

The EU's contribution to the international response to the 2004 Asian Tsunami

Achievements, next steps and lessons learned

Discussion Paper

High-level Meeting

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Background

The South East Asian Tsunami of 26 December 2004 is estimated to have claimed nearly 300,000 lives. Millions more have been affected. The response of the international community to assist the affected countries in the humanitarian and reconstruction efforts has been unprecedented.

The **emergency response** was quick, and focused action by international donors working with national and local authorities ensured that affected people benefited from access to food, improved sources of water, sanitation and health services. EU humanitarian assistance started to arrive on the very day of the disaster. The general consensus is that emergency relief successfully met the immediate humanitarian needs of the affected people.

The focus now is on creating the foundations for sustainable **medium and long-term reconstruction**. Aceh and the North and East of Sri Lanka, the two most affected areas, have long been plagued by devastating civil conflicts: reconstruction therefore involves major political efforts to promote peace and stability, as a necessary foundation for successful and sustainable reconstruction. The EU has been very active in both areas, supporting the peace processes and using reconstruction work to promote dialogue and consultation. The peace process is going well in Aceh, but renewed efforts are required in Sri Lanka to consolidate the Ceasefire Agreement and promote a lasting solution to the twenty-year-long conflict.

The EU often plays a leading role in the overall international response to major natural disasters. Given its financial and political weight, the EU has the potential to significantly help the international response. The EU deployed funds and resources quickly in response to the tsunami. The question is whether useful lessons have been learned by the EU and/or its international partners.

The EU is undertaking a series of 'Lessons learned' exercises on the effectiveness of its contributions to the response to recent disasters. Today's meeting provides an opportunity to exchange views in particular on the EU's: i) humanitarian; and ii) reconstruction response to the tsunami, while taking into account the views of a number of other relevant external players¹. A number of issues/lessons learned from the EU's response could guide the international community's response in the tsunami-affected countries and in other disaster-affected countries in the future.

¹ Given the short duration of the meeting, the paper focuses primarily on Sri Lanka and Indonesia where the largest number of people were affected by the tsunami. This in no way downplays the impact of the tsunami on people in other countries, particularly The Maldives, India, Thailand and Somalia.

1. A STRONG AND EFFECTIVE EU RESPONSE

1.1. The EU's financial response to humanitarian and reconstruction needs 2

The EU reacted quickly, providing emergency humanitarian assistance within hours after the tsunami struck. The EU was represented at the highest level in the Summit meeting held in Jakarta on 7 January on the tsunami aftermath. An emergency meeting of EU Foreign, Development and Health Ministers was held in Brussels on 7 January. The Council adopted an Action Plan on 31 January 2005 in response to the disaster. This was updated by the UK Presidency and reviewed by the Council and Commission at the General Affairs and External Relations Council on 21-22 November. Progress will be reviewed again under the Austrian Presidency.

The European Commission and Member States pledged more than €2 billion in assistance for tsunami-affected countries of which €566 million is for humanitarian assistance and the remainder for rehabilitation and reconstruction. €452 million (80%) of humanitarian aid has been spent. €902 million (60%) of rehabilitation and reconstruction aid has been committed and €367 million disbursed. The European Investment Bank is about to sign loans totalling €170 million in Indonesia, Sri Lanka and the Maldives. Additional loans of €396 Million have been pledged by Member States.

The **emergency phase** successfully met the most acute humanitarian needs throughout the region. Quick and focused action by the EU and other donors working with national and local authorities avoided a potential secondary disaster by assuring that all affected people benefited from access to food, improved sources of water, sanitation and health services. Annex 1 contains more information about the response of ECHO (the European Commission's Humanitarian DG) and the Member States.

Nevertheless, the number of displaced people remains high. So although reconstruction is getting underway, humanitarian programmes still have a role to play in helping to restore the livelihoods of fishermen and providing assistance (particularly water, sanitation and shelter) to displaced populations.

