



NRC

NORWEGIAN
REFUGEE COUNCIL

OUTCOME REPORT

WEATHERING THE STORM

Why and how development financing actors should stay engaged during political crises

ACKNOWLEDGEMENTS

The Norwegian Refugee Council (NRC) is an independent, international, humanitarian non-governmental organisation (NGO) that provides assistance and protection and contributes to durable solutions for refugees and internally displaced people worldwide.

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Editor: Steven Ambrus

Cover photo: Loaded trucks in Torkham as thousands of Afghan returnees make their way back to Afghanistan from Pakistan. © Maisam Shafiey/NRC

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ACRONYMS

ADB	Asian Development Bank	IFI	International financial institutions
AfDB	African Development Bank	IMF	International Monetary Fund
AGOA	The African growth and opportunity act	INGO	International non-governmental organisation
ANSF	Afghan National Security Force	INTPA	European Commission's international partnerships department
ARTF	Afghanistan Resilience Trust Fund	LIFT	Livelihoods and Food Security Fund
ASEAN	Association of Southeast Asian Nations	LNGO	Local non-governmental organisation
AU	African Union	NGO	Non-governmental organisation
BCEAO	The Central Bank of West African States	NRC	Norwegian Refugee Council
BHA	Bureau for Humanitarian Assistance	NSAG	Non-state armed group
CDM	Civil disobedience movement	MINUSMA	The United Nations Multidimensional Integrated Stabilization Mission in Mali
CNSP	National Committee for Salvation of the People	MPSR	Movement for Safeguard and Restoration
CSO	Civil Society Organistaion	ODA	Official development assistance
DAC	Development Assistance Committee	OECD	The Organisation for Economic Co-operation and Development
DfA	De facto authorities	OFAC	Office of Foreign Assistance Control
EAOs	Ethnic armed organisations	PDF	People's Defence Forces
ECOWAS	Economic Community of West African States	SAC	State Administration Council
EU	European Union	SDC	Swiss Development Cooperation
FAO	Food and Agriculture Organization of the United Nations	SDGs	Sustainable development goals
GDP	Gross domestic product	SDGT	Specially Designated Global Terrorist
HC	Humanitarian Coordinator	SDN	Specially Designated Nationals
HDI	Human Development Index	UCG	Unconstitutional change in government
HNO	Humanitarian needs overview	UN	United Nations
HRP	Humanitarian response plan	UNOPS	UN Office for Project Services
IASC	Inter-Agency Standing Committee	UNSC	UN Security Council
ICRC	International Committee of the Red Cross	UNICEF	UN Children Fund
IDA	International Development Association	WAEMU	West African Economic and Monetary Union
IDB	Islamic Development Bank	WB	World Bank
IDP	Internally displaced person		

PURPOSE

With global humanitarian needs high and the humanitarian funding gap growing year after year as more crises become protracted, donors have made clear policy commitments under the [OECD Development Assistance Committee \(DAC\) recommendations on the nexus](#) to increasingly invest in development and prevention in fragile and conflict-affected settings. The aim is to reduce humanitarian needs by addressing the root causes of people's vulnerabilities.

Such settings, however, are often politically unstable and may undergo an unconstitutional change in government (UCG). Most donors continue to fund humanitarian action in countries after a UCG, but development funding is often suspended or withdrawn.

This research examines the humanitarian consequences of suspending or withdrawing development aid after a UCG, which often obliges already overstretched humanitarian actors to fill gaps in basic services such as health, education, water and sanitation, putting an additional burden on the underfunded global humanitarian system.

Drawing on the findings from case studies on Afghanistan, Burkina Faso, Mali, Myanmar and Niger, it also outlines examples of good practice and recommendations for development donors and international financial institutions (IFIs) on how to remain engaged, and additional recommendations for operational actors.

EXECUTIVE SUMMARY

Our case studies on Afghanistan, Burkina Faso, Mali, Myanmar and Niger show that after an unconstitutional change in government (UCG) the first step traditional development donors – meaning OECD DAC members and observers – and IFIs took was to **suspend any direct budget support** to the de facto authorities (DfAs). For some donors the suspension was a legal or policy obligation, while for others it was a political decision to pause development cooperation while the bilateral relationship was reassessed or in an attempt not to legitimise the DfAs.

Beyond the initial step of suspending direct budget support following a UCG, development **donors took very different approaches to the rest of their development portfolios**. Some suspended all projects in the recipient country, while others found ways to stay engaged in support of development outcomes without directly supporting the DfAs. In West Africa, some donors **redirected funding intended for Burkina Faso, Mali and Niger to neighbouring countries** such as Benin, Chad, Ivory Coast and Mauritania, where environments were considered more conducive to political relations and development cooperation.

Our research identified several examples of **good practice and ways in which donors were able to continue development engagements** in fragile and conflict-affected settings after a UCG without cooperating with the central DfAs:

- **Pooled funds** were found to be an attractive modality for development donors that wish to maintain a low profile in a context following a UCG.
- Others **worked with alternative partners** to the central DfAs, such as international and local NGOs, civil society organisations (CSOs), UN agencies and the private sector.
- Some donors continued to **work with local authorities or technical line ministries** to sustain support for basic services and systems. Decentralised authorities were often unchanged after the UCG and were perceived as less “political” than the central DfAs.
- Rather than supporting national systems and institutions, some development donors had transitioned to **community-level work**, including

health and education services, infrastructure and resilience building.

- Some donors **funded local actors directly** without international intermediaries as a way of continuing investments in civil society and communities, and supporting development outcomes in areas inaccessible to international actors and/or outside government control.
- Some donors **adapted activities** such as large-scale infrastructure or national service delivery programmes that would have required collaboration with the DfAs towards addressing basic needs, resilience or food security in ways that required no collaboration.
- Some donors **built flexibility into development grants** by including crisis modifiers in funding agreements or establishing context scenarios that trigger pre-determined adjustments in programme design.
- Some donors **supported nexus approaches** by allocating both development and humanitarian funding for projects or funding consortiums that encompass humanitarian, development and peacebuilding capacities and outcomes.

Despite these existing modalities for continued development engagements that could be scaled up and applied systemically in politically estranged contexts, **development funding decreased after the UCGs in all five case-study countries.**

Some **investments by non-traditional donors** continued, particularly from Russia and China, but they **did not fill the gaps** created by the suspension or decrease in development investments by traditional donors. The non-traditional investments had more of a business partnership format than more classic forms of development assistance, but lack of transparent data makes it difficult to paint a clear picture of the quantity and quality of such support.

This research also found that **when development funding decreased following a UCG, humanitarian funding did not increase to fill the gaps** left from the lack of long-term development investments. Humanitarian funding did go up initially in Afghanistan, Burkina Faso and Myanmar in line with a sharp rise in the number of people in need, but the increase was

not sustained in Afghanistan and Myanmar, where humanitarian funding levels eventually decreased. Competing global priorities in Gaza, Sudan and Ukraine, Sudan explain some of the decrease, but interviewees for this research also said that **humanitarian funding did not appear to be protected** when donors de-prioritised a country in response to a UCG.

While humanitarian needs have increased in all case study countries following the UCG, it was not possible to establish a causal link between the increase in humanitarian needs and the suspended development funding, as humanitarian needs are influenced by a complex set of overlapping factors. However, interviewees for all five case studies suggested the lack of investment in longer-term outcomes was likely to have **increased the humanitarian caseload and prolonged the humanitarian response.**

Many also pointed out that while people might have met the criteria for inclusion in the humanitarian caseload, development interventions could have addressed their needs pre-emptively and more sustainably. The **health and education sectors were particularly affected** by development aid suspensions, given their heavy reliance on foreign aid and budget support before the UCGs.

Donors' principle of non-engagement was found to **add pressure on humanitarian actors**, who had to raise sensitive issues more directly with DfAs in the absence of support from diplomatic missions in Afghanistan, Myanmar and Niger.¹ The lines between development and humanitarian interventions **also became blurred**, with humanitarian actors taking over service delivery previously run by their development counterparts in close collaboration with the government. This challenged humanitarian actors' perceived neutrality and independence, and they reported feeling instrumentalised, with aid at times being used as a tool to achieve policy results. There were repeated calls for a more pragmatic approach from donor governments in politically estranged settings and whose DfAs are not recognised by traditional donors, emphasising that some level of dialogue with the DfAs was needed to support affected people.

¹ The term "non-engagement" is used to describe situations where donors discontinue any diplomatic cooperation and dialogue with DfAs in an attempt not to legitimise them.

RECOMMENDATIONS

FOR DEVELOPMENT DONORS AND IFIS

- **Stay engaged after a UCG by using alternative funding modalities.** In several case-study countries, hundreds of millions of dollars had been spent on development cooperation before the UCG and on-budget support constituted a significant portion of the state budget. Humanitarian actors cannot be expected to fill the gap following the sudden end of development cooperation, which further emphasises the need for development aid to be adapted and continued.
- **Adapt expectations for development outcomes in fragile and conflict-affected settings.** Development donors and IFIs must adjust expected development outcomes and be more adaptable when investing in fragile- and conflict-affected contexts. Uncertainty is the only certainty in these contexts, and therefore donors should be prepared for different scenarios and build flexibility into programmes accordingly. The ability to quickly adapt development interventions also makes a more convincing case for donor capitals to keep investing after a UCG.
- **Focus less on state building and be more people-centred.** Rather than “instrumentalising” aid to promote democratic or “western” values, development donors must work to promote better opportunities for people living in fragile and conflict-affected settings. Put people rather than governments, elections or state building at the centre of interventions. Continue to focus on systems and structures, but ensure they support people through the provision of basic services, livelihoods and infrastructure.
- **Live up to nexus policy commitments.** The nexus approach emerged in response to the growing number of protracted crises and in acknowledgement that development investments are needed in fragile and conflict-affected contexts to break the cycle of growing humanitarian needs. The Nexus approach should not only be adopted in best-case scenarios. Donors should fund nexus

approaches in fragile and conflict-affected contexts, including after UCGs.

