



Humanitarian Aid Decision

23 02 01

Title: Humanitarian Aid for the people of DPR Korea with a focus on the Water / Sanitation sector and Children

Location of operation: KOREA, DEMOCRATIC PEOPLE'S REPUBLIC OF

Amount of decision: 6,200,000 euro

Decision reference number: ECHO/PRK/BUD/2004/04000

Explanatory Memorandum

1 - Rationale, needs and target population:

1.1. - Rationale:

The humanitarian situation that continues to prevail in DPRK as a result of the continued economic downturn, which seriously constrains the government's ability to feed and care for its people, is affecting the great majority of its population¹.

The political tension caused by the nuclear standoff has worsened its isolation from the international community.

During the last few years the DPRK government has started to recognize the need to initiate economic reforms and took tentative steps in this direction with a small reform package in mid-2002. While it is too early to say what will be the result in the long term of these reforms, the physical vulnerability of the population remains very high due to the deficient structures:

- The water supply networks in towns lack energy, means to disinfect the water and spare parts to maintain broken pipelines. Sanitation provision is poor and people run the risk of catching water-borne diseases. In rural areas protected water sources are rare and many rely on surface water.
- Access for most to basic health care is severely compromised, particularly in rural areas. Furthermore the health system lacks supplies, equipment and is extremely vulnerable as observed during the SARS crisis.
- Children are exposed to higher mortality due to insufficient nutrition, unsafe water supply and unsanitary hygiene provision as well as poor health care.

¹ DPRK's population totals 22,697,553 persons according to the WHO - DPRK Emergency Health Profile from 27 July 2004.

ECHO's strategy for the year 2004 has been concentrating on the health, water/sanitation and nutrition sector. A first decision in 2004 targeted health and children. With this decision, it is proposed to improve the water supply and sanitation provision in selected locations as well as ease urgent humanitarian needs of children. It should be mentioned that ECHO's global priority includes activities in water and sanitation. Furthermore, children are again emphasized as a target group, because the total needs exceed the available relief. Children are a core target group for ECHO worldwide.

1.2. - Identified needs:

General

Insufficient water supply and limited access to and availability of food render the population vulnerable to higher morbidity while the medical services offer little relief.

Nationwide, but particularly in isolated rural areas, health facilities and equipment levels are poor or non-existent, training of healthcare workers is suboptimal and non-recurrent and the supplies of consumables (including modern drugs) are severely compromised. Investment in the infrastructure of buildings is frequently insufficient to maintain safe and effective healthcare operations. As a result, the quality of essential health care provision to children and their primary carers has deteriorated thereby increasing child vulnerability and compromising their survival and development.

Local production and import of drugs has almost completely ceased. The medical supplies depend almost entirely on foreign donations. WHO estimates that less than 50% of the necessary medical drugs are currently available in DPRK.

However, significant improvements have been achieved in the health sector; the control of tuberculosis, polio eradication and reduction of malaria can be taken as examples. This progress demonstrates, not only for the health sector, that well targeted humanitarian assistance can have an immediate and sustainable impact on the lives of vulnerable people.

Water and sanitation

A large portion of the population relies on piped systems for their drinking water. The deterioration of the water supply system has resulted in a significant decrease in the supply of drinking water. This is evidenced by the decline in the daily water production from 304 litres per capita in 1994 to 289 litres per capita in 1998². The supply of water is currently meeting only 20-25% of the needs.

The access to piped water in towns dropped from 83% to just 53% during the same timeframe according to the Government³. However this access does not mean sufficient supply, as the water is available only a few hours per day. With more than 62% of the population living in urban areas, the risk of a serious outbreak of water-borne diseases remains significant. The lack of fuel and energy affects the supply of pumping stations and even if electricity is available, unstable voltage disturbs or even damages the pumps. The fluctuating pressure damages pipelines and during the pressure gaps bacteria from nearby sewer pipes contaminate the drinking water.

Urban areas are at a significantly higher risk of water-borne diseases than rural areas.

² Government figures cited in OCHA DPRK Sector Report: Water and Environmental Sanitation, June 2002

³ 5th Ministerial consultation for the East Asia and the Pacific region in May 2001

However rural populations have less access to health care and are therefore as vulnerable as urban populations. Most of the rural population rely on old traditional wells, often shallow, poorly protected and subject to contamination. Shortages of firewood mean that, for most families, boiling water before use is not a feasible option. Additionally, water storage and transport is insufficient and affects the water quality. Mothers and children spend large portions of their day collecting water and providing it to their families.

