



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 16.7.2003
COM(2003) 430 final

-

REPORT FROM THE COMMISSION

**(Humanitarian Aid Office – ECHO)
Annual Report 2002**

TABLE OF CONTENTS

1. Executive Summary	3
2. general policy framework in 2002	5
3. overview of Echo's humanitarian operations.....	6
3.1. Africa, the Caribbean, and the Pacific	6
3.1.1. Horn of Africa and Eastern Africa	6
3.1.2. Southern Africa	13
3.1.3. Central Africa.....	16
3.1.4. West Africa	19
3.2. Balkans, NIS Countries, Southern Mediterranean	21
3.2.1. Balkans.....	21
3.2.2. Newly Independent States (NIS).....	24
3.2.3. Southern Mediterranean and Middle East.....	27
3.3. Asia and Latin America	30
3.3.1. Asia	30
3.3.2. Latin America.....	40
3.4. Disaster Preparedness - Dipecho.....	44
4. Cross-cutting issues.....	44
4.1. Contractual relations with partners – FPA	44
4.2. Relations with major humanitarian partners and non-EU donors.....	45
4.3. Relations with other Community Institutions	46
4.4. Planning tools.....	47
4.5. Grant Facility	47
4.6. Communication and Information	48
4.7. Budgetary and Human Resources, Audit and Evaluation.....	48
5. Outlook and Perspectives	50
6. Statistical Annexes	51

Report from the Commission
(Humanitarian Aid Office – ECHO)
Annual Report 2002¹

1. EXECUTIVE SUMMARY

ECHO's response to humanitarian crises followed the **global development of needs** as affected by natural and man made disasters, with a continued shift from Eastern Europe to Africa and Asia. ECHO's response was channelled through 114 funding decisions totalling € 537.8 million. This sum is – again – considerably higher than the Commission budget originally allocated. The dramatic evolution of the humanitarian situation in Afghanistan following the return of somewhere between 1 ½ and 2 million refugees and the food crisis in Southern Africa with up to 13 million people facing serious food shortages required ECHO to call on the emergency aid reserve for an additional € 80 million in commitment appropriations. ECHO also started in a timely manner to make contingency plans to deal with the humanitarian consequences with the war in Iraq.

ECHO continued to pay special attention to “**forgotten crises**” in areas rarely visited by TV cameras. Angola, Chechnya, Uganda, Western Sahara and Yemen are places where ECHO provided humanitarian assistance to victims who had moved out of the spotlight. To ensure an impartial distribution of its aid according to needs, ECHO refined its methodology for identifying forgotten crises.

Another feature of ECHO's work was to achieve sustainability of its operations, by trying to hand-over projects or lay the ground for future **linkage to longer-term development instruments**. Such implementation of a policy linking relief, rehabilitation and development ('LRRD') was marked for the phasing-down of its operations in the Balkans. Also, in Sierra Leone and in Angola ECHO's provision of humanitarian aid became part of an integrated EC Action plan to tackle the humanitarian crises and the initial resettlement process.

New developments in relation to **crisis management** matters under the Common Foreign and Security Policy as well as in the context of the “Convention for the Future of Europe” have necessitated an active response from ECHO explaining and defending the specificity of the “humanitarian space.”

ECHO deepened its **relationships with its major partners** through the so-called “Strategic Programming Dialogues”. They were held in November 2002 for the third year running with the main UN agencies (UNHCR, WFP, UNICEF, OCHA and, for the first time, WHO). Similar dialogues were held with the ICRC, IFRC and the NGOs.

In 2002 ECHO undertook significant efforts to further improve communication, collaboration and co-ordination with the **European Parliament**. The EP adopted in its plenary session on 14 January 2003 the report prepared by Mrs Carlotti,

¹ In accordance with Article 19 of Council Regulation (EC) N° 1257/96 of 20 June 1996 concerning humanitarian aid.

expressing the EP's favourable appreciation of ECHO's progress in effective aid delivery, simplification of procedures and sound financial management during the period 2001-2002.

ECHO enhanced its **information, communication and awareness** raising activities during 2002, notably through increased coverage in the mass media and through the launch of its redesigned website in November..

As concerns the **continuous implementation of reform** in 2002, ECHO moved away from centralised to partially decentralised financial circuits. The internal control systems has been reoriented and further strengthened allowing a better assessment of risks related to humanitarian projects and a more efficient monitoring of progress by concentrating on outputs.

In July 2002 ECHO underwent an internal **re-organisation** to further improve the **efficiency of the service**, to create new synergies and a better distribution of the workload between units.

2. GENERAL POLICY FRAMEWORK IN 2002

In 2002 natural disasters affected 170 million people and killed almost 40,000. More than 42 ongoing wars and violent crises throughout the year left behind a humanitarian legacy of 37 million uprooted people. Despite the fact that ECHO, with a budget of € 537.8 million in 2002, once again was amongst the three main humanitarian donors world-wide, global humanitarian aid of USD 4.5 billion (OCHA) remains only a fraction of global military spending of USD 839 billion (SIPRI Yearbook 2002), obliging the humanitarian community to limit its response and to focus on the areas of highest needs.

ECHO's response followed the global evolution of the essential needs of people affected by natural and man-made disasters, with a continued shift from Eastern Europe to Africa and Asia. Half of the violent crises were located in Africa, hosting 27.5% of all refugees. Asia hosted the largest refugee population world-wide (48.3% of all refugees). ECHO succeeded in implementing its needs-based strategy, as reflected by the regional distribution of its funding of humanitarian operations: populations of ACP countries were the biggest recipient of aid (€ 211.5 million or 39%), followed by Asia (€ 137.96 million or 26%) and by Eastern Europe (€ 85.3 million or 16 %). New emergencies, like the one in Afghanistan caused by the accelerated return of somewhere between 1 ½ and 2 million refugees and the food crisis in Southern Africa with up to 13 million people facing serious food shortages required ECHO to call on the emergency aid reserve for an additional € 80 million in commitment appropriations. Also, in the context of 'post 11 September' international politics, ECHO started in a timely manner to make contingency plans to deal with the humanitarian consequences of a war in Iraq. This involved close co-ordination with Member States, major partners, especially those in the UN and Red Cross movement, and with other major donors such as the United States.

Whereas the plight of the Iraqi people, caused by two major conflicts followed by ten years of international sanctions, received increasing media attention in 2002, other humanitarian crises have disappeared from the headlines. ECHO successfully continued its support in favour of forgotten crises. The total funding allocated to forgotten crises identified in Tanzania, Uganda, Yemen, Angola, Chechnya and Western Sahara reached € 85 million (16% of ECHO's budget).

Numerous developments in relation to crisis management matters under the Common Foreign and Security Policy as well as in the context of the "Convention for the future of Europe" have necessitated an active response. Consequently, ECHO participated in various fora (Second pillar committees of the Council, EU Military Committee etc) and produced documents to explain and defend the specificity of the "humanitarian space", to underline the "added value" of the system of humanitarian aid in place at European level, based on ten years of experience, and to ensure that all actors are aware of the neutral, impartial and independent nature of humanitarian assistance.

3. OVERVIEW OF ECHO'S HUMANITARIAN OPERATIONS

The following section will provide a country by country account of ECHO's humanitarian operations. It is not simply an overview. The humanitarian assistance provided reflects the implementation of ECHO's strategy in 2002, namely to intervene in the areas of greatest humanitarian need, to continue its support for forgotten crises and to provide quality humanitarian aid by ensuring that relief, rehabilitation and development efforts are properly co-ordinated. To highlight this aspect and to underline the results-oriented focus of its work, ECHO has chosen to change the presentation of this section with regard to last year. Humanitarian operations are presented by outlining humanitarian needs, humanitarian objectives and achievements as well as efforts undertaken to achieve co-ordination with and linkage to longer-term intervention instruments. In addition, information is given not only on financial decisions but also on the execution of these in terms of contracts signed and payments made.²

ECHO's response to humanitarian crises around the globe has been channelled through 114 funding decisions³ totalling € 537.8 million. The rate of budget implementation in terms of commitment appropriations reached 100% in the 5th consecutive year. 798 contracts for humanitarian operations covering projects in more than 60 countries were signed in 2002⁴. Implementing partners were non-governmental organisations (62% of ECHO's funding, the large majority of which are EU NGOs), the UN family (27%, main partners being UNHCR (10,2%), WFP (8%) and UNICEF (4,7%)) and other international organisations, principally ICRC and IFRC (with 7.9% of funding). The remaining 3,5% were mainly used for contracts such as technical assistance or information, communication, audit or evaluation.

3.1. Africa, the Caribbean, and the Pacific

3.1.1. Horn of Africa and Eastern Africa

Sudan:

Humanitarian Needs

Affected by chronic man-made and natural disasters, Sudan's highly vulnerable populations, both in the North (Government-held territories) and in the South (opposition-held territories), continued to suffer severe humanitarian setbacks at a time when the peace process seemed to be evolving positively. Humanitarian needs were pressing in all major sector areas, i.e. health and nutrition, food security, water and sanitation.

Humanitarian Objectives and Achievements

² The fact that small amounts of the 2002 budget are not contracted before the end-2002 can be due to one or a combination of the following factors: delays due to a volatile security situation, an overall duration of decisions of more than 12 months (where some contracts are deliberately issued at a later stage), partners asking for less funds than expected at the time of the decision, unspent reserves or decision dates very late in the year.

³ Type of decisions: Primary Emergency: 1 – Emergency: 21 – Global Plan: 10 – Humanitarian Aid/Dipecho: 82

⁴ Including contracts implementing 2001 decisions

The objective of preventing the further deterioration of the most vulnerable segments of the population, with a particular focus on IDPs (about 4 million countrywide), has been met through a wide variety of interventions in the above-mentioned areas, as well as through providing support to logistics, co-ordination and security of humanitarian operations, etc. To that effect, the 2002 Global Plan for Sudan released € 17 million, with operations covering the North and the South in a balanced way, through 4 partners. Health and nutrition interventions received the largest share of ECHO funding. Projects aimed at improving the critical nutritional status of children, lactating women and other vulnerable groups, and provided for more and better access to primary health care facilities. Specific disease control and prevention of major killer diseases, affecting thousands of south Sudanese, have been undertaken. Although a finalised health and nutrition impact overview is not yet available, these projects directly benefited over 2,5 million people – including malnourished children, women, IDPs, their host communities and aged people. ECHO funded water and sanitation projects in the North reached about 230,000 direct beneficiaries and their livestock, while in the South, about 380,000 beneficiaries were targeted. Food security related projects were particularly intense in the South, where the needs of more than 2 million people have been addressed through the provision of light equipment, tools and seeds, as well as through creating better access to livestock and livestock products. Efforts have also been undertaken to eradicate rinderpest and to control other animal diseases.

In response to an interagency flash appeal, ECHO issued an additional Emergency Decision of € 1 million which provided for emergency humanitarian assistance to newly arrived IDPs in the Kassala region as a result of increased hostilities, as well as to needy populations residing in previously inaccessible areas. However, major limitations continued to be the high level of insecurity in many regions, as well as access constraints due to both denials by the Government and seasonal climatic influences. ECHO has been actively advocating at different levels for unimpeded humanitarian access to the population in need.

LRRD

Progress on LRRD was very limited in 2002. The ‘Humanitarian Plus’ programme from EDF funds, designed to facilitate the transition from relief to development, although already approved in April 2001, did not yet reach the phase of full implementation. However, the reactivation of the political dialogue between Sudan and the EU in 1999 has opened the possibility to a progressive normalisation of the EC-Sudan relations and consequently to a hand-over of activities in the longer-term run.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
18.0	17.0	11.19

Ethiopia

Humanitarian Needs

Although some pockets of acute needs remained, humanitarian urgencies arising from the border war with Eritrea, and from the drought in the south east, had largely stabilised later in the year. Further, with the continued improvement of conditions in northwestern Somalia, the needs of the Somali refugees from this area changed from care and maintenance to assistance with repatriation.

As in 2001, there was a large scale meningitis epidemic, and rains were much poorer than usual. The shortage of rains led to growing concern towards the end of the year about the effects of a major new large scale drought in parts of Somali, Oromiya and Afar regions. The effects on food production and food availability countrywide led to an acute deterioration of already chronic malnutrition problems, with reports of global acute malnutrition as high as 29% in some areas. In addition, substantial losses of livestock were reported, estimated at over 40% in some areas, in pastoralist and agro-pastoralist communities in Afar and Hararghe, along with growing problems in securing water supplies.

Humanitarian Objectives and Achievements

In response to remaining pockets of need following the drought, and to consolidate the previous emergency response, ECHO provided a further €400,000 assistance for water provision in Somali, Oromo and Afar regions, and food security monitoring and early warning for the drought affected Somali region. In addition, with the continued protection needs resulting from the border conflict, ECHO provided € 750,000 to the ICRC to assist over 7,000 POWs and war related detainees. For the repatriation needs of the Somali refugees, ECHO provided 1.6 M€ to the UNHCR which has been successfully used to repatriate the 30,000 Somali refugees selected.

In line with its core mandate, ECHO provided € 1 million, with € 785,000 allocated to the MSF family for their successful response to the meningitis epidemic. This included the emergency vaccination of over 970,000 people, ensuring an average coverage of about 90% in affected areas, to contain the epidemic. In response to the onset of a new large-scale drought, a further € 4 million was allocated at the end of the year to address needs of human health, malnutrition and water shortage. Funds from this decision continue to be disbursed on a core mandate basis as the drought continues into 2003 and acute needs arise.

LRRD

Having addressed the large-scale emergency and post-emergency needs due to the border war and the drought, and the repatriation of Somali refugees, ECHO phase out in 2002 as planned. The ECHO office in Addis was closed in June, having also covered the emergency meningitis response, with surveillance now maintained by the Nairobi Regional Office. Of ECHO's main partners, about 50 % received following-on funding from longer term intervention instruments such as food security and NGO co-financing, while most others secured funding from other rehabilitation/development donors.

