



## Pakistan Humanitarian Forum

*The Pakistan Humanitarian Forum was formed in 2003 to coordinate and strengthen the efforts of International NGOs working in disaster management. The forum comprises 35 of the largest international NGOs operational in Pakistan.*

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### **Crisis Far from Over: Millions Still in Need of Assistance as Funds Dry Up**

*Almost a year since more than three million people fled fighting in Pakistan's Swat valley and surrounding areas, the crisis is far from over. Over a million people are displaced, more are being forced into displacement every day, and two million are struggling to rebuild their lives after returning to their homes to find their villages destroyed. The ability of humanitarian organisations to adequately respond is being hampered by a critical shortage of funds.*



*Girls at Jalozaï camp, Nowshera district, Khyber Pakhtunkhwa*

## **Introduction**

Between April and June 2009, over three million people fled from their homes in Malakand division in Pakistan's Khyber Pakhtunkhwa province (formerly North Western Frontier Province), escaping fighting between the Government of Pakistan and the Tehrik-i-Taliban Pakistan (TTP) and affiliated groups. It was one of the fastest and largest displacements in recent history, and triggered a major national and international humanitarian response. Although the donor response in the initial stages of the crisis was too little, too slow to meet immediate humanitarian needs,<sup>1</sup> the situation improved somewhat following a major fundraising drive by humanitarian organisations, and by the end of the year the 2008-09 Pakistan Humanitarian Response Plan (PHRP) was almost 80% funded. Today, an estimated 80% of those displaced in April-June 2009 have returned to their homes.

But the military operation in Malakand division was just one of a number of operations carried out by the Government of Pakistan as part of an ongoing offensive against the TTP and affiliated groups in Khyber Pakhtunkhwa and the Federally Administered Tribal Areas (FATA). An estimated 1.3 million Pakistanis are displaced, unable to return to their homes because of ongoing insecurity. The communities hosting them are also under stress, as are those who remain in conflict zones who for various reasons have chosen not to flee or have been unable to do so. New needs are likely to emerge throughout the year as insecurity continues to spread and as more Pakistanis are forced to flee their homes.

In February 2010 the humanitarian community together with the Government of Pakistan called for \$537 million to address immediate priority needs for the period February – July 2010. More than two months into the appeal, with dwindling international attention to the ongoing displacement in Pakistan, the response is again too little, too slow. Now, as last year, the people giving most generously to the crisis are the Pakistanis themselves – people living in surrounding areas whose cultural code of hospitality obliges them to provide refuge to the displaced no matter how many of them there are or how long they plan to stay. But resources in these communities are stretched, and the agencies responding to the crisis don't have the funds to properly support them. The 2010 PHRP is just 20% funded, and programs providing health care, clean water and sanitation, education, protection and livelihoods support for more than a million internally displaced persons (IDPs), host communities and returnees will shortly be closing due to lack of funds.

## **Diverse Humanitarian Needs**

Over the past month, some 800 families have been arriving in the districts of Hangu and Kohat (Khyber Pakhtunkhwa) every day, fleeing an escalation of fighting in Orakzai and Kuram agencies in the FATA. There are now more than 200,000 IDPs in Hangu and Kohat. Most are staying in rented accommodation; others are staying with friends or

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<sup>1</sup> Arif Azad and Shaheen Chughtai, 'Too Little, Too Slow: Why More Must be Done to Assist Pakistan's Displaced Millions' (Oxfam International, 16 June 2009).

relatives who are struggling to find the additional resources required to provide for their expanded households. Life-saving and life-sustaining interventions are urgently needed to meet the basic needs of those who have been displaced as well as of the communities hosting them. Most host communities have poor access to basic health facilities, and there is a particularly acute need for mobile health clinics and other health services able to reach out to the widely dispersed population. Health facilities that do exist are overstretched. An assessment conducted by the World Health Organisation in Kohat in March 2010 found a critical shortage of medicines and medical staff, and warned that the lack of lifesaving and emergency drugs posed a risk for the control of possible disease outbreaks.<sup>2</sup> When funding is so short, it is often the most vulnerable who suffer. Agencies are struggling to provide even generalised assistance, and lack the resources (such as specialised staff) that would enable them to properly address the specific needs of women, children and other vulnerable groups.