Sanitation provision is equally insufficient and contributes to water-borne diseases. More than 80% of the toilets in the countryside are "dug latrines" and therefore "open," allowing leakage, overflows, and transmission of vector-borne diseases. In urban areas, latrines are built next to densely populated residential areas and pose a significant health risk to the population. Similarly, the poor sanitary environment in many schools and other institutions means the risk to health is high.

In addition to infrastructural problems, the perception, knowledge and practices of parents concerning home management of diarrhoeal diseases are known to be poor. In DPRK human waste is often used in order to fertilize fields, but improper handling of faeces is a major risk. Contaminated water, use of unsanitary latrines and unhygienic practices reinforce the cycle of malnutrition that exists and contribute to high infant and child morbidity and mortality.

Needs of children

According to UNFPA, the 0-14 age group constitutes 26.5% of the total population, amounting to 6,014,851 children. Out of these, 4.3 million school aged children show a poor health and nutritional status. Their learning capacity and mental development are therefore affected. The 2.3 million children below 2 years of age encounter a high risk of malnutrition and mortality. The disease burden with acute respiratory infections and diarrhoea is very high. Adolescent girls run a very high risk of iron deficiency and anaemia.

According to government figures, from 1993 to 1998 the infant mortality rate increased from 14 to 24 per thousand live births and the under-five mortality rate from 27 to 50. This increase in child mortality resulted from acute food shortages combined with heightened morbidity and reduced capacity of the health system to manage childhood illness, caused by a severe shortage of essential drugs and general degradation of health infrastructure and water and sanitation systems. The main causes of child deaths are diarrhoea and acute respiratory infections, with malnutrition being an underlying cause of around half of these deaths. UNICEF⁴ estimated, in the 2002 survey undertaken together with the Government and WFP, that a fifth of the surveyed children in 6000 households had a history of diarrhoea in the previous two weeks. Although the morbidity in summer months is the worst, even in winter 5% of the children suffer from diarrhoea.

In DPR Korea, high rates of child malnutrition and micronutrient deficiencies continue due to food shortages and the limited capacity of the country's social services to respond. The Nutrition Assessment showed that 42% of the country's children under seven years of age are chronically malnourished, 9% are acutely malnourished and 70,000 are severely malnourished, requiring special hospital care for their survival.

⁴ UNICEF, WFP, DPRK Government: "Nutrition Assessment" published in February 2003.

The same survey reported 32% maternal malnutrition (this was the first maternal nutrition assessment in DPR Korea). Of particular concern is the increasing prevalence of malnutrition and anemia of mothers coupled with inadequate rest and care, particularly during pregnancy and lactation, which has a direct impact on the nutritional state of their children.

Severe malnutrition itself is a medical emergency and without proper care, many of the malnourished children will die for two reasons. Firstly, severely malnourished children are increasingly kept at home and not referred for essential treatment. Secondly, even if children are referred, it is not easy to ensure the minimum quality of care in all counties countrywide due to limited skills of health providers and caregivers and shortfalls in funding. As community doctors in the DPRK currently rely on clinical diagnosis rather than laboratory testing, the provision of basic medical equipment is therefore essential to improve the quality of clinical diagnosis and facilitate the treatment of simple medical problems.

1.3. - Target population and regions concerned:

Effects of this decision will be twofold: through the first specific objective the water sanitation sector is targeted, while the second specific objective focuses on children.

The number of beneficiaries of the improved water supply systems and sanitation facilities is estimated to be at least 220.000 people in towns and rural areas (private buildings, public institutions and hospitals). The nature of this programme will enable a wider population outside the targeted institutions to benefit from the intervention. Hygiene awareness for health staff and the general population is an important component of most projects carried out in this programme.

Children will benefit through nutritional support and improved health services. The number of children that will be reached through this decision will amount to more than 2 million.

The targets of the interventions funded under this decision are the vulnerable populations specifically within towns and rural communities in the provinces Kangwon, North and South Pyongan, Jagan, North and South Hwangae, North and South Hamyong Province. The latter north-eastern provinces were chosen as a target area because of their higher vulnerability, poorer public distribution systems and more severe climatic variations. UNICEF found a greater degree of malnutrition in the North-East. 98.000 families will be targeted in the provinces of North and South Hamyong.