In response to the new core mandate needs arising from the onset of drought at the end of 2002, ECHO has reinforced the human resources capacity of its Nairobi Regional Office to cover Ethiopia. Both entry and exit strategies are closely coordinated with other EC intervention instruments, notably the massive EC food aid response.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
7.76	3.29	1.90

Eritrea

Humanitarian Needs

Emergency needs arising from the border war with Ethiopia had largely stabilised in 2002. Remaining needs concerned 60,000 IDPs in camps awaiting resettlement, as well as refugees in Sudan awaiting repatriation.

Humanitarian Objectives and Achievements

New ECHO assistance in 2002, totalling € 1.75 million, ensured continued provision of adequate shelter for the 60,000 IDPs, and protection for over 2,500 POWs and war detainees through the ICRC, as well as assistance to UNHCR for the first phase of repatriation of over 30,000 registered Eritrean refugees. € 300,000 of this ECHO funding covering mine risk education was not fully implemented because the government chose to take over such mine-related activities directly. Finally, funding also included support to OCHA, including establishing sub-offices in Debub and Gash Barka regions, to facilitate co-ordination of LRRD and assessment of any new urgent needs.

LRRD

ECHO phase out was implemented as planned, with € 1.75 million allocated in 2002 compared to € 7 million in 2001. The ECHO office in Asmara was closed in June 2002, with surveillance now maintained by Nairobi Regional Office. In addition, OCHA was funded to assist the LRRD process. ECHO funding for the first phase of the repatriation of Eritrean refugees is linked with funding for the resettlement of these refugees under the EDF.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
1.75	0.78	0.37

Somalia

Humanitarian Needs

Somalia, particularly central and southern areas, continues to face civil strife, warlordism and anarchy. Little progress towards political stability has been made in the country as more than 13 peace initiatives have failed and the vast majority of the population continues to live in absolute poverty. The extreme insecurity and

unpredictability has led to the collapse of infrastructure and social services. Needs are further aggravated by adverse climatic changes.

Food security needs are high due to severe shortages in cereal and livestock production. Existing public health structures suffer from a lack of drugs and qualified personnel in all categories (0.4 doctors and 2.8 nurses per 100,000 persons). It is estimated that 30% of the population does not have any access to health services at all. The estimated life expectancy at birth is 47 years. Only 15.6% of the one-year-olds are fully immunised. The average global acute malnutrition rate for children under 5 in Somalia is at 17%.

Water supply systems in Central and Southern Somalia have been completely destroyed owing to the chronic instability and breakdown of the state. 70% of the bore wells have passed their designed life span and require major rehabilitation works. Less than 20% of the population has access to safe drinking water. Recent assessments indicate that distances travelled are as long as 6 hours only to collect 20 litres of water.

Humanitarian Objectives and Achievements:

Against a backdrop of dwindling donor funding, ECHO has increased its assistance. Compared to 2001, ECHO's financial assistance to Somalia in 2002 doubled to € 4.5 million. ECHO's overall objective for Somalia is to assist the victims of insecurity and climatic hazards in Somalia with the main focus being on Central and Southern Somalia. ECHO funded projects in 2002 addressed acute needs in the health, nutrition, food security and water & sanitation sectors. With 71% of the total budget allocated to health and nutrition projects, the financed activities supported a comprehensive health programme benefiting approximately 1,000,000 Somalis. This programme included primary health care, referral hospitals, therapeutic feeding, immunisation and cholera control. A fully functional Primary Health Care Center (PHCC) was set up in north Mogadishu and three hospitals were supported with medicines and medical equipment in Mogadishu North & South and in Bay region to cater for the war wounded and other patients. Timely responses were effective in the curtailment of the cholera epidemic including an outbreak in north east Somalia. Owing to the failure of six consecutive rainy seasons in Gedo Region, food security projects targeting 150,000 persons were earmarked to address the serious implications of the same to the pastoralist communities and their livestock.

In the water and sanitation sector, funds were utilised for the rebuilding of water points in rural areas. 11 boreholes and 30 hand-dug wells funded by ECHO have benefited 55,200 persons in Central and South Somalia. In North West Somalia, implemented water and sanitation activities have increased supply of safe water to 350,000 persons including recently resettled refugees and IDPs in Hargeisa town. As a control measure in the curtailment of the cholera outbreak in Bossaso, a sanitation project was carried out in the IDP camps to improve the hygiene conditions.

LRRD

ECHO and the EC Somalia Unit have developed a joint strategy for project identification and appraisal to avoid potential overlapping, duplications and differences of approach between projects supported by the different EC intervention instruments as well as other donors. Agencies are encouraged to share their proposals

with the Somalia Aid Co-ordination Body (SACB) before formally submitting them to the EC to avoid issues such as overlapping and duplications.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
4.50	4.50	2.68

Uganda

Humanitarian Needs

The humanitarian situation in northern Uganda, notably in Acholiland (Gulu, Kitgum and Pader districts), has been deteriorating for several years due to severe insecurity caused largely by the brutal attacks on the civilian population by the Lord's Resistance Army (LRA). An estimated 1,000,000 people have been forced to leave their homes and to live in camps protected by the Ugandan army. 80% of the population in Acholiland thus lives in IDP camps. The displacement of the local population generated needs in the sectors of water & sanitation, health and nutrition, food security, non-food items as well as protection/rehabilitation of former child soldiers.

The number of consultations and drug consumption in the Out Patient Departments of the 4 hospitals in Kitgum, Gulu and Pader has increased by 40%. Due to the overcrowding in "protected villages", hygiene and sanitary practices coupled with the low water coverage contributed to the prevalence of diseases such as malaria, diarrhoea and respiratory infections. As an example, in Gulu district IDP camps, the latrine coverage is 18% and water availability is in average less than 3 litres/person/day. Owing to inadequate and unpredictable rains, the 2002 harvest in Kotido, Kitgum and Pader districts has completely failed, with some 80% of the yield lost.

Humanitarian Objectives and Achievements

ECHO's response in 2002 addressed a concerted programme of support to the districts' referral hospitals. Through various partners funding has been provided for medical teams, essential drugs, generators, water storage and latrines in five hospitals in Gulu, Kitgum and Kalongo as well as activities aimed at improving the water and sanitation situation where IDPs are concentrated. Approximately 950,000 persons were targeted through these interventions. 20 boreholes were drilled while 5 were repaired, 6 hand-dug wells were completed, 2,950 latrines and 1,000 refuse pits were targeted for construction. Non-food items were distributed to 4,800 IDPs. Owing to the large-scale abduction of children by the LRA, ECHO financed a project for the protection, rehabilitation and reintegration of former child soldiers in Kitgum and Pader districts. 1,400 children were direct beneficiaries while indirect beneficiaries were estimated at 10,000 comprising of families and direct neighbours of the affected children.

LRRD

ECHO assistance is closely co-ordinated with other EC intervention instruments, Member States and other donors through the EC Kampala Delegation.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decision	Contract	Payment
2.12	2.12	1.01

Kenya

Humanitarian Needs

Northern Kenya suffered three years of consecutive rain failure between 1999 - 2001. While the rains in 2001 led to a general improvement of the situation in Kenya, in the western arable lands in particular, rainfall in northern and eastern districts was once more well below normal and insufficient for the recovery of effective coping mechanisms.

Lack of browse and water resulted in numerous migrations by the pastoral communities to such of areas where pasture conditions were better. Increasing malnutrition rates were reported in Wajir, Marsabit, Tana River and Mandera districts. General acute malnutrition in Wajir district was 14.7%, of which 2.9% was severe. Public health services are suffering from acute shortages of drugs and some 80,000 children were estimated to be at risk of dying from the fatal combination of malnutrition and infection.

Humanitarian Objectives and Achievements

In 2002, ECHO supported an integrated package of drought relief projects, aimed particularly at the pastoralist communities of northern and north-eastern districts. In line with its objective to prepare vulnerable communities for future droughts, ECHO supported a major livestock project. Hundreds of animal health workers were trained in vaccinating and treating the major livestock epidemics. In the water sector, the rehabilitation of more than 200 water points as well as the creation of local water management committees was realised.

LRRD

ECHO is gradually phasing out from its drought response programme but will continue to closely monitor the humanitarian situation on the ground and to actively encourage development donors to take over for longer-term interventions.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
2.5	2.5	1.12

ECHO-Flight

Completing its 8th year of operation in 2002 ECHO Flight continued to provide an efficient and cost-effective humanitarian air transport capacity for projects in the Horn of Africa and neighbouring regions. Having been traditionally orientated very much towards the Horn of Africa over the past few years, 2002 saw the opening of a scheduled service from Nairobi into DRC. A field base was established in Goma. This has greatly improved access of humanitarian personnel and transport of cargo to projects in Eastern DRC.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
8.4	8.4	5.58

3.1.2. Southern Africa

Angola

Humanitarian needs

The February 2002 death in battle of Jonas Savimbi, leader of UNITA, and the resultant cease-fire raised hopes of a real peace for Angola after 27 years of civil war. The increased accessibility after the cease-fire, however, lifted the curtain that had hidden the true extent of the humanitarian situation in those areas of the country that had been previously inaccessible. High levels of malnutrition and mortality figures well above emergency thresholds were all too common, including among UNITA former combatants and their families who had gathered in quartering camps around the country. The increased accessibility of the country also triggered huge population movements, with 1.5 million IDPs and 80.000 refugees returning home by the end of the year, for the most part to areas marked by a total absence of even minimum conditions for their resettlement, and in many cases heavily mined. In spite of the cease-fire, the humanitarian caseload increased, with three million people being dependent on humanitarian assistance at the end of 2002.

Humanitarian Objectives and Achievements

As the scale of the critical humanitarian needs became apparent, it also became clear that ECHO funding alone would be insufficient. In addition to an initial € 8 million for emergency nutrition, health and essential relief items, and crucial logistics and co-ordination activities, ECHO devoted a further € 6 million almost exclusively to life-saving nutrition interventions in the newly-accessible areas (NAAs), including in the UNITA quartering areas.. After the cease-fire, ECHO adopted a much more flexible approach within its interventions in order to follow and quickly respond to the massive population movements, and continue to provide assistance to the most vulnerable groups. The efforts of the humanitarian community as a whole continue to be hampered by extremely poor air and road infrastructure and land-mine infestation. Mine explosions have caused many deaths and injuries – including to humanitarian workers – and have left thousands of people cut off once more. By the end of 2002, 42% of the contracts financed by ECHO during the year had been completed, with

most of the remainder due to finish by March 2003. These projects have helped to stabilise the nutritional situation, saving hundreds of young lives, to re-establish primary health care in areas where it had been unavailable for up to four years, and have provided emergency relief items such as blankets, kitchen kits and temporary shelter to more than 225.000 people.

LRRD

Following the case-fire agreement, DGs DEV, AIDCO and ECHO prepared a Plan of Action (€ 125 million) to support the Peace Process by accelerating the implementation of existing relief and rehabilitation programs. The Action Plan directed – or re-directed - all types of EC funding to tackle the humanitarian crisis and the initial resettlement process. Furthermore, an Emergency program (€ 30 million, from EDF funds) was adopted in August, to respond to the first phases of the demobilisation process. This emergency program complements ECHO's activities in Angola.

The Country Strategy Paper for the 9th EDF recognises the central role of LRRD, as evidenced by the Plan of Action for Angola. ECHO will therefore seek to phase out of areas where a more sustainable intervention is required, identifying and handing over as soon as possible to development agencies, whilst concentrating on its core mandate of life-saving interventions.

Angola, Zimbabwe, Zambia, Malawi

Humanitarian Needs

In July 2002 the United Nations appealed for US\$611 million in humanitarian assistance for Southern Africa. Around 13 million people were then facing acute food shortages, diseases, spiralling poverty, water shortages, dire sanitary conditions and continuing deterioration in basic services. The appeal comprised US\$511 million, or 84%, in food aid and the remainder in urgent non-food humanitarian assistance. Specifically affected countries include Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe.

While the UN appeal focused predominantly on food needs of the region, it was of course apparent that the region was suffering not just from drought-induced food shortages. Long term economic decline, inappropriate policies, and of course the dramatic spread of the HIV/AIDS pandemic all contributed to what is becoming a complex and protracted crisis. Already one in three adults is infected by HIV/AIDS. Life expectancy at birth had fallen by 20 years or more in 1998 for most of the countries in the region and had fallen to less than 40 years for Malawi, Swaziland, Zambia and Zimbabwe. Of all AIDS deaths in the world in 2001, one in six occurred in Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe.

Humanitarian Objectives and Achievements

Based on preliminary indications of humanitarian needs in the region, ECHO had already committed €6.5 million in emergency assistance during the first half of 2002 to Malawi, Zambia and Zimbabwe. The assistance specifically financed operations in support of nutritional surveillance, school-feeding, supplementary feeding, therapeutic feeding and health-care. An additional amount of €1 million was made available to combat urgent locust problems in Madagascar.

Following the UN appeal, ECHO quickly mobilised an additional €30 million in September of 2002. The additional allocation benefited operations in Zimbabwe (€13.7 million), Zambia (€9 million), Malawi (€2.7 million), Swaziland (€1.4 million) and Angola (€2 million). The financing benefits greatly expanded school-feeding operations in Zimbabwe and Swaziland, meeting nutritional needs, but also keeping children in school. ECHO also directly supports the UN and OCHA in humanitarian co-ordination. The World Food Programme receives support in terms of logistical assistance and monitoring, ensuring politically neutral food distribution. Zambia operations support operations in the refugee camps and preparations for repatriation of some 300,000 Angolan refugees. In Angola, the ECHO assistance is benefiting operations in the newly accessible areas, supporting the daunting tasks of resettling millions of displaced persons and returning refugees.

Also in September 2002, ECHO deployed a senior technical adviser from the Nairobi regional office to Harare in support of operations and to set up an ECHO office. In November, ECHO appointed a permanent technical adviser for Harare and completed the recruitment of local staff. Plans for 2003 include the expansion of this office in support of expanded operations in the region.

While it is too early to assess the full impact of the ECHO operations, it is clear that ECHO's assistance has already had crucial life-saving impact.

