

# WHERE DOES IT COME FROM?

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Both government and private donors increased their international humanitarian assistance in 2014. Assistance from government donors reached a record US\$18.7 billion – a rise of 24% from the previous year. Initial estimates indicate that private contributions grew by 8% to US\$5.8 billion.

The group of 20 largest government donors of international humanitarian assistance in 2014 was largely the same as in previous years, and the US continued to provide the largest sums. However, Saudi Arabia and the United Arab Emirates joined the ten largest and 20 largest donors respectively. Driven by the conflicts in the region, total contributions from Middle Eastern donors increased by 120% from 2013.

Private donors – predominately individuals, but also trusts, corporations, foundations and companies – provided nearly one-quarter of all international humanitarian assistance. They tend to respond more generously to rapid-onset disasters caused by natural hazards – and as a group were the largest humanitarian contributor to the 2013 Typhoon Haiyan response and the third largest to the 2014 Ebola response. International non-governmental organisations continue to be the largest mobilisers of private funding, receiving 89% of the total in the past five years. However, both the Red Cross and Red Crescent (RCRC) Movement and UN agencies are beginning to draw increasingly larger proportions of their revenue from private donors.

International humanitarian assistance, public or private, is necessary only when there is insufficient national capacity or readiness to respond. Many governments spend substantial sums on domestic preparedness and response, negating or reducing the need for international financing – Turkey's US\$1.6 billion expenditure on hosting Syrian refugees in 2013 exemplifies this. No global data exists on the value of domestic response but Sierra Leone's US\$17.2 million spending on the Ebola response and Mexico's US\$3.3 billion expenditure on disaster response also illustrate its importance in two very different economic and crisis contexts.

# Government donors: by group

Government donors gave a record amount of international humanitarian assistance in 2013, but in 2014 they gave even more – reaching a new high of US\$18.7 billion. This was up by nearly a quarter (24%) from the US\$15.1 billion given in 2013 and was the largest rise in volume in the past 15 years.

Most international humanitarian assistance – 83% in 2014 – continues to come from government donors in Europe<sup>1</sup> and North America. However, that from the Middle East region more than doubled – rising by 120% from US\$764 million in 2013 to nearly US\$1.7 billion in 2014. This region’s share has doubled over the last decade – from 4% of the total in 2005 to 9% in 2014. This is partly due to improved reporting, but also undoubtedly in response to increased need within the region. Most funding from the Middle East region came from four Gulf donors – Kuwait, Qatar, Saudi Arabia and the United Arab Emirates (UAE) (see page 34).

In 2014, international humanitarian assistance from the Far East Asia region was at its highest level since the 2005 aftermath of the Indian Ocean

earthquake-tsunami. It reached just over US\$1 billion, up 11% from the previous year. The vast majority (86%) came from Japan who gave US\$882 million, with smaller, but significantly increased contributions from China and Korea of US\$53.7 million and US\$81.7 million respectively.

The Organisation for Economic Co-operation and Development (OECD)’s Development Assistance Committee (DAC) includes 29 member governments.<sup>2</sup> These donors accounted for 94% of reported international humanitarian assistance from governments over the last decade and 90% (US\$16.8 billion) in 2014.

While the annual increase in funding from DAC donors was interrupted with a dip in 2012, funding from other government donors has risen in both of the past two years. Reaching a total of US\$1.9 billion in 2014, reported international humanitarian assistance from these other governments increased by 127% from 2013 and is almost triple 2012 levels, largely driven by the increases from the Gulf states.

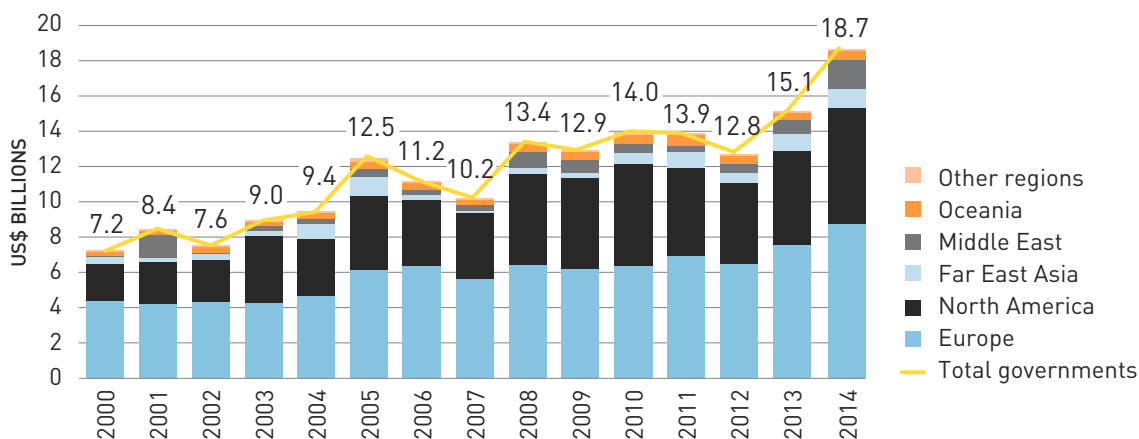
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International humanitarian assistance from government donors was up by nearly a quarter (24%) from the record US\$15.1 billion in 2013.

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FIGURE 3.1

## International humanitarian assistance from governments by donor region, 2000–2014

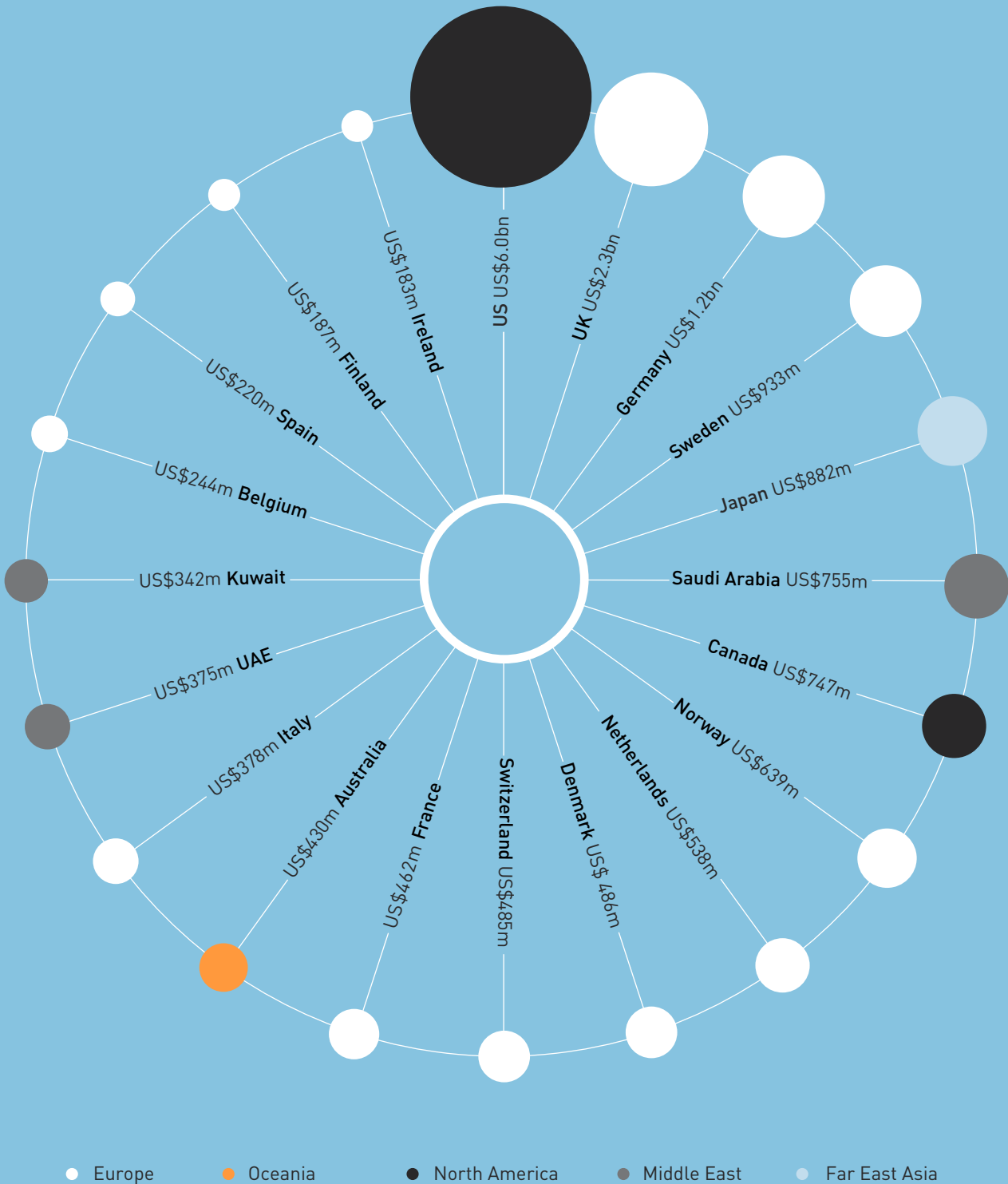


Source: Development Initiatives based on OECD DAC and UN OCHA FTS data.

Notes: OECD DAC data for 2014 is partial and preliminary. Funding from OECD DAC donors includes contributions from EU institutions. OECD country naming has been used for regions. ‘Other regions’ includes the combined total of regions where funding was below US\$1 billion in the 15-year period (see Data & Guides).

FIGURE 3.2

## 20 largest government contributors of international humanitarian assistance, 2014



Source: Development Initiatives based on OECD DAC and UN OCHA FTS data.  
 Notes: 2014 data for OECD DAC is preliminary. The contributions of EU member states includes an imputed amount of the EU institutions' expenditure (see Data & Guides). Data only includes humanitarian assistance spent internationally, see p.38 for analysis of refugee-hosting costs.

## Largest government donors

The government donors providing the most international humanitarian assistance were for the most part the same in 2014 as in 2013,<sup>3</sup> but with two notable shifts reflecting the increasing importance of certain Gulf donors.

Saudi Arabia became one of the ten largest donors for the first time since 2008, rising to become the 6th largest donor in 2014, from 16th largest in the previous year. The UAE also joined the largest 20 donors, becoming the 15th largest government donor in 2014.

The 20 largest donors contributed 95% of all international government contributions in 2014, in line with the previous year. But there was a marked concentration in the five largest donors, which accounted for around two-thirds of all international humanitarian assistance from governments – 61% in 2014, again in line with 2013.

