



Humanitarian Aid Decision

23 02 01

Title: Humanitarian aid for the most vulnerable people of Georgia

Location of operation: GEORGIA

Amount of decision: 4,000,000 euro

Decision reference number: ECHO/GEO/BUD/2004/01000

Explanatory Memorandum

1 - Rationale, needs and target population:

1.1. - Rationale:

The latest missions undertaken by ECHO in Georgia last January and April, after the “Rose Revolution” of November 2003 and the subsequent changes of President and government, have confirmed that Georgia is a country still faced with considerable humanitarian needs which are not met either by the government or by international donors, in particular for people living in and around Abkhazia.

Western Georgia, including Abkhazia, continues to be characterised by large forgotten needs. After having shown interest and support for several years in the 1990’s, in the wake of the civil conflict, the international humanitarian community has progressively withdrawn from the region. The hope that the situation would improve and the idea that it needed to be addressed through structural instruments, combined with a certain donor fatigue, account for this disengagement.

Despite renewed interest from external donors following political changes this year and the set-up of a new administration which appears more reform-oriented, no fresh funding has been allocated to cover humanitarian needs. Donors are concentrating on development projects, which is positive for the country but leaves the specific needs of the most vulnerable people unanswered.

The situation in Abkhazia, in particular, has not changed much since last year. The economy remains in shambles and the absence of a conflict settlement and of recognised authorities is still hindering any sustainable development. Some little progress was noted in Sukhumi, which is starting to benefit from the return of Russian tourists to the coast. Last year, 300,000 tourists went to Abkhazia and, although these figures are far from the pre-war estimated 3 million and much of the money goes back to Russia (hotels are owned by Russians), this created a few seasonal jobs. However,

this is still extremely limited and restricted to the North of the region, which does not affect the derelict and poorest districts of Gali, Ochamchira or Tkvarcheli, where there is no economic activity.

In Samegrelo, an agricultural region, the overall economic situation has not improved either yet and the region is still affected indirectly by the conflict with Abkhazia and the very high number of people still displaced there, many of whom living in run-down collective centres with no economic opportunities.

In addition to Western Georgia, which is probably the region where humanitarian needs are most acute, recent ECHO missions were able to confirm that there are pockets of needs in specific sectors in other regions also, particularly with regard to the very poor state of collective centres where IDPs have been accommodated for more than ten years, as well as the physical state of a number of children in institutions.

Background

The conflict which erupted in 1992 in the breakaway republic of Abkhazia led to the displacement of over 250,000 people and devastated what once was a thriving tourist and agricultural region. A UN-brokered agreement was signed by the Georgian and Abkhaz parties in 1994 which put an end to the fighting. The compliance with the Agreement is since then monitored by the CIS Peace-Keeping Forces and the United Nations Military Observer Mission in Georgia (UNOMIG).

Despite the signature of this agreement, very few IDPs returned to the Gali district of Abkhazia, at the "border" with Georgia. Tensions remained very high, with again deterioration of the situation in the Gali district in 1998, which resulted in a new displacement of 30,000 people, many of whom were refugees who had returned there with the assistance of the humanitarian community. Since then, Gali district has remained an insecure area and humanitarian organisations have stopped their assistance programmes in areas of return. However, it is estimated that about 40,000 persons have returned from Samegrelo, in Western Georgia, to Gali recently, of which a number are said to be moving back and forth between the two regions. Slowly, some humanitarian organisations are now returning to some parts of Gali, albeit with much caution due to security constraints.

Since the unilateral declaration of independence by the de facto Abkhaz authorities, dialogue has not resumed between the two parties in spite of the efforts of the international community, and there is no political settlement in view in the short run. The Chevarnadze-Putin meeting which was held in Sochi in March 2003 raised the hope that a breakthrough in the issue of return of IDPs to Gali might be reached this year. However, no concrete progress has been made so far on this issue despite follow-up meetings. The new Georgian government has made verbal openings on the Abkhazia issue and seems to be willing to tackle the issue, but no concrete progress has been observed yet and in any case it will take some time before an agreement, if ever, can be reached.