- **Coordinate how to fund interventions in the grey zone between development and humanitarian interventions.** People affected by protracted crises need longer-term outcomes rather than repeated temporary interventions. As part of the system reform agenda, donors and IFIs should address whether grey-zone interventions will be covered by stretching the purpose of humanitarian funding, or whether such grey-zone activities should be covered by development funding.
- **Pay attention to protection and human rights in development responses.** To stay engaged in politically estranged settings, development actors need to ensure safeguards are in place to mitigate the risks of causing harm to marginalised groups and supporting harmful DfA policies.

FOR POLITICAL LEADERSHIP IN DONOR GOVERNMENTS AND MULTILATERAL INSTITUTIONS

- **Consider whether development aid suspensions are an effective policy tool.** While it is beyond the scope of this research to evaluate the effectiveness of development aid suspensions as a policy tool, interviewees consistently questioned whether aid suspensions achieved the desired policy results. Several donors have taken steps to strengthen links between their policy objectives and international development aid, but evidence on their impact is limited (Chatham House, 2023). Interviewees for this research argued that development aid suspensions and sanctions appeared to have hardened the position of DfAs and led them to seek cooperation with alternative partners, with an anti-western narrative noted in all three central Sahel countries. Development aid suspensions also affect populations, who end up paying a high price for the political rupture in cooperation between donor and recipient countries.

→ **Consider maintaining diplomatic relations.** Political leaders should assess whether non-engagement with the DfAs after a UCG yields the desired policy results of non-legitimisations. The considerable risks and pressure that non-engagement transfers to humanitarian actors must be part of that consideration so as to avoid their becoming “instrumentalised” as the only actors on ground able to raise issues and concerns with the DfAs.

→ **Depoliticise aid:** Humanitarian donors must protect the principled nature of humanitarian funding and action. When development aid is suspended after a UCG, such decisions must not have the knock-on effect of decreasing humanitarian funding for the contexts. Humanitarian funding should be based on humanitarian needs alone and not be affected by political interests.

FOR UN AGENCIES AND NGOS

→ **Focus advocacy efforts on donor capitals.** Political decisions about development aid suspensions are often taken in capitals rather than country offices or embassies. Country-level donor staff are often convinced about the need to continue engagement, which indicates that there may be more added value in advocating at decision-making level in donor capitals.

→ **Target non-traditional donors.** Several interviewees said it was unrealistic to expect a handful of traditional donors to continue funding the majority of the world’s humanitarian and development responses. Regional bodies such as the Association of Southeast Asian Nations (ASEAN) could play a more significant role in funding humanitarian and development aid in their regions and should be targeted in advocacy efforts. Greater engagement of non-traditional donors may also require changes in the way humanitarian and development systems are financed and coordinated to provide more attractive incentives. More research on non-traditional donors’ funding structures is needed, as are discussions on how best to accommodate them.

→ **Call for development funding to be channelled through alternative mechanisms rather than “converted” into humanitarian grants.** NGOs and UN agencies should together identify mechanisms relevant to a particular context and advocate for development donors to explore them. Most donor governments have separate legal and political processes for their development and humanitarian credits, and it is not possible for most to transfer funds between the two budgets. It is understandable that humanitarian actors ask for suspended development funds to be converted when the humanitarian response plan (HRP) is severely underfunded, but doing so may be neither realistic nor sustainable.

→ **Ensure broader advocacy efforts for complementary development investments in fragile and conflict-affected settings with built-in flexibility to adapt to changing circumstances.** Such investments are vital to reduce dependencies on humanitarian aid and put nexus approaches into practice. A lack of development funding in fragile and conflict-affected settings is likely to increase the humanitarian caseload and prolong the response. Therefore, NGOs and UN agencies should continue to highlight why broader development investments are needed in fragile and conflict affected contexts to address the underlying root causes that create protracted humanitarian needs.

→ **Expand the evidence base of good practice for alternative mechanisms to avoid the suspension of development aid after UCGs, and align and coordinate advocacy efforts.** More concrete examples are needed of what such continued development engagements can look like, and how to mitigate the risk of legitimising DfAs.² As this cannot be an exercise driven by humanitarian actors in a vacuum, development actors are recommended to take a leading role in this process. NGOs and UN agencies should draw on such research to make evidence-based asks for development donors and IFI.

² An exercise similar to that of the Inter-Agency Standing Committee (IASC) nexus taskforce’s mapping of good practice could be worth considering.

METHODOLOGY



📷 Despite soaring needs, funding and support for the education sector trail behind in the humanitarian response. Only 6.5% of the education needs were covered in 2021 in Burkina Faso, and 7.9% in Niger, making it the least funded sector of the humanitarian response in both countries. © Tom Peyre-Costa/NRC

This research used a case-study methodology to examine the consequences of development aid suspensions in Afghanistan, Burkina Faso, Mali, Myanmar and Niger, where 31 interviews with key stakeholders were conducted. Interviewees included representatives from UN agencies, UN country leadership teams, international non-governmental organisations (INGOs), local non-governmental organisations (LNGOs), donors, IFIs and NRC staff. The findings contained in this report were also informed by desk research.

Interview responses were anonymised to encourage open discussion. Most interviews were conducted between November 2023 and February 2024, with some for the Afghanistan case study taking place in May – June 2023 in relation to [NRC's research on putting nexus approaches into practice](#).

TERMINOLOGY

THIS REPORT USES THE FOLLOWING DEFINITIONS:

Community-level work: Development projects financed directly or through an intermediary and implemented to support the wellbeing and economic development of a specific community or group of people, rather than national systems and structures.

De facto authorities: Governments that have come to power through an unconstitutional change in government (UCG) and are not internationally recognised.

Development donors: Contributors of grants in support of development objectives in a recipient country, including governments, inter-governmental institutions, development banks and foundations.

Development funding: Grants provided by a donor to promote development outcomes.

Development financing: Wider financing flows that promote development outcomes in a recipient country, including grants, loans, debt relief and investments.

Development aid: Programmes and activities implemented to promote development outcomes in a recipient country.

Direct budget support: Development donor funding allocated directly to and administered by a recipient government or government entity in the recipient country.

Fragile and conflict-affected settings: Countries with high levels of institutional and social fragility that are also affected by armed conflict (The World Bank, 2023).

Humanitarian principles: Humanity, neutrality, independence and impartiality.

Humanitarian space: The space in which humanitarian actors are able to conduct operations in accordance with the humanitarian principles.

Nexus approach: Efforts to strengthen collaboration, coherence and complementarity across interventions by humanitarian, development and peacebuilding actors, and which capitalise on the comparative advantages of each pillar to reduce unmet needs by addressing the causes of conflict and vulnerability.³

Politically estranged settings: Countries that have undergone a UCG and whose DfAs are unrecognised by some or all traditional donor governments.

Traditional donors: OECD DAC members and observers.⁴ Other donors are referred to as non-traditional.

Unconstitutional change in government: Any change in government not in keeping with the country's constitution, such as a military takeover or regime change.

³ Based on the OECD DAC recommendations on the Nexus (OECD, 2024).

⁴ The 32 members of OECD DAC are Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, the European Union, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, the United Kingdom and the United States.

1

INTRODUCTION TO THE CASE-STUDY COUNTRIES



This chapter discusses the events leading up to the UCGs in Mali, Burkina Faso, Niger, Myanmar and Afghanistan. It also provides an overview of the international community’s response and some key development and humanitarian indicators for each country.

1.1 MALI

Mali has experienced significant political turmoil in recent years. After contested parliamentary elections in March and April 2020, mass protests broke out in June with demands that the president, Ibrahim Boubacar Keïta, resign. Military leaders led a UCG two months later and arrested Keïta, who was forced to leave office and dissolve the national assembly (European Parliament, 2020). The military officers behind the UCG established the National Committee for Salvation of the People (CNSP) to govern Mali and installed the former defence minister Bah N’daw as transitional president (UN Meetings Coverage and Press Releases, 2020).

The military authorities agreed to an 18-month transitional plan for the return to democracy. The CNSP was dissolved in January 2021 and an interim government was put in place under N’Daw’s leadership. Four months later, however, another UCG took place during which N’Daw, his prime minister, Moctar Ouane, and several other officials were arrested and taken to a military camp in Bamako (International Crisis Group, 2021). Mali has since been led by Colonel Assimi Goïta as interim president.

THE INTERNATIONAL COMMUNITY'S RESPONSE

The African Union (AU) and the Economic Community of West African States (ECOWAS) suspended Mali's membership after the August 2020 UCG (Pichon, E, 2020). In response, the DfAs expelled the French military from the country and requested the immediate withdrawal of the UN's peacekeeping mission (MINUSMA), which took effect at the end of 2023. ECOWAS imposed sanctions on Mali in the immediate aftermath of Keïta's removal, but lifted them after an agreement to hold elections within 18 months.

After the second UCG in May 2021, ECOWAS and the West African Economic and Monetary Union (WAEMU) imposed new sanctions and froze Malian assets held by the regional central bank. When the Malian military authorities presented a plan for a 24-month transition to democracy in March 2022, most of the sanctions were lifted, borders were reopened and diplomats returned (Al Jazeera, 2022c).

MALI IN NUMBERS: key humanitarian and development indicators

Mali is one of the world's poorest countries. It ranked 186 out of 191 on the 2022 Human Development Index (HDI), and more than half of the population lives in extreme poverty (UNDP Human Development Reports, 2024; USAID, 2019). The country is in the throes of a complex and deepening humanitarian crisis, with escalating conflict and violence in northern areas bordering Niger and Burkina Faso (Acaps, 2024).

There were 7.1 million people in need of humanitarian assistance and protection in Mali in 2024 and 390,000 internally displaced people (IDPs) (OCHA, 2024c; IOM, 2024). Mali is also a neglected crisis with only 31 per cent of its 2024 HRP funded (NRC, 2022; OCHA, 2024d). The US, EU and Germany are the country's largest humanitarian donors.