The US continues to be the largest donor by far, providing 32% of all international humanitarian assistance from governments in 2014, and more than the total of the next-three-largest government donors (UK, Germany and Sweden) combined. Over the past ten years, the US has provided 33% of the total from government donors. It provided nearly four times more than the next largest donor, the UK, over the decade. This reflects its status as the largest global economy:<sup>4</sup> in 2014, just over six times larger than that of the UK.

Totals of international humanitarian assistance from EU member states include their contributions to the EU institutions. If the EU were to be included as a separate donor, it would be the third-largest donor in 2014, and in the nine previous years the EU has

consistently been the second-largest donor. In 2014, the EU institutions, primarily the Department of Humanitarian Aid and Civil Protection (ECHO), contributed US\$2.3 billion, a rise of 15% from the previous year.

In 2014, the largest government donors continued to give more. All of 2013's largest ten donors increased their international humanitarian assistance in 2014. Of the 20 largest donors in 2014, all except Belgium and Spain increased their contributions from the previous year. The US, the UK, Germany and Sweden have given the largest totals over the past decade and for all of these donors 2014 represented a peak year. Eight out of the ten largest donors gave their largest contributions of the decade in 2014.

While there was a total rise of 24% in funding from all governments, some donors showed particularly high proportional increases. The largest was from the UAE – a rise of 317% from US\$90.1 million in 2013 to US\$375 million in 2014. However, in terms of volume, the largest increase from 2013 to 2014 came from the US, up by US\$1.2 billion (25%). The second-highest volume increase came from Saudi Arabia, whose increase of US\$518 million meant it more than trebled its contribution from the previous year.

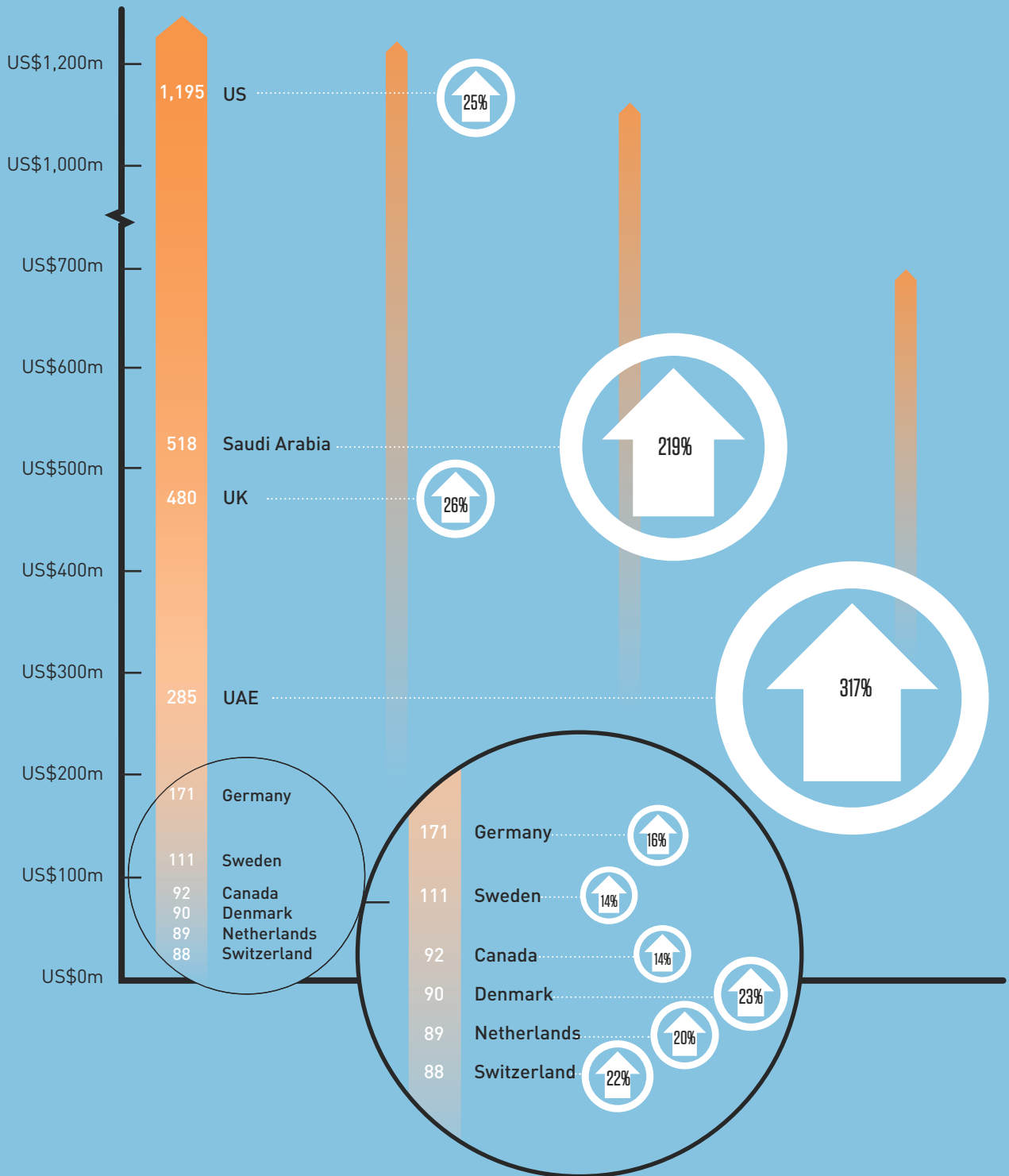
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In 2014, the largest government donors continued to give more. All of 2013's largest ten donors increased their international humanitarian assistance in 2014.

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FIGURE 3.3

### Top 10 largest changes in international humanitarian assistance from government donors, 2013-2014



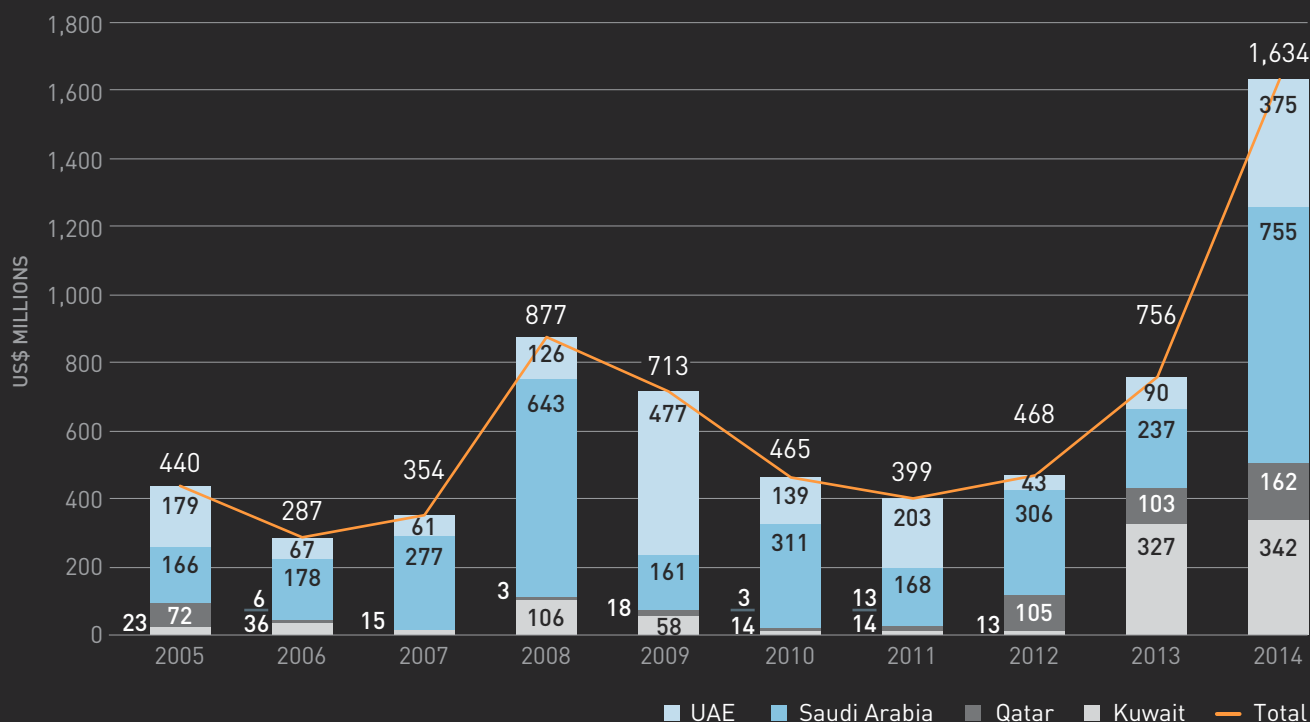
Source: Development Initiatives based on OECD DAC and UN OCHA FTS data.

Notes: 2014 data for OECD DAC donors is preliminary. The contributions of EU member states includes an imputed amount of the EU institutions' expenditure (see Data & Guides). Decreases not included in this chart as most were small and none were among the ten largest changes.

# In focus: Gulf states

FIGURE 3.4

International humanitarian assistance from Kuwait, Qatar, Saudi Arabia and UAE, 2005–2014



Source: Development Initiatives based on UN OCHA FTS data.

The six Gulf-state governments have long been important international humanitarian donors, and their role is growing as the numbers of people in humanitarian need in the Middle East region increases (see Chapter 1). In 2014, they gave a combined total of US\$1.7 billion. Four states, Kuwait, Qatar, Saudi Arabia and the United Arab Emirates (UAE), contributed the bulk of this – US\$1.6 billion. This was a record sum, which was more than double that from 2013 and equivalent to their total funding for the previous three years together.

While all of these four donors reported rises from 2013 to 2014, Saudi Arabia’s contribution more than trebled, accounting for nearly half (46%) of these four donors’ combined total, and UAE’s more than quadrupled. Their contributions in 2014 meant that Saudi Arabia rose from the 16th to the 6th largest government donor, and the UAE

entered the largest 20 donors for the first time since 2011, as 15th largest.

The rise is clearly driven by conflict and displacement in the region. In 2014 a total of US\$1.1 billion (or 66%) of disbursements from the six Gulf-state governments reported to specific countries went to the top three recipients: Iraq (US\$557 million or 33%), Syria (US\$356 million or 21%) and the occupied Palestinian territories (oPt) (US\$183 million or 11%).<sup>5</sup> In comparison, the Ebola response received US\$12.1 million (1%) of reported international humanitarian assistance from these donors, while the response to Typhoon Haiyan received US\$34 million (2%).

