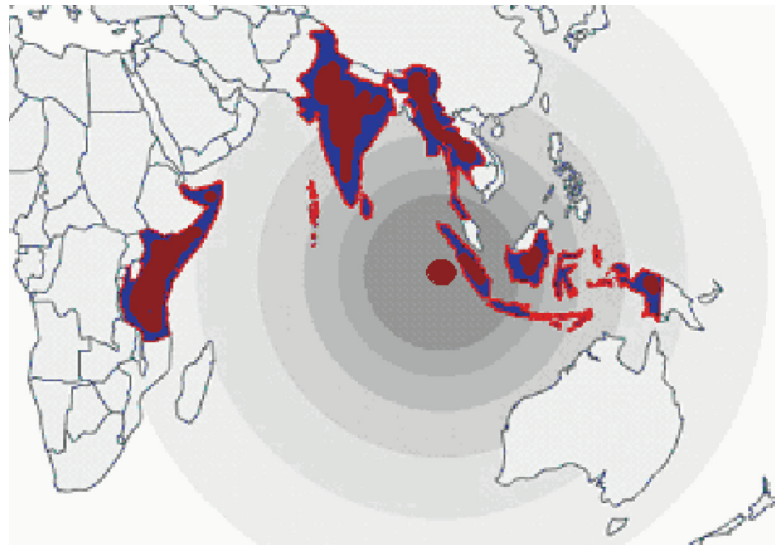


Tsunami Evaluation Coalition (TEC)

The International Community's Funding of the Tsunami Emergency and Relief



Overall Funding Flows

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June 2006

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Analysis of Overall Funding Flows

Background Paper prepared for the Tsunami Evaluation Coalition
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The data on which this report is based is constantly being updated and revised and new and better information becomes available. The report tries to be clear about which periods the data cover and the authors would welcome corrections or additions, particularly because Development Initiatives hopes that this report can be used as a baseline to measure future action and the extent to which pledges and commitments have been delivered.

The Development Initiatives team responsible for this report was Tony German, Judith Randel, Tasneem Mowjee and Lydia Baker.

Comments and information would be very welcome and should be sent to di@devinit.org or by phone to + 44 1749 831141 or by post to Development Initiatives, Old Westbrook Farm, Evercreech, Somerset BA4 6DS.

Format for the Paper

This paper follows the format set out in the terms of reference – see Annex 4.

The Summary is designed to be a read-alone section, picking up on the major points and identifying issues and recommendations. The graphs and figures included in the summary are all repeated in the main text.

Section one is about **methodology and data** sources.

Section two looks at **the substance** covering the big picture on funding flows to the Tsunami, the reliability of estimates, the content of pledges, the additionality of resources and their impact on donor aid flows, the balance between reconstruction and humanitarian assistance, the main donors, how much was spent in each country, allocations to NGOs and UN agencies and analysis of private funding.

Section 3 identifies some of the **distinguishing characteristics** of the Tsunami response.

Section 4 **compares** the Tsunami response with **other funding flows**

Section 5 draws out some **significant broader issues**.

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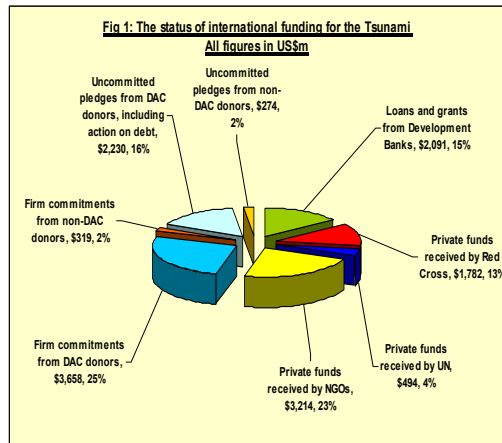
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SUMMARY

1. FACTS AND FIGURES

1.1. The response to the Tsunami was the biggest international response to a natural disaster on record.

A total of \$14 billion had been pledged by December 2005, of which \$11.6 billion has been either committed or already received by NGOs, the Red Cross/Crescent movement and UN agencies.



1.2. Most immediate relief and the majority of the rescue and relief actors are local.

Despite their importance, local actions from community self help to immediate government relief are not given a financial value or, as a matter of course, included in reports of disaster response.

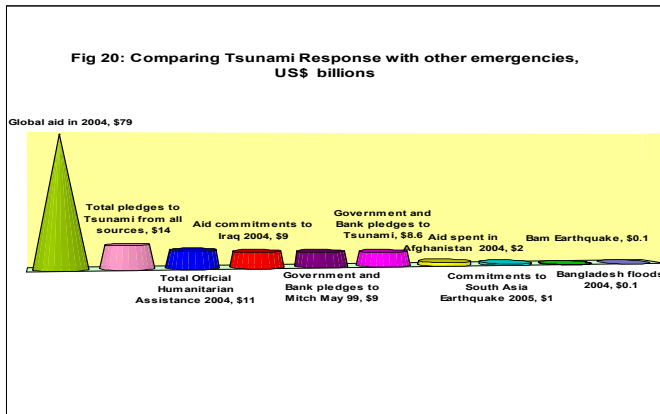
At least \$190m – almost certainly a great deal more – was given by the public in affected countries. Governments of affected countries have contributed at least \$2.6b of their own resources

1.3. It was not the biggest ever official response to a disaster but it is the biggest public response ever recorded

Governmental and IFI pledges to the Tsunami amount to \$8.5b. This is less than pledges to Hurricane Mitch of \$9b in 1998; the \$8.2b pledged to Afghanistan for 2004 – 2007 and the \$9.4b committed to Iraq in 2004.

DAC donor disbursements to the Tsunami in 2005 were just less than half of disbursements to Iraq in the same year.

The minimum of \$5.5b given by the public to NGOs and UN agencies exceeded the total amounts previously reported for all NGO humanitarian assistance from all sources.



1.4. NGOs (excluding Red Cross organisations) received at least \$3.2 billion from the public and more than \$300m in grants from donors governments

Reliably reported individual contributions to named NGOs totalled \$3.214 billion by the end of 2005. Evidence suggests that total contributions to NGOs and civil society organisations could be over \$5 billion.

Volumes of private giving exceed previous annual totals estimated to have been spent by NGOs for all humanitarian assistance everywhere. 76 NGOs received more than \$1m each, 18 of them more than \$5m. Even for some large NGOs, the Tsunami contributions were 20-30% of total annual income.

1.5. A sixth of the response flowed through the Red Cross and Crescent movement

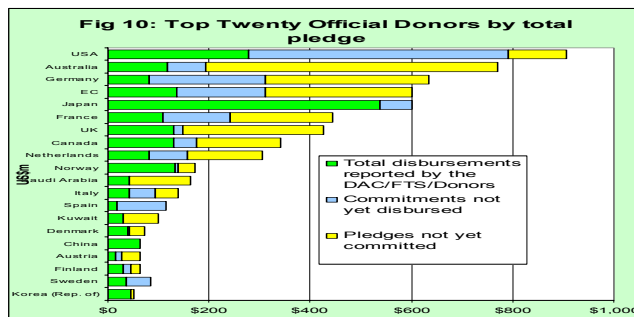
\$2.1b was contributed to the Red Cross, \$1.8m of it by the public. Many of the earliest governmental contributions were made through the Red Cross. 76 national societies contributed. Overall, 19% of contributions received or committed by the end of 2005 flowed through the Red Cross movement.

1.6. An unprecedented number of countries contributed to the response; five donors contributed half of the government funds.

99 governments and 2 intergovernmental organisations are recorded as contributing to the response. Thirteen governmental donors had never made a recorded contribution to a disaster before and 77 are non-DAC donors.

Over half of the governmental pledges came from five donors: USA, Australia, Germany, EC and Japan.

94% of pledges came from twenty donors, including non-DAC donors Saudi Arabia, Kuwait, China and Korea. Non DAC donors contributed both cash and gifts in kind, including personnel and military assets.



The scale, number and type of contributions from non-DAC donors is significant as many donors, having given once (often for a high profile emergency and with gifts in kind) then start to engage in other disaster response.

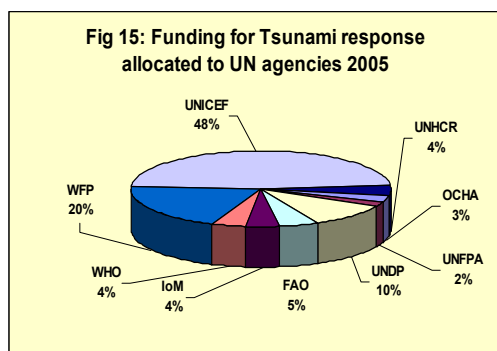
In many donors an unprecedented number of different ministries and specialised government agencies were involved in the response. Expenditure by Ministries of Defence forms a significant part of the governmental response (\$251m out of the \$907m allocated by the USA for instance) and large numbers of military assets were deployed, particularly military transport.

1.7. UN agencies received over \$1.2 billion in contributions from governments and the public.

At least 11% of the funds committed or received from all sources have gone to UN agencies. UNICEF received nearly half of total funding, but the lion’s share of this – over \$400m – came from National UNICEF committees.

Of the \$1230 million of funding via UN agencies, \$494m (40%) came from agencies’ own resources or the general public.

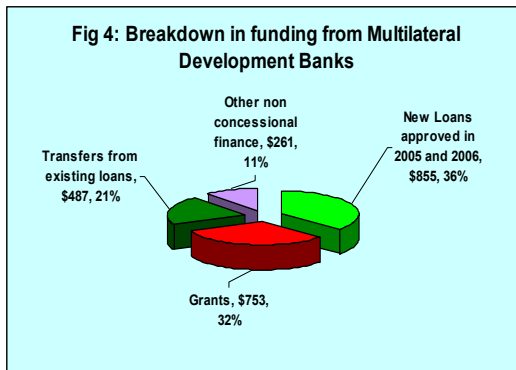
Evidence from selected donors shows allocations of between 30% and 60% of their Tsunami funding to UN agencies.



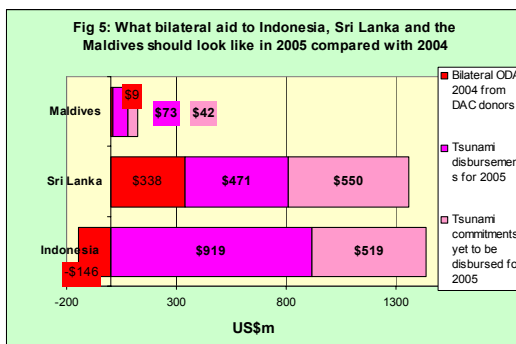
1.8. It is not clear how much of the funding additional and how much has been spent

Some donors have specifically stated that their Tsunami contributions will be in addition to existing aid flows. It will not be possible to test this until figures are published for total aid in 2005. In the case of Hurricane Mitch, affected countries received only \$0.6m in addition to their normal aid flows in the six years following the disaster.

The Asian Development Bank and the World Bank have been explicit about how much funding has been a reallocation from previous loans. A fifth of MDB reported finance from their own funds (that is excluding funds that they administer such as the MDTFANS) has come from transfers from other activities within Tsunami-affected countries.



If the Tsunami commitments are all additional, then the aid figures in 2005 should show major changes. In 2004, Indonesia actually repaid more in bilateral development loans than it received in ODA grants or new loans. Bilateral ODA disbursements alone should be over \$1.4b in 2005. Bilateral ODA to Sri Lanka should quadruple and bilateral ODA to the Maldives should be nearly 15 times its 2004 level.



1.9. Volumes of aid per affected person are of a completely different order of magnitude to previous disasters.¹

- If all the Tsunami commitments were shared out equally between the 2 million people directly affected, each person would receive roughly \$5,500
- If all the Tsunami commitments were shared out between the 3.7 million people in areas with major impacts, each person would receive about \$3,000.
- Total disbursements from DAC donors alone amounted to \$1,000 per directly affected person and \$550 per person in areas with major impacts in 2005.

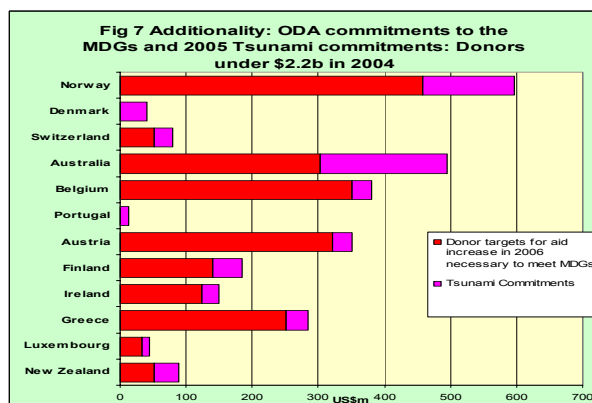
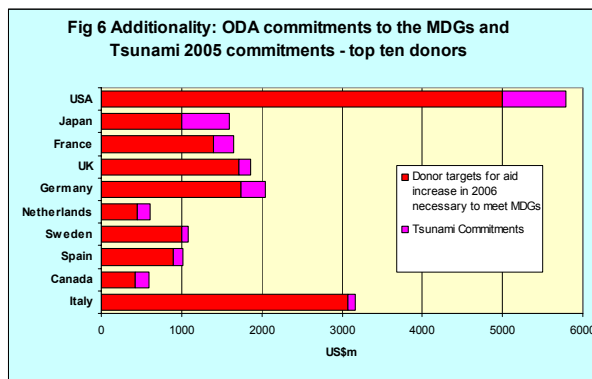
(Note: This is only an indicative figure. Much of the Tsunami money is for long term national reconstruction.)

¹ IMPORTANT NOTE: "Affected People" is not a consistent standard. In the Tsunami for instance 2 million people have been killed, injured or made homeless. But according to the Center for International Earth Science Information Network (CIESIN), at the time of the Tsunami, about 10.4 million people lived within one kilometre of the affected coastal area, and 18.9 million lived within two kilometres. For areas known to have major impacts, where the relief effort was concentrated, the population estimates are 1.9 million and 3.7 million, respectively. Assessments of affected people in other disasters are similarly varied, so comparisons are only indicative.

