The well-established trend of a relatively small group of governments and EU institutions providing the majority of international humanitarian assistance continued in 2018. Contributions from the 20 largest public donors increased from US\$20.9 billion in 2017 to US\$21.9 billion in 2018, accounting for 97% of all international humanitarian assistance provided by governments. Of these 20 donors, only 7 increased their contributions. The most substantial increases were made by the United Arab Emirates (UAE) and Saudi Arabia, providing an additional US\$1.7 billion (567% rise) and US\$806 million (173% rise), respectively. The three largest donors continued to be the US, Germany and the UK, although all three decreased their contributions in 2018, down by US\$423 million (-6%), US\$367 million (-11%) and US\$271 million (-11%) respectively, from 2017.

International humanitarian assistance

Figure 2.1

International humanitarian assistance increases but pace of growth slows
International humanitarian assistance, 2014–2018



International humanitarian assistance grew by almost a third between 2014 and 2018. However, the pace of growth has slowed, with total contributions increasing by only 1% from 2017 to 2018.

- In 2018, total international humanitarian assistance from governments and EU institutions and estimated contributions from private donors reached US\$28.9 billion.
- Over the five years to 2018 total international humanitarian assistance has grown by 30% (US\$6.7 billion).
- The growth in total international humanitarian assistance between 2014 and 2018 has been driven almost equally by public and private donors, with increases of 29% and 32% respectively.
- Assistance from governments and EU institutions has grown incrementally over this five-year period, although the pace of growth in contributions has slowed gradually each year, from an increase of 10% in 2015 to one of 3% in 2018.
- In 2018, this increase in contributions from government and EU institutions (rising by US\$689 million) sustained the overall growth of international humanitarian assistance, as estimated contributions from private donors reduced by US\$378 million to US\$6.3 billion.
- The estimated fall in private contributions in 2018 follows growth in three out of four years from 2014 to 2017, from US\$4.7 billion to US\$6.6 billion.

Source: Development Initiatives based on Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC), UN Office for the Coordination of Humanitarian Affairs (OCHA) Financial Tracking Service (FTS), UN Central Emergency Response Fund (CERF) and our unique dataset of private contributions.

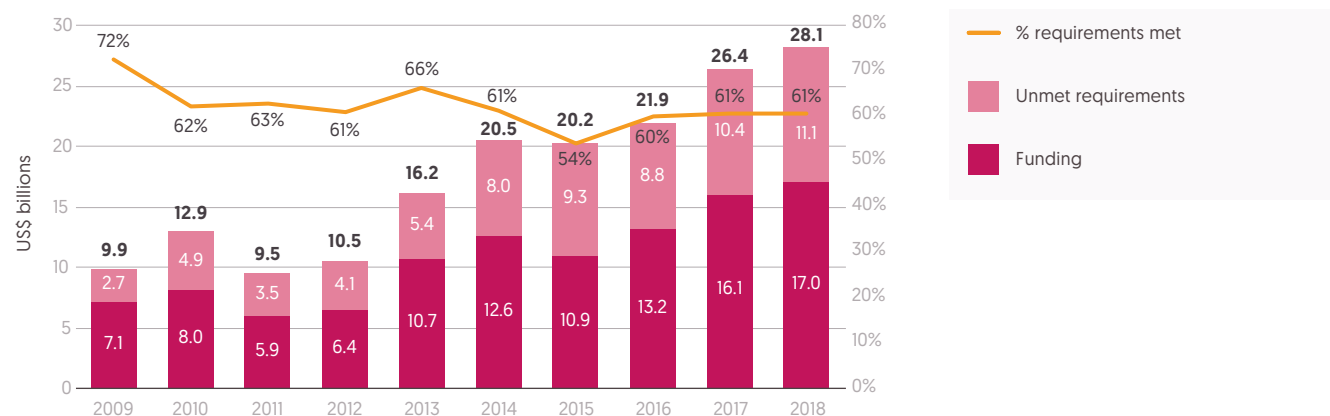
Notes: Figures for 2018 are preliminary estimates. Totals for previous years differ from those reported in previous Global Humanitarian Assistance reports due to deflation and updated data and methodology (see our online *Methodology and definitions*). Data is in constant 2017 prices.

How did assistance compare with requirements set out in appeals?

Figure 2.2

Appeal requirements and funding reach new highs, while the proportion of unmet requirements is unchanged

Requirements and funding, UN-coordinated appeals, 2009–2018



UN-coordinated appeals provide an overview of humanitarian needs and the assistance provided by UN agencies and NGOs to meet these during major crises. In 2018, the amount requested through UN-coordinated appeals reached a record high.

- In 2018, UN-coordinated appeals requested US\$28.1 billion of assistance, the third consecutive annual rise.
- This 7% rise continued the upward trend over the past decade – an US\$18.3 billion, or 186%, increase since 2009.
- This growth continued despite the number of appeals reducing from 41 in 2017 to 34 in 2018 (the annual average from 2014 to 2018 is 37).
- Driving this aggregate growth were major increases for ongoing crises in the Democratic Republic of the Congo (DRC) (up US\$863 million (106%) from 2017 to US\$1.7 billion), Yemen (up US\$769 million (33%) to US\$3.1 billion) and Bangladesh (up US\$517 million (119%) to US\$951 million).
- The Syria Regional Refugee and Resilience Plan (3RP) (US\$5.6 billion) and Syria humanitarian response plans (HRPs) (US\$3.4 billion) had the highest appeal targets in 2018, as in 2017, though their requirements were largely unchanged (rising by 0.6% and 0.4% respectively).

A record volume of funding was committed towards UN-coordinated appeals. But the growth in requirements in 2018 outstripped this increase, meaning that the proportion of requirements met was unchanged from 2017.

- In 2018, US\$17.0 billion was provided to UN-coordinated appeals, a rise of US\$1.0 billion from 2017, and of US\$6.1 billion from 2015. This was the third consecutive year in which record volumes of funding were committed to appeals.

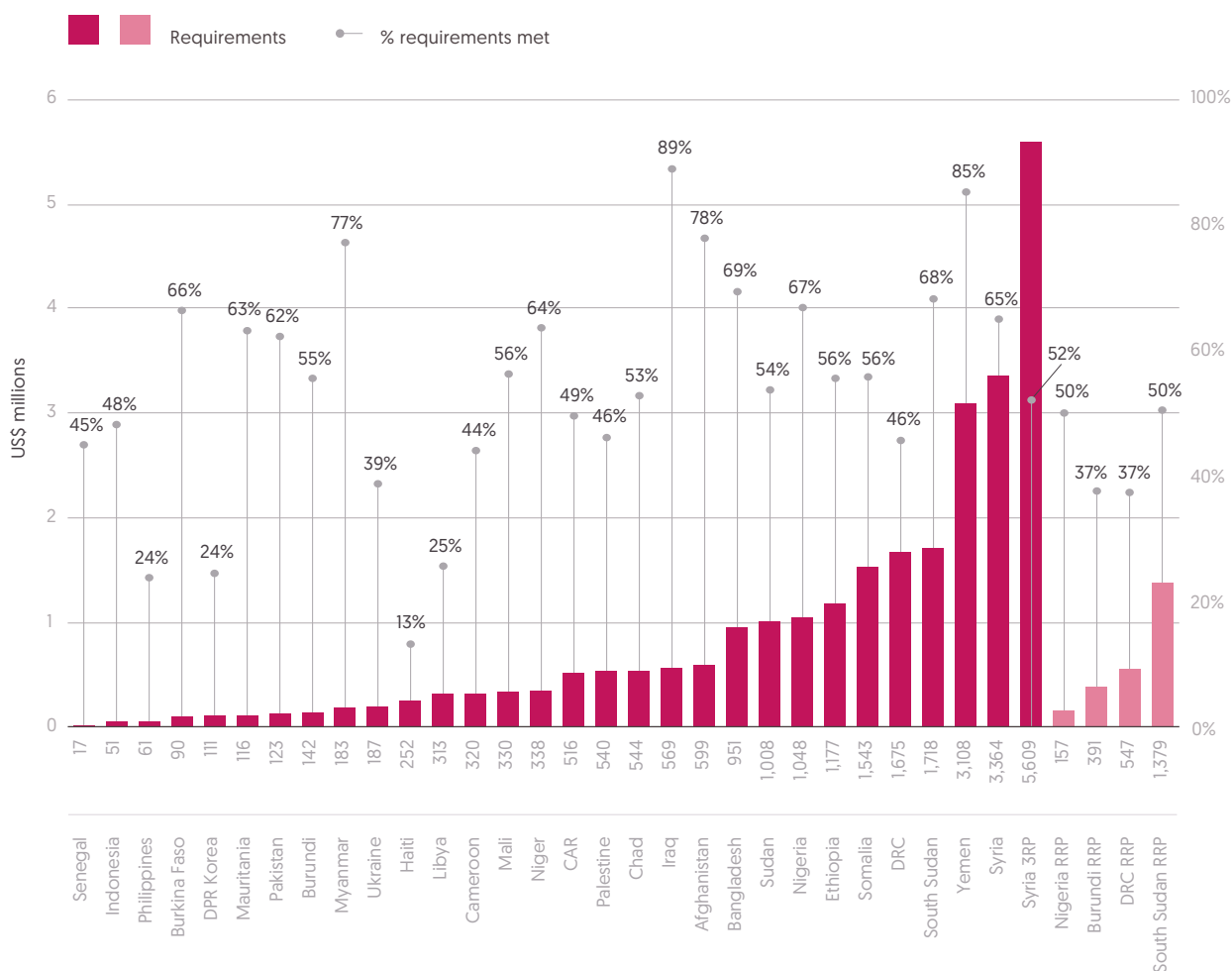
Source: Development Initiatives based on UN OCHA FTS and UN High Commissioner for Refugees (UNHCR) data.

Notes: DRC: Democratic Republic of Congo. CAR: Central African Republic. 2012 data includes the Syria Regional Response Plan (RRP) 2012 monitored by UNHCR. To avoid double counting of the regional response appeals with the humanitarian response plans, 2014 and 2015 South Sudan Regional Response Plan does not include Sudan country component and regional; 2016 South Sudan Regional Response Plan does not also include DRC, CAR, Sudan country components and regional; 2017 South Sudan Regional Response Plan excludes Ethiopia, Sudan, Kenya, DRC and CAR country components and regional, while 2018 South Sudan RRP excludes Ethiopia, Sudan, DRC and CAR country components and regional. For Burundi RRP, DRC country component and regional were excluded for 2015, 2016, 2017 and 2018. 2015 and 2016 Central African Republic Regional Response Plan excludes Cameroon, Chad and DRC country components and regional. 2018 Democratic Republic of Congo Regional Response Plan excludes Burundi. The Country Refugee Response Plans for Tanzania 2014-2017 and Ethiopia 2014-2016 were included in the calculation as well as 2017 Inter-Agency Refugee Appeal for Angola. Data in current prices.

- Large increases in the volume of funding received towards appeal targets in 2018 were seen in Yemen (up US\$886 million [50%], to US\$2.7 billion), Turkey (up US\$617 million [125%], to US\$1.1 billion) and Bangladesh (up US\$343 million [108%] to US\$660 million).
- But the rise in funding volume was offset by increases in appeal targets, with 61% of appeal requirements met (a shortfall of US\$11.1 billion), as in 2017 (when there was a shortfall of US\$10.4 billion). This coverage is consistent with the pattern for the past decade, in which for 8 of 10 years coverage has been between 60% and 66%.

Figure 2.3

Coverage of appeal requirements varies significantly, but 44% of appeals receive half or less of requested funding
UN-coordinated appeal requirements and proportion of requirements met, 2018



The size and level of coverage of appeal requirements varies greatly between appeals. The underfunding of appeals against targets remains a consistent trend. In 2018, a total of 15 out of 34 appeals received 50% of the amount requested or less.

- The 34 appeals in 2018 ranged in size from the Syria 3RP requesting US\$5.6 billion, to the Senegal appeal requesting US\$16.8 million.

Source: Development Initiatives based on UN OCHA FTS and UNHCR data.

Notes: 3RP: Syria Regional Refugee and Resilience Plan; CAR: Central African Republic; DPR Korea: Democratic People's Republic of Korea. Four regional response plans (RRPs) are shaded to avoid double counting with country humanitarian response plans. Data is in current prices.

- In 2018, 10 appeals requested over US\$1 billion (Syria 3RP, Syria, Yemen, South Sudan, DRC, Somalia, South Sudan Regional Response Plan, Ethiopia, Nigeria and Sudan) which collectively represented US\$22 billion, 77% of total requests. Yemen and the two Syria appeals accounted for 43% of all appeals (US\$12.1 billion).
- The proportion of total appeal requirements met varied greatly in 2018, from Iraq, which received 89% of funds requested, to Haiti, which received just 13%.
- Of the 34 appeals in 2018, only 4 received more than 75% of the funds requested. Fifteen appeals received between 51% and 75% of the appeals target, and fifteen received 50% or less, of which four secured a quarter or less of their appeal requirements.

Analysis of the size of appeal requirements and the level of coverage does not suggest a clear correlation over time. However, 2018 data shows that some countries with multiple and repeated appeals have been poorly funded.

- Larger appeals were better funded in 2018 on average, although the correlation is very weak. All but one appeal over US\$1 billion were at least 50% funded while there was wide variation among smaller appeals.
- Among the thirteen appeals that received less than 50% of their requirements,¹ eleven had appeals for two or more consecutive years in 2018.
- In 2018, 15 countries with HRPs were identified as 'forgotten crises' in the European Civil Protection and Humanitarian Aid Operations (ECHO)'s latest assessment. On average these 15 appeals requested US\$222 million. Seven of these crises received 50% or less of requirements (the average for all fifteen crises was 49%).
- Of the sixteen countries that have had five or more consecutive years of appeals, five received less than 50% of requested funding in 2018. Three of the five countries with appeals for ten or more consecutive years (Central African Republic, Palestine and DRC) received less than 50% of requirements in 2018. The remaining two (Somalia and Chad) received less than 60%.

Red Cross appeals

The International Red Cross and Red Crescent Movement (ICRC) sets out its requirements separately from the UN-coordinated appeals. In 2018, funding to the International Committee of the Red Cross (ICRC) and International Federation of Red Cross and Red Crescent Societies (IFRC) appeals increased from 2017.

ICRC appeals respond mainly to conflict-related situations.

- In 2018, the ICRC received US\$1.7 billion, a 4.3% increase from 2017 (US\$1.6 billion). Since 2014 ICRC funding has grown by 29%.
- With this increase in funding, the ICRC was able to cover 94% of its US\$1.8 billion appeal requirements. Since 2014, coverage has averaged 92%.

IFRC emergency appeals relate mostly to disasters associated with natural hazards.

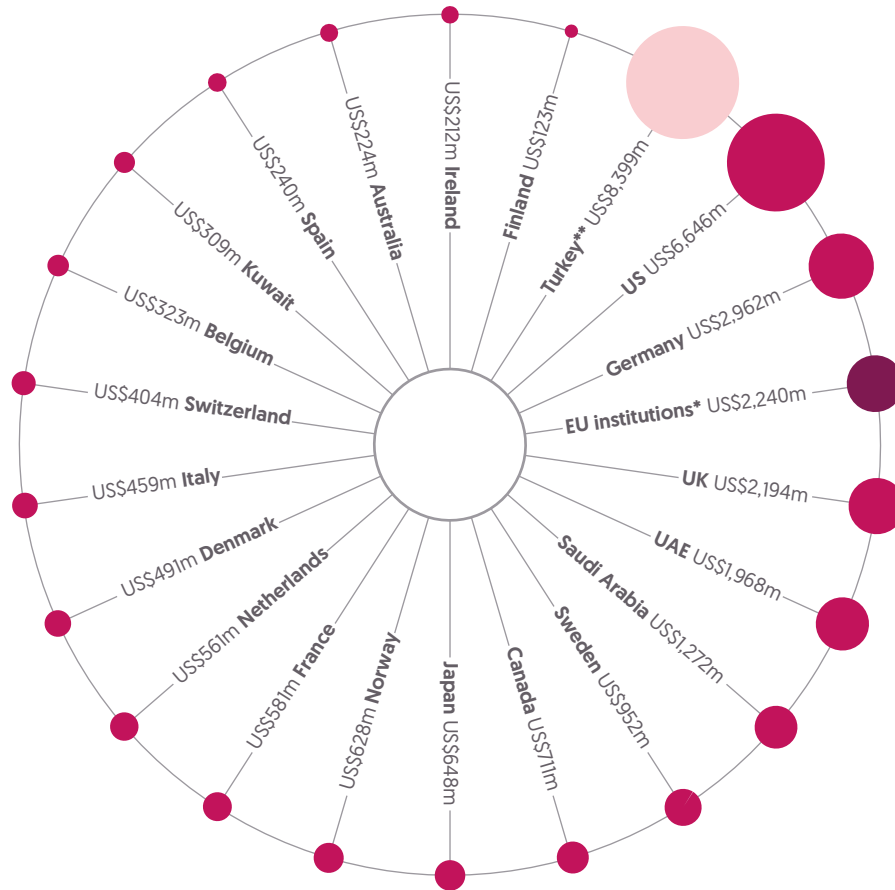
- In 2018, the IFRC received US\$372 million, a 30% increase from 2017. Since 2014 IFRC funding has grown by 10%.
- The IFRC covered 79% of its US\$473 million appeal requirements in 2018. Since 2014, coverage has averaged 83%.

International government funding: largest donors

Figure 2.4

The three largest donors of international humanitarian assistance – US, Germany and UK – account for over half of all such assistance

20 contributors of the largest amounts of international humanitarian assistance, governments and EU institutions, 2018



The well-established trend of a relatively small group of governments, along with EU institutions, providing the majority of international humanitarian assistance continued in 2018.

- The volume of international humanitarian assistance provided by the 20 largest public donors increased from US\$20.9 billion in 2017 to US\$21.9 billion in 2018, accounting for 97% of all international humanitarian assistance provided by governments.
- The proportion of total contributions provided by the three largest donors in 2018 (the US, Germany and the UK) decreased from 59% in 2017 to 52%, driven by an absolute fall in assistance from each donor.²
- The US continued to be the single largest donor, though its contributions accounted for a smaller proportion, 29%, of all public funding for humanitarian assistance in 2018, decreasing from 32% in 2017.

Source: Development Initiatives based on OECD DAC, UN OCHA FTS and UN Central Emergency Response Fund (CERF) data.

Notes: UAE: United Arab Emirates. 2018 data for OECD DAC is preliminary. Contributions of EU member states include an imputed amount of their expenditure [see our online *Methodology and definitions*].

*EU institutions are also included separately for comparison and are shaded differently to distinguish from government donors.

**Turkey is shaded differently because the humanitarian assistance it voluntarily reports to the DAC largely comprises spending on hosting Syrian refugees within Turkey and is not therefore strictly comparable with the international humanitarian assistance from other donors in this figure. Data is in constant 2017 prices.

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- Slower annual growth rates in assistance provided by the 20 largest public donors seen in 2017 were consolidated in 2018, when growth rates rose slightly from 4% to 5%. Growth rates have fallen year on year since 2014 (23%, 11%, 8% and 4% from 2014 to 2017 respectively), with 2018 marginally interrupting this trend.

While the overall volume of international humanitarian assistance provided by public donors grew in 2018, this total aggregate growth masks notable fluctuations in the volumes of assistance provided by individual donors.