As a result of the conflict, Abkhazia is a devastated region. Its population has shrunk from an estimated 500,000 people before the war to some 100,000 to 150,000 people, 20,000 of which being considered as destitute (according to ICRC and MSF) and a high percentage of them being elderly and isolated people. With the complete

disruption of the social infrastructure, the absence of economic opportunities (the economy suffers from the international trade embargo) and the lack of any political settlement, the basic food, non-food and medical needs of the most vulnerable people are not covered and no improvement is expected in the near future. The de facto local authorities do not have the resources to cope with the situation and provide any social safety net. Thus Abkhazia, which enjoyed the highest standard of living in the former Soviet Union, now has some of the lowest. According to UNDP's report of April 2004 on their latest feasibility mission to Abkhazia, GDP in Abkhazia has fallen by 80-90% in less than fifteen years and unemployment is currently around 90%.

On the other side of the dividing line, tens of thousands of Georgians who have left Abkhazia are still displaced within Georgia, particularly in the Western part. Around 50% of the IDPs from Abkhazia are still estimated to be living in Western Georgia (excluding Abkhazia). They represent half of the resident population in Zugdidi district (55,000 people according to Georgian Government figures), bordering Abkhazia, which places a significant burden on the infrastructure of this region. New, more accurate figures should soon be available after the re-registration which the Georgian Government has decided to carry out in cooperation with UNHCR.

Apart from IDPs, the situation continues to be very precarious for the most vulnerable households in Western Georgia and it is not expected that economic reforms will have an impact for these families at community level. Even if pensions or social allowances are marginally raised, as has been announced by the new government, there are no economic opportunities so far to enable them to get out of aid dependency and fend for themselves.

1.2. - Identified needs:

- **Food security** : Food needs have been identified by ICRC and WFP as some of the most urgent and forgotten needs in Western Georgia. In particular, populations with no access to land, no agricultural skills and who are often elderly or disabled continue to depend on external food assistance for their survival as pensions and other social benefits do not cover the average monthly food basket.

The situation in urban areas of Abkhazia is particularly difficult, with very limited social allowances and a disrupted family and community support network. Despite the fact that there is general food availability, the access is restricted by lack of income, mobility, land holding and welfare assistance. The average price of a minimum food basket per month is approximately 900 Roubles (around 30 euro) when the basic Abkhaz pension amounts to 90 roubles (3 euro) per month. A survey conducted by ICRC in Abkhazia in 2002 showed that the household capacity to cover basic food needs was below an acceptable standard for 15% to 20% of the population, and the situation has not changed since. Food continues to be the primary expense for these vulnerable groups but isolated, old and destitute people do not have the means to cover even their basic needs. This is why there is a continuous need for food distribution to the poorest segments of the population.

In addition to these beneficiaries, there are a number of households who could become self-sufficient if they were engaged in a food security/income generation programme. These households have able-bodied members who only need to be provided with working opportunities and basic inputs as well as training. ECHO has already funded projects of this type which proved very successful, and there is ample room for extending this type of assistance to other areas and households.

In the rest of Western Georgia, the same type of programmes is needed since households are often as vulnerable as in Abkhazia, particularly when they have been displaced by the conflict. Although pensions are somewhat higher (around 13 dollars), they do not allow for a sufficient coverage of basic food needs and are partly used for covering health expenses which are anything but free. There is a lack of non-agricultural employment opportunities due to the collapse of Soviet industries, and therefore most people rely on agricultural activities for food consumption and/or income generation. However, the agricultural production remains low due to a limited access to inputs, old technology and limited agricultural and managerial knowledge.

In addition, the 60% increase in wheat flour prices as a direct consequence of poor 2003 wheat harvests in the region has had dire consequences for low-income groups, especially for pensioners and poor urban families with many children, among whom IDPs. According to the WFP Food Security survey of March 2004, vulnerable households have had to compensate the price increase by reducing other expenditures, notably for health and education, and by getting further into debt or de-capitalisation through the selling of household assets, which has further increased their vulnerability.

- **Health** : The Georgian health sector has been seriously affected by a decade which has seen the collapse of the soviet system, no maintenance of the infrastructures, migration of many health specialists and extremely low State budgetary allocations. Parallel systems for payment of the medical personnel have developed as well as a black market supplying unreliable medicines and medical consumables. Most of the primary health structures have collapsed, leading to a saturation of secondary health structures. Mother and Child health is a national priority, with indicators showing high perinatal and neonatal morbidity and mortality. 75% of pregnant women do not consult on a regular basis or often and only 10% have a post-delivery consultation with family planning discussed in only 20% of the cases.

