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Strengthening predictability of the UNICEF response to humanitarian crises

Proposal to increase the Emergency Programme Fund ceiling

Summary

This report presents an update to the Executive Board on the ability of UNICEF to respond effectively and efficiently to humanitarian emergencies in the fast-changing global environment. It analyses key humanitarian funding trends and utilization of the Emergency Programme Fund (EPF) since its establishment in 1971.

The Executive Board last reviewed the EPF in 2006 ([E/ICEF/2006/P/L.62](#)), when the biennial ceiling of \$25 million was revised to \$75 million. Today, the EPF remains the fastest and most adaptable source of immediate funding for emergencies before donor funds are made available. But, due to a high volume of demand, the EPF mechanism is challenged in its ability to meet the immediate funding requirements.

Although UNICEF humanitarian funding has increased from \$600 million in 2006 to approximately \$1.2 billion today, the scale of response required is far outstripping the available funding. As it stands, the current UNICEF global humanitarian appeal requirement of \$2.7 billion is less than 45 per cent funded.

Despite the need for immediate resources to respond to the increased number of humanitarian crises, the EPF ceiling has remained unchanged since 2006. As a result, by August 2014, the fund had been depleted to an all-time low of just over \$16 million.

* [E/ICEF/2015/1](#).



In consideration of the unprecedented number of crises the world is experiencing today, the Executive Director recommends that the Executive Board approve an increase in the EPF ceiling from \$75 million per biennium to \$75 million per annum effective in 2015. This increase will be funded from regular resources (RR).

Increasing the EPF ceiling will allow UNICEF to continue to provide an immediate, predictable and effective response to meet the urgent needs of children and families in humanitarian crises.

I. Current context of humanitarian action in UNICEF

1. Humanitarian action has been firmly established as core to UNICEF programming and is well integrated in the Strategic Plan 2014–2017 and results framework. The organization has committed to achieving an even more effective response to crises and to building stronger links between humanitarian and development programming through investing in risk-informed programming, resilience-building and strengthening humanitarian preparedness.

2. The role and performance of UNICEF in humanitarian action have remained a subject of focus in recent Executive Board statements and deliberations.¹ The Board has been briefed on the results that have been achieved in 2012 and 2013, the lessons that have been applied from the experience of responding to the crisis in the Horn of Africa in 2011, and the systems that have been strengthened through the introduction of procedures for Level 2 and Level 3 emergencies.

3. In 2013, working with partners, UNICEF responded to 289 humanitarian situations of varying scale in 83 countries. This resulted in 755 deployments, of which 207 were from standby partners, and required almost 1,400 civil society partnership agreements in countries facing crisis.

4. The burden of humanitarian crises in 2014 has been unprecedented. The year started with ongoing responses to four major emergencies that required a mobilization of the entire humanitarian system: dealing with the effects of the 2013 Typhoon Haiyan in the Philippines, the outbreak of conflict in the Central African Republic, the eruption of violence in South Sudan, and the continuing conflict in the Syrian Arab Republic and the resulting refugee crises in neighbouring countries. At the end of October 2014, UNICEF and humanitarian agencies had ongoing responses in around 40 countries, of which 11 required system-wide mobilization through declaration of Level 3 emergencies, the latest being the response to the conflict in Iraq and the Ebola outbreak in West Africa. By the end of October, there had been 556 deployments for emergencies around the globe.

5. Significant results have been achieved due to the recent responses. In the Central African Republic, 61 per cent of the targeted 28,000 under-five children with severe acute malnutrition have been admitted for therapeutic care, with an estimated recovery rate of 81 per cent. More than 80 per cent (235,000) of children under the age of five targeted by UNICEF have been vaccinated against measles, and 69 per cent (1.4 million) of the targeted affected population has access to basic health services and medicines in affected areas. In Iraq, more than 762,000 conflict-affected people have been provided with access to clean water (25 per cent of the target) and more than 345,000 reached with improved sanitation systems (exceeding the target). More than 200,000 children under the age of five have been vaccinated against polio (67 per cent of the target). In South Sudan, approximately 600,000 children aged 6 months to 15 years have been vaccinated against measles against a target of 1.3 million. Crucial scale up of nutrition activities resulted in more than 55,000 children aged 6 to 59 months with severe acute malnutrition being admitted for therapeutic care.

¹ Thematic discussion on the work of UNICEF in humanitarian situations ([E/ICEF/2014/CRP.4](#)), 17 January 2014; Opening Statement of the Executive Director of UNICEF, Second Regular Session 2014, 9-12 September 2014.

