

COMMISSION DECISION
of
on the financing of humanitarian operations from the general budget of the European Communities in
South East Asia

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 Articles 2 and 15(2) thereof:

Whereas:

- (1) Burma/Myanmar, ruled by a military regime, is facing a deepening humanitarian crisis, with an economic recession that is leaving many vulnerable groups, notably ethnic minorities, in an extremely precarious situation.
- (2) Reported violations of human rights, as shown after the massive demonstrations of September 2007, and on-going armed resistance have led to a flux of refugees and internally displaced people, estimated at over 500,000 in Eastern Burma/Myanmar alone. The number of refugees along the Thai/Burmese border has increased from around 10,000 in 1984 to over 150,000 in September 2007.
- (3) The ongoing conflicts on the Eastern borders of the country and the regular reports of violations of human rights indicate a need to support the protection of civilians, in particular vulnerable population groups and security detainees, so that they are respected by the authorities and by armed opposition groups, in line with International Humanitarian Law.
- (4) The water and sanitation problems are also very acute: water-borne illnesses account for 50% of morbidity among young children, and diarrhoea is the second cause of mortality among children under five. There are 2,700,000 episodes of diarrhoea each year causing 30,000 child deaths. Safe drinking water supply coverage in border states is reported to be among the lowest in the country and water-borne disease incidence to be among the highest.
- (5) The health situation in Burma/Myanmar is extremely precarious, notably in the border areas. Rates of mortality and malnutrition amongst children under five are very high compared with those of regional neighbours. There are an estimated 2,500,000 cases of malaria each year.
- (6) The Burmese refugees in the camps in Thailand are almost entirely dependent on international aid for the provision of food and basic services.
- (7) An assessment of the humanitarian situation leads to the conclusion that humanitarian aid operations should be financed by the Community for a period of 16 months from 1 December 2007.

¹ OJ L 163, 2.7.1996, p. 1-6

- (8) It is estimated that an amount of EUR 18,000,000 from the general budget of the European Communities is necessary to provide humanitarian assistance to vulnerable people inside Burma/Myanmar and to Burmese refugees in Thailand, taking into account the available budget, other donors' contributions and other factors.
- (9) 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.
- (10) In accordance with Article 17 (3) of Regulation (EC) No.1257/96, the Humanitarian Aid Committee gave a favourable opinion on 6 November 2007.

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 18,000,000 for humanitarian assistance for the vulnerable populations in Burma/Myanmar and to Burmese refugees along the Thai-Burma/Myanmar border 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 necessary assistance to the most vulnerable groups affected by the protracted crisis in Burma/Myanmar, including protection of victims of armed conflict in accordance with current international agreements.
 - To continue providing necessary assistance to Burmese refugees in Thailand.

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

Article 2

Without prejudice to the use of the contingency reserve, the Commission may, where this is justified by the humanitarian situation, re-allocate the funding levels established for one of the specific 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 and does not exceed EUR 2,000,000.

Article 3

² OJ L 248, 16.9.2002, p.1. Regulation as last amended by Regulation (EC, Euratom) No 1995/2006, OJ L 390, 30.12.2006, p.1

³ OJ L 357, 31.12.2002, p.1 Regulation as last amended by Commission Regulation (EC Euratom) No. 478/2007, OJ L 111 of 28.4.2007, P. 13

⁴ Commission Decision of 21.2.2007, C/2007/513

1. The duration for the implementation of this Decision shall be for a maximum period of 16 months, starting on 1 December 2007.
2. Expenditure under this Decision shall be eligible from 1 December 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 4

1. The Commission shall implement the budget by direct centralised management or by joint management with international organisations.
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.

Article 5

This Decision will 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 provide humanitarian assistance to the population affected by the Burma/Myanmar crisis | |
|---|--|
| Specific objectives | Amount per specific objective (EUR) |
| To provide necessary assistance to the most vulnerable groups affected by the protracted crisis in Burma/Myanmar, including protection of victims of armed conflict in accordance with current international agreements | 7,500,000 |
| To continue providing necessary assistance to Burmese refugees in Thailand | 9,500,000 |
| Contingency reserve | 1,000,000 |
| TOTAL | 18,000,000 |



Humanitarian Aid Decision

23 02 01

Title: Humanitarian assistance for the vulnerable populations in Burma/Myanmar and to Burmese refugees along the Thai-Burma/Myanmar border

Location of operation: South East Asia

Amount of Decision: EUR 18,000,000

Decision reference number: ECHO/-XA/BUD/2007/01000

Explanatory Memorandum

1 - Rationale, needs and target population.

1.1. - Rationale:

The political stalemate and lack of transition to democracy which has prevailed in Burma/Myanmar for decades, even preceding the violent suppression of the pro-democracy movement in 1988, continues unabated. Since independence, the country experienced armed opposition by ethnic minority groups, forced village relocations, and other coercive measures and massive human rights abuses. The most recent repression of peaceful protest, mostly led by Buddhist monks in August and September 2007, has both expressed the economic hardship for the population and the incapacity of the Regime to address the socio-economic causes of the malaise. In September 2007 refugees in neighbouring countries totalled over 150,000 on the Thai border and 30,000 in Bangladesh, while internal displacement affects an estimated 500 000 people in Eastern Burma/Myanmar alone, with 82 000 newly displaced during 2006.

Burma/Myanmar is one of the poorest countries in Asia, its ranking in the United Nations Development Programme (UNDP) Human Development Index having fallen from 125th out of 177 countries in 2000 to 130th in 2006. It receives no support at all from International Financing Institutions, and grossly inadequate international assistance, due to Western sanctions policies: total Official Development Assistance to Burma/Myanmar is one of the lowest in the world (EUR 2 per capita in 2004 compared with EUR 28 for Cambodia and EUR 40 for Laos)⁵. The situation in the health sector is particularly worrying, and the World

⁵ ODA amounted to USD 121,000,000 in 2004 (source: UNDP, Human development Report 2006).