- In the South Asia earthquake, 1 million people were estimated to be directly affected and 4 million to live in affected areas. Total commitments per head are between \$1000 and \$250.
- In Somalia between 700,000 and 1.1 million people are affected and received between \$114 and \$178 per head.
- In Eritrea, 2.2 million people are affected and received \$50 each.

1.10. There is a risk that the Tsunami will be financed from money already allocated to meet the MDGs.

2005 saw commitments from almost all DAC donors to meet the MDGs. Data now shows that 40% of increased aid following the Millennium Summit has been used to support Afghanistan and Iraq. Total increased aid for the three years of 2001, 2002 and 2003 combined amounted to \$6.4b - increased spending in Iraq and Afghanistan accounted for 40% of it.



1.11. The rate for converting government pledges to commitments and then to disbursements has been better than some previous disasters

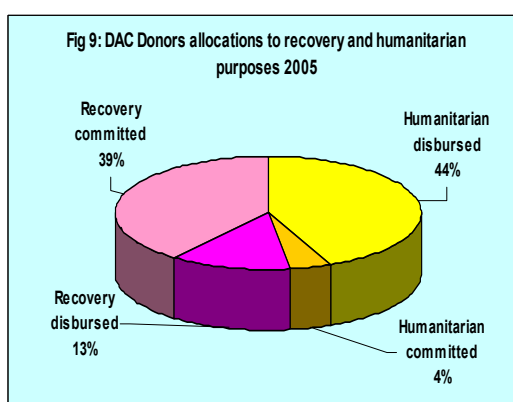
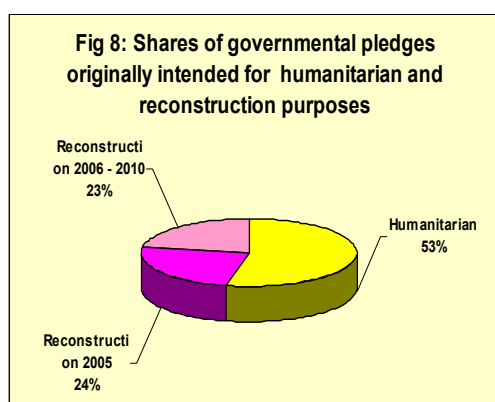
- 32% of government pledges have been disbursed
- 29% have been committed to a specific activity or agency
- 38% has yet to be committed - the bulk of this funding was pledged for reconstruction in the period 2006 – 2010.

For the first time ever, the DAC did a special survey which reported donor pledges (as well as commitments and disbursements).

Data is not good on how much has actually been spent. What information is available suggests that just under 40% of funding to UN agencies had been spent by September 2005 and around 30% of funding via NGOs.

1.12. About half of all pledges are for longer term recovery

About half the pledges made in January 2005 were for humanitarian assistance; a quarter for recovery in 2005 and a quarter for 2006 – 2010. This matches the DAC commitments made to date – about 50% are humanitarian. 97% of those humanitarian commitments have been disbursed compared with 20% of reconstruction commitments.



1.13. The UN Appeal was the third largest ever in funds requested and the second largest in funds received.

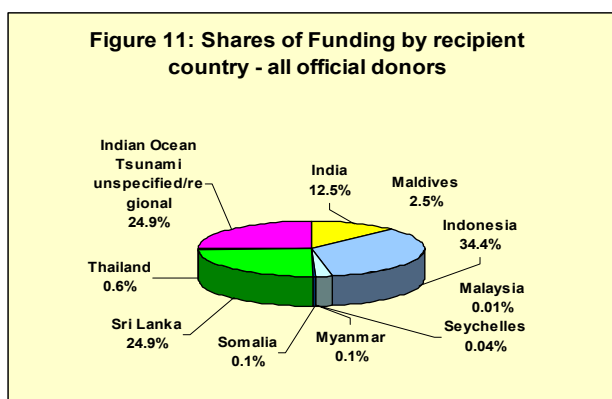
At \$1.28b, the UN appeal for the Tsunami was the third largest on record - exceeded by Sudan 2005 (\$1.9b) and Iraq 2003 (\$2.2b). More contributions were received for the Tsunami Appeal than for any other appeal in the last three years except Iraq.

Commitments to the South Asia Earthquake recorded by OCHA were in excess of \$1 billion. The appeal was for £312m of which 58% had been funded by the end of 2005.

1.14. Unprecedented amounts of unearmarked funding were contributed to the Appeal

Over half of the funds for the UN CAP Appeal for the Tsunami were given as unearmarked money – not allocated to a specific sector or agency. Over 30 donors made all or part of their contributions in this way, compared with only 2 or 3 in previous years. One donor also gave unearmarked funding to the Humanitarian Coordinators in Sri Lanka and Indonesia.

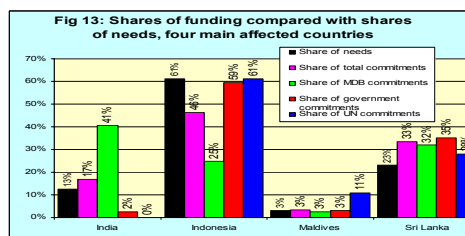
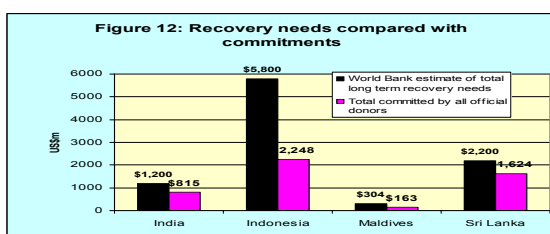
1.15. Funding has gone, almost exclusively, to the four worst affected countries



Over a fifth of allocations have been not specified to a country. Three quarters of the total went to the four worst affected countries of India, Indonesia, Sri Lanka and the Maldives. The remaining countries Malaysia, Myanmar, Seychelles, Somalia and Thailand received \$57m, 0.9% of total funding. Thailand, like India, did not request international assistance.

1.16. Funding has, broadly, been allocated to countries in proportion to their needs; Indonesia has received 50% of total official commitments

Loss of life, levels of injury and homelessness and costs of recovery are all highest for Indonesia. Commitments in 2005 represent 40% of long term recovery needs compared with 66% for India, 65% for Sri Lanka and 50% for the Maldives.

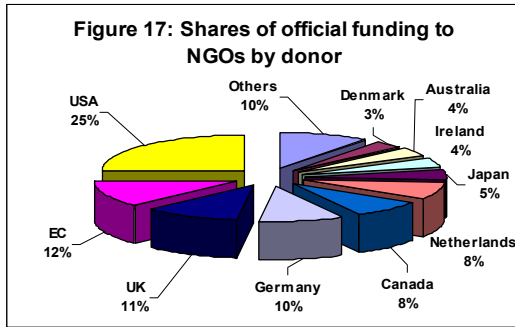


41% of MDB commitments have been made to India. Long term recovery costs in India are 13% of the total for the worst affected countries.

1.17. Official funding to NGOs was spread across a large number of organisations – mostly national NGOs in the donor country

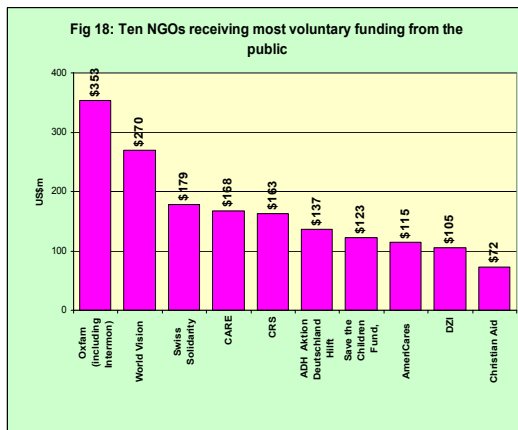
At least 174 NGOs (excluding National Red Cross/Crescent societies) received grants from an official donor. Most donors overwhelmingly supported their own national NGOs. Only 34 NGOs received grants from more than one country and many of those were international groups (such as CARE or Oxfam) which received funding via their national partners

Just over half of all official funding to NGOs went to the top twenty NGOs – a small share than in 'normal' humanitarian situations.



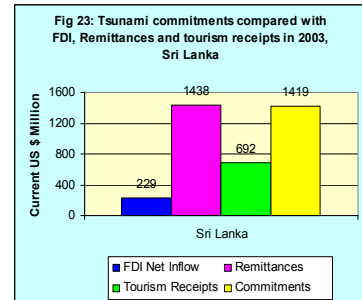
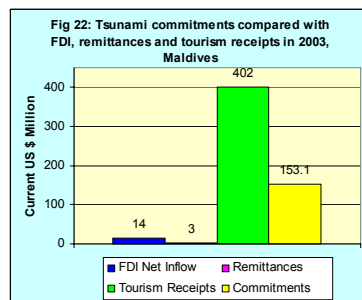
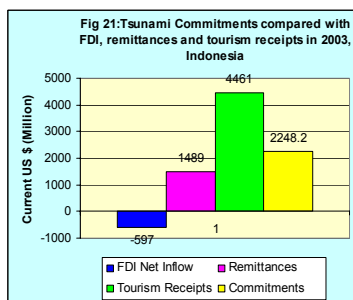
1.18. Voluntary contributions to NGOs were the most significant source of income for the Tsunami in 2005

Over 200 NGOs received at \$3.2 billion from public donations. Contributions which were not able to be verified for this study may amount to another \$2 billion. 45 NGOs received more than \$10 million each.



1.19. Tsunami commitments compared with other flows

Data is not available on the volume of remittances received in Tsunami affected areas in 2005, but even normal levels of remittances to Sri Lanka and Indonesia are significant compared with other inflows such as tourism receipts and foreign direct investment.



2. ISSUES AND RECOMMENDATIONS

The issues and recommendations flow from two things. First, the scale of the response represents a fund of political capital which has the potential to accelerate improvements in the provision of global humanitarian assistance. Second, the response acted as a giant lens, illuminating faults in the global systems for humanitarian provision.

2.1. Putting the Political Capital to use

The Tsunami response can be seen as an international public good: a fund of political capital which has the potential to underwrite humanitarian assistance and poverty reduction globally.

Serious attention needs to be given to how such political capital can be nurtured and sustained without undermining an effective response.

For example, commitments in kind were made before needs assessments had been completed. These ranged from military resources, field hospitals, drugs etc to collections of clothing and household goods by the public across the world. Many humanitarian agencies found themselves in the difficult position of having to reject proffered assistance and pour cold water on the good will of donors ranging from heads of state to community groups.

Similarly the large number of donors, agencies, NGOs and individuals offering help posed a massive problem of coordination.

The response to these problems should not be to deter people and organisations from engaging. There is an opportunity to reach outside the normal donor community and make stronger progress on global provision of humanitarian assistance. New donors are particularly significant because having supported disaster relief once, the evidence is that they are likely to engage more fully in the future. Many senior politicians and policy makers report that they were personally influenced by the Tsunami. This has potential to move beyond 'business as usual', and provide the political momentum to ensure that such a widespread response results in good outcomes – and a political risk if it does not

Humanitarian organisations need to actively seek out ways of harnessing public and political commitment to achieve major improvements in global humanitarian assistance. The experiences of the past ten years in getting public involvement in global poverty reduction show how goodwill can be developed into effective campaigns for global reform. 'Humanitarian education' can help organisations from Ministries of Defence to community groups to understand how they can contribute most effectively to a relief effort so that this asset of public engagement in the Tsunami is not squandered and contributes to more effective global humanitarian assistance.

Ensuring that Tsunami commitments are additional to targets for increased aid for the MDGs.

Data since 2000 shows that new spending in high profile emergencies in Afghanistan and Iraq have absorbed a significant share of increased ODA. The volume of commitments to the Tsunami is significant in relation to commitments made in 2005

to meet the MDGs. Public generosity will be mocked if official aid for Tsunami-affected people is paid for out of funds already set aside for poverty reduction. Donors need to be very clear about the additionality of Tsunami commitments. Public commitment will be enhanced if it is clear that Tsunami commitments have not affected progress towards targets on the levels of ODA necessary to reach the MDGs.

2.2. Reviewing appeals as the means of mobilising humanitarian resources

The very positive aspects of the Tsunami response – adequate funding and less earmarking than usual – shed light on the areas where improvements are needed. In particular it demonstrates that a process of “event-needs assessment- appeal –relief based on how much money has come in” is not a coherent way to respond to humanitarian disasters – whether they are over or under funded.

2.2.1. Balancing early commitments with respect for needs assessments

The need for improved, consistent, comparable needs assessments has been a dominant issue in the humanitarian community for the past few years. A good needs assessment enables resources to go to priorities within emergencies. Comparable needs assessments enable an equitable distribution of resources across different emergencies.

But in sudden onset disasters, resource commitments have to be made BEFORE any needs assessment is commissioned, let alone conducted. Without these commitments, funding cannot flow. At the same time, there is a lot of pressure for donors to keep to their commitments, something that was particularly evident in the first quarter of 2005 when significant media attention was devoted to assessing the reliability of the pledges that had been made.

The need for a global mechanism such as the new expanded grant-based CERF mechanism to provide a global fund for humanitarian response is reinforced by the Tsunami experience. Funds need to flow BEFORE a formal needs assessment can take place. Early commitments have to be flexible enough to be revised in line with needs assessments without suggestions that donors are renegeing on their pledges.

2.2.2. Enabling a more equitable response

Despite the massive imbalance between the funds received for the Tsunami and the funds received for other disasters, very few organisations attempted to transfer some of the tsunami funding to other needy places. Netherlands transferred funding to Sudan and Ethiopia and MSF contacted its Tsunami donors and received permission from all but a tiny minority of them to transfer their funding.

The Tsunami was that rare/unique example of an emergency where immediately pledged funds exceeded the subsequently assessed needs – neither the systems nor the culture were in place to enable NGOs and agencies to have the confidence to approach their donors and invite them to allow urgent unmet needs to be funded elsewhere in the world with the surplus funds from the Tsunami. Instead, what most agencies appear to be doing, is to keep faith with the donors by ensuring that the funding is spent in the affected places, but over a much, much longer timescale. As a result, one UN agency has over \$400m of Tsunami money waiting to spend in the long term and \$360m of unmet humanitarian needs elsewhere.

