

**EUROPEAN COMMISSION
ECHO
HUMANITARIAN AID OFFICE**



**EVALUATION of ECHO's HUMANITARIAN AID
IN FAVOUR OF THE TIMORESE POPULATION**

**FINAL REPORT
SECTORS:
REHABILITATION, REPATRIATION,
SHELTER & LRRD**

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(Timor)

Name of the Evaluator: Michael Atkinson

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PROLOG CONSULT – Belgium

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EXECUTIVE SUMMARY

INTRODUCTION

COUNTRY OF OPERATION: EAST TIMOR & WEST TIMOR

NAME OF PARTNERS : UNHCR, WFP, IOM, CARE, WORLD VISION, CESVI

Decisions covered:

ECHO/IDN/210/1999/02000, 03000, 04000 & 05000

ECHO/IDN/210/2000/01000, 02000, 03000 & 04000

Total amount: EURO 28,637,000.

Dates & duration of the mission : 06 – 28 March 2001 (field visits)

Sector(s) concerned and description : Shelter / Rehabilitation: provision of shelter/housing kits for IDPs and returnees in East Timor. Repatriation: assistance to transport of returnees from West Timor. Protection / Food Security: Provision of non-food items; emergency food assistance and logistics support.; LRRD (Linking Relief to Rehabilitation and Development).

CONCLUSIONS

Relevance

This programming decision by ECHO to focus funding on shelter / rehabilitation and repatriation activities as well as support to protection and emergency food assistance, was extremely relevant due to the nature of the crisis in East Timor and its spill over into West Timor. The choice of partners – UNHCR, WFP, IOM and NGOs, some of which were already on the ground at the time of the crisis was appropriate and pragmatic and enabled the most vulnerable sections of the population to be effectively targeted.

ECHO's objectives in relation to shelter, rehabilitation and repatriation, allowed partners to develop appropriate strategies adapted to the reality of the situation they encountered.

West Timor

Lack of access to refugees and security issues represent the most difficult aspects of humanitarian intervention in West Timor. UNHCR withdrew from West Timor in September 2000 and at the time of the present mission, has still not resumed activities there. The ECHO Correspondent in Jakarta visited West Timor in February 2001 and judged the situation to be very tense and uncertain but that the general impression is that there is no major humanitarian need putting the refugee population in a high risk. At the present time, there is only one ECHO supported programme in West Timor. There is a strong commitment in Brussels to support further interventions in West Timor. A stage 5 security rating is still in force, which can only be lifted by UNSECOORD.

Effectiveness

The effectiveness of the ECHO support to shelter / rehabilitation and repatriation & protection activities has been **high**. This has been the result of an appropriate programming strategy, the activities of the ECHO partners and the strict application of vulnerability criteria when targeting beneficiaries. Considering that the aim of the programme has a definite durable character, and due to differences in cost comparison, only after a period of say 5 years, will it be possible to arrive at any accurate assessment of the **cost-effectiveness** of the various shelter interventions.

Efficiency

Early monitoring of the situation in East & West Timor enabled ECHO to initiate project interventions prior to the post-referendum violence. The use of existing partners to deliver shelter projects not only enabled a quicker response but also saved on the start-up costs of bringing in new partners.

THE UNHCR shelter programme raises concerns from the point of view of efficiency since their unit costs were significantly higher than those of the nearest comparable programme. The shortfall in the UNHCR operations budget for 2000/01 raises the question as to whether UNHCR will be able to meet its planned distribution target.

ECHO support to the repatriation / protection programmes, represents a high degree of efficiency. Of the shelter implementing organisations directly funded by ECHO, the percentage consumed by expatriate and other staff costs is relatively high. However, effective appraisal of project proposals by ECHO staff, has resulted in these costs being reduced in certain cases. Expatriate – East Timorese staffing ratios in the shelter projects appear to be much lower than in many other aid interventions.

The distinction between 'contract monitoring' which is the responsibility of ECHO and internal project implementation monitoring which is the responsibility of the partners, needs to be acknowledged if the basic questions of 'who monitors who' and 'who monitors what' are to be addressed. The monitoring relationship between the ECHO Correspondent and the ECHO partners in relation to the sectors of shelter / rehabilitation, repatriation and LRRD was not clear to the evaluators. Effective contract monitoring is no substitute for ineffective appraisal.

Co-ordination, coherence and complementarity,

By supporting the activities of the coordinating organisations in the areas of shelter, repatriation, protection, food assistance (UNHCR, IOM, and WFP), ECHO ensured that its assistance was targeted strategically and not in an 'ad-hoc' fashion. The issue of **coherence** in the shelter programme should be examined since each of 4 shelter operations supported by ECHO distributed different shelter kits and resulted in tensions as beneficiaries demanded equality of entitlement. With the exit of UNHCR from the coordination role, there is uncertainty concerning the future of the shelter sector programmes in East Timor. A policy vacuum has been created resulting in a lack of strategic guidance on which donor organisations such as ECHO can base their programming response.

The presence of an ECHO Correspondent in Dili has clearly reinforced the role of ECHO in supporting the various sectoral interventions and their coordination. The ECHO intervention in East Timor is characterised by its dualistic nature: 'ECHO the Fund' (the funding role) and 'ECHO the Field' (the managing, advising, supporting role). Managing this interface between the centralised 'ECHO the Fund' and the decentralised 'ECHO the Field' requires considerable personal and professional skills and competencies, as well as appropriate skills and understandings of project cycle management at the 'decentralised' levels (Dili and formerly, Jakarta) and the 'central' level (Brussels). This has been a strong point in the programme in East Timor.

Impact & strategic implications

The sheer scale of displacements and destruction in relation to the population and size of East Timor meant ECHO's contribution to the reduction of human suffering has been significant. The distribution of aid relief on the basis of the strict application of vulnerability criteria has played an important role in resolving potential conflicts related to the allocation of resources between IDPs and returning refugees.

The creation of dependency on humanitarian aid has, to a certain degree, been inevitable. The utilisation of inputs from the local economy has been minimal. Shelter projects have created a small number of jobs for East Timorese who are employed by the implementing NGOs, but many of these will disappear when the shelter programme is completed. Through the shelter programme, a platform for local economic regeneration has been created. As yet the environmental impact of such has not been systematically assessed. The impact of the shelter programme on local capacity building has been positive.

Visibility

ECHO's visibility was, to differing degrees, present in protection, repatriation and food security activities, through stickers, T-shirts, caps, notices, etc. However, it was much less visible in the UNHCR shelter activities in the field than in those of CARE and World Vision.

Horizontal Issues

Gender Shelter projects in particular have adopted a gender-sensitive approach through their targeting of widows, single parent and large families. There was a clear gender imbalance in the staffing structure of the NGOs implementing shelter projects as few women appeared to be employed in these organisations and even fewer involved in fieldwork activities.

