



EU Regional Trust Fund in Response to the Syrian Crisis, the 'Madad Fund' State of Play and outlook 2015/2016

This information note sets out the current state of play and outlook for the EU's Madad Fund in response to the Syrian crisis, including the budgetary aspects of the substantial increase of funding from the EU Budget.

1. Context

The Resilience Pillar of the Regional Refugee & Resilience Plan in response to the Syria Crisis (<http://www.3rpsyriacrisis.org/>) is even more underfunded than the humanitarian refugee pillar: as of 20 September, only USD 332 million out of USD 2 billion needed were funded, that is some 15% only. Counting only the needs of UN and NGOs, it is still only USD 237 million out of USD 1.17 billion or some 20%. It is expected that resilience needs in the region will be driven up to USD 2.5-3 billion in 2016.

In response to these resilience needs and dramatic funding gaps, the overall objective of the Trust Fund is to provide a coherent and reinforced aid response to the Syrian crisis on a regional scale, responding primarily in the first instance to the needs of refugees from Syria in neighbouring countries, as well as of the communities hosting the refugees and their administrations, in particular as regards resilience and early recovery. The Trust Fund will thus focus on current priority needs and may also be adapted to reconstruction needs in a future post-conflict scenario.

In its [Communication](#) of 23 September with proposals on [Managing the refugee crisis](#) the Commission i.a. proposed a substantial increase of funding in support of Syrian refugees and their host countries through the EU Regional Trust Fund in Response to the Syrian Crisis, the 'Madad Fund':

"Increasing support for Syrian refugees: The Commission will propose next week to reinforce the European Neighbourhood Instrument (ENI) in 2015 by €300 million to allow an increase of the EU Regional Trust Fund in response to the Syrian crisis and provide assistance to third countries hosting refugees from Syria. Together with a further reorientation of funds from the Instrument for Pre-Accession, this will allow the total EU level funding for the Trust Fund in this phase to reach more than €500 million. Member State contributions should match the EU funding: so that the Fund would reach a total of at least €1 billion. This would be a powerful global demonstration of the EU's commitment to help Syrian refugees."

This was echoed in the [statement of the Informal meeting of EU heads of state or government on migration](#) the same day:

"We ask the EU institutions and our Governments to work speedily on the Priority Actions proposed by the Commission. We want operational decisions on the most pressing issues before the October European Council, along the following orientations:

.....

- *assist Lebanon, Jordan, Turkey and other countries in dealing with the Syrian refugee crisis, including through a substantial increase of the EU's Regional Trust Fund in response to the Syrian Crisis ("Madad Fund");"*

and most recently in the [Declaration of the High-level Conference on the Eastern Mediterranean - Western Balkans Route](#) on 8 October:

*"34. The **EU Regional Trust Fund in Response to the Syrian Crisis** can improve efficiency, flexibility and speed of delivery of EU support across the neighbouring countries affected by the Syrian crisis in order, inter alia, to increase resilience of affected communities. The extension of the scope of the Trust Fund to the Western Balkans is being proposed and additional contributions are being considered."*

2. State of play

The funds already committed to the Trust Fund earlier this year (€38 million EU budget, €3 million Italy) were immediately allocated by the [first Board meeting on 29 May for three programmes on education, food security and livelihoods](#). Almost half of these funds are financing actions in Turkey (€17.5 million). With the EUTF funding UNICEF and the Ministry of Education (€12.5 million) can ensure [since early September that more than 200,000 Syrian refugee children benefit from Arabic teaching](#), psychosocial support, educational materials and refurbished school facilities. With €5 million funding for WFP and the Turkish Red Crescent, we have extended until April 2016 the provision of monthly food vouchers to 41,000 Syrians refugees in three major camps complementing in this way the on-going EU humanitarian assistance, and helping to limit disruptions in aid delivery.

The remainder of the €41 million is contracted for a [regional higher education and training programme](#) to create new learning opportunities for up to 20,000 young Syrians in Turkey, Lebanon, Iraq, and Jordan, starting already with the academic year 2015/16; and to improve [livelihoods of refugees and host communities](#) in Jordan and Lebanon, supporting up to 90,000 beneficiaries. For these two programmes we partner with groupings of European NGOs and agencies from several MS.