This reinforces concern about a global response to disasters financed by voluntary appeals but also suggests that different norms and systems need to be in place to allow flexibility which does not undermine confidence in the integrity of the funding system.

These norms would include: a recognised minimum standard or benchmark (a denominator of need) that could apply to all emergencies to enable an objective, comparable assessment of the point when funding was adequate to meet basic needs and where any surpluses could therefore be transferred to needier situations. Currently, there is no standard assessment even of the number of people affected in different disasters.

The humanitarian community needs to consider whether its goal is that all people affected by disasters should be entitled to a certain minimum level of humanitarian assistance and if so, whether the current appeal-based system can deliver the predictable resources necessary to achieve that.

2.2.3. Capacity to allocate unearmarked funds

22% of contributions from governments were for the Tsunami-affected region as a whole and not earmarked to a sector. This is very much inline with progressive thinking on aid effectiveness and harmonisation. Effective response is made easier with flexible funding.

Maybe because unearmarked funding has been very small in the past, the process for the allocation of this funding appeared uncertain. It is possible that the Tsunami response will set a new trend for unearmarked appeal contributions – the Pakistan CAP for instance has received over \$80m of unearmarked funds.

The role of OCHA and/or the Humanitarian Coordinators in allocating unearmarked funds needs to be clearer and institutionally supported if it is to result in a more strategic and prioritised response. This in turn means that the criteria for allocation must be transparent, accountability defined and standard systems set up to enable the flow of funds. The development of pooled funding mechanisms for humanitarian priorities in Sudan and DRC offers relevant experience.

2.3. Tracking the flow of funds, making transaction costs transparent

The humanitarian dollar goes through many layers. In the current system, it is very difficult to trace a contribution through to the actual beneficiary. The tracking stops at the disbursement to an implementing agency or a second level donor. We know very little at an aggregate level about funds received by a government, community or individual.

This makes it hard to answer the question of whether a pledge has been delivered and what proportion of the original commitment has resulted in the delivery of a benefit. These are questions regularly asked by the public and the ability to answer will contribute to public support.

The costs of each transaction are not clear. Only OCHA recorded the 3% overhead it was required to charge on the Financial Tracking System. Evidence from Multi

Donor Trust Funds shows the variety of definitions and charges made by different agencies and the inflexibility of the system. Overheads may also be calculated to compensate for inadequate core funding for key humanitarian institutions. Donor confidence is undermined because it is not clear whether costs are a genuine part of delivering a benefit, or a pre-set overhead.

There is a serious need to understand how the humanitarian dollar flows from original donor to actual beneficiary, documenting each layer, the transaction costs and added values. Existing initiatives (for instance in the Iraq Trust Fund work on defining disbursements and the DAC documentation of pledges as well as commitments) which have resulted in greater transparency and consistency in this area need to be applied much more widely.

2.4. Counting local response is neglected and needs to be a standard measure

There is a major gap in the reporting on resources, which is the lack of attention to value of the local response and the wider domestic response in each affected country.

The Local Response overview notes, that “One of the lessons from the Tsunami is that most relief is local and that local capacity and preparedness are key to effective relief.” Despite this, it is invisible in all accounts of resources available. This invisibility reinforces the lack of attention given to preparedness and working at the local level. If the inputs and impact of local response were clearer, better informed decisions could be made on the investment of resources in disaster preparedness and local capacity potentially leading to more sustainable and cost effective provision of disaster response.

Ways of documenting local response need to be developed and included in standard reporting to enable like-with-like comparisons with international assistance. The role of remittances in supporting local response needs to be better understood and existing plans for facilitating remittance flows for development purposes extended to apply to humanitarian situations.

2.5. Measures of military contributions and other Gifts in Kind need to be clearer, consistent and related to quality

In every country subject to a TEC national report, Ministry of Defence expenditure is included often along with detailed lists of military assets deployed. Non DAC donors also supplied significant military assets, particularly military transport.

While there are rules for what can be included as ODA, the actual costing of military activity is not clear. For instance, if foreign militaries are doing jobs that could easily be done by local people, are their costs being charged to the relief budget, or is it a free good?

Similarly, gifts in kind are not valued on a consistent basis, but are often monetised and appear in the total volumes of international assistance despite the fact that some of these gifts in kind were valueless and inappropriate.

Priority needs to be given to documenting the way that military inputs are calculated and reimbursed in different donors so that, as a first step, the

methods used are transparent. The second step should be agreed principles for counting military assets and deployment of personnel.

Similarly, the methods used for monetising gifts in kind need to be made transparent and the need for a standard system for DAC or GHD donors reviewed.

3. Introduction and Methodology with particular reference to data sources

3.1. Building up a reliable and comprehensive picture

The purpose of this overview on funding flows for the Tsunami is to add value to what is already known. There are a many selective reports on funding flows focusing on one group of donors, or agencies or NGOs which illustrate different parts of the funding picture. In addition, there are some global reports which provide estimates of total funding.

This paper will seek to add value by trying to give data which is as reliable as possible and which covers all sources of funding. This requires a painstaking build up of data from a variety of original sources. These can then be validated against each other to minimise the risks of double counting and maximise the prospects of capturing as much of the funding flowing to Tsunami victims as possible. Annex 2 documents the sources used for each category and comments on the reliability.

3.1.1. Adding value by ensuring data is basis for future monitoring

One of the principles which has guided the paper is that the data should provide a baseline against which future performance can be monitored. That has affected the methodology.

- a) The overall estimates of funding flows have been achieved by building up data from the most reliable sources available for each donor, agency or NGO. Funding flows are therefore broken down by individual donor organisation and implementing agency, duplications are more easily identified and future analysis should be possible based on the data available from those organisations.
- b) The DAC provides the industry standard for definitions of commitments, disbursements, and what can be counted as ODA. These definitions and DAC exchange rates (see Annex 3) have been used as consistently as possible to enable long term, like with like monitoring. This means that concessional aid loans are shown at their full face value.

3.1.2. Avoiding double counting

Many humanitarian organisations both RECEIVE and DONATE funding (see Annex 1). It would be quite possible to count a single amount of money several times:

- If a donor gives funding to their National Red Cross it will appear as an **ODA Disbursement in DAC data**;
 - When the National Red Cross receives that money it shows as **income from a government donor**.
 - It may pass that money on to ICRC. **ICRC will show that money as income from a national society**.
 - If ICRC uses the funding to support an NGO project, it will show as **income from an International Organisation** to that NGO.

Potentially, the same amount of money has been counted three times.ⁱ

Using a variety of sources and recording contributions and donations by individual donor and recipient organisation minimises, but does not exclude, the risks of double counting. (See Annex 1)

3.1.3. Counting domestic response

Many contributions to disaster relief are invisible in international accounts of the response.

The immediate local response from citizens, NGOs and governments is often the most important in terms of life saving but is least likely to appear in any accounts of the resources allocated to disaster relief. Similarly, remittances between family members or other connections are not monitored but anecdotal evidence suggests may provide essential sources of cash income quickly and flexibly.

3.1.4. Being aware of the quality of the contribution

Another step in adding value is about the quality of the money.

The status is important: a generalised pledge of funds is not the same as a guaranteed commitment which, in turn, is not an actual transfer of money.

The source of information is very important. Several sources have been used for most groups of funders, starting with the most reliable one and only moving to less reliable sources when no other data is available. For instance, data reported by the DAC has been used wherever it is available, but if that is not available, then donor national reports will be used. Failing that, discretion is used to decide whether to repeat data from public sources like press coverage and speeches. Annex 2 gives the sources used for different types of funding.

The data in this report aims to give a measure not just of what has been promised; what is likely to be delivered; funds for which guaranteed commitments have been made and funds disbursed to or received by the implementing agency. Only a little information is available on funds actually spent.

The paper has made less progress on the quality of the contribution – currently a donation of used clothing, given a value by the donor, is not easily distinguished from untyped, unearmarked cash transferred to an implementing organisation.

3.1.5. Comparisons with other flows

The sixth area where the report tries to add value is in comparing Tsunami Funds with recent aid flows and other financial flows.

It includes estimates of levels of aid to be expected if Tsunami commitments are met and are additional to existing flows. It compares Tsunami commitments with foreign direct investment, tourism receipts and the estimates of long term recovery for each country. It draws attention to the impact of Tsunami commitments on total ODA and the funds available for the Millennium Development Goals (MDGs).

This should give a measure to assess the scale of the Tsunami response and a yardstick to measure future disbursements to see the extent to which they are truly additional.

3.2. Gaps

There are at least three major gaps in the data.

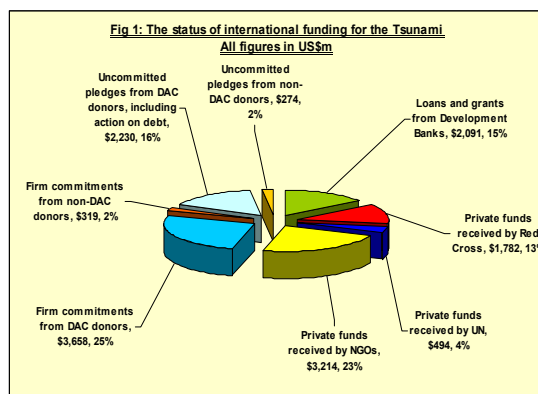
1. We know very little about funds actually transferred – although the Local Response reports do include some data on funds reported by government as ‘received’ and projects ‘funded’. Thus the data in the report is limited to reporting on funds received by intermediate agencies – international organisations, recipient governments and institutions and NGOs. Aggregate figures are not available on benefits received by people affected.

2. Local response – a value has not been put on the immediate local response despite its importance in immediate relief. At the time of writing data on public giving in affected countries – particularly through the various national appeals - was also incomplete. Funding by government from its own resources is hard to distinguish from the overall budget for Tsunami response. Governments may advance money but be repaid from later aid flows.

3. There is very little data on remittances received in response to the Tsunami, only on ‘normal’ flows. The levels of these normal flows and anecdotal information on remittances following other disasters suggests that remittances will have been a significant resource in both quantity and quality.

4. What is the big picture.....and how reliable is it?

4.1. The Headline Figures for international response



- Around \$14 billion has been pledged to the Tsunami from international sources in 2005
- \$11.6 billion of this – 82% - has been either received by agencies or NGOs or committed by governments and development banks.
 - 53% of this, \$6.1 billion, is commitments reported by governmental donors and by the Multilateral Development Banks (MDBs).
 - And 46%, \$5.5 billion is money already received from the public by NGOs, the Red Cross Movement and UN organisations.
- \$2.5 billion worth of governmental pledges have yet to be committed to specific projects, countries or organisations. This represents 38% of all governmental pledges – which included long term reconstruction activities and provision for debt relief.
- Commitments from official donors alone amount to more than \$5,500 per directly affected person.

Table 1: Estimates of funds raised, committed and disbursed

Sources of Funds – all dollars millions	Estimated pledge including multiyear pledges based on donors own statements	Commitments/or funds reported as received from the public by UN, Red Cross or NGOs	Disbursements/funds reported as spent
Resources from affected and neighbouring communities		Not quantified but highly significant	All disbursed
Funds from governments in affected countries		\$2.5 billion	
Funds from public in affected countries			\$190 million PLUS
Funds from DAC Donor governments	\$5.888 billion	\$3.658 billion	\$2.061 billion
Funds from non DAC donors	\$593 million	\$328 million	\$328 million
Funds from Multilateral development banks		\$2,091 billion	\$212 million ⁱⁱ
Funds from UN agencies other than government grants		\$494 million	\$189 million (e) ⁱⁱⁱ
Funds received by Red Cross Agencies from non government sources		\$1.782 billion	\$352 million ^{iv}
Funds from voluntary giving to NGOs apart from UNICEF and Red Cross	\$3.214 billion to \$5 billion	\$3.214 billion	\$1.028 ^v million (e)
Private Remittances		Sri Lanka: \$125m	All disbursed

4.1.1. How secure are these estimates?

Most of these estimates are reasonably robust with the exception of local relief (unquantified), public contributions from affected countries (probably underestimated,

but unclear how much government expenditure will be reimbursed by future aid), remittances (data from one country), private contributions to the Red Cross (possible double counting with official humanitarian assistance). The range on private contributions reflects the reliability of different sources used and the lower estimate has been used in the headline figures.

Local Relief: The value of local relief activities has not been estimated in dollars. This should not mean that it is invisible. The Fritz Institute notes that the majority of rescue and relief actors are local in the first, crucial, 48 hours.^{vi} The TEC report from Indonesia also highlights the “important sources of local contributions which are mobilized and are normally not recognized are those resources provided in cash or kind by the affected families themselves. These are represented by voluntary work of cleaning the neighbourhoods; assistance in the registration process of survivors; casualties and disappeared persons, labour for repair work for community buildings like mosques, community halls, and schools; and others.All these contributions are very significant and important, but at this moment it is very difficult to quantify them and to assess their value.”^{vii}

Government contributions from affected countries: The estimate of \$2.5b on emergency assistance is made up of the Sri Lankan Ministry of Finance estimate that 1% of government expenditure, \$2.4b will be spent on Tsunami relief^{viii} plus reported spending of \$161m from India and \$9m from Thailand. However, these figures do not include spending on longer term reconstruction or a comprehensive picture of spending from state/local government. Indications are that this is substantial – for instance Tamil Nadu has approved a budget of \$375m and in the last quarter of 2005 was reported to have disbursed \$68m. Separating out own resources from foreign aid is difficult, particularly governments may reimburse their own expenditure from future aid receipts.

Fund from the public in affected countries:

Made up of \$115m from National Contingency Relief Fund in India; \$32m public donations reported from Thailand and \$42m of private contributions from Sri Lanka.

The \$190m is almost certainly an underestimate of the money raised from this source – at the time of writing, data was not available on the amounts received by the large number of funds set up to handle contributions for the Tsunami. This underestimate may not result in any change to the total funds since much of the money raised may have been spent through organisations like the Red Cross. The Indonesia reports comments that “Most private sector donations, which are known to be very significant, were directed through local and international NGOs and for this reason are difficult to trace”^{ix}

Funds from DAC governments: Commitment and disbursement data has come from the special DAC survey of Tsunami commitments and disbursements and is therefore robust. The pledges recorded from DAC members are those made in statements at the start of 2005. For some donors this is different to the pledge subsequently reported to the DAC. In this report we have chosen to use the government’s earlier statements because of public interest in whether pledges made at the time of the Tsunami have been honoured.^x

Funds from non DAC donors: Data has been sought direct from the largest Non DAC Donors (see Annex 2) and from the FTS. Pledges include substantial funding for reconstruction which has yet to be reported as committed in any form.

