“A Private-Sector initiative under development to effectively harness the collective resources, competencies, and networks of the world’s Small and Medium Enterprises (SMEs) in the interest of better humanitarian outcomes.”
THE NEED

There is vast potential for millions of SMEs around the world to play a bigger role in supporting humanitarian efforts. Many of them have the interest and capabilities to play such a role, but they lack a reliable and effective platform for facilitating their engagement with the humanitarian sector. Similarly, the existence of a strong and thriving SME sector – providing goods and services, creating jobs and stimulating local economic activity – can significantly boost the resilience of fragile communities around the world, yet few dedicated initiatives exist to support the growth and development of SMEs on this basis.

CHALLENGES FOR HUMANITARIAN RELIEF

- Humanitarian requirements, measured by the size of UN-coordinated appeals, "have increased by more than 500% from US$3.5 bn in 2004 to US$18.0 bn 10 years later."
- Despite increasing donations year-on-year, these increases are being outstripped by growing humanitarian needs.
- Last year, “the gap between what was needed and what was received amounted to US$7.2 bn, leaving 40% of overall needs unmet.”
- While governmental donors provide most humanitarian aid, sources outside that group are becoming increasingly important, but are still not being “tapped in at scale”.
- Private sector businesses are particularly underrepresented, with only 4.8% of appeals in 2014 met by businesses.
- Humanitarian work is generally reactive when it comes to mobilising resources because active fundraising usually comes after a crisis has hit, even though the “pre-positioning” of goods in strategic locations “saves time and money and can result in significant efficiency gains.”
- Although aid agencies use different delivery mechanisms for financial and in-kind assistance, “due to preset response models or donor earmarking, aid delivery does not always use the most effective channels.”

OBJECTIVES OF #SME4H

- Increase and formalise SMEs response to humanitarian crises in order to ensure that SME engagement in humanitarian relief is as strategic, transparent and as coordinated as possible, harnessing the resource capabilities of SMEs to contribute to addressing humanitarian needs.
- Supporting business preparedness and continuity by offering a range of toolkits, resources and advice.

90% of businesses worldwide are SMEs¹
60% of formal jobs in developing countries in Africa, Asia and Latin America are provided by SMEs²
80% of formal jobs in low-income countries, mostly in Sub Saharan Africa are provided by SMEs³

1 of formal jobs in developing countries in Africa, Asia and Latin America are provided by SMEs²
2 of formal jobs in low-income countries, mostly in Sub Saharan Africa are provided by SMEs³

#SME4H
THE SOLUTION

SMEs for Humanity (#SME4H) is a proposed new initiative that seeks to address these gaps in coordination through the creation of an online portal that would more effectively connect SMEs with other businesses and relevant stakeholders in the humanitarian ecosystem before, during and after a humanitarian crisis. #SME4H aims to formalise activities in order to ensure that any SME involvement in humanitarian relief operations is as strategic, transparent and as coordinated as possible.

The #SME4H online portal would allow for humanitarian needs to be posted in real-time by national governments, international humanitarian and development aid agencies, NGOs, community organisations, faith-based groups, SMEs themselves and other relevant stakeholders before, during and after humanitarian crises.

HOW IT WORKS

SMEs worldwide would be encouraged to join the online community and sign up at no cost to receive alerts when humanitarian needs are posted that are a) technically relevant and/or b) geographically close to them.

SMEs can post their needs on the platform seeking assistance from other businesses:
- In-kind support
- Access to goods and services on a commercial basis

Humanitarian Agencies can post needs on to the platform asking for support from SMEs:
- Technical and logistical support
- Local and cultural advice and access
- Provision of manpower and required goods and services

WHAT’S IN IT FOR SMEs?

- Technical Support and Business Advice
- Access to Stock and Supplies
- Global Relationships
- Commercial Opportunities
- SMEs Consulted and Involved

WHAT’S IN IT FOR HUMANITARIAN AGENCIES?

- Local and Cultural Advice and Access
- Financial Efficiency
- Provision of Volunteers
- Access to Local Stock and Supplies

@ www.sme4h.org
YOUR INPUT

SME4H would operate independently and in partnership with the world's leading humanitarian organisations, national and international NGOs, private sector industry groups and SME associations. Prior to any roll-out, a range of operating models will be considered in consultation with public, private and humanitarian stakeholders.

Given the complexity of the issues involved, and the need for multi stakeholder input into this concept, your thoughts and suggestions are highly appreciated.

Specifically, views are being continually sought on the following aspects of the proposal:

1. Current obstacles to greater engagement between SMEs and key stakeholders in the humanitarian ecosystem
2. Types of support SMEs should be able to provide and/or seek via a platform such as #SME4H
3. Ways to ensure SMEs are more effectively supported by the world's humanitarian system and have greater access to participate in related projects
4. Recommendations on the potential role of large businesses – including those with large SME supplier bases – in a platform such as #SME4H
5. Recommendations on the potential piloting of the concept in a specific geographical area or involving a specific type (or types) of business
6. Recommendations on the ideal phasing for the development and roll-out of the portal
7. Opportunities for integration or coordination with other national, regional and international initiatives seeking to achieve similar or compatible outcomes.

Visit www.sme4h.org or contact info@sme4h.org for more information and to provide your knowledge and support. Additionally please follow and support us through social media

APPENDIX

4. UN Secretary-General’s High Level Panel On Humanitarian Financing, Scoping Paper, April 2015, pp.2-6