Health Organisation (WHO) report 2006 shows that Burma/Myanmar per capita government expenditure on health is the third lowest in the world (after the Democratic Republic of Congo and Burundi). Some humanitarian indicators such as under-five mortality rates (106 per 1,000 live births) are triple the rates in neighbouring Thailand.

In this context, and under the current European Union (EU) Common Position, non-humanitarian or development programmes remain suspended with notable exceptions. All European Commission (EC) programmes and projects must be implemented through UN agencies, non-governmental organisations, and through decentralised cooperation with local civilian administrations.

The possibility of a cease-fire agreement between the Karen National Union (KNU) and the government on the Eastern border and the repatriation of refugees in Thailand back to Burma/Myanmar is not on the cards for the foreseeable future. Many refugees have switched their hopes to resettlement in a third country. In 2006 and 2007, more than 10,000 people were able to leave the camps, mainly for the United States (US), but also for Canada, Australia, Sweden, the Netherlands or Finland. This resettlement process may continue for a few years. In the meantime, assistance to the refugee population remains vital for their survival.

The population affected by the Burma/Myanmar situation, both IDP in Myanmar and refugees in Thailand, are identified as forgotten crises in DG ECHO's Forgotten Crises Assessment for 2008. The Decision also includes components covering two of the key cross-cutting issues for DG ECHO: water and children.

The Decision will aim at addressing some of the basic humanitarian needs of the most vulnerable populations, particularly in border areas of Burma/Myanmar. It includes a significant protection component in support of Muslim minorities in Northern Rakhine State and the displaced populations on the border with Thailand. It will also target the humanitarian needs of Burmese refugees along the Burma/Myanmar/Thai border.

1.2. - Identified needs:

➤ **Vulnerable population inside Burma/Myanmar**

The long and protracted crisis in Burma/Myanmar, coupled with the lack of support for the health and education public sectors and erratic management of the economy (as shown for example by the sudden massive increase of fuel and gas prices in August 2007) are having a very negative impact on the well-being of the population. The trend over the last fifteen years is one of declining socio-economic conditions with, as a consequence, a deterioration in the humanitarian situation. It is worth mentioning that the original cause of the peaceful demonstrations of monks and civilians in August and September 2007 is of an economic nature. Vulnerability is even greater in the outlying parts of the country, particularly the border regions with China, Thailand, India and Bangladesh⁶.

a) Protection

The Human Rights situation in Burma/Myanmar is critical. Reports from the UN Special rapporteur on Human Rights and from international human rights organisations all mention that “massive violations” such as forced labour, forced relocation and arbitrary taxation are

⁶ According to UNICEF's Child Risk Index, which measures the relative status of children and women in the fourteen states and divisions based on official government data from 1997-2000, most border regions fall significantly below the national average on twelve socio-economic indicators of household income, health status and access to health care, education and safe water and sanitation

taking place in Burma/Myanmar. In the border areas where conflicts are on-going between the army of Burma/Myanmar and armed ethnic minority groups, the civilian population is particularly exposed to these abuses. The UN Office for the Coordination of Humanitarian Aid (OCHA) is conducting a mapping exercise, which should be available before the end of 2007, to assess the needs of Internally Displaced Persons (IDPs) in the Eastern border of Burma/Myanmar. Gaining access to them is crucial to establish protection measures. It is important to highlight the extreme difficulties experienced by the International Committee of the Red Cross (ICRC) in performing their protection mandate, notably to visit the over 1,200 political prisoners in Burma/Myanmar. In 2007, ICRC closed 3 of their 5 sub-offices and stopped their support to the prosthetic services of the ministries of Health and Defence in sign of protest. The expatriate staff of the ICRC is today down to 6 persons (from 52 in 2003). Moreover on 29 June 2007, in a rare and exceptional move supported by the Commission, the ICRC publicly denounced the government of Burma/Myanmar for violations of international humanitarian law affecting civilians and detainees and for imposing increasingly severe restrictions on its work⁷.

The same concern applies to the situation of the Rohingya population in Northern Rakhine State, where the United Nations High Commissioner for Refugees (UNHCR) continues its uphill battle to try to provide protection and some minimum rights to the de facto stateless Rohingya population group.

b) Water and sanitation:

The lack of clean water, desperately poor health environment and widespread lack of hygiene are the main causes of the water-borne illnesses which account for 50% of morbidity among young children. According to the United Nations Children's Fund (UNICEF), diarrhoea is the second biggest cause of mortality among children under five, after malaria. An estimated 57% of the population is without access to sanitation facilities (UNDP). The most widespread sources of water in the country are village wells and ponds which lack proper protection from contamination.

In 2007, the DG ECHO Regional Support Office in Bangkok established a water and sanitation country profile for Burma/Myanmar. An estimated 77% of the rural population has access to water but there are geographical variations. The general problem in the country is therefore not the availability of water (with the exception of the Dry Zone, Rakhine State and the Eastern states) but the quality of the water consumed, mainly due to inadequate water points, unsafe handling of water and poor hygiene practices leading to microbial infections. Water and sanitation needs are particularly acute in border areas affected by ethnic conflict or discrimination. Safe drinking water supply coverage in border states is reported to be among the lowest in the country (less than 50%), and water-borne disease incidence to be among the highest. Thus, it is pertinent for DG ECHO to fund water and sanitation as an entrance gate for protection activities while facilitating future medium to long-term projects in these zones.

