

**REMARKS BY USG/ERC JOHN HOLMES
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Excellencies,
Ladies and Gentlemen,

Welcome to all of you gathered here today for the Humanitarian Appeal 2009, and a particularly warm welcome to my fellow speakers today, Hilde Johnson, Deputy Executive Director of the United Nations Children's Fund, Elisabeth Rasmusson, Secretary-General of the Norwegian Refugee Council, and Aeneas Chuma, who is the UN Resident Coordinator and Humanitarian Coordinator in Kenya.

We are here to ask for a response to the urgent call of 30 million people across 31 countries whose lives have been wrecked by conflict and natural disasters. Some 360 aid organizations around the world have compiled the strategic plans and funding requests that we present to you today. We count on your generosity to make these plans into reality.

As Secretary-General Ban Ki-moon writes in the foreword to the Appeal: "the global financial crisis has raised inevitable concerns that there could be a decline in humanitarian funding for 2009." This must not happen, not in 2009 nor thereafter, because the needs of the most vulnerable are not likely to decrease in the coming years. Millions of people continue to struggle with long-running conflicts, natural disaster, the effects of climate change, and exploding food prices. Climate change alone means that needs are almost certain to be increasing in the coming years.

The 2009 Appeal, totalling \$7 billion altogether, 40 per cent more than at the comparable time in 2008, offers concrete help to these people in need. It covers 18 countries and West Africa, compared to 10 plus West Africa in 2008. It aims, for example, to feed 2.3 million desperate people in the Democratic Republic of the Congo; to deliver life-saving help to four and a half million people in Darfur; to provide protection and assistance to one million refugees and internally displaced people in eastern Chad; to support millions of Iraqis displaced inside and outside Iraq; to provide water, medicines, shelter, and emergency schooling to three million conflict-affected Somalis; and to help give critical support to one and a half million Palestinians without basic services in the occupied territory. To put the 7 billion dollars we are appealing for into perspective, contrast it with the sums that have been committed by governments in recent months to stabilize the banking system. We ask for less than a hundredth as much.

Let me assure you that 7 billion dollars invested in humanitarian actions will be well used, according to clear priorities. You, the donors, have consistently requested that CAPs give better evidence and analysis of needs, and clearer prioritization of projects. This is becoming standard procedure. For 2009, eight of the twelve CAPs are prioritized. This is a challenging task, given the dilemmas of prioritizing one humanitarian action over another, and the institutional interests involved. But it is an essential step which helps to ensure that you can choose to fund the most urgent projects first. The remaining four CAPs will be prioritized before the 2009 Mid-year Review.

Let me recall some low lights of the global humanitarian situation this year. Large-scale conflict and insecurity have continued in Somalia, Sudan's Darfur region, Chad, the Democratic Republic of the Congo, Afghanistan, and Sri Lanka. Conflict also continues to disrupt the livelihoods, health and safety of millions of people in the occupied Palestinian territory, Iraq, and Central African Republic. Post-conflict recovery has been underway in Uganda, Côte d'Ivoire, Kenya, southern Sudan, and Nepal but these situations remain fragile. In parts of West Africa and in Zimbabwe, extreme vulnerability due to climate, compounded by governance issues, has caused major humanitarian need. Floods, hurricanes and cyclones, earthquakes, and drought struck regularly: eleven flash appeals

have so far been issued in 2008, the second-most ever in one year. Cyclone Nargis struck Myanmar in May killing over 140,000 people in the Ayeyarwady delta, and made hundreds of thousands homeless. Not long after, a major earthquake measuring 8.0 on the Richter scale devastated large parts of Sichuan province in China. The fact that so many of today's disasters are climate-related – for example, nine out of the eleven flash appeals this year – shows again the serious implications of climate change for humanitarian capacity and funding in the future.

Another profoundly worrying development in 2008 was the trauma caused to millions of vulnerable people by the sudden explosion of global food prices. It is affecting poor households around the globe; and while the visible effects of the crisis this year were on food insecurity and nutritional status, its longer-term effects are more insidious, and manifest themselves in many other ways: for example, a poor urban household that now has to spend twice as much on food will have less to spend on education or medicine. How will the global food crisis affect the humanitarian system and its appeal process? Even if some global commodity prices have fallen, this has not, at least not yet, been reflected in local price levels in many poor countries. Food aid requirements will continue to be high in dollar terms in 2009 and beyond; and because of these secondary effects across sectors, other needs are likely to go up as well.

The humanitarian system offers a partial remedy for increased food aid needs: agricultural recovery. However, the agriculture sector is only 39% funded in this year's consolidated and flash appeals, despite the attention paid to the food problems. Indeed, the agriculture sector in appeals has never been better than 50% funded in any year going back to 2000. Having said that, I am glad to say that the heavy funding for the food sector's increased requirements this year does not seem to have diverted funds from other sectors, which are generally better funded in dollar and percentage terms in 2008 than at this point in previous years. Nonetheless, there is continuing concern that high food needs may intensify competition for funds. This year we have seen a series of special appeals in response to deepening food insecurity, in which effects of price rises are often accentuated by adverse weather, poor harvests and in some cases conflict. Ethiopia and Afghanistan are major cases in point. Although these appeals are not currently counted as CAPs, we are steering them to follow best practice of the consolidated appeal process, in that they should be inter-agency, multi-sectoral, strategic and prioritized.