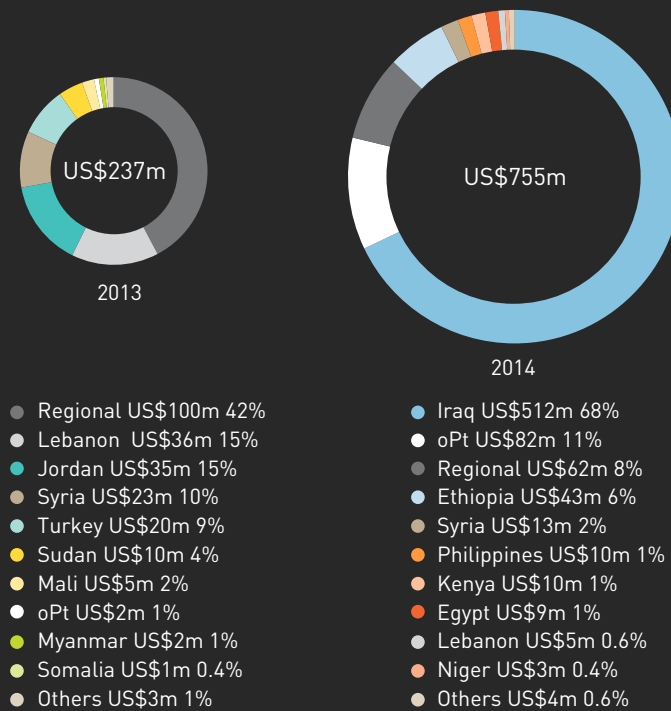
The Gulf states’ contributions to crises in Iraq, Syria and oPt account for significant shares of the totals given to these crises. In 2014 they accounted for 46% of the international humanitarian assistance reported to Iraq and 20% of that to oPt. They accounted for 12% of

the funds to the two Syria appeals (half of which came from Kuwait) and 16% of the totals reported to the UN Office for the Co-ordination of Humanitarian Affairs (OCHA)’s Financial Tracking Service (FTS) for Syria and the refugee-hosting countries in the region.

Nearly two-thirds (62%) of assistance from these donors was channelled via UN agencies and IOM in 2014. While the bulk of this went to the World Food Programme (WFP) (36%), the Office of the United Nations High Commissioner for Refugees (UNHCR) (23%) and the UN Children’s Fund (UNICEF) (15%); very little went to the Central Emergencies Response Fund (CERF) – just 0.1%. Equal proportions (12%) went to the International Red Cross and Red Crescent (RCRC) societies and to the governments of affected states, and only 1% to non-governmental organisations (NGOs) and civil society organisations.

FIGURE 3.5

## Recipients of Saudi Arabia's international humanitarian assistance, 2013 and 2014



Source: Development Initiatives based on UN OCHA FTS data.

Notes: In 2013 'Others' captures funding for nine recipients, each under US\$1 million (Ethiopia, Sierra Leone, the Philippines, Afghanistan, Tanzania, Dominica, Lesotho, Libya, Malawi). In 2014 'Others' captures funds for eight recipients and 'none', each under US\$2m (Bosnia and Herzegovina, DRC, Jordan, Yemen, Guinea, Somalia, Djibouti and Afghanistan).

Of the four Gulf states, Saudi Arabia was the largest donor in 2014, with a contribution of US\$755 million, over three times its total in 2013. The response to the crisis in Iraq drove this rise – representing almost 70% (US\$512 million) of the 2014 total. This includes a US\$500 million disbursement to the UN in Iraq in July 2014. This contribution brought Iraq from being the third-worst-funded UN-coordinated appeal to the best-funded appeal – 198% beyond its requirements by September 2014.

This is part of a tendency to step in with large contributions to underfunded emergencies in the region. In December 2014, amid announcements that WFP would have to suspend its food assistance to Syrian refugees, Saudi Arabia committed a package of funding to WFP that included US\$53.3

million to the Syrian regional crisis. The same amount was also committed to WFP's responses in Ethiopia and Kenya (US\$43.0 million and US\$10.2 million respectively).

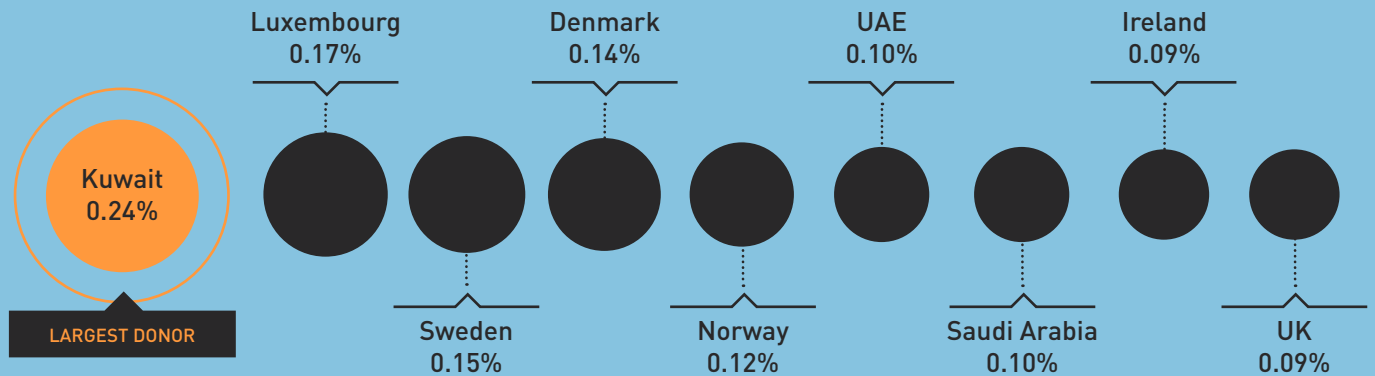
Saudi Arabia has displayed different preferences for how to channel its assistance in different years. In 2014 it channelled most of its reported international humanitarian assistance (86%) through UN agencies: 43% went through WFP, including US\$149 million (out of the US\$500 million contribution) to Iraq and the US\$53 million contribution to the Syria crisis. In 2011 it contributed all of its reported assistance via UN agencies, but in 2012 and 2013 only 15% and 8% respectively. In 2010 it channelled 56% of its assistance to the government of the affected state, nearly all of which was to Pakistan after the floods.

As the influence of these Gulf states as humanitarian donors rises, there is increasing dialogue about the nature of their role in humanitarian action and humanitarian financing, including through the World Humanitarian Summit<sup>6</sup> and as part of wider commitments by the League of Arab States.<sup>7</sup> Reporting of humanitarian assistance by these donors has long been partial and variable, but the increased sums reported in 2014 may reflect efforts to improve this. For example, as well as reporting increased sums in 2014, Saudi Arabia also retrospectively reported US\$426 million that it had disbursed over the 2010–2013 period. Also in 2014, the UAE became the first non-OECD country to join the OECD DAC.

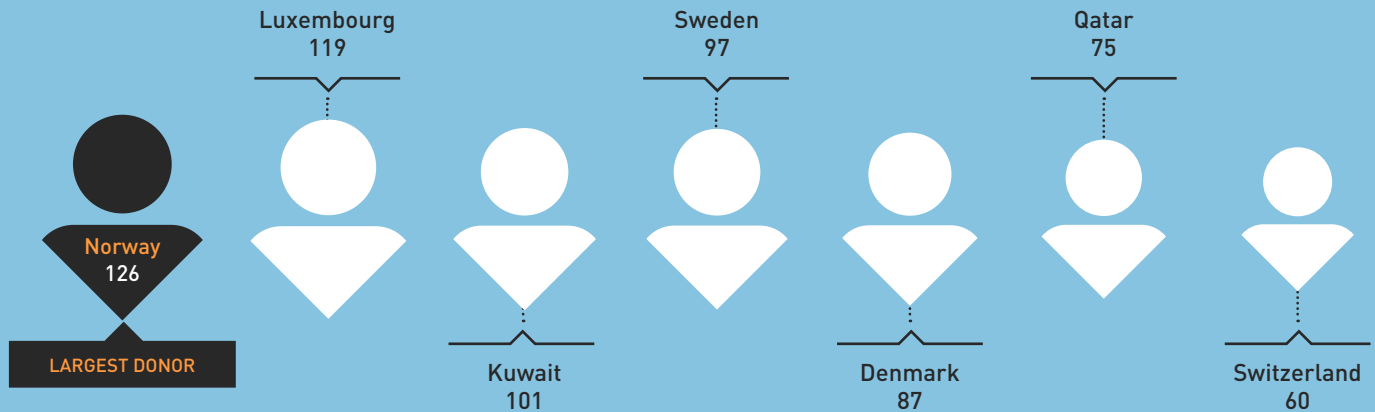
FIGURE 3.6

# The 20 largest donors of international humanitarian assistance 2014, measured in three different ways

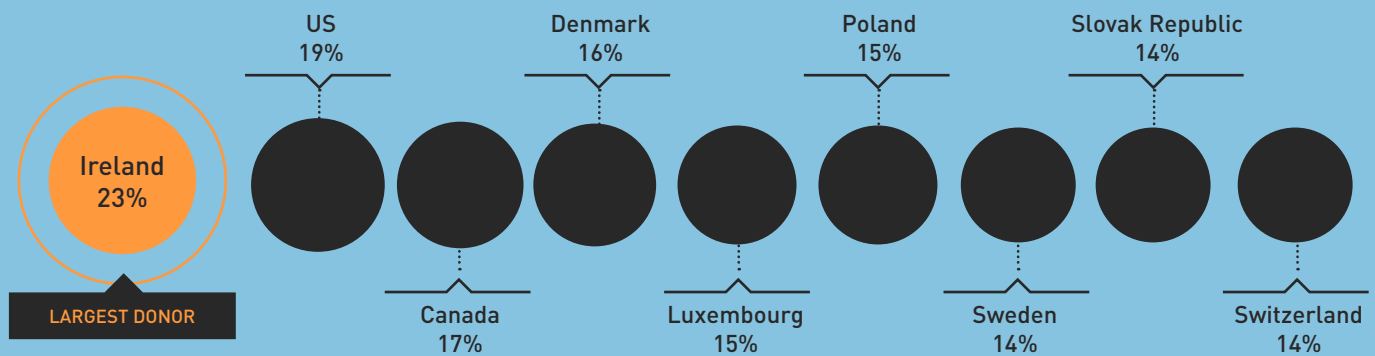
## International humanitarian assistance as percentage of gross national income (GNI)



