EUROPEAN COMMISSION POLICIES ON BRIDGING RELIEF AND DEVELOPMENT AID

STRENGTHENING SYNERGIES IN 10 STEPS

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Based on a report sponsored by:

WHO Collaborating Centre for Research on the Epidemiology of Disasters
TABLE OF CONTENT

1.0 INTRODUCTION ........................................................................................................... 5

1.1 SCOPE OF THE STUDY ............................................................................................. 5
1.2 A BRIEF OVERVIEW OF EU AID ............................................................................ 6
1.3 A BRIEF OVERVIEW OF THE LRRD DEBATE .................................................. 7

2.0 EU STRATEGY FOR LRRD ...................................................................................... 9

2.1 POLICY ...................................................................................................................... 9
2.1.1 The European Perspective .................................................................................. 9
2.1.2 Recommendation 1 on Policy: ........................................................................... 9
   2.1.2.1 LRRD is essential to a pro-poor focus ............................................................. 9
   2.1.2.2 EU foreign policy impact on LRRD ................................................................. 9
2.2 LOCAL PARTICIPATION ........................................................................................... 10
2.2.1 The European Perspective .................................................................................. 10
2.2.2 Recommendation 2 on Local Participation: ....................................................... 10
   2.2.2.1 Capacity building .......................................................................................... 10
   2.2.2.2 Participation of the most vulnerable people ................................................... 10
   2.2.2.3 Making participation work .......................................................................... 10
2.3 APPROACH .............................................................................................................. 11
2.3.1 The European Perspective .................................................................................. 11
2.3.2 Recommendation 3 on Approach: ..................................................................... 11
   2.3.2.1 Better responses to expectations .................................................................. 11
   2.3.2.2 Proactive responses to crisis ....................................................................... 11
2.4 STRATEGY ............................................................................................................... 11
2.4.1 The European Perspective .................................................................................. 12
2.4.2 Recommendation 4 on strategy: ........................................................................ 12
   2.4.2.1 Keeping LRRD in Country Strategy Papers .................................................. 12
   2.4.2.2 Draft pre-crisis addenda .............................................................................. 12
2.5 DISASTER PREPAREDNESS AND MITIGATION .................................................. 12
2.5.1 The European Perspective .................................................................................. 12
2.5.2 Recommendation 5 on disaster preparedness and mitigation: ......................... 13
   2.5.2.1 Disaster Prevention Policy ........................................................................... 13
   2.5.2.2 Disaster prevention, poverty reduction and cost-effectiveness .................... 13
   2.5.2.3 Legal Basis .................................................................................................. 13
2.6 REHABILITATION

2.6.1 The European Perspective

2.6.2 Recommendation 6 on rehabilitation:

  2.6.2.1 “Risk reduction” as a strategic orientation
  2.6.2.2 Rehabilitation throughout crises
  2.6.2.3 Manage rehabilitation at field level

3.0 EC IMPLEMENTATION OF LRRD

3.1 INFORMED DECISION-MAKING

3.1.1 The European Perspective

3.1.2 Recommendation 7 on decision-making:

  3.1.2.1 Sharing and focusing information
  3.1.2.2 Focusing operational features within Delegations
  3.1.2.3 Reporting on changes

3.2 KNOWLEDGE MANAGEMENT

3.2.1 The European Perspective

3.2.2 Recommendation 8 on knowledge management:

  3.2.2.1 Developing performance indicators and capitalise successful experiences
  3.2.2.2 Staff experience and staff turnover
  3.2.2.3 Establishing joint evaluations

3.3 FINANCIAL RESOURCES

3.3.1 The European Perspective

3.3.2 Recommendation 9 on financial resources:

  3.3.2.1 Increase resources for pre-crisis and post-crisis phases
  3.3.2.2 Diversification of funding
  3.3.2.3 Geographic and thematic expenditure tracking systems
  3.3.2.4 Improve financial flexibility for LRRD allocations

3.4 STRUCTURES

3.4.1 The European Perspective

3.4.2 Recommendation 10 on structures:

  3.4.2.1 Balancing between inaction and responsibility
  3.4.2.2 Clarifying the role of EC services
  3.4.2.3 Seize the potentiality of existing structures
EXECUTIVE SUMMARY

- LRRD involves a debate about the very essence of humanitarian aid, its purpose, scope and effectiveness.
- LRRD encompasses the way the EU conceives of development in terms of conditionality, local participation, and long-term strategies. It is a crucial tool for reducing poverty and improving coherence between policies and practices.

This study identifies aspects of European Union (EU) aid and development policy that provide opportunities to link between relief, rehabilitation and development (LRRD). By examining and analysing LRRD, this study has found that there is a great deal of opportunity for further change and improvement. Focused around ten main recommendations, we conclude that such change is essential to improve the effectiveness of European aid delivery.

By refocusing LRRD debates in the EU on poor and marginalised people around the issue of poverty reduction, the study argues that there is more to be gained than merely another discussion about the management of aid. LRRD is often depicted as characterised by problems of financial resources, but this study suggests that it is not simply an issue of management, but rather one of strategies and implementation.