In Northern Rakhine State, referral reports in the nutrition programme conducted by Action Contre la Faim (ACF) in this region show that the two main diseases (diarrhoea and skin diseases) are clearly associated with the lack of quality and of sufficient quantity of water. Water-borne diseases are often diagnosed in malnourished children, and are closely related to malnutrition as they decrease food absorption.

⁷ In an interview on 15/10/2007, the ICRC director of operations expressed the organisation's deep worries about the fate of the thousands of people arrested during the crackdown of September 2007 and regretted that ICRC efforts to re-establish the dialogue with the authorities have not yet produced any tangible results so far (Source: ICRC).

In Kayah State, water quality is generally poor across the entire area recently assessed by ACF. Very few wells, springs, and ponds are protected against bacterial contamination, and a significant portion of the population fetches water directly from ponds and streams. Communities indicated to an ACF assessment team in June-September 2007 that the high turbidity of these streams and ponds during the rainy season compels them to find alternative water sources at this time.

Burma/Myanmar has been one of the world's largest producers of opium for decades. Shan State in particular accounted for 80% of the opium produced in Burma/Myanmar. However in 1999, the Government of Burma/Myanmar and local authorities in areas cultivating opium poppy decide to engage in a fifteen-year plan to eliminate poppy cultivation. Opium poppy cultivation decreased by 83% in nine years from 130,300 ha in 1998 to only 21,500 ha in 2006. Cultivation increased by 29% in 2007 to 27,700 ha, mainly in the South and East Shan States. It is estimated that 163,000 households, including 148,900 in Shan State, are still involved in opium poppy cultivation⁸. The full ban on poppy cultivation in the Wa region in Shan State, in force since June 2005, put many groups on the borders with China/Thailand in an even more vulnerable situation because farmers lost up to 70% of their cash income⁹ and of the absence of alternative livelihoods. Assessments show that villagers suffer from inadequate drinking water availability, lack of sanitation/defecation systems and inadequate practices, and finally poor hygiene knowledge and practices.

c) Health

Basic healthcare is almost non-existent in many remote areas of the country. In these areas, the presence of humanitarian organisations is often the only opportunity for the population to have access to indispensable, frequently life-saving basic health services.

In Tanintharyi Division, a small part of the population previously living in conflict areas has been relocated and currently has poor access to health services. The closer a village is to the Thai border, the weaker is its security situation and its access to any type of services. In these zones, data collected by Médecins Sans Frontières (MSF-CH) in 2006 shows that the area has a high incidence of malaria caused by *Plasmodium falciparum*.

In Northern Rakhine State, restrictions on movements have a direct consequence of excluding Muslims from public health structures, as Muslims from rural areas cannot access the Township Hospital without paying bribes to immigration officers, which significantly increases the price of the consultation or makes it impossible. In rural areas, where the majority of the population lives, the only public structure available opens one day per week. Only one government doctor is working for a population of 300,000. There is only one nurse for every 18,400 people, and one midwife for every 5,000 people, compared to the national average of one nurse for 1,500 people, and one midwife per 1,250 people¹⁰.

In Sagaing Division, the ethnic Naga minority has been affected by years of displacement and neglect. It is estimated¹¹ that approximately 60,000 Naga people living in 172 villages have been the subject of ethnically targeted neglect. In reaction to military subjugation, forced labour and atrocities visited upon roadside communities, many Naga have moved to the

⁸ Source: United Nations Office on Drugs and Crime (UNODC), Report on opium cultivation in South East Asia (Lao PDR, Burma/Myanmar and Thailand), October 2007.

⁹ Source: UNODC report, October 2007.

¹⁰ Sources: UNHCR and Aide Médicale Internationale (AMI) reports, September 2007; WHO statistics 2007 (2004 data)

¹¹ Source: Merlin, September 2007.

inaccessible interior mountains towards the Indian border, earning their livelihood through agriculture and raising livestock. This situation has resulted in extreme poverty (with an average income of less than one EUR/day)¹² and overall poor health status among this uprooted population. For those most vulnerable, such as children under five and pregnant women, the situation is a chronic humanitarian crisis. Children under the age of five are dying from preventable and treatable diseases such as diarrhoea, malnutrition, malaria, respiratory illnesses, meningitis and encephalitis.

According to the WHO, malaria is the most pressing public health issue, along with HIV/AIDS and tuberculosis. Malaria is the main cause of morbidity and mortality in Burma/Myanmar. The data communicated by the Ministry of Health indicates an average of 600,000 cases of malaria per year for the whole country, 3,000 of them fatal, with 80% of the population living in areas at risk of malaria transmission. These figures fall well short of the reality since they reflect only the cases treated by the public sector, which, for the reasons indicated above, provides very incomplete coverage. Projections by INGOs involved in supporting anti-malaria campaigns in 2005 put the annual figure for malaria cases at 2,500,000. An estimated 80% of the infections are caused by *P. falciparum*, against which the only medicines available in rural health centres (mainly chloroquine) are completely ineffective (82% treatment failure rate for chloroquine according to MSF-CH drug efficacy trial).

In August 2005 The Global Fund to fight AIDS, tuberculosis and malaria was withdrawn, because of travel restrictions imposed in July 2005 on UN staff overseeing Fund-financed programmes and bureaucratic hurdles to procuring medical supplies. It was replaced by the “Three Disease Fund” which was set up in September 2006 and became fully operational in 2007. However, the funds provided are still rather limited compared to the needs. In March 2007 the fund received 75 proposals representing an amount of USD 190,000,000 million for three years but could only contract 26 partners for a total of USD 21,000,000. The extent of the needs, the penury of government funds (public health expenditure represents only 0.4% of GDP) fully justify a continuation of DG ECHO’s support to the health sector.