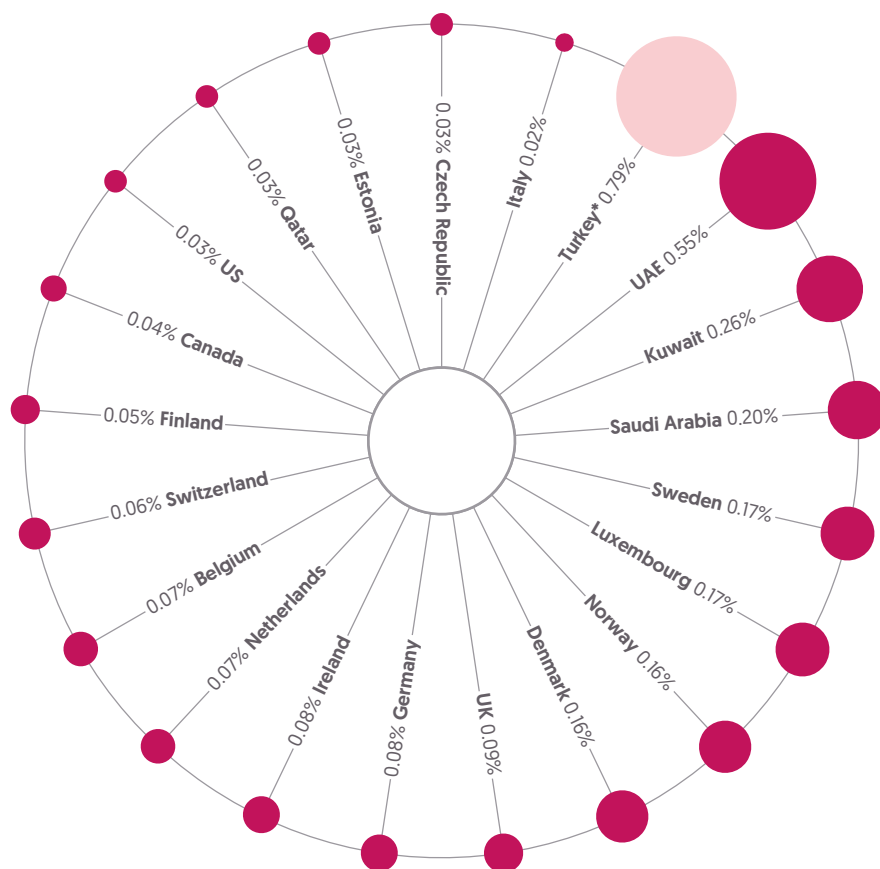
- In 2018, contributions of international humanitarian assistance from seven of the twenty largest donors increased, with three increasing by more than 10%.
- Of these seven donors, the UAE and Saudi Arabia made very large increases in the volume of assistance provided compared with 2017, contributing an additional US\$1.7 billion (a 567% rise) and US\$806 million (a 173% rise), respectively. More than 90% of the respective contributions from these countries were directed to the crisis in Yemen in 2018.
- Eight donors decreased their contributions by more than 10%, with the largest proportional reductions being made by Japan, US\$237 million (a fall of 27%) and Italy, US\$158 million (a fall of 26%).
- While the US, Germany and the UK continued to provide the largest volumes of international humanitarian assistance, all three reduced their contributions in 2018, with respective decreases of US\$423 million (-6%), US\$367 million (-11%) and US\$271 million (-11%).

As Chapter 1 highlights, a large number of countries host refugees, asylum seekers and internally displaced persons (IDPs). Data reported to the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) captures some of the spending on support to refugees in-country; however, expenditure by the majority of countries hosting the largest numbers of forcibly displaced people is not reported.³ In October 2017, the OECD DAC introduced new guidance for reporting spending on hosting refugees. This guidance gives greater clarity on what spending can, and cannot, be counted as official development assistance (ODA) for the first year in which refugees are hosted.⁴

- In 2018, reported in-country refugee-hosting costs decreased by 28% to US\$10.2 billion from the previous year. This follows a fall of 14% from US\$16.5 billion in 2016 to US\$14.1 billion in 2017.
- Despite reported decreases for two consecutive years, in-country refugee costs in 2018 were still more than two thirds higher (67%) than the total level reported in 2014 (US\$6.1 billion).
- Germany, the US and Italy reported the highest refugee-hosting costs in 2018, as they did in 2017, accounting for 37%, 13% and 10% of total hosting expenditures.
- Of the 15 countries with the highest in-country refugee-hosting costs, 12 reported decreases in 2018.
- Reductions in refugee-hosting costs of more than US\$300 million were reported by Germany (down US\$2.3 billion or 37%), Italy (down US\$745 million or 41%), Sweden (down US\$306 million or 37%) and the Netherlands (down US\$304 million or 36%).
- France, Canada and Spain reported increases in spending from 2017 to 2018 of 10% (up US\$52 million), 6% (up US\$29 million) and 19% (up US\$40 million), respectively.

Figure 2.5

UAE, Kuwait and Saudi Arabia spent the most international humanitarian assistance as a percentage of GNI
20 donors providing the most international humanitarian assistance as percentage of GNI, 2018



The proportion of GNI spent on international humanitarian assistance indicates the significance of humanitarian spending relative to the size of the economy and other spending priorities. In 2018, three Middle Eastern states made large increases in their proportion of GNI spent as international humanitarian assistance.

- Seven countries contributed more than 0.1% of GNI as international humanitarian assistance in 2018: UAE (0.55%), Kuwait (0.26%), Saudi Arabia (0.20%), Sweden (0.17%), Luxembourg (0.17%), Norway (0.16%) and Denmark (0.16%).
- Large increases were made by the UAE, up from 0.08% in 2017 to 0.55% in 2018, Saudi Arabia, (0.07 to 0.20%) and Kuwait (0.14 to 0.26%).
- The largest donor by volume, the US, contributed only 0.03% of GNI as international humanitarian assistance, the 17th largest share in 2018.
- Turkey's reported contributions of international humanitarian assistance accounted for 0.79% of GNI in 2018 but are not directly comparable with those of other donors, as the assistance voluntarily reported to the DAC largely comprises spending on hosting Syrian refugees in Turkey.

Source: Development Initiatives based on OECD DAC, UN OCHA FTS, UN Central Emergency Response Fund (CERF), World Bank World Development Indicators and International Monetary Fund World Economic Outlook data.

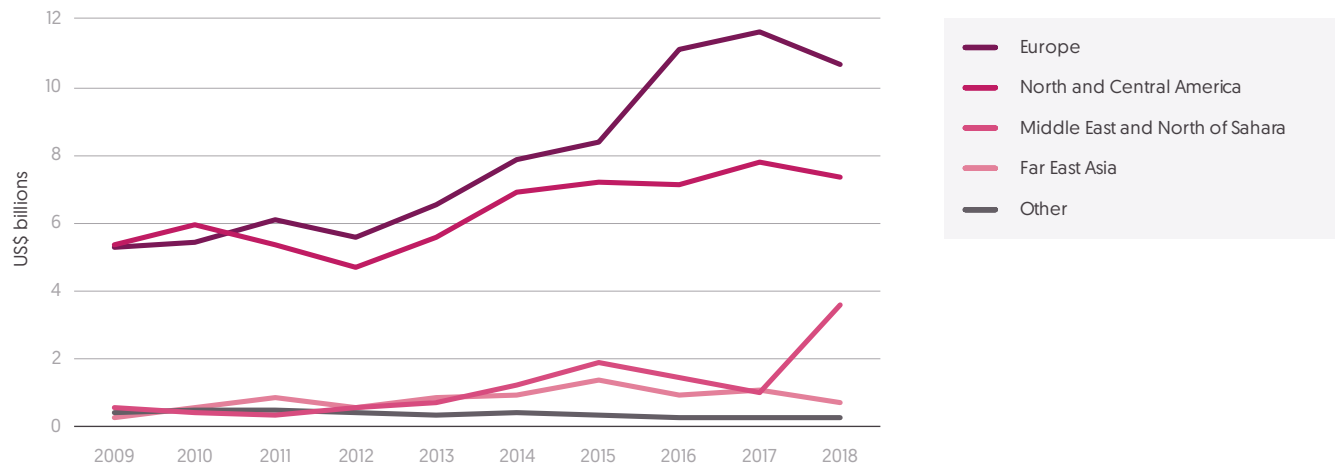
Notes: GNI data for 2018 has been estimated using historical data on GNI and real GDP growth rates for 2018. OECD DAC 2018 data is preliminary. Luxembourg, Qatar, Estonia and Czech Republic are not in the 20 largest donors.

*Turkey is shaded differently because the humanitarian assistance it voluntarily reports to the DAC largely comprises expenditure on hosting Syrian refugees within Turkey, and is not therefore strictly comparable with the international humanitarian assistance from other donors in this figure.

International government funding: donor regions

Figure 2.6

Growth from Middle East and North of Sahara outstrips contraction elsewhere
International humanitarian assistance from governments by donor region, 2009–2018



In 2018 there were notable variations in the volume of assistance from different regions. Funding from governments in Europe and North and Central America fell while assistance from the Middle East and North of Sahara rose sharply.

- In 2018, combined bilateral contributions from European governments and EU institutions fell by 9%, the first fall since 2012. Assistance from Europe reduced from US\$11.7 billion in 2017 to US\$10.6 billion in 2018, making up 47% of total bilateral assistance.
- Driving this decrease were falls of 11% from Germany (from US\$3.3 billion to US\$3.0 billion) and the UK (US\$2.5 billion to US\$2.2 billion); the first decreases since 2012.
- The volume of bilateral international humanitarian assistance provided by countries in North and Central America also decreased, falling from US\$7.8 billion in 2017 to \$7.4 billion in 2018.
- Contributions from the US and Canada fell in 2018 by 6% and 3%, respectively, to US\$6.6 billion and US\$711 million. However, assistance from these two countries has grown markedly over the past decade, increasing by 33% and 106%, respectively, since 2009.
- Counterbalancing these falls in international humanitarian assistance was a sharp increase in contributions from countries in the Middle East and North of Sahara. Contributions grew by 247%, up US\$2.6 billion from 2017, to US\$3.6 billion in 2018, following two years of falling volumes of assistance.
- Assistance from the UAE and Saudi Arabia accounted for most of this increase, up US\$1.7 billion (567%) and US\$806 million (173%), respectively.
- The share of total bilateral humanitarian assistance represented by contributions from the Middle East and North of Sahara has seen uneven growth and contraction. This region's share of total contributions was 5% in 2013, growing to 10% by 2015, reducing back to 5% by 2017, before rising sharply to 16% in 2018.

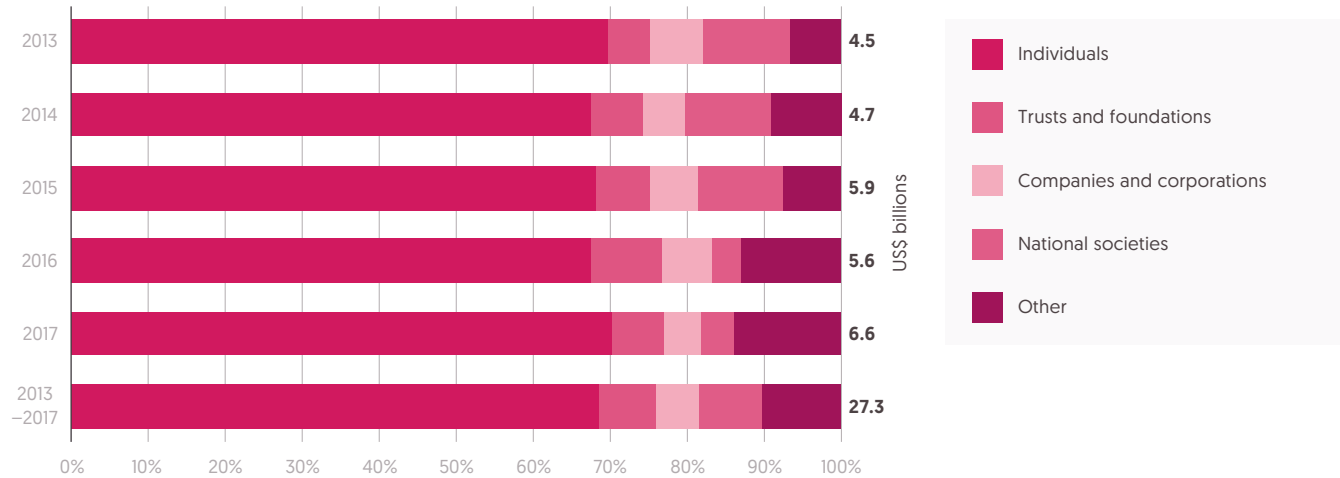
Source: Development Initiatives based on OECD DAC, UN Central Emergency Response Fund (CERF) and UN OCHA FTS data.

Notes: OECD DAC data for 2018 is partial and preliminary. Funding from DAC donors includes contributions from EU institutions. OECD country naming has been used for regions, except Middle East and North of Sahara, which have been combined. 'Other regions' includes the combined total of regions where funding was below US\$1 billion over the 10-year period. Calculations only include humanitarian assistance spent internationally, not in-country. See our online *Methodology and definitions*. Data is in constant 2017 prices.

Private donors

Figure 2.7

Around two thirds of private contributions continue to come from individuals
Sources of private international humanitarian assistance, 2013–2017



Contributions of international humanitarian assistance by private donors have played a consistently important and substantial role in financing responses to crises, with overall contributions growing by 49% between 2013 and 2017.⁵ Analysis of the different sources of private contributions shows the proportion of total funding from national societies has decreased since 2015 but limited variation between 2013 and 2017 among other private sources.

- For the fifth consecutive year, individual giving remained the largest source of privately contributed humanitarian assistance in 2017, making up 70% (US\$4.7 billion) of the total.
- The volume and proportion of private humanitarian assistance provided by trusts and foundations fell slightly – following three consecutive years of growth – from US\$518 million, or 9% of total contributions, to US\$460 million, or 7%. This proportion of total contributions is consistent with the average from 2013 to 2017 of 7%.
- The share of contributions from national societies decreased from 11.3% in 2015 to 3.8% in 2016 as volumes of assistance reduced from US\$667 million to US\$212 million. In 2017, contributions from national societies slightly increased to US\$280 million (4.2% of total private contributions).
- In 2017, NGOs continued to receive a greater proportion of funding from private sources than other types of organisations did. NGOs received 44% of total humanitarian assistance from private donors, a far greater proportion than RCRC National Societies (14%) or UN agencies (9%).

Source: Development Initiatives based on our unique dataset of private contributions.

Notes: Data is in constant 2017 prices.



Box 2.1

Data availability for private donors

Openly reported data on private contributions of international humanitarian assistance is limited. UN OCHA's Financial Tracking Service (FTS) and the OECD DAC's Creditor Reporting System (CRS) capture some data but this represents only a small proportion (likely to be less than 10%) of all private contributions. Few private donors voluntarily report to the FTS and it is not currently possible for agencies to directly indicate whether the funding they received was from institutional or private sources. Given the low level of existing reporting, Development Initiatives (DI) manually collects data directly from humanitarian agencies. This data allows DI to establish a more comprehensive picture of private funding for international humanitarian assistance, although figures are estimates of total contributions.

UN OCHA FTS

- While data presented by UN OCHA's FTS represents the most comprehensive and up-to-date information on humanitarian financing, some funding flows, in particular those from private sources, are either entirely absent or only partially represented.
- There is no direct mechanism by which reporting agencies can specify whether the contributions reported to FTS are institutionally or privately funded, although it is clear that there is a lack of representation of private donors.
- The categorisation of donor organisations does provide some insight into the levels of private contributions that have been reported to FTS. With DI coding applied, in 2017, contributions from exclusively private sources amounted to US\$396 million, or 2% of total international humanitarian assistance reported to FTS that year.

OECD DAC CRS

- The OECD CRS dataset for Private Philanthropy for Development presents data for activities in support of development, or humanitarianism, from philanthropic foundations.
- The data presented by OECD, while reliable, is very limited in its scope. The information section for the database notes that "collecting data on private philanthropy for development is a work in progress, which may explain breaks in series for some foundations."⁶
- In 2017, the total humanitarian private contributions captured amounted to US\$130 million, sourced from ten foundations and three society lotteries.
- The 2017 volume of reporting improved on that of previous years, although it remains a fraction of the amount of private humanitarian contributions captured by DI's dataset. The 2017 figure represented a ten-fold increase in the quantity of private humanitarian contributions reported to the CRS in five years; in 2012, the dataset only captured US\$13.6 million in private funding.

DI dataset

- DI directly requests financial information from humanitarian delivery agencies (including NGOs, multilateral agencies and the RCRC) on their income and expenditure to create a standardised dataset.
- DI's figure is an *estimate* of total humanitarian assistance sourced from private donors. The data available for the most recent year, 2018, is more limited as many organisations have not yet completed internal accounting processes. As such the 2018 figure is preliminary and based on an extrapolation from the data currently available.
- In some instances, it is impossible to find out exactly how much of the private donor figure was for humanitarian activities. In these cases, the proportion of total organisation-wide expenditure spent on humanitarian programmes has been used to calculate the figure.



Uganda, 2017

A South Sudanese refugee girl harvests from the backyard of her family home at Rhino Camp Refugee Settlement.

Credit: EU/ECHO/Edward Echwalu



chapter 3: wider crisis financing

Many crises are protracted and complex, with needs beyond what the official humanitarian response alone can finance. It is crucial therefore to draw on the potential of a wide range of complementary, domestic and international, public and private, resources. However, in countries with appeals in both 2017 and for one or more of the preceding years, official domestic resources are, on average, significantly lower than in other developing countries [US\$272 per person compared with almost US\$1,000] while international flows per person are over 40% lower.

Developmental official development assistance (ODA less humanitarian assistance) and official humanitarian assistance respond differently at different times in protracted crisis contexts. In aggregate, from the year before an appeal to the fifth consecutive year of the appeal, humanitarian assistance grows at a much faster rate than developmental ODA [by 88% compared with 14%] to crisis countries. Response differs by actor: humanitarian assistance grows much faster from Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) donors than multilateral organisations (up 98% compared with 19%), while developmental ODA grows much faster from multilateral organisations than DAC donors (up 43% compared with just 6%). However, these aggregate trends mask significant differences at country level. Of 27 protracted crisis response countries (see Chapter 1, Box 1.1), 6 received less overall aid in the fifth year of crisis response.

Developmental ODA is increasingly being delivered as loans. In fact, protracted crisis response countries are receiving significantly more lending of all kinds. Between 2012 and 2017, ODA loans grew nearly four-fold, at almost ten times the rate to other developing countries. This lending was not evenly distributed: in 2017, 75% of ODA loans went to just 7 of 34 protracted crisis response countries, with many others receiving little or no lending of this kind. The extent to which recipients are able to manage this debt is important. Loans to countries with recurrent appeals and assessed as at moderate or high risk of debt distress were less concessional than to other developing countries.

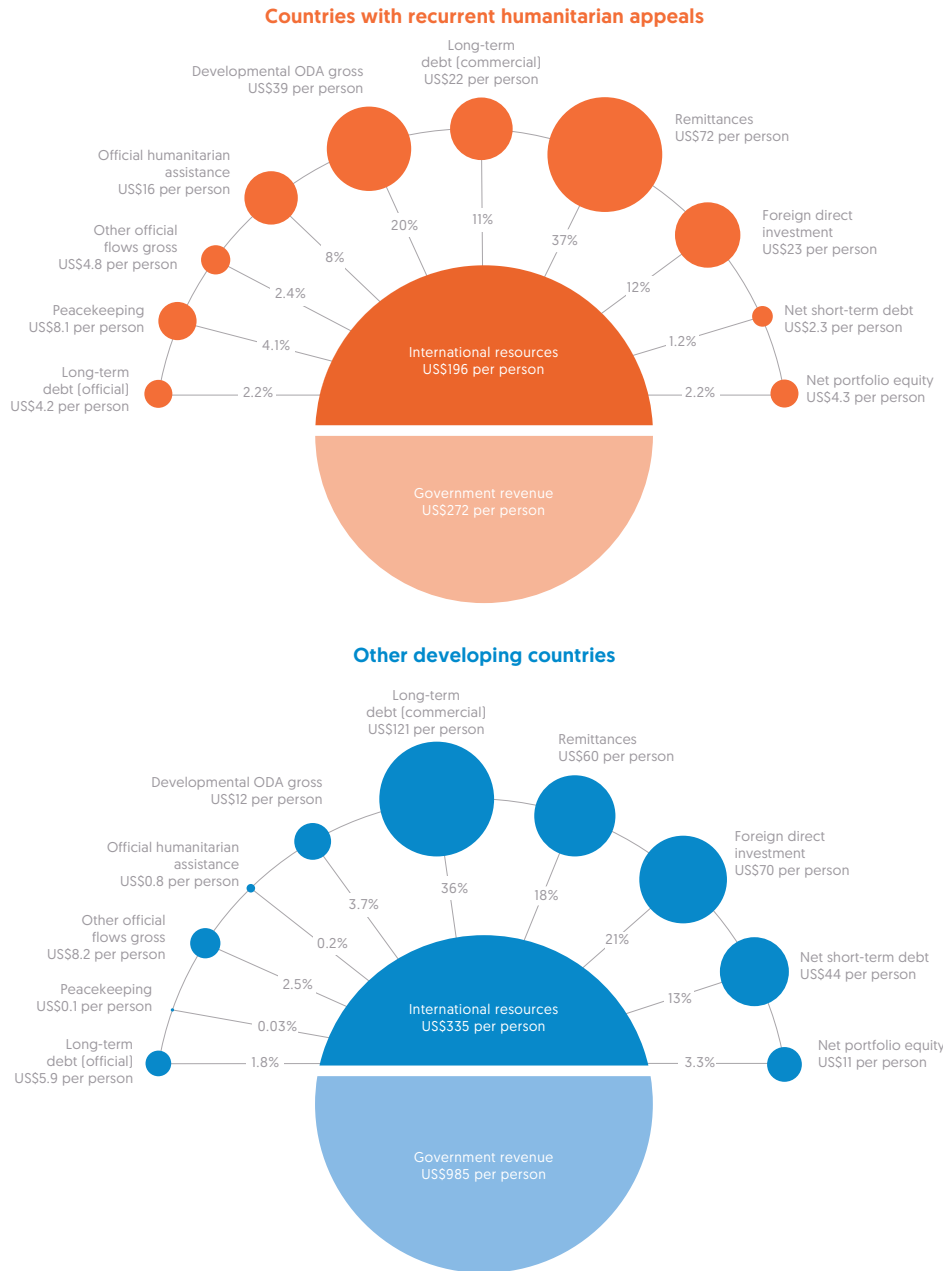
Crisis can impact on the ability of the private sector to operate effectively, and to thereby contribute to long-term development. Foreign direct investment (FDI) can be volatile, decreasing on average by 47% in the first year of crisis for countries with five or more years of consecutive UN-coordinated appeals. Protracted crisis also impacts the domestic private sector, with its size as a share of GDP in 2017, in 12 countries with more than five consecutive humanitarian appeals, less than a third that of other developing countries. Notwithstanding this, the private sector has a role to play in responding to crisis. For example, through the range of risk financing mechanisms that have been developed based on pre-agreed triggers to release financing.

