



EUROPEAN COMMISSION

Brussels
C(2010) XXX final

COMMISSION DECISION

of [...]

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

(ECHO/LKA/BUD/2010/01000)

COMMISSION DECISION

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on the financing of humanitarian actions in Sri Lanka from the general budget of the European Union

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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 Articles 2, 4 and Article 15(3) thereof;

Whereas:

- (1) The conflict between the Liberation Tigers of Tamil Eelam and the Government of Sri Lanka ended on the 19th May 2009;
- (2) The last spate of the conflict from early 2008 onwards caused the displacement of an estimated 300,000 people who were initially held in closed Internally Displaced Persons (IDP) camps managed by the Government of Sri Lanka;
- (3) The situation has improved with the end of hostilities however the resettlement process remains highly sensitive. Needs assessments over the past months have confirmed the prevalence of acute humanitarian needs where humanitarian assistance has an added value by delivering assistance through a principled approach;
- (4) As of October 2009 the resettlement process for the IDPs living in the camps was accelerated and to date 40, 488² people remain in the camps. These have since been 'opened' and IDPs are periodically allowed to leave for a specific period of time;
- (5) In the areas of return, most civilian infrastructure has been destroyed or damaged through the war and mine contamination still presents a significant risk for IDPs returning to their place of origin;
- (6) To reach populations in need, humanitarian aid should be channelled through non-governmental organisations (NGOs) and international organisations including United

¹ OJ L 163, 2.7.1996, p. 1.

² UNHCR, July 14th 2010

Nations (UN) agencies. Therefore the European Commission should implement the budget by direct centralised management or by joint management;

- (7) 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;
- (8) It is estimated that an amount of EUR 10,000,000 from budget article 23 02 01 of the general budget of the European Union is necessary to provide humanitarian assistance to over 300,000 vulnerable people, taking into account the available budget, other donors' contributions and other factors. Although as a general rule actions funded by this Decision should be co-financed, the Authorising Officer, in accordance with Article 253 of the Implementing Rules of the Financial Regulation, may agree to the full financing of actions;
- (9) The present Decision constitutes a financing Decision within the meaning of Article 75 of the Financial Regulation (EC, Euratom) No 1605/2002³, Article 90 of the detailed rules for the implementation of the Financial Regulation determined by Regulation (EC, Euratom) No 2342/2002⁴, and Article 15 of the internal rules on the implementation of the general budget of the European Union⁵;
- (10) In accordance with Article 17(2) of Council Regulation (EC) No.1257/96 of 20 June 1996, the Humanitarian Aid Committee gave a favourable opinion on 12/08/2010.

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 10,000,000 for the financing of humanitarian actions in Sri Lanka from budget article 23 02 01 of the 2010 general budget of the European Union.
2. In accordance with Articles 2 and 4 of Council Regulation No.1257/96, the principal objective of this Decision is to provide humanitarian assistance and protection to vulnerable people affected by the conflict in Sri Lanka. The humanitarian actions shall be implemented in pursuance of the following specific objectives:

To contribute to improving the humanitarian situation of IDPs, returnees, host families and other conflict-affect populations by providing integrated humanitarian assistance.

A total of EUR 9,600,000 is allocated to this specific objective.

³ OJ L 248, 16.9.2002, p.1.

⁴ OJ L 357, 31.12.2002, , p.1.

⁵ Commission Decision of 5.3.2008, C/2008/773

- To continue strengthening the management and coordination of the humanitarian response and contribute to a smooth transition to the development phase.

A total of EUR 400,000 is allocated to this specific objective.

3. The Authorising Officer may decide on non-substantial changes in accordance with Article 90.4 of the Implementing Rules of the Financial Regulation. Accordingly, when required by the changing circumstances, resources may be reallocated between the different specific objectives up to a maximum of 20% of the total amount of the Financing Decision or up to a total of EUR 3,000,000, whichever is reached first.

Article 2

1. The period for the implementation of the actions financed under this Decision shall start on 1 September 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.

Article 3

1. As a general rule, actions funded by this Decision should be co-financed.

The Authorising Officer, in accordance with Article 253 of the Implementing Rules, may agree to the full financing of actions when this will be necessary to achieve the objectives of this Decision and with due consideration to the nature of the activities to be undertaken, the availability of other donors and other relevant operational circumstances.
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 by 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

1. 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: Commission Decision on the financing of humanitarian actions in Sri Lanka from the general budget of the European Union

Description: Humanitarian assistance for conflict-affected people in Sri Lanka.

Location of action: Sri Lanka

Amount of Decision: EUR 10,000,000

Decision reference number: ECHO/LKA/BUD/2010/01000

Supporting document

1 Humanitarian context, needs and risks

1.1 Situation and context

The 19th May 2009 marked the end of the 28-year conflict between the Government of Sri Lanka and the Liberation Tigers of Tamil Eelam (LTTE). The conflict has taken a heavy toll on the country since its onset and now one year on, the resettlement process of Internally Displaced Persons (IDPs) is almost completed and large-scale development projects have begun.