Reconstruction in Indonesia is progressing well. The Aceh reconstruction agency (BRR) and the Multi-Donor Trust Fund (MDTF) have been established. The MDTF manages over €430 million from major donors (85% from the EU). It has approved over €200 million of reconstruction projects and will have disbursed €65 million by the end of December 2005. Projects underway include housing and settlements reconstruction, land titling, rural and urban community projects, waste management projects and technical assistance to BRR.

² See annexed tables

Reconstruction in Sri Lanka will require around €1.5 to €1.7 billion over 3 to 5 years. €1.6 billion has been pledged as grants with a further €1.1 billion as loans. The Government expects to disburse about €800 million in 2005. The EU gave multi-annual pledges totalling €558 million in humanitarian and reconstruction assistance. EU Member States and the Commission have committed €353 million and will have disbursed €97 million before the end of the year. The Government's implementation strategy for the reconstruction phase focuses on three main areas: restoring livelihoods; rebuilding social infrastructure, including housing; and rebuilding economic infrastructure, such as roads.

Longer-term reconstruction assistance to the Maldives is focusing on helping the country to set up 'safe islands' for its extremely vulnerable population. The Maldives' Government set up the Tsunami Relief and Rehabilitation Fund (TRRF) to channel local and international resources for relief, reconstruction, and management activities. The Asian Development Bank and the World Bank have helped the government to ensure that the procedures used in the TRRF are compatible with international standards.

The immediate financial needs of reconstruction in the Maldives amount to €351 million. But pledges for reconstruction from the international community only total around €250 million. To help plug the temporary financial gap, the Commission and some other donors have already committed 100% of their pledges for 2005. Finances should recover in 3-4 years alongside recovery of the tourist industry. Short term budgetary support through the IMF is therefore the optimal international response.

1.2. Linking peace and reconstruction

Some of the regions devastated by the tsunami are also affected by long-standing conflicts, including Aceh in Indonesia and the North and East of Sri Lanka. There was a risk that these conflicts could hamper reconstruction efforts and that assistance which was not sensitive to the causes and drivers of conflict could exacerbate tension and lead to renewed violence. In the aftermath of the tsunami the parties to the conflicts needed to work together to deliver relief to devastated communities. This provided an opportunity to facilitate and nurture dialogue and joint working initiatives, thus improving the environment for sustained peace.

In **Aceh** (Indonesia), the EU adopted a holistic approach to reconstruction and conflict resolution. It used the EU Aceh Monitoring Mission (AMM) and Community instruments (Rapid Reaction Mechanism and longer-term EC assistance programmes) to provide a package of measures to support successfully the peace process. Measures included the reintegration of former rebel combatants and support for governance and democracy in the province. The Commission actively supported mediation activities which led to the signing of a peace agreement between the Free Aceh Movement (GAM) and the Government of Indonesia. This was a good example of EU work in post-conflict/post-disaster situations, and can be considered a major political achievement for the Union.

Reconstruction in the North and East of **Sri Lanka** is being hindered by political difficulties. The main obstacle is the need for a consensus on the management and allocation of donor funds between the Government, the LTTE (Liberation Tigers of Tamil Eelam, the rebel group that controls parts of the North of the country) and the Tamil and Muslim communities. The Government and the LTTE had reached an agreement and signed a Memorandum of Understanding on a joint decision-taking structure (P-TOMS, Post-Tsunami Operations Management Structure), but the agreement was challenged legally and politically in the South of the country and is unlikely to be implemented.

The EU will continue to support efforts towards a consensus on reconstruction in the North and East of Sri Lanka and substantial funds are still earmarked for this purpose (€50 million from the Commission). As one of the four Co-Chairs of the Tokyo Donor Conference (with Japan, Norway and the US), the EU continues to support Norwegian mediation and has intensified its own efforts in order to consolidate the Ceasefire Agreement and achieve a lasting solution to the conflict.

