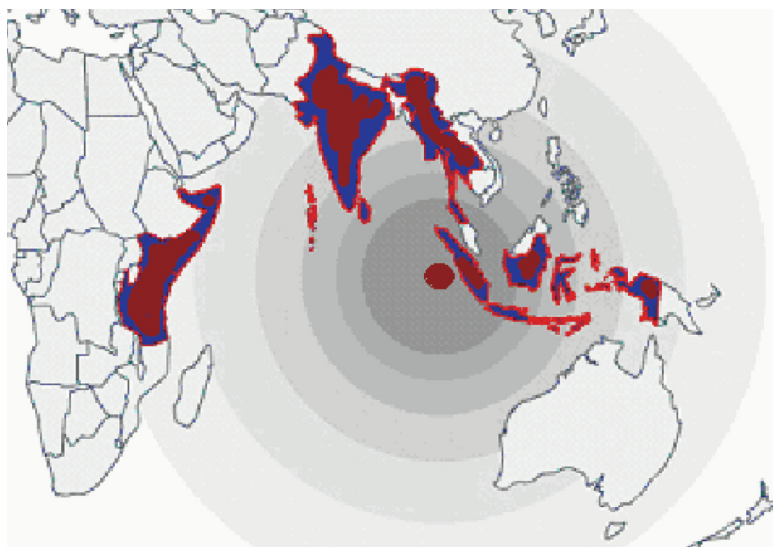


## Tsunami Evaluation Coalition (TEC)

The International Community's Funding of the Tsunami Emergency and Relief



# Government Funding

Sweden

Paula San Pedro  
Silvia Hidalgo  
Virginia Tortella



June 2006

## Table of contents

Abbreviations and acronyms.....	3
Acknowledgments.....	3
Background.....	4
Methodology.....	5
Summary and key points .....	6
I. Introduction .....	8
Limitations and particularities.....	8
II. Overall allocation and disbursement .....	10
Overview .....	10
Allocation in terms of countries.....	14
Committed funds and overall spending .....	17
Grants and untied aid .....	17
Role of the Flash Appeal .....	18
Concentration and distribution on funds in terms of actors.....	18
Implementation mechanisms .....	21
Funding non-traditional areas and sectors .....	22
III. On Good Humanitarian Donorship.....	24
1. Humanitarian principles and objectives.....	24
2. Flexibility and timeliness.....	24
3. Needs based funding .....	25
4. Beneficiary participation.....	26
5. Disaster preparedness and mitigation.....	27
6. Linkages to recovery and development.....	27
7. UN Coordination and ICRC/IFRC mandate.....	27
8. Effect on other crises .....	28
9. Predictability and flexibility .....	28
10. Appeals and Action Plan.....	29
11. Response capacity .....	29
12. Civilian humanitarian action .....	30
13. Evaluation.....	30
14. Financial transparency and accountability .....	30
IV. Decision making criteria .....	32
V. Response strategy .....	33
VI. Human resources .....	36
VII. Sources and bibliography.....	37
VIII. Annex.....	38

### **Abbreviations and acronyms**

<b>ASIA</b>	Asia department at Sida
<b>CAP</b>	Consolidated Appeal Process
<b>DAC</b>	Development Assistance Cooperation
<b>DARA</b>	Development Assistance Research Associates
<b>DACECO</b>	Danish Development Cooperation Office
<b>DFID</b>	Department for International Development
<b>FTS</b>	Financial Tracking System
<b>HUM</b>	Humanitarian assistance department at Sida
<b>ICRC</b>	International Committee of Red Cross
<b>IFRC</b>	International Federation of Red Cross and Red Crescent Societies
<b>INFO</b>	Information Department of Sida
<b>INGO</b>	International Non Governmental Organisation
<b>LRRD</b>	Linking relief rehabilitation and development
<b>MFA</b>	Ministry of Foreign Affairs
<b>MOD</b>	Ministry of Defence
<b>NGO</b>	Non Governmental Organisation
<b>PEO</b>	Human resource department at Sida
<b>SRSA</b>	Swedish Rescue Services Agency
<b>Sida</b>	Swedish International Development Agency
<b>TEC</b>	Tsunami Evaluation Coalition
<b>SEKA</b>	Department for Cooperation with NGOs and Humanitarian Assistance at Sida
<b>UNHCR</b>	United Nations Refugee Agency
<b>UTV</b>	Unit of Evaluation at Sida
<b>WFP</b>	World Food Programme
<b>WHO</b>	World Health Organisation

### **Acknowledgments**

The evaluators of this study Silvia Hidalgo and Paula San Pedro wish to thank the colleagues in Sida, Johan Brisman, Jan Bjerninger, Ola Hålgren, Stefan Dahlgren and Camilla Grubbström, and in SRSA, Kjell Larsson for their collaboration

## Background

This report on Sweden's governmental funding in response to the tsunami is part of a series of country studies<sup>1</sup> undertaken in the context of an evaluation of the international community's funding of the tsunami emergency and relief. The subject is one of five thematic evaluations carried out by the Tsunami Evaluation Coalition (TEC). This thematic evaluation on funding is led by Development Assistance Research Associates (DARA).

"The Tsunami catastrophe that struck Asia on 26 December 2004 is one of the worst natural disasters in modern history. Although the major impact was felt in India, Indonesia, the Maldives, Sri Lanka and Thailand, several other were affected by the tsunami including Myanmar and Somalia. More than 250,000 people died and overall, an estimated 1.5 to 5 million people have been directly affected. Damage and destruction of infrastructure devastated people's livelihoods, and left many homeless and without adequate water and healthcare services.

The world – governments and people – responded with unprecedented generosity in solidarity with the rescue and relief efforts of the affected communities and local and national authorities. More than \$ 6 billion has been pledged for humanitarian emergency relief and reconstruction assistance of the Tsunami affected areas. This has been instrumental in reducing or mitigating the consequences of the disaster, and in boosting the recovery and reconstruction efforts."<sup>2</sup>

In accordance with the terms of reference, the aim of this thematic evaluation on the international community's funding response is:

- a) To provide an overview of the total volume of financial and in-kind funding of the response by the various actors,
- b) To assess the appropriateness of the allocation of funds in relation to the actual relief and reconstruction needs and in relation to other emergencies,
- c) To contribute to a better understanding of public responses to emergencies,
- d) Provide a basis for follow-up studies after 2 and 4 years.

---

<sup>1</sup> Other state donors reviewed include Canada, Denmark, the European Commission, Japan, Ireland, Spain, the United Kingdom, and the United States.

<sup>2</sup> As stated in the Concept Paper for Evaluating the International Community's Funding of the Tsunami Emergency and Relief, 28 June 2005.

The purpose of this study on Sweden's governmental response is to assess Swedish funding policy and decision-making against Good Humanitarian Donorship Principles and:

- Document the amount and pattern of pledges made by Sweden as a donor state in the months following the tsunami. Analyse these pledges commenting on evidence that they represent new funding, or reallocated funding. Seek to comment on the relationship between appeals for assistance on the one hand and the nature of pledges on the other.
- Record actual financial commitments made and comment on how these relate to pledges. Where possible show to which agencies and which countries commitments have been made. Comment on where these commitments with to agency.
- Of these commitments, identify what has actually been spent and how well spending in these first six months was prioritised and disbursed in a way that demonstrates impartiality.
- Analyse what measures have been undertaken to provide humanitarian assistance in ways that are supportive of recovery and long term development.

Finally, while focusing on the funding role of state actors, the study recognises that official donors have increasingly far wider, multi-faceted roles and responsibilities in the field of humanitarian action. It is in the context of this broader donor function and the Good Humanitarian Donorship agenda that this study aims to review Swedish state funding policies and decision making processes.

## **Methodology**

DARA, in collaboration with the Performance Assessment Resource Center (PARC), throughout the month of August 2005 undertook a desk review of background documentation to develop a reporting format, donor questionnaire, based on Good Humanitarian Donorship principles, and tables for financial data collection. These were then contrasted with other evaluation teams involved in the country studies in a coordination meeting held in Geneva on 8 September 2005.

For the purpose of this review, the evaluators used a questionnaire they had previously designed for the overall review of the funding study of the Tsunami Evaluation Coalition (TEC). This standardised questionnaire was presented and discussed in a TEC coordination meeting in Geneva in September 2005 and subsequently applied for all donor-related funding studies of the TEC. The questionnaire focuses on five key areas: Overall allocation and disbursement of funds, good humanitarian donorship, decision making criteria, response strategy and human resources.

The evaluators went to Stockholm by the end of September. Interviews were carried out with representatives from the Swedish Agency for International Development Cooperation (Sida)

and the Swedish Rescue Service Agency (SRSA) during a two-day visit to their Stockholm Headquarters. Further information was also requested through email. The internal study commissioned by Crismart<sup>3</sup> has been a key source of information.

In addition to gathering financial data, the study attempted to draw a timeline to outline and delineate the response so as to shed further light on the decision-making and financial reporting processes.

Interviews done at the HQ to several key people at Sida were very useful and all contacted people facilitated the information that had been requested. The interviewees were extremely cooperative. They all knew about the ongoing TEC joint evaluation exercise and Sida's leadership in the LRRD section.

### **Summary and key points**

Sweden's commitments in response to the Indian Ocean tsunami amount to a final figure of 616 million SEK, 116 million more than the 500 million SEK pledged on 30 December 2004, and later agreed in April 2005. The Tsunami catastrophe had a special meaning for Swedish society as it was considered a national disaster after 543 Swedes died while vacationing in the region. This contributed to attracting a huge amount of media attention to the catastrophe. Despite the uniqueness of the situation, Sida never felt the pressure to pledge or finance a higher amount of aid than it considered appropriate.

Although Sweden has not contributed large amounts of funding and has not played a major role in quantitative terms, its response has added significant value to the international community's relief and humanitarian aid efforts in two ways. First, key humanitarian aid UN agencies rely on Sida's assistance in the immediate aftermath of the disaster and heavily depend on SRSA's deployment capability and support. Sida has contributed to strengthening humanitarian response capacity. Second, Sida is promoting along with other likeminded donors a vulnerability focused response that spans from the initial relief phase into reconstruction efforts. For this purpose it has sought to positively influence policies and strategies within the Indonesia Multi-donor Trust Fund Steering Committee. In fact, Sida approaches the issue from the initial stage in promoting what it defines as "developmental humanitarian assistance," including a poverty focus throughout its action.

Evaluation plays a major role in Sida's response. Sida's staff is committed to forwarding the agency's mission and strives to improve the aid community's performance by insisting on a poverty and vulnerability focus. Sida's approach has also been conflict sensitive. Lessons learnt from the Hurricane Mitch intervention were taken into account from the onset of Sida's

---

<sup>3</sup> Crisis Management Research and Training, Stockholm.

response to the Tsunami. In addition, an organizational evaluation of Sida's response in the Tsunami was commissioned so that the agency could review and improve its performance.

In terms of its response strategy, Sida, through SEKA, initially attempted to commit, allocate and disburse funds rapidly. Part of its calculated response strategy involved maintaining 25 per cent of its funding for the Tsunami unallocated. This amount is reserved in order to adapt Sida's funding to needs and the situation on the ground. An additional Sida calculation in an effort to not hamper coordination efforts was to not multiply the number of operational actors involved. It is for this reason that Sida, in addition to UN agencies, funded NGOs that were already active in Sri Lanka and favoured an almost exclusive involvement in the Indonesia Multi-donor Trust Fund.