II. Trends in humanitarian funding for UNICEF

6. The UNICEF humanitarian appeal requirements have more than tripled since 2006, from about \$800 million to \$2.7 billion at the end of October 2014. Even within a calendar year, there are often unpredicted humanitarian needs that result in additional funding requirements. For example, in January 2014, the UNICEF global humanitarian appeal was \$2.1 billion, but this figure had increased to \$2.7 billion by October due to unanticipated emergencies such as the Ebola crisis, as well as worsening crises in the Central African Republic, Iraq and South Sudan.

7. Humanitarian income has also increased, from \$600 million in 2006 to approximately \$1.2 billion to date in 2014. Despite this, the organization has been unable to keep pace with increasing needs. Even for Level 3 priority emergencies, the funding situation showed a 54 per cent funding gap as of end-October 2014. Funding has also become more targeted in response to specific crises and is therefore less flexible. For example, there was a sharp increase in humanitarian funding in 2010, which rose from \$663 million in 2009 to \$1.02 billion in 2010. However, this increase was largely in response to the earthquake in Haiti. More recently, humanitarian funding also increased significantly, from \$837 million in 2012 to \$1.3 billion in 2013, mostly due to the response to Typhoon Haiyan in the Philippines and the crisis affecting the Syrian Arab Republic and neighbouring countries. Furthermore, even within global thematic humanitarian contributions, the unearmarked portion, which provides the most flexibility, has decreased significantly from \$5.3 million in 2012 to \$2.6 million in 2013 and only \$331,000 as of October 2014.

8. The Central Emergency Response Fund (CERF) is one of the most predictable sources of humanitarian financing for both acute and chronic emergencies and a key funding instrument to meet crucial funding shortfalls in the inter-agency appeal process. The CERF was the fourth largest donor to the UNICEF humanitarian response in 2013. Yet, it has also been unable to keep pace with the growing humanitarian needs. Since 2006, while the proportion of funding from CERF allocated to UNICEF has remained steady at approximately 25 per cent, the CERF share of UNICEF total funding needs has declined from 7 per cent in 2006 to 4 per cent in 2013. As such, the Emergency Programme Fund (EPF) has continued to be the primary mechanism for country offices to scale up their emergency response in the first days of a crisis.

III. EPF as an immediate funding mechanisms for UNICEF response in crises

9. One of the biggest challenges in responding to a sudden deterioration in the humanitarian situation of a country is having adequate financial resources to be able to fast-track the deployment of staff, procurement of supplies and set up of operational modalities. The ability to rapidly take to scale activities that will make the difference between life and death for the most vulnerable children is crucial.

10. In recognition of this, UNICEF, with the approval of the Executive Board, has two key mechanisms for immediate funding at the onset of a humanitarian crisis: (a) Representatives are authorized to re-programme a limited amount of regular

resources (RR) to meet immediate needs; and (b) EPF allocations can be requested by Representatives for “pre-financing” immediate and urgent humanitarian action.

11. The EPF was established in 1971 (initially as the Emergency Reserve Fund) with the goal of facilitating a rapid and effective response to emergencies. The EPF has continued to be an effective means of providing funds to UNICEF offices in a timely manner and allowing the organization to initiate its response to crises before donor funds become available. Today, the EPF remains the quickest, most reliable and most adaptable source of immediate funding for an emergency.

12. The EPF is financed with RR. Allocations from the EPF are primarily made to eligible countries as reimbursable capital in anticipation of receiving donor contributions to humanitarian appeals. Initially, the EPF was established with a ceiling of \$25 million per biennium. In 2006, the Executive Board approved an increase in the ceiling to \$75 million per biennium,² in recognition of the need to increase the ability of UNICEF to provide an effective, predictable and timely response to the needs of children and women affected by humanitarian emergencies.

13. From 2008-2013, EPF funds amounting to more than \$355 million were allocated to humanitarian crises to enable an immediate response by UNICEF. Countries have been in a position to reimburse 68 per cent of this total outlay. The remaining amount of close to \$113 million was converted to a contribution of UNICEF RR to deliver on the organization’s Core Commitments for Children in Humanitarian Action.

14. The utility and success of the EPF disbursement modality in strengthening UNICEF humanitarian action has been recognized and adopted as a key immediate action in the Level 2 and Level 3 corporate emergency activation protocols. The UNICEF Simplified Standard Operating Procedures (SSOPs) for Level 2 and Level 3 emergencies have introduced “no regrets”³ EPF allocations for countries facing such emergencies. For Level 3 emergencies, an automatic allocation of \$4 million is provided for the response to the crisis in addition to \$1 million for the “no regrets” deployment of the Immediate Response Team. For Level 2 emergencies, an automatic allocation of \$2 million is provided for the response.