## International humanitarian assistance per citizen (US\$)

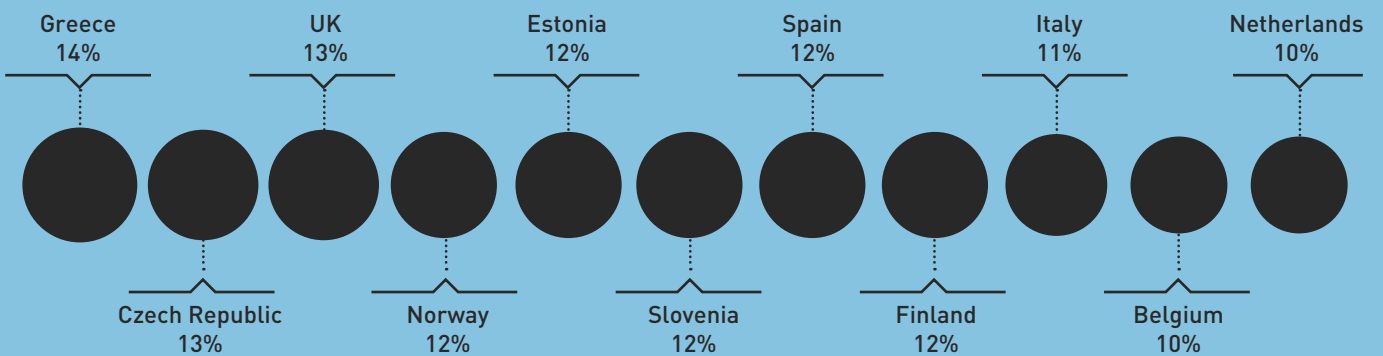
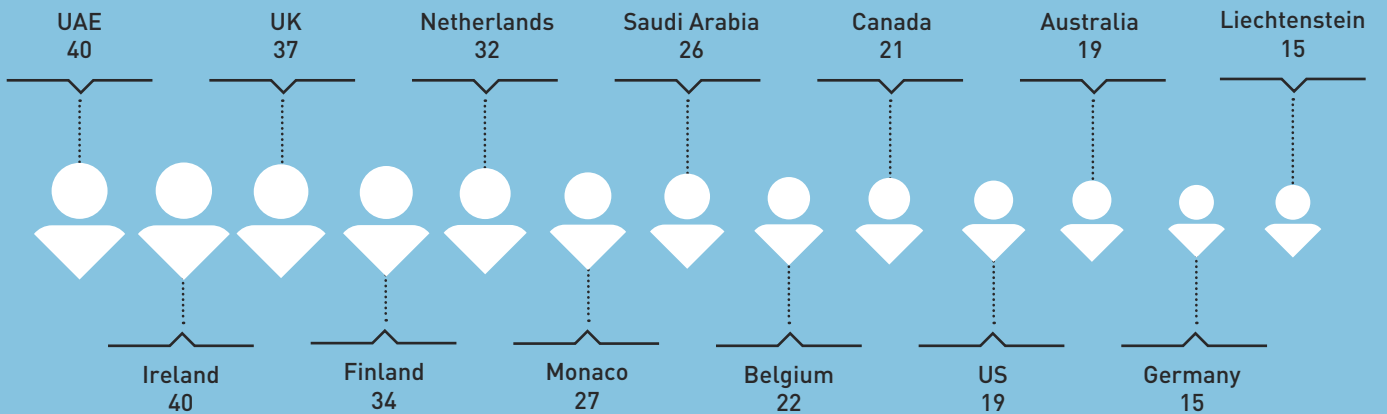
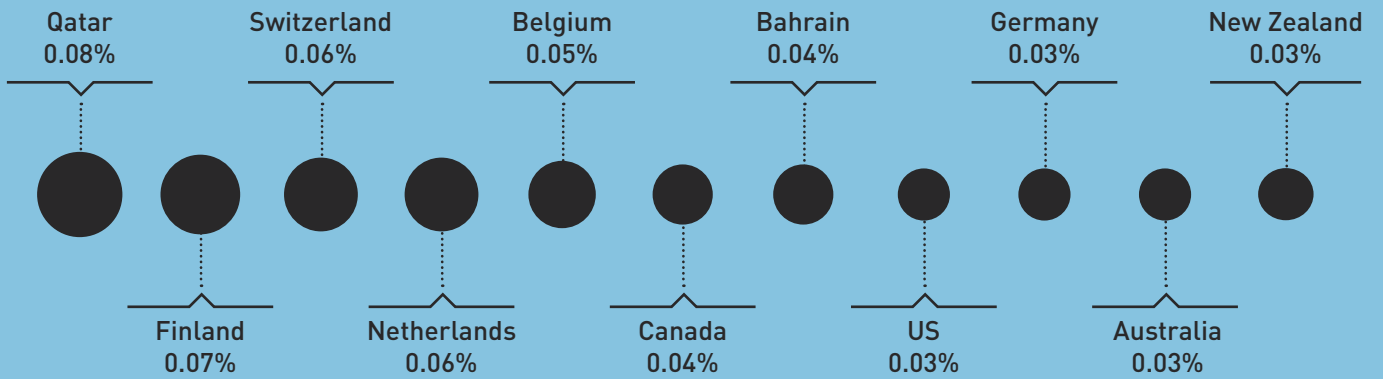


## International humanitarian assistance as percentage of ODA



Source: Development Initiatives based on OECD DAC, UN OCHA FTS, UN Central Emergency Response Fund, International Monetary Fund (IMF), World Bank and UNSCEB, UN System Chief Executives Board for Coordination data.





Notes: Countries for which there is no data available for relevant measure have been excluded. All data is partial and preliminary. GNI data for 2014 has been estimated using historical data on GNI and real GDP growth rates for 2014.

# In focus: Turkey and refugee-hosting costs

Most of the world’s refugees – 88%<sup>8</sup> – find themselves in developing countries. Turkey is exceptional among refugee-hosting countries in two ways: by May 2015, it had become the world’s largest refugee-hosting country,<sup>9</sup> responding to the conflicts in both Syria and Iraq and hosting nearly 1.8 million registered Syrian refugees.<sup>10</sup> Secondly, the Turkish government leads the management and financing of the Syrian refugee response, including the establishment and running of 22 refugee camps<sup>11</sup> by its Disaster and Emergency Refugee Agency (AFAD) with more camps being built.

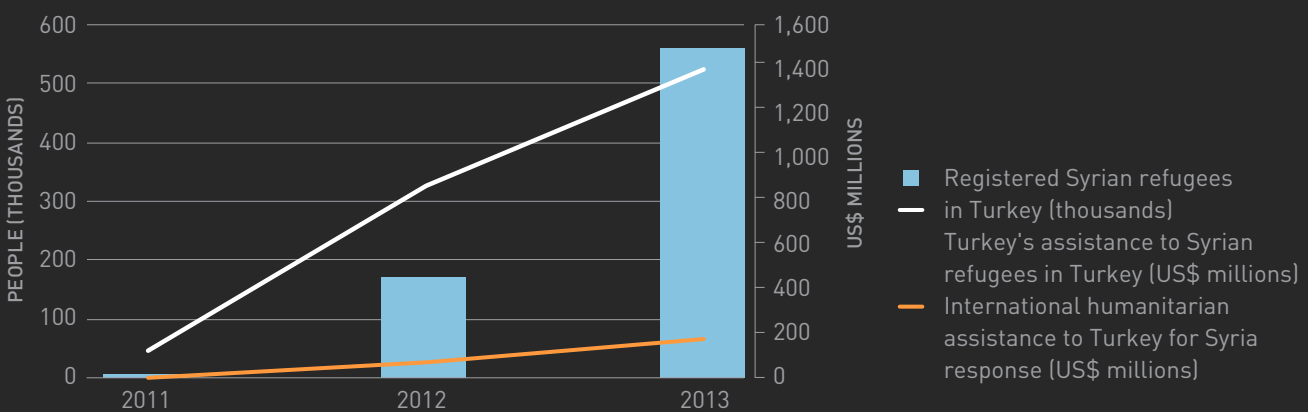
The sums that the Turkish government spends on hosting Syrian refugees are significant – totalling US\$1.6 billion in 2013.<sup>12</sup> This is considerably more than the total international humanitarian assistance given globally by many other major donors. If this sum was international humanitarian assistance, in 2014 it would make Turkey the third largest donor by volume, the second largest by percentage of GNI, and the seventeenth largest per citizen.<sup>13</sup>

This is not a one-off contribution. Since the Syria crisis began, Turkey has been hosting significant numbers of refugees and its financial contributions totalled US\$2.7 billion between 2011 and 2013 (see Figure 3.7). Exact figures are not yet available for 2014, but Turkey has reported a total of US\$1.8 billion in humanitarian assistance to the OECD DAC for 2014. It is reasonable to assume that most of this was for the Syrian refugee response in Turkey: in 2013, 96% of the humanitarian assistance that Turkey reported to the DAC was for this purpose.

As a result of the Turkish government’s contributions, the amount of international humanitarian assistance required is much less than it would otherwise have been. Compared with the other countries hosting Syrian refugees in the region, the amount requested for Turkey in the Syria Regional Refugee and Resilience Plan (3RP) – is relatively small: US\$624 million, compared with US\$2.1 billion for Lebanon and US\$1.8 billion for Jordan (see Figure 7.6 in Chapter 7).

FIGURE 3.7

Registered number of Syrian refugees in Turkey, Turkey's assistance to Syrian refugees in Turkey and international humanitarian assistance to Turkey for Syria response, 2011–2013



Source: Development Initiatives based on OECD DAC, UN OCHA FTS, UNHCR data and Turkish Development Assistance reports.  
 Notes: International humanitarian assistance to Turkey for Syria response does not include funding channelled regionally.

In 2013, Turkey received US\$194 million in international humanitarian assistance for the Syria response, equivalent to 12% of its domestic contribution. In total between 2011 and 2013 it has received US\$272 million – equivalent to 10% of its contribution over the period.

