

## EXECUTIVE SUMMARY

### ***Summary Overview of Finnish HA***

Ministry for Foreign Affairs (MFA) HA is governed by the general policy papers for development cooperation and a sector-specific strategy paper from 1997. According to these policies:

- 1) The main goal of humanitarian aid is to save lives, ease human distress and aid all people who are in the most need.**
- 2) The principles of impartiality, equality and humanity are upheld during the provision of humanitarian aid.**

#### **Additionally:**

*The aid should focus on the poorest countries ... Humanitarian aid is not an isolated phenomenon, but an important tool that helps the international community to forecast, prevent and solve crisis.*

Finland's humanitarian aid was originally conceived as a funding mechanism to respond to acute-emergencies, such as natural catastrophes. It now funds both emergency *and non-acute-emergency*<sup>5</sup> activities. Some 10–15% of the annual development cooperation budget is allocated to humanitarian aid (approximately €42 M in 2003). In real terms, the aid has increased consistently since 1996, except for a brief drop from a high in 1999 (the year of the Kosovar refugee crisis).

The MFA definition of humanitarian aid changed during this period. Humanitarian aid had previously included 'preventive' aspects, such as human rights activities. Also, Humanitarian Mines-Action has been included since 1997, which amounted to approximately €5 million euros for the years 2002, 2003 and 2004. (See the Quantitative Analysis, later in this report).

Finland concentrates most HA funding on a number of large organisations (e.g. UN and the Red Cross and Red Crescent Movement). This is mostly either 'core', or loosely earmarked funding, rather than individual project funding. The overall effectiveness and efficiency of these organisations is, therefore, relevant to this evaluation.

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<sup>5</sup> See foreword for an explanation of these terms.

## **Summary Strengths of Finnish Funded HA**

### **Effective Humanitarian Aid**

Overall, Finnish funded HA has been effective. Apart from a perceived shortage of global capacity<sup>6</sup> to meet current crises, successful responses and quality advances noted in this report out-weigh failures and weaknesses. While the latter have been, on occasion, serious, Finnish funded partners have shown themselves capable of stabilising critical humanitarian situation in short periods of time (e.g. emergency level mortality and morbidity due to natural and human made causes); averting large-scale famine; repatriating large numbers in safety; protecting and assisting civilians in combat zones; and supporting populations in recovery phases.

Important quality advances have been achieved in techniques, materials, equipment and institutional preparedness, including staff development. All of these aspects more than compensate for cases of ineffective aid in the same period. The overall conclusion of this evaluation is positive. This effectiveness is mainly due to the concentration of flexible funding on large, capable organisations.

### **A 'Good', Well Respected Donor**

Finland rates highly as a donor, based on broadly accepted indicators of 'good humanitarian donorship'. These indicators include flexibility, predictability, generous 'core-funding', and loose ear-marking. As is noted later in the report, the same approaches are not applied uniformly to all partners, however (e.g. core funding is provided to only a small number of partners).

### **MFA can React Rapidly**

Funding for emergencies *can be* provided rapidly, mainly in response to Red Cross and Red Crescent Movement (RCRC<sup>7</sup>) appeals. Responses in a matter of hours are possible, as was the case for the 2004 Asia tsunami and previous disasters.

### **Pragmatic Concentration of Funding on Few, Large Partners**

Partners vary significantly in capacity and focus. Most are large, global, HA-focussed organisations, while some are small and development-focussed. The concentration of funding on a small number of large organisations is more efficient than multiple-project, multi-organisation funding. It is a pragmatic strategy for a relatively small MFA funding unit. Those large partner organisations are well-chosen, appropriate, global and capable of large-scale, effective responses.

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<sup>6</sup> Quote from the TOR for a recently commissioned OCHA study to review global HA capacities: ... *there is an overall concern that there is insufficient humanitarian capacity to respond to the demands of concurrent major crises.*

<sup>7</sup> The term Red Cross, or the acronym 'RCRC', is applied to cover both Red Cross and Red Crescent societies, ICRC, IFRC and the Movement as a whole, as may be appropriate, unless otherwise specified.