LRRD Whilst the mandate of UNHCR, WFP, IOM, focuses primarily on the emergency / relief phases, the majority of ECHO's NGO partners appear to be adopting a longer - term, development perspective in relation to East Timor and are likely to move into other sectors. From an LRRD perspective, the performance of the Trust Fund should be systematically monitored by the EU, not only in the 'earmarked' sectors of Health and Infrastructure, but also, across all sectors where former ECHO partners are / seek to operate such as agriculture, community development, etc. If necessary, the EC should consider other appropriate funding mechanisms.

Human rights ECHO's support to East Timor has clearly been respectful of the issue of human rights in humanitarian aid. However, as the effects of protracted uprootedness emerge and civil society organisations evolve, human rights issues are likely to become more prominent and appropriate aid mechanisms for addressing such will be required.

Security of humanitarian staff This is problematic in West Timor; however, in East Timor appropriate security measures are in place and are respected by ECHO partners.

RECOMMENDATIONS

Shelter / Rehabilitation

- In cooperation with UNHCR, the implementing NGOs and East Timorese stakeholders, consideration should be given to the commissioning of an independent evaluation of the UNHCR coordinated shelter programme in East Timor as a valuable case study / learning opportunity for future interventions and cooperation.
- Serious consideration should be given to the **immediate** funding a further 1000 shelter kits in partnership with CARE & IRC. Parallel to this, the findings of the proposed World Bank mission on shelter and housing needs in East Timor (due to report in July 2001), should be assessed in order to judge the need for a project assessment / formulation exercise to determine the options for further EC support to the shelter sector.

Repatriation / Protection

- Contingency plans exist to deal with a possible mass influx of returnees from West Timor - further ECHO support to this sector may therefore be required.

LRRD

- The Trust Fund should be continuously monitored and annually reviewed from the perspective of how it contributes to the development of East Timor in relation to EC strategic priorities. From this perspective, it is important to monitor how (if) TFET enables (former) ECHO partners (and thus ECHO investment) to contribute to longer-term development of East Timor. When this is deemed problematic, a parallel funding strategy should be considered and more appropriate funding mechanisms introduced.

Uprootedness / protracted effects

- An effective financial instrument, available to deal with the effects of the protracted nature of uprootedness that is likely to continue for several years in East Timor, is required. From this perspective, the TFET Community Assistance Policy should be effectively monitored. The EC should consider the deployment of an appropriate budget line(s) to help respond to this situation.

Monitoring

- With the appointment of a second ECHO Correspondent in Dili, monitoring issues are likely to become more central and clear guidelines will be required, if micro management of partner's projects is to be avoided. If necessary, external technical assistance could be provided to develop such guidelines.

Future EC Policy Implications

- Future EC development policy should adopt a 'decentralised cooperation' approach. The 'interface' would therefore be at the level of the district administrations. EC support should be focussed on capacity building and decentralised rural development.

LESSONS LEARNT

- The ECHO Timor operation is a good example of the transition from distance management to field operation, where the 'grey areas' between 'distance' funding and 'operational' funding roles have been negotiated without compromising the ECHO mandate and 'modus operandi'. This has been achieved in far from optimal operating conditions. This has been initiated and supported by Brussels.
- There is an uncertainty concerning the future of the shelter sector programmes in East Timor with the exit of UNHCR from the coordination role. A policy vacuum has been created resulting in a lack of strategic guidance on which donor organisations such as ECHO can base their programming response.
- There seems to have been greater emphasis on resource procurement than on substantive policy issues at the level of strategic decision making. An example of this is the need for greater discussion on the issue of the protracted effects of uprootedness in relation to the situation in East Timor, and its implications for EC and bilateral donor support. The issue of land-title being particularly important.



MAIN REPORT

EVALUATION of ECHO's HUMANITARIAN AID In FAVOUR of the TIMORESE POPULATION

SECTORS: REHABILITATION, REPATRIATION, SHELTER & LRRD

1. INTRODUCTION / METHODOLOGY

This report focuses on the shelter, rehabilitation, repatriation / protection assistance activities of the evaluation report of ECHO Humanitarian Aid in favour of the Timorese population during the period July 1999 – December 2000. It also addresses the LRRD aspect of the global ECHO programme. The issue of the future shelter operations and ECHO exit strategy is also discussed. Following a briefing at ECHO in Brussels, fieldwork in East Timor was carried out from 6 - 28 March. The EC Delegation in Jakarta was also visited in order to meet with the ECHO Correspondent for West Timor and brief the Development Counsellor. On return from the fieldwork, meetings took place in Brussels with UNHCR and the ECHO Desk Officer.

In order to address the specific evaluation objectives defined in the Terms of reference, the report follows the standard ECHO evaluation format and includes a section (Annex I) specifically related to the issue of future shelter activities / shelter exit strategy. The methodology adopted by the consultant included study of relevant documentation, meetings with key stakeholders and fieldwork visits to projects and discussions with beneficiaries. Since the consultant was also the Team Leader, contact was necessary with the health and water & sanitation elements of the evaluation. At the end of the visit, verbal feedback was given to key partners and stakeholders. Due to security reasons and the current impasse in the ECHO programme there, the evaluation team did not visit West Timor.

2. CONTEXT

2.1. Political, Socio-economic and Humanitarian Needs

Following the pro-independence referendum of August 1999, a three-week rampage by Indonesian supported militias resulted in the severe destruction of East Timor's infrastructure. Close to 600,000 persons were displaced of which, around 280,000 East Timorese sought refuge in West Timor and the adjacent islands. An estimated 80-120,000 East Timorese are still in West Timor, estimates vary between 20% and 50% as to the number of those likely to return. The exodus of the Indonesians included most people with managerial and technical skills.

The economy of East Timor collapsed after the September 1999 events. Banks, public transport systems, telephones, hotels disappeared. Humanitarian needs for the refugees and displaced were acute in terms of shelter, food supplies, health care services, clean water and sanitation. A huge humanitarian relief operation started after the arrival of the Australian-led intervention force. Most of the operational work was done by some 100 international and local NGOs, backed by significant donor funding. Under a UN mandate, an interim administration (UNTAET) was established in early 2000 and full independence for East Timor is planned by 2002.

2.2. Shelter, Rehabilitation, Repatriation, Protection, Food Assistance in East Timor

As a result of an initial rapid needs assessment based essentially on the degree of physical damage, UNHCR estimated that more than 70% of the housing stock in East Timor was destroyed along with public buildings and utilities. An inter-agency task force assessed that some 85,000 houses need to be rehabilitated or reconstructed. To date, UNHCR is undertaking a shelter programme (outside of Dili) to rehabilitate 35,000 housing units through the provision of shelter kits for self-assembly. A further 15,000 housing units are being rehabilitated through NGOs such as Caritas International, CARE, World Vision as well as ICRC. ECHO has been the largest donor 'earmarking' funding for shelter activities, having funded 13,825 shelter kits. A World Bank assessment mission on future shelter assistance / housing needs, originally planned for October / November 2000, will now take place in April. UNTAET is also considering a policy option for future housing reconstruction in rural and urban areas. ECHO has also funded some small rehabilitation components of health programmes.