Because it is human-centred, LRRD frames interventions within a long-term perspective, highlighting both the linkages between relief and development and their failures. Although there have been a number of improvements in EU policy and awareness of LRRD since the original 1996 policy document, the 2001 Communication on LRRD failed to focus on effective solutions, and the recommendations proposed have yet to be fully implemented.

In this context, the study points to the importance of broadening the debate about LRRD by examining its components at a conceptual level, and by considering it in practical policy terms at European level.

- There is broad consensus that EU relief efforts should reinforce development and that development efforts should prepare states and poor people to better withstand disasters and emergencies.
- The European Commission (EC) emphasises flexibility, coherence and deconcentration, but lacks a practical focus on implementation and financial tools.

European institutions are pioneering debates about LRRD and could shape its development at state and international levels. In order to do so, this study highlights two main areas of opportunity for change that require urgent attention:

- EU policy and strategic vision on LRRD including: poverty policy, the scope of participation of affected people, strategic features of LRRD, and the conceptual importance of rehabilitation and disaster preparedness.
- EC management of humanitarian and development aid including: coordination, implementation, evaluation, and structures to implement its strategic approach.

In sum, the report argues that it is essential for the EU to be both a think-tank and a learning organisation:

- Continued improvement of EU performance in developing the link between relief, rehabilitation and development requires efforts to continually re-think LRRD policy, in terms of both strategy and implementation.
- Continued improvement also requires efforts to expand the learning capacity of the EC via the development of training tools, best practices, comprehensive joint evaluations and by capitalising on existing expertise.
MAIN RECOMMENDATIONS

This report makes ten main recommendations for improving the European Union’s strategic vision and its policy implementation:

**OPPORTUNITIES FOR CHANGE: EU STRATEGY FOR LRRD**

1. **Policy**
   The European Union should acknowledge LRRD as an effective tool of poverty reduction.

2. **Participation**
   The European Union should promote the participation of the most vulnerable in relief and development operations.

3. **Approach**
   The European Union should adopt a contiguum, long-term approach to all emergencies.
   (A contiguum consists of the simultaneous presence of emergency and developmental instruments in the same crisis context. These act in complementarity with synergetic overlapping in terms.)

4. **Strategy**
   The European Union should be more strategic in planning for LRRD.

5. **Disaster Preparedness and Mitigation**
   The European Union should develop a strategic and operational disaster prevention policy, working on a longer term perspective.

6. **Rehabilitation**
   The European Union should explicitly recognise risk reduction as an essential objective of rehabilitation in policy and in practice.

**OPPORTUNITIES FOR CHANGE: EC IMPLEMENTATION OF LRRD**

7. **Informed decision-making**
   The European Commission should focus on information collection and management of its services in order to respond to needs in a timely and effective way.

8. **Knowledge Management**
   The European Commission should develop systems to ensure that it learns lessons from implementing LRRD.

9. **Financial Resources**
   The European Union should establish financial resources and systems that respond to needs rather than constrain potential responses.

10. **Structures**
    The European Commission should engage all its services in LRRD.
1.0 INTRODUCTION

European Union (EU) policies on the link between relief, rehabilitation and development (LRRD) require urgent attention in order to improve the effectiveness of European aid delivery. Discussion about LRRD must be linked directly to wider European development policy. In particular, such debates must re-focus attention on poor and marginalised people and on the issue of poverty reduction, in addition to furthering discussions about definitions of concepts and administrative procedures.

1.1 SCOPE OF THE STUDY

The objective of the study is to provide a global overview of the European Commission (EC) policies and practices on the links between development and emergency interventions and inform the global debate on LRRD. In particular, it offers precise critical remarks and concrete recommendations to the EC approach that could be extended to other donors. The study has a global focus, aimed at gaining a broad understanding of the EC approach’s approach and methodology towards LRRD over a period of time. The study used interviews with different commission officers in charge of the country or of the issue and various published evaluations. These contributed to identify capacities and administrative visions on the issue and to inform the debate about recommendations and future developments.

This study draws on a more comprehensive paper on LRRD, and EU policy and practices. The source paper includes theoretical and comparative debates, further analysis of EC procedures, successful experiences and future orientation, and an extensive bibliography. It is available upon request from ActionAid Alliance.¹

Although conflict prevention and peace building are essential elements in LRRD, this report does not analyze them. Nevertheless, to have a coherent and comprehensive picture, these two elements should be thoroughly considered.

Some progress has been made on LRRD within the relevant services of EC in recent years, including:

- Affirmation of LRRD as mainly a development issue.
- Recognition of the contribution of disaster preparedness projects in LRRD and its discussion within the LRRD framework.
- Recognition of LRRD as a strategic issue, for instance in Country Strategy Papers mainly focusing on LRRD and development of joint entry strategies for emergency and development services.
- Interservice discussions on countries and procedures to effectively implement LRRD and draft of guidelines for dissemination.

Despite this progress, however, the nature and extent such progress varies between different European Commission (EC) services. Moreover, while examples of successful LRRD exist, they depend more on personal commitments than on EU policy. There is a gap with regards to clear common policy to be applied at institutional level, and there is a need to give concrete results to the LRRD theoretical framework.