1.3. Reinforcing preventive measures, early warning and disaster preparedness

The EU assisted the Indonesian and Sri Lankan authorities in damage assessment, reconstruction plans and risk analysis for the entire coast of Sri Lanka and of parts of Aceh. The Commission provided very high-resolution satellite images of the coastlines after the tsunami to help the governments in their reconstruction planning, as well as providing on-site technical assistance and training to turn this imagery into maps for use in reconstruction and early warning planning.

Donors have underlined the need to support the development of improved tsunami early warning systems in close co-ordination with the UN. A tsunami model has been included in the Global Disaster Alert and Co-ordination System (GDACS). This aims to assess the potential severity and impact of natural hazards and covers issues from early warning to relief co-ordination. Several Member States are supporting the establishment of an early warning system in the Indian Ocean coordinated by UN-ISDR (International Strategy for Disaster Reduction) and UNESCO's Intergovernmental Oceanographic Commission (IOC). The Commission finances the coordination of this process.

Several EU Member States have committed funding for technological components of improved tsunami warning systems in the Indian Ocean, in close collaboration with the relevant UN agencies. A Commission package of technological projects worth over €20 million will support the research, development and operation of regional early warning systems. They will mainly focus on the Indian Ocean but will also target the Atlantic Ocean and the Mediterranean Sea.

2. Lessons learned from the EU and other partners' responses

The EU often plays a leading role in the overall international response to major natural disasters. Given its financial and political weight, the EU has the potential to significantly help the international response. The EU deployed funds and resources quickly in response to the tsunami. The question is whether useful lessons have been learned by the EU and/or its international partners which can be applied to future disasters of this scale. The 'European Consensus for Development', agreed by the Council and Commission on 22 November, reiterates the importance of partnership, coordination and complementarity in delivering EU aid. In the relief phase, the EU's work with OCHA was particularly important. The same goes for the International Financial Institutions and the Global Consortium in the reconstruction phase.

A number of in-country workshops and assessments have evaluated the overall response to the tsunami. These include the Sri Lankan 'Build Back Better Report' which reviews progress over the last 12 months. In Indonesia the Aceh Reconstruction Agency is preparing a six-month update, and the World Bank is preparing an annual report. Other evaluation work includes that of the Tsunami Evaluation Coalition. The EU is undertaking a series of 'Lessons learned' exercises on the effectiveness of its contributions to the response to recent disasters. Today's meeting provides an opportunity to exchange views in particular on the EU's: i) humanitarian; and ii) reconstruction response to the tsunami, while taking into account the views of a number of other relevant external players.

A number of issues/lessons learned could guide the international community's response in the tsunami-affected countries and in other disaster-affected countries in the future:

1. Conflict sensitivity

The importance of conflict-sensitive approaches is paramount. Peace and stability are essential conditions for development and people's prosperity. In Indonesia it has been crucial to recognise the close relationship between a successful, and sustained, peace agreement and a successful reconstruction of Aceh following the tsunami: one cannot happen without the other. The EU has been instrumental in facilitating the peace process in Aceh and remains a key political partner in support of the local elections and full implementation of the peace agreement. It is thus important to provide continued support (in a conflict sensitive form) to support the peace process, while moving ahead with reconstruction, both in tsunami, and conflict-affected areas. Sri Lanka has for a number of reasons not been able to match the progress on peace in Aceh, as illustrated by the failure to implement the Post-Tsunami Operational Mechanism Structure (PTOMS) agreement, killings in the south and deteriorating security in the north and east. In this context it remains even more important to ensure that policies, programming and procedures are as conflict sensitive as

possible, as well as continuing to promote peace efforts with the help of the international community.

