



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels
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COMMISSION DECISION

of

**on the financing of humanitarian Actions from the general budget of the European
Communities in Georgia
(ECHO/GEO/BUD/2009/01000)**

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on the financing of humanitarian Actions from the general budget of the European Communities in Georgia (ECHO/GEO/BUD/2009/01000)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,
Having regard to Council Regulation (EC, Euratom) No.1257/96 of 20 June 1996 concerning humanitarian aid¹, and in particular Article 2 and Article 15(2) thereof:

Whereas:

- (1) The conflict in South Ossetia between Georgia and the Russian Federation led to the displacement of over 130,000 people. While a majority came back to their area of origin, around 37,500 will remain displaced during the coming winter, and around 20 to 25,000 of these will remain displaced for a longer period;
- (2) Clearance of unexploded ordnance in the adjacent area and other affected regions is essential to allow people to return safely to their places of origin and restart their agrarian activities as they used to;
- (3) Non-Food Items such as warm clothes, hygiene items are still needed during the following months, as well as protection and psychosocial support for those who remained in South Ossetia or have been displaced;
- (4) In addition, around 45,000 ethnic Georgians, displaced by the previous conflict and who had returned to their homes in Abkhazia, remain in a precarious condition both from a humanitarian and protection perspective;
- (5) To reach populations in need, aid should be channelled through Non-Governmental Organisations (NGOs) or International Organisations including United Nations (UN) agencies. Therefore the European Commission should implement the budget by direct centralized management or by joint management;
- (6) 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;
- (7) 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 145,000 displaced persons, returnees and vulnerable populations affected by the conflict in South Ossetia between Georgia and the Russian Federation

¹ OJ L 163, 2.7.1996, p. 1.

and the frozen conflict in Abkhazia, 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;

- (8) 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 to the victims of the conflicts in Georgia by using line 23 02 01 of the 2009 general budget of the European Communities.
2. In accordance with Article 2 of Council Regulation No.1257/96, the humanitarian Actions under this Decision shall be implemented in the pursuance of the following specific objectives:

- To provide protection to Internally Displaced Persons and other vulnerable population affected by conflict between Georgia and the Russian Federation.

An amount of EUR 1,000,000 is allocated to this specific objective.

- To provide relief assistance to the vulnerable victims of the conflict between Georgia and the Russian Federation, and to the victims of the frozen conflict in Abkhazia.

An amount of EUR 1,000,000 is allocated to this specific objective.

Article 2

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.

Article 3

1. The duration for the implementation of this Decision shall be for a maximum period of 18 months, starting on 1 January 2009.

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

2. Expenditure under this Decision shall be eligible from 1 January 2009
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 4

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 suitability criteria established in Article 7 of Council Regulation (EC) No. 1257/96, or International Organisations.
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 5

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 to the victims of the conflict in Georgia

Location of Action: Georgia

Amount of Decision: EUR 2,000,000

Decision reference number: ECHO/GEO/BUD/2009/01000

Supporting Document

1 - Rationale, needs and target population.

1.1. - Rationale :

On 7 August 2008, a conflict erupted in South Ossetia, involving Georgian and Russian forces. After a few days of fighting, Russian troops advanced deeply into Georgia. The situation deteriorated further with renewed fighting in the Georgian breakaway province of Abkhazia, as well as fighting in other parts of Georgia, in particular in and around the city of Gori. Tens of thousands of civilians fled the fighting. An estimated 30,000 crossed the border into North Ossetia, inside the Russian federation. Almost all of these are reported to have since returned home. Whilst some 96,000 of the estimated 133,500 persons displaced in Georgia have now been able to return home, a significant proportion - around 37,500 persons - remains displaced as of 13 January 2009 according to official figures provided by the Georgian Government.

The humanitarian costs of the conflict are important. 37,500 civilians essentially from South Ossetia and from Abkhazia (Kodori Valley) are expected to remain displaced over the winter. The most acute phase of the violence has passed, but without a political resolution the humanitarian situation retains elements of unpredictability.

However, most recent developments are relatively positive: following Russian troops' withdrawal from the adjacent area of South Ossetia (north of Gori), the Georgian authorities have re-established its control. Access to villages of this area is now possible.