By 9 March 2001, over 177,000 refugees had returned to East Timor mostly under the auspices of UNHCR and IOM. A current pattern is emerging of returnees 'trickling' back to East Timor, though there is by no means any consensus as to whether this could turn into a 'flood', particularly if there is forced mass repatriation by the Indonesian authorities prior to the proposed election as a means to sabotage such. If this turns out to be the case, organisations such as IOM and UNHCR have contingency plans in place, which do not include a 'shelter' component. Protection and reintegration activities involving strong coordination with UNTAET for provision of security upon arrival were necessary and start-up assistance packages were distributed to returnees upon their arrival in East Timor. The planned UNTAET / UNHCR 'camp closure and registration programme', which was scheduled to take place at the time of the mission, was postponed indefinitely.

Initial emergency operations were implemented by WFP, through NGOs targeting the estimated 550,000 people who required food assistance. They were supported by ECHO. WFP are now focussing on supporting church-based, traditional food security strategies as part of their exit strategy for East Timor.

Since 1999, the EC made eight financial decisions for both East and West Timor totalling 28,637,000 Euro to combat the humanitarian crisis. This financial support enabled ECHO partners to set up important relief efforts in the 13 districts of East Timor as well as in the refugee sites in West Timor.

2.3. West Timor

The estimated 80 – 120,000 East Timorese still in West Timor are located in 3 main camps and some 200 refugee sites, the majority situated close to East Timor border. Although the Indonesian Government signed a Memorandum of Understanding with UNHCR in October 1999, outlining the basic principles of humanitarian intervention in West Timor, many of these were never fulfilled. Lack of access to refugees and security issues represent the most difficult aspects of humanitarian intervention in West Timor. The murders of 3 of their staff in Atambua resulted in UNHCR withdrawing from West Timor in September 2000. At the time of the present mission, UNHCR had still not resumed activities there. The ECHO Correspondent in Jakarta visited West Timor in February 2001 and judged the situation to be very tense and uncertain, but that the general impression is that there is no major humanitarian need putting the refugee population in a high risk. At the present time, there is only one ECHO supported programme in West Timor, the nutritional programme of CARE. There is a strong commitment in Brussels to support further interventions in West Timor. A stage 5 security rating is still in force, which can only be lifted by UNSECOORD.

3. RELEVANCE

3.1. Programming Strategy

Documented evidence shows ECHO to have adopted a pro-active programming strategy in East & West Timor following the appointment of the first ECHO Correspondent. Warning signals were sent to Brussels as early as March 1999 and the first needs assessment mission took place in May 1999. Even at that time there was evidence of militia-initiated violence and internal displacements in East Timor. The 'entry point' / programming strategy identified the sectors of health, water and sanitation and food assistance as being in need of support. Four NGOs were initially identified as implementing partners. The first forced deportations of East Timorese into West Timor led ECHO to prioritise repatriation as opposed to supporting resettlement programmes. The destruction and mass internal displacements resulting from the post referendum violence in August / September 1999 created huge shelter needs. International NGOs developed shelter projects and the UNHCR then assumed responsibility for coordination of shelter activities. This programming decision by ECHO to focus funding on shelter, rehabilitation and repatriation activities as well as support to protection and emergency food assistance, was extremely relevant due to the nature of the crisis in East Timor and its spill over into West Timor. The choice of partners – UNHCR, WFP, IOM and NGOs, some of which were already on the ground at the time of the crisis was appropriate and pragmatic and enabled the most vulnerable sections of the

population to be effectively targeted. ECHO's objectives in relation to shelter, rehabilitation and repatriation, allowed partners to develop appropriate strategies adapted to the reality of the situation they encountered. The framework partnership agreement structure enables a fast response by approved partners. The willingness and ability of partners, in particular UNHCR & NGOs, to switch / extend their operations to meet the urgent essential relief and shelter needs has been crucial.

4. COORDINATION, COHERENCE & COMPLEMENTARITY

Shelter policy has essentially been coordinated by UNHCR in the rural areas and the UNTAET / ETTA Land and Property Unit for the urban areas. All ECHO funded shelter partners are members of the Shelter Task Force Group and at the level of the local community, UNHCR and other ECHO shelter partners, cooperate with CNRT, local community leaders and beneficiaries themselves to identify and target the vulnerable families. The ECHO Correspondent supports the coordination activities of UNHCR, which is highly appreciated. However, the fact that each of the 6 different shelter project implementers issued different shelter kits raises questions regarding the coherence of the shelter sector strategy. Due to the focus of ECHO shelter partners on the rural areas, there has been little contact with the Land & Property Unit. In total ECHO have allocated Euro 5.9m out of an estimated UNHCR shelter budget costs of Euro 18.8m and a further Euro 1.7m to 3 NGO projects. The ECHO shelter support represents around 25% of the ECHO budget for East Timor.

The small rehabilitation components (total Euro 509,000) of 16 ECHO-funded health projects were coordinated initially through OCHA and then, more effectively, through the District Health Plans of the Interim Health Authority / Department of Health Services. These projects are considered in the report of the Health sector evaluation.

ECHO has supported the major agencies involved in coordinating repatriation (Euro 625,000 out of a total IOM programme of US\$ 15m), reintegration / protection (Euro 1m for UNHCR operations) and additional food relief support (WFP: Euro 3m) – this represents around 15 % of the ECHO Budget.

In addition to the Euro 28.637m of ECHO funding support to East Timor since September 1999, the EC has contributed: Euro 10m to UNTAET to support the transitional administration; Euro 8.5m to WFP Food Aid (total appeal US\$ 43.5m) to alleviate food shortages; Euro 19m to World Bank Trust Fund (TFET) in particular to establish health services and rehabilitate infrastructure. Subject to budgetary provision, the EC will contribute another Euro 20m to TFET (Total budget US\$ 160m).

Since many of the ECHO NGO partners plan to move out of shelter into longer-term rehabilitation and development activities, the relationship between ECHO funded shelter projects and the projects and programmes funded under the TFET is very important. In this sense the TFET is an exit strategy for ECHO funded partners. The potential protracted nature of shelter / housing, repatriation and protection needs in East Timor, suggests that support from an appropriate budget line, other than ECHO, would be required.

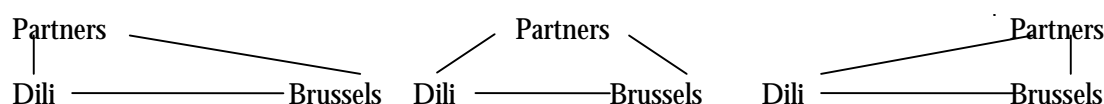
4.1. ECHO Programme Coordination

The need to recruit an ECHO Correspondent for East Timor and establish a base in Dili was recognised in September 1999. Whilst this was clearly a good decision, the process in Brussels took its time and it was not until March 2000 that the current Correspondent was appointed. Her presence in Dili has clearly reinforced the role of ECHO in supporting the various sectoral interventions. This has been a strong point in the programme in East Timor. The effects of not having a physical presence in Dili until March 2000, was counterbalanced by the earlier, proactive, distance management approach of ECHO, a relevant programming strategy and a funding policy which facilitated a partnership approach and not simply a sub-contractual relationship with implementing organisations. Efficient and effective management and coordination requires appropriate skills and understandings of project cycle management at both the 'decentralised' level (Dili) and the 'central' level (Brussels). The evaluators have observed an ECHO intervention in East Timor characterised by its dualistic nature: 'ECHO the Fund' (the funding role) and 'ECHO the Field' (the managing, advising, supporting role). These have important implications for the

management of the project cycle and the role of the ECHO Correspondent at the interface of these two different elements. i.e.

