



EUROPEAN COMMISSION

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COMMISSION DECISION

of

**on the financing of humanitarian actions in Mongolia from the general budget of the
European Union**

(ECHO/MNG/BUD/2010/01000)

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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 aid ¹, and in particular Article 2 and Article 15(3) thereof;

Whereas:

- (1) The winter of 2009-2010 was exceptionally cold in Mongolia, causing a significant number of people to freeze to death;
- (2) Mongolia experienced a disaster known as "Dzud", a natural phenomenon arising from continuous heavy snowfall combined with extreme cold and preceded by dry summers, resulting in insufficient grazing pastures and massive loss of livestock;
- (3) One third of the population of Mongolia leads nomadic lives and depends entirely on livestock for a living;
- (4) The Government of Mongolia declared a national disaster in January 2010 and appealed for international assistance;
- (5) To reach 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;
- (6) An assessment of the humanitarian situation leads to the conclusion that humanitarian aid actions should be financed by the European Union for a period of 12 months;
- (7) It is estimated that an amount of EUR 2,000,000 from budget article 23 02 01 of the general budget of the European Union is necessary to provide humanitarian assistance to 600,000 people affected by the Dzud in Mongolia, 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;

¹ OJ L 163, 2.7.1996, p. 1.

- (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 Union⁴;

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 the financing of humanitarian actions in Mongolia from budget article 23 02 01 of the 2010 general budget of the European Union.
2. In accordance with Article 2 of Council Regulation No.1257/96, the principal objective of this Decision is to save and preserve life by providing humanitarian assistance to vulnerable people affected by the Dzud phenomenon in Mongolia. The humanitarian actions shall be implemented in pursuance of the following specific objective:
 - To improve the food security, livelihood and health status of vulnerable herder households across the country and of former herders who have migrated to towns.

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 1 June 2010 and shall run for 12 months. Eligible expenditure shall be committed during the implementing period of the Decision.
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.
4. The Authorising Officer may, where this is justified by the humanitarian situation, extend the duration of the Decision for a maximum of 6 months provided that the total duration of the Decision does not exceed 18 months, in accordance with Article 90.4 of the Implementing Rules of the Financial Regulation.

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

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 or 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 will take effect on the date of its adoption.

Done at Brussels,

For the Commission
Peter Zangl, Director-General



Humanitarian Aid Decision 23 02 01

<u>Title:</u>	Commission decision on the financing of humanitarian actions in Mongolia from the general budget of the European Union.
<u>Description:</u>	Humanitarian assistance for people affected by the Dzud phenomenon in Mongolia.
<u>Location of Action:</u>	Mongolia
<u>Amount of Decision:</u>	EUR 2,000,000
<u>Decision reference number:</u>	ECHO/MNG/BUD/2010/01000

Supporting document

1 Humanitarian context, needs and risks

1.1 Situation and context

One third of the 2.7 million population of Mongolia leads a nomadic life and depends entirely on livestock for a living.¹ Dzud is a natural phenomenon arising from continuous heavy snowfall combined with extreme cold and preceded by dry summers, resulting in insufficient grazing pastures and massive loss of livestock. The winter of 2009-2010 registered record low temperatures. These dropped to well below -40°C across most of Mongolia in January and February (with a record low of -57°C), causing a significant number of people to freeze to death. In 2010, 6.5 million animals (mainly goats and sheep, but also horses, cows and camels) are estimated to have perished in Mongolia, to date. The population considered at risk of food insecurity is 507,000 people (more than 18 % of the total population). These people represent the herder populations which are most severely affected, depending entirely on livestock for subsistence and living in the 12 provinces (out of 21) classified as "Disaster areas". 7 more provinces are classified as "Seriously affected".² The Government of

¹ United Nations Development Programme, 2010 Dzud Early Recovery Programme

² Sources: National Emergency Management Agency, Food and Agriculture Organisation-UN, International Federation of the Red Cross and Red Crescent; the data on livestock deaths is collected systematically by local governments on a monthly basis.

Mongolia declared a national disaster in January 2010 and appealed to the international community for food, medical and heating supplies, as well as funds to procure fodder for livestock. In addition to the cold wave, the Dzud crisis has been aggravated by increasing drought during the last few summers and by an over-grazing problem, leading to lack of grass and inadequate winter hay preparation. Most animals are reared for their skins and wool (rather than for meat and dairy products), due to high demand from the Chinese textile industry, and quantity takes priority over quality. Goats and sheep are now reared in preference to camels, which are more resistant to Dzud conditions.