Following improved access and assessments, the Flash Appeal prepared by the United Nations (UN) launched on 18 August was revised and amounts now to USD 109.3 million. Better targeting for food security, health and nutrition, protection and shelter activities in particular has been conducted, as well as the introduction of a range of early recovery initiatives. This was done in parallel to the Joint Needs Assessment (JNA), which was conducted in early September 2008 at the behest of the Georgian Government by, amongst others, the UN system, the World Bank and the Commission. The Humanitarian Country Team has prepared the revised Flash Appeal to cover the identified and estimated needs of a projected caseload of 127,499 displaced persons and returnees through March 2009. The Flash Appeal includes also assistance to communities who remained in conflict-affected areas, in order to promote immediate recovery, secure sustainable return and support the implementation of the three-year JNA.

Access to South Ossetia is still not feasible from the south. The International Committee of the Red Cross (ICRC) is the only international humanitarian organization with constant presence in the field. Information reporting the situation in that region is limited and indicates an extremely worrying scenario. When possible, in depth needs assessments should take place and further humanitarian assistance accordingly delivered. Some agencies have or will carry out needs assessment and follow-up projects, provided access is granted.

Abkhazia, in Western Georgia, continues to be characterised by forgotten humanitarian needs. The conflict which erupted in 1992 in the breakaway Republic, led to the displacement of over 250,000 people. A UN-brokered agreement was signed by the Georgian and Abkhaz parties in 1994 putting an end to the fighting, but the situation still remains tense. As a result of the conflict, Abkhazia remains very much affected. Its population has shrunk from an estimated 500,000 people before the war to around 150,000 people currently, many of whom are considered destitute. Around 45,000 ethnic Georgians displaced by the war have returned to their homes in Abkhazia but remain in a precarious condition both from a humanitarian and protection perspective.

The access and implementation of activities, including humanitarian assistance, in South Ossetia and Abkhazia have been recently regulated under the Law on Occupied Territories adopted by the Parliament of Georgia. The impact of this new regulation on humanitarian assistance is still unclear, as the implementing modalities of the Law are still being discussed by the Georgian authorities and the international community.

The international community, and notably the European Union and the United States, has reacted quickly to support Georgia following the recent conflict. At the initiative of the EC and the World Bank and based on the results of the JNA, a donors' conference for the rehabilitation and reconstruction of Georgia took place in Brussels on 22 October and allowed the mobilizing of additional international support amounting to EUR 2.8 billion. The Commission itself has pledged up to EUR 500 million of financial support to Georgia in the 2008-2010 period⁵. However most of the funds pledged or already mobilized address the mid and long term needs, such as recovery, rehabilitation and reconstruction. Some of the short-term humanitarian needs remain to be addressed before the end of the winter⁶

⁵ In addition to the EUR 8 million provided for humanitarian assistance in 2008, through three funding decisions.

Apart from providing financial support, the EU appointed an EU Special Representative for Georgia and deployed an ESDP⁷ civilian monitoring mission in Georgia (EU Monitoring Mission - EUMM), consisting of about 340 EU observers, who are deployed in areas of Georgia's territory adjacent to the armistice line with Abkhazia and South Ossetia. The EU, including the Commission, is also very active in the Geneva Talks process, aiming at identifying new security arrangements for preventing the restart of hostilities and at facilitating the return of IDPs.

1.2. - Identified needs :

The main needs concern the Internally Displaced People (IDP), the returnees and the affected resident population. IDPs are totally dependent on government and international community assistance to meet their basic needs. These needs are especially acute now, when recovery activities are difficult to implement due to hard winter conditions, which necessitates the continuation of relief-oriented interventions.

With regard to the IDPs of the 2008 conflict, the Prime Minister of Georgia adopted a Government Order on 11 September 2008, which refers to five principles to provide IDPs with temporary shelter until permanent housing can be provided. This Government Order also states that a Strategy and Action Plan should be developed by the Ministry for Refugees and Accommodation on the basis of these principles. While a draft for a Government shelter strategy for the new IDPs was prepared by 15 September 2008, no action plan for the new IDPs has yet been officially adopted. In accordance with the draft shelter strategy for IDPs of 15 September, the housing response of the Government would be based on three phases: assistance to returnees under the self-help programme, temporary housing pending durable solutions, and eventually durable housing. Under the first stage of the response (until March 2009), damaged houses of returnees will be repaired, existing buildings/accommodations being used as collective centres will be reconstructed and winterised, and new housing units will be constructed and purchased, thereby providing durable housing solutions (return and resettlement) for all the 2008 IDPs. The process is underway: to date more than 5,000 new houses have been built by the Government, where 17,000 IDPs are now resettled. 12,000 persons still reside in collective centres in Tbilisi and in the regions, and 7,000 persons are accommodated in the private sector⁸.

