



EUROPEAN COMMISSION

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COMMISSION DECISION

of

on the financing of emergency humanitarian actions in Bangladesh from the general budget of the European Union

(ECHO/BGD/BUD/2010/03000)

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No.1257/96 of 20 June 1996 concerning humanitarian aid¹, and in particular Article 2 (a) and Article 13 thereof;

- (1) A flash flood struck the six north-eastern districts of Bangladesh (Haor area) in mid-April 2010, just a few weeks before the annual rice harvest. These communities subsist with only one rice crop per year. Some 200,000 hectares of standing rice crop, ground nut, sweet potato and summer vegetables were quickly submerged. Rice crop losses caused by the floods were initially estimated at some 1,500,000 metric tonnes. A first assessment found that 300,000 farmers were directly affected in their basic subsistence. The European Commission adopted an emergency Decision of EUR 3,800,000 in support of the victims;
- (2) In light of the evolving situation, four months after the disaster, the European Commission launched a re-assessment of the needs. The new assessment report reveals new emergency needs. According to latest figures on affected population communicated by Bangladeshi local authorities on 2 September 2010, the number of people directly affected by the disaster in need of emergency humanitarian aid has significantly increased and reaches now 1.7 million². The majority (90%) of this population group did not receive any assistance directly after the disaster as their situation was not considered to be life threatening. In the meantime, as a result of insufficient coping capacities and no alternative subsistence means, their situation has worsened to the point of requiring life saving assistance. The newly identified caseload is facing an acute food security crisis which has serious detrimental impact on their nutritional³ status and requires life-saving assistance.
- (3) Despite the scale of the disaster, which has now turned into a forgotten crisis, and its significant humanitarian impact, neither special government allocations, nor assistance from other donors than the European Union (EU) have been granted to date to this

¹ OJ L 163, 2.7.1996, p. 1.

² Source: information collected from local authorities (Head of Upazila Administration, Head of District Administration, Upazila Chairman) and DG ECHO partners and shared during DG ECHO assessment mission.

³ Prevalence of Global Acute Malnutrition reaches a national average of 18%, well above emergency threshold for an emergency humanitarian intervention

affected population. However, the EU assistance does not address the recently identified caseload whose state of emergency did not arise immediately but is the result of the build-up of cumulative stress linked to the deteriorating situation.

- (4) The very limited coping capacities of the newly identified caseload will be further eroded by the incoming lean season, which in itself represents a critical period when alternative livelihood opportunities are reduced to a minimum. The lean season will deteriorate even further the already critical humanitarian situation of the affected population, exposing them to even greater immediate life-threat.
- (5) Considering that only some months after the floods the existence of a much larger caseload of victims than initially identified has become apparent, taking into account that only 10% of them have been assisted so far, and given the urgency of the needs in a rapidly deteriorating situation, it is necessary to provide emergency humanitarian aid to the most vulnerable populations which have not received any assistance to date;
- (6) To reach the populations in need, humanitarian aid should be channelled through non-governmental Organisations (NGOs) and international organisations including United Nations (UN) agencies. Therefore the European Commission should implement the budget by direct centralised management or by joint management;
- (7) Humanitarian aid actions financed by this Decision should be of a maximum duration of 6 months;
- (8) It is estimated that an amount of EUR 7,000,000 from budget article 23 02 01 of the general budget of the European Union is necessary to provide humanitarian assistance to over 400,000 victims, taking into account the available budget, other donors' contributions and other factors. The activities covered by this Decision may be financed in full in accordance with Article 253 of the Implementing Rules of the Financial Regulation;
- (9) The present Decision constitutes a financing Decision within the meaning of Article 75 of the Financial Regulation (EC, Euratom) No 1605/2002⁴, Article 90 of the detailed rules for the implementation of the Financial Regulation determined by Regulation (EC, Euratom) No 2342/2002⁵, and Article 15 of the internal rules on the implementation of the general budget of the European Union⁶;

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 7,000,000 for the financing of emergency humanitarian actions in Bangladesh from budget article 23 02 01 of the 2010 general budget of the European Union.

2. In accordance with Article 2(a) of Council Regulation No.1257/96, the principal objective of this Decision is to save and preserve life of the victims of floods in the Haor region of Bangladesh. The humanitarian actions shall be implemented in the pursuance of the following specific objective:

⁴ OJ L 248, 16.9.2002, p.1.

