



**Emergency Humanitarian Aid Decision**

**23 02 01**

**Title:** Emergency humanitarian aid in favour of the people affected by drought in Nepal.

**Location of operation:** NEPAL

**Amount of Decision:** EUR 2,800,000

**Decision reference number:** ECHO/NPL/BUD/2006/02000

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**Explanatory Memorandum**

**1 - Rationale, needs and target population:**

**1.1. - Rationale:**

Nepal is one of the world's poorest countries. Almost 90% of its 25 million inhabitants live in rural areas, and about 31% of them live below the poverty line, notably 42% in rural areas and 45% in the Mid-Western Region<sup>1</sup>. This creates a high vulnerability to natural disasters, notably drought.

Forty-seven of the seventy-five districts are estimated to be food-deficit with serious food access constraints, especially in the hill and mountain areas of the mid- and far-west regions, which are also prone to localized natural hazards. Despite recent positive developments on the domestic political scene, the ten-year old internal conflict has exacerbated the already fragile situation in these areas by further limiting economic activities and curtailing any possible social, health and agricultural extension services.

This last winter, Nepal witnessed the lowest rainfall in recorded history (1960). Rainfall is generally expected each year from December to February, during the growth stage of the winter crop. Many districts across Nepal saw only 0% to 30% of the rainfall normally experienced and required for normal winter crop production<sup>2</sup>. Moreover, in the Far West and Mid West hills, the summer rains 2006 have started late. This sequence of events culminated in severe food shortages, confirmed by a DG ECHO<sup>3</sup> assessment mission in August. The next

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<sup>1</sup> 2005 Human Development Index (HDI) rank : 136 out of 177 – Source: UNDP.

<sup>2</sup> World Food Programme Emergency Operation (EMOP), June 2006.

<sup>3</sup> Directorate-General for Humanitarian Aid – ECHO.

harvest will be 1.5 months late and is expected to be at 30-60% of a full harvest predicting yet another severe hunger gap until the harvest in February–March 2007. The main affected districts are Bajura in the Far-West Region, and Dolpa, Dailekh, Humla, Jajarkot, Jumla, Kalikot, Mugu, Rukum and Rolpa in the Mid-West Regions. Total population under severe and high levels of vulnerability and needing external food assistance is estimated at 225,000 by the World Food Programme (WFP).

In response to this emergency, WFP launched their first-ever drought Emergency Operation in Nepal for an amount of USD 3.17 million<sup>4</sup>. The original duration was three months starting on 22 June. However, in view of the impact of the late monsoon and therefore the expected failure of the coming harvest, and the fact that coping mechanisms are now exhausted, WFP decided on 6 September to extend this appeal until December with a revised amount of USD 5.37 million<sup>5</sup>. Only 40% of the appeal has been covered so far. For these reasons, DG ECHO intends to respond in a quick and exceptional manner to this extended appeal until the beginning of the next harvest this winter.

## **1.2. - Identified needs:**

### Food security:

According to WFP Nepal's Food Security Monitoring System (FSMS), confirmed with additional data collection in June, severe effects of this winter's drought were reported in the Far and Mid-Western Regions, many of which are already chronically food insecure. Moreover, FSMS reporting from 2005 shows that, in these regions, late and erratic 2005 monsoon rains (June-September 2005) also resulted in poor summer harvests (rice/millet/maize). In October 2005, after the summer harvest, households in these areas were already reporting lower food stocks than previous years.

Now, with the combination of two successive weak harvests, the "lean season/hunger gap" for the affected areas, which normally runs from March to May, is being extended this year until the September-October harvest, with dire consequences such as limited food availability, access and consumption in the drought-affected areas. Complete crop failure in many areas with non-irrigated agricultural lands and indications of early food shortages and low food stocks have been validated. The drought has also reduced agricultural labour opportunities upon which most vulnerable and food insecure rural populations heavily depend upon.

It has also been confirmed that rural communities in these areas are exhausting traditional and viable coping strategies and have now started resorting to more damaging alternatives such as reducing food consumption, selling productive assets and livestock, depleting any remaining form of possible credit, and considering the migration of men which would increase the number of female-headed households. The effects of the last two successive weak harvests, resulting in increased vulnerability to food insecurity, has been further compounded by the April nation-wide strike which brought all market activities to a complete standstill in the country<sup>6</sup>.

There is a need for an activity that can bring short-term relief to vulnerable communities without creating dependence, while at the same time leaving them with basic community assets.

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<sup>4</sup> EUR 2.48 million.

<sup>5</sup> EUR 4.2 million.

<sup>6</sup> WFP Emergency Operation (EMOP), June 2006.