Funds from multilateral development banks: Co-funding has been excluded from these figures, along with contributions to the Multi Donor Trust Fund for Aceh and Northern Sumatra because both of these sources should be included in the donor commitments. The total of \$2,095 includes reallocations of existing loans to Tsunami-affected countries to the value of \$487m, new loans of \$855m and grants of \$753m. Additional flows from development banks at low levels of concessionality have not been included.

Funds from UN agencies from non government sources: The bulk of this is private contributions reported as received by UNICEF from national committees. There may be some double counting with donor government commitments where a donor has contributed to a National UNICEF committee. UNICEF National Committees have been excluded from the NGO funding data.

Funds received by Red Cross agencies form non government sources: There is a significant risk that this includes funds reported elsewhere, including official contributions to Red Cross national partner societies.

Funds from voluntary giving: This data has been compiled from the bottom up, using NGO reports, FTS and appeal data from 202 NGOs. It is documented by individual NGO so that double counting of funds received from official sources or appeals^{xi} can be minimised. However, since breakdowns of official expenditure through NGOs are not available for all donors, there may be some instances where funds have been counted as both NGO income and as ODA from governments. There will be some underestimation because many more than 200 NGOs were involved in the Tsunami response. Only funds allocated by MSF to the Tsunami are included. The funds that they received in response to the Tsunami but transferred to other emergencies have not been included.

The lower estimate is based only on data attributable to individual NGOs, plus funds yet to be allocated by the UK DEC.

The higher estimate includes data from Alertnet and other sources on private funds raised in countries where we had little NGO data. Much of this funding may have been captured in Red Cross, UN private or other NGO income, hence the use of the lower estimate.

Private Remittances: This is definitely an underestimate. By their nature private remittances are not reported and cannot be calculated until they appear as flows in the national accounts. "Normal" remittances to Sri Lanka, Thailand and Indonesia are about \$1.5b a year each; to India remittances are \$17.5 billion.

4.1.2. **What do the pledges contain**

The pledges are not exactly comparable. Some are only humanitarian whereas others include reconstruction expenditure over as much as five years; some include loans as well as grants^{xii}; some include non ODA expenditures; some appear to be more of an expression of intent than a firm commitment.

Taking some of the largest pledges:

- Australia – the commitment was very firm, based on a long term agreement for reconstruction with Indonesia. However, half of the A\$1b pledge, was given in the form of concessional loans, not grants and only about 10% of the

Australia-Indonesia Partnership for Reconstruction and Development is for reconstruction in Tsunami-affected areas.

- USA – Congress approved a budget of \$907m, but of this \$35m was appropriated for Avian Flu; \$251 was spent by the Department of Defence, Military Operation and Maintenance; the remainder is for civilian humanitarian assistance and reconstruction.
- Japan has disbursed all of its original \$500m pledge and given additional resources as well.
- Statements from the UK about amounts pledged from the government as a whole include \$82m of debt relief for Sri Lanka, and \$91m arising from the tax concessions (Gift Aid) on contributions to the Tsunami.
- Canada has included costs from Citizenship and Immigration Canada to deal with the extra costs of visas.
- Half of Spain’s original pledge came from the FAD, the Export Credit Agency.
- Saudi Arabia and Kuwait pledges contained large allocations for reconstruction, but data is yet to emerge on commitments of this to specific activities.

4.2. How much of the pledges have been committed or spent?

One way to assess reliability is to see how much of the pledges have been turned into firm commitments. These commitments are obligations, but not legally binding and many will be subject to conditions which, if not met, will release the donor from their obligation to provide funds. Measuring the extent to which commitments turn into disbursements will therefore be a very important part of future monitoring.

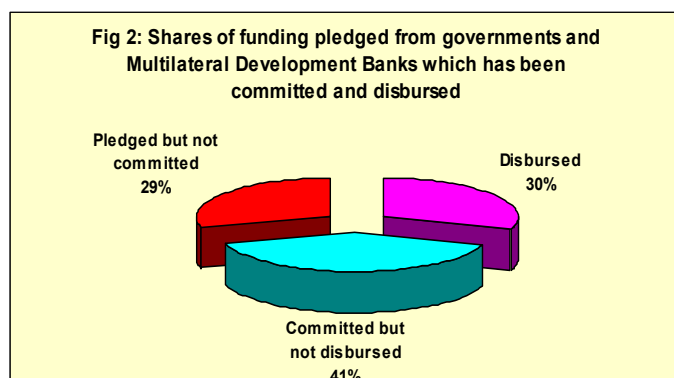
Table 2: Funds pledged, committed and disbursed

Table 2: Funds pledged, committed, and disbursed by October 2005				
	Pledged	Disbursed	Committed but not disbursed	Pledged but not committed
Governments plus MDBs – US\$ m	£8,572	\$2,601	\$3,467	\$2,504
<i>As a share of pledges</i>		30%	40%	29%
DAC Governments – US\$m	5,888.00	\$2,061	\$1,597	\$2,230
<i>As a share of pledges</i>		35%	27%	38%

Overall, 70% of government and IFI pledges, \$6,1billion, have been committed to an institution, a country or a project.

30% of government pledges, \$2.4 billion, have not yet been committed to any country, organisation or activity – some of this will be for reconstruction and some for action on debt.

Funds actually disbursed are \$2.6 billion or 30% of original pledges



4.2.1. But disbursed does not mean spent...

When funds are reported as disbursed, it means that the donor has transferred funds (or contracted to deliver on funds on request) to an implementing agency or a government. This means that funds have left the account of the donor and been transferred to an NGO, a UN agency or International Organisation, spent on staff or supplies by the donor directly, transferred to a government body in the affected country, transferred between ministries to pay for services.

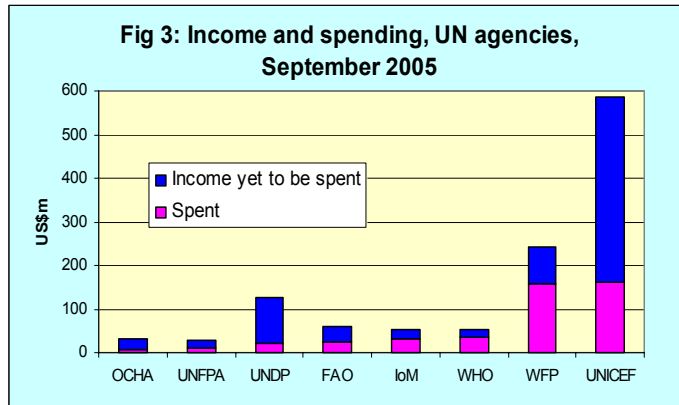
There is a lot of ambiguity about whether funding has been “spent on the ground”. Agencies and governments often advance funding based on commitments from donors and then reimburse their expenditure when funds are received.

- In Sri Lanka, government reports of aid received are close to donors’ reports of their own commitments. The Sri Lankan internal auditor reported \$1169m^{xiii} had been received in total from foreign aid sources. Total commitments reported by donor governments, UN and MDBs were \$1,623m by the end of 2005.
- The Indonesian government reported in November that \$3371m had been “funded”. That is \$1 billion more than total commitments of \$2,248 million specifically to Indonesia reported by donors at the end of 2005: \$1613m reported by governments, \$180m reported by UN agencies and \$456m from the MDBs. It is not clear whether the \$3.337b includes money pledged but not committed or whether it includes funding from NGOs, the Red Cross and private sources.

Funds reported as ‘received’ by a government may still be unspent. The TEC Sri Lanka national report states that of \$1.169b of aid received, the government has disbursed \$158m. In the humanitarian sector, nearly half has been disbursed (\$29m out of \$64m). The report gives detailed breakdowns of government spending by sector but even these disbursements may be transfers into the budgets of other implementing agencies who have yet to deliver benefits to people affected by the disaster.

The Thai Government has spent \$6.7m of its \$9.5m allocated to emergency relief and \$12m out of the total of \$32m in public donations have been spent.

One group of implementing agencies is the UN. The Expenditure Tracking System set up by OCHA, shows that, of the 1.2b received by nine UN agencies, \$467m had been spent by September 2005 – 38%. There is a significant difference between agencies: WHO, IoM and WFP have all spent more than 60% of their income. UNICEF has spent by far the largest volume, but still has 73% of its income unspent.

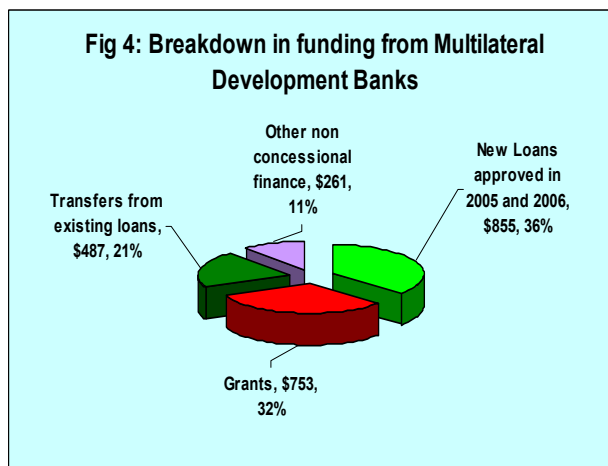


4.3. Are Tsunami commitments additional money?

Several donors have made statements confirming that all or part of their contributions is additional to existing commitments. Australia for instance stated that its AS\$1b pact with Indonesia would be additional to existing development cooperation whereas the allocations to Sri Lanka were to come from existing resources. Denmark also made it clear that its contributions were additional to normal flows.

For most governmental donors, funding was a combination of allocations from the humanitarian budget and additional funding from contingency reserves, either within the relevant government departments or from ministries of finance. In the cases of donors whose financial year coincides with the calendar year, the Tsunami occurred at a time when humanitarian budgets had not been fully subscribed.

A fifth of funding from MDBs is transfers from existing loans, but a third is grants and a further 36% is new loans for Tsunami-affected countries.

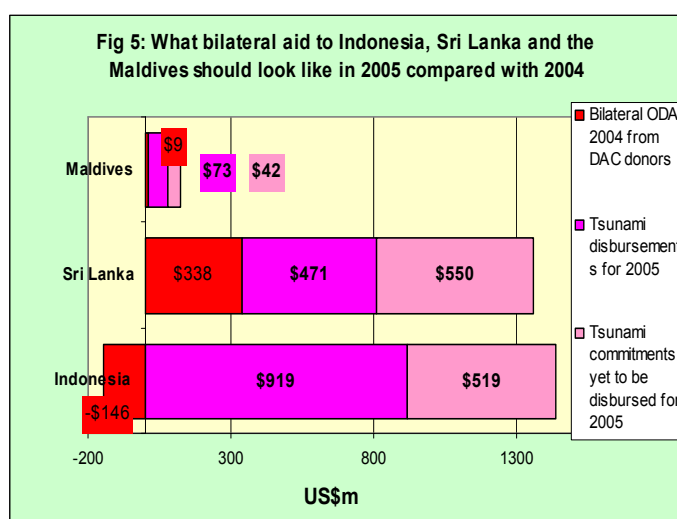


Whether the funding is additional to existing flows to Tsunami-affected countries will not be confirmed until data is available on spending in 2005. To make it easier to answer that question, the estimated additional resources for each country have been calculated in the graphs below (see below).

4.3.1. What does this mean ODA to Tsunami-affected countries ought to look like in 2005?

In April 2005, reports from the FTS suggested that three quarters of total pledges would be spent in 2005 (see Fig 8). In October 2005 reports from DAC donors suggested that while humanitarian commitments would be largely spent, reconstruction pledges had yet to be committed on the scale anticipated earlier in the year.

Even taking the amounts announced as disbursed and committed by DAC donors alone, the Tsunami-affected countries should experience a major increase in overall aid flows in 2005.



In 2004, Indonesia repaid more aid loans than it received in new ODA, by a margin of \$146m. In 2005, it can expect nearly \$1.6 b from bilateral donors for the Tsunami – much the same as it received in 2003 in ‘normal’ net ODA. On top of the bilateral funding, the Asian Development Bank has committed \$327m to Indonesia in grants, the World Bank (outside the MDTF) has committed \$44m of new money (\$25m in grants) and Non DAC donors have provided \$44m. ODA disbursed or firmly committed in 2005 will therefore be about \$2.3 billion. In addition, project and humanitarian funding from the Islamic Development Bank along with a trade facility worth £230m has been made available.

Bilateral ODA for Sri Lanka will almost quadruple in 2005, reaching \$1.4b. New IDA credits of \$45m have been announced along with grants of \$30m from the World Bank; \$234m in grants from the AsDB, \$33m from IFAD and \$28m from non DAC donors. Total aid from all sources should therefore be \$1.7b in 2005 if the Tsunami commitments are genuinely additional. IMF emergency assistance loans total \$157m.