⁵ OJ L 357, 31.12.2002, , p.1.

⁶ Commission Decision of 5.3.2008, C/2008/773

To improve the humanitarian conditions of flood victims by providing emergency food assistance.

The full amount of this Decision is allocated to this specific objective.

Article 2

1. The period for the implementation of the actions financed under this Decision shall start on 2 September 2010. Expenditure under this Decision shall be eligible from the same date. The duration of individual humanitarian aid actions financed under this Decision shall be limited to a maximum of six months.

2. If the implementation of individual actions is suspended owing to force majeure or other exceptional circumstances, the period of suspension shall not be taken into account in the implementing period of the Decision in respect of the action suspended.

3. In accordance with the contractual provisions ruling the Agreements financed under this Decision, the Commission may consider eligible those costs arising and incurred after the end of the implementing period of the action which are necessary for its winding-up.

Article 3

1. In accordance with Article 253 of the Implementing Rules and having regard to the urgency of the action, the availability of other donors and other relevant operational circumstances, funds under this Decision may finance humanitarian actions in full.

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 and international organisations.

3. The Commission shall implement the budget either by direct centralised management with non-governmental organisations or by joint management with international organisations that are signatories to the Framework Partnership Agreements (FPA) or the Financial Administrative Framework Agreement with the UN (FAFA) and which were subject to the four pillar assessment in line with Article 53d of the Financial Regulation

Article 4

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

Done at Brussels,

For the Commission
Member of the Commission



Emergency Humanitarian Aid Decision 23 02 01

Title: Commission decision on the financing of emergency humanitarian actions in Bangladesh from the general budget of the European Union

Description: Emergency humanitarian assistance for the victims of floods in the Haor region

Location of action: BANGLADESH

Amount of Decision: EUR 7,000,000

Decision reference number: ECHO/BGD/BUD/2010/03000

Supporting document

1 Humanitarian context, needs and risks

1.1 Situation and context

Large, deep flood plains with little natural surface drainage in the north-eastern part of Bangladesh are known as *Haor*. The area is usually fertile, producing a single crop of rice each year. Geographically remote and isolated, floods inundate the area to depths of 5 metres or more during the monsoon. Under normal circumstances local communities are relatively well adjusted to this natural event, harvesting their rice in May before the onset of flooding, planting the next season's rice crop in November after the flood recedes.

In April 2010, a flash flood struck the six north-eastern districts of the country of which the Haor area is comprised - Sunamgonj, Netrokona, Kishoregonj, Sylhet, Habigonj, Moulvibazar – from mid-April, just a few weeks before the annual rice harvest was due to commence. A first assessment found that 300,000 farmers were directly affected, with rice crop losses initially estimated at some 1,500,000 metric tonnes. Following the flash flood, an emergency Decision of EUR 3,800,000 was adopted to fill the existing food gap and respond to the acute needs identified during the initial assessment mission¹ by the European

¹ May 2010

Commission's Directorate-General for Humanitarian Aid and Civil protection (DG ECHO). This funding contributed to support, across four districts, the maintenance of basic food consumption level so as to prevent a rapid deterioration of nutritional status, a further depletion of productive livelihood assets, and debt accumulation. DG ECHO was the only donor to date to have contributed to address this humanitarian crisis.

In light of the evolving situation, DG ECHO decided to launch a re-assessment of the needs four months after the disaster that revealed new emergency needs.

1.2 Identified humanitarian needs

An assessment team was deployed to the Haor region so as to verify the extent of the unmet needs and the impact of the disaster. The outcome of the assessment reports an appalling humanitarian situation. According to the findings of the new assessment, out of around 6 million people living in the four districts most affected by the flash floods, the number of people directly affected in need of emergency humanitarian aid has significantly increased and reaches now 1.7 million². The majority (90%) of this population group did not receive any assistance directly after the disaster as their situation was not considered to be life threatening.

In the areas inhabited by the affected population, an estimated average of 75% of the boro rice crop is lost. It is considered as the worst event for more than a decade in terms of crop losses.

Since boro production is central to the local economy and livelihoods of the affected population, the extent of this loss has been devastating in terms of income security.