15. In the 2012-2013 biennium, EPF funds totalling \$108.4 million were disbursed to 42 countries, providing much needed rapid funds for the UNICEF humanitarian response. Almost \$51.1 million of total EPF funding for that biennium (47 per cent) was allocated to country offices responding to the Level 3 emergency in the Syrian Arab Republic. For instance, in early January 2013, as the situation in the Syrian Arab Republic and neighbouring countries continued to rapidly deteriorate, with continuous population movements and despite a strong effort to leverage public and private funds for the response, there was an 80 per cent gap in the funding requirements for 2013. An EPF allocation of just over \$11 million at this critical point supported the continuation of life-saving water, sanitation and hygiene (WASH) interventions reaching more than 10 million people and the vaccination of more than 2 million children in the Syrian Arab Republic. In Iraq, Jordan and

² Decision 2006/16 of 8 September 2006 on Strengthening the UNICEF emergency response capacity.

³ The UNICEF “no regrets principle” is defined in the UNICEF Corporate Emergency Activation Procedure (CF/EXD/2011-01), 21 March 2011, as follows: “The organization will prefer to err on the side of deploying more capacity and mobilizing more resources in support of the response even if this proves to have been unnecessary after the fact”.

Lebanon, the allocation supported the provision of WASH, wastewater evacuation and garbage removal in refugee camps, as well as WASH in schools.

16. In 2014, the first year of the current biennium, demands on the EPF warranted disbursements of \$70.8 million to 17 countries. As a result, the fund was depleted to an all-time low of just over \$16 million by August 2014. As of October 2014, about 90 per cent of the total EPF allocation — \$64 million — was being used to support the humanitarian response to Level 3 emergencies and included the “no regrets” allocations to the Central African Republic, Iraq, South Sudan and countries affected by the Ebola crisis. The remaining 2014 allocations were supporting sudden onset emergencies such as those in the Pacific Islands, south-eastern Europe, the State of Palestine and Ukraine where donor funding has not been forthcoming. The EPF has been crucial to achieving results in these places. In Gaza, for instance, \$3.5 million was allocated to jump-start the urgent repair of schools and WASH infrastructure; procure essential health, nutrition, hygiene and education supplies; and provide basic services, including protection services to children and their caregivers, all of which have benefited hundreds of thousands of people. In Ukraine, EPF funding enabled the set-up of coordination structures to provide protection services to 380,000 people, a third of them children.

17. In countries such as South Sudan, the EPF has been the main funding tool to initiate the Rapid Response Mechanism through which approximately 557,000 people living in remote and isolated areas — including 116,000 children under five — have been reached with life-saving services.

IV. Maintaining predictability of the UNICEF immediate response capacity

18. Despite the increasing number of humanitarian crises and the scale of responses required, the EPF ceiling has remained at \$75 million per biennium since 2006. An analysis of current trends indicates that the level of humanitarian assistance required will continue to grow. This trend will further challenge the ability of UNICEF to immediately and effectively respond to the needs of children and families affected by humanitarian crises.

19. Considering the unprecedented scale of emergencies the world is experiencing, UNICEF proposes to increase the EPF ceiling from \$75 million per biennium to \$75 million per annum effective in 2015.

20. The increase in EPF would be met through allocation of RR. Since it is projected that RR will increase in the coming years, this expanded allocation will not reduce RR allocations to countries. Notably, all EPF allocations are made in support of countries in crisis.

21. The increased EPF ceiling will allow UNICEF to continue to make an immediate, predictable and effective response to meet the urgent humanitarian needs of children and their families.

V. Draft decision

22. UNICEF recommends that the Executive Board adopt the following draft decision:

The Executive Board

1. *Takes note of* the proposal to increase the ceiling of the UNICEF Emergency Programme Fund ([E/ICEF/2015/P/L.4](#));

2. *Encourages* UNICEF to continue to strengthen its internal capacities and its coordination with national Governments, relevant parts of the United Nations system and civil society to ensure an effective, predictable and timely response to natural disasters as well as to ongoing complex emergencies;

3. *Approves* an increase in the ceiling of the Emergency Programme Fund to \$75 million per annum, effective in 2015, to be met through allocation of regular resources, to increase the ability of UNICEF to provide an immediate, effective and predictable response to the needs of children and women affected by humanitarian emergencies.