On 29 May, the Madad Fund Steering Board also adopted [the Fund's immediate strategic orientations](#) based on the EU Regional Strategy for Syria/Iraq adopted by the FAC in March.

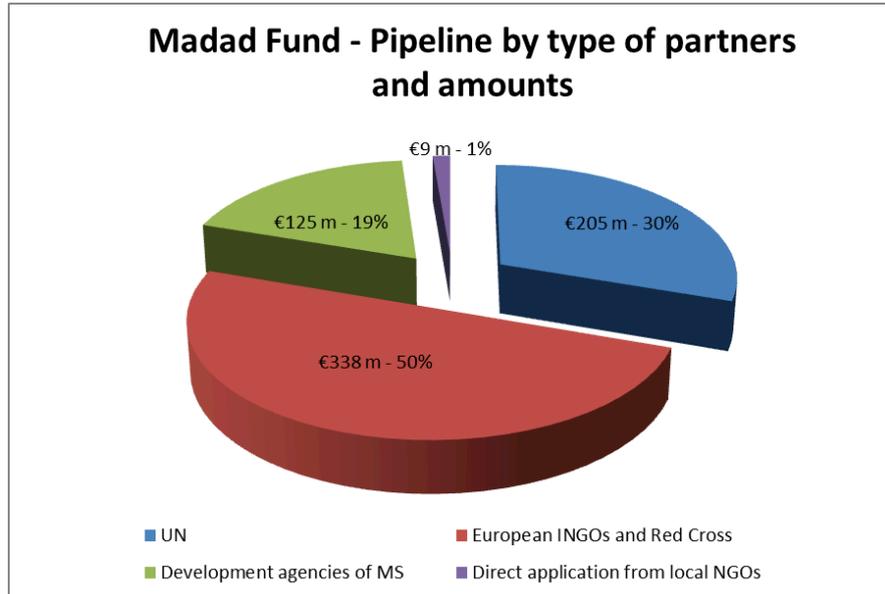
3. What can the Madad Fund achieve with the substantial new funding announced by the Commission?

With the reinforcement of €300 million proposed by the Commission, the Fund should have solid commitments of €500 million in place by end of this year.

At the same time the Fund's outreach to European NGOs and agencies over the last months has yielded very good results: almost 50 large programme proposals for a total of €677 million have been received. Services have been evaluating and preselecting promising proposals together with EU Delegations in the region. Close upstream coordination with EEAS, ECHO and our donors is ensured.

The Fund also focuses on the UN as a strategic partner in the international response, and not just as an implementer. As decided with the MS at the time, the Fund has a priority for leveraging European capacities for aid delivery. But the Fund also works with the UN where there is a clear added value and mandate (e.g. education/UNICEF).

Overall, 70% of proposals and requested funding were submitted by European NGOs and MS Development agencies, 30% from the UN.

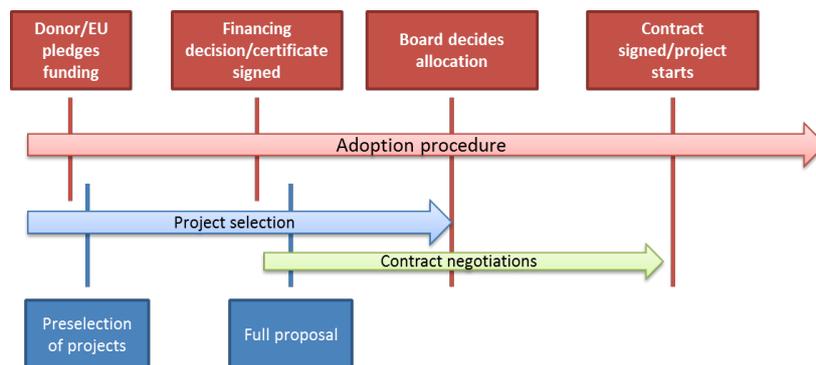


Thus the Fund will be able to turn around the recent EU budget increase timely, and to propose programmes for € 350 million at the 1 December meeting of the Operational Board.

As mandated by the [Declaration of the High-level Conference on the Eastern Mediterranean - Western Balkans Route](#) it is foreseen to enlarge the scope of the Fund to countries in the Western Balkans also affected by the refugee crisis, especially Serbia and FYROM. This would be supported with additional funding from IPA.