Mali received \$28.8 billion in development grants and loans between 2002 and 2021, with the US and EU institutions the largest donors. Most financing went to agriculture and direct budget support, and significant funds to the education and health sectors (Aid Atlas, 2024b).

SUSPENSION OF DEVELOPMENT FUNDING

France was the only government donor to publicly suspend all development aid for Mali. It did so in November 2022 arguing that the military authorities had aligned themselves with the Wagner military company (Ministère de l'Europe et des affaires étrangères, 2022). The DfAs in turn banned projects operating with French development or humanitarian funding (Nourou, M. A., 2022). Other development donors, including Canada, Denmark, Germany, Norway and the US, suspended direct budget support to the central government and associated line ministries.

Some funding continued for project-based development programmes implemented by NGOs and UN agencies, but overall investments, particularly those of EU member states and European Commission's international partnerships department (INTPA) decreased. The World Bank (WB) suspended payments to Mali in June 2021, before reinstating disbursements for projects and programmes in July 2022.

1.2 BURKINA FASO

Protests against Burkina Faso's government mounted in late 2021 over its perceived inability to curb violence that escalated in armed conflict in 2019, leading to a severe humanitarian crisis (Gerth-Niculescu, M., 2023). Tensions came to a head in January 2022, when military officers overthrew the president, Roch Kaboré, and established the Patriotic Movement for Safeguard and Restoration (MPSR) to run the country. Lieutenant-Colonel Paul-Henri Damiba was installed as president of the transitional government (Human Rights Watch, 2022a). A second UCG took place in September 2022, when Damiba was arrested and replaced by Captain Ibrahim Traoré, based on claims that Damiba had been unable to quell the country's insurgency (The Associated Press, 2022).

THE INTERNATIONAL COMMUNITY'S RESPONSE

The AU and ECOWAS suspended Burkina Faso's membership in the immediate aftermath of the first UCG, and ECOWAS imposed sanctions, including travel bans on senior officials, after the second (France24, 2023c). The US suspended Burkina Faso from its Africa duty-free trade programme in January 2023 (Reuters, 2023b).



Distance to fetch water and time spent queuing are not just excessively long, they can also expose populations to more violence. Beyond attacks on water facilities, civilians on their way to or waiting at water points are being intimidated and threatened by armed individuals. © Jacques BOUDA / NRC

BURKINA FASO IN NUMBERS: key humanitarian and development indicators

Burkina Faso is one of the world’s fastest growing humanitarian crises. There were 6.3 million people in need of humanitarian assistance and protection in 2024 and more than two million IDPs (Start Network, 2023). Burkina Faso was also the world’s most neglected crisis in 2022 and its 2023 HRP was only 37.1 per cent funded (NRC, 2022). The US, the EU and Germany are the largest humanitarian donors.

The country is also one of the poorest in the world. It ranked 184 out of 191 countries on the 2022 HDI, and more than 40 per cent of the population live below the poverty line (UNDP Human Development Reports, 2024).

Burkina Faso received \$28.9 billion in development grants and loans between 2002 and 2021, the largest contributors being the WB’s International Development Association (IDA), EU institutions and the Islamic Development Bank (IDB). The majority of direct budget support went to the agricultural sector, and significant funds also went to education, transport, water and health (Aid Atlas, 2024a).

SUSPENSION OF DEVELOPMENT FUNDING

The US suspended \$160 million in development funding in February 2022 (Mohammed, A., Pamuk, H., 2022). France announced the full suspension of its development funding in August 2023 after the DfA’s statements of support for the UCG in Niger. France had a significant development budget for Burkina Faso at €482 million in 2022, including €13 million in direct budget support (TRF Afrika, 2023).

Other traditional donors also suspended direct budget support, but Denmark, Germany and the Netherlands found ways to continue some development programmes without direct cooperation with the DfAs. After initially stopping disbursements, the WB, the International Monetary Fund (IMF) and the African Development Bank (AfDB) have all reengaged.



1.3 NIGER

Armed conflict has spilled over into Niger from Burkina Faso, Mali and the Lake Chad basin in recent years, and clashes between its armed forces and non-state armed groups (NSAGs) have become more frequent.

The country experienced a UCG in July 2023 when military factions overthrew the president, Mohamed Bazoum, and suspended the country's constitution and institutions (IISS, 2023). The National Council for the Safeguard of the Homeland (CNSP) was established to run the country and General Abdourahamane Tiani was installed as president. An interim government was formed and plans to draft a new constitution announced the following month (European Parliament, 2023). Despite widespread calls for his release, Bazoum remains under house arrest as of April 2024 (Al Jazeera, 2024).

THE INTERNATIONAL COMMUNITY'S RESPONSE

ECOWAS and WAEMU imposed sanctions in response to the UCG, but did not include any humanitarian exemptions.⁵ Among other measures, Niger's assets held by the regional central bank and commercial banks were frozen. Financial assistance from regional development banks was also suspended. The EU imposed sanctions on some individuals but included a humanitarian exemption (European Council, 2023c). Along with Burkina Faso and Mali, Niger announced plans to withdraw from ECOWAS in January 2024. ECOWAS and WAEMU announced an end to their sanctions and other restrictions in February 2024 (Onuah, F., 2024).

SUSPENSION OF DEVELOPMENT FUNDING

Having donated €120 million in development assistance for Niger 2022, France suspended all development assistance and budget support in the immediate aftermath of the UCG, and the EU also suspended its development cooperation (European Parliament, 2023; Akar, M., Balima, B., 2023). The US temporarily suspended part of its funding, amounting to almost \$200 million, soon afterwards. The AfDB suspended its disbursements and the WB all but those for some limited private sector interventions. The WB portfolio amounted to \$4.5 billion between 2022 and 2023, including \$600 million in direct budget support (Arab News, 2023).

As of April 2024, the WB had announced its intention to restart cooperation with the DfAs, but no programmes or disbursements had begun (Hassane, Y., 2024). Most development donors suspended direct budget support to Niger, but Denmark and Switzerland found ways of maintaining some project-based activities without direct cooperation with the DfAs (Africanews, 2023). Belgium also announced its intention to continue community-level support for the education, agriculture and health sectors (Chini, M., 2023).

⁵ For the full list of restrictive measures adopted by ECOWAS on 30 July 2023, see the Final Communique Extraordinary Session of the ECOWAS Authority of Heads of State and Government on the Political Situation in Niger: <https://bit.ly/3WjtVXC>



📷 Children aged mostly between 5-10 came to the fair with their parents and grandparents. © Enayatullah Azad

NIGER IN NUMBERS: key humanitarian and development indicators

Niger is in the throes of an evolving humanitarian crisis. There were 4.5 million people in need of humanitarian assistance and protection in 2024, equivalent to 17 per cent of the population, and more than 335,000 IDPs (OCHA Services, 2024b). The humanitarian response is under-resourced, with the 2023 HRP only 44% funded. The US, the EU and Germany were the largest humanitarian donors in 2023.

Compared with Burkina Faso and Mali, Niger was considered an anchor of stability in the Sahel region and a “donor darling” before the UCG. It received \$20.4 billion in development financing between 2002 and 2021, with the largest sums going to emergency action, debt relief and direct budget support. Forty per cent of Niger’s state budget was dependent on foreign aid before the UCG (European Parliament, 2023). Despite these investments, the country is still one of the world’s poorest. It ranked 189 out of 191 on the 2022 HDI (UNDP Human Development Reports, 2024).

1.4 MYANMAR

In January 2021, a UCG took place in Myanmar and a State Administration Council (SAC) was established, which is currently referred to as the DfA of the country. A State of Emergency was declared in February 2021 and extended since then by the SAC (Ratcliffe, R., 2024; Horsey, R., 2023).

THE INTERNATIONAL COMMUNITY’S RESPONSE

The US, the EU, Norway, Canada and the UK imposed sanctions on Myanmar after the UCG. The US added individuals to its specially designated nationals (SDN) and blocked persons list which prohibits US persons from engagement (OFAC, 2021).⁶ The US Office of Foreign Asset Control (OFAC) also sanctioned Myanmar individuals and entities, but included a humanitarian exemption (Ibid).

⁶ For a full list of those individuals and entities OFAC may target, see <https://bit.ly/3UDrYnO>

MYANMAR IN NUMBERS: key humanitarian and development indicators

Since the UCG, violent conflict between armed vigilante groups referred to as the People's Defence Forces (PDFs) and ethnic armed organisations (EAOs) on one hand, and the Myanmar military on the other hand, have escalated dramatically, with up to 60% of the country's territory estimated to be outside control of the State Administrative Council (SAC) of the Myanmar military (OCHA services, 2024a). The humanitarian situation in Myanmar has deteriorated dramatically since the UCG. There were 18.3 million people in need of humanitarian assistance and protection in 2024, amounting to a third of the country's population, and 2.6 million IDPs (Ibid). Despite the surge in needs, the 2023 HRP was only 44% funded, with the US, Australia and Japan the largest donors (OCHA Financial Tracking Service, 2024e).

Myanmar had been on a journey of development, economic growth and significant reductions in poverty before the UCG. The development since 2011 was stimulated by economic reforms, the lifting of sanctions and a significant increase in foreign investment. The country received \$26.9 billion in development finance between 2002 and 2021, with Japan, the Asian Development Bank (ADB) and the WB's IDA the largest contributors. Sectors including transport, energy and debt relief received the most support (Aid Atlas, 2024c).

As of 2023, however, the economy had shrunk by 30 per cent compared with 2019 (The World Bank, 2023b). The country's key development indicators have also regressed significantly since the UCG. The proportion of the population living under the poverty line increased from 24.8 per cent in 2017 to almost half at the end of 2023. Myanmar ranked 149 out of 191 countries on the 2022 HDI (UNDP Human Development Reports, 2024).

