

COMMISSION DECISION
of
on the financing of humanitarian operations from the general budget of the European
Communities 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 ¹, and in particular Article 14 thereof:

Whereas:

(1) Four typhoons that successively hit the Philippines between 25 September and 9 December 2006 killed an estimated 1,200 people and caused massive damage, destroying more than 300,000 houses and making 1.5 million people homeless.

(2) While the scale of the destruction has largely exhausted the coping capacity of the local authorities and communities, the response of the international humanitarian community has been limited, leaving large gaps in the provision of humanitarian assistance still unaddressed nearly four months after the last typhoon struck.

(3) A further assessment of the humanitarian situation has shown that the most vulnerable among those directly affected by the typhoons, and particularly the 15,000 people living in very difficult conditions in evacuation and transit centres, remain in urgent need of humanitarian assistance.

(4) Humanitarian aid operations financed by this Decision should be of a maximum duration of 12 months.

(5) It is estimated that an amount of EUR 710,000 from budget line 23 02 01 of the general budget of the European Communities is necessary to provide humanitarian assistance to over typhoon-affected populations in the Philippines, taking into account the available budget, other donors' contributions and other factors;

(6) The present Decision constitutes a financing Decision within the meaning of Article 75 of the Financial Regulation (EC, Euratom) No 1605/2002², Article 90 of the detailed rules for the implementation of the Financial Regulation determined by Regulation (EC, Euratom) No 2342/2002³, and Article 15 of the internal rules on the implementation of the general budget of the European Communities⁴.

HAS DECIDED AS FOLLOWS:

2- OJ L 163, 2.7.1996, p. 1-6

3- OJ L 248, 16.9.2002, p. 1

4- OJ L 357, 31.12.2002, p. 1. Regulation as last amended by Regulation (EC, Euratom) No 1248/2006, OJ L 227, 19.8.2006, p.3

5- Commission Decision of 21.2.2007, C/2007/513

Article 1

1. In accordance with the objectives and general principles of humanitarian aid, the Commission hereby approves a total amount of EUR 710,000 for humanitarian aid operations in favour of typhoon-affected populations in the Philippines by using line 23 02 01 of the 2007 general budget of the European Communities.
2. In accordance with Article 2 of Council Regulation No.1257/96, the humanitarian operations shall be implemented in the pursuance of the following specific objectives:

To provide integrated relief assistance to the most vulnerable typhoon-affected communities in the Philippines.

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 12 months, starting on 1 May 2007.
2. Expenditure under this Decision shall be eligible from 1 May 2007.
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

1. The Commission shall implement the budget by direct centralised management.
2. The actions supported by this Decision will be implemented by humanitarian aid organisations that are signatories to the Framework Partnership Agreements (FPA) or the EC/UN Financial Administrative Framework Agreement (FAFA).
3. Taking account the specificities of humanitarian aid, the nature of the activities to be undertaken, the specific location constraints and the level of urgency, the activities covered by this Decision may be financed in full in accordance with Article 253 of the Implementing Rules of the Financial Regulation. This means that in case of co-financing, the possible rate of co-financing can go up to 99% if needed.

Article 4

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

Done at Brussels,

For the Commission

Member of the Commission



Humanitarian Aid Decision

23 02 01

Title: Humanitarian assistance in favour of typhoon-affected populations in the Philippines.

Location of operation: Philippines

Amount of Decision: EUR 710,000

Decision reference number: ECHO/PHL/BUD/2007/01000

Explanatory Memorandum

1 - Rationale, needs and target population.

1.1. - Rationale:

Between 25 September and 9 December, a series of typhoons (Xangsane, Cimaron, Dorian and Utor) hit the Philippines. Of these four typhoons that hit the country over a period of three months, two were category 4 super typhoons with maximum sustained winds of more than 200 km/h.

The typhoons triggered flash floods, mudslides, widespread flooding and, together with the associated high winds, caused destruction and damage to homes, community buildings, public infrastructure, roads, bridges, agricultural crops and fishing farms. According to the most recent statistics⁵, 310,000 houses were completely destroyed by the typhoons, leaving some 1.5 million people homeless, and an additional 300,000 houses were partially damaged. The most destructive impact of the typhoons was recorded in seven regions of the three provinces of Albay, Catanduanes, and Camarines Sur in south-eastern Luzon Island. Of these seven regions, the Bicol region in Albay province was the most severely affected, sustaining the highest number of casualties and the most severe damage among the affected areas.