1.4. - Risk assessment and possible constraints:

ECHO experienced in the past years, that working in DPRK involves operational difficulties and constraints to basic humanitarian standards in terms of access to the population, possibility of carrying out proper needs assessments and random monitoring and evaluation of the aid delivered.

In this context, ECHO and the organisations working for this programme will sign a specific Letter of Understanding (LoU) covering each ECHO operation with the relevant authorities and possible local partner associations. As with all LoUs since 2000, it will contain an "EC clause" on the need to meet the above mentioned humanitarian standards. Although the situation continues to be far from reaching internationally acceptable standards, some progress has been achieved during the

implementation of programmes in 2003. Statistics for water quality have either been collected by ECHO partners or been provided by the DPRK Anti Epidemic Stations, which have shown a greater flexibility and in the provision of data.

No assistance is provided to any areas where access for monitoring is not granted. This means that if municipalities deny access for monitoring, the aid is suspended.

This restricted access to the DPR Korean population permitted to international agencies, limits the ability of these agencies to ensure increased access to health care for the population, as well as hinders the measurement of the accomplishment of the specific objectives and thus the formulation of quantifiable indicators.

2- Objectives and components of the humanitarian intervention proposed:

2.1. – Objectives:

The principal objective is to:

“Promote health of vulnerable people through enhanced water supply and sanitation provision and specific aid to children”

Specific objectives:

- Increase access to water supply and sanitation provision
- Contribute to a reduction of morbidity / mortality of children and provide nutritional support

2.2. - Components:

In order to achieve the above objectives, the following activities of ECHO’s partners will be financed:

First specific objective

- Rehabilitation of water supply system and latrines in schools and hospital in Munchon town and 2 small rural communities. Hygiene training.
- Rehabilitation of water supply system, sanitation facilities and one hospital in Anbyon County; equipment of Anti Epidemic Station. Hygiene training.
- Rehabilitation of Hoichong town's water supply, 13 rural water supply systems and latrines for 16 clinics and households. Hygiene training.
- Water and sanitation systems for 30 communities and construction of waste water management systems in Pyongan and Chagang Provinces, hygiene promotion activities and capacity building.
- Rehabilitation of water distribution system in Kujang town and 15 villages; construction of 300 latrines, support for Anti Epidemic Stations, hygiene training.

Second specific objective

- Rehabilitation of 4 paediatric wards and of operation theatres in county and provincial paediatric hospitals within South Hamyong, provision of equipment and material supply. Hygiene training.

- Rehabilitation of water supply for 3 towns including hospitals and child care institutions, supplementary feeding for 2 million children and 480,000 pregnant and lactating women, provision of basic medical supplies and health care services.

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

The duration for the implementation of this decision will be 18 months.

Humanitarian operations funded by this decision must be implemented within this period.

Expenditure under this decision shall be eligible from 15/10/2004 the reason being that the period for construction is limited by the harsh winters. Construction will be prepared over winter and carried out in the summer 2005 and spring 2006 at the latest.

Start Date: 15/10/2004

If the implementation of the actions envisaged in this decision is suspended due to *force majeure* or any comparable circumstance, the period of suspension will not be taken into account for the calculation of the duration of the decision.

Depending on the evolution of the situation in the field, the Commission reserves the right to terminate the agreements signed with the implementing humanitarian organisations where the suspension of activities is for a period of more than one third of the total planned duration of the action. In this respect, the procedures established in the general conditions of the specific agreement will be applied.

4 –Previous interventions/decisions of the Commission within the context of the crisis concerned herewith

List of previous ECHO operations in KOREA, DEMOCRATIC PEOPLE'S REPUBLIC OF				
Decision number	Decision type	2002 EUR	2003 EUR	2004 EUR
ECHO/PRK/210/2002/01000	Non Emergency	5,550,000		
ECHO/PRK/210/2002/02000	Non Emergency	4,175,000		
ECHO/PRK/210/2002/03000	Emergency	300,000		
ECHO/PRK/210/2002/04000	Non Emergency	1,500,000		
ECHO/PRK/210/2002/05000	Emergency	9,500,000		
ECHO/PRK/210/2003/01000	Non Emergency		7,500,000	
ECHO/PRK/210/2003/02000	Non Emergency		4,500,000	
ECHO/PRK/210/2003/03000	Emergency		5,000,000	
ECHO/PRK/BUD/2004/01000	Non Emergency			9,100,000
ECHO/PRK/BUD/2004/02000	Prim. Emergency			200,000
ECHO/PRK/BUD/2004/03000	Non Emergency			1,250,000
	Subtotal	21,025,000	17,000,000	10,550,000
	Total	21,025,000	17,000,000	10,550,000