At present, however, the EC is reluctant to produce blueprints to address LRRD in general, because flexibility and creativity are deemed essential to the effective delivery of aid: specific events call for country-specific approaches. As a result, the continued improvement of EC performance in LRRD depends on whether it is willing to learn from its own experiences, and that of other institutions and member states. The EC needs to move away from an overwhelmingly technical/procedural approach, toward a more holistic, long-term vision that explicitly addresses the

linkages between development and emergency work. Such improvements are also important because the EC is pioneering the LRRD debate at the international level.

The gap between EU policies and practices in LRRD is often attributed to the limited availability of financial resources and an inflexibility of administrative procedures. However, this study points to the importance of broadening the debate about LRRD in two other areas. First, by examining the components of LRRD at a conceptual level, the study argues that components such as politics, concepts, regulations, structures, staff vision, funds and activities must be addressed both individually and collectively. And second, by considering LRRD in practical policy terms at the European level, the study argues for the need to reconsider disaster prevention and rehabilitation, and centralise the experiences of the poor in order to develop an holistic approach to crises and to development.²

The study is divided into two sections:

- The first is on LRRD strategy. This considers LRRD in the larger context of EU external relations and development policies. More specifically, it states that the perception of a crisis as a long-term deteriorating situation in which needs have to be covered as much as possible, affects the nature of the emergency intervention. In fact, these needs become much more relevant before the eruption of the crisis with the full participation of the affected people.

- The second part details the administrative issues to be tackled to effectively achieve an LRRD implementation. This focuses on quality and relevance of information and knowledge management as essential elements of the decision making process. Finally, it analyses the financial procedures and institutional structures that are supposed to implement policies and decisions.

1.2 A BRIEF OVERVIEW OF EU AID

The EU is a particularly influential actor in the arena of development assistance, not least because the volume of EU aid constitutes a significant proportion of global development assistance. EU countries are collectively the world’s top aid donors, accounting for approximately 33% of all overseas development assistance in 2001 ($26 290 million) while the EC directly manages over 10% ($5.961 million).

The EU supports development activities through the budget lines for external relations and the European Development Fund (EDF). Member states make voluntary contributions of Overseas Development Assistance to the EDF, to support developing countries in the Africa, Caribbean and Pacific regions (ACP), and overseas territories. The support provided by the EDF is channelled through programmable aid in the National and Regional Indicative Programmes. Aid provided under budget lines is divided into geographical regions and horizontal themes. Geographical initiatives include Mediterranean basin countries (MEDA), Asia and Latin America (ALA), and the initiative for Rehabilitation in the Balkans (CARDS). Horizontal themes include humanitarian and food aid, co-financing NGOs, democracy and human rights initiatives, and aid to uprooted people.

Development policy currently comes under the remit of the Directorate General for External Relations (DG Relex) and the Directorate General for Development (DG Dev). DG Dev deals with the programming, policy and strategies phase of the project cycle for African, Caribbean and Pacific (ACP) countries, and DG Relex deals with the programming, policy and strategies phase of the project cycle for non-ACP countries. The EuropeAid Cooperation Office is the implementing agency for EC external actions, and is responsible for DG Dev and DG Relex projects, including evaluation. EC Delegations represent the Commission in partner countries, and are formally responsible to DG Relex. A key part of current EC reforms is “deconcentration”, which is intended to give Delegations greater responsibility for the implementation of EC programmes.

² Clearly, conflict prevention and peace building are also essential elements of LRRD, but they are outside the scope of the present study.
Humanitarian aid is dealt with by the European Community Humanitarian Office (ECHO), but lacking operational capacity, it channels funds through implementing partners. In 2001, the Rapid Reaction Mechanism (RRM) was established to operate in the context of crisis (mainly conflict) management, although unlike ECHO, the RRM is not politically neutral, as the assistance it offers is intended to provide political stability.

1.3 A BRIEF OVERVIEW OF THE LRRD DEBATE

LRRD is the acknowledged relationship between emergencies and development, intended to create greater linkage between the two in order to produce mutual advantages for international relief and development actors and recipients. The basic idea is that emergencies are costly in terms of human life and resources, and they disrupt development, while at the same time, development interventions can be insensitive to risk and fail to protect vulnerable people. Through LRRD, improved development can reduce the need for emergency relief, and improved emergency relief can contribute to development.

At present, there is agreement in the EU about the importance of LRRD, but no consensus as to its definition. Prior to 1996, programmes with an LRRD perspective were carried out under article 255 of the Lomé Convention on rehabilitation; in 1993, LRRD informed the “Special Initiative for Africa” approved by the European Council to assist in the transition of different African states. In 1996, the EC produced the first Communication on “Linking Relief, Rehabilitation and Development”, which adopted a linear (continuum) approach to emergencies by dividing them into different phases - ranging from relief to development through rehabilitation - with different interventions for each phase. However, it outlined neither clear administrative responsibilities nor any means of identifying the different phases in practice. Regulation 1257/96 provided a legal basis for ECHO to extend its relief mandate to humanitarian mandates, which allowed actions in the “aftermath of emergency” and the implementation of disaster preparedness activities known as DIPECHO.