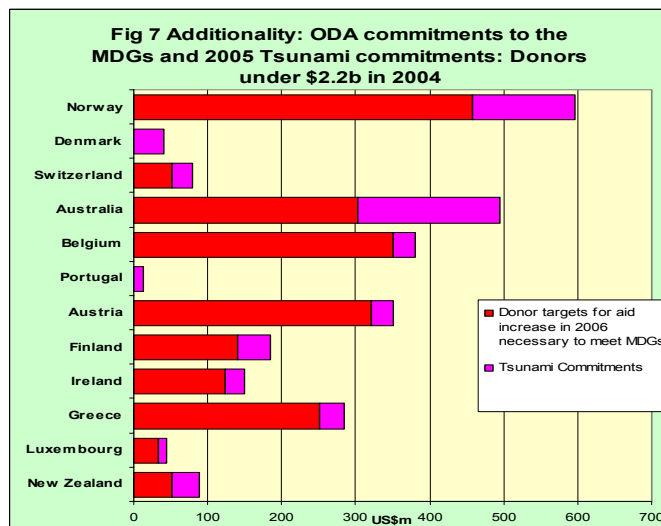
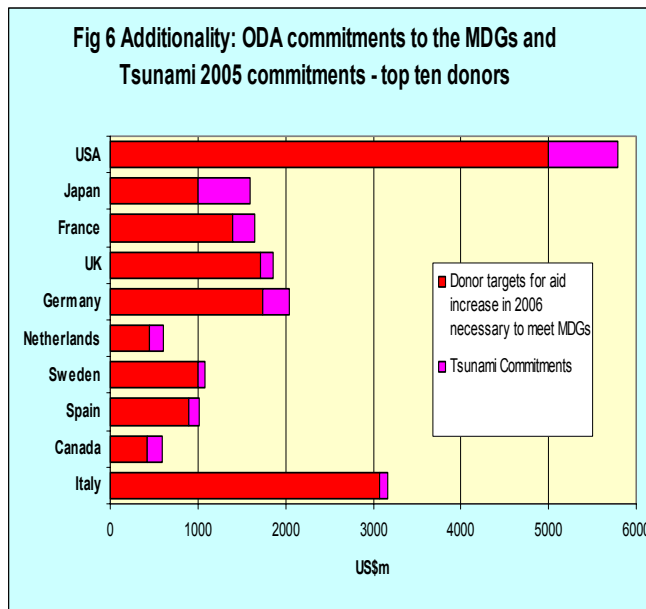
While the amounts for the Maldives are lower, the scale of increase is much larger. In 2004 bilateral ODA to the Maldives was \$9m. Disbursements announced for 2005

are \$73m with a further \$42m in guaranteed commitments. This will take bilateral ODA to the Maldives to a total of \$124m. The AsDB has pledged \$22m in grants and the World Bank \$14m (\$5,6m in grants and \$8m disbursed) and IFAD \$4.3m. Non DAC donors have committed \$6m. In addition, the IMF has made \$6.3m in loans for emergency assistance available and the Islamic Development Bank has offered a trade financing facility worth \$20m on top of other project assistance. This will put total official aid to the Maldives in 2005 in the region of \$500 to \$600 per person

4.3.2. And additional to what?

The size of the official aid commitments to the Tsunami is not just significant for the affected countries, it is significant for ODA as a whole. Bilateral commitments from DAC donors to the Tsunami amount to 6% of total bilateral ODA in 2004 and 30% of total bilateral emergency and distress relief.

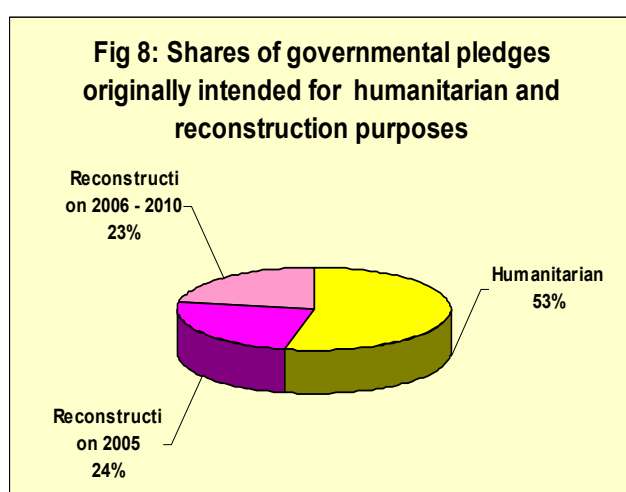
2005 has seen commitments from almost all DAC donors to increase ODA to meet the MDGs. A key question is whether the Tsunami commitments will be paid for from the funds already pencilled in to meet the MDGs.



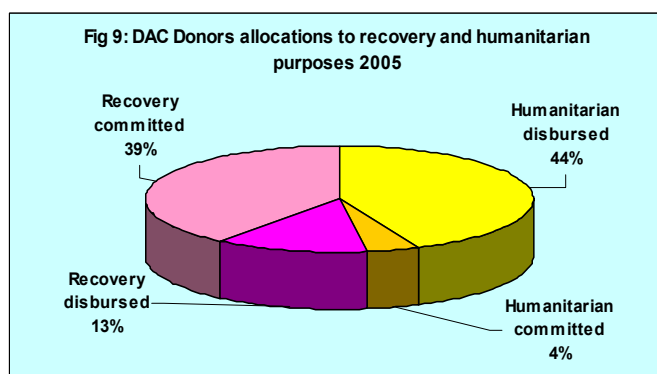
Past experience suggests that specific new humanitarian commitments can eat into funding targeted on the MDGs and poverty reduction. Since 2000 aid has increased each year. The total increases in 2001, 2002 and 2003 combined amounted to \$6.4 billion. Of this, the increased spending in Afghanistan and Iraq accounted for 40%.^{xiv} (See Significance section 5 for a discussion of this).

4.4. How much was for humanitarian assistance and how much for reconstruction?

In April 2005, OCHA analysed its data on commitments to the Tsunami, in order to differentiate the reconstruction expenditure. About half of total pledges recorded from governments at that time were for humanitarian assistance and roughly a quarter was for reconstruction in 2005 and a quarter for reconstruction 2006 – 2010.



Analysis of DAC figures for donors available at the time of writing shows that roughly half of all commitments were for reconstruction however only a quarter of those commitments (\$473m) had been disbursed by December 2005 compared with over \$1.6b of humanitarian aid (91% of humanitarian commitments).



Humanitarian expenditure is roughly in line with what was anticipated in April 2005 from those donors who have now reported to the DAC. But reconstruction expenditure from the same donors in 2005 was expected to be nearly \$1 billion, not the \$473m reported.

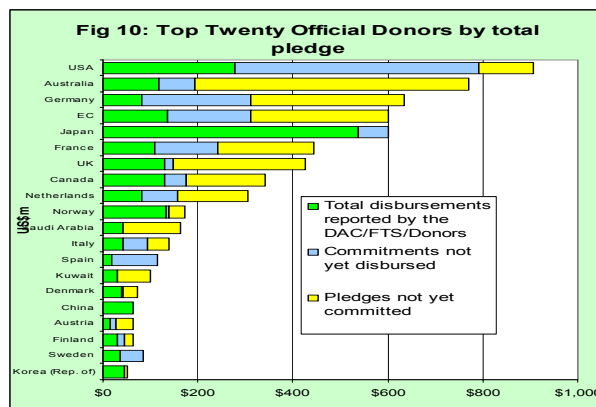
4.5. Who are the main donors?

There are major differences between donors according to how much has been committed for the next five years or spent in 2005.

Overall, five donors pledged in excess of \$500m dollars to the Tsunami: The USA, Australia, Germany, the EC and Japan.

UK, Canada and Netherlands pledged between \$300m and \$500m.

Saudi Arabia pledged the tenth largest amount of any donor: \$164m and other non DAC donors Kuwait, China, Korea all pledged in excess of \$50m.



However, of funds disbursed in 2005, Japan has given more than twice as much as any other donor. Funds disbursed in 2005 from Japan totalled \$539m, compared with \$277m disbursed by the USA, \$135 by the EC and around £130 each from the UK, Canada and Norway.

All pledges from Japan, Korea, United Arab Emirates and China have been disbursed, along with 77% of Norway's pledge, 76% of New Zealand's and 68% of Switzerland's.

Other countries have focused on longer term commitments. Overall Australia is the second largest donor to the Tsunami, with pledges for reconstruction over five years. The USA pledged a total of \$907m and Germany pledged \$634m of which half has been fully committed.

4.6. Which affected countries received what funds?

Funding for the Tsunami has gone overwhelmingly to Indonesia and Sri Lanka. Neither Thailand nor India requested assistance from international aid resources. By whatever measure, Indonesia bore the brunt of the damage, 80% of deaths, 57% of injuries, 45% of households made homeless and 48% of the economic impact. The second largest number of deaths occurred in Sri Lanka and although it's 'share' of the total economic costs is only 16%, its relative poverty means that that is a very significant amount for the economy to bear. It is equivalent to 7.6% of GDP.

The World Bank has estimated to cost of meeting long term recovery needs in the four worst affected countries. Out of a total of \$9.5b, 61% or \$5.8b is needs in Indonesia. Exactly half of all known official commitments – both humanitarian and reconstruction - which have been allocated by country have gone to Indonesia.

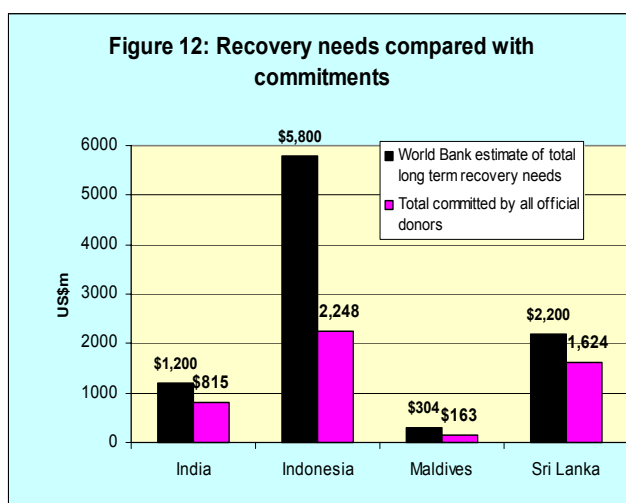
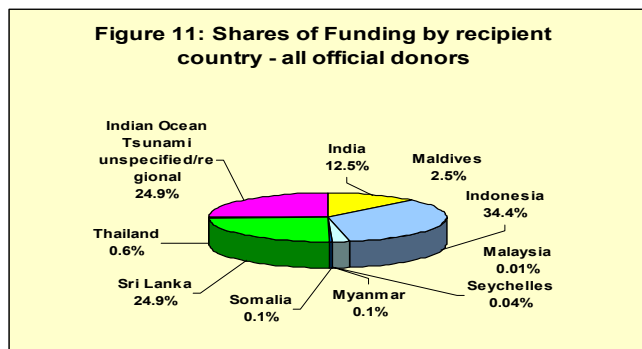
Despite this, only 39% of long term recovery costs in Indonesia are met by current commitments from official donors. Governments and the UN have both allocated around 60% of country-specific funding to Indonesia compared with 28% of MDB funding.

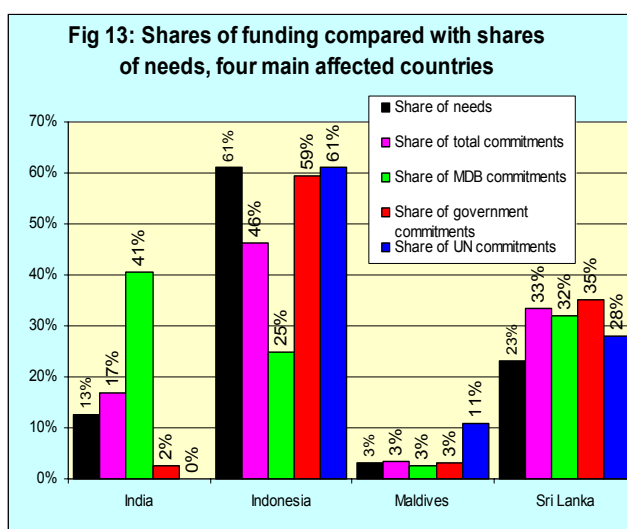
India is the only country where the share of aid commitments exceeds the share of long term recovery costs. But India did not request bilateral aid and the bulk of its external recovery funding has come from a loan from IDA of \$465m, representing more than half of total World Bank funding for the Tsunami and more than three quarters of the new funding it made available. India received only 2% of country specific funding from governments and nothing from UN agencies

Commitments to the Maldives cover 50% of estimated long term needs. The UN agencies allocated the highest shares of funding to the Maldives: 11% compared with 2% and 3% from MDBs and governments respectively.

In Sri Lanka commitments are equivalent to 65% of estimated needs. More than a third of governments' country-specific funds went to Sri Lanka, compared with around a quarter of UN and MDB funds.

In addition to the funding allocated to a specific country, \$1.4b or around a fifth of commitments have been labelled as 'regional' or non country specific. Governmental donors put 30% of their spending in this unspecified category and UN 42%. All MDB funding is country-specific.





4.7. What channels did funding flow through?

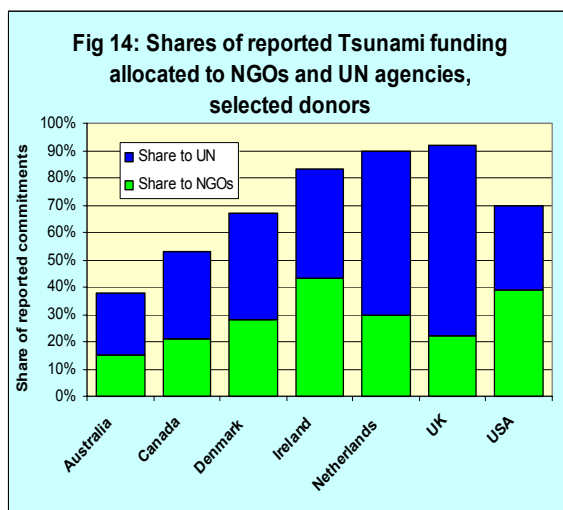
Definitive data is not available on all Tsunami commitments, but some indications of channels used for the Tsunami are clear. Government finance has, largely, flowed outside NGO and UN Channels. This will include bilateral contributions to the Multi Donor Trust Fund for Aceh and Northern Sumatra and direct to governments, spending on rescue services including the use of the military, direct government costs for staff and services including transport, but some unspecified funding. Nearly a fifth (18%) of government funding has been reported as through the UN, and 7.5% each through NGOs and the Red Cross.

A third of all private giving went to the Red Cross, 58% to NGOs and 9% to UN organisations.