LRRD

The ECHO assistance to Southern Africa is complementary to the EDF funds available for Southern Africa, including the previous EDF funds for Zimbabwe which are now exclusively targeting assistance that is directly beneficial to the population of Zimbabwe. Furthermore, there has been detailed and frequent consultation with the other Commission services in charge of emergency food aid, to ensure that the ECHO assistance complements these other forms of assistance to the region.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million			
Country/Region	Decisions	Contracts	Payments
Angola	12.00	12.00	7.40
Malawi	1.50	1.50	1.04
Zimbabwe	2.00	2.00	1.42
Zambia	3.00	2.34	1.78
Southern Africa	30.00	20.00	6.63

3.1.3. *Central Africa*

Democratic Republic of Congo (DRC)

Humanitarian Needs

In the Democratic Republic of Congo (DRC) ECHO was confronted with a nation already structurally impoverished by decades of corruption and mismanagement under the Mobutu regime which also had to contend with the cumulative effects of two successive civil wars. A survey by the US NGO International Rescue Committee (IRC) indicated a total “excess mortality” in Eastern DRC of 2.5 million deaths in the 33 months between August 1998 and April 2001. However, only about 14% of IRC’s “excess mortality” were caused directly by violence, the rest being attributed to the steady deterioration of living conditions and social services over several decades. The Congolese in 2002 were dying not from the bullet or machete wounds, but from malaria and malnutrition, because of the disrupted food production and distribution mechanisms or the lack of basic healthcare.

Humanitarian Objectives and Achievements

In terms of humanitarian response, it was helpful to distinguish between (a) the chronic/acute needs generated by the long-term crises and the becalmed "big war", and (b) the acute/emergency needs generated by the ongoing “little wars”. The humanitarian priorities in areas of chronic needs were to re-establish or to consolidate a sustainable, effective primary healthcare system accessible to all sections of the population, and to provide supplementary and therapeutic feeding for malnourished children and short-term food security assistance to their families. As for the acute/emergency needs, the focus of ECHO was on the immediate threat by the “big killers”, through measles vaccination campaigns and classic emergency interventions to combat malaria, cholera and malnutrition.

ECHO’s humanitarian objectives as laid down in the 2002 DRC Global Plan were all successfully met, with full disbursement of the € 32 million Global Plan package earmarked. In terms of the operational (sector-specific) objectives, primary healthcare was provided through 18 partners in some 105 of the country's 306 health districts during the course of the year. Around 2.7 million patients were treated in health centres supported by ECHO through the provision of drugs, equipment, technical and logistical support, clean water and clothing. A further ten partners provided integrated assistance in nutrition, food aid and emergency food security targeting around 375,000 Congolese in conflict areas. ECHO also provided support for the special mandates of specific international agencies, and was particularly active in promoting co-ordination and the role of OCHA, playing a leading role in the joint donor assessment mission in July.

In addition to the activities programmed in the Global Plan, ECHO also responded swiftly to the Goma volcano eruption of 17 January. ECHO field personnel were on the ground within 48 hours, and an additional € 5 million relief package immediately approved. Emergency water points were established within two days, and family kits of essential relief items were distributed to some 100,000 people. Goma's main access roads were cleared, the municipal water system rapidly rehabilitated and free healthcare provided to all comers for three months. Finally, 3,000 destitute families (15,000 people) were provided with the means to rebuild homes destroyed by lava.

Finally, in response to a UNHCR emergency appeal, a further € 1.1 million decision was adopted at the end of the year to prevent the closure of camps providing care, protection and maintenance to 60,000 Angolan refugees.

LRRD

The first major LRRD handover to take place, in early 2002, concerned a resettlement programme launched on a pilot basis in 2000 by ECHO in the Masisi region of North Kivu, a traditionally highly productive area which had fallen prey to ethnic conflict and large-scale displacement. Over € 7 million was made available under the Programme d'Appui à la Réhabilitation (PAR) and Article 255 funds of the Lome convention. The second "tranche" of handovers concerned the health sector. From 1 July, some 31 zones de santé supported in North Kivu and Orientale provinces by ECHO were taken over by DEV/AIDCO, with € 9 million under the Programme d'Appui Transitoire à la Santé (PATs) and Lome Article 255 funding. Finally, in the aftermath of the Goma volcano eruption of 17 January, AIDCO rapidly deployed an assessment mission which, working with the ECHO team on the ground, devised an EUR 4 million package (Lomé, Article 255) for the rehabilitation of social infrastructure to dovetail with the work carried out by ECHO in the emergency phase.

Execution as of 31 December 2002 (ECHO 6/ Sincom) in € million		
Decisions	Contracts	Payments
38.10	36.49	23.06

Burundi

Humanitarian Needs

Burundi is part of the Great Lakes' inextricable regional conflict lasting now for several years. But Burundi's conflict has above all its own internal roots based mainly on inter-ethnic opposition between Tutsi and Hutu groups. The civil war started in 1993 after the murder of the first democratically elected President. The war is still going on despite a Peace Agreement signed in August 2000 and the setting-up of a transition government with cease-fire agreements concluded in 2002 between three rebel factions. The situation in the country has not improved in 2002 and fighting continued between rebel groups and Army/ Government. Displacements of population and influx of refugees in neighbouring countries as well as the destruction of social and economic infrastructures are the direct consequences of this conflict on the civilian population.

Humanitarian Objectives and Achievements

ECHO's objective in Burundi was to address the basic humanitarian needs of the population at risk (displaced people, destitute people, orphans, women in charge of families, returnees). This objective was successfully achieved through co-operation with 20 partners. ECHO response to emergency needs targeted mainly in the sectors of primary health care, food security, safe water, sanitation and nutrition rehabilitation. This was done by supplying essential drugs and medical services in

areas where access to care was extremely weak or non-existent. Nutritional rehabilitation programmes in times of food crisis and in affected areas were also funded. Finally, operations supplied safe water and basic sanitation facilities to displaced people all over the country. ECHO also responded to sudden crises such as temporary displacements in volatile areas (east and south provinces and rural Bujumbura) and gave immediate reaction to epidemics (meningitis, cholera). An estimated 2 million people have benefited from ECHO funded operations.

LRRD

LRRD process was pursued in 2002, in particular with programmes financed by the European Development Fund (EDF) and in co-operation with Member States especially since several new rehabilitation and development operations have been re-launched to encourage the peace process and the reconstruction of the country. However, the constant instability of the situation in Burundi continues to be a constraint for the hand over of ECHO's activities.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
17.50	15.23	9.42

Tanzania

Humanitarian Needs

Tanzania has a large refugee population from neighbouring countries, almost entirely dependent on humanitarian aid for survival. At the beginning of 2002 there were 495,000 refugees from Burundi, DRC and Rwanda living in 14 camps in Western Tanzania under UNHCR protection. This refugee population increased by 20,000 during 2002. Despite continued attempts to enforce peace agreements, most refugees were unable to return home, while Tanzanian law precludes self-reliance and integration. Humanitarian needs included food, water, shelter, protection and health care.

Humanitarian Objectives and Achievements

ECHO's main objective was to continue the support that it had provided for several years to this "care and maintenance" operation, this being a protracted crisis which no longer ranked as a priority for many donors. The objectives of ECHO's Tanzania Global Plan 2002 were met with an amount of € 27 million allocated to international partners like IFRC, UNHCR, UNICEF and WFP. Allocations to all partners were fully committed. Programmes were supported in the sectors of food aid, logistics, water, sanitation, health, nutrition, shelter and protection. Over 500,000 refugees benefited from this intervention, and ECHO was UNHCR's single largest donor to the Tanzania refugee programme. The objective of ongoing monitoring was also achieved. Close attention was paid to the repatriation of Burundian refugees, which began in March 2002, in order to uphold the humanitarian principles of safety, dignity and freewill during the exercise. Although over 50,000 Burundians returned (spontaneous and facilitated returns) during the year, continued violence in Burundi

and DRC led to fresh arrivals of refugees in Tanzania. Despite the unexpected return of the majority of Rwandan refugees towards the end of 2002 (over 20,000), the total number of refugees registered in UNHCR-run camps in Western Tanzania increased during the year. ECHO upheld the protection of vulnerable groups through child and gender-related projects.

LRRD

Some linkages for projects was achieved in 2002 through intervention under the Special Programme for Refugee-Affected Areas (SPRAA, € 22 million, 1997-2003) and by Article 73 Cotonou funding (ex-Article 255, Lomé; € 4 million for some of the longer-term camp sectors of education, environment, health and water/sanitation). Furthermore, agreement could be reached on the transfer of some ECHO-funded food aid projects to the Food Security intervention instrument managed by DG AIDCO.

Execution as of 31 December 2002 (ECHO 6/Sincom) in € million		
Decisions	Contracts	Payments
27.00	25.88	19.94

3.1.4. West Africa

Sierra Leone - Guinea - Liberia

Humanitarian Needs

The three countries forming the Mano River Union have experienced war and unrest over the last 12 years. The humanitarian problems of the region are closely intertwined and developments in one country often impact directly on the other two. In addition, an estimated 700,000 people had, at one point, been internally displaced in their own countries (500,000 in Sierra Leone, 250,000 in Liberia, 50,000 in Guinea). The centre of turmoil has been moving from Liberia to Sierra Leone.

In Sierra Leone, an estimated 75,000 Sierra Leonean refugees had returned since late September 2000 (UNHCR). Out of those, 58,000 are returnees of concern, i.e. those in need of humanitarian assistance. The resettlement programme of these returnees was perceived as the highest humanitarian priority and the major challenge in the country.

The humanitarian situation in Guinea has been relatively stable, although periods of insecurity have affected its Forestiere region. At the beginning of 2002, there were still 180,000 refugees in Guinea. Of those, 65,000 lived in HCR administered camps (50,000 Sierra Leoneans and 15,000 Liberians), whereas an estimated 50,000 Sierra Leoneans and 65,000 Liberians lived outside the camps.

IDPs in Liberia were in an extremely vulnerable situation. The local social network, already strained by many years of fighting and instability, was not able to cope with the extra burden of an additional 38,000 IDPs that fled the resumption of fighting in Lofa County. These IDPs settled in camps in Bong, Grand Cape Mount and

Gbapolou Counties. In addition to that, an estimated 35,000 refugees from Sierra Leone were living in refugee camps in Liberia.

Humanitarian Objectives and Achievements

ECHO responded to the humanitarian needs through a regional approach with a Global Plan of € 17 million targeting the four different groups of people in need (i.e. refugees, returnees, IDPs and host communities) with varying levels of vulnerability and provided integrated assistance (including the provision of health care services, water and sanitation, nutrition as well as shelter and non-food items). In addition there was also support to the humanitarian database and mapping information system, food distribution and the promotion of basic humanitarian principles. ECHO's humanitarian objectives were successfully met, with full disbursement of the € 17 million package earmarked. 21 partners including UN agencies, international NGOs and the ICRC have implemented projects in the three countries.

In Sierra Leone, ECHO contributed to the running of four District Hospitals, fifty-six Primary Health Care Units, the nation-wide Expanded Program for Immunisation and a survey to evaluate the malaria resistance to chloroquine. In addition, more than one hundred water points were drilled or rehabilitated, three thousand latrines and more than fifty showers and washing areas were provided in displaced and refugee camps. Essential non-food items and shelter material were distributed to uprooted population (e.g. more than 30,000 blankets and sleeping mats, 50,000 kitchen sets, jerrycans, 30,000 bars of soap and 700 rolls of 200 m² of plastic sheeting)

In Guinea, ECHO funds contributed to the provision of an integrated primary health care and water and sanitation programme which targeted an estimated 37,000 refugees in the camps of Boréah, Nonah, Lainé and Kouankan. Besides that, 75 wells and three hundred latrines were constructed in other locations. In addition to that, the population of Guéckédou Prefecture (200,000 persons) had access to primary health care and an estimated 7,000 children and 500 pregnant women received supplementary feeding. Finally, following an outbreak of Yellow Fever in Conakry, ECHO contributed to an emergency vaccination campaign that targeted 1,5 million people. This operation was implemented by the World Health Organisation.

In Liberia, ECHO-funded partners fed 150 severely malnourished children in therapeutic feeding centres and implemented a programme to respond to a cholera outbreak, which put at risk a population of 50,000 persons. In addition, ten water points, 200 latrines and as many washing areas were constructed in IDP camps. Finally, ICRC's protection programme targeted one 100,000 vulnerable populations.

At year end (20/12/2002), supplementary funding of € 2 million was earmarked to assist UNHCHR in the repatriation of refugees to Sierra Leone and to provide basic humanitarian services to Liberian refugees in Sierra Leone.

Execution rate as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
19.00	16.68	10.42

LRRD

ECHO's LRRD activities in 2002 essentially focused on preparing the ground - with DEV and AIDCO - for the kick-off of two key EC-funded rehabilitation and development programmes essential for LRRD in Sierra Leone: the SLRRP (Resettlement and Reintegration Programme for the 200,000 returnees) and the HSSP (Health Sector Support Programme). With the start of these two programmes in November 2002, the arrival of a Technical Assistant to the Ministry of Health and the recruitment of a young expert in charge of LRRD at the Delegation, the EC has made good progress with LRRD in Sierra Leone.

In Guinea, ECHO handed over to other Commission services some food security programmes which were beyond ECHO's core mandate. From December 2002 on DG DEV/AIDCO have taken over two projects previously funded by ECHO (using 6th and 7th EDF funds), another one is covered by the NGO Co-financing budget line.

In Liberia, DG DEV/AIDCO and ECHO pursue a "continuum" approach where programmes of both Services complement each other. DEV/AIDCO continue to fund post-emergency projects through funds from Art.255 of the 8th. FED (€ 25 million for two years) in the health, water and nutrition sectors. ECHO complements this contribution by targeting uprooted people in and around Monrovia

Côte d'Ivoire

Following the attempted coup d'Etat in Côte d'Ivoire in September 2002, an emergency decision of €1,5 mio was adopted. This contribution was and continues to be used to provide support to several health structures and will allow vulnerable families to receive a supplementary food ration.

Execution rate as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
1.50	1.27	

3.2. Balkans, NIS Countries, Southern Mediterranean

3.2.1. Balkans

Serbia

Humanitarian Needs

By 2002, the situation in Serbia had fully entered a post-crisis phase. However, critical needs remained as the situation worsened due to growing poverty and to a number of refugees and IDPs that remained significant (377,000 and 187,000 respectively).

