

efficiency have traditionally concentrated on actual implementation. Unless funding is re-directed to actual implementers, partners should be judged primarily on their effectiveness, efficiency and transparency in channelling funds to those who actually implement aid activities.

Dominance of Western Agencies; Independence at Serious Risk

Western INGOs, the UN and the RCRC movement continue to be the main recipients of international HA funding, be it from public or private donations. This is despite the emergence of organisations such as Islamic Relief, African Humanitarian Action (AHA) and Japan's official JAICA, to name but a few.

Western NGOs, including Christian organisations, are increasingly seen as agents of Western values, policies and interests²². These perceptions have coincided with a marked increase in the security risk to the staff of HA organisations, both international and local.

The greatest single challenge facing HA organisations globally, including Finnish funded partners, is to demonstrate their unequivocal independence from economic, political and military agendas, including those of their main donors.

Finland's Role; Greater Monitoring and Support

As a relatively 'agenda-free' donor, Finland has a role to play in meeting this challenge, along with 'like-minded' donors. The MFA should continue to monitor and support HA partners to meet their HA obligations. The MFA can also support mature reflection on such issues in Finland. This could be fostered among HA partners, academic institutions and media or 'opinion-making' actors, through MFA support for discussion, research, education and advocacy initiatives.

Summary Recommendations Table

The following table sets out the main recommendations from the report. It is included here at the request of the MFA, as a tool for future analysis and action. Due to the simplified format, the reader should consult the main text, for additional supporting information and arguments.

Findings	Conclusions	Lessons and Recommendations
Continue to be a flexible donor		
The current approach is flexible and predictable for most partners. It fits	This has proven to be a pragmatic and relatively	Finland should continue to avoid tight conditioning of its HA funding. Its

²² See quotes later in this report.

Findings	Conclusions	Lessons and Recommendations
well with the Good Humanitarian Donorship Initiative (GHDI). Most partners rate Finland very highly as a donor.	effective and efficient approach.	flexible approach, funding through a small number of large partners, applying loose regional ear-marking, should be continued.
Maintain existing balance between HA and development		
In the mid-1990's, a paradigm shift took place globally, in how crises were viewed. At the policy level, the focus in addressing crises moved from emergency aid, to 'risk management'. The main component was vulnerability reduction.	High quality development aid fights poverty and thus reduces human vulnerability. The most effective manner to address and reduce crises is through preventing or mitigating them. This is best done through high quality development aid, more than HA.	Development should continue to be the unequivocal priority for international aid. The current 10 -15% of ODA made available by Finland for HA is a reasonable portion. This is despite emotive calls for increased emergency aid (e.g. in the media).
Clarify criteria to ensure funding by 'need' and partner capacity		
Finland funds significantly in accordance with need and levels of poverty (as set out in its HA policy). Important exceptions exist, as shown in the quantitative analysis. Funding for Iraq, Afghanistan, Cambodia and Asia following the tsunami, were cases where levels of objectively measured need did not justify the funding levels provided, compared to 'forgotten crises'. Finland is not the only, nor the worst donor in this respect, however, as seen from quotes from recent studies.	Need has not been the only criterion for funding. Media and other considerations have influenced decisions. This is contrary to the GHDI principles. It is also contrary to basic principles of impartiality and independence (e.g. independence from ulterior motives).	Finland should ensure that it funds HA based solely on need and not as a response to perceived media or political pressures or interests. This requires explicit criteria (e.g. operations where basic international relief standards are not being met ²³); funding targets for 'forgotten-crises' (e.g. a percentage of funding going to chronically under-funded crises); prioritisation of regions (e.g. explicit percentages of funds for chronic crises in Africa, such as Burundi and DRC); and close, systematic tracking and monitoring of appeals. High levels of expertise are required at both Helsinki and in embassies to track and respond appropriately to appeals (see further recommendations, below).
Concentrate aid on existing channels		
The main current partners are major multilateral or 'global' organisations, movements or	Concentration of funding on a small number of partners is an efficient	The MFA should continue to concentrate funding on a small number

²³ Such as daily food rations, acute malnutrition rates, shelter and water provision, etc.