Phase of Project Cycle	ECHO the Fund (responsibility of)	Role of ECHO Correspondent	ECHO the Field (responsibility of)
Identification / Formulation	Partner	↔	Partner + ECHO Dili
Appraisal	ECHO Dili + ECHO Brussels	↔	ECHO Brussels
Approval	ECHO Brussels	↔	ECHO Brussels
Implementation	Partner	↔	Partner
Contract Monitoring	ECHO Dili	↔	ECHO Brussels
Project Monitoring	Partner	↔	Partner + ECHO Dili Backstopping
Internal Evaluation	Partner	↔	Partner + ECHO Dili Backstopping
External Evaluation	ECHO Dili + ECHO Brussels	↔	ECHO Brussels

Managing this interface between the centralised 'ECHO the Fund' and the decentralised 'ECHO the Field' requires considerable personal and professional skills and competencies. In such a situation, a degree of conflict is inevitable and tensions in the Dili – Partners – Brussels triangle can surface at the level of procedures, delays, etc which then impact on professional relationships and project cycle implementation and performance.



The structural nature of these tensions and conflicts suggests that they are unlikely to be resolved – the challenge is to better manage these. The ECHO Kosovo Crisis Lessons Learned Seminar of 6 –8 November 2000, explored the issue of the operational role of ECHO, and offers proposals on how to improve in this aspect. Feedback from partners suggests that the negative impact of delays in processing project applications, funds, etc in Brussels have been mitigated against by the supportive relationships, which the ECHO Correspondent has developed with ECHO partners. She clearly has the confidence of all partners and this has helped her to skilfully and professionally negotiate this dualistic 'fund' / 'field' nature of the ECHO intervention in East Timor.

The evaluators endorse the decision to provide additional administrative and programming support to the ECHO Correspondent, through the proposed appointment of a locally recruited administrator. The recruitment process has been protracted. The ability of the ECHO Correspondent to work in less than optimal circumstances was acknowledged and her previous experience and background were highly relevant. This is therefore an example of effective staff recruitment policy. However, in view of the fact that the previous 'one-person' operation is now to become a 'two person' unit, it is important to clarify the respective roles, responsibilities and authorities of the two post holders in order to avoid possible role conflict and line management tensions.

5. EFFECTIVENESS

The effectiveness of the ECHO support to shelter / rehabilitation and repatriation & protection activities has been high. This has been the result of an appropriate programming strategy, the activities of the ECHO partners and the strict application of vulnerability criteria when targeting beneficiaries.

ECHO's programming decision to focus on shelter activities was taken in order to achieve the objective helping life return to normality in the towns and villages and, as a consequence of this, the reactivation of economic activities. To this end, ECHO has financed the provision of 13, 825 shelter kits targeting 59,125 persons. In addition, ECHO has funded logistical and communications equipment and contributed towards the salary costs of relevant expatriate staff. These shelter activities have targeted groups according to agreed vulnerability criteria (single headed families with children; physically or mentally challenged individuals; large families with more than 5 children; elderly without adult family member or sibling; and others identified by the community as being in need of assistance). Of the direct ECHO shelter projects visited by the evaluators, both CARE and World Vision produced positive results. Due to security reasons, it was not possible to visit CESVI although the impression given is one of an organisation, which is highly donor-driven and which continually effects its capacity to both find a strategic niche and implement larger projects. According to UNHCR, the most effective shelter partners are IRC, Goal, Concern & PWJ; however, we were not able to detect any significant differences between those UNHCR shelter projects, which we visited.

ECHO's objectives in relation to the repatriation & protection activities of NGO and the multilateral agency were to provide protection and assistance to all people in refugee-like situations outside of East Timor (UNHCR) and motivate and support their safe return (IOM). To date, over 177,000 returnees have received appropriate support.

A further objective was that of providing emergency relief and temporary shelter for IDPs in East Timor (UNHCR and NGOs). In relation to this ECHO finance has been used to provide essential relief items for 495,000 people distributed through UNHCR and a further 13,000 non-food relief kits through CESVI targeting another 65,000 people. In addition to this ECHO financed the running costs for the Air Bridge for the WFP special operation between Darwin and East Timor, and contributed to the provision of food aid (rice and canned fish) to 344,000 beneficiaries over a 6-month period. The vulnerability caseload of 58,000 people (children under 5, pregnant women, nursing mothers and the elderly) received supplementary rations.

5.1. Cost comparison & Cost-effectiveness: Shelter Programme

	ECHO PARTNERS					NON-ECHO PARTNERS	
	CARE	WORLD VISION	CESVI	UNHCR	IRC proposal	CARITAS	ICRC
(Approx.) Unit Cost per Shelter Kit distrib.	US\$ 480	US\$ 450	US\$ 550	US\$ 600-800	US\$ 750	US\$ 280	?
Degree of damage to house	Over 50%	Below 50%	Over 50%	Over 50%	Over 50%	Below 50%	Below 50%
Type of Shelter Kit	Full (less materials than UNHCR kit)	Partial (roofing materials)	Full (including traditional materials)	Full	Full	Partial (mainly traditional materials)	Partial (sheets & some roofing)

Each of the partners in the shelter programme issued 'different' kits – though UNHCR issued standard kits through its 8 implementing NGOs. ECHO therefore approved funding for operations that utilised 4 different types of shelter kits. Nevertheless, the table above suggests that UNHCR unit costs were significantly higher than those of the nearest comparable programme – that of CARE, and that UNHCR has not been able to benefit from the point of view of 'economy of scale' and the possibility to purchase in bulk. According to UNHCR, transport costs were the main factor in influencing the high unit cost of

distributing the shelter kits. Estimated (May 2000) transport costs per kit ranged from US\$ 100 ('easy' degree of convenience from transport perspective) to US\$ 214 ('difficult'). CARE were able to keep their unit costs relatively low (in comparison to UNHCR), due to being able to initially transport materials by road through West Timor and also to purchase 'complete' kits from Australia, which, although costing more than kits made up from separately purchased materials, proved more economical since there were fewer problems with damaged / rejected materials. UNHCR, initially purchased 'complete' shelter kits but logistically they proved more difficult to handle and for this reason switched to purchasing separate materials, through separate suppliers whilst respecting transparent tendering and procurement procedures.