4. Fast, effective and efficient delivery

As the Fund's Operational Board can adopt 'Action Documents' for programmes on the basis of financial commitments, we can already **negotiate and sign contracts soon after the Board meeting**, Therefore, from the moment a donor or the EU commits funding and the Board decision to use it, to the project starting in the field, the Fund can move much faster than under normal bilateral cooperation modalities or other Trust Funds, depending on the timing.



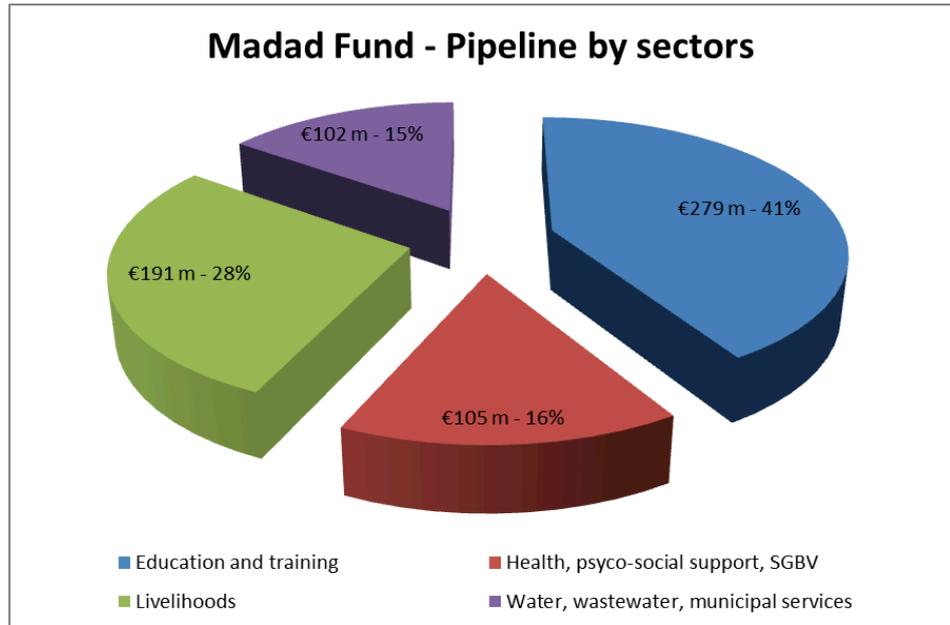
The Fund is also flexible and can quickly react to new crises and displacements should they occur, because it is not bound by fixed country programmes or allocations. The Board can direct funding at short notice where they are most needed.

Also, the **maximum overhead costs (management fee) of the Madad Fund is now limited to only 3%**, as the Fund agreement stipulates this reduced maximum should total contributions exceed €200 million.

It is also foreseen to adopt accompanying actions such as a **Fund-wide M&E programme**. With a rapidly increasing portfolio, regular monitoring on implementation and attained results becomes central. In addition, a **communication campaign** will be launched to ensure good visibility for the EU's efforts. This would serve the purpose to **boost public and political**

awareness on EU support to refugees and their host communities, both in the region, in Europe, and globally.

The Fund can also ensure the necessary quality control of programmes before recommending a program for funding to the Operational Board through the established and tested Commission Quality Support Group procedures. This upstream procedure ensures that colleagues from several EU services (EEAS, ECHO, DEVCO, HOME, NEAR, EU Delegations) are fully involved upstream.



5. Conclusion

The Madad Fund's focus on the mid- to long-term resilience support to refugees and host communities alike not only brings the urgently needed complement to humanitarian relief assistance, it also serves our two main strategic objectives:

- **Stabilise the overstretched host countries** (Lebanon, Jordan, Iraq)
- **Reduce the pull factors and root causes of the migration crisis** (in the entire region)

It is therefore the appropriate instrument for an effective and joint European response by the EU and its Member States in the coming months and years to the migration crisis and the displacement and destabilisation caused by the conflict in Syria and Iraq.

Annex: Overview of current and planned budgetary commitments for the Madad Fund

More information on the Madad Fund's webpage:

http://ec.europa.eu/enlargement/neighbourhood/countries/syria/madad/index_en.htm