Humanitarian Objectives and Achievements

ECHO continued to pursue its gradual phase-out of the country but maintained a sizeable € 37.5 million operation focusing on the immediate humanitarian needs of the most vulnerable population, mainly refugees and internally displaced persons (IDPs).

The main objectives of ECHO's 2002 operation revolved around three axes: Firstly, maintenance of basic living conditions for vulnerable refugees, IDPs and some extremely vulnerable persons during winter 2002-2003. Secondly, consolidation and finalisation of ECHO programmes in the health and psychosocial sectors by providing basic medical equipment and rehabilitation together with training. Thirdly, promotion of durable solutions for refugees. These aimed to maximise the refugees' chances for integration. ECHO also maintained funding for sustainable repatriation to Bosnia Herzegovina and Croatia. Prospective returnees were provided with go-and-see visit opportunities, legal aid and transportation.

The two decisions that ECHO issued for Serbia in 2002 (€ 37.5 mio) resulted in 47 contracts. 25 are already completed. Basic food and hygiene items have been delivered to approximately 115,000 individuals in the reporting period. 1,200 refugee families have received support with building materials and in-kind grants, thus enabling them to permanently settle in Serbia. A further 150 extremely vulnerable elderly refugees are being accommodated in rehabilitated long-term care facilities. Almost 1,000 individuals have made use of the 'go-and-see' facility to return to Croatia and see if they wish to permanently return.

For the IDPs, an uninterrupted supply of food and hygiene items for 50,000 persons has been maintained. 110 IDP families have been accommodated in private accommodation and 51 collective centres have been rehabilitated.

A total of 98,000 extremely vulnerable social cases were supported with hygiene items or fed through soup kitchens. 28,000 residents in collective centres and vulnerable cases received combustible material to weather the winter period.

The € 6.5 mio aid in the health sector was extended to the entire Serb population through a state-wide programme of support to the Primary Health sector. A special emphasis was placed on the Roma population to ensure its inclusion in the health care service.

LRRD

In all sectors, efforts were made to support the LRRD process by ensuring co-ordination with the national authorities, other donors and the European Agency for Reconstruction as well as the Commission's programmes on return to Bosnia and Croatia. It is too early to appreciate what results ECHO's advocacy for LRRD will yield as many projects are still ongoing. Prospects are good in the health sector where the EAR has planned € 9.5 million for 2003 to further strengthen the primary health sector. The Agency envisages support to Health policy development. This suggests involvement of ECHO partners such as UNICEF or WHO which also act as advisors to the ministry. There may be other opportunities in income-generating activities and vocational training. ECHO will continue to seek linkage opportunities throughout 2003.

FYRoM - Kosovo

Humanitarian Needs

From the humanitarian perspective, the major needs in FYRoM/Kosovo during 2002 were related to the aftermath of the 1999 conflict and concerned refugees in Kosovo, IDPs, returnees and other vulnerable residents of the conflict areas.

Humanitarian Objectives and Achievements

ECHO allocated €5.5 million to FYRoM/Kosovo in 2002 with the objective of providing basic assistance to IDPs refugees, minorities and other vulnerable groups and facilitating durable solutions and the transition towards structural development activities. In FYRoM, ECHO helped to cover the basic food needs of IDPs with host families, vulnerable residents in conflict areas and those in collective centres while in the non-food sector, hygienic parcels were provided for host families and firewood to families, schools and ambulanta in the conflict region. Emergency rehabilitation of schools and ambulanta was ongoing during 2002 as were interventions in the water and sanitation sectors. In the social sector community services and confidence building measures were implemented in Tetovo, Kumanovo and Skopje. With slightly over 3,000 Kosovo refugees remaining in FYRoM, more durable solutions such as repatriation, advocacy, local integration were sought for this caseload through UNHCR.

There were 13 projects run by 9 partners ongoing in FYRoM during 2002. Beneficiaries included 3,500 refugees, 14,000 IDPs and 5,500 social case families. In addition, 2,500 farmers received seeds and animal feed. 40,000 local population benefitted from water and sanitation projects. Ongoing projects in community services (mental illness, child welfare, fostering etc) reached around 40,000 beneficiaries. 12 projects have been successfully completed, the last is due to be completed in June 2003.

Although ECHO phased out of Kosovo at the end of 2001, the needs of minorities (around 150,000) were such that additional support (protection and material assistance) was provided through UNHCR for 2002. The UNHCR project was successfully completed.

LRRD

The LRRD process in FYRoM is less straightforward than in other countries since the majority of instruments focus on institutional reforms preparing the country for the Association and Stabilisation process rather than on grass roots development. However, ECHO has pursued LRRD in several sectors. In the social sector, the 23 ECHO-established Babylon children and youth centres, which brought together children (and parents) from different ethnic backgrounds, have now been handed over to the World Bank. Also in this sector, ECHO's support to Social Case Families (SCF) was extended during 2002 to wait for the results of the national welfare reforms which were finally announced by the Ministry of Labour and Social Policy in early 2003. ECHO has invested a considerable amount in the water and sanitation sector in FYROM and the last project in this sector included the establishment of a database giving details of all ECHO projects. These projects have been developed with longterm development in mind and the database has been welcomed by government and local authorities and could be of use for the EAR in preparing future programmes in this sector

Execution rate as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contract	Payment
43.00	41.62	26.80

3.2.2. *Newly Independent States (NIS)*

Chechnya, Ingushetia and Daghestan

Humanitarian Needs

Three years after the beginning of the second war in Chechnya, the conflict was still going on, with no political solution in sight. Although the initial phase of heavy bombardments gave place to a lower-intensity conflict, more than 80,000 federal forces were still active in Chechnya in 2002, while regular rebel attacks continued unabated. The situation was still characterised by very serious violations of human rights and humanitarian law with the civilian population being the main victim of the conflict.

In a context of permanent insecurity where every Chechen family has been affected by the conflict, there were still a great number of Chechen families displaced in the neighbouring republics of Ingushetia and Daghestan, as well as in the rest of the Russian Federation. Despite increased pressures on displaced families in Ingushetia to go back to Chechnya and the closure of one of the tent camps in November, there were still about 100,000 IDPs in Ingushetia and 5 to 10,000 in Daghestan.

Humanitarian Objectives and Achievements

As there was no improvement in the humanitarian situation either in Chechnya or in Ingushetia and Daghestan, with even a greater vulnerability of displaced people, who have exhausted to a large extent their coping capacities, ECHO maintained its support to both IDPs and the local population of Chechnya. The total funding (€ 28 million) was split between Chechnya (more than 60% of the total funding), Ingushetia (about 35%) and Daghestan (less than 5%). In Chechnya, ECHO continued to fund the provision of water in Grozny, the distribution of basic food in all regions of Chechnya, the provision of free medicine in hospitals and aid to surgery and traumatology departments of several hospitals, the rehabilitation of a prosthetic workshop in Grozny, as well as support to four children hospitals, the provision of child-friendly spaces in Grozny and support to mine-awareness activities.

In Ingushetia, ECHO advocated the right of IDPs to remain there as long as insecurity in Chechnya prevented them from returning safely to Chechnya, and therefore continued to provide substantial support to them. Funding was used to improve shelter, first by replacing worn-out tents and then by trying to build barracks to host those IDPs who were in urgent need of shelter; to improve water and sanitation facilities in camps and spontaneous settlements; to distribute essential non-food items (bedding, clothes and hygiene items); to provide primary education and kindergartens; to provide medical and psychological support, particularly mother and

child care; to provide psycho-social support and vocational training activities, especially for the youth; to provide protection, in particular through legal counselling and support to IDPs as well as advocacy for the rights of IDPs and the local population in Chechnya.

In Daghestan, ECHO allocated funding for the support of IDPs from Chechnya through the provision of basic food as well as medical support to a hospital and water and sanitation improvements in spontaneous settlements.

Because of the level of insecurity in Chechnya and increasingly so in Ingushetia and Daghestan, activities, as in the past, have had to be implemented by remote control by partners. Access to Chechnya has become more and more problematic, with federal and local authorities putting increasing obstacles in the way of the delivery of aid. In addition to that, new restrictions have been put on the work of humanitarian agencies in Ingushetia, where authorities have tried to forbid partners from replacing tents in camps or building alternative shelter for IDPs. Access to camps has been problematic for some time and the overall security in Ingushetia has deteriorated towards the end of the year.

In Daghestan, the abduction of the Head of Mission of MSF on 12 August led to the suspension of all MSF activities in both Daghestan and Chechnya.

In 2002 ECHO financed operations through 17 different implementing partners; 45 operations were completed, one was suspended and 61 new contracts were launched. Some 60,000 IDPs and vulnerable people were provided with medical care in Chechnya, Daghestan and Ingushetia. The main sector of intervention remained food distribution. Basic food aid was provided to some 220,000 IDPs and vulnerable population in Chechnya and Dagestan. Specific food was distributed to 1,000 6-24 month-old children in Ingushetia; daily hot meals to 45,000 primary school children in Chechnya. Approximately 800 new tents were erected and 170 barracks were built to shelter people living in tent camps or spontaneous settlements in Ingushetia.

Essential relief items were distributed to 20,000 IDP families in Ingushetia (hygiene and bedding items, fire wood) and to 30,000 IDP children in Ingushetia and Chechnya (children's clothing). Up to 1,000 young IDPs in Ingushetia benefited from the psycho-social support, improvement of skills and vocational activities.

Water and sanitation conditions were enhanced in Ingushetia (20,000 IDPs) and access to drinking water was ensured to the resident population of Grozny (100,000) with special focus on schools and health facilities. In Ingushetia, Chechnya and Dagestan, 210,000 people (notably children) benefited from mine-awareness training. ECHO also contributed to the functioning of Child Friendly Spaces reaching approximately 1,000 children in Chechnya and Ingushetia.

In addition, IDPs, returnees and residents throughout the Northern Caucasus were provided with ECHO-funded protection activities, notably legal counselling.

LRRD

Humanitarian situation did not allow ECHO to pursue the LRRD process in 2002.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million

Decisions	Contract	Payment
28.00	16.25	10.57

Tajikistan

Humanitarian Needs

2002 saw a return to near-normal rainfall levels after three years of severe drought. Nevertheless, the effects of the drought continued to be felt throughout the country. Over one-quarter of the 6.3 million population required emergency food aid and infant malnutrition levels remained unacceptably high. Over half the population lacked access to clean drinking water, while the government remained unable to provide sufficient basic medical supplies to cope with a high incidence of diseases.

Humanitarian Objectives and Achievements

For the first time in several years an emergency funding decision was not required. A 12-month € 10 million Global Plan, was adopted on 30 April 2002. The programme had three specific objectives. The first was to help meet immediate basic food needs, wherever possible while simultaneously enhancing the food security of the most vulnerable households. The second aim was to reduce morbidity and mortality by enhancing access to primary health care, ensuring an effective response to outbreaks of infectious diseases and promoting community health awareness. Finally, access to drinking water was to be increased while simultaneously promoting the safe use of water in order to reduce the incidence of water-borne diseases. All regions of the country were covered, but with an emphasis on Khatlon province in the Southwest, the region worst affected by the drought.

Some 55,000 people received food aid (including 15,000 malnourished children), while 27,000 rural households benefited from short-term food security projects. Access to clean drinking water was improved for 250,000 people, while the whole population benefited from improved access to primary health care. 17 grant agreements were signed with 14 partners. No major problems have been encountered and all 17 operations have either reached or are nearing completion.

LRRD

2002 saw other Commission funding instruments step up preparations to recommence activities in Tajikistan after several years' absence. The activities will start to come on stream in late 2003/early 2004. ECHO strengthened contacts with other Commission services and other donors to promote the LRRD process.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payment
10.00	10.00	7.39

Georgia and Armenia

In the southern Caucasus, despite a scaling-back of aid the previous year, ECHO had to come to the aid of those once more affected by drought in **Georgia** and in **Armenia**, and then resume its assistance to the most vulnerable people in Georgia, especially around Abkhazia

Execution rate as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
1.8	0.8	

3.2.3. Southern Mediterranean and Middle East

Algeria (Western Sahara)

Humanitarian Needs

155,000 Sahrawi refugees live – some of them since 1975 – in the desert in South West Algeria. They are victims of a forgotten crisis and of donor fatigue. Their own resources are very limited and they largely depend on international aid. Food, both basic and complementary products, is their greatest need. Other major needs are health care, shelter and clothes.

Humanitarian Objectives and Achievements:

In accordance with its strategy of covering forgotten crises, ECHO provided € 14.34 million via a Global Plan, and thus became the largest provider of assistance to the Sahrawi refugees.

The objectives are to ensure stability and diversity in the food basket. This has been widely reached by consolidating the basic food security stock, which was created in July 2001. Use of the stock during the implementation of the 2002 Global Plan helped provide 2,100 Kcal/day/person each month (with the exception of September) in line with WHO norms. 1,000 T of rice, 1,727.35 T of barley and 517 T of lentils have already been distributed in the framework of the 2002 GP.

The complementary food products already delivered have also ensured that the food basket delivered is balanced: 1,437.65 T of milk powder, 408 T of camel meat, 609 T of dates, and 343 T of vegetables and fresh fruits.

In addition to the 5,000 T of products already mentioned, a further 8,777 T of basic and complementary food products will also be delivered in 2003 as part of the 2002 Global Plan frame. This will cover basic food needs until the implementation of the 2003 Global Plan.

ECHO's assistance was delivered through 6 partners. The management of the aid improved compared to previous years. But ECHO is still not fully satisfied with the quality of the monitoring and has therefore sent recommendations for good

monitoring practice to its partners. ECHO will also carry out an audit of the operations in early 2003.