About 300,000 people remain displaced in the districts of Dera Ismail Khan (DI Khan) and Tank, most having fled the military operation in South Waziristan in November last year. Humanitarian assistance in DI Khan and Tank has always been limited due to restricted access and a shortage of funds, but is now limited even further by a shift in attention (and funds) towards areas of new displacement. As elsewhere, most of the displaced are staying in rented accommodation or with friends or relatives. Houses are shared by up to ten families, and access to water, sanitation and healthcare is appallingly inadequate.

'The fighting in my village has subsided. But there is nothing there any more; nothing to go back to... If [my brothers-in-law] move back to the village, I'll go. I prefer the tents here though. Without a husband it's very difficult to live there. It might not be secure for the children. I would be really worried about what might happen if fighting broke out again.'

*Marhaba, widow and mother of four, Jalozai*

Nearly half a million people remain displaced in the Peshawar valley.<sup>3</sup> Some of these arrived recently, fleeing the escalation of fighting in and around Orakzai, but others have been there since the operation in Malakand last year, unable or unwilling to return to their homes due to a number of factors including fear of discrimination or targeting in their places or origin. As the humanitarian community focuses on assisting IDPs to return to their homes, the need to support alternative solutions such as resettlement to new locations or reintegration into local communities is often overlooked.

Those who have been able to return to their homes (primarily in Malakand division) are desperately in need of assistance to re-establish their livelihoods.

After fleeing the military operation in May last year, many people throughout Malakand returned to their homes four or five months later to find their houses damaged, their possessions looted, their livestock gone and their crops destroyed. With their assets either abandoned at the time of displacement or sold to cover the cost of transportation out of the village, and no savings to draw on, many households are struggling to re-establish their livelihoods. The cash assistance provided by the government, while

<sup>2</sup> World Health Organisation (WHO), 'An Assessment of Public Health Facilities in Kohat District' (March 2010) <http://onerresponse.info/Countries/Pakistan/Health/publicdocuments/Forms/DispForm.aspx?ID=134>.

<sup>3</sup> This figure includes 449,958 IDPs staying with host communities and 17,366 IDPs in Jalozai camp.

welcome, was for many families only just enough to cover some basic needs in the early days of return, and was far from sufficient to replace the assets they left behind.

'When we came back our house was destroyed, and everything in the house had been looted. We left our two cows behind when we fled, but they were gone when we returned. We thought we had been given another chance to live. But when we came here, there was nothing. That made us feel hopeless again. Our men are all unemployed, our women have no work. There are no schools, our houses were destroyed. We want to rebuild our village and want it to become alive again.'

*Wadoha, widow and mother of five, Buner*

## **An Under-Funded Crisis**

Analyses of the donor response to last year's mass displacement, conducted by a number of PHF members, found that late and insufficient donor contributions prevented humanitarian agencies from responding on a scale that would have met the actual needs of affected communities.<sup>4</sup> One month into the crisis, the 2008-09 PHRP (revised in May 2009 to bring the total funding requirements for 2008-09 to \$543 million) was less than 25% funded. But by October 2009 the appeal was more than two thirds funded,<sup>5</sup> and by the end of the year \$524.9 million had been raised – with significant additional contributions outside the appeal.