This situation is rendered even more difficult in areas of high IDP concentration. The population of Zugdidi, in Samegrelo, is said to have doubled with the influx of IDPs from Abkhazia, with dramatic consequences for the secondary health structures. This has limited drastically the access to quality health care for both the IDP and the resident populations.

Infrastructures providing mother and child health care and reproductive health care are in need of immediate basic repairs and equipment before a training programme, with adoption of WHO protocols and a regular supply of essential medicines and medical consumables, are put in place.

- **Rehabilitation of collective centres and schools** : OCHA's Humanitarian Situation and Strategy 2004 paper underline that roofing, heating, insulation, water supply or sanitation conditions are appalling in a large number of collective centres for IDPs, many of which have been devastated by many years of poor maintenance. Although much of the infrastructure throughout Georgia is in big need of repair, the extent of dilapidation in collective centres is much higher and the needs more urgent, as these are structures which were not meant for this use. While the Georgian authorities recently announced a re-registration of IDPs which will allow us to have a precise and updated figure, it is considered at the moment that out of circa 250,000 IDPs in Georgia, no less than 100,000 live in collective centres throughout the country. There are 319 collective centres registered in Samegrelo region, 110 in Zugdidi city alone and 96 in Imereti region. 57 collective centres are registered in Tbilisi and

surroundings. Programmes of basic rehabilitation were launched by UNHCR in 1993-94 and after the 2002 earthquake : some agencies – ICRC, Danish Refugee Council and Norwegian Refugee Council – have therefore engaged in the rehabilitation and maintenance of collective centres, with a particular focus on the Samegrelo region. However, although Samegrelo and Imereti were definitely priority areas, some other regions had been somewhat neglected, with living conditions in collective accommodations left far below standards. Basic repairs focusing on roofing, sanitation and utilities supply are urgently needed in a number of centres, in order to bring the living conditions back to minimum acceptable standards and improve the health and the psychological status of IDP populations living there.

Apart from collective centres, a recurrent lack of State budgetary support to social institutions also resulted in a significant degradation of the living conditions and a serious threat to the health of children living in such structures. The improvement of sanitation conditions, with immediate repair or provision of latrines and showers, is an absolute priority in several boarding schools. The number of these institutions is rather small and they are concentrated in and around Tbilisi, with around 5,000 children, 200 of them being orphans. In spite of the Government's plan (supported by the EC, notably through the FSP) to “de-institutionalise” the children of Georgia and help re-integrating part of the children in their families, a nucleus of children will remain in institutions and they deserve special and immediate attention.

1.3. - Target population and regions concerned:

- The target population for the food distribution will be some 80,000 destitute households, IDPs or resident population, in Abkhazia and the rest of Western Georgia (60,000 people will be targeted for the distribution of dry food in Samegrelo and 15,000 in Abkhazia; 5,000 homebound people in Abkhazia will benefit from a canteen programme and receive hot meals).
- The target population for the food security programme will be some 5,000 people for food/income-generation projects and some 60,000 people for food for work, in Abkhazia and Samegrelo.
- The catchment population for the primary mother-and-child health care project will be the female population of three districts of Zugdidi region (total population estimated around 150,000).
- The target population for the rehabilitation component will be some 7,000 IDPs in collective centres in Rustavi and Tskaltubo (Imereti region) and 850 children in five institutions in Tbilisi.

1.4. - Risk assessment and possible constraints:

Georgia continues to be an unstable country, as the crisis with Adjara has shown. The new Government has announced its intention to tackle the two unresolved conflicts with South Ossetia and Abkhazia. This could result in a potential escalation of tensions before, hopefully, a positive outcome can be reached – in the medium term with Abkhazia, on a shorter term with South Ossetia.

The security situation in Abkhazia, particularly in Gali district, is very poor. There are areas where no organisation goes, not even the ICRC. ACH has started to go to some areas in Gali town with UNOMIG escorts but the continuation and extension of their work in this region will depend on the security situation which could deteriorate.

So far, however, the projects financed by ECHO have been implemented smoothly and have yielded very positive results, largely thanks to the experience of the partners.