For the extreme poor, who already constituted 40% of the population, this income security has been experienced as heightened and acute food insecurity. There are very few alternative local sources of employment / income available to these communities, other than the single annual rice crop³ save for limited fishing opportunities for those with boats or temporary migration of households' male members. The fishing rights for large tracts of the flooded Haor are leased out to companies, or wealthy individuals. Furthermore, the landless status of the vast majority (and the corresponding loss of their income through exploitative sharecropping and rental arrangements) further exacerbates the acute vulnerability and impoverishment that the Haor communities are currently facing.

With their single yearly crop destroyed, inhabitants of the Haor are facing an acute food security crisis and are forced to adopt extreme coping mechanisms to face the situation: reducing the quality and quantity of food intake (e.g.: reduction in the number of meals) has become a current practice, which has obviously detrimental impact on the nutritional status of people. Distress asset sales (eg: final productive assets such as cattle) and abnormal levels of debt accumulation beyond means are other harmful and irreversibly damaging actions that most of households affected by the loss of crop/revenues are currently experiencing.

Despite the scale of the disaster, which has now turned into a forgotten crisis, and the significant humanitarian impact it is having on a population of several million people, no special government allocations have been allocated to date, nor any assistance from other

² Source : updated figures on affected population communicated during DG ECHO mission on 2 September 2010 on the basis of information collected from local authorities (Head of Upazila Administration, Head of District Administration, Upazila Chairman) and DG ECHO partners.

³ Other crops are marginal in the household source of employment/income and have also been severely affected by the flash flood.

donors than the European Union. The low attention given to this humanitarian crisis could be related to the fact that the primary impact of the flash flood is crop damage rather than lost lives and appears to be less directly apparent as compared to other disasters. In addition, the Haor region is seasonally flooded on a yearly basis and it is assumed by national authorities and donors that communities are equipped with effective strategies to cope with floods. Unfortunately, since the disaster struck, and as a result of insufficient coping capacity and no alternative means of subsistence, the situation of an increased number of people has worsened to the point of requiring life saving assistance.

The coping capacities of the newly identified caseload will be further eroded by the incoming lean season⁴ which in itself represents a critical period for inhabitants of the Haor, a period when alternative livelihood opportunities are reduced to a minimum. Fishing activities become nonexistent and daily labour opportunities are scarce.

In Bangladesh where the Prevalence of Global Acute Malnutrition has even increased in recent years and reaches a national average of 18%⁵, the forthcoming lean season will therefore deteriorate further the already critical food security situation faced by this unassisted population, exposing them to even greater immediate life-threat.

Considering that only some months after the floods the existence of a much larger caseload of victims than those initially identified in need of humanitarian aid has become apparent, taking into account that only a minority of the total number of affected people have been assisted so far, and given the urgency of the needs in a rapidly deteriorating situation, it is necessary to provide emergency humanitarian aid to reach the areas and the most vulnerable people which have not received any assistance to date.

1.3 Risk assessment and possible constraints

The remoteness of communities across the region that are difficult to access, whether by boat or on foot, is a logistical constraint to take into account.

There is still a risk that there is an underestimation of the affected population. The data used by partners for ‘numbers of people affected’ appears to be based on government figures, which have been collected and consolidated from Union level up. Discussions with local officials established that there are no standardised criteria for ‘affected population’ therefore it is likely that interpretations were different from place to place.

⁴ between January and April 2011, Also called the monga phenomenon describes the moment between transplantation and harvest of paddy when employment and income opportunities of the rural poor strongly decrease

⁵ 18% of GAM is well above emergency threshold for an emergency humanitarian intervention (Source : Latest Bangladesh Demographic and Health Survey 2007 published in May 2009).

2 Proposed DG ECHO response

2.1 Rationale

DG ECHO intervention should ensure that emergency humanitarian aid is provided to the most affected people until the lean season is over to avoid a further deterioration of their food security situation.

An amount of EUR 7,000,000 would seem to be appropriate, enabling coverage of over 400,000 individuals until the next paddy harvest is due, around April/May. Relief assistance will target the caseload of victims that had not been identified and covered so far by previous DG ECHO intervention.

Among the most vulnerable populations, DG ECHO will be assisting those who lost all or most of their crop and who do not have other livelihood alternatives, and are therefore most exposed to immediate life-threat, with particular attention to female headed households, people with disabilities and elderly and sick people without caregivers, ethnic minorities.

