

# Has the tsunami affected funding for other crises?

by Toby Lanzer

Many aid practitioners have expressed concerns that the tsunami has diverted funds away from other emergencies. Similar fears arise whenever there is a 'major emergency' but are they justified?

On 3 June 2005, at the time of writing this article, the UN's Financial Tracking Service (FTS)<sup>1</sup> reported that the UN's flash appeals and consolidated appeals, which outline the programmes of key UN agencies and NGOs, were 41% funded. When the Indian Ocean programme is taken out of the equation, however, funding dropped to a meagre 25%. At the same time last year, just before the world's attention was drawn to Darfur, flash appeals and consolidated appeals were 23% funded. At first glance then the situation this year seems to differ little from that of last year. And, better still, funding for other crises by some of the key donor countries such as Germany, Japan, Norway and the US is up on a year ago. Indeed, funding for other crises really does look like good news. Or does it?

Before concluding that the tsunami has not diverted funding away from other crises, we need to consider the amount of humanitarian financing available this year compared to 2004. Thanks to the tsunami much more money has been made available to aid agencies so far in 2005. However, even without considering tsunami funding there is still more money this year – \$847 million, compared to the \$697 available at the same time in 2004. Over half of this year's total is for Sudan, leaving only \$417 million for a range of increasingly neglected emergencies. The appeals for Central African Republic, Chad, Chechnya, Eritrea, Guinea, Somalia and West Africa received less money during the first five months of 2005 than during the same period last year. People there are, arguably, worse off than they were one year ago. Of the 21 appeals for 2005, average funding stands at only 25% and 11 of the appeals are less than 20% funded. While on average since 1992 such appeals have ended the year 67% funded, there is a serious

tsunami-related problem regarding the timing of funding.

This year is the second year of 'Good Humanitarian Donorship'<sup>2</sup>, an initiative by key governments to adhere to principles and good practices. One of these suggests that money will be made available more quickly after appeals are issued. While the financial response to the tsunami was indeed very fast, funding for other crises has been as slow as usual. Donors have focused on the tsunami, and have lacked staff resources to attend to other crises. One result is that commitments – funding contracts based on proposals – for non-tsunami crises are taking place later than they would otherwise have done.

In some cases tsunami money, which was pledged as new and extra, was actually unavailable so some donors used the short-cut of allocating for the tsunami money that had been previously intended for other emergencies. In such cases, ministries of finance have promised to replenish funds but this can require legislative action which in turn takes time. Thus the tsunami has diverted some funds and caused delays to money reaching programmes in other crisis regions. Further increasing the tsunami effect is that some governments, such as Finland, have an established aid budget for this year and have stated that it will not increase. Money used for the tsunami means less money available for other crises.

After the tsunami, aid agencies came under intense internal and public pressure to act swiftly and generously. The number of trained staff available is limited and some UN agencies and NGOs have diverted resources from key field operations, and within headquarters, to address the tsunami. One consequence of this is that some organisations have submitted proposals for programmes in regions which are not the 'number 1' crisis later this year than they did last year. Indeed, one key donor has suggested that the number of proposals received for countries in Africa this year is down, compared to the same time last year.

## Conclusion

The notion that the Indian Ocean disaster diverted funding from other crises suggests a zero-sum game, whereby money committed for the tsunami means less money for other crises. The situation is more complex than this: several donors, for example, have shown that tsunami funding is extra money and that their spending in other crises has actually increased when compared to last year.

Overall, the Indian Ocean disaster has affected the response of donors and aid agencies to other crises, at least temporarily. The situation is reversible and requires concerted action by the aid community. Calls for predictable, timely and needs-based funding are as valid as ever. Aid agencies must draw donors' attention to the consequences of under-funding and late funding. Facts and figures that describe the human consequences of delayed or abandoned programmes are required. Governments that have claimed that their tsunami money is new and that it will not have any bearing on other programmes must be asked to show this to be the case. Legislatures and finance ministries must act fast to replenish humanitarian budgets.

In emergency relief, timing is all-important. In late June 2005 the UN will host a meeting in Geneva to discuss the status of its appeals. The emphasis will be on where things stand for people who have been struck by disaster and conflict in some of the world's most disadvantaged places. They require the urgent attention of the humanitarian community.

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1. [www.reliefweb.int/fts](http://www.reliefweb.int/fts)  
2. [www.reliefweb.int/ghd](http://www.reliefweb.int/ghd)