Table 3: Allocations of Tsunami pledges between implementation channels

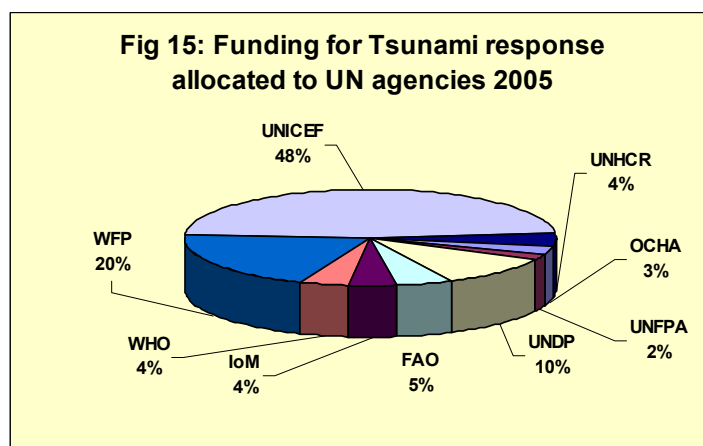
Table 3: Allocations of Tsunami pledges between implementation channels				
Channel	Funds from private sources/own reserves	Funds from governments	Funds from MDBs	Total
NGOs	3.2	0.3		3.5
Red Cross	1.8	0.3		2.1
UN	0.5	0.75		1.25
MDBs (World Bank, Asian Development Bank, Islamic Development Bank, IMF, IFAD)			2.09	2.09
Governmental bilateral contributions/channel unspecified		2.63		2.63
Uncommitted pledges including some debt relief		2.5		2.5
TOTAL	5.5	6.48	2.09	14.07
Share	39%	46%	15%	100%

4.7.1. Shares to NGOs and the UN



National reports suggest that DAC donors have been allocating between 20% and 40% of their commitments to NGOs and between 30% and 60% to UN agencies. Clearly with the massive public response to NGOs, the need for official funding was limited.

Because of the overwhelming response from UNICEF national committees world wide, UNICEF received the largest share of funding in response to the Tsunami. WFP received \$241m – a fifth of UN funding) – and UNDP \$125m, or 10%.



4.7.2. NGO official funding

Detailed information on contributions to NGOs was made available by 12 donors and the FTS and other sources provide data on allocations of official support to NGOs. Some NGOs were also able to supply detailed data for all funds received from governmental donors through different national partners.

Because of the detailed data provided, it has been possible to document official spending through NGOs from a group of 22 donors amounting to a total of \$292m.

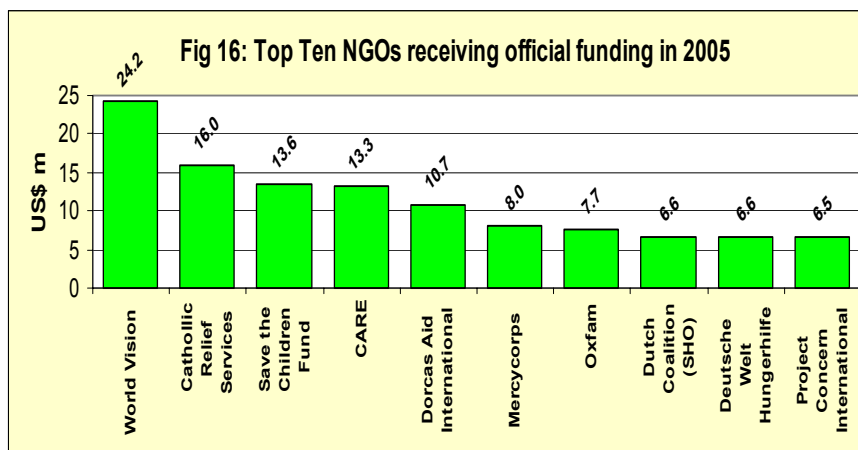
At least 174 NGOs (excluding National Red Cross/Crescent societies) received grants from an official donor.

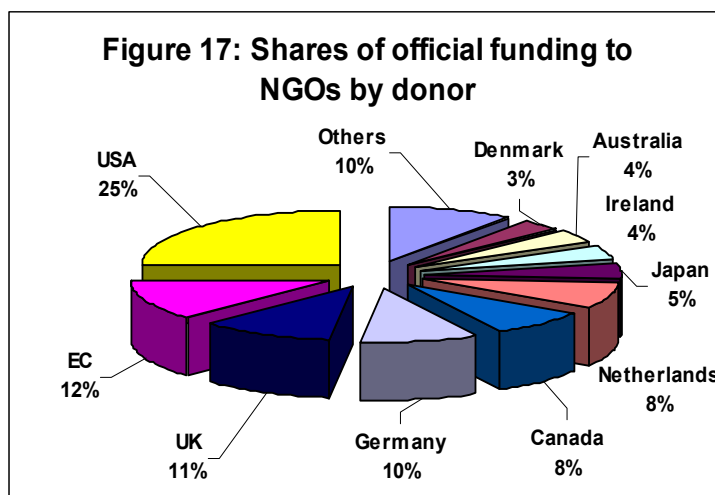
One of the most noticeable features of the official funding to NGOs is that most donors overwhelmingly supported their own national NGOs. Only 34 NGOs received grants from more than one country and a number of those were international groups (such as CARE or Oxfam) which received funding via their national partners. Of the 34, World Vision and Save the Children Fund received contributions from the largest number of government donors (10) followed by CARE (8), Caritas (7) and Oxfam (6).

The top five donors for whom data was available provided 63% of the official funding to NGOs. The donors who funded the largest number of NGOs were USA (36), UK (28), EC (21), Ireland (20) and Germany (14).

Just over half of official funding (54%) went to the top twenty NGOs with the remaining 46% shared between about 150 NGOs. It is hard to make completely reliable comparisons with 'normal' humanitarian situations because comprehensive data is not available, but what evidence there is suggests that around 80% of funding is normally allocated to the top twenty NGOs. The response to the Tsunami was thus much less concentrated than usual. The large number of NGOs receiving substantial official funding may have implications for the future size and capacity of the NGO sector.

The NGOs that received most money from governments were: World Vision \$24.1 m, Catholic Relief Services (\$16m), Save the Children Fund (\$13.6 m), CARE (\$13.3 m), Dorcas Aid International (\$10.7m), Mercy Corps (\$8m), Oxfam (\$7.7m), and Deutsche Welthungerhilfe/German AgroAction. Project Concern International and the Dutch Coalition of Humanitarian Aid Organisations (SHO) all received about \$6.5m from governments.





4.7.3. Private contributions to NGOs

Official contributions are dwarfed by the scale of private giving. 132 NGOs received \$3.2billion – over ten times the volume of official funding. A further 63 received gifts in kind which have not been given a monetary value.

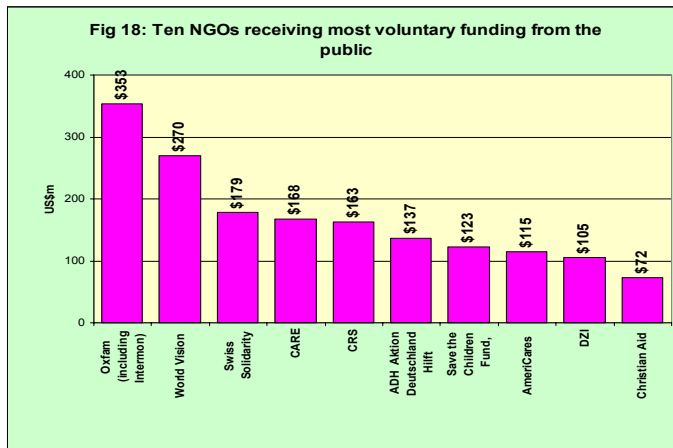
The top receivers of private contributions documented by the FTS were: Oxfam \$353m, World Vision \$270m, Swiss Solidarity \$179 m and CARE \$168m, Catholic Relief Services \$163, Aktion Deutschland Hilft \$137m, Save the Children \$123m, Americares 115m, DZI \$105m and Christian Aid \$72m. To put that in perspective, each of these NGOs received more than four DAC government donors combined spent on all humanitarian assistance everywhere in 2004. Medecins sans Frontieres did receive in excess of \$100m but decided to ask its donors if it could reallocate funds to other priorities.

The top 10 NGOs accounted for 52% of the total private resources.

\$1.43 billion (43% of total) came from unspecified donor sources. The voluntary contributions which were reported by country or source were highest in the US (\$886 m), UK Disasters Emergency Committee (\$379m), Switzerland (\$179 m) and the Dutch Coalition of Humanitarian NGOs, (SHO) (\$171 m).

World Vision, CRS and CARE were in the top 10 NGOs for both private and official funding. Each received at least ten times as much from the public as from governmental donors.

A further five NGOs are in the top 30 list for both private and official funds. They are Christian Aid, Goal, Concern, IRC and Save the Children.



5. What are the distinguishing characteristics of Tsunami funding flows?

5.1. Largest overall response to a natural disaster

At \$14 billions, the Tsunami is the largest international humanitarian response ever recorded.

The total funding pledged from bilateral governments and IFIs of \$8.5b is less than pledges to Afghanistan for 2004-2007, Hurricane Mitch in 1998 and commitments to Iraq in 2004. However, the number of governments who contributed is unprecedented and the involvement of government departments and agencies within traditional donors was very significant.

5.2. Massive public financial support

The volumes of private funding, both in comparison to official funding and in comparison to previous levels of voluntary giving are very notable.

The volumes of private giving – upwards of \$5.5b – exceed the total amounts previously estimated to have been spent by NGOs for all humanitarian assistance in one year from all sources combined^{xv}. 76 NGOs received more than \$1m each, 18 of them more than \$5m. Even for some large NGOs, Tsunami contributions were 20-30% of total annual income. Save the Children Fund UK for instance, had a voluntary income of around UK£60m in 2004; contributions from the public for Tsunami relief (including via the DEC) were UK£57m in 2005.

5.3. High proportion of unearmarked funding – for some

30% of commitments from governments were given for the whole Tsunami affected region and not earmarked to a country or a sector. Some agencies such as OCHA reported significantly less earmarking on Tsunami funds, compared with other crises. Others such as UNHCR reported similar levels and 90% of contributions to UNDP were earmarked by country.

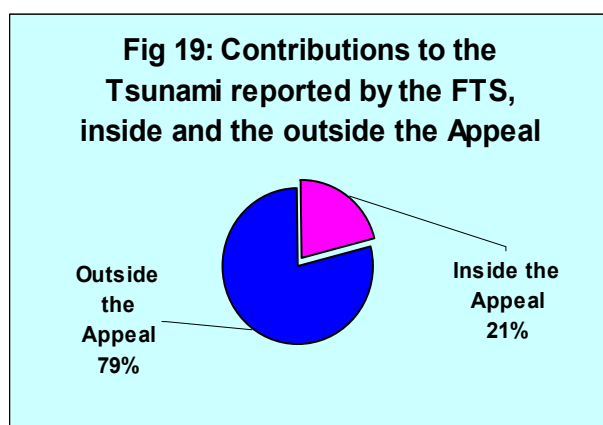
Because earmarking is not reported using consistent definitions by all agencies, it is difficult to come up with a good set of comparative data. However, if contributions to

the Tsunami are compared with other Consolidated Appeals the lack of earmarking on Tsunami contributions is clear:

- By April 2005, Tsunami CAP had received \$428m unearmarked to any sector or agency, a third of the total requested funds and a half of funds received by that date.
- Thirty donors made either all or the majority of their payments into 'sector not specified'.
- Even allowing for the much larger number of donors to the Tsunami Appeal, this represents a major difference to other Appeals. For example, in the Bangladesh 2004 Flash Appeal, only 2 governmental donors – Norway and Sweden - made a contribution to 'sector not specified'. In the Iraq 2003 CAP and the Afghanistan 2002 ITAP CAP, not one donor made a contribution to 'sector not specified'.^{xvi}

5.4. High percentage of funding outside CAP appeal

Comparing the response to the Tsunami Appeal 'inside' and 'outside' the CAP there is a marked difference. In the case of the Tsunami 82% of the total funds reported by the FTS came outside the Appeal. The FTS records 14% of the total (\$136m) received outside the Consolidated Appeal for Sudan in 2005 and 41% (\$1.4 billion) of the total received for Iraq outside the appeal in 2003.



5.5. Large number of organisations involved

Ninety nine governments and two intergovernmental organisations (EC and AU) are recorded as contributing to the response to the Tsunami.

Over 340 NGOs are recorded by the UN or OCHA as receiving private or official funding – and this excludes NGOs from some DAC donor countries and almost all non DAC donor countries. At least 174 of those NGOs received official funding for the Tsunami. The Consolidated Flash Appeal included 20 UN agencies. The Red Cross reports expenditure by 26 partner societies and the FTS reports contributions from 76 Red Cross/Crescent societies. Many donors had programmes involving several ministries, agencies and/or local and provincial authorities.

This says nothing of the numbers of volunteers, informal organisations, CSOs, companies and individuals who sought to be actively involved.

The report on Indonesia comments that the number of organisations involved has reduced between the initial relief phase and the current reconstruction phase...”But it is precisely the coordination of this big number of organisations that is compromising the effectiveness and efficiency of the response. The BRR, which is the office in charge their coordination, is itself overwhelmed with this work.”

The Sri Lanka report lists the partners involved in each project. Just one cell from the table for UNICEF for single sector lists 31 organisations.

TABLE 4: Sri Lanka TEC Report – number of partners for UNICEF in just one sector	
Child protection and psychological support	Government Ministries, Human Rights Commission, National Child Protection Authority, Police & CID, SLBFE, District Child Protection Committees, UNHCR, IOM, ILO-IPEC, UNFPA, WHO, Save the Children, Christian Children’s Fund, Sarvodaya, The National Centre for Victims of Crime, Danish Refugee Council, Norwegian Refugee Council, Women in Need (WiN), SEDEC, Caritas, CARE, OXFAM, FORUT, Migrant Services Centre, IDLO, SHADE, Rural Development Foundation, ESCO, National Youth Service Council, MDC (Multi Diversity Community), Jaffna Social Action Centre, Family Rehabilitation Centre, Mental Health Society, Association for Health and Counseling, Psychological Trauma and Human Rights Trust (Philippines), Annai Illam, Peace and Community Action, Sahanaya, Basic Needs, Shantiham, IFRC.

5.6. Use of the Red Cross movement

The volume of funds transferred through the Red Cross movement and the number of Red Cross partner societies involved in the response is very striking.

