



Humanitarian Aid Decision

23 02 01

Title: Humanitarian aid in favour of the conflict-affected population in Mindanao

Location of operation: PHILIPPINES

Amount of Decision: EUR 500,000

Decision reference number: ECHO/PHL/BUD/2005/01000

Explanatory Memorandum

1 - Rationale, needs and target population

1.1. - Rationale:

For more than thirty years, the conflict between the Government of the Republic of the Philippines (GRP) and the Moro Islamic Liberation Front (MILF) has impacted the lives of the population in Central Mindanao. In February 2003, following a military offensive on a MILF position in Liguasan Marsh, there was a substantial increase in violence which entailed the displacement of tens of thousands of people¹ as well as widespread destruction of homes and property. In this context it is noteworthy that most of the displaced had already experienced displacement during an intensive armed confrontation in the year 2000. In order to obtain more accurate information about the situation, ECHO funded a survey in the three worst affected municipalities² in 2004. Results showed that 39% of the houses (2,352) had been destroyed and 50% of the population had been displaced for a second time (38% for the third time). Furthermore, households' productive assets such as tools, animals and agricultural inputs as well as infrastructure had been destroyed as a result of the conflict.

In June 2003, a ceasefire between the GRP and the MILF was signed, which has largely been respected to date. An International Monitoring Team, headed by Malaysia, is

¹ Estimates range from 120,000 to 300,000 people

² *Liguasan Marsh vulnerability survey*. ACH, June 2004. The Liguasan Marsh is located in North Cotabato and Maguindanao Provinces and is the area in which the humanitarian consequences of the armed conflict have been the most severe.

monitoring the cease-fire agreement and a definitive peace accord is being negotiated. In general, there is a positive outlook as regards the signing of a peace agreement, expected towards the end of 2005. Both parties' commitment to a peaceful resolution of the conflict has created the conditions for a gradual return of the displaced population. However, the situation still remains volatile in Central Mindanao, an area with a high proliferation of firearms where clan fights continue to result in sporadic displacement.

Conditional on the signing of a peace agreement is the de-blocking of funds by the Multi-Donors Trust Fund for Mindanao Reconstruction and Development (MRDTF), established by the World Bank at the request of the Philippine government. The basic aim of the MRDTF is to support the peace process by reducing poverty, one of the root causes of terrorism and guerrilla activities, and link it with disarmament and demobilization with a view to fostering sustainable development in the conflict-affected areas. Addressing the socio-economic concerns of both conflict-affected communities and MILF combatants in Mindanao is believed to be a crucial confidence- and peace-building measure.

Returnees are now in the process of re-establishing their livelihoods, which were substantially affected by the loss of assets due to the conflict and subsequent displacement. However, those who have experienced multiple displacements find it extremely difficult to recover their livelihoods. Uncertainty about the future development of the situation and rather bleak income-generating perspectives are a further obstacle. In addition, local government resources have been drained by three decades of conflict, resulting in a lack of adequate provision of basic services, notably as regards health care, water and sanitation and education. As a result, IDPs, returnees and host populations continue to face difficult living conditions. The incidence of poverty in Central Mindanao and the Autonomous Region of Muslim Mindanao continues to be significantly higher than the Mindanao average and double the national average.

In addition, and despite increased awareness among responsible government entities, ensuring protection and respect for human rights remains a problem. This is mostly due to a lack of capacity to implement the conflict-affected population's rights to information and security and to have functioning community protection plans.

1.2. - Identified needs:

IDPs, returnees and host populations continue to face the following major problems:

- Insufficient access to adequate water and sanitation, health care: Water quality remains a major concern, especially for people living far away from existing safe water sources. According to a 2004 ECHO-funded survey³, 91% of the water points and 94% of the water containers tested positive for bacterial contamination. While the situation has improved since then through ECHO-funded projects, uncovered needs still remain. In many communities, people's only water source is unprotected open dug wells, which are often contaminated. Water frequently has a high concentration of iron, which impacts colour, taste and odour but up to 80% can be removed by means of sand filters. In addition, hygiene practices at household level have to be reinforced further so as to improve the maintenance of water storage containers. Regarding sanitation, 49% of families in the target communities do not

³ Conducted by Acción contra el Hambre
ECHO/PHL/BUD/2005/01000

have access to latrines but use the river or marsh for defecation, which affects the water quality downstream and results in a prevalence of skin diseases and diarrhoea in the area. In order to reduce the related public health risks in a sustainable manner, apart from constructing latrines, it is also important to disseminate information about proper hygiene practice among local communities, health care workers and local government unit members. In addition, community health campaigns are required to reduce health problems and educate community members on issues such as nutrition, community cleaning of drainage, the breeding sites of mosquitos, vectors, pests.