The search for durable solutions to the protracted displacement of millions of Syrian refugees is prompting new efforts to work with host states and look beyond humanitarian assistance. This includes the resilience approach described within the Syria 3RP (see Chapter 7). The Solutions Alliance, launched in 2014, also seeks to bring together diverse public and private sector actors to “enable the transition for displaced persons away from dependency towards increased resilience, self-reliance and development.”<sup>14</sup> Ultimately, rather than costing their hosts, refugees have the potential to boost their economies.<sup>15</sup>

There is no comprehensive and comparable data on how much developing countries spend on refugee hosting, or responding to other crises within their own borders, as explored on page 46. Data is only available on a case-by-case basis for some countries and is not readily accessible for many of the world’s largest refugee-hosting countries.<sup>16</sup> Turkey is also an exception in this regard – as well as reporting its domestic response and international humanitarian assistance in its publically available reports, it also voluntarily reports its top-line figures to the OECD DAC.<sup>17</sup>

When OECD DAC members report to the DAC, they can count refugee-hosting costs as part of their ODA (for only the first year) – but not as part of their humanitarian assistance. Turkey, as well as being a reporter to the DAC, is also considered a developing country by the DAC and is therefore eligible to receive ODA.<sup>18</sup> This, together with the exceptional scale of their response, could explain why Turkey chooses to include Syrian refugee-hosting costs as part of its humanitarian assistance. In addition to financing the hosting of Syrian refugees within camps, Turkey supports asylum seekers from Syria

and other countries and reports these costs under its non-humanitarian refugee-hosting ODA. In 2013, this amounted to an additional US\$87.3 million.<sup>19</sup>

Nearly all DAC donors (27 of the 29 in 2013) and two other government donors choose to report refugee-hosting costs within their development assistance.<sup>20</sup> In 2013, the latest year for which data is available, a total of US\$5 billion of refugee-hosting costs was reported as ODA by DAC donors. However, there is significant variation between donors in what they choose to include or exclude in these totals and how they choose to cost them.<sup>21</sup>

As Figure 3.8 shows, Turkey’s contribution by far exceeded the reported refugee-hosting costs of any of the OECD DAC members in 2013. It was over US\$500 million more than that reported by the US, the next highest reporter of refugee-hosting costs.

Independent of its refugee hosting contributions, Turkey has grown in profile as an international humanitarian donor in recent years, contributing to a number of responses, including in Somalia through direct presence, when many other international actors were absent. According to its own reports, in 2013 it contributed nearly US\$58 million in international humanitarian assistance to countries including Somalia and Myanmar.<sup>22</sup> Turkey has also dealt with a number of disasters caused by natural hazards within its borders, including earthquakes in 1999 and 2011. It therefore straddles not only continents but also both conflict and natural hazard response; recipient and donor status; and domestic and international response. Given the nature of its role and the scale of its contributions, Turkey is a key global strategic actor in humanitarian preparedness and response and will be hosting the World Humanitarian Summit in Istanbul in 2016.

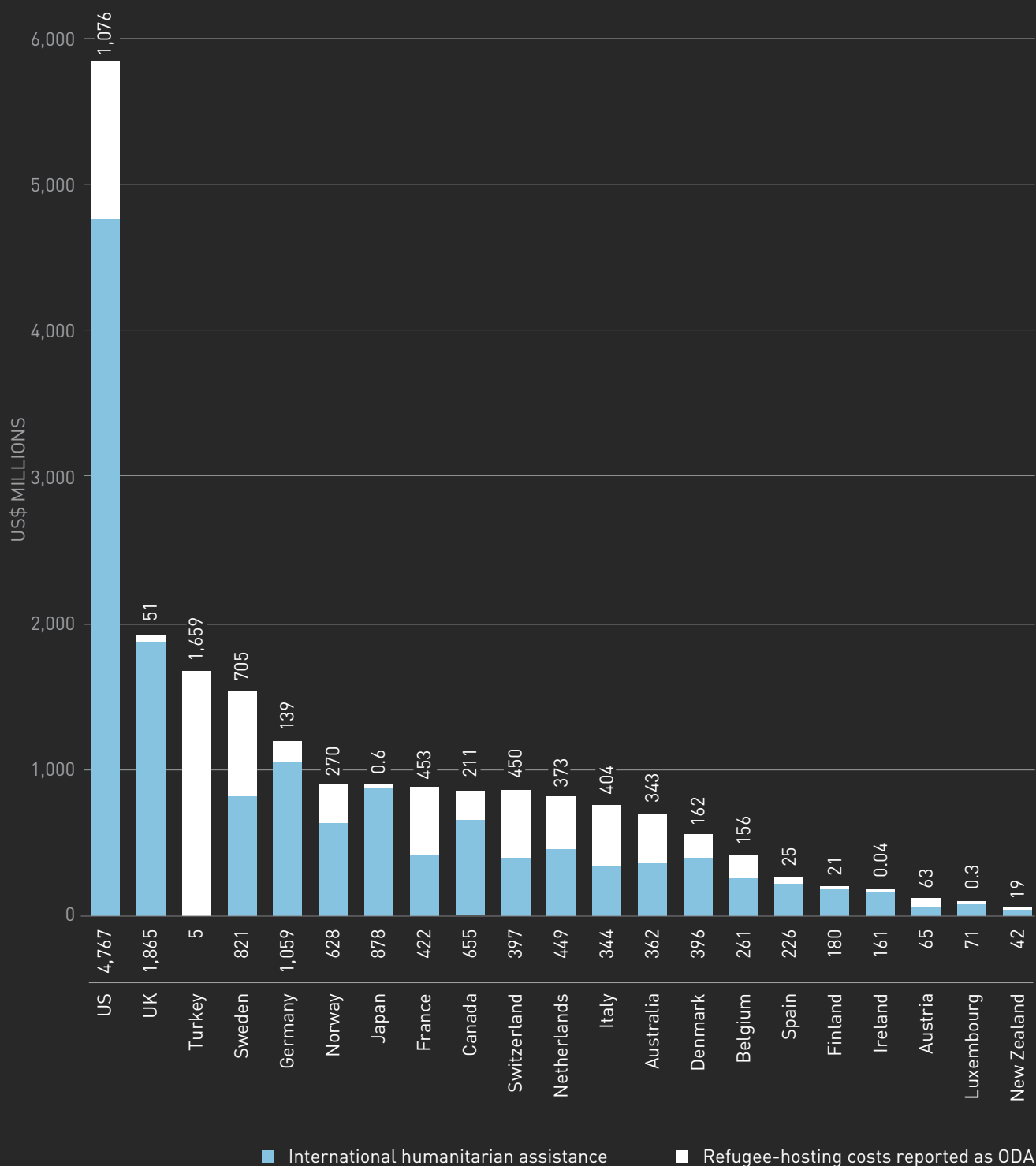
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The sums that the Turkish government spends on hosting Syrian refugees are significant – totalling US\$1.6 billion in 2013. If this sum were international humanitarian assistance, it would make Turkey the third largest donor by volume and the second largest by percentage of GNI.

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FIGURE 3.8

Refugee-hosting costs reported to the OECD DAC and international humanitarian assistance from top 20 OECD DAC countries and Turkey, 2013



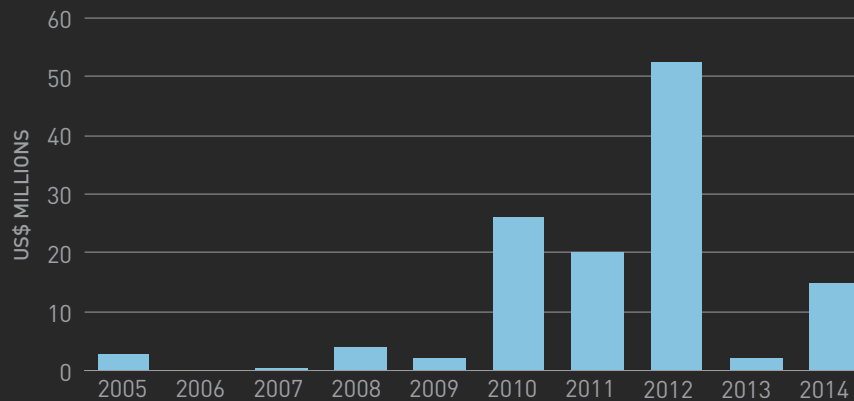
Source: Development Initiatives based on OECD DAC, UN OCHA FTS, UN CERF, IMF WEO, UNSCEB data and Turkish Development Assistance report 2013.

Notes: As donors use different costing models when reporting refugee-hosting costs as ODA, amounts may not be comparable. Turkey's refugee-hosting costs include assistance to asylum seekers, Syrian and non-Syrian, reported as ODA and expenditure on Syrian refugees within Turkey reported as part of Turkey's humanitarian assistance to Syria in OECD DAC table 2a, and may count assistance beyond the first 12 months of stay. Data on international humanitarian assistance from Turkey is from the UN OCHA FTS. Only top 20 OECD DAC donors displayed for scale reasons.

## In focus: Brazil

FIGURE 3.9

### International humanitarian assistance from Brazil, 2005–2014



Source: Development Initiatives based on UN OCHA FTS data.

Brazil is a relatively small humanitarian donor, ranking 34th in terms of volume and 53rd in terms of international humanitarian assistance as a proportion of gross national income (GNI). However, it is of strategic importance. One of a small group of countries that has been both donor and recipient over the last decade, it is also a member of the Good Humanitarian Donorship Group and one of the increasingly influential BRICS (Brazil, Russia, India, China, South Africa) economies. Brazil is a founding member of the BRICS' New Development Bank. It has also long been a contributor to UN peacekeeping operations. In 2010, Brazilian investments in peacekeeping operations peaked at US\$328 million (36% of total development cooperation from Brazil).<sup>23</sup>

A key player on the development stage in the post-2015 discussions, Brazil is hailed as a positive example for reducing its national rate of extreme poverty by almost three-quarters: beyond the Millennium Development Goal to halve rates by 2015. Other developing countries have expressed interest in learning from this experience. Brazil is a leading

proponent of South–South cooperation, promoting solidarity with developing countries, non-interference in domestic affairs, equality in relationships with other developing countries and demand-driven cooperation.<sup>24</sup>

Humanitarian assistance represented 17% of Brazil's development assistance in 2010<sup>25</sup> (the latest date for which the most comprehensive reporting is available) and is primarily managed by the General Coordination for International Actions Against Hunger (CGFOME). CGFOME coordinates the Inter-ministerial Working Group on International Humanitarian Assistance, which oversees requests for assistance by affected countries. Brazil does not have a formal humanitarian assistance policy but in practice CGFOME favours a 'structural approach' that sees humanitarian intervention as an opportunity to build long-term, sustainable solutions that will prevent the endurance and recurrence of crisis.