Findings	Conclusions	Lessons and Recommendations
<p>networks.</p> <p>The MFA HA Unit (HAU) is relatively small.</p> <p>Core and loosely earmarked funding through a small number of global, capable partners has been effective.</p> <p>Other donors have found that funding large numbers of individual 'projects' to be highly demanding in terms of resources, time and staff knowledge and skills.</p>	<p>and pragmatic approach. There is no compelling evidence to change this approach.</p> <p>An increase in the number of, for instance, NGO partners, would require a significant increase in MFA capacities. Existing partners could probably provide any capacity new NGOs might provide.</p> <p>MFA funding is for people in need, and not to develop an indigenous Finnish HA NGO capacity, however desirable that may, or may not be.</p>	<p>of partners.</p> <p>Criteria for the selection of partners (such as capacity, mandate, demonstrated adherence to HA principles, global presence, speed and quality of response, expertise in emergency and/or transition programmes, etc.) should be set.</p> <p>Partners should be reviewed regularly against these (e.g. each five years). Such reviews could be conducted jointly with other donors.</p> <p>The application of such criteria might lead to the gradual replacement of existing partners by new ones (as opposed to adding news ones).</p>
Influence partners at headquarters level		
<p>Partners are generally effective and well chosen. As shown through cases of ineffectiveness, partner performance can be erratic. On occasion, performance has been seriously ineffective.</p> <p>Experience has shown that one determinant of international organisation performance is the level of donor and public pressure to act rapidly and successfully.</p> <p>In particular, this influences the quality of staff made available to respond.</p>	<p>Concentration on a small number of partners presents an opportunity for greater MFA monitoring of and influence on these partners, regarding their performance.</p> <p>(This can be through, for example, 'select' donor mechanisms; and/or acting as members of the executive boards of these international organisations; and/or through multi-donor initiatives).</p>	<p>The MFA should develop an explicit strategy to influence key partners to operate consistently effectively and in line with international standards, good-practices and principles.</p> <p>This should be done in conjunction with EU, Nordic and/or 'like-minded' donors. Such 'advocacy' could be combined with periodic, systematic reviews, evaluations or 'institutional audits' of key partners (e.g. every 5 years).</p>
Greatly improve monitoring of partner performance		
<p>The administrative review paper of 2004²⁴ proposed greater decentralisation to embassies.</p>	<p>Mechanisms are required to strengthen MFA monitoring of partners.</p>	<p>HA unit and embassy staff should conduct more monitoring missions in the field. Ideally, they would be</p>

²⁴ Study on the Administrative and Resource Development Needs of the Ministry for Foreign Affairs of Finland to ensure efficient and effective implementation of the White Paper on the Development policy of the Government of Finland, Final Report Submitted by Saana Consulting Oy (Ltd.) Helsinki, 30 September 2004.