Resources beyond humanitarian assistance

Figure 3.1

Both domestic and international resources are lower per person in countries in crisis

Resource mix per person to countries with recurrent humanitarian appeals compared with other developing countries



Source: Development Initiatives based on Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC), UN Office for the Coordination of Humanitarian Affairs (OCHA) Financial Tracking Service (FTS), UN Central Emergency Response Fund (CERF), UN Conference on Trade and Development, World Bank and International Monetary Fund data and data from peacekeeping budgets or funding snapshots.

Notes: Government revenue may include grants for Turkey and Yemen. Negative flows for net portfolio, short-term debt and foreign direct investment have been set to zero at country level. Countries with recurrent appeals include 24 countries with two or more consecutive years of appeals in 2017. Developmental ODA gross captures all gross ODA disbursements except for humanitarian purpose codes.

International humanitarian assistance is a critical resource for responding to the needs of people affected by crisis, but a wide range of other domestic and international resources can and do complement humanitarian assistance and developmental ODA (ODA less humanitarian assistance). Domestic resources play a significant role in the overall financing mix for all developing countries, with governments acting as key primary responders, using their own revenues, in countries in crisis.

However, countries with recurrent UN-coordinated appeals in 2017 – those with appeals in 2017 and consecutively for at least one preceding year – have significantly lower official domestic resources per person and these account for a smaller proportion of total resources available. Such countries also have significantly lower levels of commercial inflows per person but receive more developmental ODA.

- Compared with international inflows of finance in aggregate, domestic public resources (non-grant government revenues) account for a lower share of available financing in countries with recurrent appeals than other developing countries.
- In countries with recurrent appeals, non-grant government revenues are on average around a quarter (28%) of that in other developing countries, at US\$272 per person, compared with almost US\$1,000.

International inflows too – except for developmental ODA and humanitarian assistance – despite their larger proportional significance, are on average smaller in countries with recurrent appeals than other developing countries. This trend is consistent across income group categories, although less noticeable in poorer countries. In aggregate commercial inflows per person are over 40% lower in countries with recurrent appeals than other developing countries.

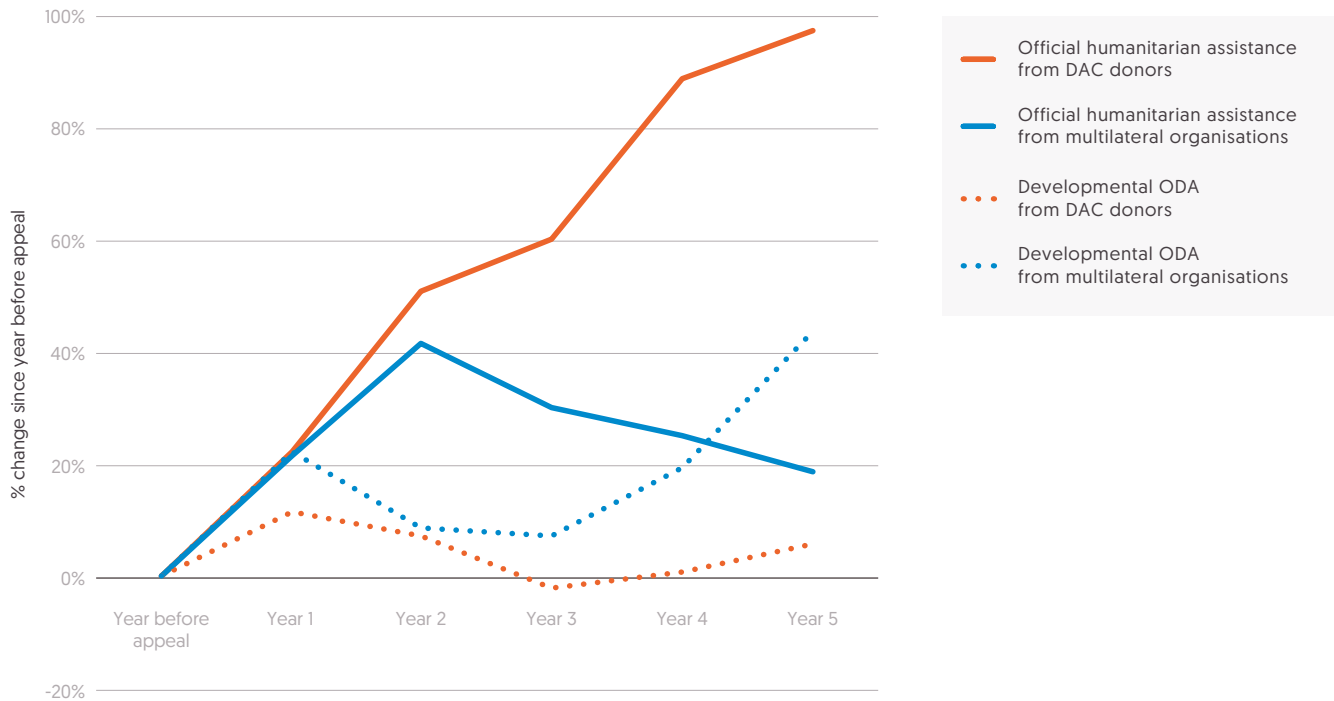
- Developmental ODA and humanitarian assistance account for much larger proportions of international inflows for countries with recurrent appeals. In 2017, developmental ODA accounted for a fifth (20%) of all international inflows for such countries (compared with 3.7% in other developing countries) and official humanitarian assistance accounted for 8% (compared with 0.2%).
- In volume terms, countries with recurrent appeals received triple the amount of developmental ODA per person compared with other developing countries.
- There is a particularly marked difference in aid levels to the two upper middle income countries with recurrent appeals in 2017, reflecting reconstruction efforts. Iraq and Libya received an average of US\$46.23 developmental ODA per person: over five times more than other upper middle income countries (which averaged US\$8.48 per person).
- In contrast, there is much less difference in aid volumes per person between crisis and non-crisis low income countries (LICs), with LICs with recurrent appeals receiving US\$52.76 per person and other LICs US\$45.12 per person.
- In countries with recurrent appeals, commercial sources of financing are comparatively low, accounting for 26.6% of all international inflows, compared with 73.8% in other developing countries.
- Of these sources of commercial financing, three times the per person volume of FDI flowed to other developing countries than countries with recurrent appeals: US\$70.48 compared with US\$23.32.
- In contrast to aid, LICs with recurrent appeals received particularly low amounts of FDI compared with their non-crisis counterparts: US\$13.68 per person, half the US\$27.05 per person in other LICs.

ODA to protracted crisis response countries

Figure 3.2

DAC donors drive growth in humanitarian assistance to protracted crises, while multilateral organisations drive slower increases in developmental ODA

% change in official humanitarian assistance and developmental ODA by donor type for protracted crisis response countries



Crises are becoming increasingly protracted and complex, exacerbating insecurity and longer-term livelihood needs and demanding longer-term developmental responses to address these needs and help resolve underlying causes of crisis [see Chapter 1, Figures 1.1 and 1.2]. As a result, developmental ODA (ODA less humanitarian assistance, and which includes ODA to conflict, peace and security) and humanitarian assistance are progressively being channelled to the same crisis contexts. Consequently, the drive to ensure that developmental ODA and humanitarian assistance are closely coordinated and complementary as a prerequisite for development effectiveness has gained significant momentum. Most notably this is through the recently agreed OECD DAC 2019 recommendation on the humanitarian-development-peace nexus.¹ This sets the agenda for pursuing “development where possible and humanitarian only when necessary” to address longer-term developmental needs in protracted crisis contexts.

Figure 3.2 illustrates how developmental ODA and humanitarian assistance interact in practice in protracted crises, and evidences this debate. It compares, in aggregate, how the contributions of humanitarian assistance and developmental ODA from DAC donors and multilateral organisations have varied over the first five years of a crisis response, to 27 countries with 5 or more consecutive years of UN-coordinated appeals between 2000 and 2017.

Source: Development Initiatives based on OECD DAC and UN Central Emergency Response Fund (CERF) data.

Notes: Data is shown for 27 countries with at least 5 consecutive years of UN-coordinated humanitarian country response plans between 2000 and 2017 (with 2017 being the latest year for which country-level development finance data is available). Debt relief to all countries was excluded from the official development assistance (ODA) figures for all years as, while important in freeing up fiscal space, it does not represent a transfer of resources.

In aggregate, humanitarian assistance is observed to grow at a much faster rate than developmental ODA from the year before appeal to the fifth consecutive year of a crisis response. These aggregate totals mask marked difference in the funding behaviour of bilateral DAC donors and multilateral donors for allocations of humanitarian assistance and developmental ODA. Contributions of humanitarian assistance from DAC donors grow consistently, and at a faster rate than those from multilateral organisations. Conversely, contributions of developmental ODA from DAC countries rise only slightly by the fifth year of crisis response, while contributions from multilateral organisations grow more markedly. These aggregate trends in total humanitarian assistance and developmental ODA also mask considerable variation at country level in volumes of funding across the years of the crisis response.

- From the year before an appeal to the fifth year of crisis response, total humanitarian assistance to 27 protracted crisis response countries increases by 88% with developmental ODA rising by just 14%.

The growth in humanitarian assistance is seen to be driven by consistent year-on-year increases in funding from OECD DAC donors. While by Year 5 contributions from multilateral organisations are higher than the year before appeal, initial year-on-year growth over this period is not sustained.

- The total amount of humanitarian assistance increases year on year during the first five years of protracted crisis response. DAC donors account for the majority of this growth, increasing their contributions by 98% (from US\$3.9 billion to US\$7.8 billion across the 27 protracted crises). Disbursements from multilateral organisations rise 19% (from US\$576 million to US\$686 million) over this period but contributions decrease year on year in Years 3, 4 and 5.
- By the fifth year of crisis, DAC donors' contributions grow from 87% of total humanitarian assistance in the year before appeal to 92%.

In contrast to humanitarian assistance, by the fifth year of crisis response, bilateral contributions of developmental ODA from DAC donors increase at a much lower rate, up by 6% relative to the year before the crisis response, while contributions from multilateral organisations grow by over two fifths (43%).

- Between the year before appeal and the fifth year of crisis response, allocations from DAC donors reduce as a proportion of total developmental ODA from 77% to 72%. The total volume of assistance increases slightly (6%, from US\$15.6 billion to US\$16.5 billion) over this period, but year-on-year growth is not consistent, with falls in Years 2 and 3 of the crisis response.
- Disbursements of developmental ODA from multilateral organisations increase more than those from DAC donors, rising 44% from US\$4.5 billion in the year before appeal to US\$6.5 billion in the fifth year of crisis response. As with DAC donors, year-on-year growth is not consistent, with falls also in Years 2 and 3, but these are counterbalanced by larger rises in Years 4 and 5.

Further investigation is needed to understand the factors underpinning these funding trends and the roles that different financing mechanisms and decision-making structures play in this. This would help to generate lessons on the role of development actors in crisis and how their engagement can be sustained to address longer-term development needs.

The extent to which developmental ODA and humanitarian assistance, at country level, complement one another and support responses to crisis, requires an understanding of several factors. Among these are the location of crisis, geographical targeting

of projects and the extent to which pre-existing development projects continue to be financed with the onset of crisis and whether new development projects are initiated. Where assistance is being targeted by sector is also important. Aggregate analysis of sector allocations suggests that some complementarity of developmental ODA and humanitarian assistance may be occurring.

- Developmental ODA to social infrastructure and services in 27 countries with 5 or more consecutive years of UN-coordinated appeals between 2000 and 2017 grew by more than a quarter (27%), from an aggregate of US\$9.9 billion in the year before appeal to US\$12.6 billion in the fifth year of crisis response. Such social infrastructure and services includes water, sanitation and hygiene, education, health and other social service sectors, alongside governance and security sectors. This suggests funding that might complement, or have the potential to complement, humanitarian assistance, which is likely to also focus on water, sanitation and hygiene, education and health.

Recipient country trends

The sharp growth in humanitarian assistance and much-less-pronounced growth in developmental ODA to protracted crisis response countries is not consistently seen across recipient countries. Understanding individual country contexts is therefore critical, including the level of need, scale of requirements and state of the crisis. Of 27 protracted crisis response countries, 6 received less overall aid (humanitarian assistance and developmental ODA combined) in the fifth year of crisis response compared with the year before the crisis response.²

- The extent of change in combined volumes of funding among these six countries varied greatly, falling by 76% in Côte d'Ivoire, 46% in Indonesia, 44% in Guinea, 37% in the Democratic People's Republic of Korea (DPR Korea), 31% in Afghanistan and 15% in Mauritania.

The funding data shows that most countries receive more developmental ODA, however more than a quarter receive less. Of the 27 countries, 8 received less developmental ODA in the fifth year of crisis compared with the year before appeal, with large decreases, in excess of US\$1.0 billion, in two countries.

- Developmental ODA reduced markedly to Afghanistan, by US\$1.8 billion (32%), to Indonesia by US\$1.2 billion (44%) and to Côte d'Ivoire by US\$856 million (80%) by the fifth year of their appeal.
- Five other countries receiving less developmental ODA by the fifth year of crisis saw significant proportional decreases but these represented much smaller falls by volume. These were Guinea, by 37% (US\$135 million), Mauritania, by 23% (US\$81 million), Chad, by 20% (US\$61 million) and Somalia, by 19% (US\$19 million).
- Debt relief, while not constituting a transfer of resources, can still ease the burden on protracted crisis response countries. Debt relief to 27 protracted crisis response countries grows initially from the year before appeal from 6% (US\$1.5 billion) of total ODA to these countries, peaking in Year 3 at 15% (US\$4.9 billion) before reducing in Years 4 and 5 of the crisis response, to account for 1% (US\$417 million) in the fifth year of crisis response.

Conversely, six countries received in excess of US\$500 million more developmental ODA in the fifth year of crisis response than in the year before appeal, with allocations to two increasing by more than US\$1.0 billion.

- Allocations to Kenya more than doubled (141% increase), rising by US\$1.8 billion by the fifth year of appeals. Disbursements to Myanmar were almost four times as large, rising by US\$1.0 billion (295% increase). Contributions to South Sudan (up by US\$833 million), Angola (US\$705 million) and the Democratic Republic of the Congo (DRC) (US\$695 million) all increased by more than US\$500 million between the year before appeal and the fifth year of crisis response.

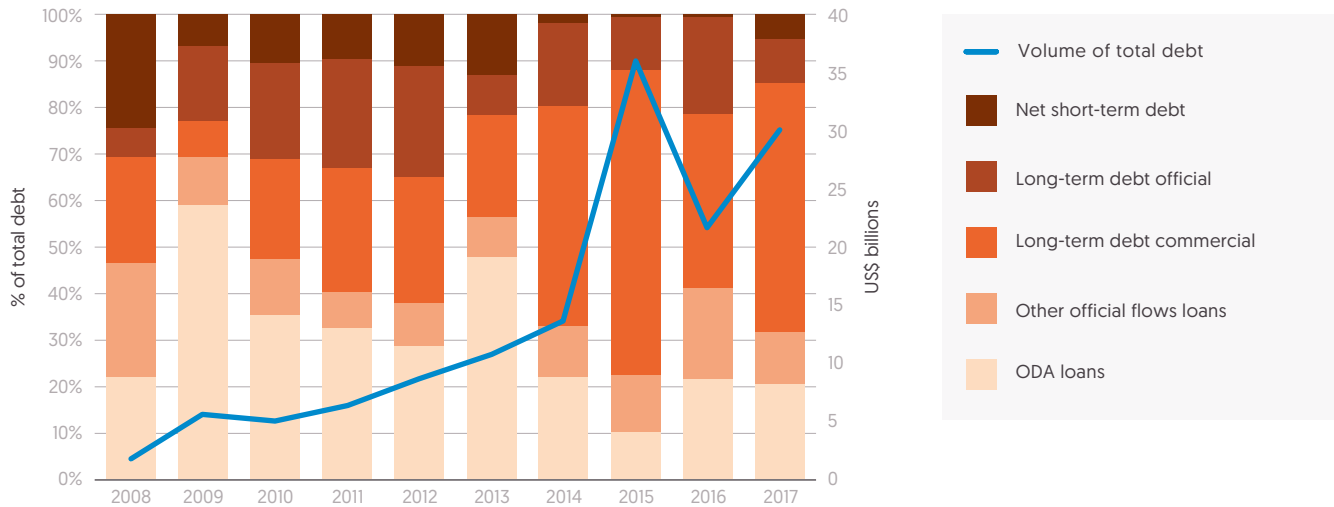
A similar picture of variation in levels of funding at country level over the years of crisis response is also evident for humanitarian assistance with most countries receiving more by the fifth year of crisis compared with the year before the crisis, but a quarter receiving less.

- Of the 27 countries with 5 consecutive years of protracted crisis response, 7 received less humanitarian assistance in the fifth year than in the year before appeal. Indonesia received 84% less (down US\$144 million), Guinea 77% (US\$58 million), DPR Korea 49% (US\$117 million), Tajikistan 35% (US\$15 million), Afghanistan 24% (US\$131 million), Djibouti 15% (US\$3 million), and DRC 7% (US\$35 million).

Loans to protracted crisis response countries

Figure 3.3

Total lending to protracted crisis response countries is growing rapidly
Total lending to protracted crisis response countries, 2008–2017



Lending to countries in crisis is increasing. Over the last decade volumes of both public and commercial lending to countries with five or more consecutive years of UN-coordinated appeals have increased more rapidly than lending to non-crisis countries. Growth in long-term commercial lending has been particularly substantial such that by 2017 it accounted for more than half of all lending to such countries, compared with 23% in 2008.

However, a small number of recipients are receiving the majority of lending with many protracted crisis response countries receiving little. The aggregate trends therefore relate to patterns of lending to a small number of countries.

- Total lending to protracted crisis response countries has increased almost 18-fold over the decade, from US\$1.7 billion in 2008 to US\$30.0 billion in 2017. The pattern of consistent growth was only interrupted in 2015, when Ukraine experienced a spike in long-term commercial debt of US\$19.4 billion, in its first year with an appeal. This compares with growth to other developing countries over the same period of just 129%, from US\$550 billion to US\$1,258 billion.
- This increase in total lending to protracted crisis response countries was primarily driven by long-term commercial debt, increasing from US\$0.4 billion in 2008 to US\$15.9 billion in 2017. ODA and other official flow loans also grew significantly, increasing from US\$0.4 billion each in 2008 to US\$6.3 billion and US\$3.3 billion in 2017, respectively.
- A smaller subset of recipients is driving this increase in total lending to protracted crisis response countries, with two noticeable patterns. Firstly, some countries such as Nigeria, Iraq and the Ukraine attracted a much larger amount of lending before the crisis and subsequently entered a protracted crisis response in recent years, and lending has continued. Secondly, other countries, including Burkina Faso, Djibouti and Yemen, received increases in total lending as or after the crisis response began.

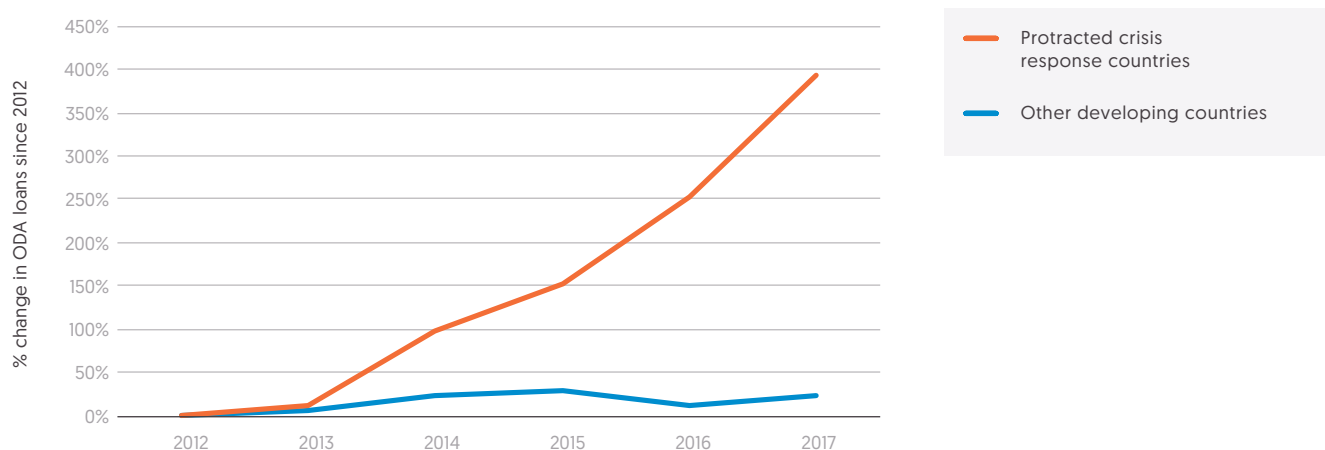
Source: Development Initiatives based on World Bank International Debt Statistics and OECD DAC data.