LRRD

In 2002 there did not exist sufficient donor interest for intervention and linkage, as this is a forgotten crisis

Execution rate as of 31 December 2002 (ECHO 6/ Sincom) in € million		
Decisions	Contracts	Payments
14.34	14.34	11.35

Palestinian Territories, Jordan, Lebanon,

Humanitarian Needs

The humanitarian crisis generated by the outbreak of the second Intifada in September 2000 deteriorated steadily. Curfew and movement restrictions contributed to raise unemployment levels to 53% and brought about two million people, representing 60% of the Palestinian population, below the poverty line of € 2 per day. About 1.9 million people received food aid, yet real per capita food consumption dropped by 25-30%. Shortages of medicines, denied access to health facilities, and financial constraints hampered the effectiveness of the health sector. The need for psychological support, especially for children, increased considerably. Regular access to clean water became a daily problem. Vulnerable Palestinians in Jordan, Lebanon and Syria were also indirectly affected by the crisis.

Humanitarian Objectives and Achievements

ECHO responded to the humanitarian emergency with the adoption of five decisions totalling € 35 million, more than twice the amount originally foreseen. ECHO funded operations in all key sectors affected by the crisis: health, nutrition and psychosocial; water and sanitation; food; shelter and rehabilitation. Small-scale economic and employment opportunities were also supported as well as ICRC's protection activities and its urban voucher program. Finally, the relevant UN co-ordinating body – OCHA – was supported in its humanitarian advocacy efforts. Nearly 300,000 people, mostly in rural and isolated villages, benefited from ECHO-funded projects aimed at providing drinking water. Some 1.3 million people were assisted in the health sector. Income generating activities targeted some 10,000 individuals, whereas food support reached 151,280 people, including 6,145 malnourished children below the age of five and lactating women. 53,200 persons received psychological support. 558 shelters were repaired.

Outside Palestinian Territories, the shelters of 331 families were rehabilitated in UNRWA Palestinian refugee camps in Jordan (75), Lebanon (115) and Syria (141), benefiting more than 1,500 individuals. ECHO also funded operations in the water and sanitation sector in favour of the most vulnerable Palestinian refugees in Lebanon, which include an estimated number of 40,000 non-registered refugees living in unofficial camps and gatherings.

In the Palestinian Territories, movement restrictions imposed by the Israeli Defense Forces on both persons and goods have also hampered the implementation of humanitarian operations and the movement of humanitarian personnel. Some ECHO-funded operations required a modification of the contract including extension to duration, however all were eventually retained. In Lebanon one project in the water and sanitation sector, benefiting Palestinian refugees, was abandoned due to problems with the local authorities.

LRRD

Whilst there has been no hand-over of activities to other Community financial instruments, there are three areas where the synergies are evident in terms of LRRD: the food and health sectors, as well as income generating/job creation activities. In the food sector, whilst ECHO addresses the urgent needs of targeted people, the EU Food Security Programme's main objectives are to contribute to the longer-term strengthening of the institutional framework, develop the rural infrastructure and agricultural services and set up a food security information system. In the health sector, ECHO funded operations are co-ordinated with the wider support provided in the framework of the EU assistance to the occupied Palestinian territories. The latter includes a comprehensive review of the health sector, support to the Palestinian Ministry of Health and to selected hospitals in East Jerusalem, as well as hospital management and planning. With regard to income generating/job creation activities, ECHO's positive experience is taken into account in the framework of the elaboration of the draft Country Strategy Paper for the West Bank and Gaza Strip. The objective is to target the social sector by providing financial instruments in support of activities that go beyond the short term and purely humanitarian relief offered by ECHO.

Execution as of 31 December 2002 (ECHO 6/Sincom) in € million		
Decisions	Contracts	Payments
35.00	28.82	15.66

Yemen

Humanitarian Needs

Yemen is among the 25 poorest countries of the world. The country still has to cope with the consequences of the 1994 civil war, which opposed the North and South. Yemen has a largely rural population, which continues to be the victim of tribal tensions and natural disasters. It is estimated that in 2002 only 25% of the population had access to health services and only 69 % had access to clean drinking water.

Humanitarian Objectives and Achievements

ECHO's main objectives were to improve the sanitary situation of people in isolated areas without access to primary health care and without access to portable water. In 2002, Humanitarian objectives and achievements

ECHO's main objectives were to improve the sanitary situation of people in isolated areas without access to primary health care and without access to drinking water. In 2002, in the Socotra island, 17 springs have been linked to nearby villages with tubing, construction of 5 catchment tanks, and the supply of 20 tanks to separate water for human and animal consumption. This has allowed the provision of a water distribution network for 55 villages and access to water for more than 11 000 people. On the same island, 5 tracks have been rehabilitated improving access to basic services for 7 000 people. In the Dhala region, 65 000 people living in remote rural areas had access to improved health services and water. In the Taz region 50 000 people living in remote rural areas had access to improved health services. In the Taz city, 986 vulnerable people of the Akhdam Community were resettled in a more secure place. Furthermore, in December 2002 a further € 1,59 million was allocated to Yemen in order to re-establish access to drinking water for 25 500 persons and to facilitate access to health care services for 162 000 persons in 2003.

LRRD

ECHO identified Yemen as a forgotten crisis in 2002. Insufficient donor interest did not offer the possibility of handing over humanitarian activities to longer term intervention instruments.

Execution as of 31 December 2002 (ECHO 6/Sincom) in € million		
Decisions	Contracts	Payments
1.59	1.59	23.06

3.3. Asia and Latin America

3.3.1. Asia

Afghanistan

Humanitarian Needs

In 2002 the crisis in Afghanistan was the dominant challenge in Asia. From the Spring onwards, came one of the largest refugee influxes in living memory. Defying all predictions, almost 2 million people returned from Pakistan and Iran, together with a further 500,000 IDPs who went back to their home areas. They were confronted by a situation devastated by over 20 years of war, homes destroyed or uninhabitable, fields uncultivated and an absence of even basic infrastructure.

Humanitarian Objectives and Achievements

The initial focus, with an allocation of € 35 million, was to meet the most urgent humanitarian needs which and to help Afghan refugees in neighbouring countries

As the scale of the return became apparent, so ECHO devoted progressively more funds to the region, ending with a final figure of € 73 million, more than double the initial amount. ECHO's priorities also evolved in response to the situation, so that finally there were three overall aims. Firstly, to maintain the sustainability of the

return and thus prevent further displacements. Funding was given for the construction of shelters, latrines and water supply networks, emergency health interventions and the distribution of seeds and basic non-food items such as blankets and fuel, together with projects to generate income. Secondly, humanitarian aid was targeted at victims of the severe drought, then in its fourth consecutive year, enabling them to stay alive and helping them to avoid having to move out of the area. These people were provided with drinking water, irrigation, primary healthcare and nutritional support. 1,500 wells were built and repaired under ECHO financed projects. Thirdly, aid has been given to refugees in neighbouring countries, through the provision of water and sanitation facilities and healthcare.

During 2002 ECHO worked with over 40 partners and supported projects which helped 400,000 Afghans to overcome their shelter problems. They provided substantial employment opportunities, thus enabling people to survive by having income and food – a total of 4.5 million man-days of work were funded. This enabled the repair of 1,500 km of roads in Afghanistan, 300 km of irrigation channels, 13 schools, 10 clinics, 1 hospital and 235 culverts and bridges. Particular attention was given at the end of the year to enabling vulnerable populations to survive the harsh Afghan winter and assistance such as blankets, fuel and other essential non-food items was given to more than 1 million people.

In January 2001, when the country had only just opened up after the fall of the Taliban, ECHO was also able to open an office in Kabul and become operational well before most other donors.

LRRD

During 2002 major EU reconstruction and development projects began to become operational in Afghanistan. LRRD is well advanced and operational coordination has started at sector and regional levels. The biggest concrete achievement in 2002 has been the upcoming hand-over of health projects to development instruments managed by DG AIDCO. A substantial health component is included in the Commission's National Indicative Programme for Afghanistan in 2003. The second concerns the reintegration of returnees. ECHO deals with all humanitarian issues starting from repatriation up to shelter while AIDCO is doing the long-term assistance through rural recovery.

Execution rate as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions s	Contract	Payment
73.25	73.04	42.85

Iraq

Humanitarian Needs

After two major conflicts – the Iran-Iraq war and the Gulf war – and 12 years of international sanctions, a formerly prosperous country has fallen into ruin. Even before the US-led military intervention in Iraq, the humanitarian needs in the country

were staggering. One in eight children dies before the age of five, 20% of children under five are underweight and one in twelve suffers from acute malnutrition.

Humanitarian Objectives and Achievements

Even before the war in Iraq, ECHO had for some time been the largest single donor of international humanitarian aid, providing over € 150 million since 1992. In 2002 € 13 million were given to alleviate the suffering of the Iraqi people, complementing the UN's 'Oil for Food' programme, which allows the Iraqi government to sell oil in return for food and other basic supplies. ECHO's emphasis has been on providing health care, clean water and sanitation in the Centre and South of the country, where the needs are greatest and close to reaching around 7 million Iraqis (half of them children).

By the end of 2002 most of ECHO-funded operations, implemented by 9 different partners, were still ongoing and most were at a relatively advanced stage by then. As a result of ECHO funding, 95% of Iraqi children under 5 years old had been vaccinated against poliomyelitis and 25 flooded primary schools have been totally rehabilitated. On the health side, the only paediatric hospital in the North of Iraq received equipment to enable it to set up a post-surgical unit. The rehabilitation of 8 anti-tuberculosis centres and the National Blood Centre in Baghdad was almost completed and the rehabilitation of several hospitals and primary healthcare centres in the Centre and South of Iraq was well advanced. In the field of water and sanitation, rehabilitation work had begun on two sewage plants in Baghdad, several water treatment plants and compact purification units along with the installation of water supply networks in several towns.

LRRD

The political situation did not allow ECHO to pursue the LRRD process in 2002.

Execution rate as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
13.00	13.00	10.30

North Korea

Humanitarian Needs

The third major humanitarian crisis in Asia in 2002 was in North Korea. Here there has been an inexorable decline in economic and social conditions over the past decade, with a drastic reduction in supplies of food, water and medicines. Malnutrition and preventable diseases have mushroomed, especially among children: UNICEF found that 21% are underweight, 42% are suffering from chronic malnutrition and 9% from acute malnutrition. Humanitarian agencies have not found it easy to work in the country, but there have been steady improvements in operating conditions, and there is ongoing dialogue with the government over better access to beneficiaries, freedom to monitor projects and to conduct surveys and identification of the most vulnerable groups.

Humanitarian Objectives and Achievements

ECHO is the major humanitarian donor in North Korea. In 2002 it provided nutritional support and supplied 1,762 health centres with equipment and drugs in the most needy parts of the country, while around 250,000 people benefited from improvements to water and sewerage systems. Also, emergency aid was given to meet the immediate needs of some 22,500 people after summer floods caused widespread damage in the West of the country. Of the € 21 million allocated to North Korea, € 9.5 million was channelled through the World Food Programme towards the end of the year to provide emergency food aid after the withdrawal of United States funding from the WFP in North Korea. This kept alive over 2 million women, children and very vulnerable people by supplying them with 47,000 tons of wheat.

LRRD

The political situation did not allow ECHO to pursue the LRRD process in 2002

Execution rate as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
21.02	21.00	16.41

Sri Lanka

Humanitarian Needs

The cease-fire signed between the government and Tamil separatists signed in February has ushered in a new peace process and enabled over 230,000 people displaced by the civil war to return to their homes. Families are unable to feed themselves as they are returning to towns and villages whose infrastructure, in terms of shelter, water and sanitation has been destroyed. A major problem encountered by returnees is access to land for cultivation which, when it is available, may be impaired by the presence of landmines. Furthermore, the North and the East of the country are lacking in health professionals and medical supplies.

Humanitarian Objectives and Achievements

ECHO's initial allocation of €4 million was increased to €8.3 million to support the regular flow of returnees. To help them establish themselves back in their home areas, ECHO financed integrated programmes and provided non-food relief items for 12,000 vulnerable returnee families. 650 shelters were erected, 350 wells and 300 latrines rehabilitated or constructed, and 6 irrigation ponds renovated. These multi-sectoral schemes have an important food security component which enabled 9,200 farmers and craftsmen and 500 fishermen to receive employment-related kits, including seeds, fertiliser, poultry, agricultural and craft tools and fishing nets. To help deal with the estimated 1,000,000 unexploded mines in the former conflict zones, ECHO has supported mine risk education, mine surveys and demarcation, for the benefit of 610,000 people. The results of the mine surveys will be available in early 2003 and the estimated 1,000 mine victims in 2002, although still too high, remained at the same level as in previous years, despite the substantial return

movement. At the end of the year, ECHO also took a decision to fund emergency mine clearance work, to be implemented in 2003.

ECHO also provided support until August 2002 for a sea transport link, thus enabling more than 300 tonnes of medical and other supplies to reach the population in Jaffna who had been cut off from the rest of the country. The boat also transported 1,500 seriously ill patients to places where they could obtain proper treatment.

LRRD

A gradual exit of ECHO must be prepared for certain sectors. In particular, mine clearance should be provided by RELEX/AIDCO from the end of 2003. Health projects will be supported by RELEX/AIDCO in 2004/05. Permanent shelters will be constructed via a reconstruction fund for the North and East, managed by the World Bank on behalf of the government, with a RELEX/AIDCO contribution at the end of 2003. Agricultural inputs and equipment and water and sanitation will be provided by RELEX/AIDCO in 2004/05.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
8.30	8.30	4.60

India

Humanitarian Needs

ECHO has focused on specific areas where other donors are not active. In particular activities have aimed to help Sri Lankan refugees in Tamil Nadu, in the South of the country, and drought victims in Rajasthan, India's second poorest state. ECHO also intervened in two largely forgotten man-made disasters: the communal violence in Gujarat and the longstanding Kashmir conflict.

Humanitarian Objectives and Achievements

ECHO funded the purchase and distribution of 38 tonnes of nutritional food to 2,200 pregnant and nursing women and 830 children under five living in Sri Lankan refugee camps in Tamil Nadu. In Gujarat 180 tonnes of rice, dahl and oil were distributed to 50,000 displaced people and shelters, as educational activities, were also provided to 35,000 women and child victims of the communal violence of March 2002. In Kashmir, about 100,000 people affected by the conflict, especially children, are receiving psychosocial support and protection. A total of €5 million was allocated, including a decision taken in December to alleviate the effects of the prolonged fourth consecutive drought in Rajasthan. Here, measures are being taken to mitigate the effects of future drought; more than 100,000 people will benefit in 2003 from the provision of clean water and 350,000 people will participate in food and cash for work programmes.