Findings	Conclusions	Lessons and Recommendations
<p>MFA funding is conducted primarily focussed on choosing 'good' partners, more than 'good' projects. Few embassies have the resources to monitor partner performance appropriately. Embassies are currently not required to report to the HAU about their field visits.</p> <p>Theoretically, embassies in development 'focus' countries ought to be able to monitor HA systematically, thanks to their aid-oriented presence.</p> <p>Practice has shown that this is rarely the case. It is widely recognised that embassies generally lack the time, resources, staff and specialised expertise and guidance to monitor HA partners and activities appropriately.</p>	<p>Professional needs-assessments are key to good programmes and good monitoring.</p> <p>Current MFA resources and capacities are inadequate.</p>	<p>accompanied by experienced Finnish HA experts with whom they could develop monitoring methods and techniques. Embassies should be required to report on field missions. (See also recommendation re specialist staff, tools and training, below)</p> <p>Where embassies are present, a small percentage of HA grant budgets (e.g. 1 – 3%) might be made available to the embassy to contract local consultants to monitor or evaluate performance and results, according to the importance of the funding.</p> <p>In the case of individual projects (which are a small portion of funding), the MFA should consider reimbursing the costs of agency assessments, if they are seen to have been well conducted and lead to funding. This could be done, especially for joint-assessments involving a number of partners addressing the same crisis (e.g. the Asia tsunami response, 2004-05).</p>
Introduce specialised staff, tools, and training		
<p>HA is a specialised area of aid. Frequent staff rotation leads to loss of 'institutional memory'.</p> <p>As noted above, current resources within the MFA, including specialist HA staff, are very limited. The important potential role of embassy staff (e.g. in proposing and monitoring HA activities) is inhibited due to a shortage of such capacities.</p>	<p>The MFA HA Unit and embassies/liaison offices should be able to call upon HA expertise for support on funding decisions and monitoring.</p> <p>Knowledge management and document archiving systems need to be effective to compensate for the loss of experience as staff rotates.</p>	<p>Specialist expertise could be provided in the form of Finnish experts, called upon through short-term contracts, or standby framework-agreements²⁵.</p> <p>University trainees or interns are another option. As a priority, the services of a full-time HA technical expert should be available to the MFA for support to both the HAU and embassies/liaison offices.</p> <p>Funding guides, training and management tools (such as proposal review and monitoring checklists) should also be developed, including specialised tools for monitoring the overall, institutional performance of partners²⁶.</p>

²⁵ DCI Ireland (MFA) has established such framework agreements with a number of experts. The experts advise on funding proposals and monitoring.

²⁶ Guidance on the use of the Local Cooperation Funds as a tool for HA, is one example.

Findings	Conclusions	Lessons and Recommendations
		<p>Knowledge and information management systems should be strengthened to compensate for the rotation of experienced HAU staff.</p>
Accelerate funding		
<p>Finland funds two categories of activities under its HA budget. This is done through two quite separate processes – a relatively rapid, agile process responding mainly to natural disasters (funding principally, the FRC), and a more complex, consultation based process for other funding.</p> <p>Two categories of HA activity are well described in the 1997 policy paper. They are acute-emergency (both natural disaster and conflict related) and non-acute emergency (e.g. transition, recovery or chronic crisis activities).</p>	<p>These two categories (acute-emergency and non-acute emergency) are quite different in nature and require distinct approaches.</p> <p>Some partners are more adept at addressing one than the other. Finnish ‘development oriented’ NGOs have, for instance, shown greater capacity in the latter than the former.</p>	<p>Despite the capacity to respond rapidly to natural disasters, the ‘non-natural disaster’ funding process should be accelerated and simplified.</p> <p>Targets should be set for the speed with which appeals or proposals will be processed. These targets could act as indicators, among others, for measuring HAU efficiency. They would also facilitate partner planning and response.</p> <p>Non-acute emergency funding (e.g. ‘transition’ or ‘recovery’ funding) should be according to separate criteria and processes, including specifically chosen partners who demonstrate capacity and expertise in that type of activity.</p>
Clarify funding criteria and processes		
<p>Linked to the above recommendation, differentiated relationships between the MFA and a variety of partners justifiably exist (e.g. according to mandate, size, nature and partner capacity, including multi-lateral versus NGO, and access to core-funding or not).</p> <p>The FRC has a privileged relationship with the MFA. The speed and procedures for funding the FRC differ from those of other Finnish NGOs.</p> <p>As already explained, acute-emergency and non-acute emergency (e.g. transition) programmes are quite different (importance or not of speed, type of</p>	<p>Greater transparency of funding criteria and processes is required, including explicit criteria for choosing one partner over another, or for dealing with one partner differently from another.</p> <p>Monitoring of partners and programme activities requires specific criteria and indicators.</p> <p>Similarly, MFA and partner performances should be measured on the basis of the appropriateness of funding processes and aid</p>	<p>The <i>Key Points for Operationalisation of the Development Policy (2004)</i> document²⁷ states that guidance will be provided on how to apply for HA, how agreements are made and how to report on HA funding.</p> <p>The MFA should explicitly document such criteria and funding processes. The priority importance of emergency funding (more than ‘transition’ or ‘recovery’ aid) should be recognised.</p> <p>This should be done through the provision of guidelines and periodic briefings to partners and key external observers (e.g. other international organisations, politicians, the media and academics).</p>

²⁷ Dated 29th June 2004.

