

Content for this topic: [Private Funding - a growing source for NGOs](#), was informed through a combination of contributions from individuals and desk research.



Complementing the webinar for this topic on UN Humanitarian Funding, the International Association of Professionals in Humanitarian Assistance and Protection (PHAP) took the opportunity to talk with **Annemieke Tsike-Sossah, the Head of Portfolio for the humanitarian sector and emergency relief responses at the IKEA Foundation**. With private funds for humanitarian purposes being more often channelled through NGOs than through governmental or inter-governmental institutions, questions over the role of the private sector in funding humanitarian work are central to the operation of humanitarian agencies.

Read below for Annemieke’s response to various questions. With thanks to PHAP for undertaking this interview.

## EXPERT INTERVIEW QUESTIONS

**Traditionally, private funding to emergencies has been primarily targeted at natural disaster response, but this trend is now changing - for instance, the response to the conflict in Syria received the majority of reported private funds in 2015. From your perspective, why do you think there is now a greater concern in funding aid in armed conflicts from the private sector and individuals?**

“The Syria crisis has brought the refugee issue closer to home for people in Europe, with many people seeking safety and a home here. It is much easier to relate to Syrian refugees, with lives similar to those of many Europeans. This triggers more empathy from individuals and from customers, and therefore a lot more calls to action.

Humanitarian aid, in general, has lost in its perceived neutrality over the years. People see the linkages of it all – and do not always agree with political decisions that affect humanitarian action. They end up taking matters into their own hands and working through civil, community, and business initiatives to get engaged.

Over the years, we have realized that we can get engaged in conflict settings even though our funding comes from a business. We care about the fact that children are in harm’s way, and that is not acceptable. So we are trying hard to convince others to get engaged too.”

**Why should private donors take part in policy discussions regarding humanitarian action, such as the recent World Humanitarian Summit? How do you think their perspectives differ from other actors involved in such discussions?**

“We should see the involvement of the private sector as complementary instead of hailing it as the main solution. The change in the humanitarian sector should encompass the interconnectedness of it all and how to leverage an “unusual suspect’s” best practices to a social or humanitarian problem.

The complementarity comes in a few forms. The first is that private sector brings a different angle, that of customer satisfaction, and by default takes risks to keep satisfying their customer. Then, certain service delivery components of humanitarian support can be made profitable, *i.e.* sustaining, when (social) business principles (and financing modalities) are applied, relieving pressure stemming out of aid dependency. We also need to recognize and leverage what the private sector is already doing, *i.e.* the local businesses that are supporting their own communities in times of need. They have always been there; they are part of society.

The private sector adds a very valuable and new perspective to these conversations, and could shape best practices around aid delivery, efficient logistics, and innovative (use of) products and processes. But the private sector should be in an advisory role, instead of taking a lead in policy discussions.”

**With a large gap between identified humanitarian needs and the available funding, the humanitarian sector is often said to be facing a “funding crisis.” Do you think private funding can contribute to filling the gap between needs and resources?**

“Private funding can make up some of that gap, but perhaps the question should be turned around. The funding crisis – the gap – is also existing because of the definition of funding needs. Maybe it is time to review this by giving more responsibility and the resources that go with it to the people themselves; the gap might diminish.

In relation to that, work stills need to be done in order to show private sector how to get engaged differently, move towards meaningful partnerships, and go beyond corporate social responsibility activities, whenever possible. What’s important is to show how funding is used; to define and measure impact is difficult but increasingly necessary. That is necessary to get to the volume and ability to scale up.

An important element here is the need for a dialogue with the affected people that is coordinated through a country team working directly with them, translating the needs and wishes into the design of multi-year programmes.”

In all our previous sessions on the [overall humanitarian financing landscape](#), [UN funding](#), [pooled funding](#) and [bilateral funding](#), the importance of increasing funding to national and local actors has been repeatedly highlighted. In your work, how do you approach the question of how to best engage international, national, and local partners?

“We need to move away from “for the donor’s sake” perspective. Not only when it comes to programming (“the donor wants to see a waterhole, so let’s build a waterhole”), but also about ways of engaging and setting the programme up to succeed (“is international expertise necessary?”). This requires that donors have the ability to understand the affected population’s needs and wishes much better, and should gradually place leadership and resources with local partners to ensure capability is strengthened there, while drawing on international expertise when this is needed.

This is about donors’ own due diligence processes and its operational model, which should adapt to different actors and their ability to safeguard – for instance – financial, safety & security, and procurement procedures as they are applicable to their context and organizational setup.

This means engaging with international organizations to understand how they do that, and how are they support the capacity building and funding streams of local actors that are first and last responders in crises.

We are still learning how best we can engage with local actors, but we have started to make strides enabling international partners to redesign their operational structures and processes to do this much more efficiently. We are learning first-hand from our own colleagues outside of humanitarian programmes, who are already partnering with several national Indian organizations to further their goals for child protection, health, and land rights.

We are approaching this from a ‘balance’ point of view. It is important to fund local actors more directly. At the same time, we need to keep looking for ways to filter up best practices into the larger world and system, so more communities can benefit and prepare themselves, while leveraging international expertise when necessary.”

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