Priority will be given to operations that mainstream disaster risk reduction into their relief activities as the population targeted by this Decision has little alternative but to continue to live in these disaster-prone areas.

Preferably this assistance will be given through cash for work and cash for training, instead of direct in kind food assistance⁶. As local markets are functioning satisfactorily and food is available on local markets, food in kind will be avoided (less cost effective, less time effective, responding neither to the specific needs of households nor to the local economy).

2.2 Objectives

- Principal objective: To save and preserve life of the victims of floods in the Haor region of Bangladesh.
- Specific objective: To improve the humanitarian conditions of flood victims by providing emergency food assistance

2.3 Components

Cash for work (CFW) activities will be prioritised, whenever possible, based on their positive contribution to bridging the food gap, on livelihoods and/or building the communities' resilience to future disasters. CFW is targeted to time with the lean season when food needs will be the highest. In order to make a positive contribution to Disaster Risk Reduction (DRR) and reduce the overall vulnerability of the area, repair, strengthening and extension of existing submergible embankments would provide the most appropriate way to integrate practical DRR objectives with those of humanitarian assistance. On the basis of DG ECHO assessment on the ground, if these local embankments had been properly maintained and extended, crops could have been relatively protected during the 2010 flash floods and the disaster impact on the population reduced to a minimum. In order for these local

⁶ This choice is based on context-specific analysis carried out by DG ECHO assessment in September 2010.

embankments to have a meaningful impact on future disasters, preparatory works and adequate technical expertise need to be put in place as soon as possible.

Cash for training: As a consequence of the acute food insecurity situation, many male family members are migrating for extended periods to seek work outside the community, leaving behind highly vulnerable female-headed households for which cash transfers should not be made conditional upon intensive manual labour. Given the chronic malnutrition of adult women (which in itself is recognized as a key factor underlying child malnutrition) and high prevalence of anemia, the delivery of well designed training and awareness raising programmes to women's groups on issues of nutrition, hygiene and infant and young child feeding practices would provide a way to ensure cash transfer to women, while integrating crucial nutritional issues into the operation.

2.4 Complementarity and coordination with other EU services, donors and institutions

A number of related initiatives are being funded from other development instruments that collectively provide an important opportunity for enhanced LRRD. However, these programmes aim at long term development achievements (poverty reduction through microcredit schemes for example) and do not target the population affected by the on-going humanitarian crisis.

A close coordination will nevertheless be ensured with the EU funded programme "Haor Initiatives for Sustainable Alternative Livelihoods – HISAL" (EUR 749,995, on going until December 2011), with the 110 MEUR SHOUHARDO programme targeting poorest and most vulnerable households in Chars region, Esat coastal Zone and Haor region, as well as the Food Security programme for Ultra Poor (FSUP) in the Haor region and the 20 MEUR for Climate Change Adaptation that would include embankment construction in the Haor.

2.5 Duration

The duration of humanitarian aid actions shall be 6 months.

Expenditure under this Decision shall be eligible from 2 September 2010.

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 actions.

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.

3 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 Union 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.

4 Management Issues

Humanitarian aid actions funded by the European Union are implemented by NGOs and the Red Cross National Societies on the basis of Framework Partnership Agreements (FPA), by Specialised Agencies of the Member States and by United Nations agencies based on the Financial Administrative Framework Agreement with the UN (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 NGOs, Specialised Agencies of the Member States, Red Cross National Societies and international organisations not complying with the requirements set up in the Financial Regulation applicable to the general budget of the European Union for joint management, actions will be managed by direct centralised management.

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.