2. Coordination

The immense size of the reconstruction task is, understandably, stretching the capacity of the affected Governments to the limit, especially as there are literally hundreds of NGOs working with communities. Coordinating the recovery programmes has been a major challenge, and has taken place at different levels (examples include among donors; with donors and NGOs; with local government; or with central government; or at international level with the United Nations). The EU recognises and supports the primary role of the UN in co-ordinating international humanitarian aid efforts

As agreed in Jakarta in January 2005, multi-donor trust funds in the affected countries channel international reconstruction aid. Trust funds represent a way to ensure ownership and effective coordination between government, donors and civil society. Pooling donor resources and aligning donor funding as much as possible to government systems has helped minimise the co-ordination problems of contributing donors. In Indonesia, the Multi-Donor Trust Fund is proving to be an effective instrument to co-ordinate reconstruction assistance with the Indonesian authorities (in particular the BRR) and civil society, and ensure co-ordination among donors, in particular within the EU. As the EU represents 85% of the total pledge to the MDTF, the Commission had a co-ordinating role as co-chair of the Fund with the World Bank and the Aceh Reconstruction Agency (BRR).

3. Monitoring, accountability and local ownership

The response to the tsunami from governments, donors and the public was unprecedented. Ensuring the funds are spent appropriately is vital, and therefore funds need to be tracked and well spent. The Commission has played an important role by gathering data on individual Member States' humanitarian, rehabilitation and reconstruction funding, and putting this on their website. Other useful accountability mechanisms include the Development Assistance Database (DAD), which provides a management and coordination system for national governments and the general assistance community. Efforts are continuing to ensure that all relevant data on funding and its allocation is managed by the countries' reconstruction agencies, but without duplicating other processes. Examples include the e-Aceh website and the Sri Lanka Donor Assistance Database. This supports local ownership of the rehabilitation and reconstruction efforts, Co-ordinating the action of a large number of NGOs is a complex task that should also be performed by local authorities. The donor community and the EU in particular is helping the countries' reconstruction agencies' do this.

4. Communication

A number of reviews and reports are being produced ahead of the first anniversary. The Government of Sri Lanka together with donors has recently produced a draft report "Build Back Better" which reports on

progress over 12 months. In Indonesia, the Multi-Donor Trust Fund is preparing a six-month update and the BRR is preparing an annual report. All reports are likely to raise the importance of effective communication strategies, both with local communities – to support inclusion, participation and empowerment- and also the need for clear and regular lines of communication between Government and donors/NGOs. These efforts should be pursued.

5. Strengthening the Humanitarian System as a whole

Recent humanitarian crises have underlined the need to strengthen the international humanitarian system. The Commission is taking a number of measures including capacity building of major partners, strengthening the Commission's network of humanitarian experts and supporting the development of the rapid assessment and response capacity of the UN and other key partners. Additional measures foreseen include establishing a network of Member States Humanitarian emergency focal points to ensure a more coherent EU response. At a broader level, suggestions include strengthening the authority, remit, and quality of UN Humanitarian Coordinators (HCs) and establishing benchmarks on the scale and speed of response against which progress and performance can be better measured.

6. Ensuring the Funds continue to flow

There is concern in Sri Lanka that pledges for reconstruction funds made by bilateral donors in 2005 will be lost if the money is not disbursed within funding deadlines. In Indonesia, reconstruction funds committed on budget (through the Government budgetary systems), at the request of the Government of Indonesia, are now beginning to flow, as implementation mechanisms are becoming fully operational (in particular thanks to the role of the reconstruction agency, BRR). This was the result of continuous, combined dialogue between the donor community and the Government in the framework of the MDTF.

7. Equity in the Distribution of Aid

Some research of survivors and aid workers has found that vulnerable groups, including women, children and migrants, are suffering from discrimination in their access to aid. It is important to ensure that assistance does not exacerbate existing inequities within communities, including between internally displaced people directly impacted by the tsunami and populations displaced by conflict. The EC has taken all these considerations into account in designing its humanitarian and reconstruction support programmes, to ensure that aid is allocated on a non-discriminatory basis and proportionate to the level of needs only.