In response, the EC’s Communication to the European Council and European Parliament of April 2001 acknowledged the flaws of the past and listed a series of themes to address in future. The EC thus opted for a contiguous perspective, which assumes the necessity of the simultaneous delivery of humanitarian aid, rehabilitation and development in crisis contexts. Such a holistic approach is suitable for efforts that seek to match the realities of crisis with the needs of affected people, but NGOs were concerned with an absence of both a practical focus and financial measures in the Communication.

Following the tightening of financial procedures in 1999, ECHO’s focus on its “core humanitarian mandate” allowed it to avoid dangerous disruptions in humanitarian aid flows, but the further consequences of such reforms was to increase the responsibility of other departments within the EC, which had to implement activities in uncertain situations with inadequate financial and planning tools. The result was an aid and development system characterised by flaws and contradictions, exemplified by the EU intervention in Central America in 1999/2000, in which EC relief mechanisms reacted promptly in the aftermath of the emergency caused by hurricane Mitch, but the rehabilitation phase was highly problematic.

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Therefore, while LRRD is acknowledged as an important issue in the EU, it requires further discussion and debate, not least because the gap between relief, rehabilitation and development is not simply a product of administrative issues or budgetary structures: it is also a consequence of policies that direct how existing resources are used.

**PRRAC: an administrative failure with potential**

In April 1999, DG Relex presented the Regional Programme for the Reconstruction of Central America (PRRAC), providing €250 million to be committed between 1999 and 2002. As a multi-sectoral programme, PRRAC covered the entire region, took into account local involvement and encouraged decentralisation. It included rehabilitation of infrastructure, management of education and disaster prevention to ensure consistency between different EC activities. In theory, PRRAC contained all the necessary elements for a successful coordination of relief and development, but its flaws became apparent during implementation.

In fact, activities in the field had not started two years after hurricane Mitch, and only a limited number of projects had been launched. In addition, the proportion of funding directed towards civil society was small, while reconstruction of infrastructures was prioritised, because rehabilitation was understood as physical reconstruction. Coordination problems resulted from setting up entirely new structures.

Nevertheless, PRRAC still holds great potential to be a crisis fund and tackle vulnerabilities for natural disasters and chronic malnutrition in the region. However, its Terms of Reference and procedures are too strict. This does not allow an ongoing strategic re-orientation and the amount of resources still risks being spent in outdated reconstruction interventions.
2.0 EU STRATEGY FOR LRRD

2.1 POLICY

Linking relief and development is complex, as it may mean harmonising conflicting political aims:

Relief is unconditional and delivered outside the state. Development aid is conditional; the government is the legitimate and primary counterpart for aid relations. LRRD could be a way to politicize humanitarian aid.

Debates about LRRD must address the problem of reconciling relief and development, in which the core issue is harmonising apolitical humanitarian assistance with politicised development aid. But in addition to political differences, development policy and humanitarian aid are also difficult to link because they have different objectives: the former focuses on structures and long-term improvements while the latter focuses more on short-term, and individual needs.

2.1.1 The European Perspective

The main purpose of EU development policy is to reduce, and eventually eradicate poverty. At present EU policy on combating poverty is compatible with humanitarian intervention. Indeed, humanitarian assistance is a weapon in the fight against poverty, as long as it is provided independently and impartially. However, because the main priorities of Common Foreign and Security Policy are security and migration control, there are growing tensions between development priorities and foreign policy. These issues are linked, as poverty reduction could help achieve these foreign policy goals, but there is tension in terms of both priorities and objectives.

Finally, it is also important to note that EU treaties contain human rights clauses and performance criteria that bind the provision of aid. It is possible that the delivery of development aid might be hampered as a result of these requirements, although so far the EU has avoided such a strict application to states in post-crisis situations.

2.1.2 Recommendation 1 on Policy:

The European Union should acknowledge LRRD as an effective tool of poverty reduction

2.1.2.1 LRRD is essential to a pro-poor focus

To reduce poverty the EU must recognise that the poor are most vulnerable to the impact of natural disasters and complex emergencies. LRRD is the verification of the effectiveness of poverty reduction policies, because it introduces the need to approach development planning in terms of potential emergencies. In this light, it provides an opportunity to redress some of the failures of development policy in terms of those most seriously affected, to whom the distinction between relief and development programmes is artificial and meaningless.

2.1.2.2 EU foreign policy impact on LRRD

During the next round of EC administrative reforms, the role of DG Dev may be eliminated, and its programming handled by DG Relex. Such a change may result in the EU’s external political, security and trade interests becoming central to its relationship with developing countries. While this might enhance coherence between various services, prevent disruption, and hold a single body to account, this search for coherence could conceivably lead to the withholding of humanitarian aid in order to achieve peace repeating the UK

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experience in 1998 for the Sierra Leone conflict. There is a need for a sincere humanitarian policy rather than a political humanitarianism.

2.2 LOCAL PARTICIPATION

The need to involve individuals and local communities throughout relief operations is vital. Local participation at all stages, from programming to implementation and evaluation, is important because local communities know best the dynamics of their societies. Investing in people through capacity-building and the strengthening of civil society institutions is also cost-effective and time-efficient, and external actors must acknowledge that LRRD prioritises affected people in crises rather than the priorities of intervenes.

