



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels,
C(2008)

COMMISSION DECISION

of [...]

**Humanitarian assistance in favour of vulnerable groups in East Nusa Tenggara
province in Indonesia**

ECHO/IDN/BUD/2008/01000

Draft

COMMISSION DECISION

Of [...]

on the financing of Humanitarian assistance in favour of vulnerable groups in East Nusa Tenggara province in Indonesia

ECHO/IDN/BUD/2008/01000

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 aid¹, and in particular Article 2 and Article 15 thereof,

Whereas:

- (1) The province of East Nusa Tenggara in Indonesia is affected by serious malnutrition rates compounded by recurrent natural disasters.
- (2) The situation has been on a downward trend for the past several years, bringing populations close to the survival threshold; a general deterioration of the situation leading to a widespread emergency has to be avoided.
- (3) An assessment of the humanitarian situation leads to the conclusion that humanitarian aid actions should be financed by the Community for a period of 18 months.
- (4) It is estimated that an amount of EUR 2,000,000 from budget line 23 02 01 of the general budget of the European Communities is necessary to provide humanitarian assistance to over 100,000 people affected by malnutrition taking into account the available budget, other donors' contributions and other factors. Therefore the activities covered by this Decision may be financed in full in accordance with Article 253 of the Implementing Rules of the Financial Regulation.
- (5) To reach populations in need, aid may be channelled through Non-Governmental Organisations (NGOs) or International Organisations, including United Nations (UN) agencies. Therefore the European Commission may implement the budget by direct centralized management or by joint management.

¹ OJ L 163, 2.7.1996, p. 1.

- (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:

Article 1

1. In accordance with the objectives and general principles of humanitarian aid, the Commission hereby approves a total amount of EUR 2,000,000 for humanitarian aid actions Humanitarian assistance in favour of vulnerable groups in East Nusa Tenggara province in Indonesia. by using line 23 02 01 of the 2008 general budget of the European Communities.
2. In accordance with Article 2 of Council Regulation No.1257/96, the humanitarian actions shall be implemented in the pursuance of the following specific objective:
To prevent the deterioration of the nutritional status of vulnerable groups in the province of East Nusa Tenggara by improving household and community resilience to cope with the disaster-prone environment.

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 18 months, starting on 1 November 2008.
2. Expenditure under this Decision shall be eligible from 1 November 2008.
3. If the actions 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 or by joint management with international organisations.
2. Actions supported by this Decision will be implemented either by:
Non-profit-making organisations which fulfil the eligibility and suitable criteria established in Article 7 of Council Regulation (EC) No. 1257/96,
or International Organisations.

² OJ L 248, 16.9.2002, p.1.

³ OJ L 357, 31.12.2002, , p.1

⁴ Commission Decision of 5.3.2008, C/2008/773

3. Taking account of 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 4

This Decision will 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 vulnerable groups in East Nusa Tenggara province in Indonesia.

Location of action: Indonesia

Amount of Decision: EUR 2,000,000

Decision reference number: ECHO/IDN/BUD/2008/01000

Supporting document

1 - Rationale, needs and target population.

1.1. - Rationale:

While Indonesia has made significant efforts to reduce poverty since the political transformation of 1997-98, the country has experienced since 2002-2003 a steady decline in the nutritional status of children under five. A low-income food-deficit¹ country, Indonesia, with its population of 230 million, has important regional disparities. East Nusa Tenggara (NTT, *Nusa Tenggara Timur*), with a population of 4,2 million, is one of the poorest provinces of Indonesia scattered over several small islands, with many economic and human indicators significantly below the national average.

Problems of food insecurity, harvest failure and high numbers of severe malnutrition cases (see details in section 1.2. below) are reported every year and the impact of severe and prolonged droughts has reduced food crop production, which has led to food insecurity at household level and reduced food intake, deteriorating the nutrition and health status of the population. The use of non sustainable coping strategies (reducing the number of meals, selling assets such as livestock) is adding to the deterioration of the situation. Households' ability to cope with their disaster prone environment has been decreasing over the past 5 years. After consecutive droughts from 2002 to 2007, they have been unable to recover from one shock before the next one hits. In identified pockets of vulnerability the present development is evolving towards a downward and deteriorating trend close to the survival threshold.

¹ UNDP Human Development Index 2007,
http://hdrstats.undp.org/countries/country_fact_sheets/cty_fs_IDN.html
ECHO/IDN/BUD/2008/01000

The present intervention aims at supporting very vulnerable families undergoing acute food and livelihood crisis, restoring their coping capacities while trying to introducing positive and sustainable behaviour changes. This should avoid the total exhaustion of these people's capacities to face the recurrent, small-scale natural disasters that affect them, such as floods, landslides, earthquakes, pest infestation and drought. The timing of the present financial decision is meant to coincide with the agricultural planting season.