Notes: Data is analysed for 34 protracted crisis response countries – these had at least five consecutive years of humanitarian response plans between 2000 and 2019. Data is included in the chart for all years in which these 34 countries had a humanitarian appeal.

Figure 3.4

Concessional lending to protracted crisis response countries is growing much faster than that to others, but is driven by a limited number of countries

% change in ODA loans to protracted crisis response countries and other developing countries, 2012–2017



Concessional loans have been part of the aid financing landscape for decades – both from DAC donors and the World Bank or regional development banks. Since 2008 there has been an increase in the use of loans as a form of aid to developing countries. Loans made up 17% of total ODA in 2008, rising to 26% in 2017.

Concessional lending to protracted crisis response countries, like total lending, is also growing. The growth in ODA loans is, however, targeted to a small number of countries, with some others receiving little or no lending. The group receiving higher volumes of ODA loans includes both countries that have continued to receive significant lending as they have begun a protracted crisis response, and those already with UN-coordinated appeals to which more lending has subsequently been directed.

- ODA loans to other developing countries rose by 40% between 2012 and 2017, but in aggregate such loans to protracted crisis response countries increased nearly four-fold over the same period.
- This rise is from a low base, however, as before 2012 very few loans were made to protracted crisis response countries. So while overall volumes of ODA loans to these countries are small, they are increasing at a much faster rate than to other developing countries, growing from 7% of total ODA loans in 2012 to 14% in 2017.

However, a small number of protracted crisis response countries received a disproportionately large share of all ODA loans in 2017, while others continued to receive very low levels of lending.

- The seven largest recipients of ODA loans among countries in, or entering, protracted crisis response in 2017 accounted for 75% of all loans to protracted crisis response countries.
- In 2017, Nigeria received the largest volume of ODA loans (US\$1.1 billion; 18% of all ODA loans to protracted crisis response countries), followed by Iraq (US\$847 million, 14%), Cameroon (US\$757 million, 12%), Yemen (US\$557 million, 9%), Senegal (US\$491 million, 8%), Myanmar (US\$430 million, 7%) and Niger (US\$413 million, 7%). All these countries received over 27% of their ODA as loans, with Cameroon receiving the greatest proportion among these seven, at 58%.

Source: Development Initiatives based on OECD DAC and UN OCHA FTS.

Notes: Data was analysed for 34 protracted crisis response countries – these had at least five consecutive years of humanitarian response plans between 2000 and 2019 (with 2017 being the latest year for which country-level development finance data is available). Data is included in the chart for all years in which these 34 countries had a humanitarian appeal. Debt relief is subtracted in the case of debt reorganisation to account for new loans being issued as replacement for old loans that are written off.

- Of these seven countries, Niger, Senegal and Yemen were categorised as LICs, Myanmar, Nigeria and Cameroon as lower middle income countries and Iraq as an upper middle income country in 2017.
- Since 2012, South Sudan has had the largest increase in ODA loans of all protracted crisis response countries, increasing 40-fold from US\$1.74 million to US\$72.05 million in 2017. However, while a large proportional increase, loans have accounted for a very small share of ODA, increasing from 0.2% to 3.3% between 2012 and 2017.
- In 2017, of twenty-one countries that still had a protracted crisis response that year, eight received less than US\$100 million in ODA loans, of which two received less than US\$50 million and three no ODA loans at all.

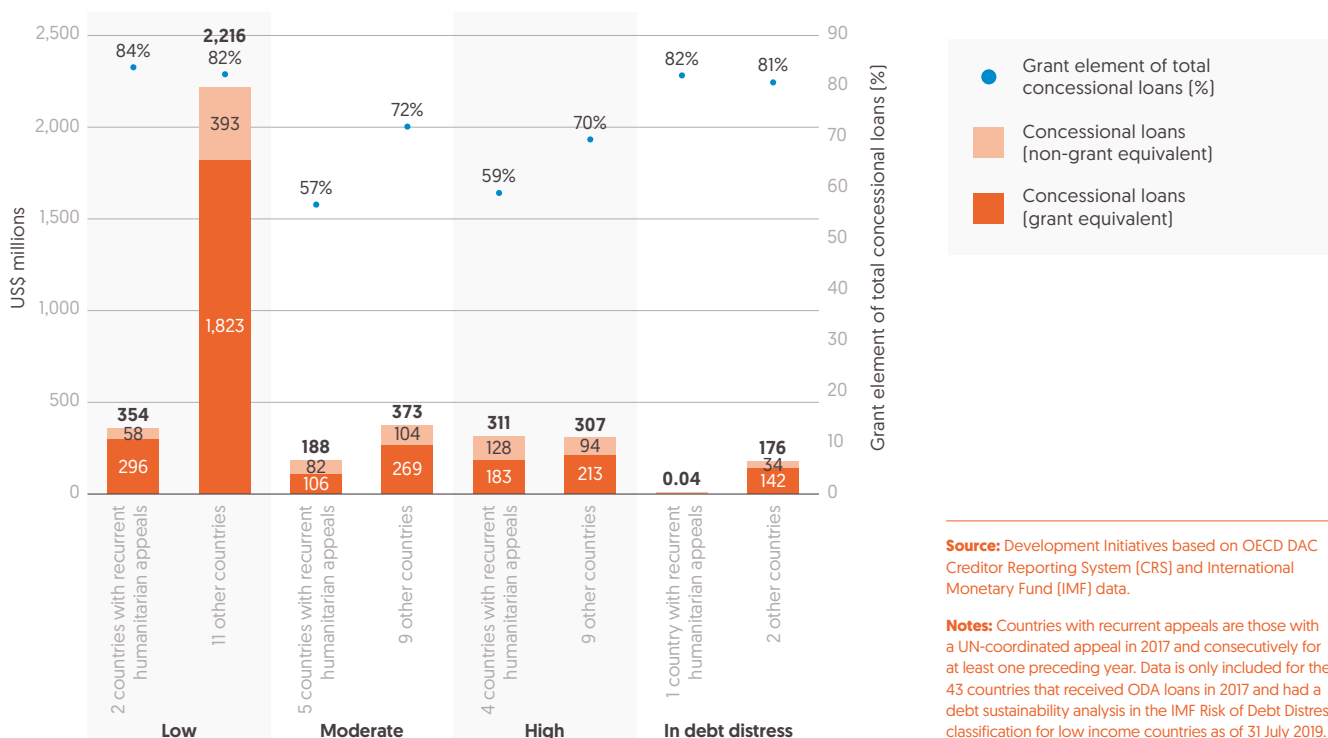
Most of these ODA loans to protracted crisis response countries, by volume, were disbursed from multilateral organisations. While the volume of loans has grown significantly from 2012 to 2017, the share of total loans between DAC donors and multilateral organisations has not changed greatly, except for in 2013.

- Between 2014 and 2017 loans from multilateral organisations accounted for between 66% and 70% of all ODA loans to protracted crisis response countries.
- Concessional lending from DAC donors accounted for a larger share of ODA loans to other developing countries than to protracted crisis response countries, making up between 41% and 43% from 2012 to 2017.

Figure 3.5

When debt risk is moderate or high, loans are less concessional to countries in crisis than other countries

Volume and concessionality of ODA loans to countries with recurrent appeals and other developing countries by risk of debt distress, 2017



Source: Development Initiatives based on OECD DAC Creditor Reporting System (CRS) and International Monetary Fund (IMF) data.

Notes: Countries with recurrent appeals are those with a UN-coordinated appeal in 2017 and consecutively for at least one preceding year. Data is only included for the 43 countries that received ODA loans in 2017 and had a debt sustainability analysis in the IMF Risk of Debt Distress classification for low income countries as of 31 July 2019.

The right financing mechanisms and modalities need to be used in the right contexts. A strong evidence base is needed to understand how loans are being used and targeted, and their impact on vulnerable people and people affected by crisis. Understanding the extent to which recipients are able to manage debt is an important element of this evidence, in light not only of the increase in concessional lending but also the pronounced growth in total lending to countries with humanitarian appeals.

Figure 3.5 compares countries which have been categorised as in debt distress, highlighting the volume of lending in 2017 by category of debt distress and the proportion of grant element in the loans – that is, how concessional the loans are.³ Comparing countries with recurrent UN-coordinated appeals in 2017 with other developing countries highlights that a higher proportion of concessional loans to countries with recurrent appeals went to those with moderate and high levels of debt distress than to other developing countries.

- 42% [US\$853 million] of loans to countries with recurrent appeals went to countries with a debt risk categorisation, compared with just 15% [US\$3.1 billion] of loans to other developing countries.
- Most lending (72%) to other developing countries in debt distress in 2017 went to those categorised as low risk, compared with 42% for countries with recurrent appeals.
- A higher proportion of lending to countries with recurrent appeals went to those assessed as being in moderate and high risk of debt distress, at 22% and 36% respectively, compared with 12% and 10% for other developing countries.

Loans to countries assessed as at moderate or high risk of debt distress were less concessional for countries with recurrent appeals.

- The grant elements for concessional lending to countries with recurrent appeals in 2017 and assessed as being at moderate or high levels of debt distress were 57% and 59% of the loan totals, compared with 72% and 70% for other developing countries.
- Of the lending going to those countries not identified as in debt distress, the proportion of grant element was similar in countries with recurrent appeals [57%] and in other developing countries [58%].

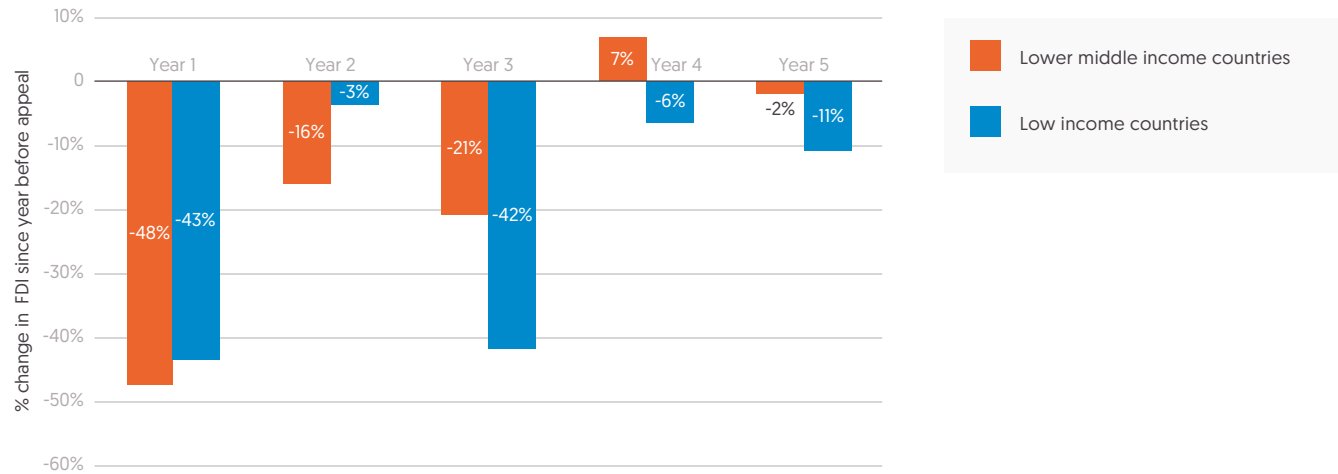
Cameroon, Myanmar and Senegal were the three recurrent crisis response countries with recent assessments of debt distress and which received the largest volumes of concessional loans in 2018 [all in excess of US\$150 million].

- Senegal and Myanmar were categorised as being at low risk and received a high proportion of loans with a grant element, 78% and 88% respectively, broadly consistent with the average of 84%. However, Cameroon was considered to be at high risk of debt distress but received a lower proportion of loans with grant element, at 59%.
- Of recurrent crisis response countries not classified as being in debt distress, Nigeria, which received US\$175 million in loans in 2017, received a notably lower level of grant element, at 39%.

Foreign direct investment to crisis contexts

Figure 3.6

Foreign direct investment is volatile and inflows can fall rapidly in the early years of a protracted crisis response
% change in FDI to protracted crisis response countries, compared with volume received in the year before appeal, by income group



With traditional sources of finance under pressure, much attention is being given to the role of the private sector across the humanitarian and development sectors, including the role of blended finance. For instance, the International Finance Corporation has set a target for 40% of its investments to target fragile and conflict-affected countries by 2030. However, volumes in crisis and fragile contexts remain small, where blended approaches require particular transparency to avoid undermining public investments and widening disparities.⁴ Public finance, both domestic and international, remains crucial and can work to build resilient private sectors in crisis-affected countries. Donors can assist by supporting strong enabling environments.

Small volumes and proportions of FDI go to the poorest countries, but, relative to the size of their economies, these are nevertheless important for some.

- Less than 1.5% of all FDI to developing countries (excluding China) goes to LICs.⁵
- However, as a share of GDP, FDI has been consistently higher for LICs than developing countries more broadly, standing at 2.8% in 2017 compared with the developing country average of 2.3%.

Assessment of 27 protracted crisis response countries – with five or more consecutive years of UN-coordinated appeals – shows that FDI can be volatile and inflows can fall rapidly in the face of a crisis.

- FDI falls on average by 47% in the first year of a crisis. The proportional fall for lower middle income countries is higher than that for LICs in the first year. These countries, however, recover faster over subsequent years, a trend largely driven by countries where crisis is localised.
- Resource-rich countries among the group can be hit particularly hard, with FDI flows falling on average by 59% in the first year of crisis and volumes still a third lower than those in the year before appeal after five years.

Source: Development Initiatives based on UN Conference on Trade and Development and World Bank data.

Notes: FDI: foreign direct investment. Data for 27 protracted crisis response countries – these had at least 5 consecutive years of humanitarian response plans between 2000 and 2017 (with 2017 being the latest year for which country-level development finance data is available). Data is in constant 2017 prices.

- The proportion of FDI as a share of GDP in poor countries is significantly curtailed by crisis. For LICs currently with more than five consecutive years of humanitarian appeals, FDI accounts for 2.1% of GDP in 2017, roughly half the level of other LICs (4.1%).
- Similarly, FDI accounts for a smaller proportion of international flows in countries with two or more consecutive years of appeals in 2017 compared with other developing countries, accounting for 12% of inflows in aggregate in 2017 compared with 21% for other developing countries.

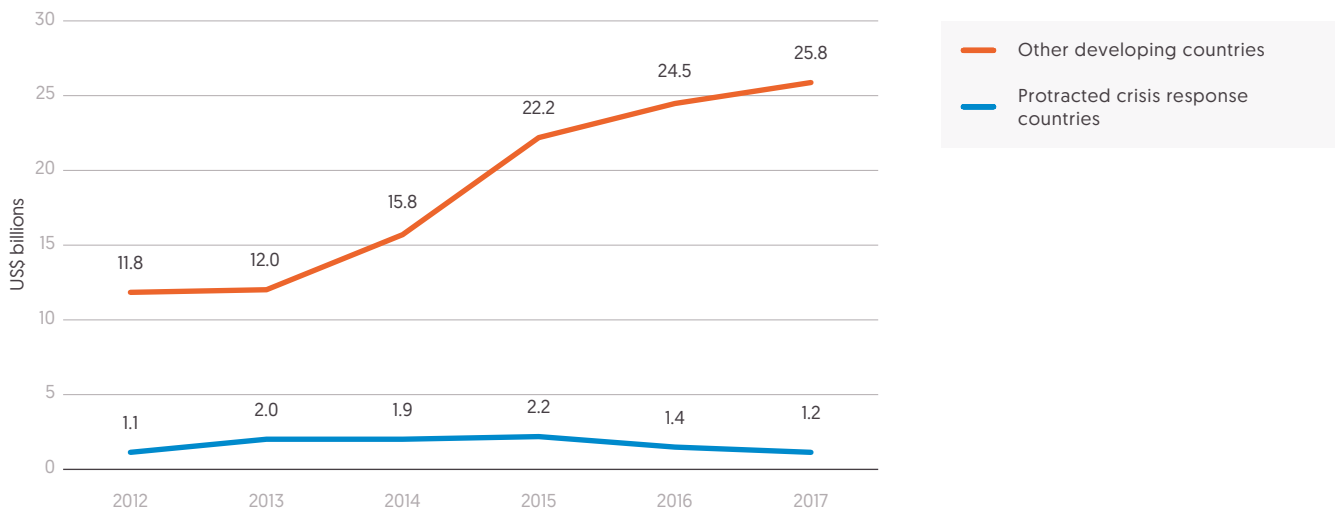
The impact of protracted crisis on the domestic private sector is also significant.

- As a share of GDP in 2017, the size of the domestic private sector in the 12 countries currently with more than five consecutive years of humanitarian appeals (estimated in terms of private sector credit) is less than a third that of other developing countries (16% and 50% respectively).

Figure 3.7

Compared with other developing countries, private finance mobilised through blended finance has remained low in countries characterised by protracted crisis

Private finance mobilised by official development finance, 2012–2017



Blended finance is growing but remains small, with only a fraction going to poorer or fragile contexts. Amounts of blended finance mobilised per investment are also significantly smaller in poor countries than in others.⁶

- Of the US\$38.2 billion of private capital mobilised by concessional finance in 2017 (the latest year for which data is available), less than 1% (0.9%) went to the 12 countries currently with more than five consecutive years of humanitarian appeals. This compares with the 12% of total ODA they receive.
- Investments are also highly concentrated. Just four lower middle income countries [Angola, Côte d'Ivoire, Indonesia and Kenya] account for over two thirds (67%) of capital mobilised to protracted crisis response countries since 2012.

Source: OECD DAC.

Notes: Data for 27 protracted crisis response countries – these had at least 5 consecutive years of humanitarian response plans between 2000 and 2017 (with 2017 being the latest year for which country-level development finance data is available). Of these, 20 also had a humanitarian country response plan in the same time period. Data is in constant 2017 prices.

Blended finance is only one of the ways the public sector can work with private capital. Governments and ODA can also work to strengthen the enabling environment for private sector development – including through policy and institutional reforms and market functioning activities that can address market failures and improve production, distribution and integration of actors into markets.⁷ With a strong enabling environment both domestic and international private actors can flourish and become more resilient to shocks and crises. Aid investments supporting such measures, however, are low.

- Evidence in fact suggests that increasing international private inflows to LICs does not strengthen the domestic private sector – if anything the correlation is weakly negative.⁸
- Stronger public spending for the enabling environment may, therefore, have greater systemic and transformational impacts on the growth and resilience of the economy, especially in the poorest countries and those in fragile situations, compared with project- or deal-level investments which characterise blended finance initiatives.⁹
- However, aid investments supporting broader private sector development are low and particularly low in protracted crisis response countries. They accounted for 6.3% of all ODA in 2017, only 15% of which was allocated to protracted crisis response countries [compared with a fifth of total aid]. In these countries just 4.6% of aid is directed to such investments. For countries currently with appeals for more than five consecutive years the proportion is even lower, at 3.8%.

Risk financing

While crisis can impact the ability of the private sector to operate freely and effectively, the sector also has the potential to play a role in managing crises. There is increasing interest in the potential of risk financing and the role of the banking and insurance sectors to support this. This financing allows governments, organisations and individuals to financially prepare, and often act, in advance of a crisis based on an informed idea of future events (usually agreed upfront and based on a parametric trigger, index or threshold) rather than responding to manifest or emerging 'needs' once they are already established.¹⁰

There are a range of different mechanisms and tools in place which provide a foundation for the further expansion of risk financing. For this to be effective, good information and data, along with accurate interpretation, are needed to inform decision-making and to assess impact. And a layered financing strategy is needed across different actors and sources of finance, relying not just on insurance but also, for instance, on having disaster risk reduction budgets and emergency reserves in place.¹¹

Most mechanisms and products currently focus on risks associated with disasters and are designed to enable planning to protect investments, meet the cost of disasters before they happen and increase the speed, predictability and transparency of disaster response.¹² Though not a comprehensive mapping, Figure 3.8 provides an overview of some of these mechanisms and instruments, including, where available, data on volumes of funding. In addition to the tools and products developed for governments by multilateral development banks, and banking insurance products, the figure includes several recent anticipatory or early action financing initiatives, which are similarly based on the idea of acting or financing with an informed idea of risk rather than manifest need.^{13,14}

Some estimates suggest insurance could provide financing for 20% or 30% of identified humanitarian needs.¹⁵ However, disaster risk financing is about more than just insurance.