2.2.1 The European Perspective

The 2001 Communication on LRRD does not clearly mention local ownership or local capacities. In fact, it underlines speed, efficiency and flexibility in LRRD. Administration should be opened up to local participation, but the 2001 Communication only allows Delegations a facilitating role. The idea of participation in the Communication is essentially simple information sharing, and it does not acknowledge the central role of affected people in recovering from emergencies. However, the November 2002 Communication from the EC on “participation of non-state actors in EU development policy” is promising.

2.2.2 Recommendation 2 on Local Participation:

The European Union should promote the participation of the most vulnerable in relief and development operations

2.2.2.1 Capacity building

Local communities and structures are invaluable assets for taking over development or relief work and reducing the workload of administrative structures. It is important to support local institutions, to allow communities to define their development priorities and to express their needs. The challenge is to map and build upon existing organisations, mechanisms and capacities. This entails a long-term approach. NGOs and development tools should be considered a resource for local capacity building.

2.2.2.2 Participation of the most vulnerable people

There is a need to recognise that existing local structures do not always represent the most affected people. In the framework of a concrete poverty reduction policy the EU should prioritise marginalised people in capacity building. The marginalisation of poor people, who are often the most seriously affected, may be a symptom of the underlying causes of an emerging crisis, and they are a resource to address it. This requires appropriate systems based on realistic and relatively simple indicators to monitor the quality of participation.

2.2.2.3 Making participation work

The EC’s emphasis on the efficient delivery of assistance through the clearly defined use of procedures limits participation. New staff profiles to be deployed in Delegations focus on procedures and implementation rather than social development. Delegations have the potential to enhance participation, but they may be hindered by the demands of daily contract management. Moreover, participation should not be only a Delegation concern: other EC services should also assume responsibility. For example, the RRM might help to address local participation and capacity building.
2.3 APPROACH

The contiguum or holistic approach assumes the need for the simultaneous delivery of humanitarian aid, rehabilitation and development. It is based on the idea that although people are in the midst of a crisis, they have different capacities and needs beyond mere survival. Experience suggests that the contiguum approach is suitable in chronic emergencies, and that, moreover, it may be applied at different levels (areas, sectors, target goups).

However, while the contiguum approach has replaced the previous paradigm of a linear continuum, the word “continuum” is still the most commonly used in day-to-day language and in evaluation documents, indicating the persistence of the linear approach in practice.

2.3.1 The European Perspective

The language of the April 2001 Communication is unclear about the continuum/contiguum distinction, and it maintains a linear approach to natural disasters. In general, the Communication seems to have adopted the contiguum approach only for conflict situations. Evidence from effective LRRD experiences shows that the contiguum approach is the most effective both in terms of natural disasters and conflict situations. However, it is not clear whether the contiguum approach means simultaneity. This lack of clarity produces a concern with overlapping interventions.

2.3.2 Recommendation 3 on Approach:

The European Union should adopt a contiguum, long-term approach to all emergencies

2.3.2.1 Better responses to expectations

The contiguum approach reflects the ways in which people are affected by crises. In emergencies, survival is a primary concern, but so too is ensuring one’s livelihood, because people must recover in the long term, once the emergency is over. Compartmentalising interventions during emergencies risks further dependency on external assistance, whereas a contiguum approach allows for measuring the effectiveness of interventions in terms of benefits to people rather than its financial efficiency. At a practical level, this implies a continuous refinement of needs assessment, and different methods for ranking needs. Emergency projects should also contain components to address long-term needs, particularly in chronic emergencies. The contiguum approach is also relevant for stable development phases, in which some emergency preparedness is crucial.

2.3.2.2 Proactive responses to crisis

The contiguum approach addresses multiple aspects of crises, in terms of both needs and underlying causes. Such an approach prevents jeopardising humanitarian activities or broadening the humanitarian mandate, so that relief does not turn into a crisis limitation tool. At an administrative level, the EC’s services should implement continuous field assessments and undertake pilot initiatives to explore the possibilities of further engagement.

2.4 STRATEGY

The inadequacy or lack of a strategic framework that draws together political, economic and social factors is the greatest obstacle to LRRD implementation. This is partly due to the fact that LRRD is perceived as an emergency tool. This view entails a compartmentalised management style. It is more helpful to see it as an issue of development planning following failure. This is why LRRD should be considered a development issue rather than a coordination problem.
2.4.1 The European Perspective

Past experiences illustrate that LRRD was implemented effectively wherever a “transition” assumption has been at the basis of EC services, such as in Cambodia or Mozambique. Strategic clarification allowed staff to act creatively and develop appropriate procedures for specific situations. More problematic, however, is planning based on Country Strategy Papers (CSPs), which are the main tool for programming EU assistance. The difficulty is that CSPs are based on multi-annual planning and reviewed every five years, and as a consequence are unsuitable for the fast-paced demands of emergencies. In response, the European Parliament has proposed the quick drafting of CSP Addenda to follow actions taken by ECHO or the RRM. However, this proposal implies a purely reactive approach to emergencies and LRRD.