Between November and December 2007, Care, Church World Service and Helen Keller International (HKI) conducted a nutrition survey in the four districts of West Timor (excluding the municipality of Kupang), which is part of NTT. The survey results, released in April 2008, showed a very high prevalence of underweight (47.8%), a high prevalence of acute malnutrition (13.1% wasting), and a very high prevalence of chronic malnutrition (61.1% stunting) across the districts, while national figures indicate around 28% underweight and 44% stunted. Anaemia among children reached almost 60%, prevalence of thinness and anaemia among non-pregnant women was also high (24% and 36% respectively). Infant mortality is also higher (54/1000) than in the rest of the country (44/1000). These findings demonstrate a serious to critical nutrition situation, of a combined acute and chronic nature. According to the same survey, 45% of households reported spending at least 75% of their income on food. Severe malnutrition is more prevalent in Sumba Barat, Timur Tengah Selatan (TTS) and Timur Tengah Utara (TTU) districts but increased significantly in TTU, Alor and Sumba Barat in the last six months². In June 2008, the NTT provincial government reported 23 deaths of children under five due to malnutrition since January 2008, data confirmed by UNICEF's rapid needs assessment in mid-June, which showed 24 deaths reported in Kupang municipality, Sumba Tengah and Sumba districts alone³. In 2007, for comparison, provincial administration reported 10 deaths over the same period.

Despite the Government of Indonesia's (GoI) efforts to mitigate the effects of recent soaring food prices⁴ of internationally traded food commodities, these further threaten poor people's access to key food staples, which in NTT province are rice, maize and cassava. Most households do not produce enough of these crops to meet their consumption requirement throughout the year, making them dependent on local markets. Small islands also usually experience much higher prices, due to high transport cost and limited availability.

The situation in NTT province is compounded by the insufficient access to water. The province has only a small number of permanent water sources, public water and sanitation facilities are often inadequate due to lack of piped-in water supply, and low quantity and quality of the ground water.

On the side of the official assistance, the government's main food assistance programme (RASKIN) entitles poor households to purchase 15 kg rice at 1600 Rupiah/kg (EUR 0.11) per month. Nevertheless, only 57 % of poor people benefit⁵ from this programme and not with the agreed quantity. Lack of transparency in the selection criteria and problems with the distribution mechanisms, among other problems, make this programme neither efficient nor effective.

² WFP and Oxfam rapid assessments (June and March 2008)

³ The Jakarta Post of 17/06/2008 reports that 512,000 children under five had been under treatment for malnutrition

⁴ According to the Central Bureau of Statistics, inflation in July was 11,90%

⁵ WFP: Food Security assessment and Phase Classification Pilot. Indonesia, December 2006.

1.2. - Identified needs:

According to government estimates close to 80% of the population in NTT live from the agricultural sector, with households heavily dependent on rain-fed agriculture. Low and unpredictable rainfall, poor soil fertility and mono culture cropping put already fragile livelihoods at a greater risk of deterioration. Agricultural production in NTT faces severe risks, including an increasing frequency of natural disasters as drought and floods, which result in frequent and recurring food emergencies.

The lack of potable water has a negative effect on the health status of the population, further aggravating malnutrition, while the little quantity available does not allow proper irrigation, thus affecting crop yields. Climate change threatens to have a very negative impact in a region increasingly affected by a delayed monsoon and prolonged dry spells.

There is also a lack of care for women and children, and a lack of knowledge of good nutrition practices, including poor breastfeeding and complementary feeding practices, poor food preparation and variety.

Donors' presence in NTT

The European Commission (EC) development assistance strategy for Indonesia (Country Strategy Paper 2007-2013) focuses on three focal sectors: education, economic development and good governance. In this context, the planned EC 2008 Annual Action Programme for Indonesia includes a specific action in support of local community development in Indonesia – with a focus for less developed regions such as NTT. This initiative will contribute, in cooperation with other donors, to the support facility for the development of the Government's National Programme for Self-reliant Community Empowerment (PNPM)⁶. It is expected that this programme will contribute to improve the livelihoods in the poorest region of Indonesia in the medium-term.

Under the Aid to Uprooted People (AUP) instrument, the remaining funded project to Oxfam is targeting social integration of former refugees and hosting communities in West Timor is going to end in October 2008. An Identification Mission for European Commission Aid to Uprooted People took place in August 2008 for a possible additional support during 2009-2010 including also West Timor.