In theory, the full kits were to produce a prototype building, however, as this was a self-construction project and since individual families sometimes sought to combine their kits with those of other family members or purchase extra materials from their own resources, it is therefore difficult to compare the final products of the different shelter interventions. Therefore, from a technical viewpoint, differences in the final product could not be solely attributed to the different kits. In reality, it is extremely difficult to arrive at any accurate assessment of the cost-effectiveness of the various shelter interventions. It is highly likely that the unit costs quoted by the evaluators will be disputed. Considering that the aim of the programme has a definite durable character, only in time – perhaps after 5 years – one will be able to have a more realistic assessment of the proven cost-effectiveness of these different shelter interventions.

5.2. Repatriation & Protection Programme

The funding of such programmes (based on the 'appeal' system) and the different roles and responsibilities of the various coordinating and implementing organisations (UNHCR, IOM, WFP, etc) made it impossible for the evaluation to develop any analysis of the cost effectiveness of these interventions.

6. EFFICIENCY

6.1. Planning and Mobilisation of Aid

Early monitoring of the situation in East & West Timor enabled ECHO to initiate project interventions prior to the post-referendum violence. The use of existing partners to deliver shelter projects not only enabled a quicker response but also saved on the start-up costs of bringing in new partners. Supporting the activities of the coordinating organisations in the areas of shelter, repatriation, protection, food assistance (UNHCR, IOM, and WFP) ensured that ECHO assistance was targeted strategically and not in an 'ad-hoc' fashion. The coordination of the shelter activities by UNHCR through the Shelter Task Force Meetings sought to ensure that duplication was avoided, beneficiaries selected on the basis of vulnerability and that minimum standards as laid down in the SPHERE 'Humanitarian Charter and Minimum Standards in Disaster Response' were respected. The planning and operationalisation of the aid through the ECHO financing decisions was fast and the quality of the cooperation with partners was further improved by the establishment of the ECHO Correspondent in Dili. With the exception of CESVI who had no possibility to pre-finance their activities and had thus to restructure their programme due to the late transfer of funds, none of the partners felt that delays on the part of ECHO had negatively impacted on project implementation.

6.2. Planning and Mobilisation of Aid - Problematic Aspects

Every single shelter project funded by ECHO needed a 'no cost extension'. This was primarily due to delays in the procurement and transport of materials to East Timor. As well as this, it appears that there were problems related to the quality of some of the materials, particularly timber. The fact that different shelter partners were distributing different shelter kits also resulted in adjustments having to be made to the projects of WORLD VISION and CESVI, as beneficiaries played the entitlement card and demanded equality in terms of materials received. This raises questions as to how effectively ECHO appraised these projects before approving funding.

THE UNHCR shelter programme while clearly positive in relation to effectiveness and impact evaluation criteria, raises concerns from the point of view how efficiently UNHCR has coordinated and managed this activity. The shortfall in the UNHCR operations budget for 2000/01 raises the question as to whether UNHCR will be able to meet its planned distribution target of 35,000 kits. Although the UNHCR's implementing partners have openly voiced their concern over this issue, the evaluation team was assured by both the Head of Mission of UNHCR, and the UNHCR Head of Unit (European Institutions) in Brussels that the 35,000 kits would be distributed by the end of May and that UNHCR would then 'exit' shelter. As the largest donor earmarking shelter in the UNHCR programme in East Timor, it will be important for ECHO to monitor developments since it could have implications for ECHO's future involvement in shelter programmes. This concern, together with those related to the coherence of the different shelter interventions, transparency of the procurement of materials, the high unit cost of shelter kit distribution, monitoring of impact, ineffective exit strategy, suggest that an independent evaluation of the UNHCR co-ordinated shelter programme in East Timor could be a valuable case study / learning opportunity for future interventions and cooperation.

The proposal of the UNHCR Head of Unit (European Institutions) in Brussels for a joint-evaluation undertaken by UNHCR, ECHO, the implementing NGOs and Timorese stakeholders, is seen as being particularly relevant.

6.3. Operational Capacities of the Partners

Shelter / Rehabilitation In the Shelter projects ECHO employed a dual strategy of working both with the principal coordinating mechanism UNHCR (which subsequently sub-contracted the implementation of the programme to 8 NGOs) and directly with the larger NGOs who had established track records on shelter projects – CARE and World Vision. CESVI also developed a small shelter component as part of their intervention in Viqueque District. Of the NGOs sub-contracted by UNHCR to implement the 35,000 shelter kit programme, several had widespread experience of shelter interventions, whilst others were required to divert their human & organisational capacity into shelter interventions. This situation thus requires effective monitoring & evaluation mechanisms on the part of UNHCR.

In times of acute need, it is tempting to adopt a resource-based / supply approach and to relax project & project partner appraisal criteria, and simply seek to 'get the money out' as quickly as possible. Within the shelter programme, this did not occur and inappropriate shelter project proposals were rejected, for example that of the Italian NGO CRIC.

Repatriation / Protection In relation to repatriation, protection and food assistance projects, these were the responsibility of the major multi-lateral agencies and the role of ECHO was primarily that of contributing funds to such. Due to time constraints, the operational capacities of these agencies was not assessed by the evaluators.

6.4. Strategies Deployed

Shelter / Rehabilitation The shelter programme is based on the principle of self-help. The programme does not 'build' houses but assists the beneficiaries to do it on their own. Basic construction materials and, when necessary, technical guidance are provided. In order to ensure that vulnerability criteria are met, cooperation with local administrative and community structures is necessary. The role of local East Timorese staff members in the NGO took on more and more significance as the shelter projects unfolded and many senior positions in the NGO shelter projects are now occupied by nationals. This initial capacity building of local community structures and gradual 'timorisation' of the shelter projects is a plus factor in the shelter projects. Furthermore many NGOs are trying to use the shelter intervention as a platform from which future longer-term developmental initiatives can be launched. This is considered by the evaluators as a considerable strength of the shelter programme.

6.5. Repatriation / Protection

UNHCR activities in West Timor were geared towards obtaining unimpeded access to the refugees, ascertaining their independent choice with regard to their future and helping to effect those choices. Those returning to East Timor are given support in reintegration / protection where necessary. ECHO funding supported the provision of non-food items to IDPs, temporary shelter (plastic sheeting) and contributed to transport and warehousing costs of relief items.

IOM's activities are related to the onward transport and referral services for returnees from West to East Timor. To date over 177,000 returnees in total have returned to East Timor. ECHO funding provided 10 vehicles for the IOM vehicle fleet, which is a significant component of IOM's capacity to fulfil its mandate. ECHO has contributed to the setting up of a repair shop where IOM's fleet of 53 vehicles is maintained – thus ensures extremely low maintenance charges. The 'trickle' back of relatively small numbers of returnees means that IOM appear to have spare capacity at certain times. However, should there be a large influx of returnees from West Timor, IOM have to be able to respond. In this respect, there are appropriate contingency plans in place.

ECHO support to repatriation / protection programmes, represents a high degree of efficiency.