8. Priority areas for reconstruction – shelter, housing and livelihoods

The EU's response has helped relieve the suffering and improve the livelihoods of hundreds of thousands of people affected by the tsunami. But a large number of people remain in temporary or transitional shelters. In Indonesia, local communities are driving the reconstruction efforts. A clear, regularly updated, overview of priority needs and activities is needed to ensure there is no duplication of effort or funding. In Sri Lanka, the donor-built permanent housing programme remains subject to ongoing delays due to land availability, shifting buffer zone policies and beneficiary lists and labour and materials shortages. While the owner-built housing process is making more progress, concerns about standards remain. Effective delivery on permanent housing and livelihoods will be critical also in 2006 to help normalise and empower the lives of survivors. In the meantime humanitarian aid will also continue to be required to meet basic needs.

9. Early warning and Disaster preparedness

The Indian Ocean tsunami disaster highlighted both the need for effective early warning systems and also the political and technological complexity of providing them. The UN -including UNESCO's Intergovernmental Oceanographic Commission (IOC), the UN Office for the Co-ordination of Humanitarian Affairs (OCHA) and the UN International Strategy for Disaster Reduction (ISDR) - has an important coordinating role to play in addressing these challenges. Regional inter-governmental organisations have the potential to be key implementing bodies. That is why the Commission and Member States are supporting the work of the UN to facilitate the implementation and strengthening of early warning systems in countries at risk. While acknowledging the importance of technological and institutional developments that will ensure that early warnings of impending natural disasters will increasingly become available, the EU continues to stress the importance of action at the community level. In particular, it is vital that early warning systems have effective linkages with local communities' action programmes to ensure that lives and livelihoods are saved.

3. POINTS FOR FURTHER DISCUSSION

3.1. Humanitarian response

Indicative Issues for discussion

1. Are there ways and means to improve even further the coordination of international humanitarian operations, including the initial needs assessments and donor response to UN Flash Appeals?
2. How can the EU further improve its humanitarian response capacity, in particular towards the most vulnerable groups (e.g. women, children)?

3.2. Reconstruction

Indicative Issues for discussion

3. What role can the international community and the EU play to help the affected governments to ensure that current reconstruction needs such as shelter, housing and restoration of livelihoods are met and critical cross cutting issues such as environmental impacts are addressed?
4. What lessons were learned about how the international community and the EU can reduce the burdens on the affected governments and help them to manage donor co-ordination effectively? How useful are Multi-donor Trust Funds? What are the alternatives when they can't be used?
5. How can donors best help to increase the administrative capacity of the local and central administrations to accelerate delivery and to identify and avoid bottlenecks?
6. The EU successfully linked its disaster response to broader relief, rehabilitation, peace-building and development considerations. What lessons learned could be used in similar scenarios in the future?

ANNEX 1- HUMANITARIAN AID EC AND EU MEMBER STATES 2004/2005 (€)