## Nutrition:

A nutritional survey conducted by the NGO Action Contre La Faim (ACF) in the two remote districts of Humla and Mugu of the Mid Western Region in March 2006 found significant pockets of higher acute malnutrition prevalence compared to the national rate. The rate of global acute malnutrition for children between 6 and 59 months and their mothers was 12.3% with severe acute malnutrition for 3.3% of this population. Since then, ACF has started implementation of targeted supplementary feeding in these two districts. Continued surveillance over the period June to August showed a worsening situation with pockets of global acute malnutrition above 33%<sup>7</sup>.

These results were witnessed by a mission from DG ECHO's Regional Health Expert at the end of August who visited one of the Village Development Committees (VDCs) in Bajura district. Based on visual observation, there are clear signs of acute malnutrition. From discussions with the women and village leaders, there seems to be an increased problem of low weight birth weight, miscarriages and low or no breast milk. In this village about 20-23 children have died over the past 6 months. With reservation on the accuracy of this figure, this would mean a mortality of around 3/10000/day for under fives<sup>8</sup>.

The high rates partly result from the recent drought and are related to the hunger gap period. Many risk factors of malnutrition also exist which explain this situation. Sanitation conditions are very poor and responsible for hygiene related diseases like worm infections that can lead to malnutrition. There is no tradition of using latrines, limited access to potable water and very poor hygiene habits.

Micronutrients deficiencies, especially anemia prevalence, are another nutrition concern despite the national policy efforts. Nation-wide nutrition strategy is not adapted for conflict affected and remote areas as most governmental structures cannot function properly in these specific zones.

This food scarcity may get worse until the coming main harvest and may lead to a further deterioration in the nutrition situation unless a quick nutritional and therapeutic response is provided.

### **1.3. - Target population and regions concerned:**

The target population is the population affected by the drought in the mountainous districts of the western part of Nepal.

### **1.4. - Risk assessment and possible constraints:**

First, security represents a major constraint for development and humanitarian aid activities. Despite the political progress registered in April and the subsequent ceasefire, Maoist pressure has increased since the creation in January 2004 of a parallel "administration", called "ethnic people's autonomous governments", based on tax extraction and a geographical division competing with the official division, which complicates relations with

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<sup>7</sup> Mobile supplementary food distributions associated with outreach therapeutic programme report, ACF, 08/2006.

<sup>8</sup> RSO Delhi MRE mission report, 30/8/06

the rebels. The Maoist hierarchy announced on 22 December 2005 that the movement would cooperate with the UN and bilateral donor agencies and adhere to their Basic Operating Guidelines (BOGs) for humanitarian aid and development work. BOGs provide a framework of good practice for humanitarian aid and development programmes and emphasise that the agencies have the right to suspend or terminate their programmes in the absence of a safe working environment<sup>9</sup>. However the reality in the field with local commanders is somewhat different from the Maoist statement.

Also, the remoteness of some of the targeted VDCs and the absence of roads network in many hilly and mountainous districts could hamper the smooth and timely deliveries of the assistance and will constitute a major logistic challenge.

## **2 - Objectives and components of the humanitarian intervention proposed:** <sup>10</sup>

### **2.1. - Objectives:**

**Principal objective:** To assist the population of Nepal affected by drought.

#### **Specific objective:**

- To assist victims of drought with an integrated food security and nutrition support.

### **2.2. - Components:**

#### **Food security**

Based on data gathered through the WFP Food Security Monitoring System, emergency food assistance will be provided to food-insecure communities in remote areas of 10 districts of the Far and Mid Western Regions through short-term Food-for-Work (FFW) schemes such as mule trails and basic irrigation schemes. WFP will provide 2 months of food support to about 120,000 vulnerable subsistence farming households using government daily work norm rates of 4kgs of rice for FFW projects. Participation is limited to one or two workers per household, according to its size.

Blanket supplementary feeding schemes through take-home supplementary food dry rations are also proposed for all pregnant and lactating women and children 6-24 months in the affected VDCs.

Additionally the rehabilitation of small irrigation schemes, the development of home gardening and the dissemination of farming practices will be developed on a limited scale.

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<sup>9</sup> Four sets of BOGs have been developed in Nepal: by the donors, by the UN and by international and local NGOs.

<sup>10</sup> 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 (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 Article 169 of the Financial Regulation, grants for the implementation of this Decision may finance 100% of the costs of an action.

## Nutrition

Supplementary and therapeutic feeding operations will be conducted for moderate and severe malnourished individuals, with priority on under five and lactating/pregnant women. The operation will include basic healthcare and small water and sanitation components related to the feeding structures. In addition, nutrition, basic health and hygiene education sessions will be conducted and in the same spirit, support to communities in case of prevention and management of dysentery/diarrhoea epidemics and access to safe drinking water will be conducted through water testing, chlorination and cleaning, and training and reactivation of water quality.

### 3 - Duration expected for actions in the proposed Decision:

The duration of humanitarian aid operations shall be 6 months.

Expenditure under this Decision shall be eligible from 06 September 2006.

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 humanitarian aid operations.