2.4.2 Recommendation 4 on strategy:

The European Union should be more strategic in planning for LRRD

2.4.2.1 Keeping LRRD in Country Strategy Papers

It is important to note that affected states share responsibility with the EU in strategy and implementation of LRRD. LRRD should be an ever-present issue while renegotiating CSPs. The first generation of CSPs did not take this issue into account. LRRD could be included in the checklist priority to assess the consistency of the final draft of the CSPs. However, in case the CSPs had already been approved, LRRD components could be integrated into the National or Regional Indicative Programme during the mid-term review and as elements into the focal sectors.

2.4.2.2 Draft pre-crisis addenda

The drafting of CSP addenda should occur prior to ECHO and RRM interventions. These drafted pre-crisis addenda could be developed as joint Commission contingencies planning exercises, based upon reliable early-warning information, and could be shared with concerned states. Such a pre-emptive exercise could provide influential leverage in terms of prevention as well as enhance a culture of preparedness and a joint clear idea of entry among different EC services. Finally, the involvement of the concerned state would underline its role as a partner in implementing LRRD.

2.5 DISASTER PREPAREDNESS AND MITIGATION

Disaster prevention is a laudable goal that significantly contributes to poverty reduction. Preparedness and mitigation are key approaches to achieving that goal. However, the subject of preparing for and mitigating the impact of natural disasters has, in recent years, fallen into the background of efforts to realign thinking on complex political emergencies. Disaster preparedness and mitigation also provide a bridge during development phases, and a link between development and relief cultures by:

- emphasising that emergencies are not one-off events;
- underlining that relief operations do not take place in a vacuum, because structures and capacities are locally present, even though under stress;
- limiting the disruptive consequences of emergency interventions by linking previous development to relief.

2.5.1 The European Perspective

The April 2001 Communication stated that “disaster preparedness is the only alternative to putting countries into intensive care every time a crisis occurs.” Despite these claims, however, disaster preparedness and mitigation are often treated as separate from the LRRD debate, because they are integrated into neither relief nor development programmes. DIPECHO does seek to address local vulnerabilities, but its financial resources are small. In fact, the programme over reaches ECHO’s core humanitarian mandate. Other EC services should consider disaster preparedness
and mitigation part of their agenda, but the issue seems to be marginalised, partly due to a lack of visibility and also due to difficulty in assessing effectiveness. However, the current decision to integrate disaster preparedness and mitigation into the LRRD discussion and the development of internal strategic approaches are promising signs.

2.5.2 Recommendation 5 on disaster preparedness and mitigation:

The European Union should develop a strategic and operational disaster prevention policy

2.5.2.1 Disaster Prevention Policy

DIPECHO’s aim was to show an often-sceptical audience the benefits of taking community-based pre-emptive actions before disasters occurred. However it is crucial to shift prevention out of the humanitarian agenda and into the development framework in order to broaden its effectiveness. In short, it is important to move from narrowly focused disaster preparedness to the wider aims of disaster prevention, and this should be seen as a long-term goal in development. This should be thoroughly addressed within the different CSPs.

2.5.2.2 Disaster prevention, poverty reduction and cost-effectiveness

A coherent poverty reduction policy should aim to prevent or mitigate disasters. Focusing on potential vulnerabilities is also an essential element of effective poverty reduction. In short, poverty and vulnerability are related, and addressing both could contribute to interrupting the cycle of poverty and crisis. Efforts to increase community resilience also address poverty in chronic emergency situations. Evidence shows that every Euro spent on mitigation can save €4-10 in the cost of recovery from disasters. There is the need to develop indicators to measure the economic gains of an effective disaster prevention policy. Finally, The EU could introduce vulnerability reduction as a means of assessing development programmes and other EU policies, such as fisheries and agriculture, thereby promoting coherence and the value of development

2.5.2.3 Legal Basis

At present, only the Cotonou Agreement offers the possibility of improving disaster preparedness and mitigation in the long-term (through Art. 30, 1; 32; 72, 3). All other treaties should include disaster prevention as an autonomous issue. The importance of such a legal basis is, first, that it makes prevention a priority, and second, a legal foundation places the onus for developing an adequate policy on states rather than the EU alone. The mainstreaming or the establishment of legal basis for risk reduction could help to better integrate disaster preparedness and prevention into the programming.

2.6 Rehabilitation

The principal aim of rehabilitation activities is to initiate the reconstruction of infrastructure at national and local levels and to restore livelihoods. Rehabilitation is something of a “missing middle”, lost in a grey area between relief and development: inadequately planned, poorly documented, and imperfectly implemented. It has focused heavily on physical infrastructure and the formal economy, but only recently on the social sector and environmental issues. The informal economy, local capacities, and psychological trauma have received less attention, while politics and security issues have been relegated to the bottom of the agenda. As a result, donors have been reluctant to finance reconstruction activities, which in turn have meant fewer achievements with which to secure further financial commitment. For instance, the Office for Transition Initiatives (OTI) in USAID was established to undertake rehabilitation activities. Nevertheless, due to its small

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5 CRED, UCL and ActionAid, “Development at Risk”, 2002
6 The current discussions of the revised ALA provide a window of opportunity.
budget, its interventions were limited, and not effective enough to fill the gap between relief and development.