## **Finns have a Positive Opinion of Finland's ODA**

According to annual surveys, Finland's Official Development Aid (ODA) is seen in a positive light by the Finnish public. The public in general and decision-makers in particular regard development cooperation as a positive, worthwhile phenomenon.

## **Summary Weaknesses of Finnish Funded HA**

### **HA Quantities are Relatively Small**

Specific impact and effect are difficult to attribute to Finnish HA funds, because they are mostly provided with little or no earmarking. Also, 'lives-saved' can be classified as both long-term impact and more immediate effect. On a *case-by-case basis*, impact and effect can be significant (as in Ethiopia, where Finland contributed significantly to recent international efforts to avert large-scale famine).

The overall, *global* impact and effect of Finland's HA will always be small, however, compared to both global needs and the total HA funding available to meet them. The percentage balance between development aid and HA is not the issue. The overall size of *total* ODA is, however. The global impact and effect of HA will continue to be small, despite real and consistent gains each year, until overall ODA approaches at least the promised 0.7% of GNI.

### **The 1997 HA Policy Paper is Inadequate and not Applied**

Recommendations from the 1996 evaluation of Finland's HA, and subsequent MFA policy statements propose that HA be funded within a Finnish 'crisis-management' focus:

*The Finnish emergency response must: treat any crisis with humanitarian implications as a foreign policy category in itself, to be dealt with in a coordinated way within the Ministry for Foreign Affairs, with a primary responsibility placed on its crisis instruments, so as to restore sustainable development and to support responsible government<sup>8</sup> ... To change the place of [Finland's] humanitarian response ... to becoming an active coordination of inter-ministerial action in times of crisis is to acknowledge the ... security and political implications of humanitarian assistance<sup>9</sup> ... Humanitarian assistance ... should be seen as an integral part of Finland's foreign policy, with definite linkages to the country's security policy, development aid policy and human rights policy<sup>10</sup>.*

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<sup>8</sup> P. xiv, COWIconsult. Thematic evaluation of the Finnish humanitarian assistance. Evaluation report 1996:2. Helsinki: Ministry for Foreign Affairs, 1996.

<sup>9</sup> P. 58, COWIconsult. Thematic evaluation of the Finnish humanitarian assistance. Evaluation report 1996:2. Helsinki: Ministry for Foreign Affairs, 1996.

<sup>10</sup> P. 17, COWIconsult. Thematic evaluation of the Finnish humanitarian assistance. Evaluation report 1996:2. Helsinki: Ministry for Foreign Affairs, 1996.

*Humanitarian aid is one of Finland's tools for human rights policy ... Furthermore humanitarian aid is a tool for Finland's refugee and immigration policy<sup>11</sup>.*

This aspiration is neither achieved, realistic nor desirable. Finland does not have the institutional capacity to apply HA *systematically* within coordinated, coherent approaches to crises. Apart from resource and capacity limitations, attempts to apply HA within such policy-driven strategies could conflict with basic HA principles, especially independence, impartiality and needs-based responses. The out-dated policy should be revised.

### **Need is not the only Criterion for Funding**

While most funding is free of political and strategic influence, media and political considerations have come to bear on funding decisions (regarding, for example, Iraq and Afghanistan and during the Asia 2004 tsunami<sup>12</sup> response). Need is not, therefore, the only consideration in making funding decisions. ('Need' is a function of objective living conditions<sup>13</sup> and the resources available to address those conditions<sup>14</sup>).

### **Partner Performance can be Deficient**

Partner performance varies greatly, including within the same organisation in different situations. Partners are capable of being highly effective. They have also shown themselves to be susceptible to failures and ineffectiveness. While most are competent most of the time, serious weaknesses exist (as evidenced, for example, during the evaluator's visit to Ethiopia), which merit closer MFA monitoring and, possibly, supportive action.

Examples of ineffectiveness include: Slow and inadequate responses to major emergencies, including 'forgotten-crises'; failure to protect refugees and prisoners; technical and managerial weaknesses, resulting in seriously below-standard relief programmes, including chronically high levels of Global Acute Malnutrition (GAM) over a period of years; ineffective coordination; inadequate monitoring and supervision, resulting in sexual exploitation of refugees; and a failure to prevent repeated violations of IHL by powerful states.

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<sup>11</sup> Policy Paper for Humanitarian Aid, 5.11.1997 (unofficial translation, by the evaluation team).