Some health and nutrition indicators in Burma/Myanmar

| | |
|---|------|
| Under-five mortality rate (per 1,000 live births) | 106 |
| Prevalence of underweight children (< 5 years of age) | 36 % |
| % of children <2 vaccinated against measles | 75% |
| Proportion of births attended by skilled health personnel | 56 % |
| Tuberculosis prevalence (per 100,000) | 180 |

(Source: WHO World Health Report 2006)

d) Nutrition

Over 800,000 Muslim Rakhine people live in Northern Rakhine State and they constitute one of the most marginalised groups of Burma/Myanmar as they are not recognised as Burmese citizens. Their movements are severely controlled and they are often subject to high taxation and compulsory labour. A majority of families (60%) live in very precarious conditions as they do not own their land and depend on job opportunities to ensure their day-to-day subsistence. All these factors explain why they are so easily exposed to critical food insecurity and malnutrition.

¹² Merlin household survey of some villages of Laysi and Lahe town ships, August-September 2007.

A nutritional survey carried out by ACF in January 2006 showed alarming rates of severe, global acute and chronic malnutrition among children aged from 6 to 59 months:

| | November 2000 | January 2003 | January 2006 |
|----------------------------------|---------------|--------------|--------------|
| Global acute malnutrition | 22.3% | 16.4% | 18.9% |
| Severe malnutrition | 2% | 3% | 1.4% |

There has been an increase concerning global acute malnutrition since 2003. On the contrary, severe malnutrition prevalence has declined compared to January 2003. It is likely that the inception of the DG ECHO-funded supplementary feeding programme contributed to this reduction, since it prevents moderately malnourished children from reaching the severely malnourished stage.

Observations made during the 2006 survey showed very poor personal hygiene, a lack of appropriate care practices, and a lack of any kind of psycho-motor stimulation of the children¹³.

➤ **Burmese refugees in Thailand**

The nine camps that straddle the border between Thailand and Burma/Myanmar are populated by refugees from the ethnic states of Burma/Myanmar (Kayah/Karen, Karenni and Mon) arriving in successive waves fleeing fighting between armed opposition groups and the Burmese military. The number of refugees in camps in Thailand has grown from 10,000 in 1984 to 150,000 in September 2007. Thailand has not signed the UN refugee convention, and therefore the population of the camps is not officially recognized by the Thai authorities as refugees but as displaced persons according to a status determination process developed by the Royal Thai Government (RTG) in consultation with UNHCR. The camp population does not therefore formally benefit from refugee rights. UNHCR has a limited mandate with no permanent presence in the camps but it launched a protection programme in 2006 in view of the problems experienced by households living in camps for more than 20 years (sexual violence, psycho-social problems). It was only in April 2007 that the Thai authorities accepted to recognise the refugees' legal status, by issuing ID cards. People live in shelters built from locally-available natural materials (bamboo) and have limited access to potable water and sanitation facilities. The dependence of the refugees on external assistance is almost total, since the Thai authorities do not authorise the refugees to work outside the camps, nor to develop self-reliance inside the camps. It appears, though, that the reality is somewhat different as in some of the camps (Tham Hin for example but not only) there are refugees who are working. Food aid, education and healthcare services are provided by specialized INGOs. The camps are under the responsibility of the Ministry of the Interior (MoI), which in each camp is represented by a Camp Commander.

After many years of stalemate, in 2005 the MoI gave approval for NGOs to support skills training and education as well as income generation and employment opportunities, but no significant progress in this regard has been noticed since the coup of September 2006 in Thailand and the subsequent adoption of a more restrictive approach. The year 2006 saw also the beginning of resettlement opportunities being offered to a certain number of refugees. Overall ten countries, notably the US, are involved, including several EU Member States¹⁴.

¹³ Source: Action Contre la Faim (ACF), October 2006.

¹⁴ The 10 countries are: Finland, Denmark, The Netherlands, Sweden, UK, Norway, Australia, New Zealand, the US and Canada.

Whilst the opportunity of resettlement is welcome, it has to be noted that so far only 55% of refugees have indicated an interest in resettlement, requiring alternative durable solutions to be developed for the remaining refugees.

Resettlement may also result in skill shortages within the camps as refugees with responsibilities in the fields related to camp management and social welfare leave.

Additionally, while the impact of resettlement is still not clear, donors are concerned at the continuous growth of the population within the camps, which is often not directly related to displacement in Myanmar. A number of pull/push factors, such as the quality health care provided in the camp and food distribution, along with easy access to the camps contributes to inwards migration to the camps. The result is that genuine asylum seekers mix with economic migrants thus complicating camp management, status determination and resettlement efforts.

The challenge is therefore to continue to engage in a constructive policy dialogue with the Thai authorities for which purpose the main donors, at the initiative of the EC, have constituted a task force in Bangkok to develop a comprehensive two-pronged approach. While continuing advocacy for long-term durable solutions, including integration in the host country, the challenge is also to pursue short-term objectives of increasing efficiency and effectiveness of the camp system in place, notably through new audits and evaluations¹⁵.

a) Food, cooking fuel and nutrition

The increased restrictions imposed by the Thai authorities on the refugees have progressively made them almost totally dependent on international aid for their basic food needs.

The Thailand Burma Border Consortium (TBBC) is the body authorised by the Thai government to provide food aid and building materials for shelter to the refugees. A food basket ensures a minimum recommended daily allowance of 2,100 kcals/person/day as per World Food Programme (WFP) guidelines.