LRRD

Currently no appropriate development projects exist to envisage hand-over of activities.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
5.00	2.00	0.92

Nepal

Humanitarian Needs

100,000 Bhutanese refugees are stuck in camps in the Southeast of Nepal, wanted neither by Nepal nor Bhutan and totally reliant on food aid from the World Food Programme. The intensification of the long-running civil war between the government and Maoist rebels has created significant needs in a country already poor in resources even before the conflict began.

Humanitarian Objectives and Achievements

ECHO's activities were extended in 2002, with €3.7 million being allocated. Continuing support was provided, in the form of 5,600 tonnes of rice, pulse, lentils, peas, oil and salt, for the Bhutanese refugees. For the first time, funds were also given to help people affected by the civil war, with a focus on protection activities for harassed and intimidated populations, re-establishment of family contacts and provision of primary health care.

LRRD

Currently no appropriate development projects exist to envisage hand-over of activities.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
3.68	2.00	1.60

Burma/Myanmar and Thailand

Humanitarian Needs

Burma/Myanmar is a crisis with forgotten humanitarian needs in Asia, along with the Burmese refugees who have crossed over the border into Thailand. In 2002 ECHO was more active in these areas, granting funding of €9.0 million. Enormous humanitarian needs are known to exist in Burma/Myanmar, but tight Burmese government restrictions make it difficult to assess these accurately. There are now 134,000 Burmese refugees in camps along the Thai border, an increase of almost 50% over the past seven years.

Humanitarian Objectives and Achievements

Within the constraints imposed by the Burmese government, substantial projects were supported to combat malaria through the supply of medicines to around 1.5 million people in the South-east, North-east and South of the country and through improvements to water and sanitation systems in Easter Rakhine state, the dry zone in the centre of the country and Rangoon municipality.

In the refugee camps in Thailand ECHO continued to give support in terms of basic food supplies to 60,000 refugees living in two of the Karen camps. ECHO also financed improvements to health infrastructures and supported health and hygiene training, immunisation and the provision of drinking water. The total number of beneficiaries is estimated at 61,600, including 800 victims of mine accidents.

LRRD

Currently no appropriate development activities exist to envisage hand-over of projects.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
8.97	6.88	4.47

Laos

Humanitarian Needs

Laos is a country prone to floods and droughts. A substantial part of the population has no access to drinking water or healthcare facilities, and there are localised food shortages. Since 1980 the government has been encouraging or compelled tens of thousands of people from upland villages to resettle in the lowlands. Conditions in these new settlements often resemble refugee camps (no access to clean water, food shortage, epidemics).

Humanitarian Objectives and Achievements

ECHO provided €1.1 million for vulnerable displaced people and for those who may have been victims of resettlement policies. An underlying aim was to increase ethnic minorities' access to sustainable livelihoods as an alternative to resettlement.

LRRD

No perspectives for LRRD existed in 2002, but in 2003 information will be collected with a view to hand-over of projects in 2004.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments

1.13	1.12	0.56
------	------	------

Vietnam

Humanitarian Needs

Vietnam is very prone to floods and other natural disasters, especially in the Mekong delta area.

Humanitarian Objectives and Achievements

€1.2 million was given for victims of tropical storms, landslides and flooding in July, for water and sanitation improvements, personal hygiene and nutrition education and for replenishing depleted stocks of vaccines.

LRRD

Currently no appropriate development activities exist to envisage hand-over of projects.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
1.20	1.17	0.60

Indonesia

Humanitarian Needs

Ethnic and religious conflict in the Moluccas, Sulawesi, Aceh, Papua and West Kalimantan has caused the displacement of more than 1.3 million people within the country. The country is also very vulnerable to natural disasters.

Humanitarian Objectives and Achievements

ECHO was more active than in previous years, assisting victims of natural disasters and civil unrest. €3.5 million was given for protection, advocacy, and information for IDPs as well as for the provision of clean water, sanitation, health and food for highly vulnerable groups such as those affected by drought caused by the effects of El Niño.

LRRD

Ongoing humanitarian needs did not allow a hand-over of ECHO's activities in 2002.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments

3.54	1.50	1.03
------	------	------

East and West Timor

Humanitarian Needs

35,000 refugees still live in camps in West Timor, which remains part of Indonesia.

Humanitarian Objectives and Achievements

ECHO continued to support these refugees, with relief aid, nutritional support, water supplies, health education and support for their repatriation and resettlement. A total of €1.9 million was allocated.

LRRD

Now that East Timor is independent and stability has been restored, ECHO has phased out its work there, linking its former activities in with development and reconstruction projects. Its Dili office was closed in early 2003.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
1.94	1.92	1.52

Cambodia

Humanitarian Needs

Post conflict recovery in Cambodia is moving slowly after 3 decades of war, chaos and genocide. The refugee resettlement process is still ongoing, with ever more IDPs as a result of evictions and the search for cultivable land. The former Khmer Rouge areas and battlefields, now open to the outside world, have a lack of water, proper hygiene and food, as well as having substantial mine/UXO contamination- civilian casualties are over 800 per year. UNICEF estimates, that 35-45% of the Cambodians suffer from chronic malnutrition. Health coverage is very weak in rural areas and dependent on foreign aid. While the average rate of child mortality in Cambodia is 125 per thousand, in some provinces, it reaches 225 per thousand. Cambodia is also prone to droughts, floods and cyclones.

Humanitarian Objectives and Achievements

In order to cover the humanitarian needs of the displaced population, children and people living in remote areas, €5.5 million was allocated to a range of projects, including water supply, provision of tools, seeds, drugs and medical equipment, training for health personnel, mine clearance (there were 800 registered mine accidents in 2002) and combating a threatened epidemic of haemorrhagic dengue fever. By these measures 160 720 children (0-5 years) were vaccinated and about 78

000 persons in 194 villages benefited from the construction and rehabilitation of wells.

LRRD

ECHO's budget in Cambodia will be progressively reduced, unless natural disasters require intervention. There is a phase-out from secondary health care and from projects which have reached the transitional phase where other donors can take over. For example, Belgian Cooperation and DFID are due to take over health projects in 2003-2004 for Oddar Meanchey and Mondolkiri regions. The process of handing over to development agencies is subject to an ongoing review.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
5.5	5.34	3.11

China

Humanitarian Needs

In this vast country ECHO has focused on specific natural disasters in remote areas where Chinese humanitarian agencies are not active. Foremost were the floods and landslides in June, which destroyed more than 3 million housing units.

Humanitarian Objectives and Achievements

€4.5 million was allocated to deal with the effects of national disasters. Rice and wheat was distributed to 100,000 people reliant on subsistence farming, together with the provision of clothing and mosquito nets and the construction of hygienic toilets, water tanks and two primary schools. Support was also given in Tibet to purchase 8,000 sheep and to provide food and medicines for nomadic people who lost their livestock in heavy snowfalls.

LRRD

Currently no appropriate development activities exist to envisage hand-over of activities.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
4.45	4.44	2.32

Iran

Humanitarian Needs

On 22 June an earthquake measuring 6.3 on the Richter scale struck a rings of villages in north-western Iran, killing 237 people, injuring 1300 and leaving around 5000 families (25 000 people) homeless.

Humanitarian Objectives and Achievements

ECHO provided € 0.5 million for emergency relief to support the victims of the earthquake. ECHO's partner in the field focused on meeting sanitary needs by constructing 10 public paths (5 in Qazvin, 3 in Hamadan and 2 in Zanjan) and providing 50 mobile shower facilities. These measures benefited approximately 6 385 people.

LRRD

Given the limited extent of ECHO's intervention, LRRD was not applicable.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
0.5	0.5	0.25

3.3.2. Latin America

Colombia

Humanitarian Needs

A complex civil war between the government and various guerilla and paramilitary groups has now been going on for more than 40 years. Each year a further 300,000 people are newly displaced as a result.

Humanitarian Objectives and Achievements

Colombia remains the principal focus of ECHO's activity in Latin America, with €9.2 million allocated in 2002. ECHO funding enabled the International Committee of the Red Cross to provide emergency food parcels and non food-items to about 195,000 new IDPs. The living conditions of approximately 17,000 families (85,000 people) were considerably improved through the global assistance that 12 European NGOs and European National Societies of the Red Cross implemented in more than 100 municipalities in 19 departments of Colombia. This involved nutritional support, housing, sanitation, access to fresh water, income generating activities, psychosocial assistance and training. Also, around 25,000 people gained access to basic healthcare assistance through the mobile health clinics of the French and Spanish Red Cross in Northern Putumayo, Cimitarra River, Norte de Santander and Medio Atrato funded by ECHO.

LRRD

Generally speaking, ECHO provides support to IDPs in the first year after displacement, whereas under the Commission's intervention instrument in favour of

‘uprooted people’ projects are supported up to three years, for the strengthening of local capacities and the facilitation of the social and economic reintegration of displaced people. In 2002, a UNHCR project supported by ECHO was taken over by that intervention instrument.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
9.2	9.2	4.09

South America (Peru, Bolivia, Paraguay, Ecuador, Brazil,)

Humanitarian Needs

ECHO intervenes in these countries in response to specific natural disasters where there are large-scale humanitarian needs.

Humanitarian Objectives and Achievements

€1.3 million was given to people affected by severe snowstorms and unusually low temperatures in July in southern Peru and South-west Bolivia. Emergency assistance was provided to rehabilitate 500 homes, protect 50,000 livestock and train local people on how to respond to natural disasters.

Next door, in western Paraguay, ECHO granted €0.9 million to supply clean drinking water and basic medicines to treat respiratory infections, tuberculosis and parasitic diseases for 32,000 vulnerable people affected by a two-year drought.

Following the heavy rain and flooding during the months of February, March and April in Ecuador, ECHO funded operations (€ 0.8 million) targeting about 10,000 families with limited access to safe drinking water in the provinces of Esmeraldas, Manabí, Los Ríos, Guayas and el Oro. Additionally about 4,000 families in the same provinces received support in order to recover a minimum level of self-sufficiency. ECHO also funded emergency aid (€ 0.45 million) following the eruption of the Reventador volcano in late 2002.

Relief assistance of €0.4 million was provided to 6,000 victims of landslides and floods which struck the South-east of Brazil at the beginning of the year.

LRRD

Currently no appropriate development activities exist to envisage hand-over of projects.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments

3.82	3.82	2.28
------	------	------

Central America (Guatemala, Honduras, Nicaragua, El Salvador)

Humanitarian Needs

Central America is one of the most disaster prone regions of the world. More than 80% of the area is at risk each year from earthquakes, volcanoes, flooding and hurricanes. The national capacity for tackling these disasters is limited essentially by high levels of poverty, environmental degradation and government inaction when remote areas are involved. Access to safe water is also a major problem.

Humanitarian Objectives and Achievements

In 2002 ECHO allocated €5.0 million to Central America. Over the past three years the usual rainfall pattern there has been disrupted, causing severe drought in some areas and heavy flooding in others, thereby reducing crop yields and bringing about increased food insecurity. Nutritional surveys were launched in vulnerable regions in Guatemala, Honduras and Nicaragua. More than 400,000 people in these countries have benefited from nutritional complements, training in good nutritional, hygienic and agricultural practices and from improved access to safe water. In particular, the nutritional status of more than 50,000 children under five was verified and complementary feeding was given to those in need of it.

In El Salvador there was a follow up to the previous year's interventions after the earthquake in January 2001, training people to build more earthquake-resistant homes from traditional materials and to become trainers in their own communities.

LRRD

Not applicable for small scale one-off natural disasters. For the response to malnutrition, there is currently a programming exercise with AIDCO Food Security section, whereby they will strengthen their interventions with direct aid in Guatemala from 2004 and put in place a regional strategy that focuses on the most vulnerable. EURONAIID intervention in 2003 will be limited to one project in Nicaragua. Central American states are currently discussing the possibility of putting in place a regional food fund for emergencies.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
5.02	3.02	1.90

Mexico

Humanitarian Needs

The conflict between the Mexican Government and the indigenous population in the province of Chiapas has directly affected around 30 000 people, with 21 000 being displaced. These victims of the conflict suffer from malnutrition, impoverished health services and reduced access to basic housing services like clean water and latrines.

Humanitarian Objectives and Achievements:

In December 2002 ECHO provided funding for food rations and medical services for around 30,000 vulnerable people who had returned home or were still displaced as a result of violence. This will help to re-establish their minimum living standards.

LRRD

ECHO is in the process of phasing out of this situation and handing over to longer-term development agencies.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
1.00		

Cuba

Humanitarian Needs

Between September and October 2002 Cuba was struck by the hurricanes Isidore and Lili, damaging housing –often made out of wood – of an economically fragile population. Around 300 000 people were evacuated to more safe regions in the west of the country.

Humanitarian Objectives and Achievements

ECHO supported the provision of essential relief items, food and drinking water for more than 30 000 victims, to restore minimal standards of living.

LRRD

Given the limited extent of the disaster, LRRD was not applicable.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
0.60	0.60	0.39

3.4. Disaster Preparedness - Dipecho

As well as its regular humanitarian aid projects, ECHO also allocated €8.0 million to its Disaster Preparedness Programme (DIPECHO), helping vulnerable communities to take practical measures to prepare themselves for natural disasters. The programme is focused on the main disaster-prone regions of the developing world: South-east Asia, South Asia, the Caribbean, Central America and the Andean Community. Its overall objectives are to help prepare local communities and institutions, to enhance their capacity to cope with disasters and to finance small-scale disaster mitigation works.

During 2002 there was ongoing implementation of the three DIPECHO Action Plans approved in 2001: for the Andean Community, South Asia and the Caribbean. The eight projects for South Asia, in India, Bangladesh, Sri Lanka, Nepal and Pakistan mostly addressed the problems created by floods, with a particular emphasis on the training of local personnel and volunteers. Evaluations have shown that these projects are likely to have benefited more than 2 million people in South Asia.