2- Objectives and components of the humanitarian intervention proposed:

2.1. – Objectives:

Principal objective :

To improve the humanitarian situation of the victims of the unresolved conflicts in Georgia.

Specific objectives :

- To improve the material living conditions of the most vulnerable segments of the population
- to create a technical assistance capacity in the field in order to assess needs, appraise project proposals and coordinate and monitor the implementation of operations

2.2. - Components:

This decision intends to fund three main types of activities aimed at improving the well-being of the most vulnerable segments of the population in Georgia : (1) food security projects; (2) access to mother and child health care; (3) improvement of shelter conditions for IDPs and children.

- Several projects will aim at ensuring **food security** for the most vulnerable layers of local residents, IDPs and returnees in Abkhazia and the rest of Western Georgia. Operations will include a large range of activities aiming at durable and equitable access to food or access to an income. A soup kitchen programme will be continued in Abkhazia for the most vulnerable people, disabled and elderly, who are unable to cook and depend fully on external aid for their survival. The current beneficiary caseload of large dry food ration programmes implemented in Abkhazia and Western Georgia will be progressively absorbed into projects targeting able-bodied people who will be given the means to start food generating and/or income generating activities. Such pilot projects were ignited in the last two years and will be developed at a much larger scale by the partners. The aim will be to decrease significantly the number of passive recipients of food aid, replacing it by activities providing durable and stable income or food production. Projects will either target beneficiaries at household level or have a community participation approach.
- A medical project will focus on the improvement of the availability and quality of reproductive health services and, as a main goal, the **Mother and Child Health (MCH)** in the Samegrelo region, area of the highest concentration of Georgian IDPs which borders with Abkhazia. A programme of emergency rehabilitation and equipment of key referral MCH structures (maternity, obstetrics, gynaecology, paediatrics, dermato-venerology services) will be immediately implemented to

palliate the lack of governmental and external support to this priority sector. The programme shall not, however, become a substitute to the obligations of the Georgian Ministry of Health or attempt to create a parallel medical system. The project will aim at improving the care services delivered to the population through the improvement of working conditions, the availability of equipment and consumables, refresher training by medical experts, introduction of WHO protocols and a functioning referral system for complicated pathologies.

- Living conditions of IDPs and children will be improved in several areas of Georgia through the immediate implementation of **emergency rehabilitation** projects. Priority will be given to collective centres for displaced persons which are the most in need for basic repairs such as roofing, sanitation works and repair of utilities. Though the largest number of such collective centres can be found in Samegrelo and Tbilisi regions, partners will pay attention not to neglect other regions of Georgia which were left aside from existing and former rehabilitation programmes. Children in institutions will be another priority, as some facilities represent a direct threat to their health due to extremely poor sanitation environment. Emergency rehabilitation works in these structures must be seen as the provision of minimum acceptable living standards for children hosted in these schools. This limited, one-off intervention will palliate the absence of governmental and external support to children institutions and will in no case contradict the longer-term Government policy, supported by the EC, of de-institutionalisation.

In order to maximise the impact of the humanitarian aid for the victims, the Commission will set up an ECHO support office which will appraise project proposals, co-ordinate and monitor the implementation of humanitarian operations financed by the Commission. The office will provide technical assistance capacity and necessary logistics for the achievement of its tasks.

ECHO's intervention will be closely coordinated with programmes funded by other EC instruments, as they are partly complementary. The resumption and continuation of the Food Security Programme, in particular, should allow social benefits to be paid and institutions under the Ministry of Education to receive appropriate support, which will have indirect positive effects on vulnerable households.

Since the FSP supports as well the national process of de-institutionalisation of children in Georgia, ECHO will also ensure a good coordination so that the one-off basic rehabilitation of five institutions does not interfere with the Government's long term objective in this sector.

Close coordination will be essential with the Rehabilitation instrument as well, which should be used as of this Autumn for funding community-based projects in Abkhazia and Samegrelo, some of which (income-generation) might be quite similar to those funded by ECHO so far, albeit in different geographic locations. If this was the case, the combined action of ECHO and Rehabilitation instrument would have a very positive effect and allow to significantly increase the number of vulnerable households benefiting from targeted assistance.