The good news is that this has been a record-breaking year for appeal funding. Total committed funding for consolidated and flash appeals, as reported by donors and recipient organizations, now amounts to 4.7 billion dollars. While this is only 67% of appeal requirements (which were themselves higher than ever, in part due to the increase in food requirements), this is still a better percentage of coverage at this point of the year than ever before.

Stresses such as food prices and climate change require humanitarian action and development to work increasingly in parallel, not in succession. These appeals contain some projects with longer-term aims, for instance those that help returning refugees and IDPs re-build their lives. As we will see in the film, they often come back with little more than the will to take back control of their lives, and need the tools, seeds and shelter to get started again. To meet this kind of need, donors need to re-arrange their regulations and funding envelopes – often too neatly categorised between humanitarian and development – to ensure that these early recovery requirements are covered alongside the directly life-saving needs, because this reduces aid dependence sooner. Similarly, as we gear up preparedness and risk reduction in the era of climate change, we need to look for new ways to support governments and communities to avert or mitigate disasters. In doing this, donors can both protect their development investments and reduce demands on their humanitarian envelopes. In other words, we must aim to cover better both the “before” and “after” of emergencies.

In 2008 we have also made good progress in humanitarian reform, and this continues into the 2009 CAPs. In particular, inclusion of NGO perspectives, actions and funding requests has been better than ever. In 2008, no less than 46% of CAP projects were NGO projects; and these projects are 61% funded – meaning that an NGO project selected for a CAP now has a better-than-even chance of being funded. In the appeals for 2009, the proportion of NGO projects has risen to **52%**. This is a further significant improvement and shows the results of strengthened partnership principles and the

operation of cluster, two critical pillars of the new way we do business. By putting the tools of effective leadership in the hands of humanitarian coordinators and sector lead agencies, we can continue to help individuals with greater effectiveness and efficiency.

Funding has become increasingly timely and predictable. This is thanks in part to the Central Emergency Response Fund, whose under-funded window commits funds early and targets under-funded appeals. But donors also deserve much credit. The imbalance in funding among appeals is significantly reduced: only one CAP in 2008 is less than 60% funded, whereas one year ago the figure was six. Timeliness has improved sharply: if we look at CAP funding committed in the first quarter of the year as a percentage of the eventual total, the figure has risen steadily from 19% in 2004 and 31% in 2005 to 46% in 2007 and 62% this year to date. So some of the goals of the Good Humanitarian Donorship initiative are within sight. I encourage donors to build on this progress.

In recent years we have deplored the fact that many projects remain un-funded. As I have said, CAP funding in 2008 is better than before. But it still leaves some 950 projects around the world with no funding at all. And many projects are interlinked because humanitarian aid needs to be looked at in an integrated way. Supplementary feeding may be ineffective if underlying health is poor; poor health may in turn be due to poor water supply and sanitation; protection problems may impede people's access to safe water; and so on. This is why we must strive to achieve even higher levels of funding. The seven billion dollars that we seek represents, for every 100 dollars of national income in the rich countries, only a few cents of aid. That is why I appeal to donors today to respond as generously as they can. Whatever the concerns from the financial crisis, this is no time to be cutting back on help to the poorest and most vulnerable people on the planet.

CONCLUDING REMARKS

I wish to thank our distinguished speakers, Ms. Johnson, Ms. Rasmusson and Mr. Chuma who have been with us here today to voice support for the coordinated, strategic action plans that this Humanitarian Appeal embodies. I thank the 360 humanitarian organizations in 31 countries who have worked so hard to make these detailed plans that now need your support. I thank the donors who have responded generously in 2008. And I salute the courage and resilience of those 30 million people struck by crisis, whom we must now help, without delay, to move from despair to hope.

One practical note: the document we have printed for you today is a summary of all twelve consolidated appeals. The individual appeals for each country are being e-mailed to you as PDF documents as soon as they are completed, with printed copies to follow. Details of projects will now be available (and constantly updated) via a new on-line system, instead of in hefty printed versions, though we will be pleased to print copies for you if you so request.

I would like to conclude this launch of the Humanitarian Appeal 2009 by coming back to the global financial crisis. The global markets are still in turmoil and the word recession is in the air. But to quote the Secretary-General again: "We must do all we can to preserve humanitarian funding. As stabilization is the watchword in turbulent economic times, so must stability be our goal in helping desperate victims of conflict, natural disasters and extreme hardship." We have mentioned the food price crisis, climate change, and the mounting number of natural disasters. These phenomena will lead to additional pressure on humanitarian capacity and funding in the coming years. As an international community, and as human beings, we have an obligation to resist attempts to cut humanitarian aid budgets, now and in the coming years if the economic slowdown persists. We must continue to respond generously to the needs of the most desperate among us. I would, therefore, like to appeal to you to work with us to convince citizens and parliamentarians to spare those who are least responsible for this economic crisis from having to pay the highest price for it. Let us resolve to follow budget debates closely and persistently, and add our voices forcefully when needed. I hope that we can start with today's appeal for 7 billion dollars to be provided as a top priority.