6.6. Staffing, Logistics, Maintenance of Accounts

UNHCR as a whole, has a heavy expatriate presence. However, the section dealing with shelter is relatively small in relation to its workload. The implementing organisations tend to have expatriates in the most senior management positions; however, more and more East Timorese are assuming responsible positions. (Though in relation to shelter activities, there is a clear gender imbalance). Several of the NGOs have reported losing key staff to the larger multi-lateral agencies and UNTAET. Of the shelter implementing organisations directly funded by ECHO, the percentage consumed by expatriate and other staff costs is relatively high; however, effective appraisal of project proposals by ECHO staff, has resulted in these costs being reduced in certain cases. Although this has not been empirically tested, it would seem that the expatriate – East Timorese staffing ratios in the shelter projects are much lower than in many other aid interventions.

The logistical arrangements for the warehousing of materials inside East Timor, which were visited by the evaluation team, are adequate. The mountainous terrain, poor quality of roads and the damages and disruptions due to the rainy season pose severe problems for the transportation and distribution of shelter materials. As a result of this shelter costs continue to rise.

6.7. Monitoring & Evaluation Systems

As understood by the evaluators, ECHO is a funding structure – it may well be operational but it is not an implementing organisation. To achieve its goals it uses others / partners under contract. This contact is the basic monitoring instrument. ECHO monitors the contractual agreement that it has with its partners – the partners monitor their own internal work plans / project implementation. The ECHO Correspondent monitors the contractual agreements signed with the shelter partners - CARE, WORLD VISION, CESVI & UNHCR. The responsibility for monitoring the implementation of the shelter projects coordinated by UNHCR and contracted out to the 8 NGO partners lies with UNHCR, since it is the contractual partner to ECHO. ECHO has no monitoring responsibility with regard to the sub-contracted shelter projects. CARE, WORLD VISION, CESVI and UNHCR have their own internal monitoring, reporting & evaluation systems. Of the ECHO partners visited by the evaluation team, CARE & WORLD VISION had adequate systems in place. The UNHCR monitoring system in relation to the contracted NGOs consisted of weekly and monthly reports, fortnightly shelter task force meetings and regular logistical updates. In addition to this, UNHCR staff in the districts are supposed to carry out field monitoring visits to the projects. Discussions with the implementing NGO partners revealed that such field visits were not

very systematic – some NGOs had never had a field visit as such, and sometimes these visits were a source of tensions. The implementing NGO partners set up their own internal monitoring systems, which varied from organisation to organisation. These systems were often designed to produce information for the monitoring reports of UNHCR as opposed to monitoring the implementation and impact of their particular shelter programme. For example, little attention seems to have been paid to the adjustment function of monitoring whereby problems detected by the monitoring are corrected. An example of this being the issue of beneficiaries still not having completed their shelter construction work which was observed in the UNHCR projects of SCF, IRC, ACF, PWJ & Timor Aid.

The monitoring relationship between the ECHO Correspondent and UNHCR was not clear to the evaluators. Whilst UNHCR sent reports to ECHO, this is not the same as monitoring. Unfortunately, since the ECHO Correspondent was on leave for most of the time of the evaluation mission, it was not possible to clarify this. The evaluator has the impression that the monitoring and evaluation role of the ECHO Correspondent is not clear. In part, this issue is related to the interplay between the 'ECHO the Fund' and 'ECHO the Field' dynamic. The directive on 'Applying Current Operational Working Methods' resulting from ECHO-3's MEETING WITH EXPERTS (16/11/2000) throws little light on this issue. The distinction between 'contractual monitoring' of the project proposal funding contract which is the responsibility of ECHO and 'internal project work plan monitoring' which is the responsibility of the partner needs to be acknowledged in order to address the basic questions of 'who monitors who' and 'who monitors what?' These must be distinguished from issues related to monitoring workload and technical monitoring capacity. Furthermore it should be stressed that effective contract monitoring is no substitute for ineffective appraisal. With the appointment of a second ECHO Correspondent in Dili, there is now the potential for spare staff capacity as shelter projects come to an end. Monitoring issues are thus likely to become more central and clear monitoring guidelines will be required, if micro management of partner's projects is to be avoided.

Apart from the ongoing consultations between EC and the UN agencies concerning, amongst other things, the issue of reporting and the signing of FPAs, and which are far beyond the scope of this evaluation, the issue of reporting does not seem to have been particularly problematic for ECHO and its partners. UNHCR were appreciative of the fact that ECHO conditions are much more flexible than DG-DEV or DG-Relex and that this enables them to make submissions in a more flexible way than NGOs. Both at the level of Dili and Brussels, reporting has been effectively managed and partners have responded to any requests for adjustments etc.

7. IMPACT

ECHO's contribution to the reduction of human suffering through the provision of funding support to shelter / rehabilitation, repatriation and protection projects has been significant. The sheer scale of displacements and destruction in relation to the population and size of East Timor is difficult for the outsider to comprehend. The distribution of aid relief on the basis of the strict application of vulnerability criteria has played an important role in resolving potential conflicts related to the allocation of resources between IDPs and returning refugees. The evaluators visited 6 different shelter partner project areas and consulted a range of beneficiaries and non-beneficiaries (see Annex II). Discussions revealed that there was an awareness of the criteria on which the shelter kits were allocated, understanding of the need for such criteria and an acceptance of the equity / fairness issues underlying this criteria. Only 1 case of 'abuse' was encountered.

In such circumstances the creation of dependency on humanitarian aid is to a certain degree inevitable, not only for the people of East Timor, but also for the more donor-driven partner organisations who have come to depend upon ECHO funding in order to maintain a programme presence in EAST Timor. With the ending of the 'emergency' phase and the move towards medium and longer term rehabilitation programmes, the challenge facing the international donor community is that of facilitating increased ownership and control of the development process by the Timorese themselves and the shift from dependency to inter-dependency and autonomy. In this sense, the expectations and responsibilities of

funding mechanisms such as the TFET to support and deliver this kind of development are extremely high.

The utilisation of inputs from the local economy has been minimal. Ironically, Indonesia itself has benefited as a major supplier of materials for the shelter projects. Shelter projects have created a small number of jobs for East Timorese who are employed by the implementing NGOs, but many of these will disappear when the shelter programme is completed. The provision of shelter / housing is a prerequisite to the re-establishment of village communities and the restoration of trust and confidence and the regeneration of the local economy. The shelter projects and the way in which they have been implemented by the NGOs have created a platform for such regeneration. However, the effect on the incomes of the local population will remain negligible until significant development investment (agriculture, credit programmes, income generation programmes, etc) is forthcoming into these rural areas and not simply absorbed by the enclave economy of Dili.

Shelter programmes have created a demand on local construction material. As yet the environmental impact of such has not been systematically assessed. The evaluators received contradictory information from beneficiaries, implementing NGOs, etc as to the availability of such materials and the potential environmental impact of their use in shelter projects.