Humanitarian assistance from Brazil amounted to US\$124 million during 2005–2014. Its US\$14.9 million contribution in 2014 was almost six times that of 2005 (US\$2.6 million).

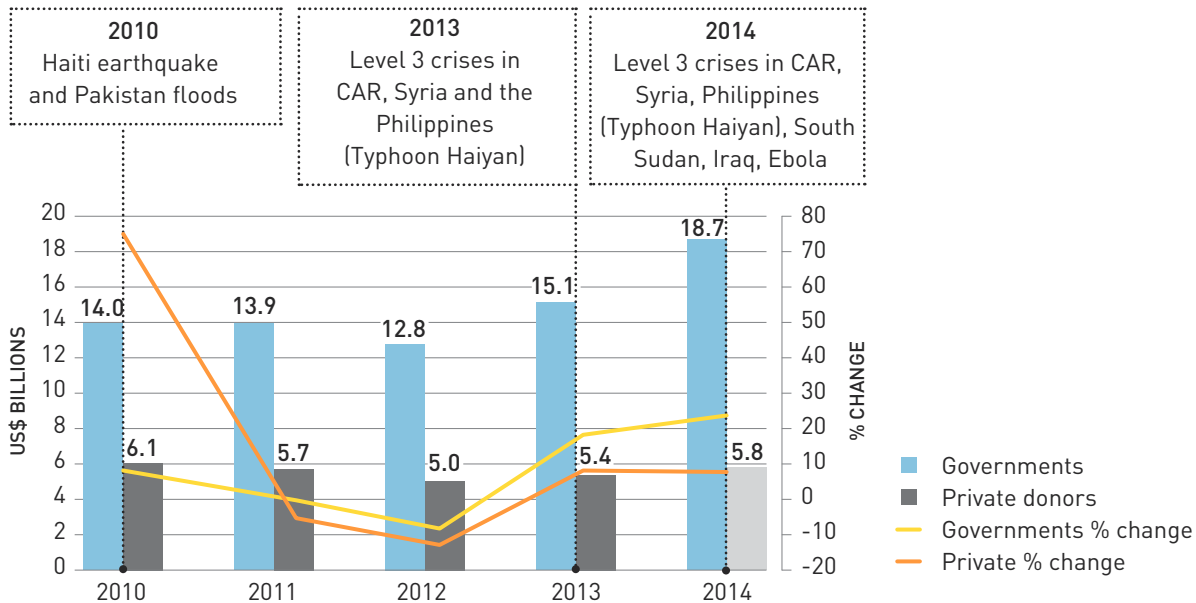
Contributions peaked in 2012 at US\$52.4 million with almost half allocated to the WFP to tackle hunger and food insecurity in Somalia. Brazil favours multilateral channels of delivery; in 2014 contributions were channelled to UN agencies with the World Health Organization (WHO) being the largest recipient to support the response to Ebola in West Africa. Brazil also directed funding through pooled funds – with US\$1.9 million going to the CERF and US\$0.6 million to the Ebola Response Multi-Partner Trust Fund.

Countries experiencing food insecurity are the main recipients of Brazilian humanitarian assistance. Over the past three years, Somalia has been the largest of these, receiving almost half of the total in 2012, the year of the Horn of Africa famine, and accounting for the peak in Brazil's humanitarian assistance that year. Contributions to Niger aimed at addressing acute malnutrition and protecting livelihoods made Niger the second largest recipient in 2012. Ethiopia and oPt were the largest recipients in 2013 and 2014 respectively and all funding to these countries also went to address nutrition or food insecurity.

# Private donors

FIGURE 3.10

## International humanitarian assistance from private and government donors and annual percentage change, 2010–2014



Source: Development Initiatives based on OECD DAC, UN OCHA FTS, UN CERF, IMF WEO and UNSCEB data and GHA's unique dataset for private contributions.  
 Notes: Figures for 2014 are preliminary estimates (see Data & Guides for full methodology). Some data in this section is different to that presented in GHA's 2014 report Humanitarian assistance from non-state donors, due to methodology and calculations updated in May 2015.

Private donors provided 26% of all international humanitarian assistance in 2013 and an estimated 24% of the total in 2014: US\$5.4 billion and US\$5.8 billion respectively. This diverse group of non-state donors (individuals, trusts and foundations, and companies and corporations) has long supported international humanitarian assistance, providing 27% of the total between 2009 and 2013.

There is increasing focus on the role of private actors. This is driven by the necessity to diversify the funding base to meet growing needs and the recognition of their important and diversified role not just as donors but as direct responders to recent crises. According to the UN OCHA FTS, private donors as a group were the largest humanitarian contributor to the Typhoon Haiyan response in 2013 and the third largest to the Ebola response in 2014.

GHA's 2014 briefing paper 'Humanitarian assistance from

### DATA POVERTY

While private donors play a significant role in humanitarian response, the precise financial value of their support is unknown as the majority goes unreported to the FTS. To begin to fill this data gap, GHA conducts independent and unique research to generate a global estimate. This derives from private funding to humanitarian INGOs, UN agencies and the International RCRC Movement (see Data & Guides section for full methodology). The true value of private humanitarian

assistance is likely to be much higher – our estimate does not include private funding that bypasses these international humanitarian agencies (see page 45 on Zakat), nor the array of services and in-kind assistance for which no financial value is reported. With a focus on the international response, our figures also do not attempt to represent the contribution of domestic private actors in crisis-affected countries. Detailed data for 2014 is not yet available.

non-state donors: what's it worth?' shows that private donors tend to respond more generously to rapid-onset disasters caused by natural hazards than they do to chronic and conflict-related crises. Of the many severe humanitarian crises in 2013

and 2014, most were chronic and/or conflict-related, which may explain why, despite the Haiyan and Ebola responses, government funding rose so much more than private funding did in 2013 and 2014.

Individuals have long been major donors of humanitarian funding, providing an estimated 19% of the total international humanitarian response between 2009 and 2013. The rise in philanthropy in both the United Kingdom (UK)<sup>26</sup> and the United States (US)<sup>27</sup> suggests that this has potential to grow even further.

Detailed data is not available for 2014, but in 2013 individuals provided an estimated 72% (US\$3.9 billion) of the total private funding to international humanitarian agencies – including international NGOs, UN agencies and the RCRC Movement – consistent with the 71% share over the five-year period. Private sources accounted for 40% of NGOs' humanitarian income in 2013 and, of this, 83% came from individuals.

The overall share of private humanitarian assistance from trusts and foundations over this period has dropped slightly, from 8% in 2009

to 5% in 2013. Compared with other types of private donors, funding from large charitable trusts is relatively well represented in FTS data. Some US\$53.2 million of funding from private trusts was reported to the FTS in 2013, of which 95% came from the two largest trust-based donors on the database for that year: the Sheikh Thani bin Abdullah Foundation for Humanitarian Services (US\$41.3 million) and the Bill & Melinda Gates Foundation (US\$9.3 million).

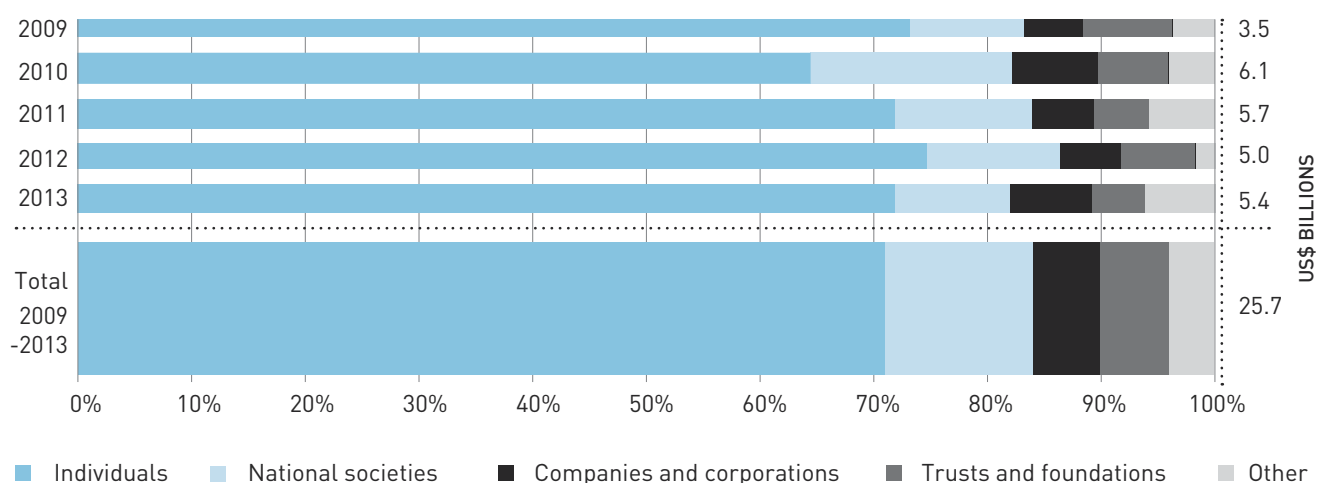
At the same time, the share from private companies and corporations increased slightly from 5% to 7%. They provided an estimated US\$385 million in humanitarian funding in 2013, and US\$1.6 billion between 2009 and 2013. Both the Financing for Development and the World Humanitarian Summit processes are dedicating attention to the changing and potential role of the private sector in meeting development and humanitarian needs – and financial donorship is just one part of this. The

scope of private sector engagement has also expanded to include risk-financing models, logistical and legal services, technology, in-kind goods and personnel.

RCRC national societies and UNICEF national committees have generated a declining share of total private assistance since a peak in 2010, representing 7% in 2013. However, their impact is still significant: in 2013 they accounted for 71% of RCRC private humanitarian funding.<sup>28</sup> While this funding was mobilised from diverse sources, often using innovative models of income generation,<sup>29</sup> evidence suggests<sup>30</sup> that the largest share also came from individuals. National committees (primarily UNICEF national committees) accounted for the largest share (43%) of the private funding that went to UN agencies,<sup>31</sup> with individuals providing 28% of this.

FIGURE 3.11

### Private international humanitarian assistance by donor type, 2009–2013



Source: Development Initiatives based on GHA's unique dataset of private voluntary contributions.