- Food insecurity: As a consequence of the conflict and resulting from displacement, many families have lost their productive assets and inputs. In order to resume income-generation and re-capitalization, they require farm equipment, seed and fertilizers, canoes and other fishing inputs. With a view to supporting their livelihood activities in a more sustainable fashion, there is also a need for training so as to allow a diversification of agricultural practices and income-generation and, hence, reduce vulnerability.
- Protection: The conflict-affected population is often not aware of their rights. Mechanisms are lacking for community protection plans and their implementation.

1.3. - Target population and regions concerned:

- Water, sanitation and public health. The Decision will target 46,000 people: IDPs, returnees and host populations living in 24 communities in North Cotabato and Maguindanao provinces of the Central Mindanao Region.
- Food security. The Decision will target 48,000 people: IDPs, returnees and host populations living in 23 communities in North Cotabato and Maguindanao provinces of the Central Mindanao Region.
- Protection. The Decision will target 28,000 people: IDPs, returnees and host populations living in 14 communities in North Cotabato and Maguindanao Provinces of the Central Mindanao Region.

1.4. - Risk assessment and possible constraints:

A ceasefire between the GRP and MILF has been in place since June 2003 but has not yet resulted in the signing of a peace agreement. Therefore, the situation continues to be volatile and a restart of hostilities remains a possibility. Should violence erupt again, new displacements will take place, with new needs emerging. Therefore, a reorientation of the actions included in the present Decision might be required in addition to further funding. The actions included under this Decision are designed to support the successful completion of the post-crisis phase of the conflict, consolidating the activities funded by ECHO so far. A peaceful environment is a pre-condition for their successful implementation.

Furthermore, insecurity originating either from clan fighting or criminal networks has occasionally constrained the implementation of actions in the past. A deterioration of the

security situation in the target area is hence still a risk which could render access to beneficiaries problematic.

2 - Objectives and components of the humanitarian intervention proposed: ⁴

2.1. – Objectives:

Principal objective:

To provide assistance and protection to the population affected by civil conflict in Mindanao

Specific objective:

To cover the basic humanitarian needs of IDPs, returnees and host populations living in the conflict-affected areas of the Central Mindanao Region

2.2. - Components:

- Construction, rehabilitation and maintenance of water points and latrines;
- Hygiene, health and nutritional education; support to health care structures of local government units;
- Distribution of agriculture and fishing inputs; diversification of agricultural practices; access to income generation opportunities (community livelihood groups);
- Provision of accurate information for IDPs regarding their rights, support to community protection plans and their implementation mechanisms.

The expected results are:

- Access to safe water and sanitation is improved through the construction, rehabilitation and maintenance of water points and through the construction of latrines;
- Public health is enhanced through education on hygiene and nutrition and support to the health care services of local government units;
- Food security is improved through the provision of agricultural and fishing inputs, the diversification of agricultural practices and the facilitation of access to income-generation opportunities via community livelihood groups;
- A more protective environment for the conflict-affected population is achieved through the provision of accurate information to IDPs regarding their rights, local

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

governments' increased awareness of protection issues and support to community protection plans and implementation mechanisms.

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

The duration for the implementation of this Decision will be 11 months in order to accommodate the staggered starting dates of the operations and allow for an extension of projects if so warranted by the evolution of the situation on the ground.

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

The start date of this Decision is 1 October 2005.

Expenditure under this Decision shall be eligible from 1 October 2005 in order to enable support to humanitarian operations scheduled to start on that date.

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. The procedure established in the general conditions of the specific agreement will be applied.

4 - Previous interventions/Decisions of the Commission within the context of the current crisis:

List of previous ECHO operations in PHILIPPINES				
Decision Number	Decision Type	2003 EUR	2004 EUR	2005 EUR
ECHO/PHL/210/2003/01000	Non Emergency	500,000		
ECHO/PHL/210/2003/02000	Non Emergency	500,000		
ECHO/PHL/BUD/2004/01000	Non Emergency		850,000	
ECHO/PHL/BUD/2004/02000	Emergency		800,000	
Subtotal		1,000,000	1,650,000	0
Grand Total		2,650,000		

In addition, the Philippines is one of six countries included in thematic funding Decision ECHO/THM/BUD/2005/03000 (total amount: EUR 4 million), which supports ICRC protection activities for resident and displaced civilians.