DG ECHO⁷ also has six ongoing projects in Indonesia in the framework of the 6th DIPECHO⁸ Action Plan⁹ for a total amount of close to EUR 2 million but none of them is targeting the NTT province.

AusAID is supporting, through their ANTARA¹⁰ project, a multi sector five year development oriented program totalling AUD 30 million, starting in 2004-2009 aiming at poverty reduction. In 2007, ANTARA launched a 3-year AUD 1.5 million food security scheme aiming at promoting cash crops linking farmers to markets.

AusAID through its humanitarian budget recently confirmed their contribution to the World Food Programme's (WFP) Protracted Relief and Recovery Operations (PRRO) on school feeding and fortified food distribution to pregnant and lactating women activities in the two eastern provinces NTT and NTB for a total amount of USD 6.5 million.

⁶ Under the responsibility of the Coordinating Minister for People's Welfare, the objective of the Programme is to streamline and accelerate local community development, employment opportunities and poverty alleviation and to increase effectiveness and efficiency by means of better coordination. The programme will integrate the roughly 60 to 70 currently implemented community development projects, with a budget of approximately \$1.96 billion and aims at achieving the targets of the Millennium Development Goals (MDGs) by 2015.

⁷ Directorate General for Humanitarian Aid - ECHO

⁸ Disaster Preparedness ECHO

⁹ ECHO/DIP/BUD/2008/02000

¹⁰ Australia Nusa Tenggara Assistance for Regional Autonomy
ECHO/IDN/BUD/2008/01000

The Spanish Cooperation (AECID) is continuing its support to Action Contra la Faim's (ACF) project in one district of West Timor for another year for EUR 268,000. AECID is also supporting Médecins Du Monde (MDM) in tackling malaria for EUR 280,000 and FAO in fishery for EUR 300,000 focusing on Kupang.

The present intervention will complement these ongoing operations by targeting very vulnerable households in the pockets of vulnerability identified by the above mentioned survey. Coordination will take place between partners and with other donors in order to ensure synergies.

1.3. - Target population and regions concerned:

The beneficiaries of this Decision will be the vulnerable people living in the East Nusa Tenggara province. This includes the districts of Sumba Barat, Sumba Timur, Manggarai, Alor, Kupang, Rote Ndao, Belu, TTU and TTS.

The population in West Timor is mainly Christian, i.e. a small minority in an overwhelmingly Muslim society. The central government may not have shown the interest it could have to this remote region as far as public and development investment is concerned.

1.4. - Risk assessment and possible constraints:

The situation could become tense if the country were obliged to import rice at current international prices and raising fuel prices. There is a risk of rising social unrest linked also to the upcoming parliamentary and presidential election in the first semester of 2009.

Natural disasters such as floods, windstorms, landslides, earthquakes and pest infestation are frequent in the area and could hamper the smooth implementation of the operations.

2 - Objectives and components of the humanitarian intervention proposed:

2.1. - Objectives:

Principal objective: preserve lives and livelihoods of vulnerable people in East Nusa Tenggara province affected by malnutrition.

Specific objective:

To prevent the deterioration of the nutritional status of vulnerable groups in NTT by improving household and community resilience to cope with the disaster-prone environment.

2.2. - Components:

In order to address the deteriorating malnutrition situation in NTT and to break the vicious circle of exhausted coping mechanisms, a comprehensive intervention is necessary.

Several DG ECHO missions recognise that past interventions¹¹ have failed to produce sustainable improvements, especially in support of therapeutic feeding centres, home-based nutritional support, etc. leading to a rebound of malnutrition rates once the intervention stopped. The DG ECHO missions in May 2007 and January 2008 concluded that there are indeed pockets of vulnerability where the impact on the livelihood of the poorer may have significant consequences on their nutritional status during the lean season (December to March) and external support to cope with the harvest failures appears necessary. This is why the focus of the present intervention has been shifted towards reinforcing livelihoods.

¹¹The last ones under decision ECHO/IDN/BUD/2005/02000
ECHO/IDN/BUD/2008/01000

There is also a need to improve a sustainable access to drinkable water. Some of the existing gravity fed systems are badly designed and need some rehabilitation and reinforcement work, also to avoid destruction by recurrent landslides. Unprotected water sources need to be rehabilitated as well as identification of new sources of water through new wells and piping installation.

The most vulnerable families should be targeted to benefit from diversified seeds distribution and to promote the production of appropriate crops for the area (depending on drought prone or flood prone area).

Rehabilitation of irrigation infrastructures to bring the water to small scale farms and other mitigation measures are to be put in place.