The TEC Red Cross Report records finances worth \$2.1 billion being mobilised within the movement of which 78% was from private sources. That means that at least one sixth of total international funding for the Tsunami was flowing through the Red Cross movement.

Many of the earliest donations were made to the Red Cross. Netherlands put \$1.3m through the Red Cross 2 days after the disaster. The USA allocated funds to the Indian, Indonesian and Thai Red Cross on 27th December. The UK’s first contribution on 31 December was \$3.6m for the Red Cross. This and the private contributions demonstrate a very high level of confidence in the Red Cross movement’s ability to be first on the scene.

The scale of funding highlights a data issue. It is particularly difficult to track funds reported as allocated to the Red Cross because of the interaction between official donors, private donors, national partner societies and the IFRC and ICRC. DAC donors habitually channel their support for IFRC and ICRC through their national Red Cross but they also give funding directly to the two Geneva based organisations. National Partner Societies receive private and official funding on their own behalf as well as acting as a conduit for government money. They contribute from both sources to the IFRC and ICRC. It is very difficult to disentangle the funding flows and with such large sums involved it would be helpful to have more disaggregation of the flow of funding.

5.7. Rise of Non DAC Donors

An unprecedented number of countries are listed as contributing to Tsunami relief. The OCHA Financial Tracking System records 77 donor countries. Thirteen of them had never been reported by the FTS before.

This may be significant if it fits the pattern of funding for new donors. Most donors give for the first time either to a very high profile emergency or in response to a disaster in their 'neighbourhood'. However, having given once, most countries give again, and to a larger group of recipient countries and organisations. The Tsunami may therefore have accelerated the engagement of more countries in international disaster response.^{xvii}

It is not just the number of donors, but the scale of their contributions. Two non DAC donors pledged over \$100m and another 6 pledged more than \$20m in addition to substantial gifts in kind.

It may also be significant that some Non DAC donors have very close relationships with their national Red Cross or Red Crescent societies and, as noted above, the Red Cross family has been particularly significant in the Tsunami response.

5.8. Use of military assets and engagement of other government departments

Response by governments to the Tsunami typically involved several ministries and the use of substantial military assets. Donor country Ministries not principally concerned with development which became involved in the Tsunami response include Foreign Affairs, Agriculture, Health, Industry and Tourism as well as a number of specialised government agencies.

The USA spent \$251m on military response and in every country subject to a TEC national report, Ministry of Defence expenditure is included often along with detailed lists of military assets deployed. Non DAC donors also supplied significant military assets, particularly military transport. The Army in affected countries was also reported to be very active for example in Indonesia, the army was involved "in the restoration of the transport and communication system, by building bridges and repair of roads, through recovery of bodies and other important activities whose in kind value is difficult to assess."^{xviii}

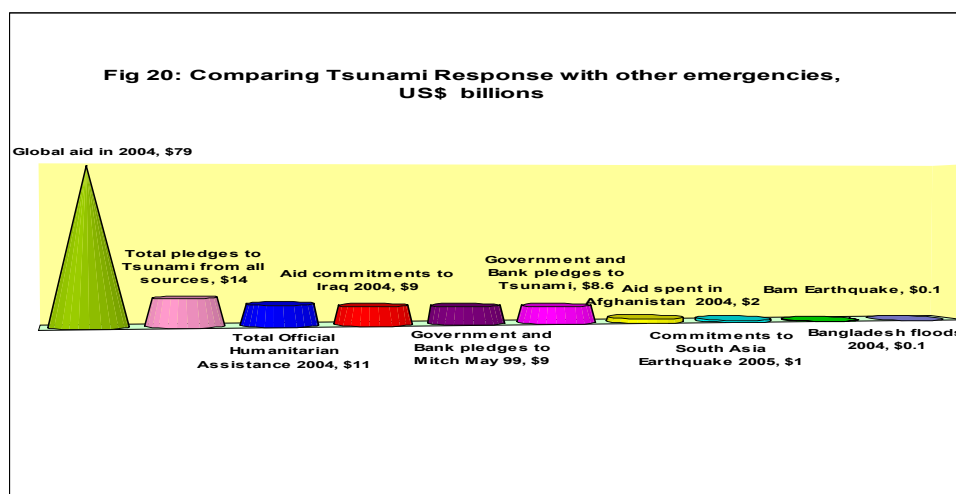
The procedures and lack of transparency around the costing of military inputs (soldier, equipment, logistics) have also been raised as an issue in some national reports. The ability to draw on military resources - personnel, equipment, logistics - is clearly important, but people managing humanitarian assistance also have to make decisions about the relative benefits of unearmarked cash and costs of military gifts in kind. This could be done better if the procedures for costing were more transparent.

6. The Tsunami response in context

The Tsunami is not the largest UN appeal ever launched in terms of amount requested. Neither is it the largest ever in terms of commitments made by governmental donors. Those high points belong to Iraq in 2003 and (still) Hurricane Mitch in 1999, which resulted in \$9b in commitments.

The Tsunami has resulted in unprecedented flows of private money in particular to the Red Cross, UNICEF and NGOs.

It has also resulted in an unprecedented number of governmental donors.



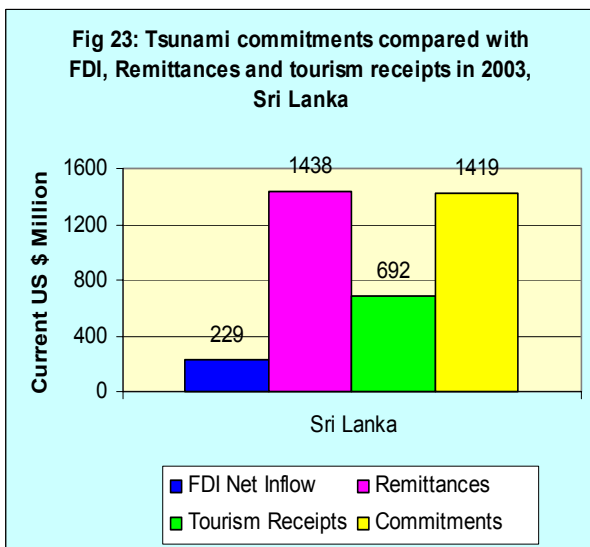
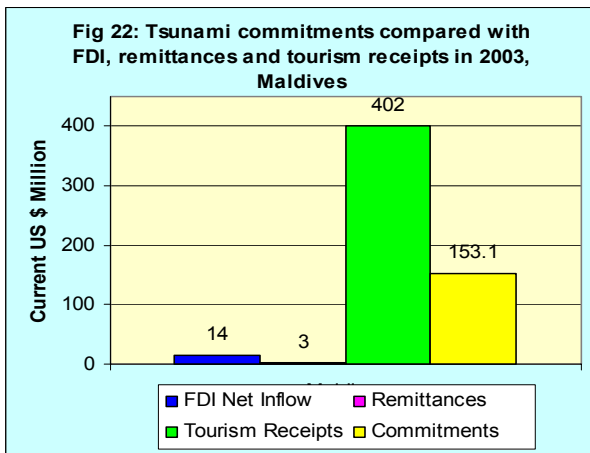
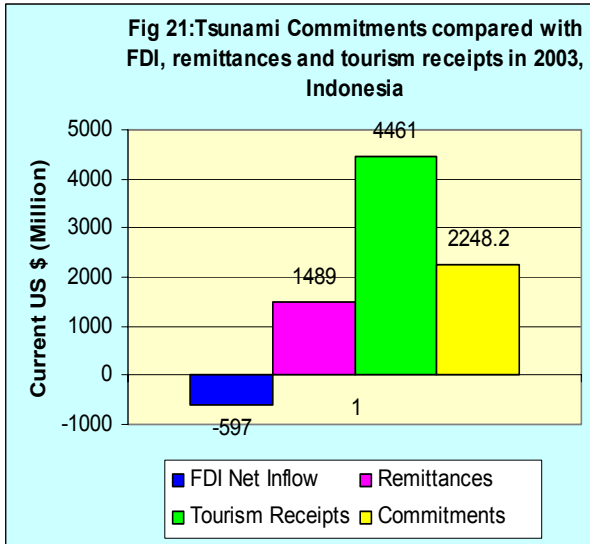
6.1. How does it relate to other sources of income?

The importance of tourism for the Tsunami affected region is well known. Tourism receipts in some of the primary tsunami affected countries are substantial and in most cases far greater than total net ODA.

In Indonesia the inflow of tourism receipts (\$4461 m, 2004) was far greater than the Tsunami commitments made (\$2.2b). The tourism demand in Indonesia 2005 was 4.1% lower than 2004, but was picking up by mid 2005.

In Maldives tourism receipts in 2004 (\$ 402 m) were greater by far than the other inflows. The high dependence of Maldives's economy on tourism and the dramatic decline in tourism demand (45% lower from January to August 2005, compared with same period in the previous year) has to be set against current official aid commitments of \$153m.

Another major source of income is remittances. Data on remittances is very difficult to obtain since, by their nature, remittances are private. While some overall figures are produced by the World Bank on the scale of remittances in the economy, breakdowns into regions and sectors are not available. In Sri Lanka remittances (\$438 m) in 2004 were almost the same as official commitments in 2005. In Indonesia commitments in 2005 exceeded remittances in 2004 by around \$1b.



6.2. How does it relate to other funding for similar disasters?

In 2004, only two natural disasters were reported by OCHA to have received more than \$100m – the Bam earthquake in Iran and the floods in Bangladesh, estimated to impact 36 million people.

Other disasters have secured similar commitments of governmental funding – donors committed to providing more than \$9b in the aftermath of Hurricane Mitch (with subsequent effect on aid flows however).

Aid disbursements to Iraq from DAC donors in 2004 totalled \$4.4 billion – twice the volume of disbursements in response to the Tsunami in 2005.

6.2.1. Funding per head

If the numbers of people affected by the Tsunami in Indonesia, India, Sri Lanka and Thailand are added together – those homeless, injured and including the number of people who died – it totals 1,733,578. This has been rounded up to 2 million for the estimates of funding per head. There are different estimates of less directly affected people, the one used for the TEC evaluation is 3.7 million. Figures in brackets below give the funding per head for this larger group.

If the total funds pledged are delivered – the \$14 billion - the notional funds available per head would be \$7,000 (\$4,375) per person spread over the next five years.

If all the Tsunami commitments and fund already received were shared out equally between the 2 million people directly affected, each person would receive roughly \$5,779.

If all the Tsunami commitments were shared out between the 3.7 million people in areas with major impacts, each person would receive about \$3,214.

Total disbursements from DAC donors alone amounted to \$1,031 per directly affected person and \$550 per person in areas with major impacts in 2005.
(Note: This is only an indicative figure. Much of the Tsunami money is for long term national reconstruction.)

This sum exceeds amounts per head in other emergencies by a wide margin... The highest amounts recorded have been around \$300 per head in the Balkans in the late 1990s.

In 2005, the South Asia earthquake directly affected an estimated 1 million and 4 million live in affected areas. Total commitments per head are between \$1000 and \$250.

- In Somalia between 700,000 and 1.1 million people are affected and received between \$114 and \$178 per head.
- In Eritrea, 2.2 million people are affected and received \$50 each.

7. The Significance of the response

7.1. Significance for overall aid flows and the MDGs

The scale of the response to the Tsunami is significant for global aid as a whole. Commitments from governments are the equivalent of 6% of total bilateral ODA in 2004 and almost a third of bilateral emergency and distress relief.

There are several possible scenarios:

1. The argument that there is no fiscal space for aid increases may be harder to maintain in the face of the evidence of the scale of Tsunami commitments.

The response to the Tsunami demonstrates the capacity of donor governments to mobilise large sums of government money for a humanitarian purpose and to get strong public support for their actions. The USA for instance committed nearly \$1 billion to the Tsunami – a fifth of its annual global commitment following the G8 summit for increased aid to Africa, the Millennium Challenge Account and initiatives on HIV/AIDS, malaria and humanitarian aid combined.

2. The Tsunami commitments will be paid for out of money which should be committed to the MDGs.

Most donors committed to specific aid increases in 2005 (see Figs 6 and 7). For some, the targets on aid volume could be achieved if their Tsunami contributions are additional to ODA in 2004 – effectively paid for from the funds which should have been allocated to the MDGs. Although there have been some unequivocal commitments to additionality, the bulk of Tsunami contributions are not guaranteed as additional resources and public pressure will be vital if Tsunami relief is not to be paid for by money set aside for the MDGs.

3. Public support for humanitarian action for the Tsunami may result in sustained increases in resources for humanitarian assistance and poverty reduction.

Humanitarian funding flows often demonstrate a ratchet effect – funding goes up with a major disaster (such as the Great Lakes in 1994); it falls back in future years, but remains at a higher base level than before the disaster. The Tsunami has generated giving from new donors including 13 countries never recorded as giving humanitarian assistance before, many companies and individuals. Not only may some of this giving become a habit but it may also generate greater political commitment to aid increases by such demonstrating public support. The theory that humanitarian response is a drain on funds for long term development does not really stand up – anecdotal evidence from the 1990s suggests that aid might have fallen even lower without the robust public and political commitment to humanitarian work.

7.2. Significance for funding global humanitarian assistance

Evidence from Consolidated Appeals shows global humanitarian assistance to be consistently underfunded. Nothing like the Zedillo Report or the Millennium Project which have estimated the costs of achieving the MDGS has been attempted for

global humanitarian need although some suggestions have put the figure at around \$10b a year in official aid.^{xix}

In 2005 there have been a series of proposals to reform the humanitarian architecture, among them a proposal to create a billion dollar fund for immediate response to humanitarian assistance and an expanded Central Emergency Revolving Fund (CERF) has been agreed. The scale of the Tsunami response may make progress easier to achieve by comparison.

7.3. Significance for appeals as a method of mobilising resources

There is no global fund for humanitarian response^{xx} – each disaster is subject to a new appeal for funding.

The appeal mechanism is very inflexible – funds are earmarked to that crisis and cannot be transferred to another situation. That is not an issue when appeals are underfunded, but in the Tsunami response a) specific items in the Appeal remained unfunded while unearmarked money was available and b) resources on a huge scale were available for Tsunami victims (\$7000 per affected person by a simple division of pledges by affected people) while people affected by other crisis were critically underfunded.