Finally, Sida is regarded as a model donor and it is fitting that Sweden has launched the GHD initiative. In its response to the Tsunami, Sida has shown that large amounts of funds and rapid allocation are not always compatible with needs based funding and good donorship. Other GHD principles, such as supporting the UN system have still consistently been a large part of Sida's policy also in the Tsunami relief operation. UN agencies could however, potentially benefit from additional questioning. From an observer's view, Sida's unconditional support to the UN, while positive and necessary, could integrate an angle of constructive criticism. While Sida is involved in CAP workshops among others, because its role for UN agencies is so key, engaging in some degree of questioning could improve UN and international community performance. Other donors and stakeholders are concerned with UN accountability, and the reality of Flash Appeals and decisive Sida action on these issues could prompt real change.

## I. Introduction

In Sweden, the government response to the Tsunami was led by Sida. Sida is a government agency organization under the jurisdiction of the Ministry for Foreign Affairs<sup>4</sup>. It was the state aid organization responsible for the oversight, coordination and administration of the tsunami response. Like other Swedish government agencies, Sida works independently within the framework laid down by the Swedish Parliament and Government. They specify the budgets, the countries with which Sweden - and thereby Sida - is to work with, and the focus of Swedish international development cooperation.

Sida has an extensive and long-term experience in the provision of humanitarian assistance, which is reflected in its total budget. Humanitarian assistance is the second largest item of expenditure (with a budget of 18 billion SEK in 2005) and is mostly allocated to disaster relief programmes. Sweden has become an increasingly important humanitarian donor and disbursements for humanitarian action have increased significantly (above 15 per cent of the total ODA budget) in the last five years.

On 20 September 2005, the Government passed a Budget Bill that will result in an increase of the ODA up to 1 per cent of the GDP and it will be maintained until 2008. A significant quantity of this aid increase will be used for disaster relief.

The tsunami represented a special response in comparison to other past natural disasters (e.g. the Bam earthquake in Iran or the Mitch earthquake in Central America) due to the event's direct impact on Swedish citizens. To a large extent this situation favoured an extreme media focus primarily on the situation around the tourist resorts in Thailand, but also on the other affected areas. It should be noted that all the contributions to Thailand supporting Swedes came directly from the MFA and Ministry of Defence (to SRSA) and not from Sida's budget.

### *Limitations and particularities*

In the last few years, Sweden has recognised the importance of evaluating its humanitarian operations. Hence, the governmental agencies in charge of relief and development have encouraged engaging in evaluation as a means of providing accountability, learning, and improving future response to natural disasters. The case of the tsunami has been no exception and Sida has conducted a specific internal study undertaken by Crismart. The information provided in Crismart's report on Sida's organisational response in the context of the Tsunami relief and recovery operation was used in this study.

Sida's non-earmarking principle which provides implementing agencies with great flexibility does not enable budget to be broken down into specific categories. Therefore, an analysis of

---

<sup>4</sup> To see Sida's Organigram go to Annex, Figure 2.



Swedish funding proves complex, as there is less data available. In terms of data collection and reporting, Sida followed the structure requested by the OECD which is conflicting with other formats (e.g. OCHA) that are more useful to understand the allocation of humanitarian aid funds. These two features make the process of compiling sector data much more difficult, and in some cases information is not as detailed as it should be.

As for particularities, the tsunami has been a special disaster for Swedish society as it had a direct impact on the Swedes that were in the area (most of them in Thailand).

## II. Overall allocation and disbursement

### *Overview*

Sweden's commitments in response to the Indian Ocean tsunami amount to a final figure of 616 million SEK, 116 million more than the 500 million SEK pledged on 30 December 2004, and later agreed in April 2005.

Immediately after the tsunami struck on 26 December 2004, the Swedish media and public sharply criticised the Swedish government - in particular the Prime Minister and Foreign Minister - for their response to the Asian tsunami disaster. They accused the Government of indecision and claimed that it had failed to act effectively in the immediate aftermath of the disaster. Critics also referred to a lack of planning, a failure to co-operate with local authorities and emergency services, and a lack of political responsibility. These criticisms have not yet disappeared<sup>5</sup> but they are only focused on Sweden Government response in Thailand and not to humanitarian response in the other affected countries.

The first Swedish agency to respond was SRSA<sup>6</sup> after OCHA requested disaster assistance for Sri Lanka. The agency was able to obtain immediate financial approval from Sida in order to honour the UN request. On 27 December, the PEO contacted all embassies in the affected region to find out how the working situation was at the embassies and whether they had any capacity to respond. On 28 December, Swedish government representatives, Sida, and large national NGOs met in order to discuss coordination efforts, assess the humanitarian needs and manage the financial response for these requirements. On 29 December, three personnel from the MFA were sent to the Embassy in Colombo to help Sida personnel.

The acute phase was characterized by SEKA's activities through NGOs in parallel to the Embassy in Colombo. Meanwhile the ASIA department was elaborating the needs based study, which would later determine the response programme.

---

<sup>5</sup> These criticisms still continue and will certainly flare up again when the Disaster Commission's report is published by 1 December.

<sup>6</sup> For more information on SRSA see Box 1.

**Table 17. Commitments by geographic allocations**

Country	Humanitarian Aid		Reconstruction & Development		Total	
	Amount in currency SEK	%	Amount SEK	%	Amount	%
India	4,200,500	100	0	0	4,250,000	100
Indonesia	92,771,541	38	151,150,000	62	243,921,541	
Somalia	4,932,000	100	0	0	4,932,000	100
Sri Lanka	36,299,000	22	126,772,448	78	163,071,448	100
Thailand	364,000	5	6,400,000	95	6,764,000	100
Regional	86,650,000	45	106,835,000	55	193,485,000	100
<b>Total</b>	<b>225, 266,541</b>	<b>36</b>	<b>391, 157,448</b>	<b>64</b>	<b>616, 423,989</b>	<b>100%</b>

Source: Sida data

On 30 December, the Minister for Development announced a pledge of 500 millions SEK (around \$63M). This amount was agreed between the Minister of Foreign Affairs and Sida. The content of the pledge had both political and organizational repercussions, and was a political demonstration of decisiveness. On one hand, there was a domestic need to channel the outpour of public solidarity for the victims through government action. On the other, there was a need to deliver assistance. In order to avoid concentration of resources to mediatized needs, to gain flexibility, and to allocate money where they considered best, there was a decision at an early stage of the process to view this economic pledge as a “buffer” used under Sida’s discretion. This “buffer” meant that there was no specific breakdown by countries, sectors or relief and rehabilitation phase.

The overall amount was not significant<sup>8</sup> as a percentage –14 per cent- of the total SEKA budget in 2004 (1,6 billion SEK)<sup>9</sup>. The reason is that Sweden decided that there was enough money put into Tsunami affected countries and there was no need for allocating a bigger sum. According to FTS figures from 15 July, Sweden is placed number 7 in the ranking of donations

<sup>7</sup> For a more detailed table see Table 1 in Annex.

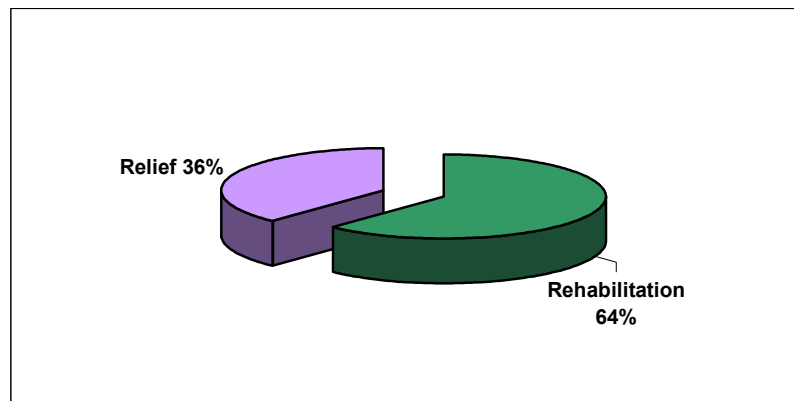
<sup>8</sup> Just to give an example to compare humanitarian assistance budgets in other disasters, in the Mitch the assistance package amounted B1.4 SEK over a period of three years.

<sup>9</sup> Or 12 per cent of total SEKA budget in 2005 as it has increased to 1.8 billion SEK

to the tsunami<sup>10</sup>. Thus, Sweden has not been one of the main donors but it has been coherent with its commitment and has not decreased its original pledge.

Up to September 2005, Sweden had committed 616 million SEK to the Tsunami of which 36 per cent has been allocated to the emergency phase and managed by the SEKA department. The remaining 64 per cent has been allocated to the rehabilitation phase and is administered by the ASIA department.

**Figure 1. Committed humanitarian aid allocation: relief and rehabilitation**



Source: Sida 2005

Sweden has become an increasingly important humanitarian donor and disbursements for humanitarian action have increased significantly in the last few years. Thus, the emergency and disasters relief budget has represented around 15 per cent of ODA. Sida's SEKA budget in 2004 amounted to 1,611 million SEK and the use of funds in relation to the funds available was 100 per cent.

The Tsunami affected countries were not within the five main partner countries<sup>11</sup>. In 2004, Sida disbursed 12,9 million SEK to Sri Lanka in Humanitarian assistance and conflict management, of which 5,4 million SEK was allocated to conflict management and 7.4 million SEK to Humanitarian assistance. In 2003, Sida disbursed 22.3 million SEK to Sri Lanka in Humanitarian assistance and conflict management, of which 21,3 million SEK was allocated to conflict management and 1 million SEK to Humanitarian assistance.

---

<sup>10</sup> Usually, Sweden is one of the most important donors in the response to humanitarian actions. An illustrative example is the Hurricane Stan in Guatemala where Sweden is the first donor.

<sup>11</sup> The five largest beneficiaries are: Sudan, Republic Democratic of Congo, Angola, Gaza and West Bank and Somalia

### **Box 1. The Swedish Rescue Services Agency (SRSA)**

The SRSA is a central supervisory government authority for national and international rescue services. Since 1988, the SRSA has been commissioned by the government to maintain an emergency preparedness and response capacity (personnel and material) for international humanitarian operations. SRSA operations mainly carry out assignments from various UN organizations and financed through Sida but it operates under the influence of two ministries (MFA and MOD).