Between 2008 and May 2009, an estimated 300,000 civilians were displaced by the conflict in the north of Sri Lanka. The Government of Sri Lanka created IDP camps where the displaced were held without the possibility of leaving for several months. Access to these closed camps was restricted and the international community took a principled stance by limiting assistance to life-saving interventions in these camps.

From summer 2009 onwards, the Government began releasing some IDPs on humanitarian grounds. In October the resettlement process was accelerated and by December 2009, again under mounting international pressure, the Government introduced a pass-system allowing for freedom of movement for IDPs.

By June 2010, 236,000 people had been released from the camps of whom, 39% now live with host families and 60% have returned to their places of origin. It is expected that most of the IDPs remaining in the camps will be re-settled by the end of 2010. Some 40,000 IDPs are still registered in Menik Farm and other IDP camps¹. Furthermore, approximately 9,500 suspected ex-combatants are still held in rehabilitation centres with no clear legal status.

As for the forecast of the remainder of 2010, it is expected that the return process will continue and that returnees will remain highly dependent on external aid because of a lack of basic infrastructure, services and livelihood options. Furthermore, a sustained military presence is very likely to remain in the areas of resettlement for the coming years whereby the civilian administration is not expected to be strengthened in the immediate future. Moreover, the degree of land contamination by Explosive Remnants of War (ERW) poses an additional risk for the returning population.

1.2 Identified humanitarian needs

Humanitarian needs in northern Sri Lanka cannot be amalgamated into one context, although the common denominator is the consequence of war on civilian populations. While the Vanni² region bears witness to the scars of conflict unlike any other province of Sri Lanka, its beneficiary population is relatively homogenous with all civilians having fled the area by May 2009. In Jaffna, a mixed IDP caseload and a highly traditional society with a relatively stable and well-established civilian administration faces issues such as equitable assistance, reintegration of returnees who had been displaced for a long duration etc. The areas of displacement are a temporary and fragile solution for IDPs who have not yet returned to their place of origin and pose additional constraints on the host families they are living with.

In all of these sub-contexts important humanitarian concerns exist with persistent pockets of vulnerability, as in all post-conflict settings. Principled, humanitarian assistance plays an important role by ensuring that beneficiaries are targeted along objectively verifiable vulnerability criteria, to ensure that the most vulnerable pockets of the returnee caseload are reached. This includes female headed households, people with disabilities, the elderly and children.

To date it is estimated that over 400 km² are contaminated by mines and Unexploded Ordnances (UXO) in northern Sri Lanka whilst the humanitarian demining capacity is expected to shrink by August 2010 due to reductions in funding of humanitarian demining activities. Presently the priority has been to demine residential areas. According to humanitarian demining agencies, the level of contamination of remaining agricultural land to be cleared is low. It is essential for returnees to have safe access to the areas of cultivation to reduce dependence on external assistance as soon as possible. In October the main planting season begins and it is key for returnees to have secured access to land to begin cultivation in time for the rains. It is expected that 70 to 80% of the farmland will be cultivated in the upcoming Maha season.³

Approximately 20% of shelter needs in the Vanni have been resourced to date. Returnees have been in part provided with some shelter construction materials, or have been provided with transitional shelter, but the need for shelter remains significant, especially for vulnerable

¹ UNHCR statistics, July 2010

² Comprising four districts: Kilinochchi, Mullaitivu, Mannar and North Vavuniya

³ Outcome of Regional Food Security Focal Point visit to Sri Lanka in June 2010.

households. Any shelter project needs to be accompanied by a competent legal capacity to ensure that even transitional shelters come with a legal guarantee for the beneficiary. This need is further compounded by the approaching rainy-season. Water and sanitation assistance is closely linked with shelter and access to clean drinking water and sanitation facilities is key, notably through the repair and rehabilitation of sanitary facilities, wells and water networks.

Post-conflict Sri Lanka is a context where food assistance in the form of livelihood assistance is most appropriate.⁴ There is presently a window of opportunity, with the approaching agricultural season (the Maha season) to optimise the resources available to the returnees to ensure that they receive timely and appropriate assistance to acquire agricultural inputs with which to make use of the planting season and enjoy a good harvest in March 2011. Returnees receive a nine-month World Food Program (WFP) in-kind food ration which for many returnees will begin to expire soon, with no alternative food resources available.

Health coverage in the areas of return is adequate in larger towns and so the main challenge for returnees is accessing primary healthcare in rural areas. Persons with disabilities are in need of specialised care in the form of surgery, physiotherapy and maintenance of their assistive devices that requires expertise not widely available.