Since 1995 the Thai authorities have been increasingly restricting refugee access to the forest to gather firewood and the TBBC has to supply charcoal for cooking fuel.

b) Health and water sanitation

Mortality, morbidity and other indicators in the refugee camps have improved and have reached an acceptable level according to general and international standards on refugee/displaced population, and host country standards.

| | 2003 | 2004 | 2005 | 2006 |
|--|-------------|-------------|-------------|-------------|
| Crude mortality rate (CMR) /1,000 / year | 4.2 | 4.1 | 3.9 | 3.5 |
| <5 Mortality Rate (U5MR) / 1,000 <5 / year | 7.2 | 6.5 | 5.3 | 4.9 |
| Percentage of children <5 with global acute malnutrition | 3.3 | 3.6 | 3.1 | 2.8 |

(Source: TBBC, September 2007)

This controlled situation is however based on external assistance, including public health and medical support, and these figures would undoubtedly increase rapidly to unacceptable levels without such assistance. DG ECHO is supporting the provision of basic health assistance in six of the camps along the border. The main diseases there are the usual ones in refugee

¹⁵ A strategic assessment and evaluation of the donors' assistance to the refugee camps will be launched by the Commission in November 2007 in order to enhance the efficiency and further improve the cost-effectiveness of the assistance.

camps: notably respiratory tract infections and water and hygiene related problems such as diarrhoea and skin diseases.

Annual incidence rates / 1000 refugees (based on total morbidity):

| <u>LRTI</u> ¹⁶ | <u>URTI</u> ¹⁷ | <u>Diarrhea</u> | <u>Skin Diseases</u> | <u>Malaria</u> | <u>Psycho-somatic</u> | <u>TB</u> | <u>Leptopirosis</u> | <u>Meningitis</u> | <u>Measles</u> |
|---------------------------|---------------------------|-----------------|----------------------|----------------|-----------------------|-----------|---------------------|-------------------|----------------|
| 625 | 780 | 260 | 596 | 61,04 | 243 | 0,59 | 1,69 | 0,44 | 0,11 |

(Source: TBBC, September 2007)

The incidence of malaria had been brought down to acceptable low levels despite the endemic nature of the disease, mainly as a result of a control policy based on laboratory diagnosis and treatment with Artemisinine derivate Combination Therapy (ACT) implemented since 1994 and supported by DG ECHO. However, the average number of consultations in the supported health programmes remains high as the types of diseases have shifted and many refugees are presenting with psychosomatic diseases typical of the context of a long term camp situation.

According to the data collection system, public health measures have prevented major epidemics in spite of the overcrowded conditions in which the refugees live. Limited outbreaks of communicable diseases are nevertheless still a common occurrence: dengue, typhoid fever, other diseases caused by salmonella and shigella bacteria, as well as cholera, which causes particular concern. Most of the referrals to Thai hospitals are for obstetric reasons, complicated surgical cases and mine injuries. The morbidity pattern has changed over the years with an increasing number of patients now presenting with chronic conditions, such as hypertension, diabetes, cardio-vascular diseases and malignancies. As many of these conditions cannot be diagnosed and treated at the camp facilities, patients with these conditions are referred to Thai health facilities, where refugees are considered “private” patients, who have to pay the full costs. This situation has led over the years to a huge increase of the specialised agencies’ budget for referrals, despite efforts to rationalise them. In April 2007, DG ECHO acted on this by agreeing with the three implementing partners to set a ceiling for referral costs per patient for the supported camps, which has been adopted and is adhered to. Referrals are now limited to acute conditions requiring emergency surgery, caesarean sections and other obstetrical complications, and accident victims. Patients with diabetes and hypertension are now treated at the camp facilities, often with the assistance of newly recruited Thai medical officers; patients with suspected malignancies are counselled and receive palliative care.

Water and sanitation activities are an integral part of health assistance as they contribute to the control of water-borne diseases and to control mosquito breeding sites for dengue and malaria. In some locations like Mae La, in the most populated refugee camp (50,000 refugees), the water supply network has reached the limit of its capacity. The quality and quantity of water available is limited and not sufficient for a population which keeps increasing. Scarcity of space as in Tham Hin or difficult topography as in Mae La Oon, are also factors that negatively affect the living conditions of the refugees. Surrounding Thai villages are also benefiting from health services in camps.

The recent external evaluation of DG ECHO financed activities in the health sector worldwide states among its conclusions that “the situation in the Thai Burmese border camps can no longer be referred to as a humanitarian crisis. However, the refugee population is 100% aid dependent. In the absence of a firm commitment by the RTG to take full

¹⁶ LRTI: Low respiratory tract infections.

¹⁷ URTI: Upper respiratory tract infections.

responsibility of the care and maintenance programme, external funding will remain the only lifeline for the refugees living in the Thai Burmese Border camps".

1.3. - Target population and regions concerned:

This Decision is expected to directly benefit around 1,200,000 people.

➤ **Vulnerable populations in Burma/Myanmar:**

A breakdown by sector and geographical area of the estimated number of beneficiaries is as follows:

| Sector | Regions concerned | Estimated number of direct beneficiaries |
|----------------------|---|--|
| Protection | Shan, Mon, Kayin and Northern Rakhine States, Thanintharyi Division for IDPs and Returnees (UNHCR), all the country for families of detainees (ICRC), Eastern States for orthopaedic and prosthetic activities (ICRC) | 1,300 families of detainees + 193,000 returnees and IDPs |
| Water and Sanitation | Northern Shan, Mon, Kahya, Kayin States; Thanintharyi and Yangon Divisions. | 57,000 |
| Health | Northern Rakhine State, Sagaing and Thanintharyi Divisions. | 720,000 |
| Nutrition | Northern Rakhine State | 25,000 |

The main beneficiaries are rural people living in the most remote regions who lack any access to basic social services. Most of the target states or divisions are on the country's borders with Bangladesh (Rakhine), China (Shan State), or Thailand (Mon and Kayin States, Thanintaryi Division).