This year, the humanitarian community has received just over \$170 million to meet the humanitarian needs of 1.3 million IDPs and to support two million returnees to rebuild their lives.<sup>6</sup> That's just over \$50 for each IDP/returnee, not counting the hundreds of thousands of Pakistani families who over the past year have opened their doors to accommodate the displaced. Almost \$100 million, or 60% of the total, has been provided by the US alone, and another \$10 million has been drawn from the UN's Central Emergency Response Fund. Other donors have provided just over \$60 million between them: \$18 million from the UK (down 44% from its commitment last year), \$19 million from Japan (down 34%), \$11.5 million from the European Commission Humanitarian Office (down 83%), \$6.4 million from Canada (down 77%), \$2 million from Germany (down 92%), and \$1.8 million from Finland. France, Switzerland and Luxembourg have each made commitments of between \$700,000 and just over \$1 million. Other donors that made significant commitments to last year's appeal – the

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<sup>4</sup> See, for eg, Nicki Bennett, 'Missing Pieces' (Oxfam International, 2009); Sidney Traynham, 'Pakistan: Despite Delayed Funds, Disease Outbreaks Averted by Volunteers' (Church World Service, 7 December 2009).

<sup>5</sup> A portion of this amount, US\$88,524,302, had been committed prior to the displacement crisis of April/May 2009 to assist the 500,000 people who fled their homes prior to April 2009.

<sup>6</sup> In addition to humanitarian assistance, some donors are funding development programs in the crisis-affected areas. The UK's Department for International Development (DFID) has pledged £10 million for the Detailed Needs Assessment and £30 million for the Multi Donor Trust Fund (MDTF) in Khyber Pakhtunkhwa and FATA, and a number of other donors have expressed interest in supporting the MDTF. The US, the European Commission, Canada, Japan and Australia are also providing development assistance to the conflict-affected areas.

UAE, Norway, Australia, Spain and Italy – are yet to provide any commitment for humanitarian assistance in Pakistan in 2010.<sup>7</sup>

With dwindling funds, NGOs and UN agencies are closing programs that are currently addressing the humanitarian needs of the displaced as well as those recently returned to their homes. For program beneficiaries, this means less access to basic services such as water, sanitation and healthcare, and less support in re-establishing their livelihoods. Examples of projects that will shortly be closing due to lack of funds include:

- A health and nutrition project for IDPs and host families in DI Khan, providing health care and nutrition services to more than a million people. The project, being implemented by Merlin, operates 25 basic health units and hospitals and supports mobile health teams. The project will be closing at the end of May.
- An emergency hygiene and sanitation project (constructing household latrines and distributing hygiene kits) targeting 4,000 IDPs in Kohat. The project is being implemented by Oxfam, who has been responding to the influx of IDPs in Kohat by drawing on its own emergency funds. The project will be closing by the middle of May if additional funding is not found, leaving very few agencies providing water, sanitation and hygiene services amongst an estimated 250,000 IDPs in Kohat.
- A livelihoods support program in Swat and Buner, providing 24,000 returnee families with various forms of support to re-establish their livelihoods, including grants to re-establish small businesses and assistance with replacing lost livestock. The program is being implemented by Save the Children, and will be closing at the end of April.

While all sectors are under-funded, the tendency on the part of some donors to focus attention on returnees in Malakand division has meant less funding for the hundreds of thousands more recently displaced from the tribal areas. Moreover, the preference shown by some donors for strictly life-saving interventions has resulted in a particularly acute shortage of funding for activities that while not necessarily life-saving, are critically important in ensuring that people's dignity and rights are respected and protected: projects targeting the specific protection needs of women, children and other vulnerable groups (such as women's health projects and 'child-friendly spaces'), and psychosocial support and trauma counselling for those suffering the effects of the crisis.