The Third Action Plan for the Andean Community (Bolivia, Colombia, Ecuador, Peru and Venezuela) was boosted by an additional allocation of €1.6 million in 2002. Its overall objective is to help prepare local communities and institutions, to enhance their capacity to cope with disasters and to finance small-scale disaster mitigation works. The operations in this region were still ongoing at the end of the year, but already it is estimated that over 30,000 people have benefited from 400 workshops and training sessions on prevention, emergency response and first aid.

In December a decision was approved to allocate €6.4 million to help vulnerable communities living in South-east Asia (Vietnam, Laos, Cambodia, Philippines, Indonesia and Thailand) and Central America (Nicaragua, Honduras, El Salvador, Guatemala and Costa Rica) prepare for natural disasters. Projects include the establishment of early warning systems, training courses for local staff and volunteers and the raising of awareness.

Execution as of 31 December 2002 (ECHO 6 / Sincom) in € million		
Decisions	Contracts	Payments
8.00	1.64	0.82

4. CROSS-CUTTING ISSUES

4.1. Contractual relations with partners – FPA

At the end of the year appropriate measures were undertaken to ensure compliance of the Framework Partnership Agreement (FPA)⁵ with the new Financial Regulations and implementing rules.

⁵ The FPA is the instrument governing the relations between ECHO and the humanitarian organisations engaged in implementing ECHO-financed projects: it contains, in fact, the general principles of

ECHO also continued to carry out a wide consultation exercise with signatory organisations of the FPA in order to achieve an in-depth revision and consolidation of the Agreement. A new FPA is expected to enter into force in the second half of 2003. It will focus on the idea of “quality in humanitarian aid”. Special attention has been given to a change of emphasis by moving away from control of resources and inputs towards planning of objectives, indicators and control of results. The review will also create the appropriate framework for relations with international organisations like the ICRC or IFRC, while the relations with UN will be regulated by the revised EU/UN agreement.

In relation to the focus on quality in humanitarian aid, the ECHO's partners annual conference (Brussels, 14-15 October 2002) devoted ample time through working groups and plenary discussions to the analysis of (1) quality management tools in the humanitarian sector and their application by the NGOs, (2) human resources management systems applicable to NGOs in the humanitarian sector and (3) IT humanitarian platforms and their possible utilisation as co-ordination instruments. This annual Conference was one important element in the process of ECHO's consultation and dialogue with its Partners in 2002.

4.2. Relations with major humanitarian partners and non-EU donors

During 2002 ECHO deepened its relationships with its major partners through the so-called “Strategic Programming Dialogues”. During these dialogues ECHO and its partners discuss their respective priorities and strategies for the forthcoming year. They were held in November 2002 for the third year running with the main UN agencies (UNHCR, WFP, UNICEF, OCHA and, for the first time, WHO). The Strategic Programming Dialogues with UN partners were further reinforced by the mission of the ECHO Director to the UN headquarters in New York in December 2002, where she met with her counterparts in OCHA, UNICEF and UNDP. Similar dialogues were held with the ICRC, IFRC and the NGOs. Additionally, ECHO has participated in more meetings of the executive bodies of the UN agencies than in previous years in an attempt to consolidate further the relationship.

ECHO's active participation in the CAPs process⁶ materialised through its participation in the Montreux II donor's retreat as well as in the preparatory OCHA meetings at HQ as well as field level. These meetings preceded the launching of the 2002 UN Interagency Co-ordinated Appeals in Brussels in November 2002 where ECHO's Director and ECHO staff presented the Community position. In this context ECHO attended 11 of OCHA's field workshops (Burundi, North Korea, DRC, Eritrea, Great Lakes Region, Guinea, Indonesia, Liberia, Russian Federation, Sierra Leone, Somalia, Sudan, Tajikistan and Ivory Coast).

As United States and EC humanitarian aid together account for more than half of the world's humanitarian assistance, well-functioning contacts and good co-ordination between ECHO and its counterparts in the US Administration are of particular importance. In 2002, a basis for continued dialogue and co-ordination between

partnership and the conditions applicable to ECHO's grant agreements for humanitarian operations. It furthermore represents ECHO's pre-selection procedure, in that it allows the Humanitarian Aid Office to verify the compliance with a number of objective criteria by potential partners.

⁶ The Consolidated Appeals Process (‘CAPS’) is a programming process co-ordinated by UN OCHA to mobilise humanitarian aid for selective major or complex emergencies.

ECHO and PRM/USAID/OFDA⁷ was established during the Director's visit to Washington, in April 2002. This was followed by the first in a series of annual strategic dialogues, that took place in October 2002, as well as with regular contacts between ECHO and the US Administration at all levels, both at headquarters and in the field.

On the world scene, ECHO started as from September 2002, to make contingency plans to deal with the humanitarian consequences for the war in Iraq. This involved close co-ordination with Member States, with major partners, especially those in the UN and Red Cross movement, and with other major donors such as the United States.

4.3. Relations with other Community Institutions

The year 2002 also saw the increased presence of ECHO in the European Parliament. Further to the presentation of the annual workplan of ECHO and DG DEV by Commissioner Nielson on 23 January 2002, ECHO undertook significant efforts to improve communication, collaboration and co-ordination with the EP. This was demonstrated notably through the Director's commitment to regular attendance of parliamentary meetings. ECHO participated in three meetings of the Committee of Development and Co-operation, two of which were attended by its Director as well as in one meeting of the Committee on Foreign Affairs and Human Rights. This relationship is expected to develop further in 2003, *inter alia* through an awareness-raising public event organised jointly by ECHO and the European Parliament.

The European Parliament expressed its favourable appreciation of ECHO's progress in effective aid delivery, simplification of procedures and sound financial management in the period 2001 – 2002 in the report prepared by Mrs Carlotti, adopted in plenary on 14 January 2003.⁸

The institutional relationship with the EU Member States is established by Art. 17 of Regulation (EC) 1257/96, and ECHO meets with Member States on a regular basis in the Humanitarian Aid Committee (HAC). In 2002, the Committee met 10 times providing opinions on 36 draft financial decisions and in addition discussing around 60 strategy and policy issues such as ECHO Aid Strategy, Information Strategy, policy papers/initiatives, evaluations, statistical data etc. All the draft financial decisions submitted by ECHO to the Committee received its unanimous, favourable opinion.

In addition to the institutional relationship, Member States and ECHO also meet on an informal basis in the "informal HAC meetings" normally once to twice a year in the capital of the country holding the EU Presidency. In the informal meetings senior representatives from the humanitarian authorities in Member States and ECHO discuss policy or thematic issues of special interest. One such meeting was held in October 2002 in Copenhagen where the topics discussed were "Civilian and Humanitarian Aspects of Crisis Management" and "Lessons Learned and Monitoring in Humanitarian Work".

⁷ PRM: Bureau of Population, Refugees and Migration; USAID: United States Agency for International Development; OFDA: Office of the U.S. Foreign Disaster Assistance

⁸ (A5-0433/2002)

4.4. Planning tools

Planning instruments developed by ECHO in the past were updated and fine-tuned during 2002. **ECHO's global needs assessment**, a statistical analysis offering a ranking of 130 countries in terms of humanitarian needs, was refined to include data on donor contributions and data on GNP/capita, thus more accurately gauging the capability of a country to cope with refugee movements. Updating the global needs assessment is important for ECHO, because this planning tool allows it to demonstrate that its humanitarian operations continues to focus on the areas of greatest humanitarian needs. ECHO furthermore developed an internal entry strategy paper in 2002, trying to define objective criteria as to when ECHO should intervene in case of disasters.

ECHO's ability to identify the most urgent humanitarian needs depends inter alia on its knowledge of humanitarian donations given by Member States for specific humanitarian crises. While encoding of data relating to Member States' humanitarian donations to third countries was based so far on a paper circuit ("14 point fax"), a new computer based application ("**HOLIS 14 POINTS**") now allows direct electronic encoding of such data by Member States, providing automatic notification of new reports via e-mail. HOLIS 14 POINTS was fully implemented at the end of 2002 replacing the fax system. This tool allows on-line query to extract statistics about Member States humanitarian donations through Internet and it is also accessible to UN-OCHA, the UN agency charged with co-ordinating humanitarian interventions between different donors. HOLIS 14 points allowed to improve considerably the exchange of information between the key humanitarian players.

The year 2002 saw some important efforts to put the Commission's strategy of **linking relief, rehabilitation and development** (LRRD) into concrete administrative and management practice in ECHO and in the wider RELEX family. In a common administrative effort ECHO ensured that LRRD was better mainstreamed into the country strategy papers drawn up by DG DEV and DG RELEX. In addition, ECHO developed a methodology to identify suitable cases and to measure progress in moving from humanitarian to development aid. The methodology basically consists in coding ECHO's humanitarian operations in respect of LRRD for the status quo in 2002 and for the objective to be reached in 2003. This methodology should allow monitoring of progress in LRRD on a more objective and transparent basis on the part of ECHO.

4.5. Grant Facility

As in previous years, in 2002 ECHO also awarded grants to NGOs and research institutions in the fields of training, studies and communication. The total allocation was EUR 2.8 million. The overall purpose of awarding grants was to complement the core activities of ECHO and strengthen the quality of aid operations. Further, the Grant Facility contributed to ensure the visibility of Community humanitarian aid.

Based on the priorities outlined in the ECHO Aid Strategy 2002, four projects out of 29 proposals were selected in the training field for support to courses on professional administrative and financial capacity building. Four projects out of 10 proposals were selected in the study field on management of the security of international humanitarian activities and guidelines on support for refugees and displaced persons. In the communication field, ECHO awarded 11 projects out of the 24 proposals

received, focusing on ‘forgotten crises’ and also information campaigns targeted at children and teenagers in the European Union.

4.6. **Communication and Information**

ECHO made continued efforts to enhance its information, communication and awareness raising activities during 2002, notably through increased coverage in the mass media (in particular, television) and through the launch of its redesigned website in November⁹. This reflected the priorities for 2002, with more emphasis on first-hand stories, as well as a user-friendly interactive approach and a stronger visual identity. By the end of the year, the number of pages viewed daily exceeded 3,000 and the figures were on an upward trend.

More attention was devoted to mass media outlets, with a view to appealing to a broader public. A new video presentation of ECHO was produced highlighting its support for the victims of crises in all parts of the world.

Funding and material assistance was given for various television programmes on humanitarian aid and forgotten crises. With support from ECHO’s awareness-raising grant facility, a television spot highlighting the work of ECHO and an NGO partner was broadcast 97 times on Eurosport, targeting younger audiences. A further TV spot covering ECHO and NGO support for the Western Saharan refugees was shown 86 times on two major Italian channels. Funds were also provided for a 30-minute documentary on the humanitarian situation in Afghanistan broadcast on Danish national television in December.

Additionally, ECHO was specifically covered in two Euronews features each broadcast 20 times as well as in two documentary programmes aired on France 2 and Arte.

4.7. **Budgetary and Human Resources, Audit and Evaluation**

The main achievement was to maintain and refine the quality level of **financial checks and controls** put in place in the recent years. Despite the high level of risk that is inherent to operations in the domain of humanitarian aid, these controls have led to the reduction of risks to a level compatible with the principles of regularity, legality and sound financial management.

In 2002 ECHO has **moved away from a centralised circuit**, where the financial and legal undertakings were given exclusively by the Director and sub-delegated to authorising officers within the finance unit, to a partially decentralised financial circuit where, under certain conditions, these undertakings are given by the head of unit/advisor responsible for the management of the operations. The circuits have been further revised to comply with the new Financial Regulation and integrate the ex-ante verification of all transactions, both at operational and financial level. This has been accompanied by the reinforcement of internal control and introduction of standard checklists.

In February 2002, ECHO's management conducted an **internal control self-assessment**, the results of which were fed into the various internal working-groups

⁹ http://europa.eu.int/comm/echo/index_en.htm

already established in 2001¹⁰, each of which deals with specific aspects of ECHO's reform. ECHO also conducted a readiness assessment of its internal control system for the move to the new Financial Regulation. This readiness assessment completed the risk diagnostic by a more detailed assessment of ECHO's grant management identifying the possibilities to curtail risks at an acceptable level and where appropriate to reduce them further. A risk profile report for ECHO was prepared in the context of this exercise.

ECHO has refined its formal systems for **the regular monitoring of financial management** and for the provision of adequate management information. All relevant information is regularly communicated to management. This reporting includes the key indicators required by the internal control standards defined by the Commission (level of implementation of budget appropriations, payment delays, evolution of outstanding commitments etc). In all of these areas appropriate reporting systems were developed and specific objectives defined.

In order to comply with the Commission wide target of **reducing payment delays** to 60 days an action plan to reduce and monitor payment delays has been established. The notion of payment delay has been split up between a delay for the approval of the project report and a delay for the final payment. For each of these delays guidelines have been established. A procedure for reminders, suspension, cancellation and termination of contracts has been established. In the same context, ECHO could reduce the amount of sleeping commitments (i.e. contracts that have not been liquidated within two years after their signature) down to less than 4% of the average annual budget. The introduction of a specific monitoring tools, the central invoice register, is being envisaged in 2003.

In line with the **new Financial Regulations** (entry into force on 1 January 2003) ECHO reoriented its internal control systems to better assess the risks relating to projects, and to monitor their progress and effectiveness by concentrating on outputs.

ECHO underwent an **internal re-organisation** resulting from an internal audit report on workload of different ECHO units and building on the previous adjustments to the organigramme dating from 2000. The main objective of the re-organisation was to further improve the efficiency of the service, to create new synergies and a better distribution of the workload between units.

ECHO-funded activities implemented by external parties (partners and contractors) are subject to **financial audit**. Audit results are important for the successful functioning of the Framework Partnership Agreement, which governs ECHO's relations with the majority of its partners responsible for implementing humanitarian projects. They also include useful recommendations on ways of improving the financial and administrative controls employed by the partners in managing ECHO funds. In 2002, ECHO undertook a systematic financial review of its partners in order to identify those that may not have a solid financial base.

Fourteen audits were completed during the year including six field audits, reporting on projects in process. In addition, at year end there were 50 audits in advanced progress at headquarters of ECHO partners, each one covering on average 5 closed

¹⁰ WG Simplification of procedures, WG Decisions, WG FPA, WG FICHOP, WG Intranet and WG HOLIS.