Children will be the main beneficiaries of the malaria-control operations supported by this Decision, as *falciparum* malaria is one of the main causes of child mortality. Young children will also primarily benefit from the targeted nutrition programme as well as from the measures to improve access to drinking water, diminishing the risks of diarrhoea (one important contributing factor to malnutrition amongst children). The projects also contain health and hygiene training activities intended mainly for mothers. Health projects include a mother and child component.

➤ **Burmese refugees in Thailand**

| Sector | Areas covered | Estimated number of beneficiaries |
|----------------------------------|--|-----------------------------------|
| Food, cooking fuel and nutrition | Site 1, Site 2, Mae La Oon and Mae Ra Ma Luang (Mae Hong Song province); Um Piem Mai, Nu Po (Tak province) | 125,000 |
| Health, water and sanitation | Mae La Oon, Mae Ra Ma Luang, Mae La, Um Piem Mai, Nu Poe and Tham Hin camps | 138,000 |

1.4. - Risk assessment and possible constraints:

➤ **Vulnerable populations in Burma/Myanmar**

In remote areas where most of the projects supported by DG ECHO are implemented, access is very difficult particularly during the rainy season and this may be a source of delay for the operations, depending on the volume of rainfall (Rakhine, Shan State/Wa Region). Projects are implemented in difficult political environments where fighting can occur between the army and the opposition groups (Kayin, Mon States, Thanintaryi Division); access to these areas may be forbidden by the authorities (all humanitarian organisations working in Burma/Myanmar have to apply for a travel permit when they intend to visit a project area outside Yangon Division). New regulations in force since July 2005, and new Guidelines for humanitarian organisations since February 2006, are imposing increased restrictions on humanitarian organisations and making access more difficult particularly for international staff. This situation resulted in the suspension of two operations in 2006. It is difficult to measure at this stage the impact of the massive demonstrations and the subsequent repression of September 2007, but it could lead to increasingly difficult working conditions for foreign organisations. DG ECHO will maintain its policy of having an expatriate staff presence in the supported projects for monitoring purposes.

As identified by Landmine Impact Surveys, the Thailand-Burma/Myanmar border is heavily contaminated by landmines and Explosive Remnants of War (ERW), both abandoned explosive ordnance and unexploded ordnance (UXO). This can seriously hamper the delivery of assistance in this area.

➤ **Burmese refugees in Thailand**

The policy of the Thai government is the key factor greatly influencing the future development of this protracted refugee situation as well as the work of the humanitarian organisations as it has a significant impact on the accessibility and the level of services that can be provided. Resettlement to third countries is emerging as a durable solution only for a maximum of some 40%, the conflict between the KNU and the Burma/Myanmar government does not allow voluntary returns, therefore alternatives solutions need to be sought. Like in 2006 and 2007, the possibility of an influx of new refugees should be taken into account, linked to the deterioration of the situation inside Burma/Myanmar, particularly in the states bordering Thailand (Kayah and Kayin states). The repression against the countrywide demonstrations of September 2007 is an additional factor which could cause a further influx.

2 - Objectives and components of the humanitarian intervention proposed:

2.1. - Objectives:

Principal objective: To provide humanitarian assistance to the population affected by the Burma/Myanmar crisis

Specific objectives:

- To provide necessary assistance to the most vulnerable groups affected by the protracted crisis in Burma/Myanmar, including protection of victims of armed conflict in accordance with current international agreements.
- To continue providing necessary assistance to Burmese refugees in Thailand.

2.2. - Components:

2.2.1: Assistance to the most vulnerable groups inside Burma/Myanmar

a) Protection

UNHCR will continue its Protection Monitoring and Reintegration Activities on the Burma/Myanmar-Bangladesh border in Northern Rakhine State for the benefit of the stateless Rohingya minority. On the border regions with Thailand, vulnerable local villagers and IDP populations will also benefit from UNHCR's protection monitoring and assistance interventions, which will also include the provision of health care, shelter and the construction or rehabilitation of water and sanitation structures.

Despite the halting of its core mandate activities since December 2005, ICRC needs continued financial support in order to maintain its support to families of prisoners countrywide and to the Burmese Red Cross orthopaedic and prosthetic activities in Mon State. Moreover, this support will allow ICRC to maintain its presence in Yangon and to try to improve dialogue with the regime. Should ICRC have access to the people arrested during the crackdown of September 2007, DG ECHO would also support ICRC in their actions in detention centres.

b) Water and sanitation

This component will aim at the rehabilitation/installation of basic water and sanitation infrastructures (mainly water gravity flow systems) and work towards behavioural changes and necessary knowledge transfer to reduce mortality and morbidity due to water-borne and water-related diseases.

To this end, projects will support communities in the improvement of water collection and distribution systems and will help them to address the problems of poor water quality through treatment measures at household level, while creating awareness among the population on health and hygiene issues. The main areas of intervention will be Shan and the Eastern states.

c) Health

DG ECHO will continue to support the fight against malaria in areas complementary to those which may be covered by the Three-Disease Fund, such as Northern Rakhine State and Myeik district in Tanintharyi Division. Programmes are based on early detection followed by effective treatment, applying the protocol defined by the MoH/WHO (mefloquine/artenunate combination). Mobile clinics will reach remote villages and serve those living in outlying regions, most of whom have no access to care.

In Northern Rakhine, a decentralised community-based health system is in place and connected to the official health structures. A network of Community Health Workers (CHW) will be supported and trained. Basic Primary Health Care services will focus on mother and child health (completion of vaccination record and growth monitoring for children under the age of three, pregnant women will be able to attend ante natal care services), basic curative care and health education (education for women on basic health preventive procedures).