In the province of Albay, in the region of Bicol, the torrential rains triggered flows of a mix of old lava, mud and rocks from the slopes of the Mayon volcano. The sudden flows buried entire villages, killing some 1,200 people. Half of the bodies have not been recovered yet.

⁵ Source: Department of Social Welfare and Development (DSWD), second week of February 2007

The Philippines is a country recurrently hit by natural disasters: typhoons, earthquakes, flooding, landslides, volcanic eruptions, tsunamis. Typhoons are particularly common in the region, and the Philippines faces on average 20 typhoons each year, with five of them expected to cause major damages to life and property. Early warning systems at the national level warn the local populations, which usually enables a timely evacuation and limits the number of casualties and the impact on livelihoods. The communities regularly affected by the typhoons have also developed some coping mechanisms to deal with their consequences. But this series of devastating typhoons over a short period caused massive damage and largely exhausted the coping capacity of both the authorities and the communities.

On 25 March 2007, more than three months after the last super-typhoon hit, the National Government finally approved a 10 billion Philippines Pesos (PHP) budget for the relief and rehabilitation of the directly-affected areas⁶. Of this 10 billion, only 750 million PHP – equivalent to EUR 11.7 million - is earmarked for procurement of land and permanent shelter housing⁷. This budget will not be sufficient to cover land and shelter needs, which is also confirmed by the plan announced by the Government to build only 5,357 permanent housing units – less than 2% of the more than 300,000 completely destroyed houses. In addition, it is expected that it will take months for these funds that have only just been approved to materialize in shelters.

The response of the international humanitarian community to the crisis has been limited for various reasons. First, the absence of early and comprehensive assessments of humanitarian needs, as well as the limited and short-lived media coverage, did not create the conditions for a rapid and massive reaction. In addition, the implementing capacity of humanitarian organisations in the field has been and remains very low. Lastly, the lack of consistent and reliable data with regard to the number of affected families and destroyed houses is likely to have hampered the credibility towards the donors. The result of this vicious circle – lack of reliable assessments and figures at the beginning of the crisis, absence of humanitarian organisations in the field, lack of interest from the donor community - is that the humanitarian consequences of these typhoons have the characteristics of a forgotten crisis.

1.2. - Identified needs:

The most pressing humanitarian needs concern the surviving populations whose houses and livelihoods were washed away by the mud flows from the slopes of the Mayon volcano in the Bicol region and who now have no place to return to. Of these communities, more than 3,000 families remain displaced in evacuation or transit centres four months after the disaster, while many others are being hosted by relatives and friends. Some of those who have nowhere to go are returning to their land which, covered by an unstable mix of old lava, mud and rocks, is highly prone to potentially lethal landslides during the next typhoon season.

⁶ Source: The Philippine Star Newspapers – 25 March 2007

⁷ The bulk of the budget will go to the national Departments of Public Works and Highways, Education, Social Welfare, National Defense, Agrarian Reform, etc.

The people living in evacuation centres – 13 schools to which the population ran to escape the typhoon – are living in extremely difficult conditions:

- Classrooms are congested.
- Some schools have evacuated the victims from the classrooms in order to restart school lessons. These people are living in the schoolyards in tents (average of 10 people/tent) or in "shanty houses" made of material that they were able to recover (wood pieces, broken corrugated sheet, tarpaulins), in very congested conditions.
- Water and sanitation conditions are very poor because of the lack of space and shallow ground water. Drainage is poor and, in many areas, water is stagnating on the ground, which is likely to lead to outbreaks of water-borne diseases when the heavy rains and heat start in June.

The living conditions of these vulnerable families in congested evacuation centres will further deteriorate with the arrival of the summer, the heat and the typhoons season, which starts in June. Outbreaks of water-borne diseases are likely. In addition, in many instances, classes are made impossible by the presence of the Internally Displaced People (IDPs). Given the likelihood that a permanent resettlement solution for these people who have lost their land and houses will not materialise for months if not years, improving their living conditions by moving them to decent transit centres with adequate facilities and addressing their basic needs must be prioritised.