2.6.1 The European Perspective

The explicit intent of the EU in terms of rehabilitation is to provide an intermediate stage of physical reconstruction, the improvement of infrastructure and services and institutional reinforcement, all aimed at the resumption of sustainable development. Rehabilitation operations intended to enable medium-term development perpetuate the idea of a linear approach to emergencies, resulting in an unclear concept, fragmented activities and limited strategic achievements. One administrative solution sometimes attempted by donors is to set up a new unit dealing with rehabilitation but this does not necessarily ensure better performance. In fact, the usefulness of the term “rehabilitation” is under question within the EC.

2.6.2 Recommendation 6 on rehabilitation:

The European Union should explicitly recognise risk reduction as an essential objective of rehabilitation in policy and in practice

2.6.2.1 “Risk reduction” as a strategic orientation

A recent independent evaluation of EC rehabilitation activities stated that the imprecise definition of the concept resulted in staff uncertainty. A thorough analysis of the concept should consider that instability risks are the main obstacles faced by EU development efforts and that ensuring the minimum conditions for development is a plausible aim of EU assistance in such situations. As a result, the first priority of rehabilitation should be to have risk reduction and prevention in mind. This could be understood as development provided during a crisis when cooperation is suspended.

2.6.2.2 Rehabilitation throughout crises

Rehabilitation is a component of the contiguum approach. Rehabilitation assistance should be provided throughout crises, including during emergency phases when normally only ECHO funding is present. It should focus on vulnerability reduction and the enhancement of locally existing capacities, as well as implementing seed and tools programmes or building schools. ECHO funded projects and some development instruments are presently adopting such an approach by supporting community livelihood during chronic emergencies as in, for example, the Democratic Republic of Congo.

2.6.2.3 Manage rehabilitation at field level

Rehabilitation assistance must be developed to manage sensitive local issues in a timely fashion, focusing on risks and context-tailoring. Interventions should also be small scale and decentralised, focusing on communities and clearly visible to those affected. This promotes people’s resilience both in times of conflict and during natural disasters. It can be carried out by any EC financial tool, taking into account this approach. But this adaptive approach needs an ongoing field presence and monitoring; Country Delegations are best placed to fulfill these tasks as long as they have clear guidelines and adequate staff expertise and capacities.

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3.0 EC IMPLEMENTATION OF LRRD

3.1 INFORMED DECISION-MAKING

Informed decision making amongst aid agencies is often problematic, but the key solution is not necessarily hierarchical authority. There are two organisational approaches to this issue: the first is a top-down system of formalised collective control, and the second is a bottom-up collaboration amongst autonomous entities to build networks.

3.1.1 The European Perspective

The EC promotes a collaboration-based approach and underscores the importance of information management. Thus, informed decision-making is seen as synonymous with information sharing, which promotes long-term institutional relations, and avoids administrative adjustments and new regulations. Its initial success depends on individual willingness to participate in information sharing, but a focus solely on information sharing cannot solve all administrative problems. As it is a peer process based on consensus, it risks proliferating information without addressing the equally important issues of responsibility, accountability and transparency.

3.1.2 Recommendation 7 on decision-making:

The European Commission should focus on information collection and management its services in order to respond to needs in a timely and effective way

3.1.2.1 Sharing and focusing information

The EC should consider information a priority for achieving consistency in its external actions. Shared information develops a common vision, which in turn fosters a sense of ownership and involvement. The exchange of information should be continuous before the emergence of a crisis; EC services should regularly meet to share plans and views about a particular situation and create focal points to facilitate information flow, create common information storage and improve institutional memory. Focal points and quality criteria should filter information to prevent the proliferation of irrelevant data.

3.1.2.2 Focusing operational features within Delegations

Delegations should be involved in the LRRD debate, because they can provide timely and ongoing information on vulnerabilities and capacities on the ground. They should assume a key role in providing grass-root information, and their staff should be trained to facilitate local participation. The appointment of a country or regional LRRD focal point could avoid excessive overloading for the delegation.

3.1.2.3 Reporting on changes

Assessments of the on-going implementation of LRRD have been ad-hoc in the past. The different co-ordination units should collectively manage an EC-wide mapping report on the implementation of LRRD that is continuously updated. At the time and to a greater extent, ongoing EC restructuring has risks, such as fragmenting institutional learning, possibly hampering the implementation of such strategies. As a result, it would be important to monitor and assess such larger side effects on LRRD.

3.2 KNOWLEDGE MANAGEMENT

Institutional learning is more difficult to achieve than information sharing, because lessons learned and evaluations do not necessarily translate into institutional knowledge. Relief agencies have placed much greater emphasis on generating raw data about the beginning and end points on the relief-development spectrum rather than on more practical issues in the middle of the process.
3.2.1 The European Perspective

"Mainstreaming" LRRD is a crosscutting issue that affects everything in the EC from CSPs to project evaluations. The objective of mainstreaming is to break the cultural divide between development and humanitarian actors, in order to build on the strengths of the human factor and on the commitment of officers. This in turn would allow for the effective implementation of LRRD without the creation of new structures.