In Sagaing Division, support to the Naga communities will be achieved through the provision of community-based integrated outreach and fixed clinics providing first-line health care, and an increase in community awareness and capacity to prevent disease.

d) Nutrition

Mobile Supplementary Feeding Centres (SFC) will provide treatment to around 10,000 children and over 2,000 mothers, pregnant and lactating women with moderate acute malnutrition in Northern Rakhine State. Children and women suffering from severe acute

malnutrition will be admitted to day-care Therapeutic Feeding Centres (TFC), followed up by home treatment care. Systematic nutritional education will be given to beneficiaries at each SFC and TFC, coupled with specialised education through home visiting. Local staff will also be trained. A referral system has been arranged with medical INGOs working in the area for the referral of sick beneficiaries.

e) DG ECHO office in Burma/Myanmar

In order to maximise the impact of humanitarian aid for the victims, the Commission opened a DG ECHO office in Yangon in October 2005. This office appraises project proposals, co-ordinates and monitors the implementation of humanitarian operations financed by the Commission in Burma/Myanmar. The office will provide technical assistance capacity and necessary logistics for the achievement of its tasks. Its costs will be supported from the budget of DG ECHO's Regional Support Office (RSO) in Bangkok.

2.2.2: Assistance to Burmese refugees in Thailand

a) Food, cooking fuel and nutrition

This is the biggest component of the assistance in the camps and through it, this Decision will support the supply of four key food items in the basic food basket of the refugees: rice, fortified flour (blended food), mung beans and cooking oil. It will also supply the necessary cooking fuel for the refugees.

b) Health, water and sanitation

Basic activities will consist of appropriate and good quality curative health services delivered through outpatient consultations and admissions to the inpatient department of clinics established in the camps, while complicated cases are referred to neighbouring Thai hospitals. DG ECHO will push for the inclusion of the issue of referral costs in the donors' dialogue with the Thai authorities. Special attention will be given to high incidence diseases such as respiratory infections, diarrhoea, etc, with a focus also on the provision of supplementary feeding for children and mothers. Reproductive and child health is also considered a priority (monthly weight monitoring for all pregnant women). Health promotion will be done through the immunization of all new-born babies with hepatitis B vaccine and the organisation of an AIDS Day.

The resettlement process affects the local medical staff working for the humanitarian organisations, who are among the most educated, skilled and trained people in the camps, and therefore the training of new staff will continue to be reinforced.

Water quantity availability is an issue, notably in some camps like Mae La, and will be addressed through increasing storage capacity and improving water collection and distribution systems. Quality will be regularly monitored and improved through well and borehole filtration, as well as through water treatment. Essential sanitation activities will also be carried out to help prevent epidemics. All this will be coupled with hygiene education and soap distribution to the refugees.

c) DG ECHO Regional Support Office in Thailand

This office appraises project proposals, co-ordinates and monitors the implementation of humanitarian operations financed by the Commission in Thailand. The office will provide technical assistance capacity and necessary logistics for the achievement of its tasks. In addition, the RSO will bring sectoral expertise for the analysis of the humanitarian situation and the appraisal of operations in Burma/Myanmar. Finally the RSO will continue to provide technical support to the EC Delegation and the other donors in their discussions with the Thai

authorities to find a durable solution for the Burmese refugees, including possible integration in the host country.

3 - Duration expected for actions in the proposed Decision:

The duration for the implementation of this Decision shall be 16 months.

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

While some operations will already start to be implemented in January 2008, some others will only be able to begin in February and March 2008.

With this timetable, the total duration of programmes to be funded is 14 months. Two supplementary months flexibility are suggested given the very difficult operational environment in Myanmar, with important access restrictions imposed by the government which can lead to delays in the operations.

Expenditure under this Decision shall be eligible from 1 December 2007 in order to avoid funding gaps in the provision of health care in the Burmese refugee camps.

Start Date: 1 December 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 ECHO operations in BURMA/MYANMAR and THAILAND

| Decision Number | Decision Type | 2005 EUR | 2006 EUR | 2007 EUR |
|-------------------------|---------------|-------------|-------------|-------------|
| ECHO/MMR/BUD/2005/01000 | Non Emergency | 1,500,000 | | |
| ECHO/-XA/BUD/2005/01000 | Non Emergency | 15,000,000 | | |
| ECHO/MMR/BUD/2006/01000 | Non Emergency | | 200,000 | |
| ECHO/-XA/BUD/2006/01000 | Non Emergency | | 15,500,000 | |
| ECHO/-FA/BUD/2007/02000 | Non Emergency | | | 1,000,000 |
| | | | | |
| | Subtotal | 16,500,000 | 15,700,000 | 1,000,000 |
| | Grand Total | 33,200,000 | | |

Dated : 02/10/2007
Source : HOPE

Other Commission services

➤ Assistance to vulnerable population inside Burma/Myanmar

In 2007, the Directorate General for External Relations (DG RELEX) and EuropeAid (DG AIDCO) produced the first Multi-Annual Indicative Programme (MIP) for Burma/Myanmar for the period 2007-2010. The amount is EUR 32,000,000 for the period (EUR 8,000,000 per year). Funds will be allocated to the Three Disease fund for tuberculosis, malaria and HIV-Aids (EUR 18,000,000) and to primary education programme (EUR 14,000,000), with a first allocation for 2007 of EUR 4,500,000 for health and EUR 3,500,000 for education.

In addition several EC thematic budget lines address short- to mid-term needs in the absence of long-term development instruments. In the absence of the latter, the perspectives for Linking Relief, Rehabilitation and Development (LRRD) are somewhat limited.