In addition to houses washed away by the mud flows, more than 300,000 houses have been totally destroyed by the typhoon, leaving some 1.5 million persons homeless. The Manila-based emergency shelter cluster group led by the International Federation of the Red Cross estimates that nearly 290,000 families were still in need of permanent shelter in late February 2007⁸. The shortfall of available and affordable land has left thousands of families with no other option than to build a basic shelter in areas which are particularly prone to natural disasters. As of early March, collective plans for transitional and permanent shelters covered only 6.9% (21,357 housing units) of the total needs⁹. The rapid approach of the June to September typhoon season against the backdrop of the changing weather patterns and the increasing strength and frequency of typhoons over the last few years, underlines the pressing need to assist the thousands of families that are living in areas regularly hit by typhoons, floods, and landslides.

With regard to livelihoods, many of the communities whose villages have been buried by the mud flows have lost their source of income: agricultural fields on the slopes of the volcano, small shops and workshops, small equipment like sewing machines, etc. On a much larger scale, many coconut and abaca farms, which are the main livelihood source for numerous rural families in the Bicol region have been destroyed or severely damaged, leaving already poor households with no income source for 3 to 5 years, or even irreversibly. Boats, fishing equipment and aquaculture fields have also been destroyed. For these people, these losses often come on top of the complete destruction or severe damage of their house.

The coping capacity of the local population, which is used to being regularly hit by typhoons, has been exhausted this time by the scale of the losses.

⁸ Source: International Federation of the Red Cross and Red Crescent Societies – Operations Update 28 February 2007

⁹ Source: OCHA Situation Report – 2 March 2007

1.3. - Target population and regions concerned:

Through this Decision, humanitarian assistance will be delivered to the most vulnerable and severely affected families in Albay Province, the province most severely hit by the series of typhoons.

The main beneficiaries of this Decision will be the IDPs who have lost their land, house and livelihoods to the mud flows. Particular attention will be given to the estimated 15,000 people still living in evacuation or transit centres. The very limited capacity of humanitarian organizations to address the needs of the population still living in these centers has been verified during field visits by DG ECHO Desk Officer and Technical Expert. At present, only one potential partner is in a position to provide assistance to these IDP's.

The provision of humanitarian aid under this Decision may be extended to the most vulnerable households who have lost their house to the typhoons.

1.4. - Risk assessment and possible constraints:

The main risk under this Decision is the approaching typhoon season, expected between June and September. A new series of devastating typhoons would further increase the vulnerability of those families that are now living under very basic shelter in geographic areas highly prone to typhoons, floods and mudslides. Such typhoons could therefore mean that thousands of homeless families require assistance, overstressing the already limited capacity of the humanitarian actors.

2 - Objectives and components of the humanitarian intervention proposed:

2.1. - Objectives:

Principal objective: To respond to the humanitarian needs of typhoon-affected vulnerable populations in the Philippines

Specific objectives:

To provide integrated relief assistance to the most vulnerable typhoon-affected communities in the Philippines

2.2. - Components:

The activities funded under this Decision include the following:

- camp management
- provision of emergency and transitional shelters
- provision of safe water supply - water distribution, water treatment, restoration of water systems - and activities restoring minimal sanitary and hygiene conditions
- provision of non-food items
- early recovery actions targeted at the IDPs who have lost their land, houses, and livelihoods.

The Philippines is a country affected annually by natural disasters. As far as possible, disaster preparedness and disaster risk reduction components will be mainstreamed in the activities planned under this Decision.

All activities will be implemented in close coordination with local authorities and local civil society.

The actions funded under this final Decision will be addressing the emergency humanitarian needs of the victims of the typhoons, particularly those in evacuation and transit centres. However, a long-term solution that goes beyond this short-term humanitarian assistance is needed. A LRRD approach - Linking Relief, Rehabilitation and Development – is necessary, as well as a continued dialogue with the Philippines Authorities on the long-term solution for the affected population.

3 - Duration expected for actions in the proposed Decision:

The duration for the implementation of this Decision shall be 12 months
Humanitarian operations funded by this Decision must be implemented within this period.

Expenditure under this Decision shall be eligible from 1 May 2007.

Start Date : 1 May 2007.