1.2 Identified humanitarian needs

In January 2010 the Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO) contributed EUR 150,000 to the International Federation of the Red Cross and Red Crescent's Disaster Relief Emergency Fund (IFRC DREF) appeal "Mongolia: Cold waves", representing 55% of the total DREF allocation. This supported the emergency needs of 1,200 worst-affected families with food, blankets and warm clothing. The Government and the international community have been providing emergency assistance, and the National Emergency Management Agency (NEMA) has coordinated this, together with the Ministries of Agriculture, Education and Health. Emergency assistance has included food, hay and fodder for livestock, fuel, clothing, ambulances and other vehicles, diesel power generators, essential medicines, road clearance and disposal of carcasses.

However, it is clear that further needs exist. A second IFRC DREF appeal was made on 29 March 2010, entitled "Mongolia: Severe winter", for EUR 744,243 for 6 months. This lists humanitarian needs which are still not met, related to food, non-food items, health, hygiene, psycho-social support and livelihoods. The United Nations Development Programme (UNDP) recently issued a "2010 Dzud Early Recovery Programme", which will form part of the UN Consolidated Appeal, currently under preparation. DG ECHO issued a Situation Report on the Dzud crisis on 23 April 2010, based on an ECHO expert's Assessment mission. The disaster is still unfolding, as pasture is not regenerated until the end of May, so further animal losses are expected. The group most in need of humanitarian assistance is the estimated 100,000 people who have lost all their animals (production assets) and who are likely to be forced to migrate to urban centres.

1.3 Risk assessment and possible constraints

- The actions need to be put in place in a timely manner.
- Good coordination between organisations and authorities should occur.
- Difficulties of remoteness and poor roads must be overcome, to gain access to beneficiaries.
- The Government's longer-term strategies for agrarian and livestock reform should be implemented.
- Another natural disaster may occur, and the Dzud disaster may recur in the winter of 2010-2011.

2 Proposed DG ECHO response

2.1 Rationale

DG ECHO proposes to provide a humanitarian response to the current Dzud crisis, which will bridge the gap between the initial relief and the longer-term recovery projects. There are urgent unmet needs in the sectors of Food security, Livelihoods and NFIs, whilst psycho-social support and health/hygiene assistance are also required. Disaster preparedness will be mainstreamed in the activities implemented, whenever possible. DG ECHO's response will be coherent with the Livestock Emergency Guidelines and Standards (LEGS), which have been developed as a set of international standards for implementation of livestock interventions to assist people affected by humanitarian crises. The beneficiaries will be the most vulnerable people affected by the Dzud, including female-headed households, pregnant women, children and people with disabilities. The population at risk of food insecurity is 507,000 people, depending entirely on livestock for subsistence and living in the 12 provinces classified as "Disaster areas". There is also the category of people who have lost all their animals (production assets) and who are likely to be forced to migrate to urban centres, estimated at potentially 100,000 persons. Migration is a traditional coping mechanism, but experience shows that herders have difficulties in urban settings and often end up in chronic poverty, marginalised and exposed to disease. Some destitute herders engage in illegal mining activities, involving exploitation of child labour. Actions funded under this Decision will be located in places most affected by the Dzud and still in need of humanitarian assistance, in the countryside and in towns.

2.2 Objectives

- Principal objective: To save and preserve life by providing humanitarian assistance to vulnerable people affected by the Dzud phenomenon in Mongolia.
- Specific objective:
To improve the food security, livelihood and health status of vulnerable herder households across the country and of former herders who have migrated to towns.

2.3 Components

- **Food assistance:** early recovery assistance through food and/or Cash for Work and/or Voucher system.
- **Restoration of livelihoods:** hay and fodder for livestock, in kind and/or via Cash for Work or a Voucher system.
- **Creation of alternative livelihoods:** provision of assets, tools, equipment, training, inputs, conditional cash grants necessary for initiating small income-generating activities and diversified production.
- **NFIs:** clothes, blankets, fuel, kitchen and hygiene sets for vulnerable herder families and for destitute herders and their families, who have migrated to urban centres.

- **Psycho-social support:** help to cope with depression and stress caused by the crisis (upheaval, human and animal deaths), aimed at facilitating the resilience of the beneficiaries and enhancing their ability to adapt to adverse conditions³.
- **Health/hygiene:** hygiene information on the public health risk from animal carcasses, as the temperatures become milder; basic health knowledge to reduce casualties/fatalities from frostbite; health assistance to reduce disease.
- **Water/sanitation:** improvement of water and sanitation facilities, to reduce disease, especially in urban settlements receiving migrants from disaster-affected locations.
- **Disaster preparedness:** to be mainstreamed into all operations, whenever possible.