SUSPENSION OF DEVELOPMENT FUNDING

Traditional donors suspended direct budget support after the UCG and some, including Denmark Germany and Sweden, suspended all development aid. Others, including the EU, Norway and Switzerland, have found ways to

maintain some level of support. The WB and the ADB suspended projects and disbursements which had not resumed as of January 2024 (The World Bank, 2021).

Overall development financing for Myanmar has decreased significantly since the UCG, with official development assistance (ODA) from OECD DAC members decreasing from \$2.9 billion in 2020 to \$1.6 billion in 2021 (OECD, 2024b). The 2024 HRP included a chapter calling on development donors to stay and deliver to complement the humanitarian response.

1.5 AFGHANISTAN

The US led international military intervention in Afghanistan launched in September 2001 to overthrow the Taliban. Once the group was removed from power, a transitional administration and an interim government were established and parliamentary elections were held for the first time in more than 30 years in 2005 (PBSO News Hour, 2021).

After almost two decades of military presence in Afghanistan, the US signed the Doha peace agreement with the Taliban in February 2020, under which Washington and its allies withdrew their remaining military personnel by August 2021. This paved the way for the Taliban to quickly advance their territorial control, and on 15 August the group seized the capital and overthrew the elected government led by Ashraf Ghani. Mullah Hibatullah Akhundzada was installed as the country's supreme leader.

THE INTERNATIONAL COMMUNITY'S RESPONSE

Sanctions and counterterrorism measures already imposed against the Taliban by the EU, UK, UN and US were kept in place after the Taliban assumed power (Human Rights Watch, 2022b). This included the US designation of the Taliban as a specially designated global terrorist (SDGT) group (U.S. Department of State, 2024). The US and other countries also froze Afghanistan's foreign currency reserves, worth around \$9.5 billion, after the UCG and financial channels into the country were severely restricted.

To facilitate the response to a rapidly escalating humanitarian crisis, the UN Security Council (UNSC) adopted resolution 2615 in December 2021.

This introduced a humanitarian exemption for UN sanctions on Taliban members, permitting all activities required to support basic needs in Afghanistan (UNSC, 2021).

AFGHANISTAN IN NUMBERS: key humanitarian and development indicators

There were 23.7 million people in need of humanitarian assistance and protection in Afghanistan in 2024, more than half the country's population. There have also been drastic reductions in human rights and freedoms since the UCG, particularly those of women and girls (OCHA services, 2024d). The 2023 HRP was 45.7 per cent funded, with ADB, the EU and the US the largest donors (OCHA Financial Tracking Service, 2024a).

Afghanistan received significant international development assistance before the Taliban takeover, amounting to 75 per cent of the government's budget and 40 per cent of the country's gross domestic product (GDP). It received \$87.9 billion in development financing between 2002 and 2021, with Germany, the US and the WB's IDA the largest contributors, but many of the gains recorded during that period have since been eroded (Aid Atlas, 2024a; Haque, T. A., 2020). Afghanistan ranked 180 out of 191 countries on the 2022 HDI (UNDP Human Development Reports, 2024).

SUSPENSION OF DEVELOPMENT FUNDING

Donors suspended all budget support and any development project that would require engagement with the DfAs immediately after the UCG. Many traditional development donors also froze their wider engagements. Some modified development activities from bilateral budget support to short-term community-level projects with financing mainly channelled through UN agencies. The EU announced a €143 million development aid package in 2023, in support of 'basic needs' in Afghanistan, including support for interventions in the areas of health, nutrition, education and livelihoods (European Commission, 2023).



Loaded trucks carrying house materials and Afghan returnees in Torkham as they make their way back to Afghanistan from Pakistan. © Maisam Shafiey/NRC

The ADB, IMF, WB and other development banks suspended disbursements and loans. The WB initially reprogrammed funds from the Afghanistan Resilience Trust Fund (ARTF) to support UN agencies' interventions in the areas of food, water, health, education and livelihoods.⁷ The WB announced in February 2024 that IDA funds would be made available for Afghanistan for the first time since the UCG to fund UN agencies and other international organisations (The World Bank, 2024b).

⁷ The ARTF is a multi-donor fund supported by 32 donors that is administered by the World Bank to coordinate international assistance to Afghanistan. Prior to the UCG in August 2021, it was the largest source of on-budget financing for Afghanistan's development assistance. <https://www.wb-artf.org/who-we-are/about-us>

2 FINDINGS

2.1 WHAT HAPPENS TO DEVELOPMENT FINANCING AFTER A UCG?

TRADITIONAL DEVELOPMENT DONORS

Traditional development donors' first step after a UCG was to suspend direct budget support to the DfAs in all of the cases examined. For some, such as the US where the Appropriations Act calls for the automatic suspension of development cooperation when a government has been deposed by a military takeover, doing so was a legal requirement (ARTF, 2024). For others it was a political decision to pause development cooperation while the bilateral relationship was reassessed.

Beyond the suspension of direct budget support, donors took different approaches to their remaining development portfolios. Some suspended their entire development budget. This was most noticeable in Afghanistan and Myanmar, with Denmark, Germany and Sweden ending their development portfolios in Myanmar, while INTPA significantly decreased its funding for Afghanistan following in UCG.

In the central Sahel, France was the only donor to suspend its entire development budgets in reaction to UCGs. Others redirected funding intended for Burkina Faso, Mali and Niger to neighbouring countries such as Benin, Chad, Ivory Coast and Mauritania, where circumstances were considered more conducive to political relations and cooperation.

Many donors, however, found ways to stay engaged in the pursuit of development outcomes, particularly in the less politically estranged settings of Burkina Faso and Mali, where France was the only government donor to announce a suspension of all development programmes following the UCG (Sweden later announced suspensions of development aid to Mali and Burkina Faso due to the countries' support of Russia in the UNSC more so than the UCG itself).

This research found several examples of different approaches, adaptations or alternative modalities undertaken by traditional development donors that allowed them to stay engaged and fund development projects following a UCG. These fell broadly into two categories, changing the type of activities funded and changing the implementing partner. Examples of good practice included:

- **Changing partners:** Some donors switched from working with government entities to NGOs and UN agencies, bypassing formal engagement with the DfAs. In Afghanistan, for example, the ADB mainly implemented projects and channelled funds through the government before the Taliban takeover. Following the UCG, the ADB, like most other donors, adopted a policy of non-engagement with the DfAs and suspended all funding and projects through the authorities at all levels. Instead it began to, and continues to ensure ADB's continued development engagement in Afghanistan, the bank adapted its operating modalities and today allocate funding exclusively through UN agencies, which can then subcontract partners to implement ADB grants. In another case, Switzerland adapted an infrastructure project it had with the Niger government so it could be implemented by the Swiss INGO Helvetas after the UCG.
- **Working with the private sector:** Some donors adapted their intervention modalities by increasingly working with private sector partners. For example, in compliance with the principle of non-engagement, Switzerland was not able to support the public health infrastructure in Myanmar through the DfA. However, given the dramatic need for health care in Myanmar, Switzerland instead supported some private hospitals and primary and secondary healthcare clinics in areas controlled by EAOs.
- **Working with local authorities and line ministries:** Despite principles of non-engagement and suspension of any direct funding for the DfA, some development



View of temporary camp at Torkham border for Afghans returning from Pakistan. © Maisam Shafiey/NRC

donors chose to allow a degree of collaboration with the DfAs, particular in areas where they play an important role, such as healthcare, education, nutrition, infrastructure and water. Such collaboration tended only to happen at the local level or with technical departments and line ministries with no direct involvement of the central authorities. For example, NGOs with German development funding in Mali were allowed to continue technical engagement with the DfAs and support for local authorities, while Switzerland’s decentralised development approach allowed the Swiss Development Cooperation (SDC) to continue its work with municipalities and regions in Niger while direct collaboration with the central authorities was paused.⁸

→ **Working at the community level:** Many donors highlighted that they had been able to continue to implement development projects at the community level. For example, Denmark phased out parts of its country programme on local governance and decentralisation reforms in Mali after the

UCG, but it adapted its funding for community-level interventions, funded through intermediary INGO partners, applying nexus and localisation approaches. It was emphasised, however, that such community-level development projects cannot address the systemic structural changes often needed to ensure economic development and service delivery at scale but can be a temporary work-around in the absence of more central-level intervention modalities.

→ **Funding local NGOs or CSOs:** The direct funding of local actors was highlighted as a way of ensuring that development projects were implemented in Myanmar, where international organisations have limited presence and access. Some donors, such as Switzerland, were able to fund local actors directly. Others, whose internal regulations prohibit them from doing so, channelled funds through an intermediary INGO or UN agency instead. Donors saw funding local actors as a positive step towards their policy commitments to localisation, but some interviewees also highlighted that the

⁸ The Swiss Development Cooperation’s (SDC) strategy prioritises development efforts at provincial level or within rural or urban communities and have development programs that support decentralisation and economic development at local levels. <https://bit.ly/3wf0efS>

localised response came with a set of challenges, including overwhelming the local actors concerned, the inability to intervene at scale and a lack of direct monitoring. Risks for local organisations' staff were also mentioned, with unregistered NGO workers facing potential criminal charges when implementing aid programmes. The direct funding local actors was not mentioned as a modality for sustaining development engagements in Afghanistan, Burkina Faso, Mali or Niger, where international organisations have better access than in Myanmar.

→ **Changing programme design:** Before the Taliban takeover in Afghanistan, the ADB was engaged in the transport, energy, agriculture and social service sectors with the government as its main partner. After the UCG, it not only changed its implementing partner, from the government to UN agencies, but also adapted its programming to focus on basic human needs. This has included funding for the Food and Agriculture Organization (FAO)'s work on resilience and food security and the United Nations Children Fund (UNICEF)'s community-based education interventions. Such adaptation has provided short-term support, but many interviewees insisted that development financing should eventually be directed toward medium and longer-term interventions, particularly in livelihoods and economic resilience. In Burkina Faso, the WB and ADB have reengaged since the UCG, but with a greater focus on basic needs, which requires less direct cooperation with the DfAs.