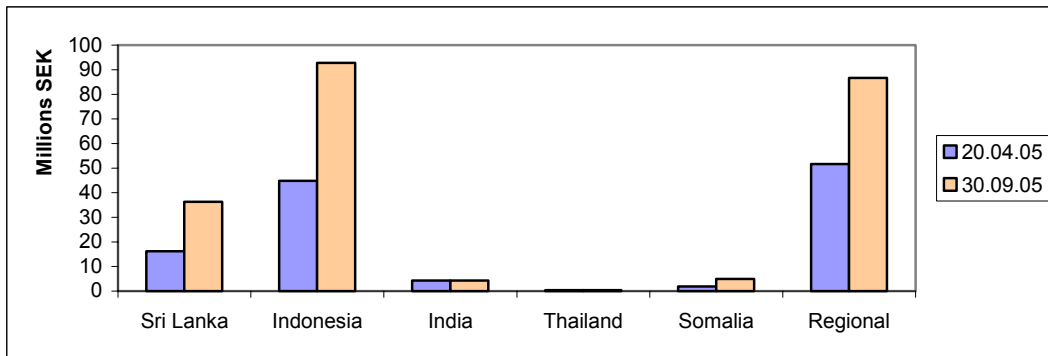
#### **SRSA response to the tsunami**

In the morning of the 26<sup>th</sup> at 8 am UNDAC support was requested by OCHA. SRSA responded positively to requests for two experts and these were immediately deployed first to Geneva to meet with the UNDAC team, and then onto Sri Lanka. In addition, OCHA requested tents for shelter purposes also for Sri Lanka. A third request to SRSA was raised before 10 am asking for an aircraft. A third expert was sent to the Monitoring Information Centre (MIC) in the afternoon. The rapid capacity to take action on these three requests showcases SRSA's ability to respond to crises at all times. On 31 December, the WFP requested SRSA's services in Indonesia. SRSA opened its switchboards and information centre and started receiving calls from individuals in Phuket asking about SRSA's relief efforts.

The head of SRSA called his Director General at 9 am on 26 December and tried to reach the Swedish Embassy in Bangkok. Information flashes started presenting figures that suggested that thousands of Swedes were in Phuket. At 11.05 a.m. the DG of the SRSA asked the Ministry of Defence for permission to intervene in Thailand. The MOD only authorized action at 23.00 hours on 27 December CET. It took more than 26 hours for the Ministry to respond, which was the reason for being criticized. The SRSA was dispatched to Phuket with a flight that Tuesday. At the peak of its operation in Thailand, SRSA had 200 people working. Soon after being deployed, they realized that the operation would continue throughout the year.

The tsunami disaster involved a whole new and different type of response. It was the first time that SRSA worked with psychologists, priests or burial personnel. SRSA channelled its requests through the Bishop of Stockholm, hospitals, and funeral organisations. As a result, it has acquired experience and learned how to work with different professions.

**Figure 2. Timing of total committed relief aid by country <sup>12</sup>**



Source: Sida data, 2005

### *Allocation in terms of countries*

Humanitarian assistance was provided by Sida to all countries hard hit by the Tsunami. In terms of relief commitments, the assistance was allocated primarily in Indonesia (92 million SEK), in the regional programme (86 million SEK), and in Sri Lanka (36 million SEK). Rehabilitation contributions are going to be directed to Indonesia- to Aceh and Northern Sumatra- (150 million SEK), to Sri Lanka (120 million SEK) and to regional programmes<sup>13</sup> (120 million SEK). In addition, Sida has a reserve to be used if required of 50 million SEK.

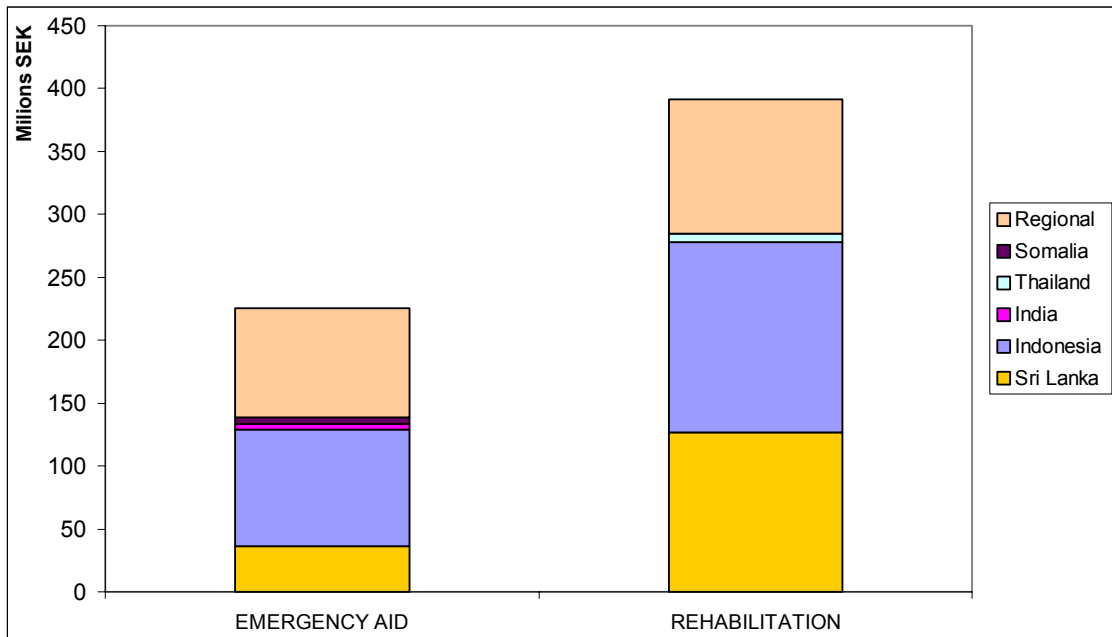
In reference to Figure 1 and 4, funds to India were just allocated in the relief phase therefore Sweden is not working in the country in the reconstruction and development phase because of the Indian Government's initial reluctance to receive assistance<sup>14</sup>. Aid has been problematic in the last few years as India is struggling to get rid of its developing country status. Sweden decided therefore, to channel funds only through NGOs that had been previously working in the country (SMR and PMU Interlife).

<sup>12</sup> There is no information available on reconstruction and rehabilitation for 20 April or any other data previous 30 September.

<sup>13</sup> The regional programme includes not only direct implementation activities but also the LRRD study, the Tsunami study and the TI conference on disaster relief.

<sup>14</sup> India and Thailand initially declined humanitarian assistance. In these cases, Sweden makes an effort to convince them that accepting aid is a good idea given the circumstances.

**Figure 3. Commitments by countries**



Sour

ce: Sida data, 2005

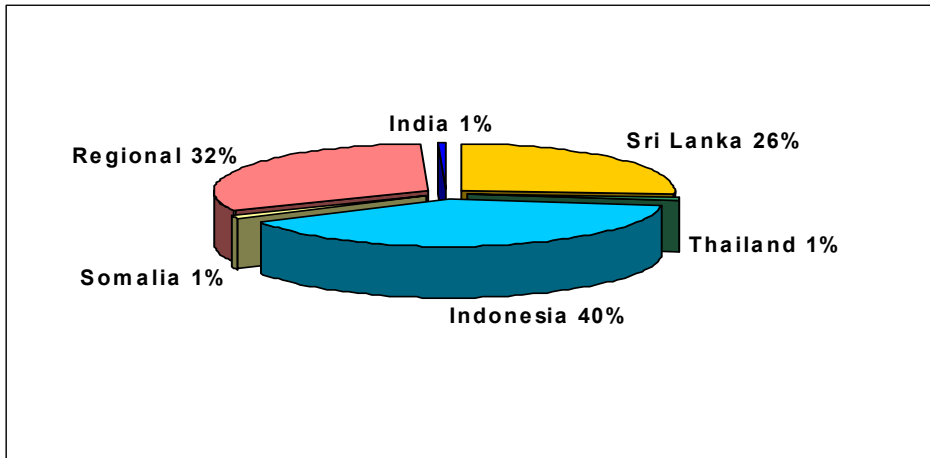
In Somalia, Sweden has already finalised humanitarian assistance given that the totality of funds for the relief phase have already been disbursed, and they are not going to work in reconstruction. Funds have been channelled through the NGO Diakonia, OCHA, and marginally through the IFRC.

As for Thailand, the small sum of relief funds committed (5 per cent of total assistance aid in the country) had been disbursed by 20 April, but the rehabilitation period is still going on. Just one actor funded by Sweden worked in the country during the relief phase, the NGO PMU Interlife.

In Sri Lanka and in the regional programme, the relief phase is still ongoing, partly, because more funds have been committed than those initially anticipated. Actors involved in the humanitarian assistance are merely NGOs which had experience in the country and were involved already in the country programme.

Finally, Indonesia is the country that is receiving the largest amount of funding both in terms of relief and in rehabilitation mainly through the Multidonor Trust Fund. Nearly half of the committed funds however, have not been disbursed.

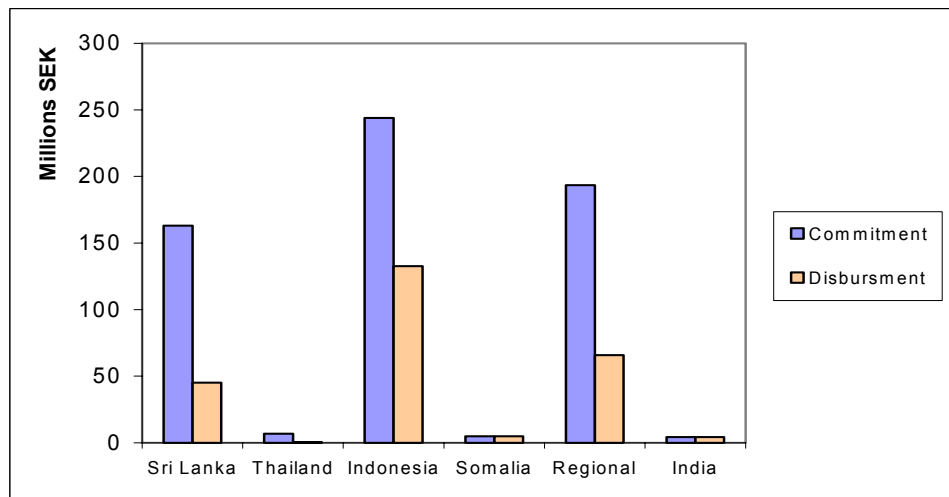
**Figure 4. Commitment by geographic allocations**



Source: Sida data, 2005

In Figure 6, the country that has received less percentage of funds in relation to the committed sum is Sri Lanka where only 27 per cent of the committed funds have been disbursed. The reason for this is that in the case of Sri Lanka cooperation is bilateral and therefore it has followed a different pace. In addition, a needs assessments study is currently taking place and aid for reconstruction and development is channelled through NGOs. The country plan has been revised and includes transformations of five programs or ongoing projects and the addition of six projects and funding initiatives.

**Figure 5. Percentage of disbursements in relation to commitments by 30 September**



Source: Sida data, 2005



### *Committed funds and overall spending*

Relief funding to the Tsunami affected countries came initially from the HUM budget. Taking into account, it was the last week of the year, there were only 9 million SEK remaining in the budget. The 491 million SEK remaining were approved by the government in April, and were transferred from other budget lines that were unspent in 2004.

According to Sida, no other budget lines will be affected by this pledge and there will be no competition between programmes. The main reason for this is that the total ODA budget is going to increase to 1 per cent of GDP next year. This increase will enable further coverage of ongoing programmes and new identified needs.

### *Grants and untied aid*

All the aid given to the tsunami affected countries has been in the form of grants and untied aid.