### **Funding Mechanisms: Still Not Fast Enough**

The analyses conducted by a number of PHF members in the second half of year noted that the disbursement mechanisms chosen by some of Pakistan's major donors were

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<sup>7</sup> This information is based on UN OCHA's financial tracking service (FTS), which shows humanitarian contributions (to the consolidated appeal and additional contributions outside the consolidated appeal process) as of 16 April 2010. Japan's commitment has been updated from the FTS based on information received from the Japanese embassy in Islamabad. In addition to the commitments mentioned: DFID has allocated a further £20 million for humanitarian assistance, ECHO expects to announce further funding in June, Australia and Italy have indicated that they will be contributing to the PHRP although have not disclosed the amounts, Canada recently announced CDN\$11 million for humanitarian assistance (only a portion of which has been committed), and Saudi Arabia has pledged \$100 million.

slow and inefficient. Specifically, the fact that most donors opted to channel the bulk of their funds through UN cluster lead agencies<sup>8</sup> (tasking the clusters with the responsibility of determining where, for what and by whom their money should be spent) was found to substantially increase the length of time between the approval of funds and project implementation.<sup>9</sup> Although some donors responded to this and are now channelling a greater portion of their funds directly through NGOs, the majority of donors continue to channel the bulk of their funds through UN agencies. NGOs and the Red Cross / Red Crescent Movement, who implement the bulk of humanitarian assistance, have received just 18% of total humanitarian commitments this year, while 55% has been channelled through UN agencies. The remaining 27% has been provided bilaterally to the Government of Pakistan (reflecting an appropriate commitment to increasing the alignment of humanitarian aid with national priorities).

While the channelling of funds through UN-led clusters is driven by a legitimate desire to eliminate duplication and better rationalise donor activity (consistent with the Paris Declaration on Aid Effectiveness), experience in Pakistan has shown that, at least for now, the cost in timeliness and efficiency means a slower and less effective response to the needs of people suffering the effects of a complex and rapidly evolving crisis.

The result is that, as last year, funds are in some cases being disbursed after target populations have moved on or needs have changed. The \$100 million that was pledged by the Kingdom of Saudi Arabia in September 2009, which seven months later remains

The **Pakistan Emergency Response Fund** aims to ensure rapid and flexible funding to international and national NGOs, the International Organization for Migration and UN agencies that respond to short-term emergency needs of people in crisis and vulnerable communities. The priorities of the ERF are to ensure a timely response to unforeseen natural or man-made emergencies before alternative funding becomes available, and to strategically address gaps in the 2010 PHRP. The ERF is administered by UN Office for the Coordination of Humanitarian Affairs on behalf of the Humanitarian Coordinator.

held up in the system due to ongoing contractual negotiations with the recipient UN agencies while IDPs arriving daily in Kohat and Hangu lack access to adequate water, sanitation and healthcare, highlights the extent of the problem.<sup>10</sup> The funds are expected to come through by the end of May, but by this time many of the projects that in late 2009 were selected to benefit from the funds will likely no longer be relevant due to target populations having moved and/or needs having changed.

The newly established Pakistan Emergency Response Fund (ERF) should go some way towards improving the humanitarian community's rapid response capacity in Pakistan, by enabling humanitarian agencies to respond in a timely manner to critically under-

<sup>8</sup> The cluster approach was launched in 2005 as part of the humanitarian reform process – an effort on the part of the humanitarian community to address identified gaps and strengthen the effectiveness of humanitarian response. Global and country-level clusters (comprising UN agencies, NGOs and the Red Cross / Red Crescent Movement) were formed for each area of humanitarian activity where there was thought to be a need for strengthened leadership and coordination (water and sanitation, shelter, etc), and various UN agencies were designated to lead the clusters ('cluster lead agencies').

<sup>9</sup> See Bennett, above n 4.

<sup>10</sup> These funds were initially intended for the 2008-09 PHRP, but the pledge was shifted to the 2010 PHRP when it became clear that there was unlikely to be a commitment prior to December 2009.

funded or unforeseen humanitarian needs. If appropriately managed, the fund should enable project implementation to commence within 72 hours of a proposal being submitted. Donors are urged to ensure that the fund is generously resourced.