→ **Using pooled funds:** The use of pooled funds was highlighted as a way for development donors to continue channelling funding to context that had experienced a UCG. For example in Myanmar, several interviewees said pooled funds managed by the UN Office for Project Services (UNOPS) had allowed development donors who did not want to be seen to be supporting or legitimising the DfAs to maintain a low profile while investing in the country. They also said pooled funds made interventions more "sellable" and less risky in donor capitals, because funding was going towards a larger intervention; and that pooled funds were a way to circumvent restrictive donor conditions, because the funds would be

combined with those of more flexible donors. The Access to Health Fund' managed by UNOPS in Myanmar, was highlighted as a good example (Access to Health Fund, 2024). Development donors originally established it to support the public health system, but after the UCG it was able to adapt its activities towards emergency health interventions normally undertaken by humanitarian actors. Interviewees said this type of intervention might not have been accepted by donor capitals if proposed as a unilateral development project, but that the pooled nature of the fund allowed flexibility to operate in the grey zone between development and humanitarian interventions. UNOPS also manages several other pooled funds, such as the Livelihoods and Food Security Fund (LIFT), the Joint Peace Fund and the ECHO/INTPA-funded Nexus Response Mechanism, underlining the popularity of pooled funds among donors in Myanmar (Livelihoods and Food Security Fund, 2024; Joint Peace Fund, 2024; Nexus Response Mechanism, 2024). Similarly, in Afghanistan, the WB administers several pooled funds, including the Afghanistan Reconstruction Trust Fund (ARTF), a multi-donor mechanism established in 2002 to provide coordinated development assistance allocated bilaterally via the government. Programming funded through the ARTF was suspended after the UCG, but since 2022 it has been allocating funds to UN agencies for essential service provision and livelihood interventions (ARTF, 2024).

→ **Converting suspended development funds into humanitarian funds:** Some development donors converted a portion of the suspended or frozen development funds into humanitarian funding. Japan, for example, has fewer administrative and legal separations than other traditional donors between its development and humanitarian allocations, meaning it was able to convert a portion of the former into the latter in Afghanistan and Myanmar. Switzerland also has some flexibility in transferring funds between its development and humanitarian budgets, and was able to do so in Niger.

Many interviewees, however, said development and humanitarian funds had been created for different purposes and that conversions were not sustainable because longer-term investments

were needed. Nor were most donors able to convert development funds into humanitarian funds given the different credit frames and political processes approving and directing the two funding streams. Rather, some donors increased their humanitarian budgets while their development funds were suspended or decreased, as was the case for the US and Sweden in Myanmar.

Despite the above examples of engagement following a UCG, development funding levels decreased in all five case-study countries after the UCGs and the following political estrangement. This was not, however, always a direct result of the UCG, but rather that the political estrangement led development donors to prioritise investments elsewhere. The European Council's recent decision to cut €2 billion in development funding from the NDICI-Global Europe instrument, for example, was unrelated to UCGs and political estrangement, and rather related to the EU's increased prioritisation of funding for migration and Ukraine (European Council, 2023d). However, the implementation of these cuts to the EU's development assistance budget is understood to likely target countries where the EU has less political cooperation, and there are concerns about significant INTPA budget cuts in all of case-study countries discussed in this report.

Interviewees also highlighted, that often, only existing and budgeted development projects tended to be implemented in the five case-study countries, while new frameworks were delayed, decreased or simply not introduced. Several country-based donor representatives said decisions about continued development engagement were driven from capitals, and that as such it was imperative that donors' embassy or country offices demonstrated that they could quickly adapt their portfolio to continue to deliver development outcomes. If budgets are unused, cuts imposed from capitals become more likely.

WB procedures in case of a UCG

The WB's operational policy 7.30 stipulates that all disbursements on projects under implementation are suspended after a UCG when the DfAs are contested (The World Bank, 2024a). This is a part of the bank's risk management strategy, because it finances governments directly and needs to know who the recipient is, which may not be clear when several actors claim to be ruling authorities.

For disbursements to restart, a reassessment has to determine that an appropriate legal framework has been put in place and the country complies with the bank's criteria for reengagement.⁹ The decision as to when to undertake a reassessment and consider reengagement is a political one made by the bank's board, and is strongly influenced by powerful stakeholders such as the US.

In terms of the case-study countries, the WB has already restarted engagement and disbursements in Burkina Faso and Mali, and a reassessment has recently been carried out in Niger. In Afghanistan and Myanmar, however, there is no formal engagement with the DfAs and no reassessment has been undertaken. In Afghanistan, however, the World Bank announced in February 2024 that some IDA funds will be allocated to fund UN programs and other international organisation, outside coordination with the DfAs.

While beyond the scope of this research to evaluate the efficiency of development investments before a UCG, it is worth noting that many interviewees expressed concern that previous development aid allocations had created significant dependence of foreign aid and not sufficiently responsabilised governments or built sustainable capacities. This happened, for example, when certain government donors required work to be carried out by contractors and with material from the contributing country rather than sourced locally.

⁹ These criteria include: 1) Legitimacy: The de facto government must demonstrate legitimacy in its control over the country or territory. 2) Recognition: The Bank considers whether the government is recognised by the international community or by other countries. 3) Effective Control: The government should exercise effective control over the country or territory, including administrative functions and decision-making processes.



Given the high dependency on foreign development aid to run public services before a UCG, many felt it was irresponsible to suspend development aid from one day to the next following a UCG. There were also calls for reflection among donors on past engagements in the Sahel in light of the recent series of UCGs in the region. Some interviewees said development aid had been allocated despite significant corruption in previous governments, which had fuelled anti-western sentiment and incoming DfAs' increased involvement in and oversight of humanitarian and development programmes.

NON-TRADITIONAL DEVELOPMENT DONORS

When traditional development donors suspend funds after a UCG, one question that arises is whether new non-traditional development donors move in to fill the gaps left behind. This generally did not happen in the case-study countries and interviewees found it difficult to evidence any increase in development investments by non-traditional donors. At the same time, interviewees emphasised that there is no transparent and accessible data on development funding provided by non-traditional donors, who are usually also not included in traditional donors' coordination structures.

At limited scale, some non-traditional donors did maintain their development cooperation or increase other types of intervention or investment after UCGs:

- **Central Sahel:** Interviewees reported increased Russian interventions in Burkina Faso, Mali and Niger. Among the examples given, Russia donated corn to Niger in response to the country's food security crisis; Qatar, Saudi Arabia and the United Arab Emirates continued their financial support of government structures and investments; China maintained or increased its investments and Turkey became increasingly involved. Lack of transparent data meant it was not possible to ascertain whether these investments were in the development, humanitarian or private sectors.
- **Myanmar:** Russia and China maintained their investments, along with some assistance from regional supporters of the Myanmar DfAs, including Thailand and India. The Association of Southeast Asian Nations (ASEAN delivered humanitarian aid and Thailand announced in March 2024 that it had also started to do so through the Thai Red Cross (Reuters, 2024).
- **Afghanistan:** China provided \$31 million in emergency aid for grain, medication and other provisions in September 2021, the month after the Taliban takeover (Acaps, 2023). Beijing is one of the largest economic investors in Afghanistan, with a focus on bi-lateral investments in infrastructure and mineral extraction (Ibid).

However, despite anecdotal evidence, these investments were not at a scale large enough to fill the gaps left by traditional development

donors and IFIs. Many non-traditional donors take more of a business-partnership approach to their development engagement, meaning they are seemingly less concerned than traditional donors about UCGs, as their financial engagements were not used as a policy tool to advance democratic rule, as is the case for many traditional donors. Indeed, there were concerns that some non-traditional donors' interventions could undermine hard-earned international policy gains on key issues, including women's rights in Afghanistan. China, for example, recently recognised the DfAs by accepting the credentials of a Taliban-appointed ambassador in Beijing.

Humanitarian financing and needs in central Sahel

Burkina Faso received \$405 million in humanitarian funding in 2022, when the UCG took place, before decreasing by 10.5 per cent in 2023 to \$360.2 million (OCHA Financial Tracking Service, 2024c). The number of people in need of assistance increased over the same period from 3.5 million to 4.6 million. The 2024 Humanitarian Needs Overview (HNO) predicts a record figure of 6.3 million people in need (OCHA Services, 2024c).

Mali received \$474 million in humanitarian funding in 2020, when the first UCG took place. The figure fell to \$353 million in 2021, the year of the second UCG, rose to \$402.5 million in 2022 and then fell again to \$269 million in 2023. The number of people in need of humanitarian assistance increased over the same period from 6.8 million to 8.8 million (OCHA Services, 2024e).

Niger received \$299.7 million in humanitarian funding in 2023, the year of the UCG, down 44.6 per cent from \$540.8 million in 2022 (OCHA Financial Tracking Service, 2024e). Given that the UCG took place in July, however, and no humanitarian funding data is available for 2024, it was not possible to determine whether humanitarian funding decreased after the UCG. The number of people in need of humanitarian assistance increased in Niger since the UCG, from 3.7 million in 2022 to 4.3 million in 2023.

2.2 WHAT HAPPENS TO HUMANITARIAN FUNDING AFTER A UCG?

When development funding is suspended to a context following a UCG, one hypothesis could be that humanitarian funding would increase in attempt to fill the gaps left from the disengagement of development cooperation. While development funding as part of bilateral development cooperation between two countries is political in nature, humanitarian funding should be protected from being used to further political objectives. In this way, humanitarian funding should be allocated with impartiality—responding to and reflective of the level and severity of humanitarian needs. Humanitarian funding therefore should not be impacted by development donors' disengagement after a UCG. This was not, however, always the case in the countries studied.

Despite the previous heavy reliance on development funding to support public services and the gaps left behind by the suspensions of development aid in reaction to the UCG, the figures in the box above show that humanitarian funding for Mali and Niger decreased alongside development funding compared to pre-UCG levels. This was the case even though humanitarian needs increased over the same period. Both countries are also neglected humanitarian crises with severely underfunded HRPs in 2023. Humanitarian funding in Burkina Faso initially rose after the USGs in 2022 before falling back to a level lower than before they had taken place.