**Table 2. Breakdown by implementing actor -October 2005**

<b>Implementation foreseen</b>	<b>Actor</b>	<b>Committed Humanitarian Aid (\$)</b>
<b>NGO</b>	<sup>a</sup> IOGT-NTO	1,028,187
	Diakonia	577,811
	ZOA	145,225
	PMU Interlife	549,944
	SMR	723,869
	SC	725,995
	CSA	145,889
<b>NGO Total</b>		<b>3,896,920</b>
<b>UN agency</b>	OCHA	420,549
	WFP	1,393,080
	UNICEF	3,025,800
	UNDP	5,548,084
	IOM	717,634
	UNFPA	284,495
	WHO	5,295,008
	ILO	291,120
	ISDR	1,400,000
	UNJLC	1,393,079

Implementation foreseen	Actor	Committed Humanitarian Aid (\$)
<i>UN Total</i>		<b>19,768,000</b>
Governmental Organizations	SRSA	10,536,549
	Norwegian Refugee Council	1,744,706
<i>Government Total</i>		<b>12,281,255</b>
IRFC/SRC	IFRC/ SRC	3,989,350
<b>TOTAL</b>		<b>39,935,525<sup>15</sup></b>

Source: Based on information provided by OCHA's FTS

### *Role of the Flash Appeal*

Sida channelled its major funding through the Flash Appeal<sup>16</sup>. In addition, Sida also decided to support individual appeals from UN organizations (UNICEF, IOM) before the integrated UN Appeal was available. Sida was aware that through this mechanism there was the risk for potential overlapping of projects and funding but its decision was motivated by the desire to respond quickly and support the UN. Sida's underlying rationale, however, was to focus on Consolidated Appeals rather than individual projects.

### *Concentration and distribution on funds in terms of actors*

Sida is working with several NGOs (international, national, and local), the Swedish Rescue Services Agency (SRSA), the SRC/IFRC, Government organizations, and UN agencies.

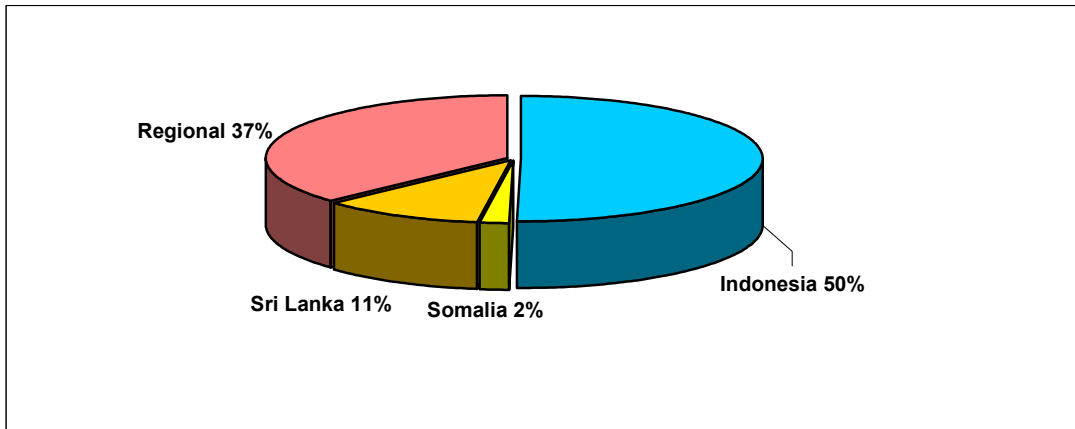
Most of Sida's funding has been channelled through UN agencies, which account for 50 per cent (153 million SEK) of all committed funds. UNDP has received the largest amount followed very closely by WHO. Figure 7 shows how Sida relied mainly on UN agencies in Indonesia and allocated limited funding to the UN in Sri Lanka because in this country, Sida has established partners and a country assistance strategy.

---

<sup>15</sup> The total humanitarian action commitment calculated by OCHA (\$39 million) does not fit with Sida's figure (\$31 million- see table 1). The main reason is that OCHA FTS includes budget allocations under humanitarian action funds while Sida includes them as part of their rehabilitation and reconstruction budget.

<sup>16</sup> By 26 January Sida had granted 200 million SEK of which 150 million went to the UN Flash Appeal.

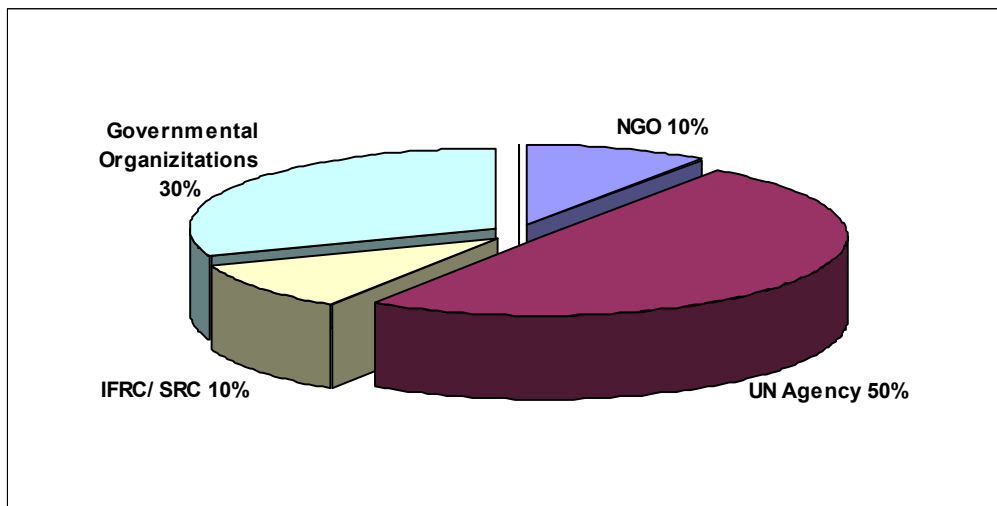
**Figure 7. Swedish contributions in response to UN Flash Appeal by country**



Source: Sida data, 2005

NGOs have received the smaller amount of the budget, 10 per cent. The biggest concentration of NGOs has been in Sri Lanka although they have received a smaller amount to work in Somalia and Indonesia. In India, Sweden's partners have only been NGOs and finally, in Thailand no NGOs have been commissioned to undertake aid related activities.

**Figure 8. Distribution of the Humanitarian Assistance budget**



Source: based on information provided by OCHA's FTS, 2005

Funds to governmental agencies were primarily allocated to SRSA, a main partner of Sida. Up to October, SRSA estimates having spent 50 million SEK in the Thailand operation, and expects this amount to reach 65 million SEK by the end of its response. This amount is provided through an MFA budget line that is not part of Swedish ODA. These operations

have been reported in the FTS with the indication of 0 under financial amounts. As for Sri Lanka and Indonesia, SRSA's funds came from Sida's budget. As Figure 8 shows, around 85 per cent of the committed funds allocated to governmental organizations were directed to SRSA. SRSA finished its operations in Sri Lanka in February and in Indonesia in March.

Sweden funded the IFRC/SRC to work in various countries where they did not have any other presence such as Maldives, Myanmar, and Seychelles. But IFRC/ SRC has been mainly working at a regional level.

Sida funded a greater number of organisations in the emergency phase than in the reconstruction and rehabilitation phase. Nevertheless, almost 70 per cent of the total committed budget has been allocated under the latter phase. This implies that fewer organizations will hold a higher concentration of funds in the rehabilitation phase.

Overall, there was a clear decision from the first moment not to multiply actors and concentrate in coordinating efforts with multilateral donors, especially in the countries where Sida had no previous experience.

### *Implementation mechanisms*

Sida has undertaken two different implementation mechanisms depending on previous established channels in the affected areas. In Sri Lanka for instance, bilateral assistance was utilised for development and reconstruction and humanitarian aid was not channelled by government paths but directed to existing NGOs. Several of these NGOs had previous arrangements with Sida for the rapid disbursement<sup>17</sup> of funds to up to 1 million SEK in the event of a disaster. In the case of the other affected countries, Sweden decided to channel funds through UN organizations, first with individual appeals and later on with the consolidated appeal.

**Table 3. Sector Allocations and Geographic Focus by Donor and Budget**

Contribution Title	Agreed Start	Agreed End	Sub Sector
Emergency Bridges			
FAO Disaster Unit Tsunami			Other emergency assistance
Läkarmissionen Tsunami 04	12.2004	06.2006	Other emergency assistance
NRC Appeal Tsunami 2005-0	02.2005	07.2007	Other emergency assistance

<sup>17</sup> This form of disbursement applies to all countries which Sida works with.

Contribution Title	Agreed Start	Agreed End	Sub Sector
SRK/IFRC Tsunami 2004-05	12.2004	12.2005	Other emergency assistance
Tsunami study	03.2005	06.2005	Unallocated/unspecified
UNEP-COBSEA Tsunami			Other emergency assistance
WHO - Tsunami -05	01.2005	06.2006	Other emergency assistance
ASEAN Tsunami			Other emergency assistance
ASIST - Asia Pacific	12.2004	06.2007	Transport and storage
CORDIO II	04.2004	03.2007	Agriculture forestry & fishing
IMO Tsunami			Other emergency assistance
Kons Bie Granbom, Tsunami	01.2005	03.2005	Other emergency assistance
Livelihood coordination	03.2003	06.2006	Other emergency assistance
Provincial Road Rehabilitation			Transport and storage
SHIA Tsunami 2005	07.2005	09.2006	Other emergency assistance
Contribution Title	Agreed Start	Agreed End	Sub Sector
Tsunami div			
UNEP, post tsunami rehab.	05.2005	06.2006	Environment protection
WFP-Tsunami 2005	01.2005	05.2007	Other emergency assistance
FAO Bay of Bengal Tsunami	06.2005	12.2007	Other emergency assistance
Fond återuppbyggn Tsunami	09.2005	12.2010	Reconstruction relief
IOC Tsunami			Other emergency assistance
Post-Tsun analys "Fas 2"	03.2003	06.2006	Government & civil society
RB-SC/UK Tsunami dec 04	12.2004	06.2006	Other emergency assistance
SEAFDEC Tsunami			Other emergency assistance
SRV Tsunami 2005 Flash appeal	02.2005	07.2006	Other emergency assistance
TI-konf om katastrofhjälp	03.2005	03.2006	Government & civil society
Tsunami PO Jakarta kortt	01.1998	03.2006	Administrative costs
UNDP Rättsstöd 2004-06	03.2004	10.2007	Government & civil society
UNDP Tsunami 2005	01.2005	06.2006	Other emergency assistance
ADPC Tsunami			Other emergency assistance
IOGT-NTO Tsunami 2005-08	06.2005	12.2008	Reconstruction relief
IOGT-NTO, catastrophe S.L	12.2004	03.2006	Other emergency assistance
IOM Tsunami 2005	12.2004	05.2006	Other emergency assistance
Jobsnet	03.2004	12.2007	Business and other services
Revision TI	03.2003	06.2006	Unallocated/unspecified
SEI post-Tsunami			Environment protection
Tsunami LRRD	05.2005	06.2006	Unallocated/unspecified
Tsunami uppföljning			Other emergency assistance
UNDP Tsunami LKA 2005			Other emergency assistance

Contribution Title	Agreed Start	Agreed End	Sub Sector
UNFPA-Tsunami 2005	01.2005	06.2006	Other emergency assistance
UNICEF, Tsunami 2004	12.2004	06.2006	Other emergency assistance

Source: Sida for OECD, 2005

### *Funding non-traditional areas and sectors*

Sida has been working in Sri Lanka, Indonesia, and India for a long time and in the three countries, cooperation aid included humanitarian action.