The most vulnerable people affected by recurring droughts have reduced their food production and have relied on indirect wage-earning opportunities to buy more food. As a consequence they have to live on undiversified diet with low protein content. Protection and improvement of their livelihoods (seeds/tools distribution, rehabilitation of fields, restoration of drainage and irrigation systems...) will prevent deterioration of the current acute food situation. In addition, trainings will be required on food processing and food preservation to help them improving the quality and quantity of the household diet. Awareness regarding proper infant feeding methods should also be delivered to mothers.

Possible activities to be funded in the framework of the present financial decision include:

- Food-for-work, cash-for-work;
- Livelihood assistance in the form of seeds, tools, rehabilitation of fields, restoration of drainage and irrigation systems...
- Provision of safe water in some drought affected villages by drilling of wells.
- Rehabilitation of water supply and sanitation systems.
- Promotion of good infant feeding and care practices through trainings and awareness campaigns.
- Mainstreaming of disaster preparedness in the above mentioned sectors and through community preparedness for future disasters.

3 - Duration expected for actions in the proposed Decision:

The duration for the implementation of this Decision shall be 18 months. Even though the climatic constraints and high prone disaster areas of the province justify 12 months, an 18 months duration would allow being flexible in the implementation of the operations. Humanitarian operations funded by this Decision must be implemented within this period.

Expenditure under this Decision shall be eligible from **1 November 2008** in order to provide DG ECHO partners projects to target the first cropping season between December to March.

Start Date: **1 November 2008.**

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 INDONESIA

Decision Number	Decision Type	2006 EUR	2007 EUR	2008 EUR
ECHO/DIP/BUD/2006/01000 (*)	Non Emergency	0		
ECHO/IDN/BUD/2006/01000	Emergency	367,000		
ECHO/IDN/BUD/2006/03000	Prim. Emergency	3,000,000		
ECHO/IDN/BUD/2006/04000	Emergency	6,500,000		
ECHO/IDN/BUD/2007/01000	Emergency		1,000,000	
ECHO/IDN/BUD/2007/02000	Prim. Emergency		600,000	
ECHO/DIP/BUD/2008/02000 (*)	Non Emergency			0
Subtotal		9,867,000	1,600,000	0
Grand Total		11,467,000		

Dated : 24 September 2008
Source : HOPE

(*) decisions with more than one country

5 - Overview of donors' contributions

Donors in INDONESIA the last 12 months

1. EU Members States (*)		2. European Commission		3. Others	
	EUR		EUR		EUR
Austria		DG ECHO	0		
Belgium		Other services			
Bulgaria					
Cyprus					
Czech republic					
Denmark					
Estonia					
Finland					
France					
Germany	827,177				
Greece					
Hungary					
Ireland					
Italy					
Latvia					
Lithuania					
Luxemburg	100,000				
Malta					
Netherlands	250,000				
Poland					
Portugal					
Romania					
Slovakia					
Slovenie					
Spain	500,000				
Sweden	1,362,398				
United kingdom					
Subtotal	3,039,575	Subtotal	0	Subtotal	0
		Grand total	3,039,575		

Dated : 24 September 2008

(*) Source : DG ECHO 14 Points reporting for Members States. <https://webgate.ec.europa.eu/hac>
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 2,000,000.

6.2. - Budget breakdown by specific objectives

Principal objective: <i>Save and preserve lives of vulnerable people in East Nusa Tenggara province affected by malnutrition</i>				
Specific objectives	Allocated amount by specific objective (EUR)	Geographical area of operation	Activities	Potential partners¹²
<p>Specific objective 1:</p> <p>To prevent the deterioration of the nutritional status of vulnerable groups in NTT by improving household and community resilience to cope with the disaster-prone environment</p>	2,000,000	East Nusa Tenggara, Indonesia	<ul style="list-style-type: none"> - Food for work -Livelihood assistance - Provision of safe water through the drilling of wells - Rehabilitation of water supply and sanitation systems. - Promotion of good infant feeding and care practices - Mainstreaming of disaster preparedness in the above sectors and through community preparedness for future disasters. 	<ul style="list-style-type: none"> - ACF - CARE NL - FAO - IMC UK - OXFAM GB - SC(UK) - WFP-PAM
TOTAL:	2,000,000			

¹² ACTION CONTRE LA FAIM, (FR), INTERNATIONAL MEDICAL CORPS UK, OXFAM (GB), STICHTING CARE NEDERLAND, THE SAVE THE CHILDREN FUND (GBR), UNITED NATIONS - FOOD AND AGRICULTURE ORGANIZATION, WORLD FOOD PROGRAM

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 actions financed by the Community in order to establish whether they have achieved their objectives and to produce guidelines for improving the effectiveness of subsequent actions." 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 - 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.

For International Organisations identified as potential partners for implementing the Decision, Actions will be managed under joint management.

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.