- There are also mechanisms that provide incentives for governments to develop and improve policies on disaster risk management, such as the Development Policy Loan with a Catastrophe Deferred Drawdown Option (Cat DDO).¹⁶

Most risk financing has, to date, focused on disasters with hazard triggers.

- There has been limited risk financing for fragility, conflict and violence, or refugee crises. However, actors are beginning to focus attention on these issues. For instance, the World Bank has established the Global Crisis Risk Platform to improve its crisis-related financing tools, with a particular focus on prevention and compound risks (macro shocks, disasters, conflict, food emergencies and pandemics).^{17,18}

Donors are increasingly deploying grant resources to support effective and innovative risk financing solutions.¹⁹

- Grant-like funding is being provided to advisory bodies working to stimulate the development of insurance markets and appropriate risk products, or to provide technical and advisory services, like the Disaster Risk Financing and Insurance Program's Global Partnership for Climate and Disaster Risk Finance and Insurance Solutions, InsuResilience.²⁰

Figure 3.8

There is considerable potential for risk financing to play a greater role, but better data and information is needed to inform decision-making

Examples of risk financing instruments

Risk financing to governments

Name	Managed by	Source of financing	Crisis type	Volume	First-level recipients
Risk pools					
Caribbean Catastrophe Risk Insurance Facility (CCRIF)	CCRIF	Premiums Capitalised through a multi-donor trust fund		US\$139m since 2007 US\$700k aggregated deductible cover	Caribbean countries
Pacific Risk Insurance Company	PCRAFI (World Bank/GFDRR)	Premiums		Coverage of up to US\$45m	South Pacific Ocean countries
African Risk Capacity (ARC)	African Risk Capacity	Member premiums Insurance market Bilateral and multilateral donors	 	US\$12.1m (average) US\$30m (maximum)	African Union country members
Africa Disaster Risks Financing (ADRFi) Programme	African Development Bank (AfDB)				AfDB countries
Southeast Asia Disaster Risk Insurance Facility (SEADRIF)	World Bank/Disaster Risk Financing and Insurance Program	Premiums Bilateral donors World Bank			ASEAN+3 members
Bonds					
Pandemic Emergency Financing Facility (PEF)	World Bank	Bilateral donors		US\$425m (insurance) US\$61m (cash)	IDA countries
Contingent credit					
Development Policy Loan with a Catastrophe Deferred Drawdown Option (Cat DDO)	World Bank	Member premiums Insurance market Bilateral and multilateral donors	 	US\$3.1bn approved since 2008 US\$1.6bn in disbursements to 10 countries (7 countries disbursed in full, 3 partial)	IBRD countries with disaster risk management programmes in place
Contingent Credit Facility for Natural Disaster Emergencies	Inter-American Development Bank (IADB)		 	Currently: US\$1.8bn in sovereign guarantees US\$13.8m in non-sovereign guarantees US\$467.5m in non-reimbursables	IADB countries
Disaster risk reduction financing mechanism	Asian Development Bank (ADB)			US\$81m available capital resource lending US\$68m programmed (2017/2018)	ADB countries
Crisis type					
	Climate		Health		Disasters

Source: Development Initiatives based on information collected from the websites of the respective risk financing instruments, or of the institutions behind them, and based on information provided bilaterally from representatives of those instruments.

Notes: CERF: UN Central Emergency Response Fund; FAO, Food and Agriculture Organization; GFDRR: Global Facility for Disaster Reduction and Recovery; IBRD, International Bank for Reconstruction and Development; ICRC, International Committee of the Red Cross; IDA: International Development Association; SDC: Swiss Agency for Development and Cooperation. BMZ is the German Ministry for Economic Cooperation and Development and KfW is the German Development Bank. Information in the tables reflects what could be gathered from sources as of 31 July 2019.

Risk financing to households, businesses and humanitarian actors

Name	Managed by	Source of financing	Volume	First-level recipients
Government programmes				
Ethiopia Productive Safety Net Programme (PSNP)	National government	Bilateral and multilateral donors	Total project cost (2014–2020): US\$2.6bn IBRD/IDA (2015–2020): US\$600m	Rural communities in Ethiopia
Kenya Hunger Safety Net Programme (HSNP)	National government	Bilateral donors and multilateral development banks	Phase III, IDA/World Bank loan (USD250m, 2013–2020) and UK grant (£120,000)	Households in Mandera, Marsabit, Turkana and Wajir counties, Kenya
Insurance and banking				
R4 Rural Resilience Initiative	World Food Programme Oxfam America	Bilateral and private donors	US\$2.4m distributed since 2011 Over 87,000 farmers reached Over US\$10m insured Premiums of US\$1.3m paid	Vulnerable rural families in Ethiopia, Kenya, Malawi, Senegal, Zambia and Zimbabwe
Global Index Insurance Facility (GIIF)	World Bank	Bilateral and multilateral donors		Smallholder farmers, micro-entrepreneurs, and microfinance institutions in over 30 countries in Latin America, South East Asia and Africa
Remote Sensing-based Information and Insurance for Crops in Emerging Economies (RIICE)	Public-private partnership: GIZ, SDC, International Rice Research Institute (IRRI), sarnap, Swiss Re			Rice smallholder farmers in India and South East Asia
ARC Replica	Start Network World Food Programme	Bilateral, multilateral and private donors		Humanitarian actors in Senegal (pilot)
Early action and disaster prevention mechanisms				
Famine Action Mechanism (FAM)	World Bank, UN, ICRC, private sector (including Google, Microsoft and Amazon)			Famine prevention in five countries (pilot)
CERF-funded anticipatory humanitarian action	UN OCHA			UN agencies in Somalia and South Africa
Early warning, early action	FAO			FAO early action in countries affected by natural disasters
Forecast-based Financing and Forecast-based Action, Disaster Relief Emergency Fund (DREF)	IFRC		Four early action protocols (for around 1m Swiss Francs) have been developed and approved	National Red Cross or Red Crescent Societies that have early action protocols in Mozambique, Ecuador, Peru and Bangladesh
Early Action Fund	Save the Children International		US\$1m fund (internal) Capped at US\$50,000 per application	Save the Children International country offices

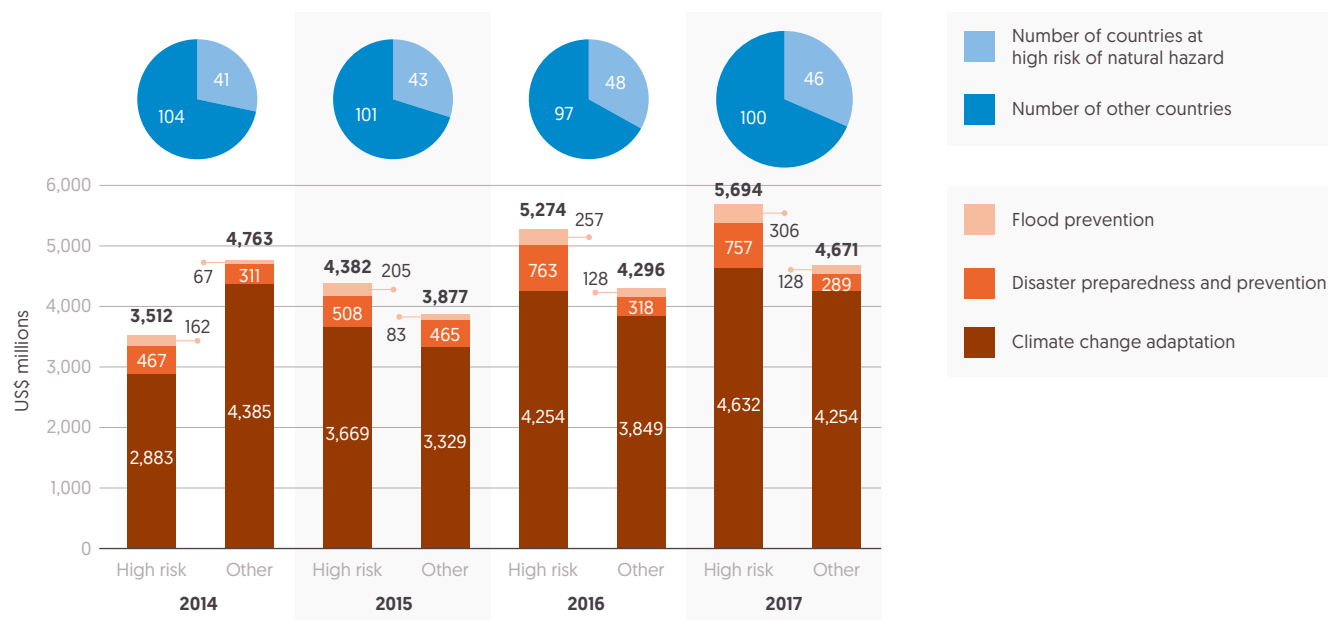
Others include: InsuResilience Investment Fund (IIF – public-private partnership set up by KfW on behalf of BMZ); Climate Risk and Early Warning Systems (CREWS – launched by Australia, France, Germany, Luxembourg and the Netherlands with pledges of US\$32.7m); Asia Pacific Climate Finance Fund (ACliff, funded by Germany); Strategic Alliance on Climate Risk Transfer Solutions (develoPPP.de programme with Swiss Re for Africa, South-East Asia, China); Microinsurance Disaster Risk Insurance for MSMEs (develoPPP.de with Charter Ping An for Philippines); and Insurance Market Development (e.g. GIZ in India and Zambia).

ODA for disaster risk reduction

Figure 3.9

International funding related to disaster risk reduction increasingly targets high-risk countries

ODA relevant to disaster risk reduction by countries' risk of natural hazards, 2014–2017



In 2018, 18 of the 40 countries with the largest populations in need experienced disasters caused by natural hazards (see Chapter 1, Figure 1.2). Increasing attention is focused on the need to prevent and prepare for predictable natural hazards. This includes a greater role for the private sector through risk insurance (see Figure 3.9). International assistance, both humanitarian and development, is also being channelled to reduce the risk of disasters and mitigate their impact. The volume and proportion of total assistance related to disaster risk reduction (DRR) directed to high-risk countries has increased steadily.

- Total funding related to DRR has increased from US\$8.3 billion in 2014 to US\$10.4 billion in 2017, a 25% rise.
- In 2014, 41 countries were classified as at high risk of disasters and received a total of US\$3.5 billion in funding related to DRR. This accounted for 42% of total DRR funding.
- By 2017, the number of countries classified as at high risk had increased to 46, with their funding totalling US\$5.7 billion (a rise of US\$2.2 billion from 2014, or 62%). This funding to high-risk countries also made up a higher proportion of total funding related to DRR, increasing to 55%.

Historical data on funding directly targeted to DRR is not easily identifiable on public databases, beyond the related purpose codes and marker shown in Figure 3.9, which capture a wide range of financing potentially contributing to DRR. However, the DAC has introduced a new marker on DRR as well as a designated purpose code.²¹ The marker will be able to be applied across sectors to demonstrate the explicit risk reduction intent of the project investment, allowing for better tracking of where funding for DRR is directed.

Source: Development Initiatives based on OECD DAC data and INFORM Index for Risk Management.

Notes: High-risk countries are those with an INFORM Risk Index of at least 4.7 natural hazards each year between 2014 and 2017. Analysis includes funding from all recipient countries. The Rio markers for climate change adaptation were not introduced until 2010, hence the significant increase from this year onwards for the last category. Data is in constant 2017 prices.

chapter 4

effectiveness, efficiency and quality

Patterns of funding allocation from public and private donors to first-level recipients have varied little between 2013 and 2017. In 2017, governments directed almost two thirds (64%, US\$14.0 billion) of international humanitarian assistance to multilateral organisations. Meanwhile, most funding (85%, US\$5.7 billion) from private donors was channelled to NGOs.

Channelling funding to local and national actors is recognised as an important way of providing responsive and effective assistance to people in need. Direct funding to local and national actors, as reported to UN Office for the Coordination of Humanitarian Affairs (OCHA)'s Financial Tracking Service (FTS), has grown since 2016, to US\$648 million in 2018. Yet this accounted for just 3.1% of total humanitarian assistance, a slight rise from 2.8% in 2017. Reliable analysis of the Grand Bargain target of 25% of funding transferred "as directly as possible" is, however, impeded as only a small portion of indirect funding – through one intermediary – is currently reported to FTS.

Pooled funds play an important role in humanitarian response, allowing for flexible and collective responses. Funding provided to UN pooled funds doubled between 2013 and 2018 (from US\$717 million to US\$1,439 million). These funds received 6.4% of all international humanitarian assistance from public donors in 2018, an increase from 5.1% in 2013.

The predictability and flexibility offered by unearmarked and multi-year funding can enable more efficient and effective delivery of assistance in complex and protracted crises. However, reporting of this funding is currently limited. Between 2014 and 2018, unearmarked funding to nine UN agencies increased in volume, by US\$604 million (28%) to a total of US\$2.8 billion. Yet as a proportion of total contributions to these agencies, unearmarked funding has fallen incrementally from 20% in 2015 to 17% in 2018. In 2018, data collected directly from donors showed that multi-year funding accounted for 37% of their total humanitarian-related contributions, increasing from 33% in 2017. However, data reported by implementing agencies indicates that they received only 13% as multi-year funding. Some of this discrepancy may be explained by the absence of a common definition and agencies having other income sources beyond public donors.

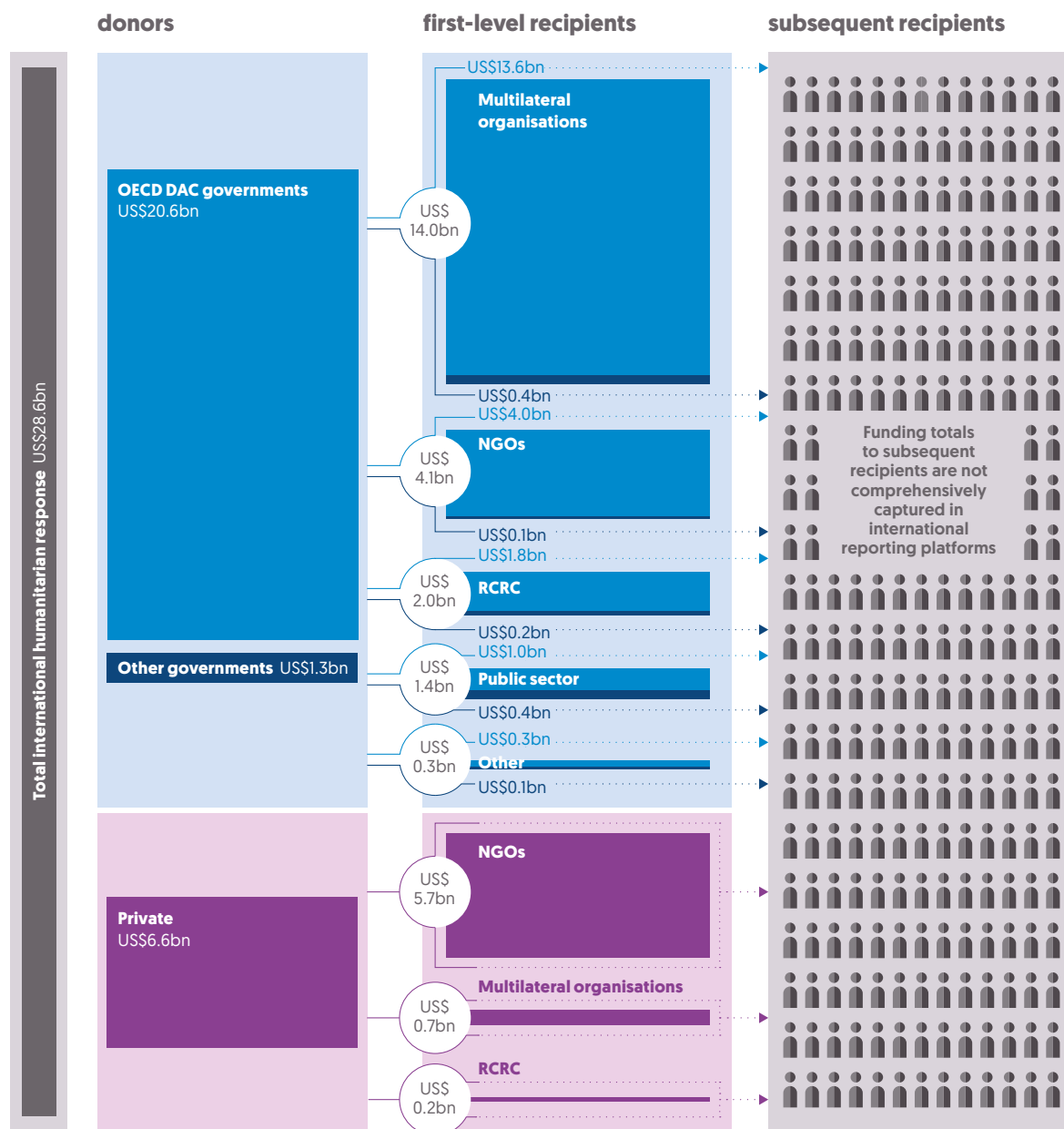
Cash-transfer programming can enable recipients to choose how best to meet their needs, with the potential to offer gains in dignity. Volumes of humanitarian cash and voucher assistance continued to rise to a record US\$4.7 billion in 2018. An increasing proportion of this assistance has been transferred to beneficiaries in the form of cash rather than vouchers since 2015, rising from 55% to 78% in 2018.

Channels of delivery

Figure 4.1

Stable funding patterns, with most public assistance going to multilateral organisations and most private assistance going to NGOs

Funding channels of international humanitarian assistance, 2017



Source: Development Initiatives based on Organisation for Economic Co-operation and Development [OECD] Development Assistance Committee [DAC], UN Office for the Coordination of Humanitarian Affairs [OCHA] Financial Tracking Service [FTS] and UN Central Emergency Response Fund [CERF] data and our unique dataset of private contributions.

Notes: RCRC: International Red Cross and Red Crescent Movement. Our first-level recipient data from government donors and EU institutions uses OECD DAC Creditor Reporting System [CRS], UN Central Emergency Response Fund [CERF] and UN OCHA FTS data. The figures in our calculations for total humanitarian assistance from OECD DAC donors use data from OECD DAC Tables 1, 2a and 'Members' total use of the multilateral system', so totals may differ. 'Public sector' refers both to the OECD definition and reporting to the FTS. OECD DAC CRS codes 'other', 'to be defined' and 'public-private partnerships' are merged to 'other'. Private funding figures use our unique dataset of private contributions for humanitarian assistance. Data is in constant 2017 prices.

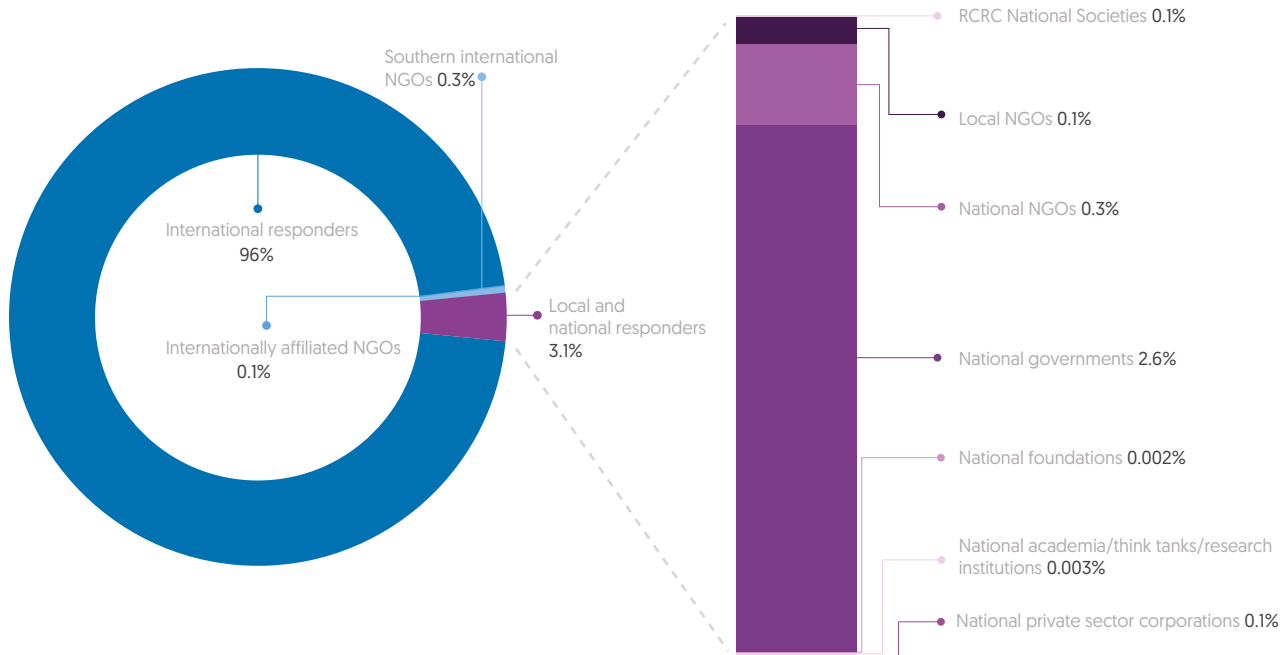
The available data provides a clear picture of how international humanitarian assistance is passed from donors to first-level recipients. In some cases, funding passes no further and is used directly to assist people in need. However, funding often continues to be passed to one or more intermediaries before reaching the crisis location. For these subsequent transactions data is more limited or entirely lacking. For funding to first-level recipients, the data indicates that patterns of funding allocation from public and private donors have varied little between 2013 and 2017.