Especially in the case of Sri Lanka<sup>18</sup>, Sida and its partners decided to put the resources primarily in areas and sectors that were funded before the disaster, thus providing continuity. Donor positive discrimination in favour of conflict affected areas however has at times created an imbalance in the overall Tsunami country response. This unevenness was signaled by Sida's staff in the field and also in HQ referring to donor commitments in the housing reconstruction sector. Since 1998, Sida's development cooperation programme has focused on peace and democracy, economic development to combat poverty, research, and humanitarian aid in order to alleviate the consequences of the conflict and prevent disasters. The current development strategy has been signed until 2007. As already mentioned, the country program has been revised in light of the Tsunami. In this regard, five projects have been changed and six new projects have been designed. The five projects involve rehabilitation of roads, rural electrification, Chambers of Commerce development, equal access to justice and an employment program. The six new projects and funding initiatives proposed as changes to the country plan are in the areas of: environmental assessment and capacity building, support ILO, livelihood and income recovery, the supply of emergency bridges from Sweden, a railway signaling system, a contribution to a Reconstruction Trust Fund, and a Campaign for Development and Solidarity (FORUT).

In the first stage of the Tsunami, Sida allocated aid to Sri Lanka in five basic sectors: health and medical care, clean water, sanitation, shelter, and food. Furthermore, it decided to work in schooling as it was considered vital that children should return to a normal routine as soon as possible.

In the case of Indonesia<sup>19</sup>, tsunami funds have mainly been channelled through UN organizations. Sweden had a long-term strategy focused on democracy, respect for human

---

<sup>18</sup> Sri Lanka is one of the Asian countries that receive more aid. Sida Country plan 2005-2007 will allocate M110 SEK in the country. Of the total amount M105 SEK will be delegated to the Embassy and M5 SEK to the Field Unit.

<sup>19</sup> In 2002 Swedish support to Indonesia totaled 15.210.000 SEK. A small amount in comparison to other countries of the region.

rights, environmental sustainability, and internal displaced people although it was not working in the Aceh area. This program was in place up to December 2004.

In India<sup>20</sup>, the development assistance is currently being phased out. The cooperation programme has centered on health, human rights and democracy, urban development, and environmental issues. NGOs have been Sida's main partner, although Sida has also worked with UNICEF and the International Bank for Reconstruction and Development. As other donors, Sweden is not present in the reconstruction and development phase, as the Indian government has not requested assistance.

Sida also works in Thailand<sup>21</sup> but merely concentrates on Burmese refugee issues. Moreover, aid has also been allocated in the form of concessionary loans towards environmental sustainability and research. Sida decided to fund mainly technical cooperation regarding environmental issues in the reconstruction efforts due to Thailand's refusal to receive aid and given its wealthy situation in comparison to its neighbours. The MFA has been the most active of Swedish authorities working through SRSA.

With regards to Sweden's funding to multilateral organizations, due to Sida's non-earmarking principle with UN organizations, it is difficult to breakdown Swedish funds across sectors.

---

<sup>20</sup> Regular development assistance to India allocated 75.548.000 SEK in 2002.

<sup>21</sup> 34.247.000 SEK was paid out by Sida projects in Thailand.

### **III. On Good Humanitarian Donorship<sup>22</sup>**

Sida is an independent agency from the government under the MFA and therefore does not need to take direct political considerations into account in humanitarian aid decisions. Internally, Sida's departments work independently and can make their own decisions. Nevertheless, communication between Sida's departments is fluent, which enables the agency to work in a coherent way.

#### ***1. Humanitarian principles and objectives***

In 2004, the Swedish government introduced a new humanitarian policy<sup>23</sup> based on the International Humanitarian Law (IHL) and the humanitarian principles of impartiality, neutrality and independence. The "Principles and Good Practice of Humanitarian Donorship" further guided this law. According to this policy, Swedish response to emergencies will have to be needs based, serve to save lives, and alleviate human suffering. Moreover, it sets a framework for funding principles, recognises the leading role of the UN, and the special mandate of IFRC and ICRC.

All the different actors (UN agencies, Swedish and international NGOs and IFRC) that Sida funds claim to adhere to Sphere Minimum Standards in Disaster Response. Sweden, as the promoter of the GHD, is very much involved in the use of the basic principles of HA. In the Memorandum sent to the Government under the Tsunami, there was a specific mention to the GHD principles.

The government only makes financial grants to organizations whose operations are consistent with the humanitarian principles and have accepted standards with regards to humanitarian action.

Sri Lanka serves as an example. In order to comply with the neutrality principle, Sri Lanka's strategy plan includes a special mention to the conflict and how to work in this environment. It appreciates the difficulties of working in many conflict areas and the challenges of distributing aid in accordance to the needs. Despite all the problems, the country strategy clarifies that the immediate relief phase is over in all districts and it has not favoured any sides involved in the conflict.

#### ***2. Flexibility and timeliness***

Sida funding can be characterised as flexible and timely. Sida utilizes two implementation mechanisms, namely: partner NGOs and UN organizations. With regards to NGOs, Sida has

---

<sup>22</sup> See Annex for Swedish Implementation Plan.

<sup>23</sup> Government's policy for humanitarian assistance, Stockholm. 2004.



established an instrument that allows for certain amounts to be disposed to NGOs, so they can draw funds from Sida's budget within 24 hours by sending a simplified application via fax. The maximum withdrawal is 5 million SEK<sup>24</sup>. Sida acknowledged that money during the Tsunami response was not a problem for NGOs, as they already received important sums through private donations.

As for the UN, Sida financed individual UN organizations until 6 January when the consolidated appeal came out. Since Sida's decision-making processes are not as bureaucratic as those of other donors, quick decisions were made to support individual UN organizations and IFRC appeals. Funds under the UN Appeal were non-earmarked with the exception of logistics, which Sida decided to determine since it considered that the allocation for logistics was underfunded. In practice, the amount of unearmarked funds has been overwhelming in the context of the Tsunami response.

In 2004, the Ministry of Finance and the MFA imposed restrictions to manage reallocations between budget lines. Interviewees in Sida agreed that these bureaucratic impediments to transfer money between budget lines constitute a potential obstacle for a swift response. As a result, Sida has requested the right to reallocate funds within the organization as they once could instead of requesting more money.

An illustrative example of Sida's flexibility is Sida's country plan 2005-07 for Sri Lanka. The plan will be open for revision and agreed with the ASIA department during 2005 in order to adapt it to recent needs.

### *3. Needs based funding*

Beginning in late January, the ASIA department participated in a coordinated bilateral verification mission to Sri Lanka to inform the government on how Sida perceived the situation, a possible role for Sweden, and a mandate of what Sida's role should be in the region.

A second report<sup>25</sup> much more elaborated was sent to the government on 20 May. This report gathered information about ongoing relief as well as rehabilitation and reconstruction needs and it was geared towards developing a plan for the Tsunami affected countries. The plan was structured in a flexible way and open for changes depending on how the situation evolved.

---

<sup>24</sup> For NGOs this sum is 1 million SEK, for the Red Cross is 2 million SEK and for the Swedish Rescue Services Agency is 5 million SEK.

<sup>25</sup> According to Sida's data 140.000 SEK have been disbursed for the needs assessment study in Sri Lanka.

This work was done between the SEKA and the ASIA department, other donors, and staff from the Swedish embassy in Sri Lanka. The study included meetings with World Bank, NGOs, and UN. In accordance with the study, 25 per cent of the committed funds have yet to be disbursed. The ASIA department will do it as soon as they know the needs and have a chance to observe what other donors are funding. Johan Brisman<sup>26</sup> said that this disbursement procedure was not usual but adapted to this situation.

The Humanitarian Action department has not disbursed all their committed funds either (270 million SEK) as some of their activities are multiyear and they will have to analyse the needs on an ongoing basis.

Staff at Sida declared on several occasions that they could only work in Sri Lanka where they had a long experience working in development and humanitarian aid. They have local partners, they know the Government and the staff from the Embassy<sup>27</sup>, and have their contacts.

In other countries, such as Indonesia or Thailand, they also had first hand information but of a lower profile. This is why humanitarian assistance has been largely channeled via consolidated appeals and multilateral funds. In the case of other countries, such as Myanmar, where there was no reliable source of information, Sida decided not to work bilaterally.

The institutionalized practice at Sida is that the appeals set the amounts by designating the needs and available resources in combination with the perceived gravity of the situation. Thus, shifting a large part of the information management to the multilateral level of the appeal process. This principle translated into early commitments to flash appeals.

#### ***4. Beneficiary participation***

Direct beneficiary participation is supported by Sida through partner NGOs who work at a grassroots level. For example, Sida is supporting an NGO that defends the rights of the handicapped and has a programme to empower the disabled by providing them with the necessary information regarding their entitlements. Efforts focus on advancing the needs of this vulnerable group ensuring their participation and presence in Tsunami recovery plans.

Sida also attempts to include beneficiary participation through its lobbying within the Multi-donor Trust Fund's Steering Committee by ensuring the presence of different local representative stakeholders as members of the allocating board. Aside from these two ways of

---

<sup>26</sup> Director of the Tsunami Reconstruction Office

<sup>27</sup> Sweden Embassy in Colombo is administered by Sida and oversees a number of development projects and functions.

supporting beneficiaries, Sida does not seem to have a direct mechanism to involve beneficiaries in their aid efforts

### ***5. Disaster preparedness and mitigation***

Sida does not have any specific budget line for disaster prevention. In some programmes, such aspects are built into the programmes as an important aspect rather than as a component specifically focused on disaster prevention. Nevertheless, as a result of the tsunami they now consider that there is an opportunity to work towards disaster prevention. For example Sida participated in the Early Warning Systems meeting celebrated in Manila.

Another way of financing disaster prevention is by funding UN organizations, which support this type of programmes such as ISDR.

### ***6. Linkages to recovery and development***

Sida is especially concerned with this issue and has elaborated a concept paper on "development humanitarian assistance<sup>28</sup>". The complexity of humanitarian assistance and the link to development is even recognized by parliament. Sida has a well defined division: humanitarian aid depends of the HUM department and development cooperation of the ASIA department.

During the response to the tsunami, Sida started early in January to consolidate its Asian programme with other donors' activities in light of the disaster. The principal aim was to introduce development goals from the beginning of the reconstruction and development phase. This linkage was activated by the needs assessment study elaborated by the ASIA department with HUM's input. In spite of the works already taking place, it is too early to evaluate how Sida has managed to balance humanitarian assistance and development.

In addition, Sida is leading the thematic joint evaluation under the TEC that will assess the Link between Relief, Rehabilitation and Development (LRRD). Under this study, Sida will aim to understand the link between these two phases in terms of the Tsunami response.