5 Annexes

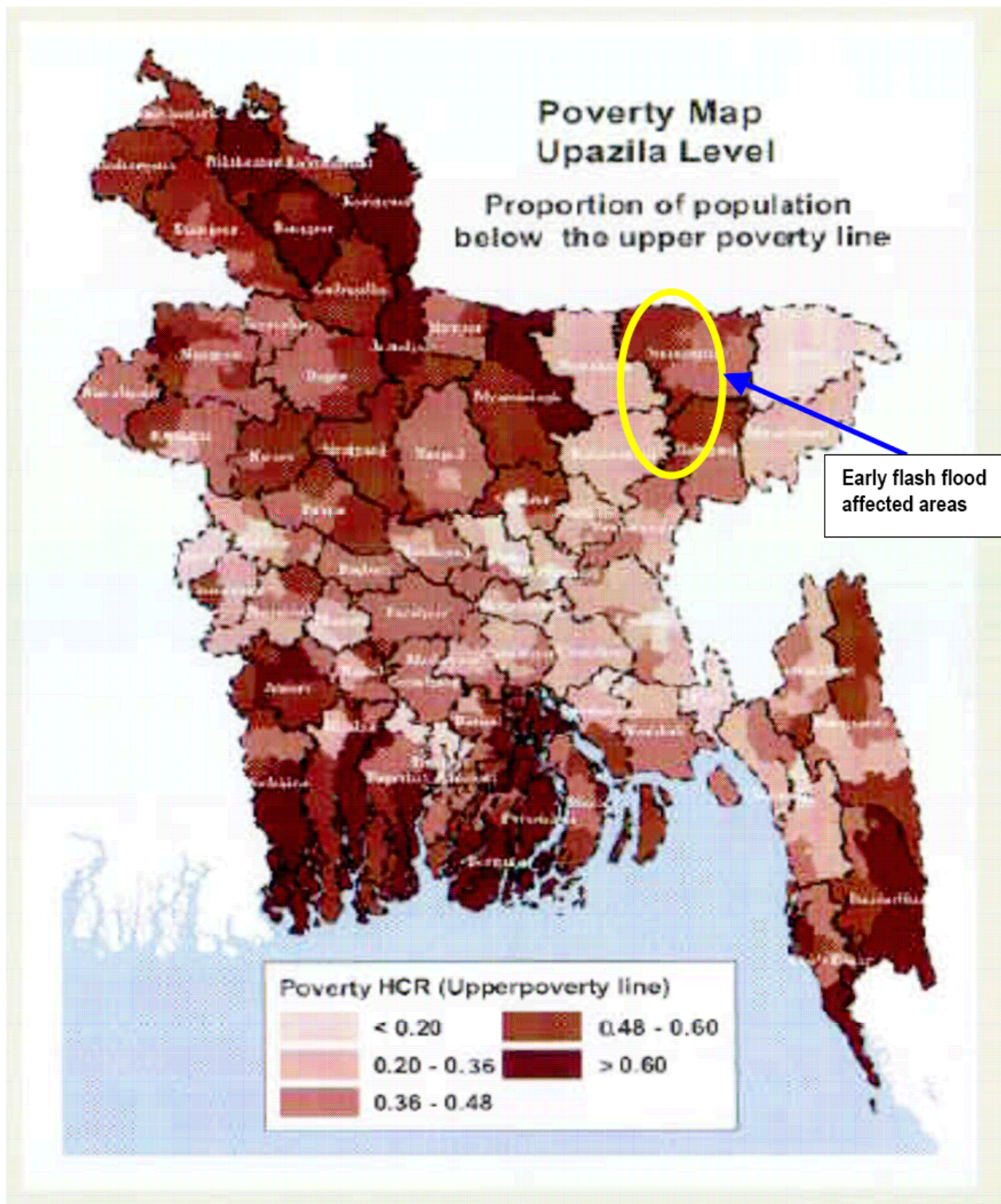
Annex 1 - Summary decision matrix (table)

Principal objective To save and preserve life of the victims of floods in the Haor region of Bangladesh.				
Specific objectives	Allocated amount by specific objective (EUR)	Geographical area of operation	Activities	Potential partners⁷
To improve the humanitarian conditions of flood victims by providing emergency food assistance	7,000,000	Haor region	Cash for work Cash for training	<u>Direct centralised management</u> - ACTIONAID - CARE - UK - CONCERN WORLDWIDE - ISLAMIC RELIEF - SAVE THE CHILDREN - UK
TOTAL	7,000,000			

⁷ ACTIONAID,CARE INTERNATIONAL UK,CONCERN WORLDWIDE, (IRL),ISLAMIC RELIEF WORLDWIDE,THE SAVE THE CHILDREN FUND (GBR)

Annex 4 - Maps

Early flash flood 2010 affected areas



Map : New poverty map , World Food Programme (WFP), 2009