<sup>12</sup> The imbalance in funding was noted, for example, in the Helsingin Sanomat newspaper, on the 29.12.2004 as follows: *Head of UNICEF Finland: there is also a catastrophe in Darfur, but it does not receive any attention.*

<sup>13</sup> That is, access to life-saving goods, services and protection, such as food, medical attention, water, sanitation and legal and physical protection.

<sup>14</sup> According to some analysis, there are 45 'fragile states' in the world to-day. ECHO has developed a tool called the Global Index for humanitarian Needs Assessment. It measures a number of variables. It does not, however, take account of resources available from, for example non-aid sources (e.g. through political funding, as in the case of Iraq), nor rapidly increased commercial revenues, again, as in the case of Iraq, through its oil production. Consequently, Iraq appears in the index as a 'High Need' country, when, in fact, many other less-assisted states and populations merit greater aid (e.g. Burundi, DRC, and Sudan).

## **Improve Linking of Relief, Rehabilitation and Development (LRRD)**

Finland does not systematically promote the linking of its relief with longer-term aid initiatives. A number of the Good Humanitarian Donorship Initiative (GHDI)<sup>15</sup> indicators relate to such linking by donors. In Finland's case, it is largely left to the partners themselves. Where it is achieved, it is on a case-by-case basis, where partners apply core, or loosely earmarked funds to create such connections between types of aid. Alternatively, it may be as a result of MFA consultations in the HATR<sup>16</sup> meetings.

This is a realistic, pragmatic approach. It is unrealistic to expect HA funding to meet consistently the competing needs of fast, effective crisis funding, while *also* attending to longer-term needs. Ideally, however, such linking would be addressed through highly flexible application of HA *and* development funding together, as needs require, and opportunities present. This would best be achieved at the affected country, or embassy level. Given that development aid is limited to only a few countries, it is recognised by the evaluation that this is currently not feasible.

## **Funding Processes are Unclear; can be Slow**

There is a marked absence of detailed, explicit funding criteria and practical, written guidance for prioritising funding. The funding processes and criteria are unclear to some Finnish NGOs (e.g. the differentiated relationships between the MFA and certain partners). Explicit guidelines have not been issued explaining the specific criteria for natural-disaster, core and other HA funding.

Non-natural disaster funding is not particularly rapid, is subject to considerable MFA preparation and internal consultation, and is conducted in two 'rounds' annually, spring and autumn, respectively. While some partners regard the process as relatively rapid, comparing it favourably with other donors, others see it as unduly cumbersome and slow.

## **MFA HA Technical Expertise is Limited**

As noted, the evaluation regards MFA management of funding as pragmatic and relatively efficient. Few resources are required, compared to other, similarly sized donors. MFA technical and 'field' expertise in HA is limited, however. Individual MFA managers have as many as seven years experience in managing HA funding, or ample experience in Geneva, where many humanitarian organisations are based. Never-the-less, MFA capacities include neither technical expertise nor direct field-experience of HA operations implementation. This is an important limitation, at both Helsinki and embassies, when it comes to prioritising, monitoring and supporting organisations and aid activities.

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<sup>15</sup> A donor initiative to improve practices among official HA donors. The indicators were developed by UN OCHA for the GHDI Burundi pilot study.

<sup>16</sup> Humanitaarisen Avun Työryhmä, Finnish for Humanitarian Assistance Working Group - Regular MFA HA funding consultation meetings, involving a range of actors.

## **Religion and Basic HA Principles; a Possible Conflict**

Religious organisations have, historically, carried out impressive aid work globally. Many religious workers have given their lives to assist others. Recently, however, the religious objectives and values of NGO partners are at increasing risk of being perceived to be in conflict with basic HA principles. This is within a global context in which religious differences have, for certain influential groups, taken on increased significance.

There is no suggestion that faith-based NGOs are, a-priori, biased. All partners explicitly espouse core principles such as *impartiality* and *independence*. The issue is a matter of perceptions, however. Partners work through networks over which they do not have direct control.

Experience during field visits, and research show this to be a potentially serious issue. Great care is required, in an increasingly charged and polarised HA working environment, to ensure that partners are perceived as strictly impartial and independent. This issue is as much to do with personal security as it is with HA principles.