- In 2017, governments directed almost two thirds (64%, US\$14.0 billion) of international humanitarian assistance to multilateral organisations. This represented an increase from the 60% (US\$12.6 billion) provided in 2016 but remained consistent with proportions allocated since 2013. These have fluctuated between a low of 58% in 2015 and a high of 65% in 2013.
- Private funding to multilateral organisations increased both proportionally and by volume between 2016 and 2017, from 10% (US\$572 million) to 12% (US\$767 million). This compares with an average from 2013 to 2017 of 10%.
- As in previous years, in 2017 most (85% or US\$5.7 billion) international humanitarian assistance from private donors was channelled to NGOs. The proportion of total private funding to NGOs has remained consistent over the past five years with on average 86% passed directly.
- NGOs received less by volume from governments (US\$4.1 billion) than from private donors in 2017. Direct funding to NGOs accounted for 19% of all government allocations in 2017, falling from 20% in 2016, though representing the same overall volume of US\$4.1 billion.
- The international humanitarian assistance channelled by private donors to NGOs made up well over half (58%) of the total funding they received in 2017, consistent with the average of 58% during the period 2013 to 2017.

Funding to local and national actors

Figure 4.2

Direct funding to local and national actors grows in 2018 but remains a small proportion of all funding
Direct funding to local and national responders reported to UN OCHA FTS, 2018



Measuring progress towards the Grand Bargain's 2020 "global, aggregated target of at least 25% of international humanitarian funding [passing] to local and national actors as directly as possible" remains challenging.¹ Direct funding to local and national actors has grown by volume and proportionally since 2016 but remains a small share of total humanitarian assistance.

- International humanitarian assistance sent directly to local and national responders as a proportion of all international humanitarian assistance increased for the second consecutive year. In 2016, 2.0% [US\$433 million] was reported to FTS as having been directed to local and national responders, increasing to 2.8% [US\$552 million] in 2017 and 3.1% [US\$648 million] in 2018.
- Of funding flowing directly to local and national actors, national governments continued to receive the majority. The proportion of this direct funding passed to national government grew to 83% [US\$538 million] in 2018, up from 80% [US\$347 million] in 2016 and 81% [US\$448 million] in 2017.
- Conversely, the proportion of direct funding to local and national actors received by local and national NGOs has fallen, from 17% of direct funding in 2017 to 15% in 2018.
- This decrease was driven by a fall in the amount of funding that went to national NGOs, from US\$83 million in 2017 to US\$65 million in 2018.

Source: Development Initiatives based on UN OCHA FTS data.

Notes: RCRC: International Red Cross and Red Crescent Movement. Government authorities in the Bahamas and Greece are counted as national responders since they received international humanitarian assistance in 2017. RCRC National Societies that received international humanitarian assistance to respond to domestic crises are included. For organisation-coding methodology, see our online *Methodology and definitions*.

The working definition of funding passed “as directly as possible” includes funding that is transferred through one intermediary to a second-level recipient.² Consistent, comparable reporting of funding through one intermediary is very limited. In 2018, only 7.9% of the total volume of flows were reported to UN OCHA FTS at this second level, though this represents a slight increase from 7.1% in 2017.³

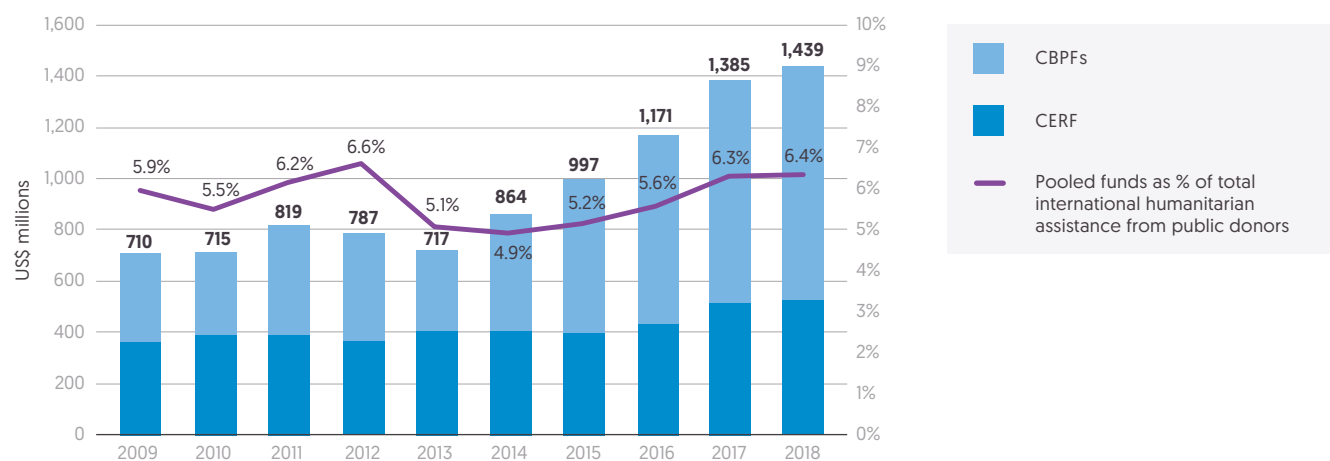
- The limited data reported to FTS indicates that funding provided to local and national responders directly and through one intermediary accounted for 3.8% (US\$783 million) of total humanitarian assistance in 2018, up from 3.5% (US\$681 million) in 2017.
- At country level, more comprehensive data collected in Uganda and Bangladesh indicates the proportions of funding passed directly and through one intermediary to local and national actors were significantly higher, at 8.4% and 9.7%, respectively.⁴

Pooled funds

Figure 4.3

Total pooled funding doubles since 2013 but increases more slowly as proportion of all assistance

Total funding to UN-managed humanitarian pooled funds, 2009–2018



Pooled funds play an important role in humanitarian assistance, allowing for flexible and collective responses. UN and NGO-led funds can enable rapid responses and provide funding where gaps in other assistance are identified. Since 2013, the volume of total funding to UN pooled funds has doubled. Proportionally, the total public contributions to international humanitarian assistance that this represents has also increased, but at a slower rate.

- UN pooled funds received a record level of funding of US\$1,439 million in 2018, the fifth consecutive year of growth and a 3.9% increase from the US\$1,385 million contributed in 2017.
- Of this funding, country-based pooled funds (CBPFs) received US\$911 million and the Central Emergency Response Fund (CERF) US\$528 million.

Source: Development Initiatives based on UN OCHA FTS and UN Central Emergency Response Fund (CERF) data.

Notes: CBPFs: country-based pooled funds. Data is in constant 2017 prices.

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- Funding provided to UN pooled funds has doubled since 2013 (from US\$717 to US\$1,439 million). However, sharp rises in total international humanitarian assistance over the same period mean that the proportion of all public donor contributions provided to these funds has grown by only 1.3%. These funds accounted for 6.4% of donor contributions in 2018, a return to a level just above the 6.0% three-year average between 2009 and 2012.

With the increase in overall funding to UN pooled funds, a growing share is directed to CBPFs and then passed onto NGOs.

- While funding to both CBPFs and the CERF has risen since 2013, the proportion of all funding allocated to each has shifted, with the share received by CBPFs growing from 43% in 2013 to 63% in 2018.
- CBPFs have disbursed an increasing proportion of their funding to NGOs, with allocations increasing by 139%, from US\$201 million to US\$482 million, between 2014 and 2018. This represents an increase from 52% to 65% in the proportion of total CBPF allocations passed to NGOs.
- 33% (US\$158 million) of CBPF contributions to NGOs were channelled to local and national actors in 2018.
- The CBPFs receiving the largest allocations in 2018 were Yemen and Syria, which both had sharp increases in funding from 2017, rising by US\$53 million to US\$181 million and by US\$25 million to US\$112 million, respectively.
- The largest allocations of CERF funding in 2018 were to the Democratic Republic of the Congo (US\$56 million) and Yemen (US\$48 million).

The majority of funding to UN pooled funds has come from a small group of donors since 2014.

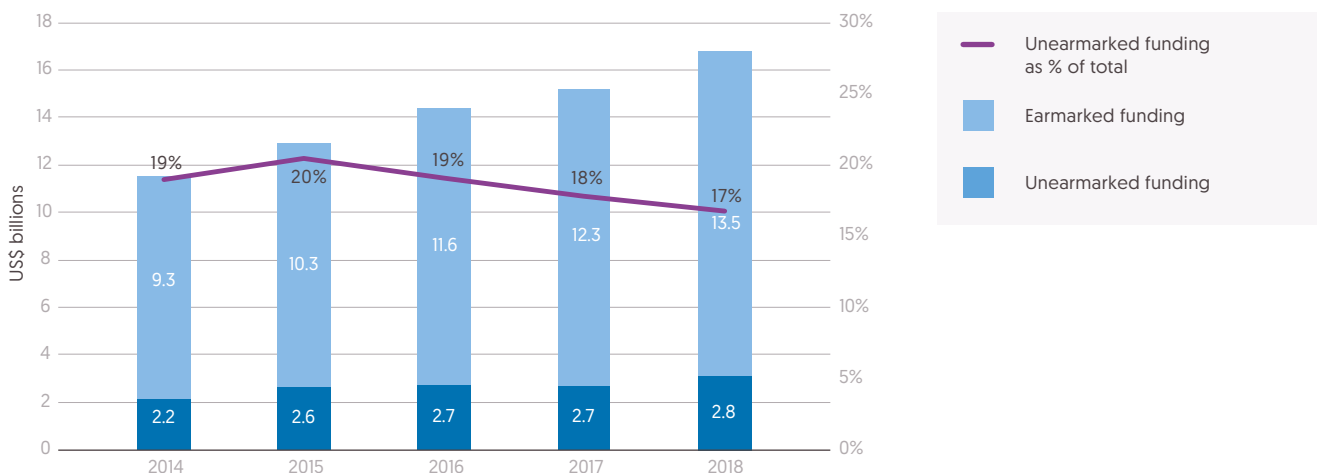
- Between 2014 and 2018, five countries provided nearly three quarters (73%) of all contributions to pooled funds: the UK (US\$1.6 billion), Germany (US\$809 million), Sweden (US\$789 million), the Netherlands (US\$653 million) and Norway (US\$403 million).

Earmarking

Figure 4.4

Unearmarked funding to UN increases in total but continues to fall in relative terms

Earmarked and unearmarked international humanitarian assistance and humanitarian-related contributions to nine UN agencies, 2014–2018



The Grand Bargain commitment to improve the flexibility of funding seeks to “achieve a global target of 30% of humanitarian contributions that is non-earmarked or softly earmarked by 2020.”⁵ Regular and consistent reporting of unearmarked funding does not yet occur.⁶ Data collected directly from nine UN agencies indicates that the proportion of unearmarked funding received by these agencies has declined steadily for the past three years.

- Between 2014 and 2018, unearmarked funding to nine UN agencies increased by US\$604 million (28%) to US\$2.8 billion. 79% of this total came from increases in unearmarked funding to the UN High Commissioner for Refugees (UNHCR) of US\$305 million and to the UN Relief and Works Agency for Palestine Refugees in the Near East of US\$173 million.
- Over the same period the volume of earmarked funding has increased at an even faster rate, rising by US\$4.2 billion, an increase of 45%. Consequently, the proportion of funding reported as being unearmarked has incrementally fallen since 2015, from 20% to 17% in 2018.

The volume and proportion of total unearmarked funding received by individual UN agencies vary markedly between agencies.

- Unearmarked funding to the Food and Agriculture Organization (FAO), rose by 90% (US\$4.4 million) in 2018, though this unearmarked funding still accounted for only 1.5% of FAO’s total budget. Unearmarked funding also increased to the UN Development Programme, by 25% (US\$5.6 million), World Food Programme, by 19% (US\$45 million), and UN OCHA, by 18% (US\$19 million) in 2018.
- The World Health Organization, UNICEF and UNHCR all reported decreases in the volume of unearmarked funding received in 2018, falling by 16% (US\$12.1 million), 9.7% (US\$15.9 million) and 3.6% (US\$48.4 million), respectively from 2017.

Source: Development Initiatives based on data provided bilaterally by UN agencies.

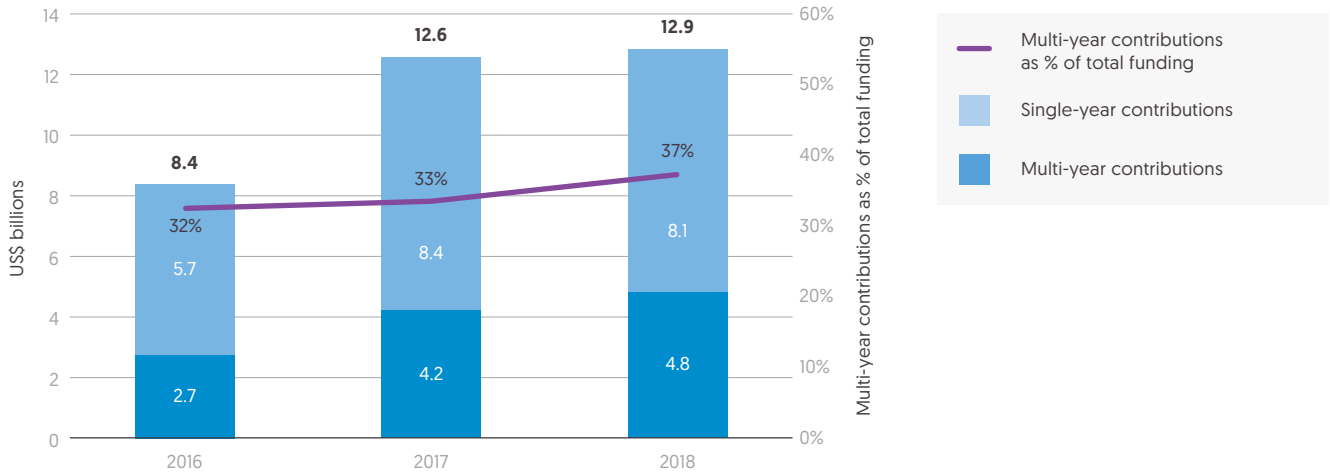
Notes: The calculations comprise earmarked and unearmarked humanitarian and humanitarian-related contributions given to the Food and Agriculture Organization, International Organization for Migration, UN Development Programme, UN High Commissioner for Refugees, UNICEF, UN OCHA, UN Relief and Works Agency for Palestine Refugees in the Near East, World Food Programme and the World Health Organization. Data is in constant 2017 prices.

Multi-year funding

Figure 4.5

Multi-year funding grows markedly by volume but more slowly as a proportion of total funding

Single- and multi-year humanitarian-related donor contributions reported by Grand Bargain signatories, 2016–2018



Multi-year funding provides predictable resourcing that can enable more efficient and effective delivery of assistance to people in need. Openly reported data on flows of multi-year funding from donors to first-level recipients and any subsequent pass-through of funding is limited (see Box 4.1). Independently collected data from donors and first-level recipients indicates that the volume and proportion of international humanitarian assistance provided as multi-year funding in 2018 has grown.⁷

- In 2018, multi-year funding accounted for 37% of total humanitarian-related contributions from 11 donors, increasing from 33% in 2017 and 32% in 2016.
- Between 2016 and 2018, the volume of funding reported as multi-year has grown from US\$2.7 billion to US\$4.8 billion, an increase of three quarters (75%).

There is no commonly applied definition of multi-year funding, either by time period of agreement or contract conditions. This hampers analysis and may in part explain the apparent disparity between the volumes of multi-year funding donors report granting and those that first-level recipients report receiving.

- Most donors reported that multi-year funding grants were those with a duration of 24 months or more.
- Where donors reported grants as multi-year with a duration of between 12 and 24 months, this accounted for 8% (US\$922 million) of total multi-year funding reported from 2016 to 2018.
- In 2018, data collected from 10 agencies indicated that they received only 13% of funding as multi-year, compared with the 37% donors reported allocating.

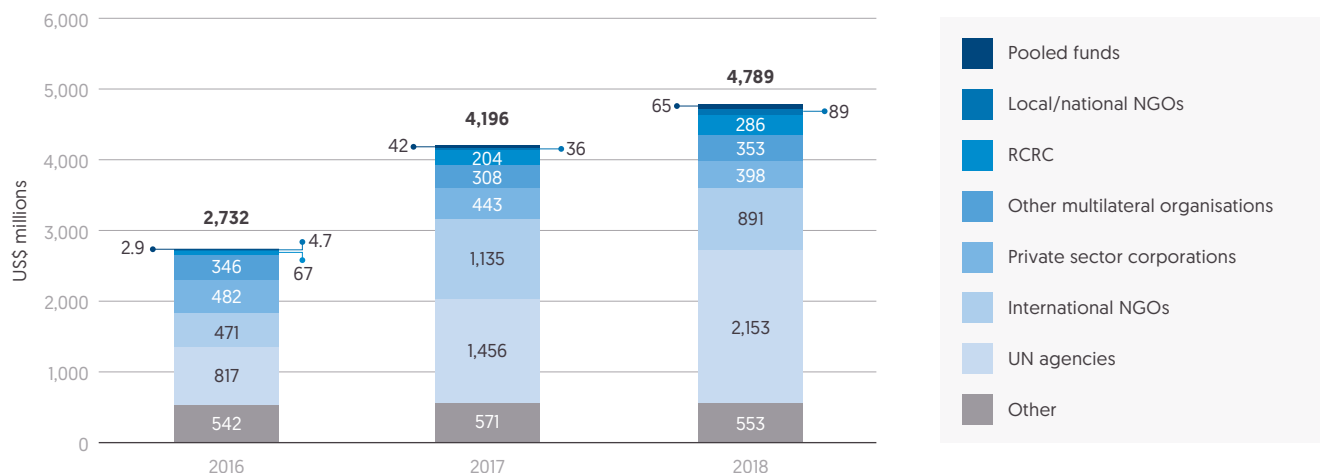
Source: Development Initiatives based on data provided bilaterally and International Aid Transparency Initiative (IATI) data.

Notes: Data covers 11 institutional donors that are Grand Bargain signatories and reported to our survey. Multi-year funding also refers to funding agreements ranging between 12 and 24 months when defined as multi-year by the donor. UK Department for International Development data was collected from IATI and includes some technical operation costs. Data is in constant 2017 prices.

Figure 4.6

UN agencies and international NGOs receive an increasing majority of multi-year funding

Multi-year contributions received by first-level recipients, 2016–2018



The transfer of multi-year funding to implementing agencies is critical if it is to have a transformative impact on the delivery of assistance to people in need. Independently collected data shows that donors passed the largest volumes of multi-year funding to UN agencies and international NGOs. However, tracking data on subsequent transactions of multi-year funding beyond the first level remains challenging both at organisational and system-wide levels.

- Between 2016 and 2018, international organisations (UN agencies, international NGOs and other multilateral organisations) received a growing proportion of donors' reported multi-year funding, increasing from 60% (US\$1,634 million) to 71% (US\$3,397 million).
- Among these international organisations, UN agencies received the largest proportion, up from 30% (US\$817 million) in 2016 to 45% (US\$2,153 million) in 2018.
- Direct multi-year funding to local and national actors and pooled funds has increased sharply between 2016 and 2018 and was 19 and 22 times greater respectively in 2018. Yet despite this growth, local and national actors directly received only 2% of total reported multi-year contributions and pooled funds received only 1%.

Source: Development Initiatives based on data provided bilaterally and International Aid Transparency Initiative (IATI) data.

Notes: Data covers 11 institutional donors that are Grand Bargain signatories and reported to our survey. Multi-year funding also refers to funding agreements ranging between 12 and 24 months when defined as multi-year by the donor. 'Other' includes academia/think tanks, government agencies, and undefined organisations. UK Department for International Development data was collected from IATI and includes some technical operation costs. Data for the EC was not captured for 2016. Multi-year data for Italy was not captured for 2016. Data is in constant 2017 prices.



Box 4.1

Data availability for multi-year funding

The Grand Bargain commits aid organisations and donors to “increase multi-year, collaborative and flexible planning and multi-year funding instruments”.⁸ However, in the absence of common agreement on how to measure the targets and baselines, and of sufficiently standardised reporting of data, these contributions are not yet systematically recorded.