Several interviewees spoke of traditional donors' general lack of appetite to invest in the three central Sahel countries as a political reaction to the UCGs that spilled over from development funding into humanitarian funding. One interviewee described how the Malian DfAs perceived hostility towards the west had led to donors to invest their humanitarian funding elsewhere, with the exception of USAID's Bureau for Humanitarian Assistance (BHA), which has maintained its level of humanitarian funding for Mali.

Access constraints and administrative impediments imposed by Mali's DfAs on humanitarian actors were also said to have led some donors to reduce their humanitarian



View of new temporary settlement for Afghans returning from Pakistan at Torkham border. © Maisam Shafiey/NRC

funding allocations. Access constraints were also mentioned as a reason for some humanitarian donors not to allocate additional funding for Burkina Faso, and some interviewees criticised NGOs and UN agencies for asking for additional funding without being able to implement projects in the current access environment.

Humanitarian financing and needs in Afghanistan and Myanmar

Afghanistan received \$741 million in humanitarian funding in 2020. The figure increased significantly to \$2 billion in 2021, the year of the Taliban takeover and again to \$3.9 billion in 2022 before falling back to \$1.7 billion in 2023. The number of people in need of humanitarian assistance increased over the same period from 14 million in 2020 to 29.2 million people in 2023 (OCHA Services, 2024d).

Myanmar received \$293.8 million in humanitarian funding in 2020. The figure increased to \$340.2 million in 2021 after the UCG and again to \$427.1 million in 2022 and \$456 million in 2023. The number of people in need of humanitarian assistance increased over the same period from a million in 2020 to 18.6 million in 2024 (OCHA Services, 2024a).

Humanitarian funding initially grew after the USGs in Afghanistan and Myanmar. In Afghanistan, however, the increase was not sustained, and in Myanmar, the increase in humanitarian funding was not reflective of the dramatic increase in people in need. Several interviewees said it would not be reasonable to expect humanitarian funding to cover the needs of a large proportion of the population – more than half in Afghanistan and a third in Myanmar as of 2024 – for years at a time.

As in Mali, interviewees in Afghanistan said the lack of donor appetite to fund longer-term development in the country had spilled over into the humanitarian funding environment. They also said the DfAs’ relentless interference in the humanitarian response, including access constraints, requests for information about beneficiaries and a ban on female aid workers, had led some humanitarian donors to prioritise other contexts, as they were not convinced about the possibilities to ensure a principled humanitarian response in Afghanistan. UN agency and NGO representatives, however, said humanitarian actors had shown great adaptability since the Taliban takeover to continue to provide principled assistance and protection.

Interviewees also said access constraints and bureaucratic impediments had made the humanitarian responses in Afghanistan and Myanmar more costly, and that donors were concerned about the risk of aid diversion – two further factors that had discouraged some humanitarian donors from providing funding.

The humanitarian response in Myanmar has changed from being mainly driven internationally to being predominantly localised in a matter of a few years. Access constraints, lengthy registration procedures and visa restrictions have meant that most INGO staff are based in Bangkok, implementing activities with local staff and/or through partnerships with local actors.

Many national CSOs, however, have not registered with the DfAs and are operating under the radar. Some donors' compliance requirements do not allow them to support such unregistered actors, and there were broader concerns about the monitoring of implementation which has also impacted humanitarian funding levels for the contexts. The localisation of the response also has limited scalability, with scattered local organisations unable to absorb large amounts of funding that has previously been implemented directly by INGOs and UN agencies. In light of these constraints, some humanitarian donors believed their humanitarian funding could deliver better results elsewhere.

Humanitarian funding did not appear to be protected from political objectives in any of the case-study countries, though funding levels could also be a result of competing priorities such as Gaza, Sudan and Ukraine, taking up large shares of globally available humanitarian funding. Some interviewees said the UCGs had prompted donors to redirect humanitarian funds to other countries where needs are also high, but the context is less politically estranged. The expanding global humanitarian funding gap, where humanitarian donors struggle to fund a growing number of protracted crises was also mentioned as an important factor in the underfunding of the responses in the five case-study countries.

2.3 WHAT ARE THE CONSEQUENCES WHEN DEVELOPMENT AID IS SUSPENDED?

HUMANITARIAN CONSEQUENCES

Humanitarian needs have increased in all five case-study countries since the UCGs, driven by a complex set of overlapping factors. Beyond escalating conflict and displacement in the three Sahel countries and Myanmar, other considerations include the aftermath of the Covid-19 epidemic, disasters, climate change, political and economic instability, international isolation and the impacts of economic and financial sanctions. Given that conflict has decreased significantly in Afghanistan since the Taliban takeover, the sharp rise in humanitarian needs there is more linked to the country's economic collapse.

While interviewees were not able to quantify the impact of suspensions or decreases in development investments on humanitarian needs, many emphasised that the lack of development funding is likely to have contributed to the growing humanitarian caseloads. They highlighted how the lack of investment in prevention, livelihoods, resilience and essential service delivery resulted in vulnerable groups needing to rely on urgent humanitarian assistance, and that some people affected by poverty would meet the threshold for humanitarian assistance, although they could have been absorbed in a more sustainable development program if available.

In Mali, for example, food insecurity has increased because of conflict and rising food prices fuelled by sanctions, inflation and the country's wider economic crisis. With the HRP severely underfunded, humanitarian actors are struggling to meet the growing need for food assistance and the suspension of development aid has forced several clusters to revisit their priorities to avoid gaps in the response.

Humanitarian actors expressed frustration at the reliance on humanitarian assistance, with the prevention of food insecurity impeded by the lack of longer-term funding streams. Many said more sustainable support for food production, climate change adaptation and pastoralist practices were needed to prevent food insecurity reappearing year after year and end people's dependence on short-term assistance.

Interviewees also highlighted that the humanitarian response was prolonged due to the lack of longer-term development responses for people to 'graduate' into. In Burkina Faso, for example, where many communities affected by conflict have been relying on trucked water, for up to four years, which is only supposed to be a temporary measure. Despite water trucking not being a cost-effective way to address long-term water needs with the exception of BHA, humanitarian actors have not been able to convince humanitarian or development donors to fund the repair of existing boreholes or the digging of new ones. The same was the case for the shelter response, where most humanitarian donors only fund the procurement of temporary plastic tents that withstand the conditions in Burkina Faso for between three months and a year. Many IDPs remain displaced for much longer, however, meaning humanitarian actors have to repeatedly replace the tents while demand for shelter support from the growing number of newly displaced people continues to grow.

Given the underfunded HRP, many humanitarian donors are forced to strictly prioritise emergency response activities, but without complementary development investments, such short-term measures are neither cost-effective nor the most dignified way to meet people's needs.

Many other consequences of reduced development investment are not likely to be visible from one day to the next, but will rather lead to a gradual loss of resilience and other development gains already made and a decline in key development indicators. Interviewees also expressed concern about a likely increase in negative coping mechanisms such as child labour, sex work and the sale of livestock and land to ensure survival.

Several said the lack of livelihood opportunities for youth in the central Sahel countries and Afghanistan, and the lack of basic services such as education and healthcare, were likely to increase migration flows. Some also suggested that frustration over lack of livelihood opportunities could fuel recruitment into NSAGs and add to existing inter-communal tensions and violence.

OVERLAPPING CASELOADS

Humanitarian assistance has been essential in saving thousands of lives and bringing dignity to people affected by conflict and disasters in all five case-study countries. Several interviewees, however, questioned how the humanitarian caseload was defined and the extent to which needs could have been pre-empted with investments in more sustainable outcomes through development programmes.

There are 18 million people in need of humanitarian assistance in Myanmar, while around 25 million live below the poverty line, which suggests an overlap between people in need of humanitarian and development support. Several interviewees argued that if there had been more development investments in Myanmar, some people could likely have been prevented from ending up in the humanitarian caseload.

Some interviewees also said the 2022 HRP showed that most humanitarian interventions in Myanmar focused geographically on the major cities of Mandalay and Yangon rather than areas of the country affected by armed conflict. In their view, rather than distributing food and other humanitarian assistance in urban areas, more sustainable development and livelihood programmes should have been funded and implemented, which would have safeguarded the limited humanitarian funding for areas affected by conflict. It should be noted, however, that data on LNGOs' interventions may not have been adequately covered in the HRP.

Similarly in Mali, humanitarian actors were responding to malnutrition in the south of the country, which is relatively unaffected by conflict and where needs are more attributed to the effects of climate change on pastoralism and agriculture and a general lack of economic opportunities. Development interventions that addressed the causes of the situation in southern Mali rather than responding to its consequences might have prevented those affected from meeting the criteria for humanitarian assistance in the first place.



📷 Seydou Guindo, 76, is the chief of the village of Golo, in the cercle of Bankass in central Mali. Golo welcomed its first IDPs in 2018. Today, they live in perfect harmony with the host community, even though there are still many humanitarian challenges. © Ousmane Drabo/NRC

AFFECTED SECTORS

All of the case-study countries received significant development investment before the UGCs, which meant the suspensions had a notable impact on the DfAs ability to deliver essential services. Foreign aid, for example, accounted for 75 per cent of public spending in Afghanistan before the Taliban takeover, after which public services were left crippled and many civil servants without salaries.

As sectors heavily reliant on foreign aid and budget support prior to the UCG, health and education were repeatedly highlighted as sectors where the consequences of development aid suspensions were most impactful and where humanitarian actors were overloaded from trying to fill the gaps left behind from the disengagement of development donors and IFIs following a UCG. Many interviewees found it likely that people that no longer have access to public education and health care would seek services from humanitarian programmes.