International NGOs (INGOs) are the largest mobilisers of private funding, raising an estimated US\$4.7 billion in 2013, and US\$22.7 billion (89% of the total) in the five years between 2009 and 2013. This reflects INGOs' greater dependence on private sources, compared with UN agencies and the RCRC Movement who receive a greater proportion of their income from government donors. For the group of INGOs in our dataset, private funding accounted for more than 40% of their combined income. This dependence carries some risks of funding volatility in response to 'mega-crises', but recipient agencies report significant longer-term benefits of flexibility and independence, as well as greater reliability, from regular private donors than from governments.

However, in 2013, this share dropped slightly as the proportions of private funding mobilised by the RCRC<sup>32</sup> and UN agencies both increased – from 3% to 4%, and 5% to 9%, respectively. UN agencies increased the volume as well as the share of total private humanitarian assistance, bringing their private income up to the same level as in 2010, the year of the Haiti and Pakistan crises.

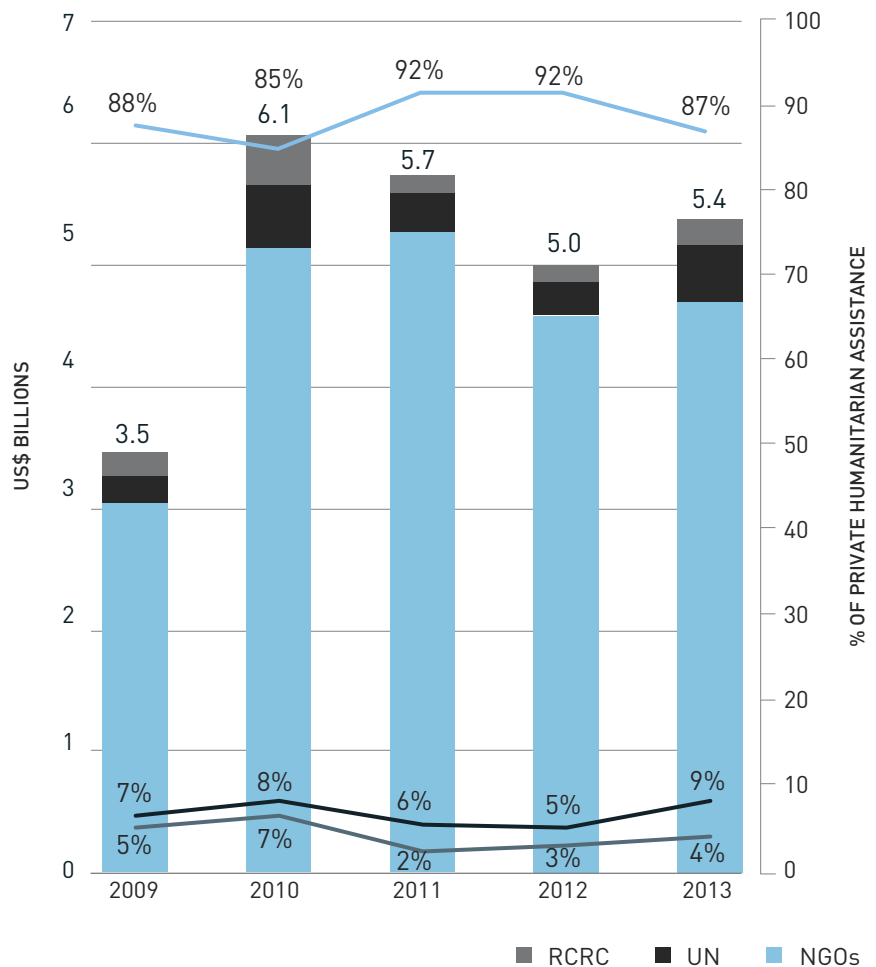
Of the UN agencies, UNICEF and UNHCR raised the most private humanitarian assistance in 2013 at US\$194.8 million and US\$191.0 million respectively. Between them, these two organisations raised 83% of all private humanitarian assistance given to UN agencies that year. Private humanitarian funding given to UNICEF peaked at US\$345 million in 2010, before declining two years running to US\$83 million in 2012, when UNHCR became the UN agency that raised the largest amount of private humanitarian funds. UNHCR's private humanitarian funding has increased year on year from US\$50.7 million in

2009 to US\$191 million in 2013. A 135% increase in funding to UNICEF in 2013 meant it again replaced UNHCR as the largest UN fundraiser of private humanitarian assistance.

For more detailed analysis of the most recently available data on private humanitarian assistance, see GHA's 2015 paper Humanitarian assistance from non-state donors: latest trends.<sup>33</sup>

FIGURE 3.12

Private international humanitarian assistance by fundraising organisation type, 2009–2013



Source: Development Initiatives based on GHA's unique dataset of private contributions.



## In focus: Humanitarian assistance from individuals through Zakat

All of the world's major religions contain some element of almsgiving, and faith-based organisations play a key role in the funding and delivery of humanitarian response across the world. In 2013 they accounted for approximately 16% of all international humanitarian assistance channelled through NGOs. If the five largest Christian and Islamic INGOs were classed alongside international donors, their combined private humanitarian assistance of US\$396.7 million would have made them the 12th largest donor in 2013.

Islamic countries and those with large Muslim populations are also rising in significance as both humanitarian donors and recipients, prompting global interest in the humanitarian potential of Islamic social financing. Between 2011 and 2013, reported international humanitarian assistance from states within the Organization for Islamic Cooperation (OIC) grew from US\$497 million to US\$773 million, with an additional US\$1.6 billion contributed by Turkey for its hosting of Syrian refugees. At the same time,

an estimated 75% of people living in the top ten recipient countries of humanitarian assistance in 2013 were Muslim.<sup>34</sup>

Zakat, the mandatory Muslim practice of giving 2.5% of one's accumulated wealth for charitable purposes every year, is one of the main tools of Islamic social financing. There is no reliable global figure for the total value of Zakat contributions. However, GHA research indicates that the total volume collected each year through formal mechanisms alone is, at the very least, in the tens of billions of dollars. Data for Indonesia, Malaysia, Qatar, Saudi Arabia and Yemen, which make up 17% of the world's estimated Muslim population, indicates that in these countries alone at least US\$5.7 billion is currently collected annually through formal Zakat-collection institutions. Between 23% and 57% of this Zakat is used for humanitarian response, depending on the context in which it is raised and used.

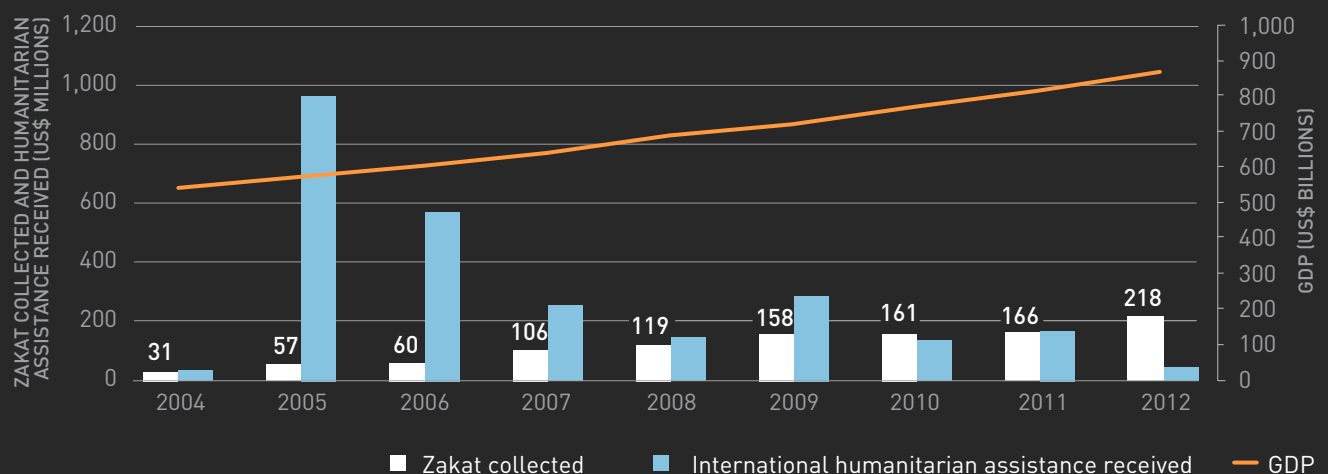
The collective economy of Islamic and Muslim-majority countries is

currently one of the fastest growing in the world, suggesting potential future growth in Zakat. At an estimated 205 million people, Indonesia is home to the world's largest Muslim population. Between 2004 and 2012, Indonesia's GDP increased by 60% and Zakat collection increased seven-fold, reaching an estimated US\$217.8 million in 2012. Meanwhile, international humanitarian assistance to Indonesia exceptionally peaked at US\$962 million in 2005 following the Indian Ocean earthquake-tsunami, and totalled US\$47 million in 2012.

For more information, see GHA's 2015 paper, *An act of faith: Humanitarian financing and Zakat*.<sup>35</sup>

FIGURE 3.13

Total estimated Zakat collected, international humanitarian assistance received and GDP, Indonesia, 2004–2012



Source: Development Initiatives based on OECD DAC, UN OCHA FTS, World Bank and 2014 Islamic Social Financing Report.

## Governments of affected states

Domestic governments have the primary responsibility to respond to crises on their territory and many spend substantial sums on preparedness and response, negating or reducing the need for international support. This includes expenditure on hosting refugees (see page 38), disaster risk reduction and management through national disaster management authorities, and safety net schemes to respond to food crises (see Chapter 6). As the examples of Brazil and Turkey show, the distinction between recipient and donor state is not always clear: a single state may find itself preparing or responding domestically, assisting internationally and receiving assistance.

A running theme of the Sendai Framework, the World Humanitarian Summit Consultations and the High Level Panel on Sustainable Development is the importance of national and local government capacities and ownership. As Chapters 6 and 7 show, the responses to both Typhoon Haiyan and the Syrian refugee crisis have prompted a renewed recognition of the role of domestic governments in planning and implementing international humanitarian response.

The scope and scale of national capacities to meet people's needs in crisis varies enormously, as does the political commitment to reach the most vulnerable, particularly in conflict settings. However, whatever the context, international responders need to understand national (and sub-national) resources to know where, how and to what extent to complement appropriately.