### ***7. UN Coordination and ICRC/IFRC mandate***

As already mentioned, Sida channels most of its funds through multilateral organizations. Sweden has long experience working with UN organizations and ICRC/IFRC in disasters and strives to support the leading role of the UN and ICRC by allocating the lion share of its support to multilateral channels (approximately 80 per cent of disbursed funding in 2003). This share has increased significantly during the last years. In 2004, Sweden was the largest

---

<sup>28</sup> Development Humanitarian assistance. Concept paper. January 1999. It was the general platform used in the disaster Mitch.

donor to the UN- CAP measured by contributions as a proportion of GDP, and the fifth largest donor measured by contributions in dollars. In this occasion, Sida decided to privilege support to multilateral agencies as it considered there were too many actors and funds, and there was a clear need for coordination.

The Swedish Red Cross and Sida have signed an agreement for “rapid response funds” up to 2 million SEK. This mechanism permits the Red Cross to withdraw money by just sending an application via fax.

#### ***8. Effect on other crises***

Funds from other crises were not diverted towards the Tsunami response and have not affected funding of other emergencies in 2005. There are three main reasons for this. The first one is that the total initial budget committed for the Tsunami was not very high, 500 million SEK<sup>29</sup>, which represents 14 per cent of total humanitarian assistance budget in 2004. The second is that Sweden’s ODA for 2006 is going to increase up to 1 per cent of the GDP. Finally, the Tsunami has been funded from unspent 2004 budget items.

#### ***9. Predictability and flexibility***

Considering that the Tsunami occurred in the last week of the year, 26 December, the HUM budget was limited to 9 million SEK. Despite the bureaucratic impediments to allocate money automatically between budget lines, Sida was one of the first actors in the world to disburse humanitarian funds. In April, the Government decided to supplement the humanitarian assistance budget line with 491 million SEK (\$37.1 million) by authorising the transfer of funds from other budget lines that were unspent in 2004.

Sida has established a mechanism that ensures rapid and predictable response for those organizations that sign a yearly framework agreement with Sida. The agreement gives them a mandate to act independently and respond to sudden emergencies. Thus, the personnel at SEKA can approve an application via fax to release funds that do not exceed a previously agreed sum. The agencies funded are Sida’s partners and must have previous experience working with Sida.

Implementing agencies and NGOs, perceive Sweden as a provider of timely and flexible funding. Sweden strives to make early disbursements to UN- CAP funding (January and February) and provides stable, unearmarked funding to mayor humanitarian partners. Multiyear funding arrangements can be obtained up to three years in advance, subject to parliamentary approval.

---

<sup>29</sup> For the Mitsch Sida allocated 1.4 billions SEK for a period of three years. The Tsunami is not within the top five destinations of Sida’s HA budget of 2004.

## ***10. Appeals and Action Plan***

According to the FTS, Sweden had committed<sup>30</sup> \$39,935,525 in humanitarian aid by 24 October which represents 0,7 per cent of total grand-donor. The amount of this donation places Sweden in the fifteenth positions out of twenty-seven. The amount of uncommitted pledges is \$6.466.126. Of the grand total related to projects in the Flash Appeals, Sweden has contributed with \$21,222,435, which represents 2 per cent of total donations. According to Sida, by 15 September Sida had committed 24,5 million SEK to the IFRC. On 10 January, Sida had paid out a total of 153 million SEK to support the UN Appeal.

Hence, in comparison to other donors, Sweden has contributed relatively less to the Flash Appeal. This responds to Sida's rationale to fund all CAPs unless already well funded. Sweden however, has responded to direct UN requests aside from the flash appeals.

## ***11. Response capacity***

The initial source of information came directly from Thailand when a relative of a Sida employee phoned Sida's Head of the Human Resources Department early in the morning on 26 December. Due to this call and the alarming situation, the Head of the Human Resources Department assumed the responsibility of the situation and called INFO, the Head of Security, the Director General, and the Embassy in Bangkok.

SRSA receives annual funding from Sida's humanitarian budget and the MFA, which enables the organization to deliver a rapid response. Moreover, it has improved recently its regional preparedness and response capacity with depots in Bangkok and further training of staff. Further efforts have gone into identifying UN needs together with the different agencies, OCHA (through UNDAC), WFP and UNICEF. Support modules have been reviewed and the potential for de-mining assistance has been assessed.

In addition, Sida gives courses through the Sida Civil Society Centre (SCSC), a branch of Sida located in northern Sweden, which offers a number of training programmes aimed at civil society organizations in Sweden and in developing countries. Special to SEKA is the Advanced Training Programme on humanitarian assistance for Swedish and Nordic NGOs.

SRSA recognises that it operates well when tasked but that it lacks the capacity for decision-making. An illustrative example is that SRSA could not respond to the disaster because no one was officially requesting their assistance although Swedish citizens were in the area. By mid-January, the government requested SRSA to inform them on how both the government and SRSA could improve their action and define the necessary measures to be taken. It was felt that decision making capacity had to be developed and the process had to be improved. It is recognized that when not UN driven, further input is required and separate financial

---

<sup>30</sup> Includes contributions to the Consolidated Appeal and other such bilateral, Red Cross etc.

resources have to be made available. Better information channels are necessary also and decision making authority should be delegated.

### ***12. Civilian humanitarian action***

Swedish policy makes explicit reference to guidelines regarding the use of military and civil assets. Swedish policy also recognises the primary position of civilian organisations in implementing humanitarian action. In situations where military capacity and assets are used to support the implementation of humanitarian action, Sweden strives to ensure that such use conforms to International Humanitarian Law and humanitarian principles and recognises the leading role of humanitarian organisations.

### ***13. Evaluation***

Sweden has a leading role in the LRRD study and it is therefore much involved in the TEC. It is contributing 300,000 SEK to the TEC Secretariat, and leading and co-funding the LLRD study. Sida's funding of the study has been phased in two payments: the first one of 1,2 million SEK and a second one of 1,8 million SEK. They decided to get involved in this study because they considered it was of general interest. They have foreseen a study next year in order to follow-up with this initial review. Sida seems very involved in the TEC and interested to participate in its dissemination and in the implementation of the results. On the other hand, Sida decided to fund the Secretariat because of the gap in funding that existed.

Sida has commissioned a study of its organizational crisis response to the Tsunami to an external institute, Crismart, which has recently been published. There were capacity reasons for not doing an internal evaluation. Interviewees felt that the TEC was enough in terms of evaluation needs.

Sida believes there is a general lack of evaluations in the humanitarian sector in spite of an increase of work in this area. For this reason, the UTV intends to engage in an increasing number of evaluations. The Tsunami evaluation done by Crismart is a good example of this initiative. Usually, Sida likes to do joint evaluations such as the IDP study.

### ***14. Financial transparency and accountability***

Sida made a considerable effort of informing accurately and in a timely manner to Swedish society and to the FTS. Internal coordination between SEKA and the information department was rapidly established and translated into a close cooperation between communicators (staff from the INFO department) and practitioners (staff from the SEKA department).

Several meetings have been and are going to be held by Sida and the SRSA inviting all the different actors involved in the Tsunami response. Issues in the agenda are: coordination, corruption, conflict in the area, and build back better. The aim of these seminars is to set the right direction and learn lessons from the different actors attending the event.

This said, actual information on the website is not updated (contributions and projects) and most of the information is only available in Swedish. In addition, it will be very useful if Sida published all its website information in English.

## IV. Decision making criteria

Sida's criteria to work in the Tsunami affected countries have been several. When some of these countries declined to receive any aid (initially the case of India and Thailand), Sweden made an effort to convince them that accepting was a good idea given the circumstances. Besides, Sida based its decision-making taking into account multiplicity of actors, knowledge of the country, and possible partners.

These criteria have traditionally been developed in collaboration with other donors and partners. Sida has been working with its regular partners for several years and they have managed to build robust cooperation linkages based on trust. Due to this relationship, Sida has established a mechanism for rapid response to release funds.

Under these criteria, Sida decided to work bilaterally with Sri Lanka as there was past experience, linkages with local NGOs, and a development cooperation program initiated in 1988. In the other affected countries, the option was to work through UN organisations, as the linkages with these countries were not as well developed. Sida considered there was a major gap in coordination issues since there was an initial concern about the problems of matching contributions to needs.

Sida's overall decision making criteria were devoted to making the assistance as effective and secure as possible. Based on these principles, Sida's work was to keep certain priorities: coordinating and strong leadership of the countries themselves, combating corruption, preventing disasters, including a poor people's perspective, planning for long term, working on conflict prevention, and paying special attention to environmental issues.

The guiding principles and criteria established during Sweden's response to Hurricane Mitch have shown to possess a high degree of relevance. The implementation of Swedish initiatives in the aftermath of Hurricane Mitch in fact constituted a positive example and replaced traditional disaster relief with developmental humanitarian assistance. This concept has been then used in Sida's following humanitarian actions, including the Tsunami. The assistance provided, which targets the vulnerable in relief phase attempts, later focuses on the poor. Sida representatives have declared in several occasions that their response to the tsunami has been to create opportunities to turn disasters into opportunities and "build back better". Sida struggles to promote a pro poor rights based principle, improving the probability of the most vulnerable to move out of poverty, and enabling affected countries to achieve the MDGs. Sida recognizes that the international community must do its utmost to avoid people living in poverty to fall into misery, and cites that this has been the case in Nicaragua in the aftermath of the Mitch disaster<sup>31</sup>.

---

<sup>31</sup> Sida's evaluation of the Mitch was titled "Turning Disasters into Opportunities".



## V. Response strategy

Sweden faced the challenge of responding to the Tsunami in two different ways. On the one hand, supporting Swedes affected by the disaster, and on the other, delivering humanitarian assistance. Despite the potential difficulties posed to Sida, they have managed to assist both without detriment for either.

In its strategy response, Sida has clearly relied on the UN system and has been using mechanisms such as the SRSA or the support to NRC (that also supports UN agencies) in order to validate and reinforce the UN system. Some of the following facts demonstrate this mutual reliance on each other. Before the late UN consolidated appeal (6 January) came out, SEKA made the decision to support individual appeals from UN agencies. When the consolidated appeal was issued, Sweden was one of the faster donors to respond to the UN appeal<sup>32</sup>. Furthermore, Sida contributed to the UN mission assigned to assess the situation. In quantity terms, half of Sweden's budget for the Tsunami has been allocated to UN agencies. For this specific disaster, Sida's non-earmarking principle for UN appeals cannot be considered value added as the Tsunami has been mostly funded by private donors who also have a non-earmarked principle. Sida, in spite of the disapproval of other nations to the UN's response, has been one of the only donors that has not voiced any criticism or even mentioned any shortcomings to the UN agencies' role during the Tsunami response. Despite Sida's declaration that it has other platforms to prompt a better UN response, UN agencies could benefit from additional questioning from a supportive donor such as Sweden.