5 - Other donors and donor co-ordination mechanisms

Donors in PHILIPPINES in the last 12 months					
1. EU Members States (*)		2. European Commission		3. Others	
	EUR		EUR		EUR
Austria		ECHO	2,316,667		
Belgium	346,500	Other services			
Cyprus	25,773	(see below)			
Czech Republic					
Denmark					
Estonia					
Finland					
France	40,000				
Germany	433,000				
Greece					
Hungary					
Ireland	400,000				
Italy					
Latvia					
Lithuania					
Luxemburg					
Malta					
Netherlands	250,000				
Poland					
Portugal					
Slovakia					
Slovenia					
Spain					
Sweden	360,800				
United kingdom	114,121				
Subtotal	1,970,194	Subtotal	2,316,667	Subtotal	0
		Grand total	4,286,860		

Dated : 19/08/2005

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

The overall objective of the EC National Indicative Programme (NIP) 2005-2006 is to reduce poverty by improving the health status of the population and to contribute to the reconstruction and development of conflict-affected areas in Mindanao. An allocation of EUR 45 million is foreseen, with EUR 32-34 million earmarked for the health sector and EUR 11-13 million for the Multi-Donors Trust Fund for Mindanao Reconstruction and Development. The NIP 2005-2006, hence, concentrates on focal area 1 of the Country Strategy Paper, i.e. assistance to the poorest sectors of society. In addition, the country

has benefited from funding from thematic budget lines, including NGO co-financing (EUR 6.58 million from 2001 to 2007) and aid to uprooted people (EUR 8.4 million contracted from 2001 to 2004, with a further EUR 6 million foreseen in the strategy 2005-2006).

6 - Amount of Decision and distribution by specific objectives:

6.1. - Total amount of the Decision: EUR 500,000

6.2. - Budget breakdown by specific objectives

Principal objective: <i>To provide assistance and protection to the population affected by civil conflict in Mindanao</i>				
Specific objectives	Allocated amount by specific objective (EUR)	Geographical area of operation	Activities	Potential partners⁵
Specific objective 1: To cover the basic humanitarian needs of IDPs, returnees and host populations living in conflict-affected areas of the Central Mindanao Region	500,000	North Cotabato and Maguindanao provinces of the Central Mindanao Region	<ul style="list-style-type: none"> - Construction, rehabilitation and maintenance of water points and latrines - Hygiene, health and nutritional education; support to health care structures of local government units - Distribution of agricultural and fishing inputs; diversification of agricultural practices; access to income generation opportunities (community livelihood groups) - Provision of accurate information for IDPs regarding their rights, support to community protection plans and their implementation mechanisms 	Oxfam UK Accion contra el Hambre (ES)
TOTAL:	500,000			

⁵ Oxfam UK, Accion contra el Hambre (ES)

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.

8 - Budget Impact article 23 02 01

-	CE (EUR)
Initial Available Appropriations for 2005	476,500,000
Supplementary Budgets	
Reinforcement from Aid Emergency Reserve	100,000,000
Transfers	-3,500,000
Total Available Credits	573,000,000
Total executed to date (by 24 August 2005)	474,337,870
Available remaining	98,662,130
Total amount of the Decision	500,000

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

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 aid ⁶, and in particular Article 14

Whereas:

- (1) The conflict between the Government of the Republic of Philippines (GRP) and the Moro Islamic Liberation Front (MILF) resulted in tens of thousands of people being displaced in February 2003 and in the widespread destruction of their houses and productive assets;
- (2) Returnees who have regained their places of origin after the establishment of a ceasefire in June 2003 continue to be substantially affected by the loss of assets due to the conflict and subsequent displacement;
- (3) The conflict-affected population's access to basic services, notably as regards health care, water and sanitation, education and food security remains difficult since local government resources have been drained by three decades of conflict and the incidence of poverty in Central Mindanao is twice the average in the rest of the country;
- (4) The recovery of their livelihoods is particularly difficult for those IDPs who have suffered repeated displacements;
- (5) The conflict-affected population is often not aware of their rights and suffers from a lack of access to functioning (community) protection mechanisms;
- (6) An assessment of the humanitarian situation leads to the conclusion that humanitarian aid operations should be financed by the Community for a period of 11 months;
- (7) It is estimated that an amount of EUR 500,000 from budget line 23 02 01 of the general budget of the European Union is necessary to provide humanitarian assistance to over 46,000 internal displaced people, returnees and local populations affected by the conflict, taking into account the available budget, other donors' interventions and other factors.

HAS DECIDED AS FOLLOWS:

Article 1

1. In accordance with the objectives and general principles of humanitarian aid, the Commission hereby approves a total amount of EUR 500,000 for humanitarian aid operations in favour of the conflict-affected population in Mindanao by using budget line 23 02 01 of the 2005 general budget of the European Union.
2. In accordance with Article 2 (b) of Council Regulation No.1257/96, the humanitarian operations shall be implemented in the pursuance of the following specific objective:
To cover the basic humanitarian needs of IDPs, returnees and host populations living in the conflict-affected areas of the Central Mindanao Region.

The total amount of this Decision is allocated to this objective.

Article 2

1. The duration for the implementation of this Decision shall be for a maximum period of 11 months, starting on 01 October 2005.
2. Expenditure under this Decision shall be eligible from 01 October 2005.
3. 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 3

This Decision shall take effect on 01 October 2005.

Done at Brussels,

For the Commission

Member of the Commission