	India	Indonesia	Sri Lanka	Thailand	Region (South and South-East Asia)*	Somalia	Total contributions	Total actual spending
COM/ECHO	10.000.000	40.500.000	32.666.000	500.000	19.334.000		103.000.000	73.030.970
Austria			5.188.730		1.000.000		6.188.730	6.188.730
Belgium		3.570.028	4.029.367		150.000		7.749.395	5.423.000
Cyprus		81.060	127.380	15.440	190.469		414.349	246.000
Czech Rep.					1.334.000		1.334.000	1.334.000
Denmark	81.082	8.806.947	7.785.373		7.751.599		24.424.901	24.424.901
Estonia		298.117		45.635	31.949		375.701	312.000
Finland	350.000	3.000.000	1.450.000	1.000.000	13.000.000		18.800.000	11.650.000
France	16.786	2.265.901	799.734		35.852.462		38.934.883	38.934.883
Germany	1.031.224	56.401.134	25.187.770		4.007.836	575.963	87.203.927	81.978.000
Greece		9.052.277	5.850.020	486.700	10.507.000		25.895.997	24.701.000
Hungary					1.520.000		1.520.000	1.134.000
Ireland	1.720.993	6.473.284	3.303.000	1.700.750	6.220.000		19.418.027	9.065.000
Italy			1.800.000	1.200.000			3.000.000	3.000.000
Latvia		142.000					142.000	142.000
Lithuania					217.215		217.215	217.215
Luxembourg	652.500	100.000	890.000		3.200.000		4.842.500	4.842.500
Malta			8.000.000				8.000.000	8.000.000
Netherlands	249.000	16.907.000	8.000.626	1.153.800	8.037.315		34.347.741	27.963.000
Poland		303.500	308.500		240.000		852.000	852.000
Portugal		1.690.585	465.001	24.277	3.000.000		5.179.863	2.179.000
Slovakia		2710.750	173.300		366.500		810.550	365.000
Slovenia					866.666		866.666	303.000
Spain		9.362.900	415.000		8.515.001		18.292.901	13.293.000
Sweden	465.200	12.165.926	8.196.050	40.000	23.456.027	210.500	44.533.703	17.116.000
UK	4.020.186	23.658.712	6.834.417		74.523.613	719.000	109.755.928	96.292.000
Total	18.586.971	197.490.121	121.470.268	6.166.602	223.321.652	1.505.463	566.100.977	452.136.991 (80%)

For further information, please see:

<http://europa.eu.int/comm/world/tsunami>

RECONSTRUCTION ASSISTANCE BY EC AND EU MEMBER STATES* (€)

EU GRANT ASSISTANCE	PLEGGED (GRANTS)	COMMITTED IN 2005	% Commitments vs. pledges	DISBURSED as to Nov 2005	% Disbursements vs. commitments
Commission	350.000.000	169.215.000	48%	75.675.516	45%
Austria	44.000.000	16.662.309	38%	7.167.187	43%
Belgium	15.000.000	7.600.000	51%	12.050.000	159%
Cyprus	309.289	309.289	100%		
Czech Republic	8.000.000	6.300.000	79%		
Denmark	29.600.000	30.834.000	104%	19.572.900	63%
Finland	30.000.000	14.320.000	48%	3.700.000	26%
France	23.000.000	25.000.000	109%	24.000.000	96%
Germany	457.444.300	222.000.000	49%	76.250.000	34%
Greece	11.500.430	11.500.000	100%	700.000	6%
Hungary	16.172.000	1.133.796	7%	1.150.000	101%
Ireland	10.935.500	10.950.465	100%	9.690.965	88%
Italy	115.000.000	75.000.000	65%	31.700.000	42%
Luxembourg	3.700.000	3.700.000	100%	1.003.000	27%
Malta	1.060.000	1.060.000	100%	470.000	44%
Netherlands	237.609.411	184.805.809	78%	64.022.264	35%
Poland	400.000	247.000	62%	247.000	100%
Portugal	8.000.000	5.058.112	63%	3.000.000	59%
Slovakia	256.000	256.000	100%	196.000	77%
Slovenia	284.000	284.000	100%	284.000	100%
Spain	11.626.000	10.958.000	94%	1.365.000	12%
Sweden	32.000.000	43.313.000	135%	11.935.000	28%
United Kingdom	94.908.000	61.700.000	65%	22.430.000	36%
TOTAL	1.500.804.641	902.206.780	60%	366.882.841	41%

TSUNAMI RECONSTRUCTION – EU LOAN COMPONENT IN €(AS OF MID-NOVEMBER 2005)

	Pledged	Committed	Disbursed
European Investment Bank	170.000.000	-	-
France	300.000.000	300.000.000	115.000.000
Hungary	16.000.000	-	-
Spain	80.000.000	-	-
TOTAL	566.000.000	300.000.000	115.000.000