There are some examples of donors deciding to transfer funds to other emergencies – the Netherlands took a political decision to reallocate \$10m for the Tsunami to Ethiopia and Sudan on the basis that the need was greater. MSF told donors they would transfer funds to more needy people. However, these appear to be the exception with many agencies unwilling to risk criticism by contributors that their wishes have not been respected.

These issues raise questions about the quality of appeal mechanisms as the only method for raising funds for crises. There is clearly a need for reform to enable greater flexibility and fungibility in the use of appeal funds - maybe by a prior agreement that if an agreed standard of needs are met, then funds can be transferred elsewhere^{xxi} - and the need for a global mechanism to ensure that priority needs are financed quickly.

7.4. The importance making local response visible in the statistics

There is a major gap in the reporting on resources, which is the lack of attention to value of the local response and the wider domestic response in each affected country. The Local Response overview notes, that “One of the lessons from the Tsunami is that most relief is local and that local capacity and preparedness are key to effective relief.” Despite the importance and efficacy of local relief, it is invisible in all accounts of resources available; this invisibility reinforces the lack of attention given to preparedness and working at the local level also priorities in the Local Response Overview.

7.5. Increased attention to improved systems on the FLOW OF FUNDS and in particular in tracking the humanitarian dollar to its final destination.

One of the recurring themes on coverage of the Tsunami response has been whether pledges actually get delivered. This applies not just to official contributions but to funding through NGOs as well. This attention to the reliability of aid pledges (reinforced by the Millennium Review Summit and focus on 0.7% in 2005) appears to have increased pressure on governments to clarify the status of their contributions and make visible expenditure which will not result in any transfer to a tsunami affected country - such as consular expenses, export credits or tax concessions.

The major missing piece is the funds received – the humanitarian dollar goes through many layers and the current system for measurement stops at the disbursement to an implementing agency or a second level donor. We know very little about funds received. This means that accountability to both beneficiaries and donors is limited and the opportunity to use public pressure to ensure improved accountability is lost.

It may be that the public attention to the Tsunami will accelerate progress on aid predictability and the quality of information available that links funds pledged with resources received.

7.6. What are the monitoring issues that arise from the data?

7.6.1. Tracking the flow of funds through from donation to delivery of a benefit on the ground

The current systems do not allow a humanitarian contribution to be traced through the many layers of the system. This makes it hard to answer the question of whether a pledge has actually been delivered – and more important it makes aid flows unpredictable. The costs of each transaction are not clear and neither is the value of the benefit actually delivered compared with the original commitment.

7.6.2. Improved clarity on status

The DAC system has an unequivocal definition of disbursement. The definition of commitment however allows flexibility for the donor (so that if conditions are not met or circumstances change the commitment can be postponed or cancelled) which means that a recipient cannot rely on it completely. Pledges are increasingly reported – significantly the DAC survey asked for pledges to be reported – which may lead to greater attention to the substance of a pledge – both what it contains (see 2.2.1) and when it will be delivered. Outside the DAC definitions are even more flexible.

7.6.3. Measures of quality

Currently the quality of a commitment of funds is not reflected in its reported value – a loan is included with grants at face value; gifts in kind are valued by the donor; funds which could not result in a transfer (such as reimbursement of consular expenses) are not distinguished. This results in unfair comparisons between donors and lack of clarity and predictability in aid flows.

7.6.4. **Importance of extending common standards (DAC) to all donors**

Given the share of non DAC governmental donors and NGOs, Red Cross movement and UN agency public support groups in the funding flows, it will be difficult to improve the overall monitoring unless some common standards are applied, particularly to avoid double counting funds as they pass through the different agencies of the humanitarian system

Annex 1: How do resources get to people affected by a natural disaster?

Annex 1: How do resources get to people affected by a natural disaster?			
Funding source	Donor or recipient or both?	Where does the money come from?	Where does the money go to?
Governments of affected countries	Both	<ul style="list-style-type: none"> Government's own funds: Public reserves; Departmental budgets Bilateral ODA from DAC governments Bilateral contributions from DAC governments as non-ODA Bilateral contributions from non DAC governments Contributions from UN agencies and international organisations (eg WHO support to the MoH) National Appeals 	<ul style="list-style-type: none"> Departmental budgets Direct funding of affected people NGOs UN agencies and international organisations National Red Cross IFRC and ICRC Contractors
Citizens of affected countries	Donor	Own pocket	<ul style="list-style-type: none"> National Appeals Direct funding of affected people Domestic NGOs UN agencies and multilateral organisations National Red Cross IFRC and ICRC
DAC governments	Donor (mostly)	Government's own funds: reserves, ODA budget, departmental budgets	<ul style="list-style-type: none"> Governments of affected countries, including individual departments UN agencies and multilateral organisations NGOs National Red Cross IFRC and ICRC Own staff and activities including expenditure through contractors

Non DAC Governments	Donor (mostly)	Government's own funds – often includes trusts and foundations and sometimes a very close relationship with the national Red Cross. In some countries private wealth is mixed with official contributions.	<ul style="list-style-type: none"> • National Red Cross • IFRC and ICRC • UN agencies and multilateral organisations • Governments of affected countries • NGOs • Own staff and activities including expenditure through contractors
UN Agencies, International Organisations, Red Cross/Crescent organisations	Both	ODA contributions from DAC governments Other contributions from Non DAC governments Support from NGO National Committees/partner societies Own funds – reserves, human resources, contingencies	<ul style="list-style-type: none"> • Own staff and activities including expenditure through contractors • Government departments • NGOs
Multilateral development Banks and the EC	Both	Own funds – originally supplied by government contributions but allocable at the discretion of the institution Voluntary contributions from donor governments	<ul style="list-style-type: none"> • Governments of affected countries and their departments and agencies • Own staff and activities including expenditure through contractors • UN agencies and multilateral organisations
NGOs	Both	<ul style="list-style-type: none"> • ODA and non ODA from governments • Voluntary funds • Contributions from national Appeals • UN agencies and international organisations • Own reserves 	<ul style="list-style-type: none"> • Local NGOs • Own staff and activities • Direct funding
Private citizens in non affected countries	Donor	Own pocket	<ul style="list-style-type: none"> • Public appeals • NGOs • Direct remittances to family or connections • UN agencies • National Red Cross • IFRC and ICRC

National Appeals in donor countries		Contributions from private citizens	<ul style="list-style-type: none"> • NGOs • UN agencies
National Appeals in affected countries		Contributions from private citizens	<ul style="list-style-type: none"> • Governmental departments • NGOs • UN agencies

Annex 2: Data Sources

Source of Funds	Data sources	Comments
Local response	TEC Reports	Response by communities is being documented in the TEC Reports.
Governments of affected countries	TEC Reports	Maldives and Sri Lanka have set up expenditure tracking systems, but these are largely for funds coming in from international sources. We are relying on the TEC reports for domestic contributions
DAC Donors ODA	DAC Tsunami survey supplemented with data direct from the donor if the survey has not been completed. DAC and CRS online databases for all historical data.	Strict rules govern what can be reported as ODA so this source provides reliable data on what has been disbursed and committed to date. When funds are reported as 'disbursed' by a DAC donor, this means that they have been transferred to their first port of call: probably a UN agency, international organisation or NGO. The funds will not be spent until those agencies spend them. This data is disaggregated into reconstruction and humanitarian.
DAC Donors non ODA	DAC donor reports. These are less reliable than the DAC data, but add vital information on non traditional sources of funding.	Some donors have made significant contributions which may not have been counted as ODA – either because they are loans which are not sufficiently concessional, or because they are not included in the reporting as they are contributions outside the development cooperation activities. Reports from donors may include items like tax recovery, costs of consular assistance to citizens affected by the Tsunami.
Non DAC Donors	Reports solicited direct from the donors and the Financial Tracking System.	The FTS relies on voluntary reporting which makes it less than comprehensive. Only some of the data provided by donors and/or the FTS can be validated, but distinctions are made between uncommitted pledges and actual contributions.
National Appeals in non affected countries	Reports from the Appeals and from recipients of the funding. Reports from Alertnet.	In so far as possible the reports from the appeals are validated with reports from the NGOs on what has been received via the Appeal, but data is patchy.
National Appeals in affected countries NGOs	Reports from Appeals Official funding	Data proving very difficult to get on this. Official funding breakdowns are only

	breakdowns from donors showing allocations by NGO, supplemented with reports from NGOs and the FTS. This allows voluntary and official funding sources to be distinguished in some cases at least.	available for a minority of donors, creating a risk that official contributions may be double counted as part of the donor disbursements and part of the NGO income. Some NGOs report voluntary income separately, but not all. Only the largest NGOs are being monitored. TEC reports are due on MSF, ACF and Oxfam. DI has data direct from CARE, World Vision, InterAction and Mercy Corps and is due to receive data from SCF, CRS and IRC
UN Agencies	Reports direct from the UN agencies, supplemented by OCHA Expenditure Tracking System	Most agencies disaggregate official and private contributions and identify any contributions from their own funds, making it easier to prevent double counting. Where data is available from donor report, agency data can also be validated
Multilateral Development Banks	Reports from the Banks	Data on commitments is reliable but data on actual expenditure is incomplete
Red Cross Agencies	TEC Report and FTS	The data on the Red Cross is particularly vulnerable to double counting. Different arms of the Red Cross finance each other: National Partner Societies raise money from the public and their governments; they allocate parts of it to the ICRC and the IFRC; National Partner Societies also spend money that has been raised by different parts of the movement. Using the Red Cross Reports and the FTS enables some degree of validation.
Private Remittances	Deductions from flows of regular remittances	Data from TEC National Report for Sri Lanka. Data from World Bank and IMF on remittance flows.

Annex 3: Exchange Rate

Average Monthly Dollar Exchange Rates for DAC Members		
2005 - 1 January to 31 August		
1 USD =		2005
Australia	Dollars	1.2964
Canada	Dollars	1.2402
Denmark	Kroner	5.8725
Japan	Yen (thousands)	0.1072
New Zealand	Dollars	1.4111
Norway	Kroner	6.4139
Sweden	Kroner	7.2503
Switzerland	Francs	1.2267
United Kingdom	Pound Sterling	0.5507
EC-12	EURO	0.7883

Annex 4: Extract from Terms of Reference

The purpose of this specific evaluation is to:

1. *Provide as comprehensive a picture as possible of the known global totals of pledged, committed, disbursed and spent funds, showing how these totals built up over time.*
2. *Show how the totals breakdown by receiving states*
3. *Show how the totals breakdown by purpose (Relief, reconstruction or development)*
4. *Show how the totals breakdown by sector*
5. *Make a comparative analysis with funding flows in other recent humanitarian emergencies and reflect upon the effect tsunami flows had/have on other flows.*
6. *Describe some of the other key funding flows into the affected countries (development aid, tariffs on local exported goods, military assistance) and reflect upon the nature of these comparative flows.*

An introduction which describes the nature of the data and subject specifically being evaluated.

1. *An overview of the methodology adopted with particular reference to data sources.*
2. *A presentation, in narrative, table and graphical form, of the data gathered.*
3. *An analysis of the data in the light of the six key issues presented above.*
4. *An annex containing cited references*

ⁱ In fact this is a simplified table. The allocation by the donor government could be classified as a donation to an NGO or to ICRC (with the government ignoring the flow through the national Red Cross society).

ⁱⁱ Disbursement data was only available from the ASDB and the World Bank.

ⁱⁱⁱ Data on disbursement according to funding source is not available. The share of total UN funds disbursed by September 2005 was 38%, or \$189m out of \$1231m

^{iv} This consists of \$115.2 disbursed by IFRC appeals, \$45.8 disbursed by ICRC by the end of October and \$190.6 bilateral spending by National Partner Societies. It does not include other expenditure reported by the Red Cross Movement because of the likelihood that this will have been recorded in other categories. Specifically it does not include the \$209m contributed by NPS to the IFRC, because that is only a transfer within the movement and however much has actually been spent should appear within the \$115.5. A further \$180.6m has not been included because it is allocated to other recipients including the ICRC, UN agencies and partner governments.

^v Data on disbursements of private funding by NGOs is not available. This estimate is based on NGO reporting on money raised against money spent, but not disaggregated by the source of the funding. If we take the average for the countries with TEC case studies of NGOs, the proportion spent by September 2005 is UK 25%, Japan 23%, Ireland 23%, Denmark 40%. The unweighted ave is 28%. This expenditure figure may therefore be an underestimate. DEC projected expenditure for 2005 is 32% of total raised and this share has been used to estimate expenditure in 2005.

^{vi} Fritz Institute, Lessons from the Tsunami, Top Line Findings, 2005 www.fritzinstitute.org

^{vii} TEC Indonesia study 4.2

^{viii} Kessler, Earl, TEC Local Response Overview Study, Asia Disaster Preparedness Institute, Thailand, 2005

^{ix} TEC Indonesia study 4.2

^x http://www.oecd.org/document/38/0,2340,en_2649_33721_35818278_1_1_1_1,00.html for the DAC Tsunami Survey

^{xi} SO, although 1.4b does not have a specific donor noted, we can spot double counting since each amount can be allocated to a specific NGO.

^{xii} Concessional loans have been counted at face value to enable future monitoring in line with DAC standards

^{xiii} Interim Audit Report on Tsunami Activities, Auditor General's Department, TEC Sri Lanka Study

^{xiv} GHA Update 2004-05, Development Initiatives 2005

^{xv} Development Initiatives, Global Humanitarian Assistance 2003, www.globalhumanitarianassistance.org

^{xvi} It is interesting that for the 2005 Niger Flash Appeal, as of the 12th October 2005, 6 donors have made contributions into 'sector not specified' – is the Tsunami changing the way donors contribute or do donors lack the knowledge of Niger to make a judgment between sectors?

^{xvii} Extract from TEC paper, UN Appeals and Funding

^{xviii} TEC Indonesia study.

^{xix} See article in Herald Tribute by Mukesh Kapila, 2003

^{xx} *There are cash flow mechanisms for UN agencies as whole (the CERF) and within agencies and NGOs.*

^{xxi} The work on benchmarking would be an important element in setting standards for outcomes which would be common across emergencies and so provide a basis for flexibility in allocation of funding.