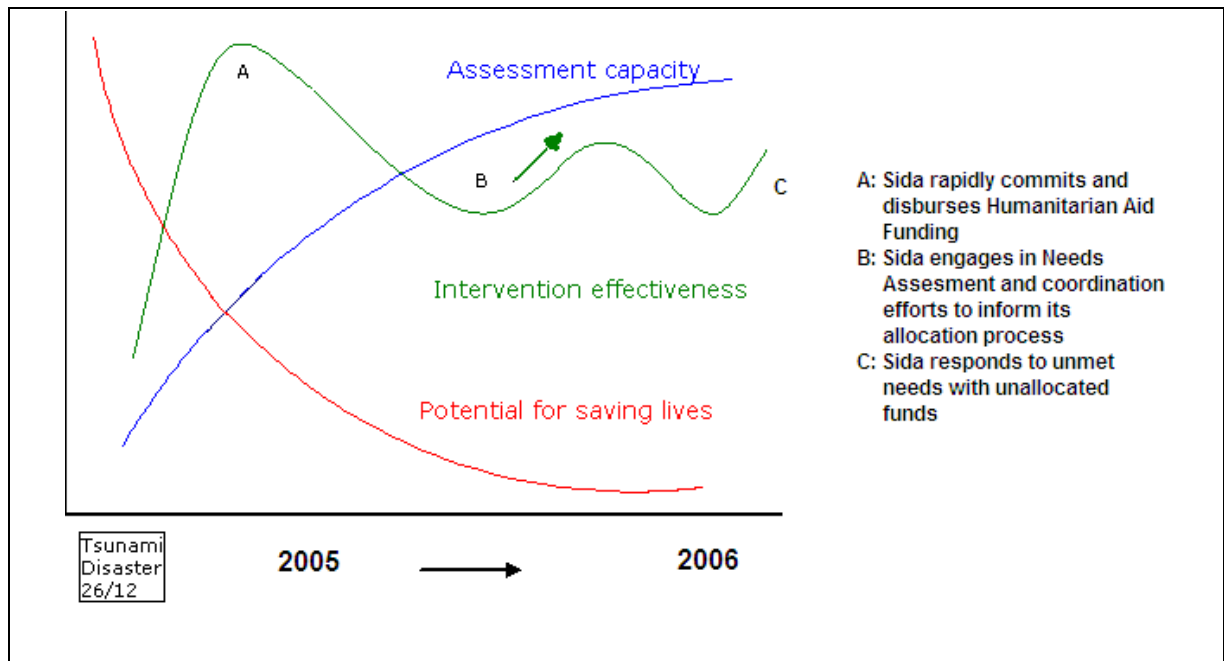
The effectiveness of Sida's (or any other donor's) response is directly linked with its assessment capacity. In the immediate aftermath of the disaster, there was not much information available but Sida was capable of organizing a quick response, which enabled the agency to increase the potential for saving lives. Sida decided not to allocate all the funds from the start and preferred to reserve 25 per cent in order to perform a needs assessment and consider what other donors were funding<sup>33</sup>. Therefore, at the beginning of the year, Sida undertook a needs assessment study and coordination efforts to inform its allocation process. Due to this process, its response effectiveness increased (see figure 10 – B). Sida has programmed another needs assessment study to respond to the unmet needs with unallocated funds (see figure 10- C). On the basis of this assessment they will decide what programmes to implement in the future.

---

<sup>32</sup> IFRC confirms that of 26 donor governments only Canada and Iceland were quicker than Sweden to respond.

<sup>33</sup> Money has been reserved both for the relief phase and for the rehabilitation and reconstruction phase.

**Figure 10. Needs assessment capacity and intervention effectiveness**



Source: author

Sida considers that providing humanitarian assistance to Tsunami affected countries was unproblematic as they are all DAC aid recipients. Moreover, Sida had established relations with all the countries and with some of them pre-existing agreements were in place. Only India initially refused assistance and Thailand was approached cautiously due to some resistance to receive foreign aid. But aid was only given when there was a demand from the country.

As it has already been said, Sida’s response in Sri Lanka was channelled through bilateral mechanisms taking into account its long experience in the country. Early in January, the reconstruction and development phase began in the country although humanitarian relief efforts were still taking place. In order to manage the transition plan between these two phases, Sida sent a report, 26 January, to the MFA committing most of Sweden’s aid to multilateral agencies. A second report with more concrete active plans was sent to the MFA by the end of May. Both reports were quickly<sup>34</sup> approved by the cabinet. Once the reconstruction and development programme was elaborated, they signed a memorandum with the Sri Lankan Government.

<sup>34</sup> The reports were approved in less of a month while Government usually takes two-three months to approve development programmes.

Sida's experience working in both Sri Lanka and Indonesia enabled the agency to be informed about the conflict situation. This understanding of the reality was clearly captured in Sri Lanka's reconstruction and development plan as stated by the interviewees. On the other hand, Sida is aware that political priorities in this country have led to differences in the allocation of aid within regions in the country.

With regards to Swedish intervention in other affected countries, as a member of the Steering Committee of the Trust Fund, Sweden has to negotiate with other donors, the recipient Government, and UN organizations. This mechanism is slower but ensures agreement. Sida is working very closely with DFID and they have similar reviews in important issues.

## **VI. Human resources**

The overall sense was that there was a prevailing reluctance to call in staff from their Christmas holidays. This resulted in officials being heavily burdened. As we have mentioned, the Tsunami had a direct impact on Sweden's society that translated in an impressive demand of information from Sida. Officials had to give response to this demand while doing their own operative duties.

Specifically in the case of Sri Lanka there was a common sense that more staff was needed in the embassy as they were overloaded during the first stages of the catastrophe. In terms of human resources' capacity to respond, the embassy in Sri Lanka did not sense there was a problem neither at the high nor at the operative level, but they considered there were problems in middle management level among the Heads of Unit.

Sida decided to ask Johan Brisman, experienced senior, to come back from his leave and lead the Tsunami Reconstruction Office. In addition, Sida decided to hire a new person in the embassy in Colombo to represent Sweden in the Steering Committee. The new hire started working on 1 September.

## VII. Sources and bibliography

### Publications

DAC OECD, Sweden DAC Peer Review 2005

Frederik Bynander, Lindy M. Newlove, Britta Ramberg, "Sida and the Tsunami of 2004", Crismart. Sida Studies in Evaluation 05/01 (forthcoming)

Pierre Frühling, "Mitch and After", Sida. 2001

Sida, "Development Humanitarian Assistance". 1999

"Direction for Sida grants to NGO fro humanitarian assistance and conflict prevention". 2000

Annual Report 2004

Evaluation Plan 2005

"Contributions after earthquake and tsunami", April 2005 and September 2005

"Total humanitarian assistance per donor", Financial Tracking System. October 2005

### List of Sida personnel consulted

Interviews in Sida's Headquarters in Stockholm. September 2005

- Johan Brisman- Tsunami Reconstruction Office
- Jan Bjerninger- Assistant Director General, Asia Department
- Ola Hälgren- Programme Officer, Division for Humanitarian Assistance and Conflict Management
- Stefan Dahlgren- Department for Evaluation and Internal Audit
- Kjell Larsson- Head of international operations at SRSA

## VIII. Annex

Table 1. Mapping the volume and distribution

	Agency	Total Commitment	of which Emergency aid	of which Reconstruction and rehabilitation	Total disbursements per 2005-09-30	of which Emergency aid	of which Reconstruction and rehabilitation	
SRI LANKA	Swedish Rescue Services /Sri Lankan Government /Sri Lanka Red Cross /OCHA	1,820,000	1,820,000		1,820,000	1,820,000		
	IOGT-NTO via local organisation FORUT Sri Lanka (2004 - 2007)	52,000,000	7,000,000	45,000,000	17,000,000	7,000,000	10,000,000	
	PMU InterLife	1,000,000	1,000,000		1,000,000	1,000,000		
	Swedish Medical Mission Foundation /ZOA Refugee Care	1,000,000	1,000,000		1,000,000	1,000,000		
	Swedish Mission Council via (a) Caritas (b) Building the Church Together (BKGT)	1,600,000	1,600,000		1,600,000	1,600,000		
	Diakonia via (a) Consortium of Humanitarian Agencies (b) Ampara District NGO Consortium	1,990,000	1,990,000		1,990,000	1,990,000		
	UNDP**	5,000,000	5,000,000		0	0		
	Swedish Organisations' of Disabled Persons International Aid Association (SHIA)	159,000	159,000		159,000	159,000		

Review of Swedish State Funding for the Tsunami Emergency and Relief Operation

	Agency	Total Commitment	of which Emergency aid	of which Reconstruction and rehabilitation	Total disbursements per 2005-09-30	of which Emergency aid	of which Reconstruction and rehabilitation
	UNDP	5,000,000	5,000,000		0	0	
	Swedish Rescue Services Agency/WFP+OCHA	1,730,000	1,730,000		1,730,000	1,730,000	
	UNICEF	10,000,000	10,000,000		10,000,000	10,000,000	
	ILO Jobsnet 45000027-03	9,000,000		9,000,000	0		0
	ILO Livelihood and Income Recovery 45000054	2,700,000		2,700,000	2,700,000		2,700,000
	Emergency Bridges 45000057	19,000,000		19,000,000	0		0
	Provincial Roads Rehabilitation 45000031	42,000,000		42,000,000	0		0
	UNDP Access to Justice 72600367	2,000,000		2,000,000	0		0
	Transparency International Sri Lanka 45000056	932,000		932,000	0		0
	UNEP Environmental Assessment 73000639	6,000,000		6,000,000	6,000,000		6,000,000
	Needs Assessment "Phase 2", 45100006	140,448		140,448	140,448		140,448
	Total (Sri Lanka)	163,071,448	36,299,000	126,772,448	45,139,448	26,299,000	18,840,448
	<u>USD Equivalent (conversion rate: 1 SEK = 0.1379 USD)</u>	22,487,553	5,005,632	17,481,921	6,224,730	3,626,632	2,598,098
INDONESIA	UNDP - cash for work, Aceh	34,000,000	34,000,000		0	0	

Review of Swedish State Funding for the Tsunami Emergency and Relief Operation

	<b>Agency</b>	<b>Total Commitment</b>	<i>of which Emergency aid</i>	<i>of which Reconstruction and rehabilitation</i>	<b>Total disbursements per 2005-09-30</b>	<i>of which Emergency aid</i>	<i>of which Reconstruction and rehabilitation</i>
	PMU InterLife/Berea Foundation	1,000,000	1,000,000		1,000,000	1,000,000	
	Swedish Mission Council/Kartidaya	641,541	641,541		641,541	641,541	
	UNICEF	10,000,000	10,000,000		10,000,000	10,000,000	
	Norwegian Refugee Council (2005-2006)	12,500,000	12,500,000		6,250,000	6,250,000	
	IOM	5,000,000	5,000,000		5,000,000	5,000,000	
	UNFPA	2,000,000	2,000,000		2,000,000	2,000,000	
	Swedish Rescue Services Agency/UN-OCHA	25,145,000	25,145,000		25,145,000	25,145,000	
	Swedish Rescue Services Agency/WFP	2,485,000	2,485,000		2,485,000	2,485,000	
	Fund reconstruct Tsunami 41002212	150,000,000		150,000,000	80,000,000		80,000,000
	Tsunami PO Yakarta Short 41000270	1,150,000		1,150,000	168,104		168,104
	<b>Total (Indonesia)</b>	<b>243,921,541</b>	<b>92,771,541</b>	<b>151,150,000</b>	<b>132,689,645</b>	<b>52,521,541</b>	<b>80,168,104</b>
	USD Equivalent	33,636,781	12,793,196	20,843,585	18,297,902	7,242,721	11,055,182
<b>INDIA</b>	PMU InterLife	900,000	900,000		900,000	900,000	
	Swedish Church Aid/ACT	1,000,000	1,000,000		1,000,000	1,000,000	