In the opinion of the evaluators, impact of the shelter programme in particular on local capacity building has been a very positive element in the ECHO programme in East Timor. All shelter projects have involved local structures in the selection of beneficiaries, implementation and monitoring of the projects. Local organisational capacity has been increased through what can be described as informal training and community development activities. The basis for community-based planning has been established. Parallel to this, East Timorese Staff recruited by the implementing NGOs are gaining experience and in basic community development and project cycle management skills. A pattern can be detected within NGO projects, whereby the initially high expatriate presence has now been reduced and gradual 'timorisation' of the projects has taken place – this pattern has not yet appeared within the UNHCR and other multi-lateral agencies. This support to local capacity-building building needs to be further reinforced and once again the important role of funding mechanisms such as TFET is to be stressed.

8. ANALYSIS of the VISIBILITY of the EUROPEAN COMMISSION

The reports of partners showed that ECHO's visibility was, to differing degrees, present in protection, repatriation and food security activities, through stickers, T-shirts, caps, notices, etc. Vehicles financed through ECHO support were particularly noticeable. However, ECHO was much less visible in the field, especially in relation to the shelter activities coordinated by UNHCR. For reasons of security, the visibility of UNHCR's activities in West Timor was kept to a minimum. However, the shelter projects of CARE and World Vision gave more visibility to ECHO. None of the beneficiaries interviewed knew about ECHO or its role in relation to the project.

9. HORIZONTAL ISSUES

9.1. Human Rights

'Whereas humanitarian aid, the sole aim of which is to prevent or relieve human suffering is accorded to victims without discrimination on the grounds of race, ethnic group, religion, sex, age, nationality or political affiliation and must not be guided by, or subject to political considerations.' - Council Regulation (EC) no. 1257//96 of 20 June 1996 concerning humanitarian aid.

ECHO's support to East Timor has clearly been respectful of the issue of human rights in humanitarian aid.

9.2. Gender

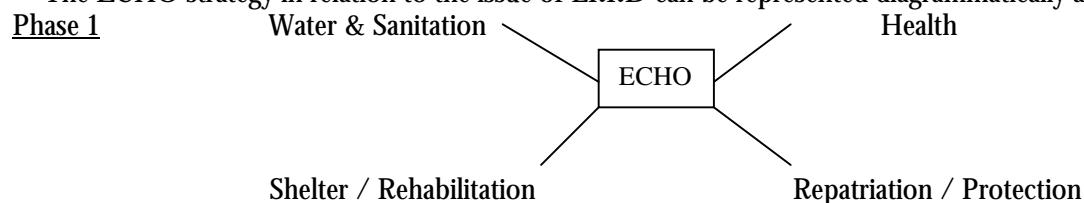
Shelter projects in particular have adopted a gender-sensitive approach through their targeting of widows, single - parent and large families. However, the recruitment practices of NGOs involved in the implementation of these projects did not appear to be particularly concerned with or pay much attention to the issue of gender-imbalance, as few women appeared to be employed in these organisations and even fewer involved in fieldwork activities.

9.3. Security of Humanitarian Staff

This is very problematic in West Timor, where since UNHCR have suspended their activities following the murder of 3 expatriate staff in September 2000. A phase 5 security rating is still in force which can only be revised by UNSECOORD. In East Timor, appropriate security measures are in place and all ECHO partners are observing security protocols. However tensions are apparent and at the time of the mission, a serious security incident occurred in Viqueque district, where 3 people were killed and 50 buildings burned. ECHO partners suffered some looting and had to evacuate. This necessitated a rescheduling of field visit plans for the evaluation mission.

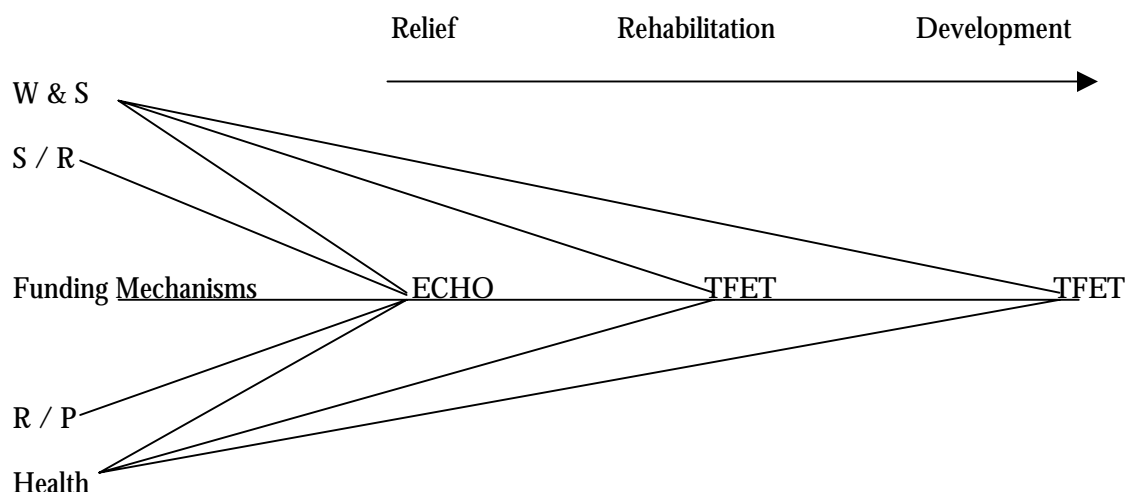
9.4. LRRD

The ECHO strategy in relation to the issue of LRRD can be represented diagrammatically as follows:



This initial 'relief' intervention strategy lays the foundations on which medium and longer-term rehabilitation and development strategies can be formulated and implemented:

Phase 2



Whilst the mandate of UNHCR, WFP, IOM, focuses primarily on the emergency / relief phases, the majority of ECHO's NGO 'Shelter' partners appear to be adopting a longer-term, development perspective in relation to East Timor. Unlike other sectors, 'Shelter NGOs' need to develop other non-shelter initiatives if they are to move into longer-term rehabilitation and development programmes. NGO partners have clearly been doing shelter in a developmental way and in this respect, the shelter intervention serves as the contact point / platform from which the NGO can launch other community – based interventions. To do so they must be supported by appropriate funding mechanisms, such as the TFET, development funding, budget lines, etc. Until such a time as these mechanisms come on board,

ECHO funding appears to be one of the few mechanisms, which can reinforce LRRD transition. In this sense, all potential exit strategies for ECHO need to be appraised from the perspective of how (if) they fit into the LRRD continuum.

In relation to Health and Water & Sanitation Sectors, TFET theoretically provides the link between the exit strategy for ECHO and the LRRD continuum. It thus becomes a question of developing the most appropriate structures and strategy for facilitating this transition for ECHO partners. ECHO partners seeking to transform their shelter activities into more development-oriented interventions must either try to access support from the TFET, for say agricultural or community development type activities, or seek alternative sources of funding support. With few budget lines, apart from ECHO and outside the TFET framework, currently able to support the transition to such activities, the EC has to a certain extent, restricted its own capacity to reinforce this LRRD strategy and in a sense reduced the investment impact of ECHO. Whilst the end of ECHO funding support will thus coincide with the exit strategy for some NGOs, others will try to develop survival strategies until more appropriate funding comes on board. Some NGOs are likely to find this difficult and may have to reluctantly exit. Since many of these were 'first in' as it were after the violence of the post referendum period, and have consequently strived hard to gain the confidence and trust of the local communities in which they were working, such an exit would represent a loss of experience and potential development investment.