Experience in Pakistan has shown, repeatedly, that no single funding mechanism will enable a sufficient response to rapidly changing needs in a complex emergency. Recognising this, donors must ensure support for a diversity of mechanisms, and in particular, must ensure that support for multilateral mechanisms does not wholly replace bilateral support to implementing agencies at the expense of a rapid response to the needs of crisis-affected populations.

### **Planning for Recovery and Development: Involving Civil Society**

While the most pressing need is for sufficient funds to meet the current and emerging humanitarian needs of those displaced by the crisis, this must be complemented by appropriate, long-term funding for recovery and longer term development in areas of return. The current PHRP is due to end in July 2010, and yet the 1.3 million Pakistanis currently displaced – in addition to those recently returned – will require assistance to rebuild their lives and re-establish their livelihoods well into 2011. The World Bank administered Multi Donor Trust Fund (MDTF) is an important mechanism through which donors can support the Government of Pakistan to restore infrastructure, service delivery and livelihoods, while also addressing issues of governance and the underlying causes of conflict.<sup>11</sup> The fund is managed by a committee made up of representatives from multilateral institutions. Donors, although not involved in the management of the fund, are able to contribute to strategy and policy decision-making through involvement in a steering committee. Neither the management committee nor the steering committee include civil society representation.

The priorities of the MDTF will be informed by, amongst other things, the Post-Conflict Needs Assessment (PCNA) currently being carried out under the leadership of the Government of Pakistan with the support of the World Bank, the Asian Development Bank, the UN and the European Union. The PCNA provides – or at least has the potential to provide – a valuable opportunity for civil society organisations and conflict-affected communities to play a meaningful role in assessing and prioritising needs in the conflict-affected areas. The PCNA is scheduled for completion at the end of May, but the involvement of civil society so far has been minimal.

Those best able to determine what is needed in order to rebuild damaged communities are usually the communities themselves. Their involvement also improves the chances that recovery will be locally supported and sustainable. Donors contributing to the MDTF as well as to the PCNA are urged to use their leverage to ensure maximum possible involvement of civil society and conflict-affected communities at every stage of the development process, from assessment and design, to project implementation and monitoring. Recognising the significant capacity that exists within conflict-affected

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<sup>11</sup> The MDTF is a coordinated financing mechanism for the Government of Pakistan's reconstruction and development program in the conflict-affected areas of Khyber Pakhtunkhwa, FATA and Balochistan. The objective of the MDTF is to support reconstruction and development aimed at assisting people to recover from the impact of the conflict and reducing the potential for renewed insecurity.

communities, donors are also urged to ensure that a portion of the MDTF be made available for community-driven initiatives.

### **Recommendations to the International Donor Community**

- Respond more quickly and substantially to the Pakistan crisis, with a focus on under-funded sectors and geographic locations. Life-saving interventions in areas of displacement remain the highest priority, but donors must also ensure adequate funding for critical but not necessarily life-saving activities such as projects targeting the specific protection needs of women and children, and early recovery projects in areas of return (such as the provision of seeds and tools, support with replenishing livestock, or grants to re-establish small businesses).
- Support a diversity of funding mechanisms. Specifically, donors channelling funds through UN agencies must recognise that these funds take time to get to implementing partners and even longer to reach beneficiaries, and should thus be complemented with substantial bilateral support to NGOs. Donors must also support efforts to improve the efficiency with which funds are transferred between UN agencies and implementing partners.
- To enable genuine rapid response, establish global and country-level mechanisms for pre-positioning emergency response funds with implementing agencies, who could then draw on these funds to launch immediate life-saving interventions as a crisis unfolds. Additionally, encourage partners – particularly those working in areas where further displacement is expected and needs change rapidly – to ensure that funding submissions include appropriate budget lines for contingency stocks.
- Donors contributing to the MDTF and/or to the PCNA should ensure maximum possible involvement of civil society and conflict-affected communities at every stage of the development process. Donors are also urged to ensure that a portion of the MDTF be made available for community-driven initiatives.