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

Please see Annex 3 concerning European Union Member State donors: Austria, the Czech Republic, France, Germany, Luxembourg and Sweden. Donor countries outside the EU include Australia, the People's Republic of China, the Russian Federation, Switzerland and the United States of America.

DG ECHO will coordinate closely with the European Commission's long-term external relations services, as Dzud disasters are a chronic issue, requiring long-term economic and social measures. The problem of over-grazing means that reintroduction of livestock is not recommended. Projects in Mongolia currently funded by the EU (2008-2012) include an Animal Health and Livestock Marketing Project (EUR 4.5 million) and a Sustainable Livelihoods Programme II (EUR 10 million), in close cooperation with the World Bank. Vegetable production projects under the Food Security Thematic Programme are being planned.⁴ DG ECHO will also coordinate closely with organisations and donors via the United Nations "Cluster" system, in which partners are grouped by sector. In Mongolia, the UN Children's Fund (UNICEF) is in the lead for the Food Aid cluster, FAO for the Agriculture cluster and UNDP for the Early Recovery cluster. NEMA leads the disaster response nationally and locally, and participates in the Early Recovery cluster. DG ECHO's partners will cooperate closely with the authorities in provinces (known as Aimags) and districts (known as Soums).

2.5 Duration

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

Expenditure under this Decision shall be eligible from 1 June 2010.

Start Date: 1 June 2010.

³ DG ECHO's Technical Issues Paper "Mental health and psychosocial support in emergency settings" 2008

⁴ Under the Development Cooperation Instrument, the National Indicative Programme (2007-2010) allocates EUR 14 million, and the proposed allocation for the NIP (2011-2013) is EUR 15 million.

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 and 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 by providing humanitarian assistance to vulnerable people affected by the Dzud phenomenon in Mongolia				
Specific objective	Allocated amount by specific objective (EUR)	Geographical area of operation	Activities	Potential partners⁵
To improve the food security, livelihood and health status of vulnerable herder households across the country and of former herders who have migrated to towns	2,000,000	Actions will be located in places most affected by the Dzud and still in need of humanitarian assistance, in the countryside and in urban areas receiving migrants from disaster-affected locations	<ul style="list-style-type: none"> - Food assistance - Restoration of livelihoods - Creation of alternative livelihoods - Provision of Non-Food Items - Psycho-social support - Health/hygiene assistance - Water/sanitation - Disaster preparedness mainstreaming 	<p><u>Direct centralised management</u></p> <ul style="list-style-type: none"> - ACF – FRA - ADRA - DEU - CROIX-ROUGE - FIN - CROIX-ROUGE - NLD - SAVE THE CHILDREN - UK <p><u>Joint management</u></p> <ul style="list-style-type: none"> - FAO - IOM - UNICEF
TOTAL	2,000,000			

⁵ ACTION CONTRE LA FAIM (FR), ADRA DEUTSCHLAND E.V., HET NEDERLANDSE RODE KRUIS (NLD), INTERNATIONAL ORGANIZATION FOR MIGRATION (INT), SUOMEN PUNAINEN RISTI (CROIX ROUGE FINLANDAISE), THE SAVE THE CHILDREN FUND (GBR), UNICEF, UNITED NATIONS - FOOD AND AGRICULTURE ORGANIZATION

Annex 2 - List of previous DG ECHO decisions

List of previous DG ECHO operations in MONGOLIA				
Decision Number	Decision Type	2008 EUR	2009 EUR	2010 EUR
ECHO/DRF/BUD/2008/01000 (*)	Ad hoc	265,000		
	Subtotal	265,000	0	0
	TOTAL	265,000		

Date : 03/05/2010
Source : HOPE

(*) decisions with more than one country

N.B. This amount results from DG ECHO's contributions to IFRC DREF operations for Floods in 2009 (EUR 115,000) and Dzud in 2010 (EUR 150,000).

Annex 3 - Overview table of the humanitarian donor contributions

Donors in MONGOLIA over the last 12 months			
1. EU Member States (*)		2. European Commission	
	EUR		EUR
Austria	213,000	DG ECHO	265,000
Czech Republic	160,000		
France	45,000		
Germany	50,000		
Luxembourg	50,000		
Sweden	79,912		
Subtotal	597,912	Subtotal	265,000
TOTAL	862,912		

Date : 03/05/2010

(*) Source : DG ECHO 14 Points reports. <https://webgate.ec.europa.eu/hac>

Empty cells : no information or no contribution.