The following case studies on the Sierra Leonean government's role in the Ebola response and the Mexican government's investments in disaster management highlight the domestic contributions to crisis response in countries with two very different national capacities. Sierra Leone, one of the lowest-income countries in the world and a fragile state, mobilised US\$17.2 million of domestic expenditure in response to the 2014 Ebola virus disease outbreak, a crisis that necessitated the largest regional

appeal for international humanitarian assistance that year. Mexico, an upper middle income country, has invested at least US\$3.3 billion in disaster response as part of a comprehensive disaster-management approach. It has received no humanitarian assistance in 2014 and only US\$27.8 million over the last decade.

### Sierra Leone government spending in the Ebola response

Nearly 13,000 Sierra Leoneans were infected by the Ebola virus disease outbreak which began in 2014<sup>37</sup> – a higher number than in both Liberia and Guinea, the two other countries most severely affected by the epidemic. The Sierra Leonean government declared a national emergency in July 2014, two months after the first confirmed case of Ebola, shortly before the WHO proclaimed an international health emergency.

Sierra Leone is a low income country that, even before the epidemic took its toll on the economy, had a per capita domestic government expenditure of just PPP\$192, just over half a dollar per person per day, and a tenth of the PPP\$2,264 average for all developing countries. At the start of the outbreak, it had one doctor for every 33,000 people.<sup>38</sup> The scale and nature of the epidemic and the paucity of domestic funding meant that national coping capacities were quickly overwhelmed and significant international assistance was required.

However, despite limited capacity, the Sierra Leonean government did invest in the response. On the launch of the Accelerated National Ebola Outbreak Plan in July 2014, the Sierra Leonean government pledged a US\$10.0 million contribution towards the US\$25.8 million of identified requirements. By mid-November 2014, the government's reported expenditure on the Ebola response stood at US\$17.2 million – 4% of total domestic revenue in 2014. Total spending is likely to be higher, however, as this figure does not capture regular budget transfers to

### DATA POVERTY: DOMESTIC RESPONSE

Unlike for international humanitarian assistance, there is no global reporting system for domestic government expenditure on humanitarian assistance and so no estimate of the total value of these contributions. In some of the most crisis-affected states, little or no current data is available (see Chapter 8). Where data is available, states also report their budgets and expenditure, and national and state levels, very differently, making it hard to derive aggregates or make comparisons. Further, disaster risk reduction and response activities are commonly spread across multiple budgets, making assessments difficult.

In the absence of a global estimate of the value of domestic response, the 2014 GHA report examined individual state budgets in India, Kenya and the Philippines in 2014.<sup>36</sup> The GHA programme continues to gather and analyse available budget information on specific countries to understand their role in response and complementarity to international resources.

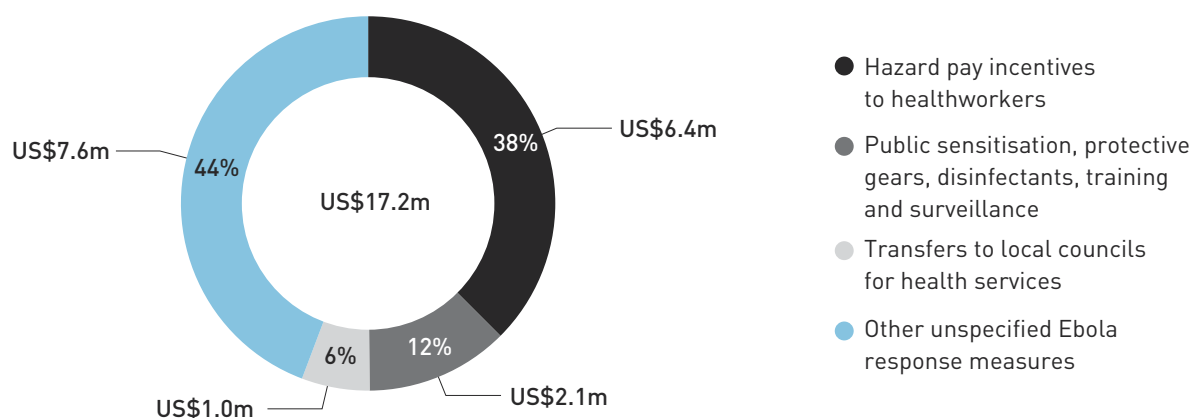
line ministries and local councils that have been redirected towards the response.

It is hard to compare the size of the Sierra Leonean government's contribution to that of the international response. International funds came from a number of different development and humanitarian institutions and were both in-kind and financial, and were not captured in a single financial reporting system. Looking at the amounts of reported international humanitarian assistance alone, it appears that, by August 2014, the government's US\$10 million pledge was a third more than that contributed by international donors but, by the peak of the crisis in December 2014, the cumulative international humanitarian response was almost 27 times the size of Sierra Leone's US\$17.2 million contribution.

The government budgeted a further US\$9.7 million for the Ebola response in 2015, nearly half of which is for post-Ebola recovery activities aimed at rebuilding livelihoods and reviving economic activity. The Ebola virus disease outbreak has had a severe economic impact on Sierra Leone and the region – economic growth in Sierra Leone more than halved to 6.0% in 2014 from 20.1% before the epidemic,<sup>39</sup> with projected forgone GDP in 2015 of US\$920 million.<sup>40</sup> To finance its response and accommodate lower domestic revenue, the government reduced its capital budget and borrowed US\$8 million from the domestic securities market.

FIGURE 3.14

### Domestic expenditure in response to Ebola virus disease outbreak in Sierra Leone, May–November 2014



Source: Development Initiatives based on Sierra Leone Ministry of Finance and the International Monetary Fund.

## Mexico's disaster management investments

Mexico is at high risk from a number of natural hazards. In 2010, 2 million people were affected by a combination of floods, storms and earthquakes with financial losses estimated at US\$8.0 billion (0.7% GDP).<sup>41</sup> Even in 2012, a year of less severe disasters, 1 million people were affected by storms and earthquakes and estimated losses were US\$1.4 billion (0.1% GDP).<sup>42</sup>

Mexico established its cross-government civil protection system in 1985 in the aftermath of the Mexico City earthquake which killed 10,000 people and injured 30,000.<sup>43</sup> Its disaster management approach is supported by legislation and includes dedicated funds for both preparedness and response.

The Ministry of Finance is bound by law to direct 0.4% of its annual programmable federal expenditure to Mexico's National Fund for Natural Disasters (FONDEN). Tracked disaster response expenditures increased by 158% between 2005 and 2014, reaching US\$3.3 billion in 2014. Spending peaked in 2013 to US\$4 billion in response to

the damage and losses caused by a succession of hurricanes from both the Atlantic and the Pacific Oceans.

Mexico's domestic investments in disaster response mean that it requires little international assistance. In the last decade, it received US\$27.8 million in international assistance compared with almost US\$16 billion of domestic spending on response from federal and state budgets. However, as Figure 3.15 shows, these flows do not cover all estimated damages, but on average 50% over 2007–2012, varying from a low of 29% coverage in 2007 to a high of 84% in 2011.

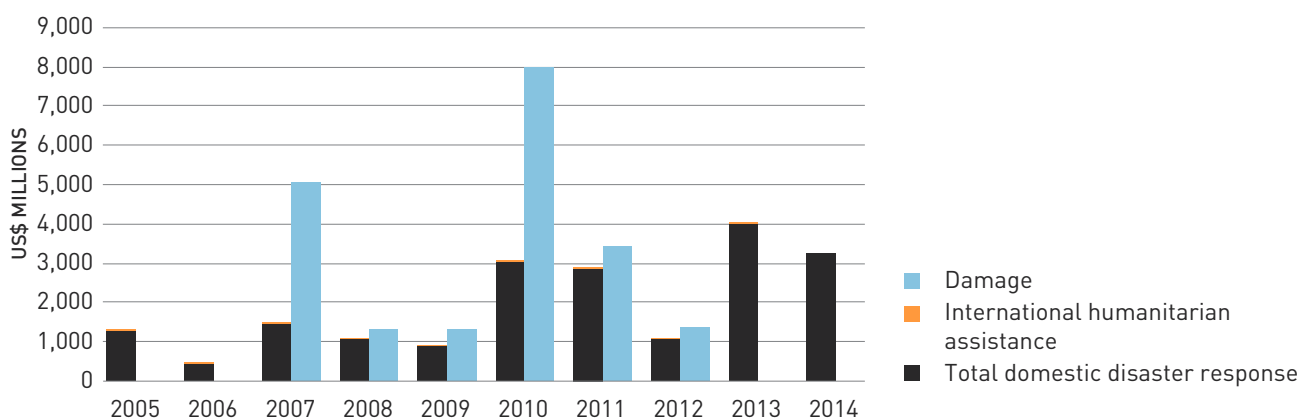
The Mexican government has a number of other financing mechanisms to protect against and respond to disaster loss. Additional financing can come from a number of sources, including national budget surpluses from oil revenues, to fund unmet budget requirements. Mexico also has a fund for disaster response in rural areas and operates market-based risk transfer mechanisms, including Mexico's MultiCat 2012 bond<sup>44</sup> – a US\$315 million catastrophe bond launched in 2012 with World Bank support that provides coverage against earthquakes and hurricanes.

At the state level, there are also specific mechanisms: following 2010 increases in damages, a new reconstruction fund was introduced to help states meet co-financing requirements for infrastructure. The fund provided financing to states and is managed by the national development bank BANOBRAS. Mexico also uses insurance at state level to reduce future costs. FONDEN co-financing schemes provide incentives for states to insure their infrastructure and in 2012 new legislation made insurance mandatory.

In 2003 Mexico established a prevention fund (FOPREDEN, under FONDEN), which supports risk assessment and mitigation as well as initiatives to build a culture of prevention among the population. However, financing and uptake of this is relatively small compared with that dedicated to disaster response.<sup>45</sup> FOPREDEN expenditures were on average equivalent to 2% of response funds, with a maximum volume at US\$43.1 million in 2009, although this does not include many other investments in disaster risk reduction that are outside the fund and hard to track.

FIGURE 3.15

### Mexico's disaster response expenditure, international humanitarian assistance received and disaster losses 2005-2014



Source: Development Initiatives based on OECD DAC, UN OCHA FTS, CENAPRED and FONDEN data.  
 Note: 'Domestic disaster response' represents only funds from Mexico's FONDEN budget. International humanitarian assistance is shown in orange on chart, but due to scale is hard to see.