Because of the absence of access for international humanitarian organisations to South Ossetia from the south, except the ICRC, support can barely be provided to the people living there and who are probably in need. Humanitarian needs in South Ossetia, other than those previously covered by the Russian Ministry for Emergency Situations (EMERCOM), were assessed by a rapid UN inter-agency mission in mid-September 2008 and found to be limited. The main concerns were protection and human rights, notably in areas hosting a significant Georgian population before the conflict such as the Alkhagori area.

Considering the good donors response and other EC instruments intervention, DG ECHO⁹ humanitarian aid aims to focus on the most urgent humanitarian needs, which remain uncovered or less covered, such as protection, humanitarian demining, food and Non-Food Items, and psychosocial support. Other needs such as shelter which was identified in DG ECHO strategy before the recent conflict erupted are expected to be addressed on a longer term by other donors, including other EC instruments, such as the Instrument for Stability

⁷ European Security and Defence Policy

⁸ Government of Georgia, 13/01/09

⁹ Directorate General for Humanitarian Aid - ECHO

(IfS) and the Action Plan funded under the European Neighbourhood and Partnership Initiative (ENPI).

The most urgent needs are the following:

- Protection: following the conflict, many families have been split and some remain separated. Family reunification must continue. There are as well some protection cases that deserve close monitoring such as the Georgian population still residing in South Ossetia.
- Explosive Remnants of War (ERW): The brief nature of the August 2008 conflict has restricted the majority of ERW to a 10 by 20km high-intensity conflict zone between Gori and Tsinkhvali in the adjacent area. Within this area there are a total of 25 contaminated villages with cluster munitions and UXO (unexploded ordnance) contaminations. It is estimated that around 1,300 hectares of land spread around 14 villages require sub-surface clearance to remove buried sub-munitions¹⁰. 70% of this area is usually cultivated for arable crops, vegetables and fruit trees. Clearing cultivated land before Spring and Summer is vital for the local livelihood of the population and prevent further risks of casualties among the returnees and resident population. Additional 6 months are necessary to achieve the clearance of the adjacent area.
- Food and Non-Food items: Essential food is needed to feed the IDPs in the new settlements, in the accommodation centres in Tbilisi and in the regions. IDPs having little if none productive assets and insignificant level of savings, rely almost exclusively on external assistance for securing their food needs. In the 'adjacent area', returnees and resident population live in difficult conditions following conflict, displacement and reported looting, which resulted in losses of produce and productive assets. Therefore they continue to rely on external assistance in order to be food secure, until they can resume agricultural activities. In addition, given the harsh winter conditions, returnees are in dire needs of woods to and heating systems, as people cannot access to the forests of South Ossetia.
- Psychosocial assistance needs, notably for women and children: The psychosocial needs are believed to be important in the population affected by the conflict, especially among children. UNICEF estimates that up to 60% of the IDPs are under the age of 16¹¹. Some of the affected children have witnessed conflict and destruction: all of the displaced children have experienced the trauma of leaving their homes suddenly, in frightening circumstances, and of relocating to temporary accommodation, often deprived of privacy, and in many cases have been separated - temporarily or for longer periods - from members of their extended family, local communities and social circles.

1.3. - Target population and regions concerned :

This Decision targets the most affected populations by the conflict between Georgia and the Russian Federation: IDPs from South Ossetia; IDPs from the Kodori valley in Abkhazia; returnees to the adjacent area; IDPs from villages of the adjacent area, where security situation is tense and/or whose houses have been destroyed and who are now living in accommodation centres in Tbilisi and in the regions; IDPs accommodated with relatives and/or host families; In addition, resident population of affected localities in South-Ossetia will be supported, if access allows, i.e. if the relevant authorities permit; IDPs from the Kodori valley in Abkhazia; returnees to the adjacent area; returnees from the 1990's conflict

¹⁰ NGO Halo Trust, December 2008

¹¹ UNICEF proposal to Directorate General for Humanitarian Aid-ECHO, 15 September 2008

to Abkhazia residing mainly in the Gali district of Abkhazia might be also targeted if necessary accordingly with a base-needs approach in the humanitarian assistance delivery.