## **MFA Funding of Search-and-Rescue Merits Review**

While sums are relatively small, MFA funding to the FinnRescue team is costly for the limited returns it provides. While potentially useful in specific circumstances, analysis of the costs, use and returns of this funding lead the evaluators to raise questions as to the efficiency of such funding<sup>17</sup>.

## **Public Understanding of HA is Limited**

The generosity of the Finnish public in response to the Asia tsunami has been overwhelming, as has been the case in other countries. The huge imbalance, however, between donations (public and private) for that crisis and those for other crises is disturbing. Improved access is required by the public to information and analysis on HA needs, priorities and funding trends and comparisons. Education regarding the role of the media and other groups in focussing attention on certain humanitarian situations, versus 'forgotten-crises', is of particular importance.

## **Challenge to Independence and Impartiality**

Arguably, the greatest challenge now facing HA organisations and donors alike is not that of logistical and technical capacity, rather to provide humanitarian protection for people in need of such protection.

The constraints facing humanitarian organisations in this task are immense. The means available to them are inadequate. A conclusion of this evaluation is that, in important cases, international humanitarian organisations have failed to protect human beings from gross violations of International Humanitarian Law (IHL) and International Human Rights Law, committed, in particular, by powerful states: states that happen to be among

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<sup>17</sup> See later in the report, based on, inter-alia, interviews with relevant managers and research.

the most important donors to those organisations and which are seen to set standards of behaviour globally.

As reflected in observations by senior managers of these organisations, in parts of the world, they are no longer perceived to be independent, impartial purveyors of relief and protection, be they UN, Red Cross/Crescent, or International Non-Governmental Organisations (INGOs). In some important cases, the result is distrust, even outright animosity. Humanitarian organisations must ask themselves honestly whether their ineffectiveness in the face of exceptional abuses by powerful nations has ameliorated, or exacerbated, such perceptions.

## ***Future Trends and Challenges***

### **Refugee Numbers Dropping; but Crises and HA Actors Increase**

Refugee numbers have dropped significantly over the past decade (to some 17 million, down from over 20 million in the mid-1990's). While refugees are fewer, people displaced within their own countries (Internally Displaced Persons, or IDPs) are, however, on the increase. No multi-lateral organisation has an international mandate to assist and protect such people.

Inconclusive evidence and expert opinion<sup>18</sup> suggest that emergencies are both more frequent and occur on a greater scale than in previous decades. Examples include the unprecedented Pan-African war - fought largely within the Democratic Republic of the Congo (DRC), previously Zaire - which has resulted in an estimated three million deaths since 1994. Numerous natural disasters are also being recorded, of ever greater impact, including cases of flooding, seismic activity and landslides. The Asia tsunami is the most recent, exceptionally large example.

The trend will most likely continue, resulting in pressure to continue to increase the proportion of HA as a percentage of global development aid. The notable proliferation of HA organisations, groups and networks will also, in all likelihood, continue, as will the slow, erratic trend towards greater technical proficiency.

Competition for funds, at times quite bitter, has encouragement 'mandate-creep' among multi-lateral organisations (i.e. to stretch their areas of specialisation and international mandate, in response to both increased need and greater opportunities for fund-raising).

### **'Grey-Zone', Chronic, Recurring Crises the Norm; LRRD Remote**

The stereo-typical, sudden-onset, acute, natural disaster, upon which the Western HA 'system' has been built, with its continuum from disaster to stabilisation, recovery, reconstruction and development, is no longer the norm. This conclusion was correctly

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<sup>18</sup> Pierre de Senarclens, Vice President of the Swiss Red Cross, interviewed in the Sud-Ouest Dimanche, 09.01.05.

arrived at by the authors of the 1996 evaluation of Finland's HA. Festering and recurring crises last for years, even decades.

The failure of many development aid programmes has left swathes of the globe permanently vulnerable to emergencies, rooted in socio-economic marginalisation and environmental degradation. Though both HA and development aid actors are both sucked into this 'grey-zone', the gap between their respective methods, approaches and cultures is still disturbingly wide. Systematic Linking of Relief, Rehabilitation and Development (LRRD) remains an elusive goal.