The critique of ECHO Brussels that the evaluators have focussed too much on LRRD from the perspective of partners and not on the sustainability of the project interventions is acknowledged. However, the position of the evaluators is that this is not an 'either / or' situation, that partnership and sustainability are fundamentally linked from an LRRD perspective. Quite simply, if it were not for its implementing partners, ECHO could not function, since it is not an implementing structure. Project sustainability is influenced by a number of factors, a key one being the capacity and sustainability of the implementing organisation. Therefore, from an LRRD perspective, the performance of the Trust Fund should be systematically monitored by the EU, not only in the 'earmarked' sectors of Health and Infrastructure, but also, across all sectors where former ECHO partners are / seek to operate such as agriculture, community development, etc. Concern with the performance of the Trust Fund would logically lead to the need for the EU to consider a parallel funding strategy from such and the introduction of appropriate funding mechanisms.

Budget Lines Dealing With Uprooted People & Related Objectives

Budget Line	Type of Aid	EC service politically and technically responsible	FIELD OPERATORS / PARTNERS			
			Multilateral Agency	European NGO	Local NGO Local Org.	Local GOV.
Humanitarian Aid (B7/210)	Short-term, emergency, natural disaster, man-made disaster	ECHO	X	X		
Food Aid & supporting actions (B7/2000)	All sectors, all target groups, e.g. the poorest	DEV+ EuropeAid	X			X
Co-financing of NGO projects (B7/6000)	All sectors, all target groups, e.g. the poorest	RELEX + EuropeAid		X		
*Aid for Uprooted People (B7/302)	No formal time constraint, all sectors	RELEX+ EuropeAid	X	X	X	X
Rehabilitation	Post-conflict,	RELEX+	X			X

East Timor (B7/304)	Post-disaster	EuropeAid				
Financial & technical assistance (B7/300)	All sectors, all target groups	RELEX+ EuropeAid				X
Democratisation & human rights (B7/702)	All target groups, political goals	RELEX+ EuropeAid			X	X

*It appears that the Council regulation for the budget lines 'Aid for Uprooted People' has now expired, although its future is still uncertain since the external evaluation recommended that not only should it be continued, but also reinforced.

A major finding of this evaluation ('Aid For Uprooted People in ALA Countries, 1997-99') was that mass displacements of populations in ALA countries that have benefited from EC aid have had one common characteristic: all have resulted in **protracted** problems that have been the outcomes of long lasting conflicts – most of them going back twenty years if not more – induced by a complex set of root causes and complicating factors. In such circumstances, this budget line was seen as a highly relevant instrument for addressing the problems of uprootedness and that no effective alternative existed. In the event that East Timor becomes another example of this trend, as seems very likely, it is questionable whether TFET Community Assistance programme is able to address the challenges that arise from the protracted nature of such crisis situations. When ECHO exits, the evaluators are concerned that there will be no effective financial instrument available to deal with the protracted nature of uprootedness that is likely to continue for several years in East Timor. This being the case, it makes good sense for the EC to have access to a budget line(s) which could address this.

10. RECOMMENDATIONS

10.1. Shelter / Rehabilitation

- In cooperation with UNHCR, the implementing NGOs and East Timorese stakeholders consideration should be given to the commissioning of an independent evaluation of the UNHCR coordinated shelter programme in East Timor as a valuable case study / learning opportunity for future interventions and cooperation.
- Serious consideration should be given to the **immediate** funding a further 1000 shelter kits in partnership with CARE & IRC. Parallel to this, the findings of the proposed World Bank mission on shelter and housing needs in East Timor (due to report in July 2001), should be assessed in order to judge the need for a project assessment / formulation exercise to determine the options for further EC support to the shelter sector. The exercise would have four main objectives: (1) To confirm the need for further EC support to shelter sectors projects, (2) to revise / reassess the criteria for shelter support and (3) identify the most appropriate delivery method / partner for addressing such needs, (4) to identify the most appropriate EC funding mechanism.

10.2. Repatriation / Protection

- Contingency plans exist to deal with a mass influx of returnees (IOM, UNHCR) - further ECHO support to this sector may therefore be necessary.

10.3. LRRD

- The Trust Fund should be continuously monitored and annually reviewed from the perspective of how it contributes to the development of East Timor, in relation to EC strategic priorities. From this perspective, it is important to monitor how (if) TFET enables (former) ECHO partners (and thus ECHO investment) to contribute to longer-term development of East Timor. When this is deemed

problematic, a parallel funding strategy should be considered and appropriate funding mechanisms introduced.

10.4. Uprootedness - the Protracted Effects

- An effective financial instrument available to deal with the effects of the protracted nature of uprootedness that is likely to continue for several years in East Timor, is required. From this perspective, the TFET Community Assistance Policy should be effectively monitored. The EC should consider the deployment of an appropriate budget line (s) to help respond to this situation.

10.5. Monitoring

- With the appointment of a second ECHO Correspondent in Dili, monitoring issues are likely to become more central and clear monitoring guidelines will be required if micro management of partner's projects is to be avoided. If necessary, external technical assistance could be provided to help develop such guidelines.

10.6 Future Policy Implications

- Future EC development policy should adopt a 'decentralised cooperation' approach. The 'interface' would therefore be at the level of the district administrations. EC support should be focussed on capacity building and decentralised rural development

11. LESSONS LEARNT

- The ECHO Correspondents have significantly contributed to the success of the ECHO support to Shelter / Rehabilitation, Repatriation / Protection and related programmes, initially through an proactive programming and distance management strategy, and then through the Dili field structure. The Correspondent has strategically negotiated the 'grey areas' between 'funding' and 'operational' roles, without compromising the ECHO mandate and 'modus operandi'. This has been achieved in far from optimal operating conditions. It is a good example of the transition from distance management to field operation. This has been initiated and supported by Brussels.
- The ECHO interventions in the area of Shelter & Repatriation have contributed to the establishment of a platform from which reconstruction and development-oriented activities can be launched. The challenge is now to bring other, more appropriate, funding mechanisms on board, particularly those which enable NGOs to sustain and scale-up their contribution to the development of East Timor.
- There is an uncertainty concerning the future of the shelter sector programmes in East Timor with the exit of UNHCR from the coordination role. A policy vacuum has been created resulting in a lack of strategic guidance on which funding organisations such as ECHO can base their programming response.
- There seems to have been greater emphasis on resource procurement than on substantive policy issues at the level of strategic decision making. An example of this is the need for greater discussion on the issue of the protracted effects of uprootedness in relation to the situation in East Timor and its implications for EC and bilateral donor support. The issue of land-title being particularly important.