Lastly, coordination should also be an important component of the Commission's Directorate General for Humanitarian Aid and Civil Protection's (DG ECHO) response to the situation in Sri Lanka with a view to optimising the use of both humanitarian and development assistance which presently run in parallel. Ensuring an equitable returns process is key to delivering assistance effectively, in a targeted fashion to ensure that the most vulnerable are indeed receiving the assistance needed. Close coordination within the humanitarian aid community and with development actors is essential for this.

1.3 Risk assessment and possible constraints

1. Delivering principled humanitarian assistance

DG ECHO must continuously weigh the humanitarian principles with prevailing needs and possible consequences if humanitarian assistance is withdrawn prematurely. In the present context, humanitarian assistance has a clear added value through its principles of neutrality, impartiality and independence and is implemented through a stringent adherence to beneficiary selection criteria. Continuous engagement at political and technical level with the Government authorities, and ensuring that the principles are applied stringently by DG ECHO partners, is key in a constructive dialogue with the authorities.

2. Access for humanitarian agencies and donors to the areas of return.

At the time of writing, access to the Vanni was restricted by new administrative procedures. DG ECHO must continue to engage with the Government of Sri Lanka and ensure that DG ECHO partners and own Commission staff have unhindered access to the areas of intervention.

⁴ Food Insecurity in Humanitarian Crises Needs Assessment (FINAT) Sri Lanka 2010, ECHO

3. Transparent, coherent and realistic plans for IDP returns based on humanitarian principles

With the ongoing resettlement process, it is important that efforts on the part of the Government of Sri Lanka and the international aid community are coordinated to make the most out of the means and assistance available. It is therefore important to continuously engage with the Government of Sri Lanka to ensure that those plans are shared with the aid community and for dialogue and sharing of expertise to exist.

4. Security and safety of aid staff.

The Regional Security Advisor regularly assesses the risks in particular locations and keeps both field staff and staff in Brussels duly informed about the nature and level of risks and measures to be taken to mitigate these.

2 Proposed DG ECHO response

2.1 Rationale

In Sri Lanka, some 300,000 persons were directly affected by the last stages of the war. These people have been left bereft of their assets, livelihoods and have in many cases lost family members. In a fragile, post-conflict situation, humanitarian assistance is vital in ensuring a smooth and equitable transition to development.

The response proposed by the Commission's DG ECHO will concentrate on meeting immediate, urgent and unmet humanitarian needs in the areas of return for a specific caseload of IDPs and returnees deemed to be most vulnerable, both in the state of resettlement or displacement. Beyond assistance, response will feature protection as a key element and streamline actions with the principle of 'Do no Harm', thereby ensuring that actions will not negatively impact the conflict-affected population, that their self-reliance capacity is reinforced and risk of abuse is reduced.

Furthermore, DG ECHO response will emphasise the importance of adapting material and livelihoods assistance projects to the needs of the beneficiaries. Part of the response includes maintaining the capacity to coordinate between Aid actors, the Government and other stakeholders. This is essential in ensuring that unmet needs are identified rapidly and that the risk of duplication is minimised. A coordination platform will also facilitate in-country advocacy activities to ensure that humanitarian assistance can be delivered through a principled-approach. Lastly, disaster risk reduction strategies need to be streamlined into the actions funded by DG ECHO to mitigate the impact of natural disasters in the areas of assistance.

2.2 Objectives

- Principal objective: To provide humanitarian assistance and protection to vulnerable people affected by the conflict in Sri Lanka.

- Specific objectives:

- To contribute to improving the humanitarian situation of IDPs, returnees, host families and other conflict-affect populations by providing integrated humanitarian assistance.
- To continue strengthening the management and coordination of the humanitarian response and contribute to a smooth transition to the development phase.

2.3 Components

Specific Objective 1:

Disaster risk reduction will be mainstreamed into all actions where relevant.

Sector	Activities:
Protection	Prevention and response to violence through facilitating a reporting system in the areas of return. Family reunification, tracing Detention programmes Legal assistance Return cash grant.

Sector	Activities:
Humanitarian demining	Mine/ERW ⁵ clearance in residential areas (and farmland) in targeted areas accompanied by mine-risk education. Capacity-building of local capacities.

Sector	Activities:
Shelter & NFIs	Provision of transitional shelter for returnees. Shelter assistance (repair kits) for IDPs living with host families. Assistance with documentation for land deeds and titles. Provision of NFIs (Non Food Items).

Sector	Activities:
Food assistance and livelihood support	Cash or Food for Work activities in areas of return. Targeted food distributions for highly vulnerable households (female-headed, elderly, persons with disabilities). Provision of livelihood/food security kits to re-start livelihood activities; training in improved livelihood techniques

Sector	Activities:
Water, sanitation and hygiene promotion	Rehabilitation of existing infrastructure (well-cleaning) Hygiene education/promotion

Sector	Activities:
Health	Physical Rehabilitation for persons with disabilities Reconstructive surgery Mental health

⁵ Explosive Remnants of War

Primary Healthcare in rural areas

Specific Objective 2:

Sector	Activities:
Coordination	Facilitation of coordination, information management and planning between humanitarian and development actors.