### **Increased Military and Political Involvement in HA**

Governments increasingly wish to apply HA as a tool for visibility and Foreign Policy. Overtly politically motivated HA is increasingly evident. Military and Civil Defence international-response units have become more common<sup>19</sup>. Small countries, such as Finland, will be under increased pressure to take part in such bi-lateral and joint-initiatives.

While the military have a lot to offer in, for instance, response to natural disasters, the potential and actual blurring of the lines between independent, impartial and neutral HA and political, military and economic objectives is a cause for serious concern. The most glaring example was the 1999 'humanitarian war' waged on Serbia.

Frequently, bi-lateral HA action has eclipsed multi-lateral channels, the initial Asia tsunami response being not the least of such cases.

### **Mushrooming of 'Accountability' and Research Initiatives**

Over the past decade, a plethora of HA 'accountability' and 'performance' mechanisms and research initiatives have emerged. They include the GHDI, the HAP-I, ALNAP, People-in-Aid, 'Compas Quality initiative', and HPG/HPN<sup>20</sup>. All differ significantly in aims, methods and organisational structure, some even being quite critical of others<sup>21</sup>. Most have, however, highlighted the importance of HA principles, especially independence, impartiality and funding based solely on need.

### **Partners as Channels of Aid, not Direct Implementers**

Partner organisations continue to 'corporatise', centralise and operate through large, global networks. Most, if not all partners rarely implement programmes directly. They operate through ever larger networks, acting as channels of funding, rather than direct implementers. Standard measurements of organisational capacity, effectiveness and

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<sup>19</sup> The NATO linked Partnership for Peace (PFP) has been one of many driving forces in this direction.

<sup>20</sup> For full titles, see the glossary. These are all initiatives commenced in the last decade, partly as a response to the Rwandan crisis and subsequent humanitarian operations. Most of them have emphasised the importance of HA actors being accountable for their actions, and technically proficient, especially in relation to basic HA principles, as set out in the RC code of conduct.

<sup>21</sup> E.g. 'Compas Quality initiative' and the SPHERE Project.



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 interests<sup>22</sup>. 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.

<b>Findings</b>	<b>Conclusions</b>	<b>Lessons and Recommendations</b>
<b>Continue to be a flexible donor</b>		
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

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<sup>22</sup> See quotes later in this report.

<b>Findings</b>	<b>Conclusions</b>	<b>Lessons and Recommendations</b>
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.
<b>Maintain existing balance between HA and development</b>		
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).
<b>Clarify criteria to ensure funding by 'need' and partner capacity</b>		
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 <sup>23</sup> ); 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).
<b>Concentrate aid on existing channels</b>		
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

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

<b>Findings</b>	<b>Conclusions</b>	<b>Lessons and Recommendations</b>
<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>
<b>Influence partners at headquarters level</b>		
<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>
<b>Greatly improve monitoring of partner performance</b>		
<p>The administrative review paper of 2004<sup>24</sup> 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>

<sup>24</sup> 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.

<b>Findings</b>	<b>Conclusions</b>	<b>Lessons and Recommendations</b>
<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>
<b>Introduce specialised staff, tools, and training</b>		
<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-agreements<sup>25</sup>.</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 partners<sup>26</sup>.</p>

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

<sup>26</sup> 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>
<b>Accelerate funding</b>		
<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>
<b>Clarify funding criteria and processes</b>		
<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> document<sup>27</sup> 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>

<sup>27</sup> Dated 29<sup>th</sup> 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>
<b>Transition and recovery require a specific approach</b>		
<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’ phases<sup>28</sup>.</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>
<b>Strengthen advocacy, education and research</b>		
<p>As pointed out in the Council of Europe Global Education report on Finland<sup>29</sup>, 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>

<sup>28</sup> 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 aid<sup>30</sup>.</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 links<sup>31</sup> 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 agendas<sup>32</sup>.</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>
<b>Consider framework agreements</b>		
<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>

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

<sup>30</sup> *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.*

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

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

<b>Findings</b>	<b>Conclusions</b>	<b>Lessons and Recommendations</b>
<b>Continue to be non-operational</b>		
<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>
<b>Re-write policy paper, based on these recommendations</b>		
<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>