Dated : 01/08/2004
Source : HOPE

5 - Other donors and donor co-ordination mechanisms

Donors in KOREA, DEMOCRATIC PEOPLE'S REPUBLIC OF the last 12 months					
1. EU Members States (*)		2. European Commission		3. Others	
	EUR		EUR		EUR
Austria	350,000	ECHO	20,050,000		
Belgium	0	Other services			
Denmark	537,634				
Finland	1,150,000				
France	50,000				
Germany	6,487,588				
Greece	30,000				
Ireland	1,100,000				
Italy	0				
Luxembourg	0				
Netherlands	700,000				
Portugal	0				
Spain	0				
Sweden	2,886,000				
United Kingdom	1,539,600				
Subtotal	14,918,322	Subtotal	20,050,000	Subtotal	0
		Grand total	34,968,322		

Dated : 04/08/2004

(*) Source : ECHO 14 Points reporting for Members States. <https://hac.cec.eu.int>

Empty cells means either no information is available or no contribution.

Coordination between relevant actors takes place at different levels. A weekly interagency meeting is organised in Pyongyang to which all agencies and international visitors are invited. ECHO's technical assistant in Pyongyang regularly attends and actively participates in these meetings. In the health sector, there is also a twice monthly sector co-ordination meeting, chaired by UNICEF which relevant donors, including ECHO and SIDA, attend. Also at headquarters level donor institutions, including ECHO, coordinate both a regular and an ad hoc basis. Finally, ECHO's office in Pyongyang shares its premises with AIDCO's technical assistant for the food security programme in DPRK, thus facilitating a regular dialogue between the Commission services.

Food aid to DPRK constituted the main humanitarian contribution, if the financial contribution is taken as a basis for comparison in the past. However food aid has now been reduced by some donors, in response to the nuclear issue. Development aid is absent for the same reason. Nevertheless on 5 August 2004 the cabinet of the Japanese government announced a donation of aid for the food and health sectors worth 47Mio\$.

The EC Food Security programme (AIDCO F5) Commission's Food Security Unit (FSU) financed fertilisers worth 8Mio€ in 2003. A further contribution of fertilisers from the FSU has arrived this year, while the FSU is also looking into financing technical aid in the field of agricultural equipment in 2004 for an amount of 5Mio€

Within the division of competences with AIDCO's food security unit, ECHO's humanitarian activities in DPRK focus on water & sanitation and the health sector. Some ad hoc interventions in winter aid and supplementary feeding complete ECHO's programme, which has provided more than €50Mio since 2001.

Member States have also increased their aid for DPR Korea considerably. Germany, Finland, Netherlands, Austria and Ireland have financed food aid and nutritional support to DPRK. Netherlands finances health programmes with the Red Cross and food aid through WFP. The United Kingdom has financed programmes targeting malnourishment and Mother and Child Health.

Sweden finances a programme covering the water/sanitation, health, food and nutrition sectors through NGOs and UN agencies.

6 –Amount of decision and distribution by specific objectives:

6.1. - Total amount of the decision: 6,200,000 euro

6.2. - Budget breakdown by specific objectives

Principal objective: <i>Promote health of vulnerable people through enhanced water supply and sanitation provision and specific aid to children</i>				
Specific objectives	Allocated amount by specific objective (€)	Possible geographical area of operation	Activities	Potential partners⁵
Specific objective 1: Increase access to water supply and sanitation provision	3,435,000	South Hamgyong, North Pyongan, South Pyongan, Chagang, Kaesong, Ryangang, North Hamgyong, North Pyongan, Pyongyang, North Hwangae, South Hwangae, Kangwong	<ul style="list-style-type: none"> • Rehabilitation of water supply system and latrines in schools and hospital in Munchon town and 2 small rural communities. Hygiene training. • Rehabilitation of water supply system, sanitation facilities and one hospital in Anbyon County; equipment of Anti Epidemic Station. Hygiene training. • Rehabilitation of Hoichong town's water supply, 13 rural water supply systems and latrines for 16 clinics and households. Hygiene training. • Water and sanitation systems for 30 communities and construction of waste water management systems in Pyongan and Chagang Provinces, hygiene promotion activities and capacity building. • Rehabilitation of water distribution system in Kujang town and 15 villages; construction of 300 latrines, support for Anti Epidemic Stations, hygiene training. 	<ul style="list-style-type: none"> • CESVI • CONCERN WORLDWIDE • CROIX-ROUGE - NLD • GERMAN AGRO ACTION • TRIANGLE • UN - UNICEF - INT
Specific objective 2: Contribute to a reduction of morbidity / mortality of children and provide nutritional support	2,585,000	All 12 provinces	<ul style="list-style-type: none"> • Rehabilitation of 4 paediatric wards and of operation theatres in county and provincial paediatric hospitals within South Hamyong, provision of equipment and material supply. Hygiene training. • Rehabilitation of water supply for 3 towns including hospitals and child care institutions, supplementary feeding for 2 million children and 480,000 pregnant and lactating women, provision of basic medical supplies and health care services. 	<ul style="list-style-type: none"> • MERLIN • UN - UNICEF - INT
Reserve, max. 10% of the total amount	180,000			
TOTAL	6,200,000			