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

(See table 3 in annex)

Compared with the level of funding allocated to Sri Lanka, from the EU Member States in 2009 alone, humanitarian aid funding dropped significantly from almost EUR 23 million⁶ to EUR 8.6 million for 2010. The end of the conflict largely accounts for this, as donors have shifted to development oriented programmes. Furthermore, the Government of Sri Lanka did not endorse the United Nations' Common Humanitarian Action Plan for 2010 thereby also minimising the importance of the needs assessed by the United Nations and its partners.

The World Bank and Asian Development Bank have launched early recovery projects in the areas of return with predominantly cash-for-work activities, however a recent survey has shown that coverage is not universal in the areas of return.

The Commission's DG ECHO is working closely with the EU Delegation to ensure complementarity with the Commission's Development assistance to Sri Lanka. As a follow-up to the EUR 36 million programme adopted in 2008, to provide assistance to conflict-affected people and host communities in the north and east of Sri Lanka, a new medium-term programme is currently being proposed by the EU to focus on the rehabilitation of social infrastructures and livelihood activities, amounting to EUR 16 million. Furthermore a EUR 12 million housing project is also planned for adoption in autumn 2010 through the regional 'Aid to Uprooted People' instrument.

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 September 2010.

Start Date : 1 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.

⁶ Cumulative funding level for EU MS in May 2009.

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 provide humanitarian assistance and protection to vulnerable people affected by the conflict in Sri Lanka.				
Specific objectives	Allocated amount by specific objective (EUR)	Geographical area of operation	Activities	Potential partners⁷
To contribute to improving the humanitarian situation of IDPs, returnees, host families and other conflict-affected populations by providing integrated humanitarian assistance.	9,600,000		- Protection activities - Transitional shelter assistance - Humanitarian humanitarian demining - Food and Livelihood assistance - WASH - Health	<u>Direct centralised management</u> ACTED, ADRA – DEU, ASBDEU, CAM, CARE – DEU, CHRISTIAN AID – UK, CORDAID, DRC, FSD_573, HALO TRUST, HANDICAP (FR), MAG – UK, MSF – FRA, MSF – NLD, NORWEGIAN REFUGEE COUNCIL, OXFAM – UK, SAVE THE CHILDREN – UK, ZOA <u>Joint management</u> FAO, ICRC-CICR, IFRC-FICR, IOM, UNHCR, UNICEF, UNOPS, WFP-PAM
To continue strengthening the management and coordination of the humanitarian response and contribute to a smooth transition to the development phase.	400,000		-Coordination between humanitarian and development actors with a special focus on information sharing, planning and civilian-military coordination.	<u>Joint management</u> - OCHA
Contingency reserve	0			
TOTAL	10,000,000			

⁷ ADRA DEUTSCHLAND E.V., AGENCE D'AIDE A LA COOPERATION TECHNIQUE ET AU DEVELOPPEMENT, (FR), ARBEITER-SAMARITER-BUND DEUTSCHLAND e.V., ARTSEN ZONDER GRENZEN (NLD), CARE INTERNATIONAL DEUTSCHLAND E.V. (DEU), CATHOLIC ORGANISATION FOR RELIEF AND DEVELOPMENT AID (NLD), CHRISTIAN AID (GBR), COMITE D'AIDE MEDICALE, COMITE INTERNATIONAL DE LA CROIX-ROUGE (CICR), DANSK FLYGTNINGEHAELP, FEDERATION INTERNATIONALE DES SOCIETES DE LA CROIX-ROUGE ET DU CROISSANT ROUGE, Fondation Suisse de Déminage (FSD), HANDICAP INTERNATIONAL (FR), INTERNATIONAL ORGANIZATION FOR MIGRATION (INT), MEDECINS SANS FRONTIERES (F), MINES ADVISORY GROUP (GBR), NORWEGIAN REFUGEE COUNCIL (NOR), OXFAM (GB), THE HALO TRUST (GBR), THE SAVE THE CHILDREN FUND GBR, UNICEF, UNITED NATIONS - FOOD AND AGRICULTURE ORGANIZATION, UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES - BELGIUM, UNITED NATIONS OFFICE FOR PROJECT SERVICES, UNITED NATIONS, OFFICE FOR THE COORDINATION OF HUMANITARIAN AFFAIRS, WORLD FOOD PROGRAM, ZOA-Vluchtelingenzorg

TOTAL

14,747,181

Date : 28/07/2010

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

Empty cells : no information or no contribution.

Annex – 4 Map of Resettlement Progress in Sri Lanka, May 2010