Review of Swedish State Funding for the Tsunami Emergency and Relief Operation

	Agency	Total Commitment	of which Emergency aid	of which Reconstruction and rehabilitation	Total disbursements per 2005-09-30	of which Emergency aid	of which Reconstruction and rehabilitation
THAILAND	Swedish Mission Council via (a) Hindustani Covenant Church (b) Manna Full Gospel Mission (c) Bethel Fellowship Trust (d) Caritas	2,350,000	2,350,000		2,350,000	2,350,000	
	Total (India)	4,250,000	4,250,000	0	4,250,000	4,250,000	0
	USD Equivalent	586,075	586,075	0	586,075	586,075	0
	PMU InterLife	364,000	364,000		364,000	364,000	
	Local Agenda 21 and tourism, Trang Municipality ecological tourism	5,200,000		5,200,000	0		0
	Khao Lak water, reconstruction of water supply	600,000		600,000	0		0
	CSMP phase 2 Coastal Sensitivity Mapping	600,000		600,000	170,000		170,000
	Total (Thailand)	6,764,000	364,000	6,400,000	534,000	364,000	170,000
	USD Equivalent	932,756	50,196	882,560	73,639	50,196	23,443
	REGIONAL -- South and Southeast Asia	Swedish Save the Children /Save the Children, UK	5,000,000	5,000,000		5,000,000	5,000,000
	Swedish Red Cross /IFRC	25,000,000	25,000,000		25,000,000	25,000,000	
	Swedish Rescue Services Agency/World Food Programme (Indonesia and Sri Lanka)	1,650,000	1,650,000		1,650,000	1,650,000	

Review of Swedish State Funding for the Tsunami Emergency and Relief Operation

	Agency	Total Commitment	of which Emergency aid	of which Reconstruction and rehabilitation	Total disbursements per 2005-09-30	of which Emergency aid	of which Reconstruction and rehabilitation
	WHO	35,000,000	35,000,000		0	0	
	WFP/Logistics through UNJLC, coordination	20,000,000	20,000,000		20,000,000	20,000,000	
	CORDIO II 75000338	13,000,000		13,000,000	8,000,000		8,000,000
	Tsunami LRRD 14000093	3,325,000		3,325,000	14,000		14,000
	Tsunami study 14000086	710,000		710,000	0		0
	ASIST - Asia Pacific 71007745	8,000,000		8,000,000	5,000,000		5,000,000
	TI conf on disaster relief 13000012	1,800,000		1,800,000	1,200,000		1,200,000
	FAO Bay of Bengal Tsunami 73000029	80,000,000		80,000,000	0		0
	Total (Regional South & SE Asia)	193,485,000	86,650,000	106,835,000	65,864,000	51,650,000	14,214,000
	USD Equivalent	26,681,582	11,949,035	14,732,547	9,082,646	7,122,535	1,960,111
	Diakonia via (a) Kaalo Relief & Devt. Org.(b) GECPD and HORSEED Women Org.	1,932,000	1,932,000		1,932,000	1,932,000	
SOMALIA	OCHA (additional funding within decision for Somalia CAP)	3,000,000	3,000,000		3,000,000	3,000,000	
	Total (Somalia)	4,932,000	4,932,000	0	4,932,000	4,932,000	0
	USD Equivalent	680,123	680,123	0	680,123	680,123	0
GRAND	Total	616,423,989	225,266,541	39,157,448	253,409,093	140,016,541	113,392,552

	Agency	Total Commitment	of which Emergency aid	of which Reconstruction and rehabilitation	Total disbursements per 2005-09-30	of which Emergency aid	of which Reconstruction and rehabilitation
TOTAL TSUNAMI	USD Equivalent	85,004,868	31,064,256	53,940,612	34,945,114	19,308,281	15,636,833

Source: Sida data

\* The figure includes contributions in the immediate aftermath of the tsunami ( 2 + 5 million SEK) plus a three-year, 45 million SEK, agreement signed in June

\*\* Refers to a planned support to mine-clearing in the aftermath of tsunami destruction (agreement with UNDP yet to be signed)

**Table 2. Domestic Implementation Plan- January 2005.Principles/Practice**

	Current Situation / Ongoing Activities	Action planned or considered
Para		
4	<ul style="list-style-type: none"> <li>- recurring assertions in international contacts</li> <li>- training programmes, other advocacy in Sweden</li> <li>- included in hum. policy communication to parliament in Dec 2004</li> <li>- financial support to ICRC</li> </ul>	<ul style="list-style-type: none"> <li>- new ATHA training programme in Sweden on humanitarian action, primarily for NGOs</li> <li>- (see point 17)</li> </ul>
5	<ul style="list-style-type: none"> <li>- non- or softly ear-marked annual grants to major hum. org.s</li> <li>- early, predictable, organisation-level CAP grants</li> <li>- early funding available through NGO rapid response funds</li> </ul>	(see points 13, 14)
6	<ul style="list-style-type: none"> <li>- stated in annual gov't instructions to Sida, and in 2003 gov't bill to parl. on Global Development</li> <li>- stated in hum. policy communic. to parliament, gov't hum. policy guidelines to Sida, both Dec 2004</li> </ul>	<ul style="list-style-type: none"> <li>- fund and, where appropriate, participate in joint needs assessments</li> <li>- support IASC process in following up recommendations from ODI needs study</li> </ul>

Review of Swedish State Funding for the Tsunami Emergency and Relief Operation

	Current Situation / Ongoing Activities	Action planned or considered
7	Promote participation of beneficiaries	- Sida recommends implementing org.s to ensure before agreeing on grants, as per grant guidelines
8	Capacity Building-Prevention	- capacity-building: grants to IFRC work - preparedness: support to multilateral efforts, primarily through IFRC - prevention, in wider sense of conflict prevention: support to conflict management activities incl. early warning - support to OCHA surge capacity and UNDAC
9	Relief to Development Linkages	- flexible funding for transitional initiatives from development cooperation budget, as well as from humanitarian budget - encouragement to European Commission (ECHO) to strengthen work on issue
(add.) 10	(add.) Support UN, RD/RC Movement, NGOs	- recurring assertions in international contacts; financial support to UN, RC/HC, NGOs; political support to UN - consult with RC/HC on priorities for Swedish funding
11	Funding for new crises not affecting others	- transfer of funds for hum. action from non-hum. budget lines toward end of year - policy of funding most or all CAPs, depending on needs and funding from other sources - general increase in ODA
12	Predictability and flexibility	- early disbursement of CAP funding (Jan. Feb.) - predictable annual grants to major hum. org.s - portion of grants to ICRC, IFRC field work are non-earmarked contingency funds - rapid response funds placed at disposal of Swedish NGOs, for unforeseen needs  <i>(see points 13, 14)</i>

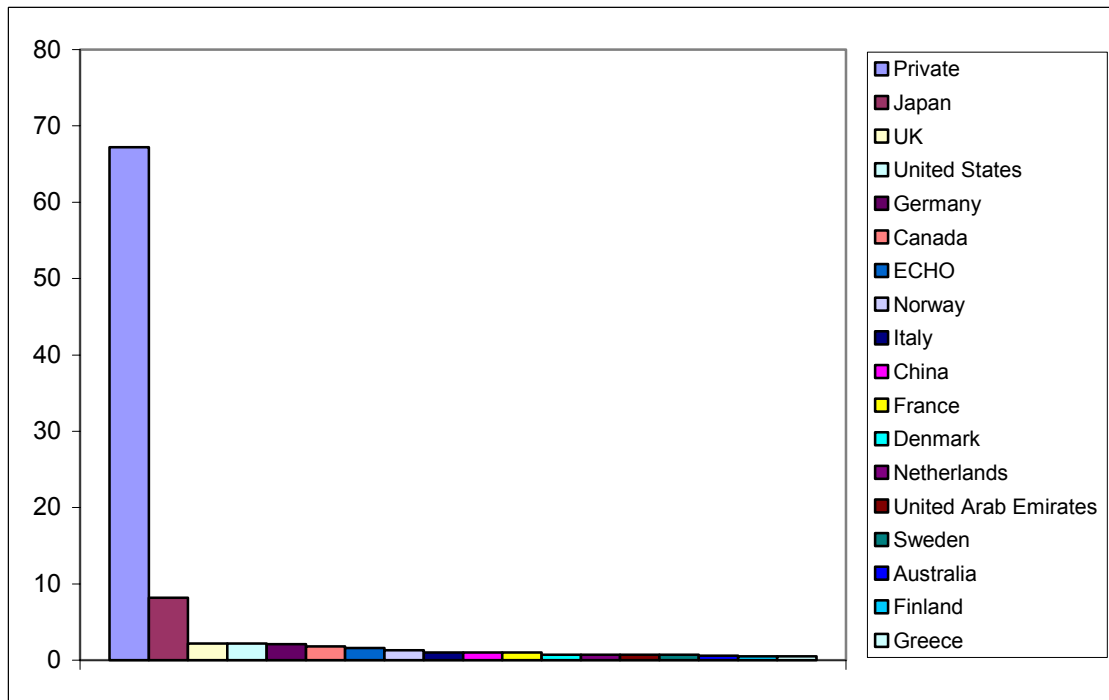
Review of Swedish State Funding for the Tsunami Emergency and Relief Operation

	Current Situation / Ongoing Activities	Action planned or considered
13 (add: a)	Decrease earmarking	- conversion to un-earmarked of those annual grants to major hum. org.s that are softly earmarked today?
13 (add: b)	Longer term funding arrangements	- striving to lengthen terms - two-year grants to major hum. org.s, perhaps w opening for mid-term review if needed?
14	Support to CAP, CHAP	- particip. in CAP and CHAP processes at earlier stages, where appropriate, starting in 2003
15	Promote agency accountability, efficiency, effectiveness	(see point 7);
16	Promote use of IASC guidelines, RC Code of Conduct (add: IDP Guiding Princ.)	- Sida will raise in contacts with Sw. hum. org.s. including with regard to ongoing work on codes of conduct for personal behaviour
17	Support humanitarian access	- intensified assertion - explore with OCHA how and where best to support
18	Support contingency planning	- Sida, MFA will consider, in relation to ICRC, UNHCR, others
19	Primary position of civilian organisations	- engage further in international and inter-agency debate on CMCoord issues, particularly in light of Iraq/Afghanistan
20	Support MCDA Guidelines (94 and 03)	
21	Support learning and accountability	

Review of Swedish State Funding for the Tsunami Emergency and Relief Operation

	Current Situation / Ongoing Activities	Action planned or considered
	initiatives	
22	Encourage regular evaluations	<ul style="list-style-type: none"> <li>- include humanitarian assistance in OECD-DAC peer review of Sweden in 2004</li> <li>- explore possibility of humanitarian Joint Country Assessment within OECD-DAC, of hum. action, in 2005</li> </ul>
23	Better donor reporting on HA	<ul style="list-style-type: none"> <li>- increased follow-up contacts with OCHA/FTS, OECD-DAC?</li> </ul>

Figure 1. Total humanitarian assistance per donor as of 24 October 2005



Source: Based on information provided by OCHA's FTS

Figure 2. Sida's Organisational chart

