



JOHNS HOPKINS  
CENTER *for*  
HUMANITARIAN HEALTH

# Humanitarian Health Financing: challenges and some solutions

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# Presentation Outline

- Current humanitarian trends
- Funding for humanitarian assistance
- Make interventions more efficient, effective and sustainable
  - Cash-based interventions
  - Innovative humanitarian health financing mechanisms
- Summary points

## Time to let go

Remaking humanitarian  
action for the modern era

April 2016

OSI HPG  
Humanitarian  
Policy Group

# Current Humanitarian Trends

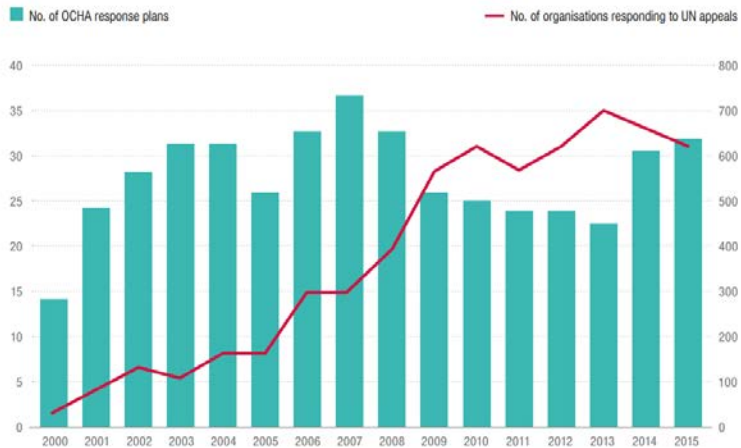
## Conflict has become more protracted

Average length of conflict (years)



Figure 2: An expanding sector

Response organisations vs. OCHA appeals (2000–2015)



- **Prolonged crises**

- >**90%** of countries with humanitarian crises had humanit. appeals for >**3 years**

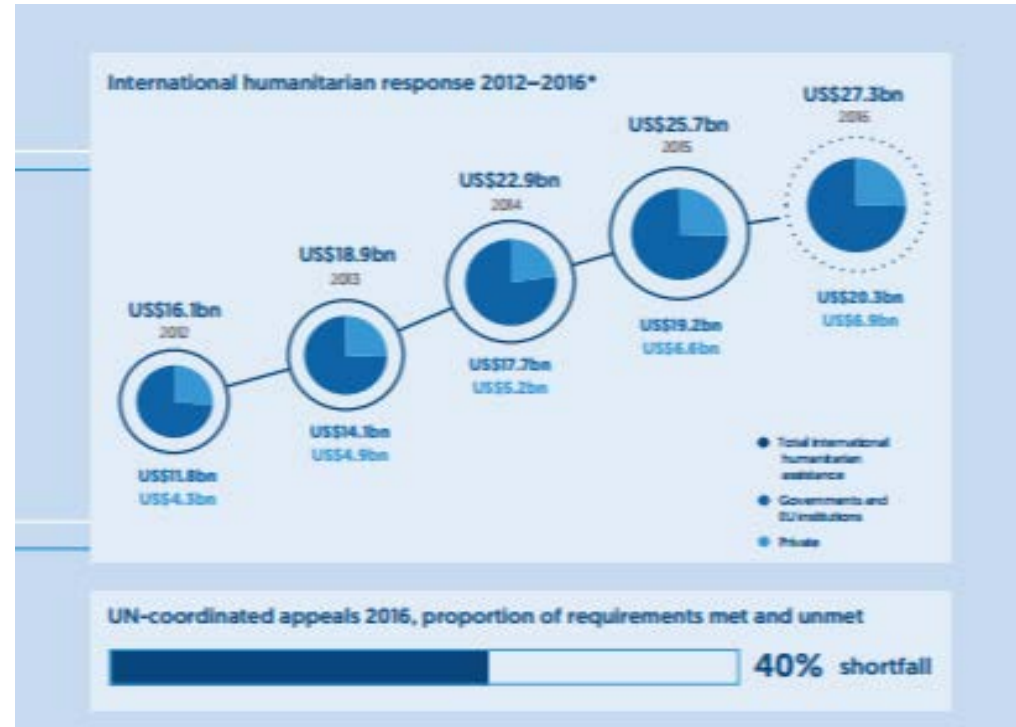
- **UN and Int'l NGOs receive funds**

- UN agencies and largest INGOs received **81%** of humanit. assistance (2009-2013)
- Local and national NGOs directly received just **0.2%** of total humanit. assistance (2014)

- **Increasing, new and complex mix of actors**

- Increasing number with varying competence
- National gov'ts and local NGOs increasingly taking the lead
- Middle East gov'ts, Islamic agencies, and priv. sector

# Funding for Humanitarian Assistance (end of 2016)



# Funding for Humanitarian Assistance (end of 2016)



Middle East

## ‘A death sentence’: Palestinians slam U.S. decision to cut aid as U.N. pleads for new donors



A Palestinian woman rides in a car after collecting aid provided by UNRWA in Gaza City on Wednesday. (Mohammed Abed/AFP/Getty Images)



# UNRWA gets new cash pledges in donor meeting

March 15, 2018 at 2:33 pm | Published in: Asia & Americas, Europe & Russia, International Organisations, Israel, Italy, Middle East, News, Palestine, UN, US