At best, DG ECHO can transfer some operations on-a case-by case basis when some more appropriate financial tools for dealing with structural issues are available. For example it is expected that the increasing presence of DG RELEX/AIDCO support through the Uprooted People Programme (AUP), for which EUR 8,000,000 is allocated for 2007 and 2008, or the newly Food Security Thematic Programme (FSTP, EUR 8,000,000 budgeted for 2007 and 2008), will enable DG ECHO to phase out progressively from this structural support, notably in the fields of malaria and food security (the last EUR 1,000,000 support for ex-poppy farmers in Wa Region in Shan State, was adopted under the global Food Aid Decision of 01 August 2007).

➤ Assistance to Burmese refugees in Thailand

The 2007 AUP amounts to EUR 3,300,000. Health interventions financed through this mechanism include the training of health workers, reproductive health services, assistance to people with physical disabilities (Handicap International) and environmental health (sanitation and vector control) activities in Mae La camp. Other projects funded by AUP refer to education programmes and the Migrant Health project.

Furthermore, other EC' thematic budget lines such as NGO co-financing, European Initiative for Democracy and Human Rights (EIDHR) and Reproductive Health are supporting operations targeting refugees in camps as well as local vulnerable population surrounding the camps.

5 - Overview of donors' contributions

| Donors in Myanmar/Thailand the last 12 months | | | | | |
|---|-----------|------------------------|------------|-----------|-----|
| 1. EU Members States (*) | | 2. European Commission | | 3. Others | |
| | EUR | | EUR | | EUR |
| Austria | | DG ECHO | 16,700,000 | | |
| Belgium | | Other services | | | |
| Bulgaria | | | | | |
| Cyprus | | | | | |
| Czech republic | | | | | |
| Denmark | 670,241 | | | | |
| Estonia | | | | | |
| Finland | 500,000 | | | | |
| France | | | | | |
| Germany | 1,225,000 | | | | |
| Greece | | | | | |
| Hungary | | | | | |
| Ireland | 250,000 | | | | |
| Italy | | | | | |
| Latvia | | | | | |
| Lithuania | | | | | |
| Luxemburg | 500,000 | | | | |
| Malta | | | | | |
| Netherlands | 3,000,000 | | | | |
| Poland | | | | | |
| Portugal | 140,472 | | | | |
| Romania | | | | | |
| Slovakia | | | | | |
| Slovenie | | | | | |
| Spain | | | | | |
| Sweden | | | | | |
| United kingdom | 596,000 | | | | |
| Subtotal | 6,881,713 | Subtotal | 16,700,000 | Subtotal | 0 |
| | | Grand total | 23,581,713 | | |

Dated : 02 October 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 18,000,000

6.2. - Budget breakdown by specific objectives

| Principal objective: <i>To provide humanitarian assistance to the population affected by the Burma/Myanmar crisis</i> | | | | |
|--|---|--|---|--|
| Specific objectives | Allocated amount by specific objective (EUR) | Geographical area of operation | Activities | Potential partners¹⁸ |
| Specific objective 1: To provide necessary assistance to the most vulnerable groups affected by the protracted crisis in Burma/Myanmar, including protection of victims of armed conflict in accordance with current international agreements | 7,500,000 | Rakhine, Mon, Kahya, Kayin, Shan States (including Wa special Region), Thanintharyi, Sagaing and Yangon Divisions; Burma/Myanmar for the protection activities, in particular Rakhine and Eastern States | <ul style="list-style-type: none"> - Protection activities. - Health: Provision of basic health services, with special attention to malaria,-and water-borne diseases; mother and child care, including provision of essential drugs; health, hygiene and nutrition education; training to health staff. - Water and sanitation: Rehabilitation / installation of basic collection, treatment and distribution water systems and sanitation structures; training, hygiene education. - Nutrition: Supplementary feeding and therapeutic treatment of malnourished children and women. | <ul style="list-style-type: none"> - ACF - ADRA Deutschland - A.M.I. - GERMAN AGRO ACTION - ICRC-CICR - MALTESER HILFSDIENST - MERLIN - MSF-H - TDH IT - UNHCR |

¹⁸ ACTION CONTRE LA FAIM, (FR), AIDE MEDICALE INTERNATIONALE, (FR), ARTSEN ZONDER GRENZEN (NLD), Adventistische Entwicklungs- und Katastrophenhilfe e.V., COMITE INTERNATIONAL DE LA CROIX-ROUGE (CICR), DEUTSCHE WELTHUNGERHILFE / GERMAN AGRO ACTION, (DEU), FONDAZIONE TERRE DES HOMMES ITALIA ONLUS, Interkerkelijke Organisatie voor Ontwikkelingssamenwerking, International Rescue Committee UK, MALTESER HILFSDIENST e.V., (DEU), MEDICAL EMERGENCY RELIEF INTERNATIONAL (GBR), UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES - BELGIUM

| | | | | |
|---|-------------------|---|---|--|
| Specific objective 2: To continue providing necessary assistance to Burmese refugees in Thailand | 9,500,000 | - Site 1, Site 2, Mae La Oon, Mae Ra Ma Luang (Mae Hong Song province); Nupoe, Um Piem Mai, Mae La-Oon camps (Tak Province); Tham Him | -Provision of food and cooking fuel to the refugees. - Preventive and curative activities by delivering basic health service, hygiene, water and sanitation activities to the refugees | - A.M.I. - ICCO - IRC-UK - MALTESER HILFSDIENST |
| Contingency reserve, max. 10% of the total amount | 1,000,000 | | | |
| TOTAL: | 18,000,000 | | | |

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 | 485,000,000.00 |
| Supplementary Budgets | - |
| Transfers | - |
| Total Available Credits | 485,000,000.00 |
| Total executed to date (9 October 2007) | 432,275,694.95 |
| Available remaining | 46,724,305.05 |
| Total amount of the Decision | 18,000,000 |

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 EC/UN 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/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 the technical and financial capacity, readiness and experience, and results of previous interventions.