Foreign aid, for example, made up 11 per cent of Niger's GDP before the UCG, an important contribution to running the public sector in one of the world's poorest countries.¹⁰ With the suspension of WB disbursements and other development assistance and the significant impacts of the economic and financial sanctions imposed on Niger, the government struggled to finance the state budget and made significant public spending cuts. The health ministry's budget decreased so much that it only covered staff salaries, leaving nothing for medicines, equipment or the maintenance of facilities.

Similarly in Mali, the health sector was heavily reliant on development funding before the UGCs, and the decline in development funding, humanitarian actors reported that some people who had previously accessed public health services began to seek healthcare in humanitarian-funded mobile clinics and emergency health facilities in displacement camps.

¹⁰ Information shared by the World Bank in Niger.

Myanmar's education and health sectors have also been in a perilous state since the UCG. It is estimated that Myanmar's healthcare system only has around half of the personnel it needs and key programmes have collapsed. Many children have also lost access to public education across the country and the national social protection scheme, which was seen as a success for the previous government, has also ceased to operate.

The DfAs in Burkina Faso, Mali, Myanmar and Niger were found not to have increased their spending on public services to fill the gap left by the reduction in development funding, whether for lack of economic capacity, the prioritisation of security spending or both. Only interviewees in Afghanistan reported that the DfAs increased public spending to some extent, albeit at levels far lower than before the UCG, having shown themselves adept at raising revenue through taxes (Shah, S., 2023).

HUMANITARIAN SPACE

Traditional donors in Afghanistan, Myanmar and Niger have taken positions of non-engagement in line with policies not to legitimise the DfAs. The subsequent lack of development and diplomatic dialogue has increased pressure on humanitarian actors, putting them on the frontline of engagements with the DfAs, blurring the lines between principled humanitarian action and development interventions, and shrinking the humanitarian space.

In Afghanistan, humanitarian actors have taken on interventions previously supported by development actors, such as running hospitals, infrastructure projects and education programmes. For example, The UN's Children Fund (UNICEF) has been paying teachers' salaries and the International Committee of the Red Cross (ICRC) had been supporting the running of more than 25 hospitals since a few months after the UCG (Al Jazeera, 2022b; Greenfield, C., 2023). Such longer-term interventions require closer coordination and collaboration with the DfAs, which has challenged humanitarian actors' perceived neutrality and independence.

Some interviewees in both Afghanistan and Myanmar also said technical line ministries had been accustomed to leading coordination with development actors in the past and were used to having more influence on project design, the

selection of beneficiaries and intervention modalities. They said this had led to tensions with humanitarian actors, who had to repeatedly defend their independence in accordance with the humanitarian principles, which tended to be poorly understood.

With the new incoming DfAs, humanitarian actors and UN agencies in Myanmar and Afghanistan also reported a low understanding for the humanitarian principles. The fact that there has been no consistent UN Humanitarian Coordinator (HC) for Myanmar since the UCG has further hindered humanitarian diplomacy efforts. Many also highlighted that the absence of development actors had blurred the lines between principled humanitarian action and development, which further added to the difficulties in explaining the importance of the humanitarian principles to the DfAs and ensure protection of humanitarian space.

Most donors in Afghanistan, Myanmar and Niger have passed the principle of non-engagement on to their implementing partners, except for the coordination of humanitarian interventions and the response to the Covid-19 pandemic. Many UN agency and NGO representatives found this principle too severe and called for a more pragmatic approach, emphasising that some degree of collaboration with the DfAs was needed to ensure continued service delivery, the import of goods, staff safety and the issuance of visas for international staff. Child immunisation programmes in Myanmar were cited as one area where coordination with the DfAs was required given that they control the import of medical supplies into the country. The lack of health dialogue with the DfAs was found to put generations of children at risk of preventable diseases, and well as create increased risks of outbreaks that could spread to the wider region.

Interviewees in all three countries called for alignment between donors and a strategy for dialogue going forward, because they did not see non-engagement as viable solution beyond the initial period after a UCG or that humanitarian assistance could be a substitute for long-term diplomatic and development engagement. Interviewees in Afghanistan also consistently stressed that coordinating with or speaking to the DfAs did not equate with legitimising them or their policies.

In Myanmar, Niger and Afghanistan, diplomatic missions were previously able to raise operational, protection or access concerns with the authorities, protecting humanitarian actors from some of the direct exposure to challenging discussions on sensitive subjects. Without diplomatic engagement with the DfAs, however, humanitarian actors were now left to raise any concerns directly with the DfA. In Niger, for example, many diplomats from embassies and the EU office had relocated back to their capitals following the UCG. Consequently, sensitive issues around protection of humanitarian space, which diplomats had previously been able to raise with the Niger authorities in support of humanitarian operations in the country, now fell on humanitarian actors to raise with the DfAs.

Humanitarian actors in Afghanistan and Myanmar also said donors at times used aid as a political tool, making funding decisions in response to DfAs' policies rather than humanitarian needs on the ground. There were repeated calls for an international strategy for engagement with the DfAs, as humanitarian assistance cannot be a substitute for long-term diplomatic and development engagement in Afghanistan and Myanmar.

It is worth noting that in all five examined contexts, interviewees reported that the DfAs have introduced more restrictions on humanitarian actors since the UCGs, leading to access constraints and shrinking humanitarian space. This was for example the case in Mali, where humanitarian actors now have to seek pre-approval from the DfAs before embarking on any new programme or project. They also have to report monthly on their activities to the municipal and regional authorities. In Burkina Faso, humanitarian actors reported an increasing pressure from the DfAs to implement long-term development activities following the suspension of many development programs. This despite humanitarian operations already being underfunded, overstretched and struggling to respond to needs amid severe access constraints. Such pressure is also problematic in terms of principled action because it raises questions about whether humanitarian actors should align themselves with the DfAs' political agenda and objectives.

Humanitarian access in Myanmar was already challenging before the UCG, and access constraints and administrative impediments imposed by the DfAs since have combined with conflict and insecurity severely reduced the humanitarian space. In October 2022, the DfAs for example introduced a new Organization Registration Law (ORL), replacing the former Association Registration Law (ARL) from 2014. While registration with the authorities was previously voluntary for national and local organisations, the new ORL makes registration mandatory for all international and national NGOs and CSOs, which entails sharing of staff lists, budgets and detailed plans for activities. The new law also criminalises any assistance carried out by unregistered entities, which can include possible prison sentences.

3

CONCLUSION



Adamou, a displaced children, learning french grammar in school. © Tom Peyre-Costa/NRC

When direct budget support for DfAs is suspended after a UCG, there are still ways for development donors and IFIs to adapt their interventions and remain engaged. Continued development investments require flexibility, adaptability and innovation, and this report documents a number of existing and scalable good practices. Despite these examples, however, overall development funding decreased in all five case-study countries after the UCGs. This suggests that continued development engagement likely depends more on the political will to separate policy agendas from the pursuit of development outcomes in fragile and conflict-affected settings than on the programming and funding tools available.

Humanitarian needs increased after the UCGs in all five case-study countries, which is a result of a complex web of interlinked factors. The research found that the lack of long-term development investments in prevention, resilience and service delivery is likely to have increased the humanitarian caseload and prolonged the humanitarian response.

As previous NRC research on the [Nexus in Practice](#) also concludes, humanitarian assistance is essential and lifesaving, but as interviewees for all five studies repeatedly highlighted, it cannot

stand alone (NRC, 2023). Humanitarian interventions are designed to address the most urgent needs and do so effectively in many of the world's most fragile and conflict-affected settings. The case studies, however, revealed examples of short-term humanitarian interventions being used repeatedly to support the same people for years on end without helping people achieve longer-term outcomes. Humanitarian donors tend not to provide longer-term funding, and suspensions after the UCGs mean there is little or no complementary development funding.

The overreliance on short-term humanitarian assistance is problematic for two main reasons. First, as the number of crises around the world grows and many become protracted, humanitarian spending has increased in recent years. The humanitarian system, however, relies predominantly on financing from a handful of traditional donors, and the increase has not kept pace with burgeoning needs. This has led to a widening and unsustainable humanitarian funding gap.

Humanitarian needs have increased in all case-study countries, but this was not found to be adequately reflected in levels of humanitarian funding for the context. In some contexts, humanitarian funding initially increased after the UCGs, but this increased funding level was either not sustained or not found to correspond to the dramatic increase in people in need in Afghanistan and Myanmar. In other contexts, humanitarian funding had decreased along with development funding after the UCG. Humanitarian actors and humanitarian funding cannot and should not be expected to fill the gap when development donors and IFIs suspend or reduce their investments in response to a UCG. Not only is it unsustainable for the country concerned, it also further constrains globally limited humanitarian resources. For example, in 2023, the Afghanistan response alone took up 8.6 per cent of global humanitarian funding for HRPs (OCHA, 2024a).

Second, while humanitarian assistance has proven essential and lifesaving in all five case study contexts, repeated short-term humanitarian assistance is often not a dignified response to the needs of people affected by protracted crises. Humanitarian actors frequently expressed frustration about only receiving funding for short-term interventions such as temporary shelters, water trucking and mobile health clinics in protracted crisis. Some said that if more quality humanitarian funding was not made available and complementary development activities remained suspended, they would be supporting the same people with the same needs next year - repeating an intervention that is not meant to achieve longer-term outcomes.

Local actors and NGOs also said affected people do not categorise themselves within a development or humanitarian framework, and that such artificial siloes should be deconstructed because they detract from supporting people in need effectively. This speaks to the urgency of ongoing system reform efforts, and the need to better coordinate and fund the grey-zone between development and humanitarian interventions in fragile and conflict-affected settings.

While policy advancements have been made on the operationalisation of the HDP Nexus, this research emphasises the need for increased political will to invest development financing in fragile and conflict-affected settings, including those that have undergone a UCG. Without development interventions that address underlying structural causes and vulnerabilities, and strengthen systems, capacities and services, affected people risk remaining dependant on humanitarian assistance and, contrary to policy objectives, humanitarian spending risks continuing to increase year after year.