"A death sentence":  
decision to cut aid



Palestinian men carry food aid given by UNRWA in Gaza City, Gaza [File photo]

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# Make Interventions More Efficient, Effective and Sustainable

## Recommendations

- Provide upfront investment by donors in infrastructure
- Initiate multi-year funding
- Actively and systematically scale up cash-based transfers
- Explore innovative health financing models



# Make Interventions More Efficient, Effective and Sustainable



## Recommendations:

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# Innovative Humanitarian Financing Instruments – Risk and Time cont

	<b>Ex-ante</b> (depends on planning)	<b>Ex-post</b> (not dependent on planning)
<b>Risk retention</b> (host countries responsible for risk)	<ul style="list-style-type: none"> <li>• Domestic contingency funds or budget allocations:</li> <li>• Taxes and subsidies</li> <li>• Line of contingent credit</li> </ul>	<ul style="list-style-type: none"> <li>• Budget reallocation</li> <li>• Tax increases</li> <li>• Post-emergency credit</li> <li>• User fees</li> <li>• Taxes and subsidies</li> <li>• Tariffs or subsidies</li> </ul>
<b>Risk transfer</b> (host countries transfer risk to another entity)	<ul style="list-style-type: none"> <li>• <b>Traditional insurance</b></li> <li>• <b>Indexed insurance, reinsurance, or derivatives</b></li> <li>• <b>Capital market instruments</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Discretionary post-ER aid</b></li> <li>• <b>Pay for Performance</b></li> </ul>

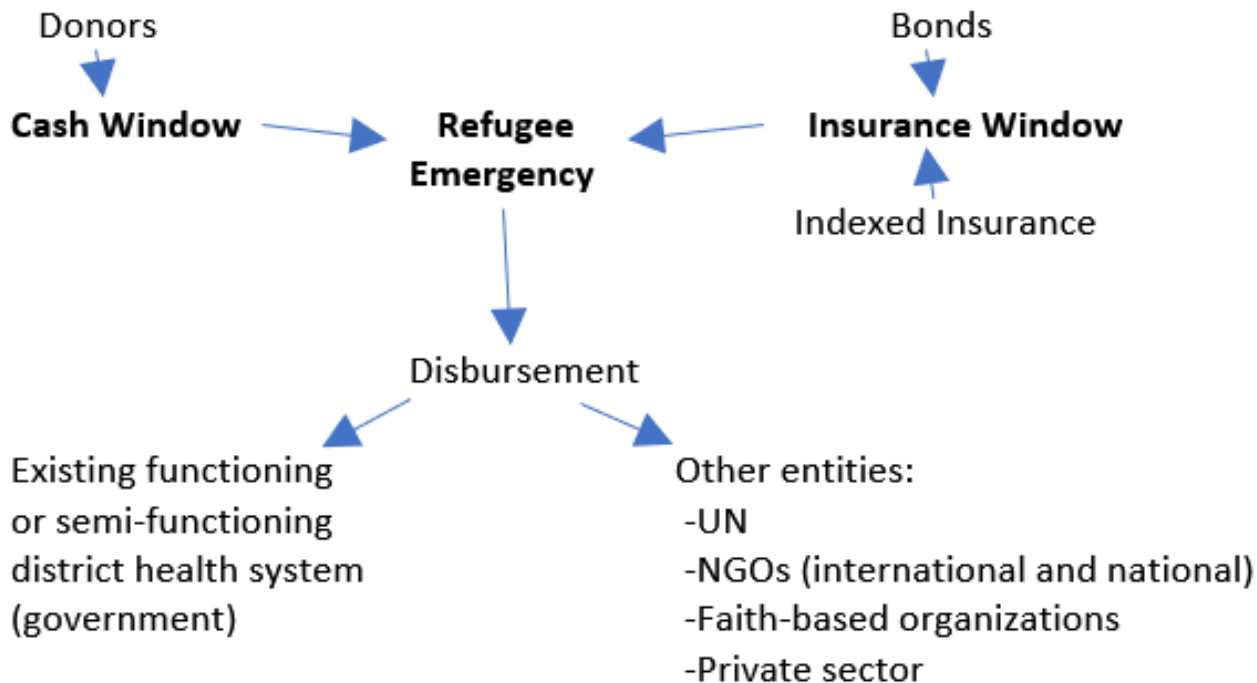


# Innovative Humanitarian Financing Instruments – Risk and Time cont

Pre-Emergency	Acute	Protracted
<ul style="list-style-type: none"><li>● Indexed insurance</li><li>● Capital market instruments</li></ul>	<ul style="list-style-type: none"><li>● Post-emergency aid<ul style="list-style-type: none"><li>▪ Pooled funds</li><li>▪ Bilateral aid</li></ul></li></ul>	<ul style="list-style-type: none"><li>● Traditional health insurance</li><li>● Microinsurance and community-based health insurance schemes</li><li>● Pay for Performance (camps)</li></ul>

# Innovative Humanitarian Financing Instruments – Risk and Time cont

## Refugee Health Financing Model (FinRef)



# Summary Points

- Current humanitarian funding systems is insufficient and inequitable
- Need for new donors and new and innovative funding mechanisms
- Cash-based interventions and pay for success models will improve efficiency and effectiveness of humanitarian response
- Traditional insurance needs to be systematically examined in protracted settings
- Indexed insurance and bonds need to be explored for pre-emergency phase