⁵ CESVI cooperazione e sviluppo onlus, CONCERN WORLDWIDE, (IRL), DEUTSCHE WELTHUNGERHILFE / GERMAN AGRO ACTION, (DEU), HET NEDERLANDSE RODE KRUIS (NLD), MEDICAL EMERGENCY RELIEF INTERNATIONAL (GBR), TRIANGLE Génération Humanitaire, (FR), UNICEF

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 ProgrammeProgramme is established after a consultative process. This programmeprogramme is flexible and can be adapted to include evaluations not foreseen in the initial programmeprogramme, in response to particular events or changing circumstances. More information can be obtained at:

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

8 –Budget Impact article 23 02 01

	CE (in Euro)
Initial Available Appropriations for 2004	472,000,000
Supplementary Budgets	
Transfers	
Total Available Credits	
Total executed to date (by 5/8/2004)	390,430,368
Available remaining	81,569,632
Total amount of the Decision	6,200,000

COMMISSION DECISION

of

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

KOREA, DEMOCRATIC PEOPLE'S REPUBLIC OF

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 aid⁶, and in particular Article 15(2) thereof,

Whereas:

- (1) The DPRK humanitarian crisis is reflected in a widespread malnourishment, inadequate water supply and a weak social system.
- (2) A detailed analysis of the humanitarian situation in DPRK has identified acute needs in the water sanitation sector. Water supply systems are dysfunctional and sanitation provision is poor.
- (3) Children are by far the most affected and vulnerable group and their needs are widely uncovered.
- (4) An assessment of the humanitarian situation leads to the conclusion that humanitarian aid operations should be financed by the Community for a period of 18 months.
- (5) It is estimated that an amount of 6,200,000 euro from budget line 23 02 01 of the general budget of the European Union is necessary to provide humanitarian assistance to over **2,000,000 people**, taking into account the available budget, other donors' interventions and other factors.
- (6) In accordance with Article 17 (3) of Regulation (EC) No.1257/96 the Humanitarian Aid Committee gave a favourable opinion on 30 September 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 6,200,000 euro for humanitarian aid operations Humanitarian Aid for the people of DPR Korea with a focus on the Water / Sanitation sector and Children by using line 23 02 01 of the 2004 budget of the European Union.

⁶ OJ L 163, 2.7.1996, p. 1-6

2. In accordance with Article 2 of Regulation (EC) No.1257/96, the humanitarian operations shall be implemented in the pursuance of the following specific objectives:
 - Increase access to water supply and sanitation provision
 - Contribute to a reduction of morbidity / mortality of children and provide nutritional support

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

Article 2

Without prejudice to the use of the reserve, 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 18 months, starting on 15/10/2004. 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 enter into force on the day of its adoption.

Done at Brussels,

For the Commission

Member of the Commission

Annex: Breakdown of allocations by specific objectives

Principal objective :Promote health of vulnerable people through enhanced water supply and sanitation provision and specific aid to children	
Specific objectives	Amount per specific objective (Euro)
Increase access to water supply and sanitation provision	3,435,000
Contribute to a reduction of morbidity / mortality of children and provide nutritional support	2,585,000
Reserve	180,000
TOTAL	6,200,000

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 Art.110 thereof, and its Implementing Rules in particular Art.168 thereof.⁷

Rate of financing: In accordance with Art.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

⁷ 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 pf 31/12/2002.