4

EXAMPLES OF GOOD PRACTICE



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It is beyond the scope of NRC’s expertise as a humanitarian actor to advise development donors and IFIs on strategies to obtain development outcomes, but this research highlights the importance of continued engagement after a UCG, in complementarity to principled humanitarian interventions.

The following examples of existing good practice show how development donors and IFIs can adapt their strategies when bilateral development cooperation with DfAs is no longer deemed appropriate. They complement the recently published Chatham House report which showcases proven approaches for donors to support development outcomes without legitimising DfAs in politically estranged settings (Chatham House, 2023).

➔ **Using pooled funds:** Pooled funds can help development donors who wish to keep a low profile to limit perceptions of support for or legitimisation of DfAs to continue their investments and support for affected people. Development donors in Myanmar, for example, have continued to invest via pooled funds operated by UNOPS outside direct collaboration with the DfAs. Pooled funds

were also found to be more “sellable” to donor capitals than bilateral projects, and their multi-donor nature helps overcome restrictive conditions imposed by some development donors.

➔ **Changing partners:** Some development donors switched to working with INGOs, LNGOs, UN agencies and the private sectors when direct engagement with DfAs was deemed inappropriate. In Afghanistan, for example, the ADB mainly implemented projects and channelled funds through the government before the Taliban takeover. After the UCG it adopted a policy of non-engagement and suspended all funding and projects involving the DfAs at all levels. Instead, it allocates funding through UN agencies that either directly implements the activity or sub-contracted partners.

- **Working with local authorities and/or line ministries:** Some development donors who adopted a principle of non-engagement with the DfAs and suspended direct funding allowed a degree of collaboration with local authorities and/or technical line ministries to sustain support for basic services and systems. This was particularly the case for interventions in sectors where the DfAs traditionally play an important role, such as healthcare, education, nutrition, infrastructure and water. Switzerland, for example, paused direct collaboration with the central authorities in Niger after the UCG, but the Swiss Development Cooperation (SDC)'s decentralised development approach allowed some work with municipalities and regions to continue. Donors found there was less risk of political interference at local and technical levels than with the central level authorities. This is in line with Chatham House's recent research, which recommended donors ringfence subnational state entities able to operate independently of the central authorities as a way to stay engaged in politically estranged settings (Chatham House, 2023).
- **Working at the community level:** Several development donors and IFIs adapted their development interventions from supporting national-level systems, institutions and service delivery to implement programmes that targeted local communities. These could, for example, support community-level healthcare, education, infrastructure and resilience building of communities. After the UGCs in Mali, Denmark adapted funds previously envisioned for supporting local governance and decentralisation reforms for interventions at a community level implemented by INGO intermediaries, applying nexus and localisation approaches.
- **Direct funding of local actors:** Rather than going through intermediaries, some development donors found ways to directly fund local actors that operate in areas where international actors do not have access and in areas outside government control. Doing so requires flexible donor conditions and risk sharing, but can be a modality to ensure continued development engagement and support for civil society networks in a context experiencing a UCG.
- **Adapting programme activities:** Some donors shifted development programmes towards alternative outcomes to stay engaged after a UCG. This was particularly the case for programmes that require collaboration with the DfAs, such as large-scale infrastructure projects or public service delivery, which were redirected towards basic needs, resilience or food security projects. INTPA, for example, adopted a funding package previously earmarked for budget support and public services in Afghanistan for use in supporting basic needs and livelihoods after the UCG (European Commission, 2023).
- **Flexible programming:** Several interviewees said more flexible programming modalities were needed to continue development interventions in fragile and conflict-affected settings that have undergone a UCG. Good practice included building crisis modifiers into programmes. One NGO operating in Mali, for example, described how a development donor had designed a programme that included a list of context scenarios that would trigger pre-determined adjustments in its design.
- **Supporting nexus approaches:** Examples of donors supporting nexus approaches were highlighted as good practice to stay engaged after a UCG. This was seen when one donor funded projects that combined development and humanitarian funding, or when several funded consortiums that encompassed development and humanitarian capacities and outcomes. Denmark, for example, allocated development and humanitarian funding to Danish implementing partners in Mali to ensure programming across the nexus.

5

RECOMMENDATIONS

FOR DEVELOPMENT DONORS AND IFIS

- **Stay engaged after a UCG by using alternative funding modalities.** In several case-study countries, hundreds of millions of dollars had been spent on development cooperation before the UCG and on-budget support constituted a significant portion of the state budget. Humanitarian actors cannot be expected to fill the gap following the sudden end of development cooperation, which further emphasises the need for development aid to be adapted and continued.
- **Adapt expectations for development outcomes in fragile and conflict-affected settings.** Development donors and IFIs must adjust expected development outcomes and be more adaptable when investing in fragile- and conflict-affected contexts. Uncertainty is the only certainty in these contexts, and therefore donors should be prepared for different scenarios and build flexibility into programmes accordingly. The ability to quickly adapt development interventions also makes a more convincing case for donor capitals to keep investing after a UCG.
- **Focus less on state building and be more people-centred.** Rather than “instrumentalising” aid to promote democratic or “western” values, development donors must work to promote better opportunities for people living in fragile and conflict-affected settings. Put people rather than governments, elections or state building at the centre of interventions. Continue to focus on systems and structures, but ensure they support people through the provision of basic services, livelihoods and infrastructure.
- **Live up to nexus policy commitments.** The nexus approach emerged in response to the growing number of protracted crises and in acknowledgement that development investments are needed in fragile and conflict-affected contexts to break the cycle of growing humanitarian needs. The Nexus approach should not only be adopted in best-case scenarios. Donors should fund nexus

approaches in fragile and conflict-affected contexts, including after UCGs.

- **Coordinate how to fund interventions in the grey zone between development and humanitarian interventions.** People affected by protracted crises need longer-term outcomes rather than repeated temporary interventions. As part of the system reform agenda, donors and IFIs should address whether grey-zone interventions will be covered by stretching the purpose of humanitarian funding, or whether such grey-zone activities should be covered by development funding.
- **Pay attention to protection and human rights in development responses.** To stay engaged in politically estranged settings, development actors need to ensure safeguards are in place to mitigate the risks of causing harm to marginalised groups and supporting harmful DfA policies.

FOR POLITICAL LEADERSHIP IN DONOR GOVERNMENTS AND MULTILATERAL INSTITUTIONS

- **Consider whether development aid suspensions are an effective policy tool.** While it is beyond the scope of this research to evaluate the effectiveness of development aid suspensions as a policy tool, interviewees consistently questioned whether aid suspensions achieved the desired policy results. Several donors have taken steps to strengthen links between their policy objectives and international development aid, but evidence on their impact is limited (Chatham House, 2023). Interviewees for this research argued that development aid suspensions and sanctions appeared to have hardened the position of DfAs and led them to seek cooperation with alternative partners, with an anti-western narrative noted in all three central Sahel countries. Development aid suspensions also affect populations, who end up paying a high price for the political rupture in cooperation between donor and recipient countries.

- **Consider maintaining diplomatic relations.** Political leaders should assess whether non-engagement with the DfAs after a UCG yields the desired policy results of non-legitimisations. The considerable risks and pressure that non-engagement transfers to humanitarian actors must be part of that consideration so as to avoid their becoming “instrumentalised” as the only actors on ground able to raise issues and concerns with the DfAs.
- **Depoliticise aid:** Humanitarian donors must protect the principled nature of humanitarian funding and action. When development aid is suspended after a UCG, such decisions must not have the knock-on effect of decreasing humanitarian funding for the contexts. Humanitarian funding should be based on humanitarian needs alone and not be affected by political interests.

FOR UN AGENCIES AND NGOS

- **Focus advocacy efforts on donor capitals.** Political decisions about development aid suspensions are often taken in capitals rather than country offices or embassies. Country-level donor staff are often convinced about the need to continue engagement, which indicates that there may be more added value in advocating at decision-making level in donor capitals.
- **Target non-traditional donors.** Several interviewees said it was unrealistic to expect a handful of traditional donors to continue funding the majority of the world’s humanitarian and development responses. Regional bodies such as the Association of Southeast Asian Nations (ASEAN) could play a more significant role in funding humanitarian and development aid in their regions and should be targeted in advocacy efforts. Greater engagement of non-traditional donors may also require changes in the way humanitarian and development systems are financed and coordinated to provide more attractive incentives. More research on non-traditional donors’ funding structures is needed, as are discussions on how best to accommodate them.
- **Call for development funding to be channelled through alternative mechanisms rather than “converted” into humanitarian grants.** NGOs and UN agencies should together identify mechanisms relevant to a particular context and advocate for development donors to explore them. Most donor governments have separate legal and political processes for their development and humanitarian credits, and it is not possible for most to transfer funds between the two budgets. It is understandable that humanitarian actors ask for suspended development funds to be converted when the humanitarian response plan (HRP) is severely underfunded, but doing so may be neither realistic nor sustainable.
- **Ensure broader advocacy efforts for complementary development investments in fragile and conflict-affected settings with built-in flexibility to adapt to changing circumstances.** Such investments are vital to reduce dependencies on humanitarian aid and put nexus approaches into practice. A lack of development funding in fragile and conflict-affected settings is likely to increase the humanitarian caseload and prolong the response. Therefore, NGOs and UN agencies should continue to highlight why broader development investments are needed in fragile and conflict affected contexts to address the underlying root causes that create protracted humanitarian needs.
- **Expand the evidence base of good practice for alternative mechanisms to avoid the suspension of development aid after UCGs, and align and coordinate advocacy efforts.** More concrete examples are needed of what such continued development engagements can look like, and how to mitigate the risk of legitimising DfAs.¹¹ As this cannot be an exercise driven by humanitarian actors in a vacuum, development actors are recommended to take a leading role in this process. NGOs and UN agencies should draw on such research to make evidence-based asks for development donors and IFI.

¹¹ An exercise similar to that of the Inter-Agency Standing Committee (IASC) nexus taskforce’s mapping of good practice could be worth considering.

6

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