Current data availability

- Reporting to UN OCHA FTS flow model allows the identification of funding across multiple years, by source and destination usage years. While this enables the years covered by a funding flow to be identified, the absence of a multi-year marker prevents identification of intentional multi-year grants. For example, cost extensions to single-year grants might appear as spanning multiple years or funding that covers a 12-month period but runs across two years might also appear as a multi-year flow. More comprehensive reporting to FTS relies on having an agreed set of definitions for multi-year funding.
- The International Aid Transparency Initiative (IATI) Standard enables reporting at activity level with clear start and end dates and can therefore capture projects spanning multiple years. The volumes of humanitarian funding reported to IATI are however currently limited and again still depend on there being agreed definitions of what constitutes multi-year funding.

Reporting of multi-year funding is hampered by various factors:

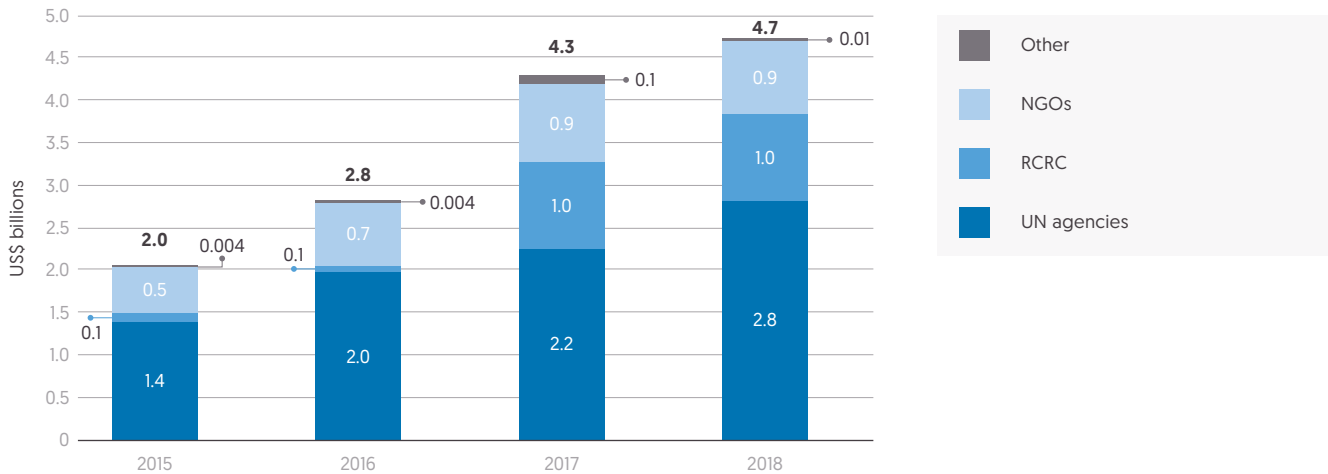
- 1. Absence of a shared lexicon**
Within institutions there may not yet be definitions and classifications of multi-year funding, relating to issues such as duration of contracts and their diverse terms. Across organisations this terminology gap expands further, leading not only to the lack of a common framework to report against, but also to divergent understandings of multi-year funding. This could prevent reconciling donors’ spending with first-level recipient agencies’ income, as well as quantifying grants and what they subsequently enable at programmatic level.
- 2. Limited monitoring and reporting of effectiveness and efficiency**
Accurately and comprehensively recording volumes of multi-year funding is important. Perhaps of greater importance still, is shifting from primarily reporting income and expenditure by organisation to also measuring programme outcomes to determine effectiveness and efficiency.
- 3. The challenge of capturing humanitarian and broader development funding**
A broader focus beyond pure humanitarian funding is needed to record not only contributions towards appeals, but also to capture the broader response that these grants enable.
- 4. Lack of clarity on purpose of multi-year grants**
More purposeful reporting can be enabled by agreeing whether to measure results individually or collectively, whether these are expected to elicit efficiency and effectiveness gains – and the extent to which these gains are demonstrated at different layers in the transaction chain – and/or deliver better outcomes.

Cash

Figure 4.7

Volume of cash and voucher programmes reaches new high

Total international humanitarian assistance for cash and voucher programmes, 2015–2018



Cash-transfer programming can enable recipients to choose how best to meet their needs, with the potential to offer gains in dignity. More agencies are now tracking their cash-transfer programming but challenges remain and openly reported data is limited. Data collected directly from donors and agencies by Development Initiatives indicates that while volumes of humanitarian cash and voucher assistance continued to rise to a record US\$4.7 billion in 2018, the pace of growth is slowing.

- Global volumes of humanitarian cash and voucher assistance programming grew by 10% from 2017 to 2018.
- This growth was largely driven by an increase in cash and voucher assistance programming by UN agencies (increasing by 25% to US\$2.8 billion). Volumes implemented by NGOs and the International Red Cross and Red Crescent Movement (RCRC) remained at a similar level although they decreased slightly as a proportion of total global cash and voucher assistance (from a combined 46% to 40%).
- The apparent increase of US\$1.5 billion from 2016 to 2017 in the global volumes of cash and voucher assistance programming was mostly due to newly available data from the RCRC.
- Discounting this previously unavailable data, growth from 2016 to 2017 in the global volume of cash and voucher assistance programming was 21%, down from a 38% increase from 2015 to 2016.

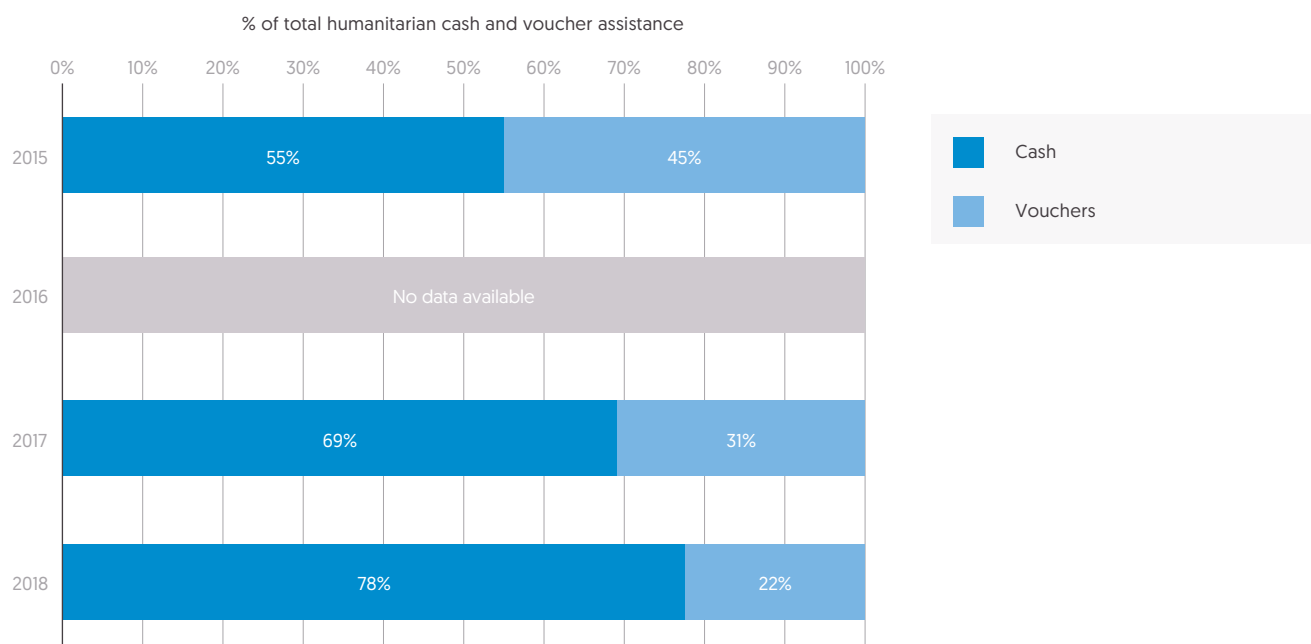
Source: Development Initiatives based on data provided bilaterally by implementing agencies, the Cash Learning Partnership and UN OCHA FTS.

Notes: RCRC: International Red Cross and Red Crescent Movement. Data for 2018 is preliminary. Double counting of cash and voucher assistance programmes that are sub-granted from one implementing partner to another is avoided where data was provided. Programming costs are estimates for organisations that only provided the amount transferred to beneficiaries. Data is not available for all included organisations across all years, for instance the RCRC started to systematically track cash and voucher assistance in 2017. Data is in current prices.

Figure 4.8

Cash increasingly preferred to vouchers

Proportions of cash and vouchers in humanitarian cash and voucher assistance, 2015–2018



An increasing proportion of cash and voucher assistance has been transferred to beneficiaries in the form of cash since 2015, compared with vouchers.

- In 2015, there was a roughly equal split between the use of cash for transfers, at 55% and vouchers, at 45%. However, by 2018 the preference for using cash is much more distinct, accounting for 78% of transfers. Meanwhile vouchers were used in just 22% of transfers.
- The growing proportion transferred in the form of cash is largely driven by a shift in the practice of UN agencies, with their use of cash for transfers growing from 45% in 2015 to 72% in 2018.⁹
- Both NGOs and the RCRC have consistently preferred the use of cash for transfers. In 2018, NGOs transferred 78% and RCRC 95% as cash – a slight decrease from 2017 for NGOs, from 84%,¹⁰ and a rise for the RCRC, from 82%.

Source: Development Initiatives based on data provided bilaterally by implementing agencies.

Notes: Data for 2018 is preliminary. No data is available for 2016. Data for all but one organisation refers to amounts transferred to beneficiaries. Data is not available for all included organisations across all years, for instance the RCRC started to systematically track cash and voucher assistance in 2017.

chapter 5

methodology

and definitions

What is humanitarian assistance?

Humanitarian assistance is intended to save lives, alleviate suffering and maintain human dignity during and after man-made crises and disasters associated with natural hazards, as well as to prevent and strengthen preparedness for when such situations occur. Humanitarian assistance should be governed by the key humanitarian principles of humanity, impartiality, neutrality and independence. These are the fundamental principles of the International Red Cross and Red Crescent Movement [RCRC], which are reaffirmed in UN General Assembly resolutions and enshrined in numerous humanitarian standards and guidelines.

In this report, when used in the context of financing data, international humanitarian assistance refers to the financial resources for humanitarian action spent outside the donor country. Our calculations of international humanitarian assistance are based on what donors and organisations report as such and do not include other types of financing to address the causes and impacts of crises, which we refer to as crisis-related financing.

There is no universal obligation or system for reporting expenditure on international, or indeed domestic, humanitarian assistance. The main reporting platforms for international humanitarian assistance are the Organisation for Economic Co-operation and Development [OECD]'s Development Assistance Committee [DAC] and the UN Office for the Coordination of Humanitarian Affairs [OCHA]'s Financial Tracking Service [FTS]. OECD DAC members are obligated to report their humanitarian assistance to the DAC systems as part of their official development assistance [ODA], in accordance with definitions set out by the DAC.¹ Some other governments and most major multilateral organisations also voluntarily report to the DAC.

The FTS is open to all humanitarian donors and implementing agencies to voluntarily report contributions of internationally provided humanitarian assistance, according to an agreed set of criteria for inclusion.²

The analysis in the *Global Humanitarian Assistance [GHA] Report 2019* draws on data reported to the OECD DAC and the FTS. Between these sources there is variation in the criteria for what can be included as humanitarian assistance, as well as volumes reported, so we aim to consistently explain and source the data that we use. Since the 2018 report, we have included humanitarian funding reported to FTS that has been provided by OECD DAC members as assistance to non-ODA eligible countries. We also use other sources to calculate international humanitarian assistance including reports from UN agencies and NGOs on private humanitarian funding and data from the Central Emergency Response Fund [CERF] on contributions from public donors; data sources and methodologies for these are also clearly marked and explained.

Cash

Our global estimate of humanitarian assistance provided in the form of cash and vouchers in 2017 and 2018 is based on data collected from 28 organisations through collaboration with the Cash Learning Partnership [CaLP]. The data was gathered in support of the 'Tracking cash and vouchers' sub-workstream under the Grand Bargain workstream on cash and vouchers and will be analysed in greater detail in a forthcoming publication.³ The methodology used for these estimates builds on one developed by Development Initiatives [DI] for research in 2016, while taking into account new data sources such as the CashHub by the RCRC.⁴ For more information on that methodology and research, see *Counting cash: Tracking humanitarian expenditure on cash-based programming*.⁵

Channels of delivery

We use 'channels of delivery' to describe the first level of organisations receiving funding for the delivery of humanitarian assistance – multilateral agencies, NGOs, the public sector and the RCRC – whether they deliver the assistance themselves or pass it on to partner organisations. Our channels of delivery data in Figure 4.1 comes predominantly from the OECD DAC's Creditor Reporting System [CRS] and the FTS. For private donors' channels of delivery, we use our own dataset (see this chapter's section on *Private funding*).

Constant prices

Our trends analyses on financial flows are in US\$ constant prices (base year 2017) unless otherwise stated. We use data from the OECD DAC, the International Monetary Fund [IMF]'s World Economic Outlook (October 2018 release) and the World Bank's World Development Indicators to convert financial data from current to constant prices using deflators. Consistent with our annual methodology, data in the *Global Humanitarian Assistance Report 2018* was shown in constant 2016 prices, so totals may vary between reports.

Country and region naming conventions

Country and region naming conventions used throughout this report are based on those used by the OECD DAC or the UN. Region naming conventions are based on those used by the OECD except the Middle East and North of Sahara regions, which have been combined. The conventions used do not reflect a political position of Development Initiatives.

Crisis categories

For our analysis of crises by category, we applied thresholds to several indicators and cross-checked with other data sources. We used information from the Heidelberg Institute for International Conflict Research's Conflict Barometer 2018 and data from the Internal Displacement Monitoring Centre [IDMC] to identify countries affected by conflict. For countries affected by disasters associated with natural hazards, we used indicators in the INFORM Index for Risk Management and Centre for Research on the Epidemiology of Disasters [CRED] Emergency Events Database [EM-DAT] data. And to identify displacement crises, we used data from the UN High Commissioner for Refugees [UNHCR], the IDMC and the UN Relief and Works Agency Palestine Refugees in the Near East [UNRWA].

Earmarked funding

'Earmarked' funding comprises all non-core ('other') funding directed to multilateral organisations. Unearmarked funding may include softly earmarked contributions, for instance by region, to better reflect progress against the Grand Bargain commitment⁶ of providing more unearmarked and softly earmarked funding.

Our calculation of earmarking to nine UN agencies – Food and Agriculture Organization (FAO), International Organization for Migration (IOM), UNICEF, UN Development Programme (UNDP), UNHCR, UN OCHA, UNRWA, World Food Programme (WFP) and World Health Organization (WHO) – is primarily based on data provided directly to us by each agency, based on their internal reporting.

Exchange rates

We use exchange rates from the OECD DAC for DAC members and data from the IMF World Economic Outlook (October 2018 release) for other government providers. UN operational exchange rates are used by UN OCHA FTS.

Funding for local and national responders

Our analysis of direct funding to local and national responders in Figure 4.2 uses data from FTS that we then 'code' according to a set of organisational categories. We use the following categories of local and national non-state actors and national and subnational state actors, as defined by the Inter-Agency Standing Committee Humanitarian Financing Task Team in its *Localisation Marker Working Group Definitions Paper* (January 2018):⁷

- National NGOs/civil society organisations (CSOs): National NGOs/CSOs operating in the aid recipient country in which they are headquartered, working in multiple subnational regions, and not affiliated to an international NGO. This category can also include national faith-based organisations.
- Local NGOs/CSOs: Local NGOs/CSOs operating in a specific, geographically defined, subnational area of an aid recipient country, without affiliation to an international NGO/CSO. This category can also include community-based organisations and local faith-based organisations.
- Red Cross/Red Crescent National Societies: National Societies that are based in and operating within their own aid recipient countries.
- Local and national private sector organisations: Organisations run by private individuals or groups as a means of enterprise for profit, that are based in and operating within their own aid recipient countries and not affiliated to an international private sector organisation.
- National governments: National government agencies, authorities, line ministries and state-owned institutions in aid recipient countries such as national disaster management agencies. This category can also include federal or regional government authorities in countries where they exist.
- Local governments: Subnational government entities in aid recipient countries exercising some degree of devolved authority over a specifically defined geographic constituency such as local/municipal authorities.

Other categories of first-level recipients featured in this analysis are:

- National foundations: foundations in receipt of international humanitarian funds that are based in aid recipient countries.
- National research institutions: academia, think tanks and research institutions in receipt of international humanitarian funds that are based in aid recipient countries.
- Internationally affiliated NGOs: NGOs affiliated to an international NGO through interlinked financing, contracting, governance and/or decision-making systems. This category does not include local and national organisations that are part of networks, confederations or alliances wherein those organisations maintain independent fundraising and governance systems.
- Southern international NGOs: NGOs based in aid recipient countries that are not OECD members, carrying out operations outside the aid recipient country in which they are headquartered and not affiliated to an international NGO. The same organisation is classified as a national NGO/CSO when carrying out operations in the country in which they are headquartered.

For our calculation of indirect funding (i.e. delivered through one intermediary) given to local and national responders, as agreed in the Inter-Agency Standing Committee's definitions paper,⁸ we analyse data reported to FTS that is marked up as 'new money' or provided through an intermediary. To prevent double counting, we compare levels of funding to first-level recipients (receiving 'new money' as reported on FTS) with the volumes these same organisations then pass on down the transaction chain (and are therefore recorded as 'donors' of funds that do not constitute 'new money'). The amount of funding provided as intermediary donors is subtracted from the amount of funding received as first-level recipients.

International humanitarian assistance

Our estimate of total international humanitarian assistance is the sum of that from private donors (see this chapter's section on *Private funding*) and from government donors and EU institutions. Our calculation of international humanitarian assistance from government donors is the sum of:

- 'official' humanitarian assistance (OECD DAC donors)
- international humanitarian assistance from OECD DAC donors to non-ODA eligible countries from the FTS
- international humanitarian assistance from donors outside the OECD DAC using data from the FTS.

Our 'official' humanitarian assistance calculation comprises:

- the bilateral humanitarian expenditure of OECD DAC members, as reported to the OECD DAC database under Table 1
- the multilateral humanitarian assistance of OECD DAC members. This comprises:
 - The unearmarked ODA contributions of DAC members to nine key multilateral agencies engaged in humanitarian response: FAO, IOM, UNDP, UNHCR, UN OCHA, UNICEF, UNRWA, WFP and WHO, as reported to the OECD DAC under Table 2a and the CRS. We do not include all ODA to FAO, IOM, UNICEF and WFP but apply a percentage to take into account that these agencies also have a 'development' mandate. These shares are calculated using data

on humanitarian expenditure as a proportion of the total received directly from each multilateral agency.

- The ODA contributions of DAC members to some other multilateral organisations (beyond those already listed) that, although not primarily humanitarian oriented, do report a level of humanitarian aid to OECD DAC Table 2a. We do not include all reported ODA to these multilateral organisations but just the humanitarian share of this.
- Contributions to the UN CERF that are not reported under DAC members' bilateral humanitarian assistance. We take this data directly from the UN CERF website.

When we report on the official humanitarian assistance of individual OECD DAC countries who are members of the EU, we include an imputed calculation of their humanitarian assistance channelled through the EU institutions, based on their ODA contributions to the EU institutions. We do not include this in our total international humanitarian assistance and response calculations to avoid double counting.

Our estimate for official humanitarian assistance is derived from preliminary DAC donor reporting on humanitarian aid grants.

Turkey is captured and shaded differently in Figures 2.4 and 2.5 because the humanitarian assistance that it voluntarily reports to the DAC largely comprises expenditure on hosting Syrian refugees within Turkey. We do not include Turkey's spending on Syrian refugees in Turkey in our total international humanitarian assistance and response calculations elsewhere in the report as these only include amounts directed internationally by donors.

Multi-year funding

Figures 4.5 and 4.6 are based on data collected from 11 institutional donors that are Grand Bargain signatories. Data for ten of these was collected through a bilateral survey and data for one donor was collected from the International Aid Transparency Initiative (IATI). Multi-year funding in this analysis comprises funding that the reporting donors consider humanitarian or humanitarian related. Data on multi-year funding is categorised according to the respective donors' definitions of timeframes of the funding and therefore includes funding agreements ranging between 12 and 24 months when defined as multi-year by the donor. More methodological detail will be included in DI's forthcoming global multi-year funding study.

Poverty

We refer to two poverty lines in this report: the international extreme poverty line of \$1.90 a day and a higher poverty line of \$3.20 a day. Both of these poverty lines are expressed in 2011 purchasing power parity (PPP) dollars and use data from the World Bank's PovcalNet. We use the international poverty lines with estimates for 2013 in this year's report to provide the most comparable up-to-date analysis possible.