ECHO projects, as well as 15 field audits at various stages of completion - mostly advanced. Generally the audit methodologies were substantially revised for Partner's headquarters and grant audits and new methodology determined for the new area of systematic ECHO Office audits. ECHO experts and staff members were familiarised with audit methodology and audit reports not only by direct contact during or as a result of audits but also through lunchtime and ECHO expert week presentations.

The principal **evaluations** undertaken and completed in 2002 concerned ECHO operations in Cambodia and Thailand, DIPECHO in Central Asia and the evaluation of ECHO operations in favour of the victims of the 2001 earthquakes in India and El Salvador.

One of ECHO's major partners, the UNHCR, was also evaluated at the end of 2001. The UNHCR's co-operation with the evaluation team and the use of its findings is a good example of fruitful co-operation between the two partners. The study has contributed in 2002 to the on-going work of tailoring ECHO's principal contractual tool, the Framework Partnership Agreement, to fit the relationship between the EC and the UN Agencies.

Three studies not initially foreseen were undertaken and jointly managed with the ECHO-4 sector for NGO Relations. They concerned Human Resources, IT Platforms and Quality issues for NGOs. Their results were presented and discussed at the annual Conference with ECHO partners held on 14-15 October 2002 in Brussels.

Three studies were ongoing at the end of 2002 but have since been completed. These concern the evaluation of ECHO-funded WFP programmes, a global report on ECHO's response to serious drought conditions and an evaluation of ECHO's disaster preparedness actions in South Asia. The latter will contribute to a further overall evaluation of Disaster Reduction activities to be undertaken in early 2003.

Four planned global evaluations (Disaster Preparedness, Sudan, security of relief workers, ECHO's response to the needs of specific vulnerable groups in emergency situations) have been carried over from 2002 to 2003.

As concerns follow-up, the 2001 evaluation of ECHO's activities in Sierra Leone resulted in the 2002 Global Plan incorporating its recommendations on more effective targeting of women and children under the age of five. After the evaluation of operations in Colombia, ECHO acted on the recommendation to require partners to use the logical framework for project proposals.

ECHO's manual for the evaluation of humanitarian aid was also updated and distributed in 2002 and ECHO's evaluation database became operational containing about 70 evaluators.

5. OUTLOOK AND PERSPECTIVES

In view of the trends and developments described in this report, ECHO will continue to focus humanitarian operations on its "core mandate", i.e. to save and preserve life during emergencies and their aftermath, and will further streamline its internal organisation and procedures to ensure a timely and effective provision of humanitarian assistance.

As outlined in the ECHO Aid Strategy 2003, the response to future humanitarian challenges will focus on needs-based interventions, forgotten crises and quality humanitarian aid.

6. STATISTICAL ANNEXES

Annexes 1 and 2: ECHO's budget in 2002 amounted to € 537.790 million (Annexe 1). The total number of humanitarian contracts signed in 2002 was 798 (Annexe 2). As can be seen from Annex 1, budget line B7-210 with € 509.745 million remained the main source of finance, followed by the European Development Fund budget with € 17.475 million and budget line B7-219 with € 8 million for disaster preparedness measures. Finally, budget line B-210 A with € 2.57 million was used to cover administrative management (e.g. studies, training and information activities).

Annexes 3 and 4: Annex 3 presents geographical aid by region, with Annex 4 giving further details on a sub-regional or country level. Annex 3 shows that ACP-Countries (39%) and Asia (26 %) continued to be the main beneficiaries of humanitarian aid in 2002, with a large reduction for the Balkans (8% in 2002 against 15 % in 2001).

Annexes 5 and 6: Annex 5 shows the distribution of signed contracts by implementing partners whereas Annex 6 further classifies signed contracts by category and nationality of partners. Some of those contracts implement decisions of previous years. The total budget as shown in Annex 6 is consequently higher than the actual budget for 2002. Major contract partners in 2002 were non-governmental organisations (62 %) followed by the UN family (27%). As in 2001, UN agencies benefited from more than a quarter of all ECHO funding. Within the UN family main partners were UNHCR (10,2%), WFP (8%) and UNICEF (4,7%).

Annex 7: The table in Annex 7 gives an overview of projects financed under the grant facility. 4 projects dealt with security issues of international humanitarian activities (€ 252.260) and 4 with professional and financial capacity building (€ 307.700). In the communication field, ECHO grants were awarded for 11 projects (€ 838.840.)

Annex 1:

Financial Decisions for EC Humanitarian Aid by Source of Finance

Source of finance/ budget line	1995	1996	1997	1998	1999	2000	2001	2002
European Development Fund - Lome IV Art 164 And Art 254	46,456,000	3,487,000	7,420,000	37,387,000	83,082,000	2,850,000	20,750,000	17,475,000
B-210 A Aid, including emergency food aid, to help the populations of the developing countries and other third countries hit by disasters or serious crises - Expenditure on administrative management						3,360,000	4,800,000	2,570,000
B7-210 Aid, including emergency food aid, to help the populations of the developing countries and other third countries hit by disasters or serious crises (1)	640,609,500	646,870,000	427,157,954	472,270,060	721,909,000	478,005,000	510,153,468	509,745,000
B7-219 - Operational support, Disaster preparedness	5,027,012	6,298,500	7,034,000	8,000,000	7,570,000	7,500,000	8,000,000	8,000,000
TOTAL	692,092,512	656,655,500	441,611,954	517,657,060	812,561,000	491,715,000	543,703,468	537,790,000

(1) Including budget lines B7-210, B7-211, B7-214, B7-216 and B7-217. As of 2000 these budget lines have been merged to a single budget line B7-210

Annex 2
Contracts for humanitarian aid 1998-2002

	Number of signed contracts
1998	1.004
1999	1.068
2000	926
2001	898
2002	798

Annex 3 :**Geographical distribution of Financial Decisions 2000-2002**

Financial Decisions for EC Humanitarian Aid by Region 2000-2002			
	2000	2001	2002
ACP-countries	35%	33%	39%
Asia	16%	20%	26%
Ex-Yugoslavia-W. Balkans	20%	15%	8%
Latin America	6%	7%	4%
Middle East, North Africa	10%	11%	12%
NIS	10%	11%	8%
Global	3%	3%	3%

Annex 4

Financial decisions for humanitarian aid by region in 2002

Country/sub-region	Decisions in €m	Country/sub-region	Decisions in €m
AFRICA, CARIBBEAN, PACIFIC	211.150	ASIA	137.969
Angola	12.000	Afghanistan/Pakistan/Iran	73.254
Burkina Faso, Chad	0.175	Cambodia	5.500
Burundi	17.500	China/Tibet	4.450
Caribbean/Pacific	0.605	East Timor	1.935
Congo (Democratic Republic)	38.100	India	5.000
Côte d'Ivoire	1.500	Indonesia	3.540
ECHO Flight	8.400	Laos	1.130
Eritrea	1.750	Myanmar/Burma	3.500
Ethiopia	7.750	Nepal/Bhutan	3.675
Gabon	0.300	North Korea	21.025
Kenya	2.500	Sri Lanka	8.300
Madagascar	1.000	Thailand	5.465
Malawi	1.500	Vietnam	1.195
Senegal	0.750	LATIN AMERICA	19.646
Sierra Leone, Guinea, Liberia	19.000	Bolivia, Peru	1.300
Somalia	4.500	Brazil	0.350
Southern Africa	30.000	Central America (El Salvador, Guatemala, Honduras, Nicaragua)	5.028
Sudan	18.000	Colombia	9.200
Tanzania	27.000	Cuba	0.600
Uganda	2.120	Ecuador	1.248
UNHCR (Africa)	11.000	Mexico	1.000
Zambia	3.000	Paraguay	0.920
Zimbabwe	2.000	DIPECHO	8.000
Other	0.700	Andean Community	1.640
EASTERN EUROPE/NIS	83.500	South East Asia and Central America	6.360
Armenia, Georgia	2.500	OTHER FUNDING	13.595
Northern Caucasus (Chechnya crisis)	28.000	ECHO field experts	8.000
Tajikistan	10.000	Grants for training and studies	1.800
Western Balkans		Information	1.350
(Serbia, Kosovo, FYROM)	43.000	Evaluation	1.000
MIDDLE EAST/NORTH AFRICA	63.930	Other	1.445
Iraq	13.000		
Middle East (Palestine)	35.000		
Western Saharan refugees	14.340		
Yemen	1.590		
		TOTAL	537.790

Annex 5:**Distribution of Contracts by Implementing Partners**

EC Humanitarian Assistance in 2002 by Groups of Partners (contract signature year)	
EC Organisations	1,5%
Governmental Organisations	0,5%
International Organisations	7,3%
NGO	62,2%
United Nations	27,0%
Others	1,5%

**Annex 6:
ECHO Contracts by Category and Nationality of Partners 2002 (contracts signature year)**

PARTNER CATEGORY AND NATIONALITY	EURO	% of total
EC		
Subtotal	9.472.974	1,5%
GOVERNMENTAL ORGANISATIONS		
Subtotal	327.908	0,5%
INTERNATIONAL ORGANISATIONS (including ICRC, IFRC and IOM)		
Subtotal	44.750.811	7,3%
NON-GOVERNMENTAL ORGANISATIONS		
Austria	5.985.000	1,0%
Belgium	23.899.900	4,0%
Denmark	18.194.935	3,0%
Finland	1.400.000	0,2%
France	84.860.665	13,9%
Germany	44.509.796	7,3%
Greece	4.611.000	0,7%
Ireland	7.120.333	1,1%
Italy	47.157.215	7,7%
Luxembourg	0	0,0%
Netherlands	27.726.941	4,5%
Portugal	1.914.681	0,3%
Spain	38.462.978	6,3%
Sweden	400.000	0,1%
United Kingdom	64.468.582	10,6%
Norway	4.545.000	0,7%
Switzerland	4.142.893	0,7%
USA	450.000	0,1%
Subtotal	379.849.919	62,2%
UNITED NATIONS		
FAO	4.121.000	0,6%
PAHO	950.000	0,2%
UNDP/UNCHS	6.581.000	1,1%
UNHCR	62.177.000	10,2%
UNICEF	28.422.000	4,7%
UNOCHA	3.905.240	0,7%
UNRWA	4.712.000	0,8%
WFP	49.225.090	8,0%
WHO	4.421.000	0,7%
Subtotal	164.514.330	27,0%
OTHERS		
Subtotal	9.666.703	1,5%
TOTAL	608.982.644	100%
Source: ECHOSTAT as per 20/02/2003		

Annex 7**Projects funded under the Grant Facility 2002**

Applicant	Project	Grant €
Studies and networks		
		72,870
CRIC – Centro Regionale d'Intervento per la Cooperazione (Reggio Calabria), IT	Bridging the gap. Research project on involuntary population movements and reconstruction strategy	
		56,614
GRIP – Groupe de Recherche et d'Information sur la Paix et la Sécurité, B	Sécurité humanitaire et forces militaires en Afrique des Grands Lacs – étude de cas	
		87,908
ODI (Overseas Development Institute), UK	Humanitarian Protection : A Critical Review of Concepts and Practices	
		34,865
Institut Bioforce Développement Rhone-Alpes, FR	Quelle gouvernabilité pour les organismes humanitaires européens?	
Subtotal Studies and networks		252,257
Training		
		85,070
COSV – Comitato di Coordinamento delle Organizzazioni per il Servizio Volontario, IT	Monitoring and Evaluation in Humanitarian Aid : quality procedures	
		65,218
Deutscher Caritasverband	Caritas Europa Training on Emergency Response	
		79,800
OXFAM GB	Training and Capacity Building on Accountable Management of Humanitarian Aid	
		77,605
People in Aid, UK	Enhancing quality in human resource management for relief agencies	
Subtotal Training		307 693

ECHO Information - Grant Agreements 2002

Recipient	Country	Amount granted in EUR	Rate of financing (in relation to total budget)	Subject
COMITATO INTERNAZIONALE PER LO SVILUPPO DEI POPOLI (CISP)	Italy	71,423	50.0%	Information campaign on: "Women in emergencies: from victims to relief actors. The role of the European Humanitarian Aid"
HUMANITARIAN AFFAIRS REVIEW (H.A.R.)	Belgium	90,270	48.6%	Three special issues of "Humanitarian Affairs Review on: "The 10th anniversary of ECHO" (summer issue), "Forgotten crises" (autumn issue) and "LRRD" (winter issue)
DANISH REFUGEE COUNCIL (DRC) - DANSK FLYGTNINGEHAELP, (DNK)	Denmark	176,803	80.0%	Conference on forgotten crises – Copenhagen 23 October 2002
CENTRE OF STRATEGIC PLANNING FOR DEVELOPMENT (K.E.S.S.A. DIMITRA)	Greece	95,000	50.0%	Youth awareness-raising campaign on the theme of "Humanitarian aid at the dawn of the 21st century"
ACTION CONTRE LA FAIM (ACF)	France	51,251	30.0%	Visibility event: Replication of a therapeutic feeding centre in Paris and Marseille (modelled on previous action)
TRIANGLE Génération Humanitaire	France	73,210	50.3%	TV documentary - "A bridge between two worlds"
CRUZ ROJA ESPAÑOLA	Spain	106,500	50.0%	Awareness raising for young people on "Children living in difficult situations due to armed conflict". International conference on children affected by armed conflict.
ÖSTERREICHISCHES ROTES KREUZ	Austria	71,151	50.0%	Public awareness and information campaign "Forgotten Conflicts- Forgotten Victims"
VOLUNTARY ORGANIZATIONS IN COOPERATION IN EMERGENCIES (VOICE)	Belgium	31,939	69.0%	Conference "EU Humanitarian Aid- the challenges ahead"
MINES ADVISORY GROUP (MAG)	UK	10,257	50.0%	Demining Experience Day for the media
MISSION OST	Denmark	61,032	39.7%	Documentary for Danish public TV on Afghanistan and the results of the humanitarian efforts of ECHO and the Danish NGO, Mission East
Total		838,836		