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 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 DG ECHO operations in NEPAL				
Decision Number	Decision Type	2004 EUR	2005 EUR	2006 EUR
ECHO/NPL/BUD/2004/01000	Non Emergency	2,000,000		
ECHO/NPL/BUD/2004/02000	Non Emergency	2,000,000		
ECHO/NPL/BUD/2005/01000	Non Emergency		4,000,000	
ECHO/NPL/BUD/2005/02000	Non Emergency		2,000,000	
ECHO/NPL/BUD/2006/01000	Global Plan			5,000,000
	Subtotal	4,000,000	6,000,000	5,000,000
	Grand Total	15,000,000		

Dated : 21/09/2006

Source : HOPE

## 5 - Overview of donors:

Donors in NEPAL the last 12 months					
1. EU Members States (*)		2. European Commission		3. Others	
	EUR		EUR		EUR
Austria		DG ECHO	10,500,000		
Belgium		Other services			
Cyprus					
Czech republic					
Denmark	804,290				
Estonia					
Finland					
France					
Germany	2,400,000				
Greece					
Hungary					
Ireland					
Italy					
Latvia					
Lithuania					
Luxemburg					
Malta					
Netherlands					
Poland					
Portugal					
Slovakia					
Slovenie					
Spain					
Sweden	105,003				
United kingdom					
Subtotal	3,309,293	Subtotal	10,500,000	Subtotal	0
		Grand total	13,809,293		

Dated : 21/09/2006

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

Australia contributed to the WFP emergency operation for an amount of USD 365,000<sup>11</sup> and the United States for USD 234,000<sup>12</sup>.

## 6 - Amount of decision and distribution by specific objectives:

### 6.1. - Total amount of the decision: EUR 2,800,000

<sup>11</sup> EUR 285,200.

<sup>12</sup> EUR 182,800.

**6.2. - Budget breakdown by specific objective**

<b>Principal objective:</b> <i>To assist the population of Nepal affected by drought.</i>			
<b>Specific objectives</b>	<b>Allocated amount by specific objective (EUR)</b>	<b>Geographical area of operation</b>	<b>Potential partners<sup>13</sup></b>
Specific objective 1: To assist victims of drought with an integrated food security and nutrition support.	2,800,000	Far West and Mid Western Regions of Nepal	- ACF – FRA  - UN - WFP-B
Total	2,800,000		

<sup>13</sup> ACTION CONTRE LA FAIM, (FR), UN - WORLD FOOD PROGRAM - LIAISON OFFICE

**7 - Budget Impact article 23 02 01**

-	CE (EUR)
Initial Available Appropriations for 2006	470,429,000
Reinforcement from emergency aid reserve	140,000,000
Transfers Commission	-
<b>Total Available Appropriations</b>	<b>610,429,000</b>
Total executed to date (22/09/2006)	562,867,000
Available remaining	47,562,000
<b>Total amount of the Decision</b>	<b>2,800,000</b>



**COMMISSION DECISION**  
**of**  
**on the financing of emergency humanitarian operations from the general budget of the**  
**European Union in**  
**Nepal**

**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<sup>14</sup>, and in particular Article 13 thereof,

Whereas:

- (1) This last winter, Nepal witnessed the lowest rainfall in recorded history. The impact of the drought was reported to be most severe in the Far and Mid-Western Regions, many of which are already chronically food insecure. A major-to-complete crop failure was reported in these districts, with winter crop production reduced by 50% to 100%.
- (2) As a consequence, recent nutritional surveys and operations in some of these districts found significant pockets of high acute malnutrition prevalence compared to the national rate.
- (3) In view of the expected failure of the coming harvest and the fact that coping mechanisms are now exhausted, the World Food Programme decided on 7 September to extend their appeal until December 2006.
- (4) Humanitarian aid operations financed by this Decision should be of a maximum duration of 6 months.
- (5) It is estimated that an amount of EUR 2,800,000 from budget line 23 02 01 of the general budget of the European Union is necessary to provide humanitarian assistance to over 120,000 people in Nepal affected by drought, taking into account the available budget, other donors-contributions 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 2,800,000 for emergency humanitarian aid operations to provide the necessary assistance and relief 120,000 people in Nepal affected by drought people in Nepal by using line 23 02 01 of the 2006 general budget of the European Union.

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OJ L 163, 2.7.1996, p. 1-6

2. In accordance with Article 2 (a) of Council Regulation No.1257/96, the humanitarian operations shall be implemented in the pursuance of the following specific objective:
  - To assist victims of drought with an integrated food security and nutrition support.

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

#### *Article 2*

1. The implementation of humanitarian aid operations funded by this Decision shall have a maximum duration of 6 months from their starting date.
2. Expenditure under this Decision shall be eligible from 06 September 2006.
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 humanitarian aid operations.

#### *Article 3*

This Decision shall take effect on the date of its adoption.

Done at Brussels,

For the Commission

Member of the Commission