In this GHA report we also include DI's own estimates on poverty in five countries without data on PovcalNet: Afghanistan, Equatorial Guinea, Eritrea, Libya and Somalia. These estimates are based on data from proxy surveys carried out in those countries among other sources. For more detail on the methodology behind these estimates please refer to DI's corresponding discussion paper.⁹

Private funding

We directly request financial information from humanitarian delivery agencies (including NGOs, multilateral agencies and the RCRC) on their income and expenditure to create a standardised dataset. Where direct data collection is not possible, we use publicly available annual reports and audited accounts. For the most recent year, our dataset includes:¹⁰

- over 200 NGOs that form part of representative NGO alliances and umbrella organisations such as Oxfam International, and several large international NGOs operating independently
- private contributions to IOM, UNDP, UNHCR, UNICEF, UN OCHA, UNRWA, WFP and WHO
- the International Federation of Red Cross and Red Crescent Societies (IFRC) and the International Committee of the Red Cross (ICRC).

Our private funding calculation comprises an estimate of total private humanitarian income for all NGOs, and the private humanitarian income reported by the eight UN agencies, the IFRC and the ICRC. To estimate the total private humanitarian income of NGOs globally, we calculate the annual proportion that the NGOs in our dataset represent of NGOs reporting to UN OCHA FTS. The total private humanitarian income reported to us by the NGOs in our dataset is then scaled up accordingly.

Data is collected annually, and new data for previous years may be added retrospectively. Due to limited data availability, detailed analysis covers the period 2013 to 2017.

Our 2018 private funding calculation is an estimate based on data provided by Médecins Sans Frontières (MSF), pending data from our full dataset. We calculate the average share that MSF's contribution represents in our private funding figure for the five previous years (2013–2017) and use this to scale up the private funding figure provided by MSF to arrive at an estimated total for 2018. The rationale for this methodology is that the share of MSF's private funding remains relatively consistent year on year (ranging between 25% and 29% of the total amount over the last five years).

Rounding

There may be minor discrepancies in some of the totals in our charts and infographics, and between those in the text, because of rounding.

UN-coordinated appeals

We use this generic term to describe all humanitarian response plans and appeals coordinated by UN OCHA or UNHCR, including strategic response plans/humanitarian response plans, flash appeals and regional refugee response plans. We use data from UN OCHA's FTS and UNHCR for our financial analysis of UN-coordinated appeals.

data sources

ACAPS	www.acaps.org/countries
The Cash Learning Partnership	www.cashlearning.org
Centre for Research on the Epidemiology of Disasters	www.emdat.be/database
EM-DAT: International Disaster Database Université Catholique de Louvain, Brussels, Belgium	
Country-based pooled funds Grant Management System	https://gms.unocha.org/content/cbpf-allocations
CBPF allocations, CBPF Grant Management System, UN OCHA	
Food and Agriculture Organization of the UN	www.fao.org/home/en
Food Security Information Network <i>Global Report on Food Crises 2018</i>	www.fsincop.net/fileadmin/user_upload/fsin/docs/global_report/2018/GRFC_2018_Full_report_EN_Low_resolution.pdf
International Aid Transparency Initiative	www.aidtransparency.net http://iatistandard.org
INFORM	www.inform-index.org
Index for Risk Management	
Internal Displacement Monitoring Centre	http://internal-displacement.org/database/displacement-data
International Federation of Red Cross and Red Crescent Societies	www.ifrc.org
IFRC's appeal reports, IFRC, Geneva	
International Monetary Fund	www.imf.org/external/pubs/ft/weo/2017/01/weodata/index.aspx
World Economic Outlook Database	www.imf.org/external/pubs/ft/weo/2016/02/weodata/index.aspx
Organisation for Economic Co-operation and Development	http://stats.oecd.org
OECD.StatExtracts, OECD, Paris	www.oecd.org/dac/financing-sustainable-development/development-finance-data/
Development finance data, OECD, Paris	www.oecd.org/dac/states-of-fragility-2016-9789264267213-en.htm
<i>States of Fragility 2016: Understanding Violence</i> , OECD, Paris	
OECD Creditor Reporting System	
UN Conference on Trade and Development	http://unctadstat.unctad.org
UNCTADstat, UNCTAD, Geneva	

UN High Commissioner for Refugees	http://data.unhcr.org
Population Statistics Reference Database, UNHCR	http://popstats.unhcr.org/en/time_series
Mid-Year Trends (historical), UNHCR Global Trends reports, response plans' funding snapshots	http://reporting.unhcr.org
UN Office for the Coordination of Humanitarian Affairs	www.unocha.org
Central Emergency Response Fund/CERF, UN OCHA, New York	www.unocha.org/cerf https://fts.unocha.org
Financial Tracking Service/FTS, UN OCHA, Geneva	
UN Relief and Works Agency for Palestine Refugees in the Near East	www.unrwa.org/resources/about-unrwa
<i>UNRWA in Figures</i> reports	
World Bank	http://data.worldbank.org/data-catalog/world-development-indicators
World Development Indicators, World Bank, Washington DC	http://iresearch.worldbank.org/PovcalNet
PovcalNet, World Bank	http://data.worldbank.org/data-catalog/international-debt-statistics
World Bank International Debt Statistics	
Global Concessional Financing Facility, Financial Reports	www.worldbank.org/en/topic/migrationremittancesdiasporaissues/brief/migration-remittances-data https://globalcff.org/documents
The World Factbook CIA	www.cia.gov/library/publications/the-world-factbook

acronyms

CAR	Central African Republic
CBPF	Country-based pooled fund
CERF	Central Emergency Response Fund
CRS	Creditor Reporting System [DAC]
CSO	Civil society organisation
DAC	Development Assistance Committee [OECD]
DFID	Department for International Development [UK]
DI	Development Initiatives
DPR Korea	Democratic People's Republic of Korea
DRC	Democratic Republic of the Congo
ECHO	European Civil Protection and Humanitarian Aid Operations
EU	European Union
FAO	Food and Agriculture Organization
FDI	Foreign direct investment
FTS	Financial Tracking Service [UN OCHA]
GDP	Gross domestic product
GHA	Global Humanitarian Assistance (project by Development Initiatives)
GNI	Gross national income
HRP	Humanitarian response plan
IATI	International Aid Transparency Initiative
ICRC	International Committee of the Red Cross
IDP	Internally displaced person
IFRC	International Federation of Red Cross and Red Crescent Societies
IMF	International Monetary Fund
INFORM	Index for Risk Management
IOM	International Organization for Migration
LIC	Low income country
NGO	Non-governmental organisation
OCHA	Office for the Coordination of Humanitarian Affairs [UN]
ODA	Official development assistance

OECD	Organisation for Economic Co-operation and Development
RCRC	International Red Cross and Red Crescent Movement
RRP	Regional response plan
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
UNDP	UN Development Programme
UNHCR	UN High Commissioner for Refugees
UNICEF	UN International Children's Emergency Fund
UNRWA	UN Relief and Works Agency for Palestine Refugees in the Near East
US	United States
WFP	World Food Programme
WHO	World Health Organization

notes

foreword

1. See UNHCR. The Global Compact on Refugees. Available at: www.unhcr.org/the-global-compact-on-refugees.html
2. See UN Refugees and Migrants. Global compact for migration. Available at: <https://refugeesmigrants.un.org/migration-compact>

chapter 1

1. The UN defines a complex crisis as “a humanitarian crisis in a country, region or society where there is a total or considerable breakdown of authority resulting from internal or external conflict and which requires an international response that goes beyond the mandate or capacity of any single and/or ongoing UN country program.” See: https://interagencystandingcommittee.org/system/files/legacy_files/WG16_4.pdf. For the analysis, ‘complex crises’ refer to those that simultaneously involve at least two of the three types – disasters associated with natural hazards, forced displacement situations or conflict.
2. This figure is in PPP [purchasing power parity] to allow for comparison of poverty data across countries. PPPs are constructed by comparing the cost of a common basket of goods in different countries. To reflect internationally comparable poverty lines, we use the \$1.90 and \$3.20 poverty lines derived from 2011 prices.
3. For example, see Figure 1.6, Development Initiatives, 2018. *Global Humanitarian Assistance Report 2018*. Available at: <http://devinit.org/wp-content/uploads/2018/06/GHA-Report-2018.pdf>
4. Crises can improve or worsen year on year, while external attention and commitments of assistance also vary. Of the 34 countries with a UN-coordinated appeal in 2018, 12 had received appeal funding for 8 of the last 10 years.
5. This includes humanitarian response plans, flash appeals and other UN-coordinated country response plans that are humanitarian – or humanitarian related, such as humanitarian strategic plans or joint response plans.
6. For example, ACAPS’ INFORM Global Crisis Severity Index provides up-to-date snapshots of the presence and severity of crises, see: www.acaps.org/methodology/severity [accessed August 2019].
7. The UN defines a complex crisis as “a humanitarian crisis in a country, region or society where there is a total or considerable breakdown of authority resulting from internal or external conflict and which requires an international response that goes beyond the mandate or capacity of any single and/or ongoing UN country program.” See: Inter-Agency Standing Committee Working Group, 1994. Definition of Complex Emergencies. Available at: https://interagencystandingcommittee.org/system/files/legacy_files/WG16_4.pdf. For the analysis, ‘complex crises’ refer to those that simultaneously experience at least two of the three types – disasters associated with natural hazards, refugee situations or conflict.

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8. UNHCR. The Global Compact on Refugees. Available at: www.unhcr.org/the-global-compact-on-refugees.html [accessed August 2019].
 9. UN Refugees and Migrants. Global compact for migration. <https://refugeesmigrants.un.org/migration-compact> [accessed August 2019].
 10. Lebanon and Turkey are country components of the regional response plan, through which they have both received funding for five consecutive years. Similarly, Ethiopia did not have a humanitarian response plan until 2017 but did receive assistance in 2016 and 2015 as part of the Yemen Situation Regional Refugee and Migrant Response Plan.

chapter 2

1. We note that 15 appeals received 50% or less of their requirements. These included ten countries with HRPs, four RRP (Burundi, DRC, Nigeria and South Sudan) and one Needs and Priorities Plan (DPR Korea).
2. Turkey and EU institutions are not included in these calculations. In 2017, the three government donors that contributed 59% of the total (US\$11.8 billion) were the US, Germany and the UK.
3. See Chapter 1, Figures 1.3, 1.4 and 1.5. A large number of countries outside the DAC provide support to refugee and IDP populations; of the 20 countries with the largest forcibly displaced populations, only Germany and the US are DAC members. As well as these two countries, Turkey also voluntarily reports some in-country refugee-hosting costs to the DAC (US\$24.3 million), though most of the spending it reports to the DAC as humanitarian assistance is also used to support Syrian refugees. Data on expenditure by other hosting countries is not reported to the DAC, making comparative analysis difficult.
4. Agreed in October 2017, the revised OECD DAC guidelines state that in-donor refugee costs are only those reported under the specified ODA category code. Other spending on refugee hosting in these countries that is not reported to this code is not included [see OECD, 2017. DAC High Level Communiqué: 31 October 2017. Available at: www.oecd.org/dac/DAC-HLM-2017-Communique.pdf]. The revisions aim to enhance the consistency of reporting between donors as well as transparency of reported costs. For analysis of these guidelines, see Development Initiatives, 2017. *ODA Modernisation: An update following the October 2017 HLM*. Available at: <http://devinit.org/post/oda-modernisation-update-following-october-2017-hlm>
5. 2017 is the most recent year for which detailed data is available to identify sources of private contributions. The preliminary figures used to estimate contributions for 2018 are drawn from a more limited and less detailed dataset because, at the time of publication, many organisations have yet to complete internal accounting processes and publish full financial records for 2018.
6. Private Philanthropy for Development (CRS), Available at: https://stats.oecd.org/Index.aspx?DataSetCode=DV_DCD_PPF

chapter 3

1. OECD DAC, 2019. *DAC Recommendation on the OECD Legal Instruments Humanitarian-Development Peace Nexus*. Available at: <https://legalinstruments.oecd.org/public/doc/643/643.en.pdf>
2. This excludes Sudan, which also experienced a combined decrease in developmental ODA and humanitarian assistance in its fifth year of crisis compared with the year before appeal. However, data in the year before appeal includes assistance to South Sudan, but in the fifth year of crisis excludes it, as that is after the independence of South Sudan.
3. 'Grant element' is the standard way of measuring how concessional a loan is. It can be viewed as the difference between the cost, in today's prices, of the future repayments a borrower will have to make on the loan in question and the repayments the borrower would have had to make on a non-concessional loan. This is therefore the amount of money that is considered to have been given away by the donor. The grant element is normally shown as a percentage of the value of the loan.
4. See, for example, OECD/UN Capital Development Fund, 2019. *Blended Finance in the Least Developed Countries 2019*. OECD Publishing, Paris. Available at: <https://doi.org/10.1787/1c142aae-en>
5. All analysis in this section excludes China, whose large volumes of FDI and private sector credit skew developing country trends.
6. See note 4.
7. Development Initiatives, 2018. *The enabling environment for private sector development. Donor spending and links to other catalytic uses of aid*. Available at: http://devinit.org/wp-content/uploads/2018/03/the-enabling-environment-for-private-sector-development_discussion-paper.pdf
8. Lee N. and Sami A., 2019. *Trends in Private Capital Flows to Low-Income Countries: Good and Not-So-Good News*, CGD Policy Paper 151. Washington, DC: Center for Global Development.
9. See note 7.
10. De Wit, S., forthcoming. *Getting Ahead of Crises: A thesaurus for anticipatory action*. Centre for Disaster Protection, Climate Centre, OCHA and SHEAR.
11. World Bank, no date. *Shock responsive social protection: Disaster Risk Finance. Disaster Risk Financing and Insurance Programme*. Available at: <http://pubdocs.worldbank.org/en/938611538414860132/12-Sri-Lanka-DRF-Olivier-Mahul.pdf>
12. See note 11.
13. Weingärtner L. and Wilkinson E., June 2019. *Anticipatory crisis financing and action: concepts, initiatives and evidence*. Available at: www.odi.org/publications/11390-anticipatory-crisis-financing-and-action-concepts-initiatives-and-evidence [accessed September 2019].
14. The International Red Cross and Red Crescent Movement, World Food Programme, Food and Agriculture Organization and Start Network have been at the forefront of much of this innovation in a field of anticipatory approaches – which includes forecast-based financing, forecast-based action, early warning early action and early response. See De Wit, S., forthcoming. *Getting Ahead of*

Crises: A thesaurus for anticipatory action. Centre for Disaster Protection, Climate Centre, OCHA and SHEAR.

15. Lowcock M., 2018. A Casement Lecture: Towards a Better System for Humanitarian Financing, 23 March 2018. Available at: <https://reliefweb.int/report/world/under-secretary-general-humanitarian-affairs-and-emergency-relief-coordinator-mark-0>
16. Clarke D. and Dercon S., 2019. *Beyond banking: crisis risk finance and development insurance in IDA19. IDA19 series.* Centre for Disaster Protection and UK Aid. Available at: https://static1.squarespace.com/static/5c9d3c35ab1a62515124d7e9/t/5ca60aef9140b78e63fa4521/1554385656425/Paper_4_Beyond_Banking.pdf
17. World Bank, 2018. Global Crisis Risk Platform. Available at: <http://documents.worldbank.org/curated/en/660951532987362050/pdf/GCRP-Board-Paper-26-June-FINAL-06272018.pdf>. The World Bank capital package agreed in April 2018 highlights fragility, conflict and violence, and crisis risk management as central development challenges. It raises the prospect of increased resources for preventive efforts, noting their centrality to global stability and development.
18. The Asian Development Bank has said that the review of its Disaster and Emergency Assistance Policy is expected to lead to a revision in 2019 to improve its disaster response, including to “non-natural humanitarian disasters”. See Asian Development Bank, 2019. *Supporting Disaster Risk Management.* www.adb.org/sites/default/files/page/176089/adf-12-mtr-disaster-risk-management-201902.pdf
19. See note 17.
20. Other products include the Global Index Insurance Facility, InsuResilience Solutions Fund, InsuResilience Investment Fund and the Global Risk Financing Facility.
21. For more information on the detail behind this change, see OECD DAC Working Party on Development Finance Statistics, 2018. *Revision of the reporting directives: sections relating to the approved SDG focus field and changes to policy markers and types of aid.* Available at: [https://one.oecd.org/document/DCD/DAC/STAT\(2018\)52/en/pdf](https://one.oecd.org/document/DCD/DAC/STAT(2018)52/en/pdf)

chapter 4

1. Grand Bargain signatories, 2016. *The Grand Bargain – A Shared Commitment to Better Serve People in Need.* Available at: www.agendaforhumanity.org/initiatives/3861
2. IASC Humanitarian Financing Task Team, 2018. *Localisation Marker Working Group: Definitions Paper.* Available at: https://interagencystandingcommittee.org/system/files/hfft_localisation_marker_definitions_paper_24_january_2018.pdf. The definitions paper defines ‘as-directly-as-possible’ funding as that passed through “a single international aid organisation” but notes that further research and discussion are planned to consider whether other intermediaries should be considered for inclusion.
3. This 7.9% relates to external flows at the second level. In 2018, a total of 16% of flows on FTS were at second level, though this includes ‘internal’ transfers of funding within an agency, where an agency reports funding as a donor but the recipient of the funding is another part of the same agency.

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4. Oxfam, Development Initiatives and Uganda Comprehensive Refugee Response Framework Steering Group [forthcoming]. *Money Talks II: Uganda*. And Oxfam [forthcoming]. *Money Talks II: Bangladesh*.
 5. See note 1.
 6. In 2018, donor organisations reported US\$20.2 billion in international humanitarian assistance to UN OCHA FTS. Of this total, only 17% (US\$3.5 billion) was labelled with earmarking categories, up from just 4% in 2016. Of international humanitarian assistance flows, US\$2.2 billion (11% of total volume) were classified as earmarked; 2.6% (US\$521 million) as unearmarked; 2.3% (US\$469 million); and 1.6% (US\$321 million) as softly earmarked. The remaining US\$16.6 billion did not receive any earmarking label. Earmarked funding can be reported to IATI against earmarking types and modalities consistent with Grand Bargain definitions. This has been possible since Version 2.03 of the IATI Standard was introduced in March 2018. Reporting against these categories is currently very limited – to only one organisation at the time of publication, though with other organisations now looking at how to include this information – which is in part explained by limited reporting overall to Version 2.03, as organisations need to update reporting systems to meet the requirements of this version of the Standard.
 7. Data was collected directly from donors and implementing agencies. This included 11 of the 24 donors who are signatories to the Grand Bargain. These 11 donors accounted for, on average, 81% of total international humanitarian assistance provided by public donors. Grand Bargain self-reports do not consistently indicate the proportion of funding disbursed by donors as multi-year. Those that did report this for 2018, and indicated a high proportion of multi-year funding, were targeted within this group of 11 donors, including the following countries (and Grand Bargain self-reported proportions of multi-year funding): Australia: 2018 [83.3% of core funding] and 2016/2017 [100% of core funding], Belgium: 2017 [72.5%], Canada: 2017 [55%], ECHO: 2018 programming cycle [15–20%], Germany: 2017 [34.6%] and 2016 [25.6%], Netherlands: 2017 [63.7%] and 2016 [60%], UK: 2017 [89%] and US: 2017 [20.7%].
 8. See note 1.
 9. UN agencies account for the single largest proportion of cash and voucher assistance. This proportion fluctuated between 2015 and 2018, accounting for 68% in 2015 and 71% in 2016, before falling to 52% in 2017 (primarily because of new, additional RCRC data) and rising to 60% in 2018.
 10. This slight decrease is at least partly due to the inclusion of more organisations in the sample over the years and does not necessarily reflect changing behaviour.

chapter 5

1. OECD DAC definitions and reporting guidelines can be found at: www.oecd.org/dac/financing-sustainable-development/development-finance-standards
2. See criteria for inclusion at: https://fts.unocha.org/sites/default/files/criteria_for_inclusion_2017.pdf
3. Development Initiatives [Rieger, N], forthcoming. *Counting cash and vouchers*.

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4. Data can be accessed via the Cash Maps, available at: <https://cash-hub.org/resources/cash-maps>
 5. Development Initiatives and Overseas Development Institute [Spencer, A, Parrish, C, Lattimer, C], 2016. *Counting cash: Tracking humanitarian expenditure on cash-based programming*. Available at: www.odi.org/publications/10716-counting-cash-tracking-humanitarian-expenditure-cash-based-programming
 6. The Grand Bargain document is available at: https://reliefweb.int/sites/reliefweb.int/files/resources/Grand_Bargain_final_22_May_FINAL-2.pdf
 7. Inter-Agency Standing Committee Humanitarian Financing Task Team, 2018. *Localisation Marker Working Group Definitions Paper*. Available at: <https://interagencystandingcommittee.org/humanitarian-financing-task-team/documents-public/hfft-localisation-marker-definitions-paper-24>
 8. See note 7.
 9. Development Initiatives [Walton, D], 2018. *Filling the gaps in current global poverty data estimates*. Available at: <http://devinit.org/wp-content/uploads/2019/01/Filling-the-gaps-in-current-global-poverty-data-estimates.pdf>
 10. Please note we may not have data reported for each organisation in every year. For some NGO alliances, we may have only collected data from one member organisation, therefore they are treated as independent here.

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