1.4. - Risk assessment and possible constraints :

The most serious constraints in the full implementation of the present financial Decision are the following ones:

- Access to the conflict-affected areas controlled by the Russian forces and the *de facto* authorities is a major challenge when it comes to South-Ossetia and difficult for Abkhazia;
- The problem of free and unhindered access of international organisations and of humanitarian and early recovery aid actors has been further complicated by the recent adoption of the “Law on occupied territories” by the Georgian Parliament. It stipulates specific entry point to the two regions and restricts the exercise of economic activities and property rights in those areas. It is still soon to estimate the real impact it will have on the deliver of humanitarian relief.
- A sudden worsening of the situation cannot be totally excluded and could hamper the work of humanitarian organisations. The risk is however mitigated by the presence of the EUMM and the ongoing diplomatic effort to stabilize the region.

2 - Objectives and components of the humanitarian intervention proposed:

2.1. - Objectives :

Principal objective: To save and preserve lives of the populations affected by the conflict between Georgia and the Russian Federation and the frozen conflict in Abkhazia

Specific objectives:

- 1) To provide protection to Internally Displaced Persons and other vulnerable populations affected by conflict between Georgia and the Russian Federation.
- 2) To provide relief assistance to the vulnerable victims of the conflict between Georgia and the Russian Federation, and to the victims of the frozen conflict in Abkhazia.

2.2. - Components :

- Protection activities;
- Clearance of unexploded ordnance;
- Non-Food Items;
- Psychosocial support;
- Any other integrated relief activity deemed necessary.

5 - Overview of donors' contributions

Donors in GEORGIA the last 12 months					
1. EU Members States (*)		2. European Commission		3. Others	
	EUR		EUR		EUR
Austria	480,000	DG ECHO	8,000,000		
Belgium	500,000	Other services	31,000,000		
Bulgaria	257,793				
Cyprus					
Czech republic	560,000				
Denmark	803,462				
Estonia	460,566				
Finland	900,000				
France	1,388,055				
Germany	2,325,785				
Greece	746,820				
Hungary					
Ireland	364,500				
Italy	1,305,000				
Latvia	144,271				
Lithuania	217,037				
Luxemburg	193,739				
Malta	10,000				
Netherlands	1,300,000				
Poland	129,000				
Portugal					
Romania	1,450,000				
Slovakia					
Slovenie	100,000				
Spain	500,000				
Sweden	2,710,069				
United kingdom	5,723,894				
Subtotal	22,569,991	Subtotal	39,000,000	Subtotal	0
		Grand total	61,569,991		

Dated : 16 January 2009

(*) 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.

In addition to emergency humanitarian assistance, the Commission provided short-term rehabilitation support to IDPs and vulnerable population affected by the conflict worth EUR 39 million, which allows a gradual phase out of humanitarian aid:

- An allocation worth EUR 15 million was used through the Instrument for Stability (IfS) to respond to the most pressing rehabilitation needs in Georgia, notably shelter and housing winterisation (EUR 9.7 million) and early recovery activities such as micro-business (EUR 4.4 million).
- Under the European Neighbourhood Partnership Instrument (ENPI) for 2008, the EC funds a EUR 6 million rehabilitation programme in the Georgian-Ossetian conflict zone, supporting IDPs and confidence building measures. Following the 2008 conflict, it was decided that priority should be given to the needs of the new IDPs. The contents of this programme are currently under preparation.

- Finally, the objective of the EC targeted budget support programme “Support to Georgia IDPs Action Plan: 2008 Part I” of EUR 10 million is to assist the Government of Georgia via the Municipal Development Fund, to improve the living conditions of IDPs by providing durable housing solutions (construction of new houses in new settlements).

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>To save and preserve lives of the populations affected by the conflict between Georgia and the Russian Federation and the frozen conflict in Abkhazia</i>				
Specific objectives	Allocated amount by specific objective (EUR)	Geographical area of operation	Activities	Potential partners¹²
Specific objective 1: To provide protection to Internally Displaced Persons and other vulnerable populations affected by conflict between Georgia and the Russian Federation	1,000,000	Georgia	Protection	- ICRC-CICR
Specific objective 2: To provide relief assistance to the vulnerable victims of the conflict between Georgia and the Russian Federation, and to the victims of the frozen conflict in Abkhazia	1,000,000	Georgia	Clearance of unexploded ordnance, Non-Food Items, psychosocial support, short-term rehabilitation.	- DRC - HALO TRUST - SAVE THE CHILDREN - NLD
TOTAL:	2,000,000			

¹² COMITE INTERNATIONAL DE LA CROIX-ROUGE (CICR), DANSK FLYGTNINGEHAELP, SAVE THE CHILDREN (NLD), THE HALO TRUST (GBR)

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/policies/evaluation/introduction_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/about/actors/partners_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.