

H.E. Alexander Schallenberg
Minister of Foreign Affairs
Federal Ministry for European and
International Affairs
Minoritenplatz 8
1010 Vienna

Vienna, 31 Octobre 2022

Subject: EU Budget 2023 negotiations

Dear Minister Schallenberg,

Global Responsibility, the Austrian Platform for Development and Humanitarian Aid, in cooperation with VOICE (humanitarian network, representing 87 European humanitarian NGOs) would like to share recommendations regarding the current budget negotiations at European level, proposing an **increase of the European Union (EU)'s humanitarian aid budget for 2023**.

By the end of 2022, it is now expected that <u>309.7 million people</u> will need humanitarian aid because of natural and man-made crises, exacerbated by the global COVID-19 pandemic, climate change and the current conflict in Ukraine. These are 36 million people more than had been projected in <u>December 2021</u>. Startlingly, the current figures on the United Nations (UN) <u>Financial Tracking System</u> show that the global humanitarian appeal has only been 37% funded, leaving a gap of **US\$ 31.9 billion**. This is a record gap and one that will create more poverty, vulnerability, and in the worst cases, death.

Given the dramatic level of needs, humanitarian NGOs need to be enabled to continue delivering lifesaving assistance. We look again to the EU as one of the leading humanitarian donors worldwide and would like to see it continue playing an important part in helping to address the growing shortfall in global humanitarian funding.

As the conciliation negotiations between the Council and the European Parliament started (25 October – 14 November 2022), we would like to draw your attention to what you, Minister Schallenberg can do to help alleviate this global humanitarian crisis.

Member States and the European Parliament should increase the humanitarian budget proposed by the European Commission for 2023.

The proposition from the European Parliament to increase the humanitarian aid draft budget 2023 by €250 million is not sufficient to respond to the current and expected humanitarian needs, not to mention the European Commission's revised draft budget presented through an <u>amending letter</u>, only increasing the humanitarian budget line for 2023 by €150 million.

Given the €31.9 billion humanitarian funding gap, the EU Member States and the European Parliament must make every possible effort to guarantee that more lifesaving aid reaches people in need. We hope that you, Minister Schallenberg, together with your European counterparts, can find ways to secure a

further increase of the humanitarian budget line for 2023 during the Conciliation period. Humanitarian NGOs consider a budget of **€2.5 billion** to be the bare minimum to remain coherent with the funds that the EU's Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) is expected to spend by the end of 2022, and to ensure a response of equal scale in 2023, in a context of exacerbated humanitarian needs.

The NGO community is aware of the unprecedented challenge related to the EU Budget 2023, especially concerning humanitarian and development funding. However, in a context where the current Multiannual Financial Framework's margins for development and humanitarian funding (Heading 6) have already been exhausted, and with the need to safeguard the development funding, an alternative way to secure humanitarian funding for next year has be found. This solution should preferably happen within the wider EU budget 2023 negotiation process.

In addition, we urge the EU to ensure that funds from the Solidarity and Emergency Aid Reserve (SEAR) **remain additional to the current humanitarian aid budget line and can be mobilised for humanitarian crises outside the EU throughout the whole financial year** (e.g., through an agreement to ensure that the 35% threshold for external crises also applies to the second part of the year) as the instrument has disproportionately funded internal crises in 2021 and 2022, to the detriment of external crises.

Member States and the European Parliament should ensure predictability and continued commitment to people in need by guaranteeing that payment appropriations are at least at the same level as commitment appropriations.

Humanitarian aid programming responds to emergency situations, which means that DG ECHO rapidly allocates funding to humanitarian NGOs, who are the most important deliverers of humanitarian aid worldwide. The entire amount of commitment appropriations is often contracted during the year and a very close level of payments is made in the same financial year. Payment appropriations must be kept adequate and in line with commitment appropriations so that all committed funds can be disbursed in a timely manner.

Conscious of your commitment to addressing humanitarian needs, dear Minister Schallenberg, we hope that you will be able to raise, support and encourage this life-saving request.

Yours sincerely,

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Annelies Vilim Director Global Responsibility