3 - Duration foreseen for actions within the framework of the proposed decision:

5 - Other donors and donor co-ordination mechanisms

Donors in GEORGIA the last 12 months					
1. EU Members States (*)		2. European Commission		3. Others	
	EUR		EUR		EUR
Austria	0	ECHO	2,200,000		
Belgium	0	Other services			
Denmark	222,073				
Finland	250,000				
France	0				
Germany	800,000				
Greece	0				
Ireland	0				
Italy	0				
Luxembourg	0				
Netherlands	0				
Portugal	0				
Spain	0				
Sweden	0				
United Kingdom	0				
Subtotal	1,272,073	Subtotal	2,200,000	Subtotal	0
		Grand total	3,472,073		

Dated : 16/06/2004

(*) Source : ECHO 14 Points reporting for Members States. <https://hac.cec.eu.int>
Empty cells means either no information is available or no contribution.

6 –Amount of decision and distribution by specific objectives:

6.1. - Total amount of the decision: 4,000,000 euro

Budget Impact article 23 02 01

	CE (in Euro)
Initial Available Appropriations for 2004	472 000 000
Supplementary Budgets	
Transfers	
Total Available Credits	472 000 000
Total executed to date (by June 16th)	341 580 368
Available remaining	130 419 632
Total amount of the Decision	4 000 000

6.2. - Budget breakdown by specific objectives

Principal objective: <i>To improve the humanitarian situation of the victims of the unresolved conflicts in Georgia</i>				
Specific objectives	Allocated amount by specific objective (Euro)	Possible geographical area of operation	Activities	Potential partners¹
Specific objective 1: To improve the material living conditions of the most vulnerable segments of the population	3,600,000	Abkhazia, Samegrelo, Rustavi, Tbilissi, Imereti	Food security Primary Mother and Child Health Care Rehabilitation of collective centres and children institutions	- ACH- ESP - ALISEI - CROIX-ROUGE - CICR- ICRC - CH - DRC - MDM - FRA - PREMIERE URGENCE
Specific objective 2: to create a technical assistance capacity in the field in order to assess needs, appraise project proposals and coordinate and monitor the implementation of operations	40,000	Tbilissi		
Reserve, max. 10% of the total amount	360,000			
TOTAL	4,000,000			

NB: €360,000 have been put in reserve in order to be able to cover possible additional needs in the timeframe of the decision, which has a 15-month duration

¹ ACCION CONTRA EL HAMBRE, (ESP), ALISEI (ITA), COMITE INTERNATIONAL DE LA CROIX-ROUGE (CICR), DANSK FLYGTNINGEHJALP, MEDECINS DU MONDE, PREMIERE URGENCE, (FR)

7 –Evaluation

Under article 18 of Council Regulation (EC) No.1257/96 of 20 June 1996 concerning humanitarian aid the Commission is required to "regularly assess humanitarian aid operations financed by the Community in order to establish whether they have achieved their objectives and to produce guidelines for improving the effectiveness of subsequent operations." These evaluations are structured and organised in overarching and cross cutting issues forming part of ECHO's Annual Strategy such as child-related issues, the security of relief workers, respect for human rights, gender. Each year, an indicative Evaluation Programme is established after a consultative process. This programme is flexible and can be adapted to include evaluations not foreseen in the initial programme, in response to particular events or changing circumstances. More information can be obtained at:

http://europa.eu.int/comm/echo/evaluation/index_en.htm.

COMMISSION DECISION

of

on the financing of humanitarian operations from the general budget of the European Union in
GEORGIA

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,
Having regard to Council Regulation (EC) No.1257/96 of 20 June 1996 concerning humanitarian aid², and in particular Article 15(2) thereof,

Whereas:

- (1) Georgia has been experiencing a violent internal conflict over the issue of Abkhazia, which led to the displacement of over 250,000 people.
- (2) Despite a UN-brokered end of hostilities in 1994 and the presence of a United Nations Military Observer Mission, there is no peace agreement yet and the situation can be characterised as a frozen conflict, with tensions remaining high in Abkhazia and around the dividing line with the rest of Georgia.
- (3) As a result of these constant tensions, very few people have returned to their place of origin and there are still some 200,000 persons displaced, many of whom are still hosted in derelict collective centres.
- (4) The massive displacement has emptied Abkhazia of more than two thirds of its former population, leaving mainly elderly people and some 20% of the population considered as vulnerable.
- (5) The economic situation in Georgia is a source of concern, particularly in Western Georgia, which hosts around 50% of the IDPs from Abkhazia. This places a significant burden on the infrastructure of this already impoverished region, where at least 5% of the IDP and resident population is considered destitute. Access to medical healthcare and to food, in particular, is very difficult for the most vulnerable.
- (6) Very little international humanitarian assistance reaches Georgia, which can be considered as a forgotten crisis as the needs of large groups of people seem to be forgotten and the focus of assistance has shifted to development.
- (7) In order to maximise the impact of humanitarian aid for the victims, it is necessary to create a technical assistance capacity in the field.
- (8) An assessment of the humanitarian situation leads to the conclusion that humanitarian aid operations should be financed by the Community for a period of 15 months.
- (9) It is estimated that an amount of 4,000,000 euro from budget line 23 02 01 of the 2004 general budget of the European Union is necessary to provide humanitarian assistance

² OJ L 163, 2.7.1996, p. 1-6

to over **200,000 persons**, taking into account the available budget, other donors' interventions and other factors.

(10) In accordance with Article 17 (3) of Regulation (EC) No.1257/96 the Humanitarian Aid Committee gave a favourable opinion on **22/07/2004**.

HAS ADOPTED THIS DECISION:

Article 1

1. In accordance with the objectives and general principles of humanitarian aid, the Commission hereby approves a total amount of **4,000,000** euro for humanitarian aid operations **Humanitarian aid for the most vulnerable people of Georgia** by using line **23 02 01** of the **2004 general** budget of the European Union.
2. In accordance with Articles 2 and 4 of Regulation (EC) No.1257/96, the humanitarian operations shall be implemented in the pursuance of the following specific objectives:
 - **To improve the material living conditions of the most vulnerable segments of the population**
 - **to create a technical assistance capacity in the field in order to assess needs, appraise project proposals and coordinate and monitor the implementation of operations**

The amounts allocated to each of these objectives are listed in the annex to this decision.

Article 2

The Commission may, where this is justified by the humanitarian situation, re-allocate the funding levels established for one of the objectives set out in Article 1(2) to another objective mentioned therein, provided that the re-allocated amount represents less than 20% of the global amount covered by this Decision.

Article 3

1. The duration for the implementation of this decision shall be for a maximum period of **15** months, starting on **01/07/2004**. Expenditure under this Decision shall be eligible from that date.
2. If the operations envisaged in this Decision are suspended owing to *force majeure* or comparable circumstances, the period of suspension shall not be taken into account for the calculation of the duration of the implementation of this Decision

Article 4

This Decision shall take effect on the date of its adoption

Done at Brussels,

For the Commission

Member of the Commission

Annex: Breakdown of allocations by specific objectives

Principal objective :To improve the humanitarian situation of the victims of the unresolved conflicts in Georgia	
Specific objectives	Amount per specific objective (Euro)
To improve the material living conditions of the most vulnerable segments of the population	3,600,000
to create a technical assistance capacity in the field in order to assess needs, appraise project proposals and coordinate and monitor the implementation of operations	40,000
Reserve	360,000
TOTAL	4,000,000

Grants for the implementation of humanitarian aid within the meaning of Council Regulation (EC) No.1257/96 of 20 June 1996 concerning humanitarian aid are awarded in accordance with the Financial Regulation, in particular Article 110 thereof, and its Implementing Rules in particular Article 168 thereof.³

Rate of financing: In accordance with Article 169 of the Financial Regulation, grants for the implementation of this Decision may finance 100% of the costs of an action.

Humanitarian aid operations funded by the Commission are implemented by NGOs and the Red Cross organisations on the basis of Framework Partnership Agreements (FPA) (in conformity with Article 163 of the Implementing Rules of the Financial Regulation) and by United Nations agencies based on the Financial and Administrative Framework Agreement (FAFA). The standards and criteria established in Echo's standard Framework Partnership Agreement to which NGO's and International organisations have to adhere and the procedures and criteria needed to become a partner may be found at

http://europa.eu.int/comm/echo/partners/index_en.htm

³ Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002, OJ L248, 16/09/2002 and No 2342/2002 of 23 December 2002, OJ L 357 of 31/12/2002.