

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

Vienna, 07 July 2023

Subject: EU Budget 2024 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, asking for an **increase of the European Union (EU)'s humanitarian aid budget from 2024 onwards**.

As the European Commission (EC) has recently published a [proposal](#) to revise the multiannual financial framework (MFF), which might lead to an amendment of the [draft general budget of the EU for 2024](#), we would like to draw your attention to the **insufficiency of the EU's humanitarian budget**, in a context of ever-increasing needs.

By the end of 2023, [362 million](#) people are projected to need humanitarian aid, one in every 22 people worldwide. These are 88 million people more than expected at the beginning of [2022](#), and even 226 million people more than foreseen 5 years ago, in [2018](#). Despite the worsening situation, the current figures of the United Nations Financial Tracking Service show that mid-way through the year, the global humanitarian appeal for 2023 has only been [20% funded](#), leaving a funding gap of **US\$ 44 billion**.

This global shortfall of funding is unfortunately reflected at EU level, with an annual humanitarian budget so limited that the EC heavily relies on reinforcements to maintain an equal level of funding from one year to another. In the first quarter of 2023, the EU's Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) already had to request two reinforcements from the Solidarity and Emergency Aid Reserve (SEAR). Even though the SEAR is supposed to finance needs arising from sudden-onset crises, these reinforcements were used to finance needs that were foreseeable from the previous year, but not covered by DG ECHO's budget 2023 because of the lack of funds under the current MFF (and the subsequent exhaustion of the margins under Heading 6). As a result, funds earmarked for external crises under the SEAR in 2023 are already completely exhausted. There are no reinforcements



possible until the 1st of September 2023, if not later. This unsustainable situation is preventing DG ECHO from stepping up its efforts to address global humanitarian needs. It is leading to a [decrease](#) in the EU's contribution to global humanitarian finance, despite its ambitions to remain one of the largest humanitarian donors.

In view of the budgetary negotiations this year, we would like to draw your attention to what you can do to help bridge the humanitarian funding gap:

Member States and the European Parliament must substantially increase the humanitarian budget line to meaningfully address the unprecedented level of humanitarian needs worldwide.

The recent EC proposal to revise the MFF acknowledged the need to reinforce Heading 6, which we welcome very much. In line with the recent [Council conclusions on addressing the humanitarian funding gap](#), we urge the Member States and the European Parliament to recognise this procedure as an opportunity to deliver a financial response commensurate with the scale of current and foreseeable humanitarian crises. As of now, the EC was only able to allocate [€1.66 billion](#) for humanitarian aid in its draft budget for 2024, due to the MFF constraints. This amount is widely insufficient to allow DG ECHO to continue funding all the current lifesaving programmes run by its partners. In 2024 and until the end of the current MFF, **an annual humanitarian budget of €2.6 billion would be the bare minimum** to remain coherent with DG ECHO's recent and expected expenses and maintain an equivalent level of humanitarian assistance in the context of increasing needs. **It is absolutely necessary to guarantee that a significant part of the financial reinforcements to the MFF reach the humanitarian budget line.**

This increase however **should not be secured at the expense of development funding**. The complementarity of humanitarian and development assistance is key to ensuring that people in need have access to lifesaving assistance while developing long-term resilience to shocks and crises.

We hope that you, Minister Schallenberg, together with your European counterparts, can find ways to secure an increase of the EU's annual humanitarian budget line, in 2024 and beyond.

Member States and the European Parliament must ensure that funds from the Solidarity and Emergency Aid Reserve are additional to the humanitarian aid budget line and can be mobilised for humanitarian crises outside the EU throughout the whole financial year.

While the humanitarian aid budget line aims to fund needs which were foreseeable from the previous year, the SEAR was designed to fund sudden-onset crises, both within and outside the EU. Since the beginning of the MFF, the SEAR has been disproportionately used for internal crises, to the detriment of external crises. In 2022, most of the funding earmarked for external crises was redirected to natural disasters within Europe. The budgetary authority justified this redistribution with a simultaneous increase in the humanitarian budget line. We urge the budgetary authority to ensure that an increase of the



humanitarian budget never comes at the expense of the availability of the SEAR. The two instruments have complementary objectives and are not to be considered as interchangeable.

Additionally, due to the skyrocketing levels of humanitarian needs across the globe, funds under the SEAR should be made available for sudden-onset crises outside the EU throughout the whole financial year. For example, at least 35% of the end-of-year cushion, available from the 1st of October, should be allocated to external crises.

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

Yours sincerely,

Director
Global Responsibility