Findings	Conclusions	Lessons and Recommendations
<p>aid, duration, relationships with authorities, etc.).</p> <p>A number of partners also receive funding from other MFA budget lines (e.g. NGO and/or development funds). Some of them do not know what criteria are applied for HA funding.</p>	<p>responses, according to differentiated types of programme activities.</p>	<p>Regarding partners, such criteria should be based on an objective analysis of the capacity to deliver quality HA in a rapid and efficient manner, in line with HA principles and good practices. The objective application of such criteria may lead to the selection of proven, specialist HA INGOs (such as MSF or SCUK) ahead of Finnish NGOs.</p>
Transition and recovery require a specific approach		
<p>To quote one experienced observer: <i>Transition situations require a completely different set of instruments and analysis (from those of HA), with which HA actors are not equipped.</i> The 1997 HA policy distinguishes between emergency and ‘transitional’ phases²⁸.</p> <p>The increasingly common ‘grey-zone’ (described in this report under ‘Global Trends’) requires aid approaches that are neither classical HA nor developmental, rather, a flexible mixture of the two. That mixture should be capable of adapting, in an agile manner, to rapidly changing needs and contexts.</p>	<p>The ideal is that all aid funding be highly flexible. Such terms as emergency, HA and development aid would thus gradually become redundant.</p> <p>Given that this is some time away, HA funding should, at least, be differentiated between acute emergency (natural disaster and sudden onset ‘human-made’ crises) and non-acute emergency aid.</p>	<p>As already noted, each type of aid should be managed through distinct criteria and processes.</p> <p>As one important step, the <i>Key Points for Operationalisation of the Development Policy (2004)</i> document states that coordination between HA and development aid administrators will be strengthened.</p> <p>This is especially relevant regarding countries receiving Finnish bi-lateral <i>development</i> aid. (The 1997 policy states that HA may be ‘cut short’ in such cases. Irrespective of whether this happens or not, closer coordination is required).</p>
Strengthen advocacy, education and research		
<p>As pointed out in the Council of Europe Global Education report on Finland²⁹, the MFA should play an</p>	<p>Advocacy and education can be conducted in cooperation with partner</p>	<p>Education about HA should be included within education initiatives aimed at the general public (both</p>

²⁸ The unofficial translation of the policy by the evaluation team distinguishes the two as follows:
Emergency aid (is applied) in acute and long-term emergency situations that arise as a result of armed conflicts or natural disasters. Aid work will be centred on the satisfying of people’s basic needs. In the acute phase, aid work normally comprises of the distribution of food, medical supplies and other necessities and the providing of protection for those in need. If the crisis persists, aid work will develop into a “care and maintenance” type of aid that focuses on maintaining basic services. The more persistent the crisis, the more permanent these services will become.
The **immediate reconstruction period** follows an emergency situation, whereby living conditions are stabilized through the use of humanitarian aid, through, for example, programmes for the return and re-integration of refugees and evacuees, mine extraction and the re-training of former soldiers. This phase is seen to be a **transitional phase** leading to a more long-term reconstruction period and the start of developmental co-operation.