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 ECHO¹⁰ operations in Philippines

| | | 2005 | 2006 | 2007 |
|-------------------------|---------------|-----------|-----------|------|
| | | EUR | EUR | EUR |
| Decision Number | Decision Type | | | |
| ECHO/PHL/BUD/2005/01000 | Non Emergency | 500,000 | | |
| ECHO/PHL/BUD/2006/01000 | Emergency | | 2,000,000 | |
| | | | | |
| | Subtotal | 500,000 | 2,000,000 | 0 |
| | Grand Total | 2,500,000 | | |

Dated : 29 March 2007
Source : HOPE

¹⁰ DG ECHO: Directorate General for Humanitarian Aid - ECHO

5 - Overview of donors' contributions

| Donors in Philippines the last 12 months | | | | | |
|--|-----------|------------------------|-----------|-----------|-----|
| 1. EU Members States (*) | | 2. European Commission | | 3. Others | |
| | EUR | | EUR | | EUR |
| | | | | | |
| Austria | | DG ECHO | 3,000,000 | | |
| Belgium | | Other services | | | |
| Bulgaria | | | | | |
| Cyprus | 5,225 | | | | |
| Czech republic | 20,979 | | | | |
| Denmark | | | | | |
| Estonia | | | | | |
| Finland | | | | | |
| France | 100,000 | | | | |
| Germany | 380,000 | | | | |
| Greece | | | | | |
| Hungary | | | | | |
| Ireland | 300,000 | | | | |
| Italy | 229,500 | | | | |
| Latvia | | | | | |
| Lithuania | | | | | |
| Luxemburg | | | | | |
| Malta | | | | | |
| Netherlands | 1,255,060 | | | | |
| Poland | | | | | |
| Portugal | | | | | |
| Romania | | | | | |
| Slovakia | | | | | |
| Slovenie | | | | | |
| Spain | 694,000 | | | | |
| Sweden | 1,578,059 | | | | |
| United kingdom | | | | | |
| Subtotal | 4,562,823 | Subtotal | 3,000,000 | Subtotal | 0 |
| | | Grand total | 7,562,823 | | |

Dated : 29 March 2007

(*) 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.

6 - Amount of decision and distribution by specific objectives:

6.1. - Total amount of the decision: EUR 710,000

6.2. - Budget breakdown by specific objectives

| Principal objective: <i>To respond to the humanitarian needs of typhoon-affected vulnerable populations in the Philippines</i> | | | | |
|---|---|---------------------------------------|---|--|
| Specific objectives | Allocated amount by specific objective (EUR) | Geographical area of operation | Activities | Potential partners¹¹ |
| Specific objective 1: To provide integrated relief assistance to the most vulnerable typhoon-affected communities in the Philippines | 710,000 | Philippines, Albay Province | <ul style="list-style-type: none"> - camp management - provision of emergency and transitional shelters - provision of safe water supply and activities restoring minimal sanitary and hygiene conditions - provision of non-food items - early recovery actions | - IOM |
| TOTAL: | 710,000 | | | |

¹¹ INTERNATIONAL ORGANIZATION FOR MIGRATION (INT)

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 DG 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://ec.europa.eu/echo/evaluation/index_en.htm.

8 - Budget Impact article 23 02 01

| - | CE (EUR) |
|---|-------------|
| Initial Available Appropriations for 2007 | 485,000,000 |
| Supplementary Budgets | - |
| Transfers | - |
| Total Available Credits | 485,000,000 |
| Total executed to date (by 29 March 2007) | 328,395,695 |
| Available remaining | 156,605,305 |
| Total amount of the Decision | 710,000 |

9 – Management Issues

Humanitarian aid actions funded by the Commission are implemented by NGOs, Specialised Agencies of the Member States, and the Red Cross organisations on the basis of Framework Partnership Agreements (FPA) and by United Nations agencies based on the Financial and Administrative Framework Agreement (FAFA) in conformity with Article 163 of the Implementing Rules of the Financial Regulation. These Framework agreements define the criteria for attributing grant agreements and financing agreements in accordance with Article 90 of the Implementing Rules and may be found at:

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

Individual grants are awarded on the basis of the criteria enumerated in Article 7.2 of the Humanitarian Aid Regulation, such as readiness and experience, and results of previous interventions.