Findings	Conclusions	Lessons and Recommendations
<p>important role in educating the Finnish public regarding international development aid³⁰.</p> <p>The Asia tsunami illustrated the importance of public understanding of the complexities of HA, such as the following: ‘forgotten, versus high profile emergencies; the root causes, commercial links³¹ and long-term effects of international crises; links between crisis and development; ‘good’ and ‘bad’ humanitarian responses (including ‘supply-driven’ HA, whereby unwanted or expired goods, medicines and clothes are wastefully donated); basic standards in HA; and the central importance of humanitarian protection, including the protection of refugees and asylum-seekers (be they in crisis-affected regions or in developed countries).</p>	<p>donors and/or Finnish HA partner organisations.</p> <p>Finnish NGOs have an impressive track record and important role to play in facilitating public education about international aid.</p> <p>It can also be conducted with Kepa, The Service Centre for Development Cooperation, and Finnish educational and research institutions, universities (especially specialised aid departments) and academics.</p>	<p>children and adults).</p> <p>Finland should also advocate nationally (e.g. with the Ministry of Defence) and internationally for due respect for HA principles. This includes advocacy for greater ‘needs-based’ HA funding, independent from extraneous policies, interests or agendas³².</p> <p>Advocacy should also aim to break down the artificial administrative barriers between HA and development aid, including advocacy for greater flexibility within partner organisations, between types of aid (development and HA).</p>
Consider framework agreements		
<p>The MFA strategy to fund partners more than projects is efficient and practical. Aid is concentrated among a few partners.</p> <p>While the MFA can fund rapidly, this is not always the case.</p>	<p>Increased clarity on criteria and processes can be complemented by increased speed and flexibility in funding.</p> <p>This would increase effectiveness and efficiency.</p>	<p>Special ‘draw-down’ funding contracts should be considered. These, could be similar to those used by the US Bureau for Population, Refugees and Migration (PRM), whereby funding does not require individual projects or contracts.</p> <p>Funds are drawn down by the recipient agency (e.g. UNHCR) from an approved envelope, as required. This would enhance Finland’s already highly regarded flexibility in funding.</p>

²⁹ Global Education in Finland; The European Global Education Peer Review Process National Report on Finland, launched 04/10/2004.

³⁰ *Funding and support for global education must, of necessity, begin with Ministries for Foreign Affairs as part of the task of garnering critical public support and ensuring public transparency in a country’s development cooperation endeavours. The Finnish Ministry for Foreign Affairs is to be commended for the foresight and commitment with which it undertakes this task. But if it must start with the Ministry for Foreign Affairs, it cannot end there, but must also be fundamentally inter-ministerial.*

³¹ E.g. linkages between mobile phone companies and the extraction and commercialisation of coltan in conflict areas of Eastern DRC.

³² Switzerland, has for example, adopted advocacy as part of its approach to international aid.

Findings	Conclusions	Lessons and Recommendations
Continue to be non-operational		
<p>As is evident post-Asia tsunami, governments are often tempted to 'become operational' in HA crises (e.g. through using national Civil Defence Units as HA teams).</p> <p>Some have become increasingly operational in the last decade (e.g. the UK and US). Other governments are now reviewing their policy and capacities in this respect (e.g. Sweden and Ireland).</p> <p>Such a change for Finland would have major capacity, structural and policy implications. If more HA capacity is required, existing partners could be funded to provide such capacity.</p>	<p>Such calls for 'operationality' are often driven by a perceived need for 'visibility'; to be seen to be responding rapidly and effectively, but also visibly, to crises.</p> <p>Victims of crises would gain little through Finland becoming operational. More efficient and effective solutions exist.</p>	<p>The Finnish MFA HA unit should continue to be non-operational. It should not establish direct, operational teams for emergency response.</p> <p>If there is a need to be seen to respond, greater public education and improved visibility for Finland's donations to partners might be a better option than the major and hugely expensive, and possibly ineffective (due to lack of experience and expertise) step of 'going operational'.</p>
Re-write policy paper, based on these recommendations		
<p>The 1997 HA policy paper contains a wide range of guidance, covering most aspects of HA. The paper is 'all-things-to-all-people' and impractical.</p> <p>It proposes, as a core thesis, that crises should be managed not just from a HA perspective, but through an integrated government/foreign policy approach, in which the HA component would complement all others, and vice versa.</p>	<p>This would require time, expertise and staff numbers well beyond what is currently available to the HAU.</p> <p>It would potentially tie HA to other foreign and official policy objectives. This could be contrary to HA principles of independence and impartiality.</p>	<p>The 1997 policy paper should be re-written to meet changed circumstances and priorities.</p> <p>A new policy paper should be more realistic. Recommendations contained in this report should be considered, among a range of issues, when drafting a new policy paper for Finland's Official HA.</p>