3.2.2 Recommendation 8 on knowledge management:

The European Commission should develop systems to ensure that it learns lessons from implementing LRRD

3.2.2.1 Developing performance indicators and capitalise successful experiences

Because mainstreaming generally takes decades to implement, it is difficult to maintain political commitment to it. As a result, it is necessary for the EC to commit to focusing on the way thematic issues are mainstreamed, and to develop targets and indicators of lessons learned. LRRD could fit into this process by ensuring measurable results and deadlines. Indicators should cover disaster preparedness performance as well as entry and exit strategies.

Generalised lessons must be drawn from successful LRRD experiences despite the fact that every context of LRRD intervention is unique. Staff training and the forthcoming guidelines for Delegations would benefit from knowledge of successes based on more than general references to flexibility, institutional innovation, and adaptive approaches.

3.2.2.2 Staff experience and staff turnover

Successful LRRD often relies on human factors, and specifically on committed desk officers who have field experience in both development and humanitarian operations. Thus, while staff movement can contribute to links between DG Dev and ECHO, it may also result in a loss of institutional knowledge and overall effectiveness (as does overwork). At present, this particularly affects EuropeAid, limiting its coordination role during initial stages of deconcentration.

3.2.2.3 Establishing joint evaluations

LRRD is a crosscutting issue that requires joint evaluations by all EC actors. In order to develop an informed debate, capitalise on previous experiences and raise awareness of it, there is an urgent need to undertake an evaluation of relevant EC activities in terms of LRRD, with EuropeAid as a focal point.

3.3 Financial Resources

The biggest constraint on LRRD is the sporadic and short-term nature of donor commitments. Relief inevitably involves short-term funding as it deals only with short-term needs. This results in restrictive time limits. In addition, projects and interventions are unable to sustain a large geographical coverage.

3.3.1 The European Perspective

There is common agreement among EC officials that current financial instruments cover all needs. Among the instruments that are better suited to finance LRRD, the EC lists NGO co-financing and up-rooted people budget lines. However, other budget-lines that could be helpful in addressing LRRD are rehabilitation, food aid/food security and de-mining. Additionally, the Humanitarian Plus experiment could be considered a financial alternative, working via the EDF. (However, it is
considered costly and lacks sufficient capacities in Delegations). In respect of the proposed rationalisation of Community budget lines, its impact on LRRD is unclear; rationalisation could either assist further mainstreaming or lead to further marginalisation.

3.3.2 Recommendation 9 on financial resources:

The European Union should establish financial structures, easing the implementation of the policies rather than having budget-driven responses.

3.3.2.1 Increase resources for pre-crisis and post-crisis phases

The existing range of financial resources from rehabilitation budget lines, such as demining, up-rooted people and rehabilitation, is unable to address two major crises simultaneously. Generally, in the case of significant events in which the EU intervenes, the Parliament and the Council create ad-hoc budget lines that drain resources from other areas. Instead, a transparent system of financial reserves should be established, as in the case of the National Indicative Programme Envelope B for ACP countries, which includes reserves to be spent in case of unforeseeable needs.

In terms of pre-crisis resources, DIPECHO resources may be increased by 5% by 2005, as proposed by the European Parliament, with clear budget allocations to disaster prevention spending included in each National Indicative Programme. Systems to allow the use of unspent resources already committed in other budget lines should also be explored further.

3.3.2.2 Diversification of funding

Diversification of funding allows for quick reactive financial flows depending on local requirements. This is a financial feature of the contiguum approach that allows for the financing of pilot or risky interventions. Although official cooperation is suspended, small developmental interventions could be undertaken under different instruments. Unallocated EDF or the uprooted people budget line can be used to fund longer-term projects in more stable regions. These financial headings could be expanded in other areas as ECHO exits. Food aid/food security and uprooted people budget lines have been successful because their regulations address the entire problem without time limits. Diversification allows for a long-term and flexible field presence.

3.3.2.3 Geographic and thematic expenditure tracking systems

The proposed merging of thematic budget lines into geographical lines implies that all are to be considered concepts to be mainstreamed. Despite the administrative advantages of this shift, the subsequent loss in transparency has to be counterbalanced by a detailed monitoring system based on the themes of the merged budget lines. The problem is that LRRD risks being further sidelined as so many other issues are mainstreamed. A mechanism to assess the EC contribution to LRRD in different countries could be designed for application by Delegations.

3.3.2.4 Improve financial flexibility for LRRD allocations

In transition states, financial resources are generally available but very difficult to access due to complicated procedures. This is particularly relevant for financial instruments, in which funds have been earmarked but need further approval for spending. The establishment of emergency procedures to reduce the procedural and time burden for all the financial tools is a relevant aspect. More relevant it seems to be to establish risk

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8 The objective of Humanitarian Plus for Sudan is “improving the living conditions and human dignity of distressed civilian population, by re-establishing a minimum capacity for self-reliance…” The concept of Humanitarian Plus is not officially defined and staff is reluctant to introduce new terminology. In some ways it is the administrative translation of a contiguum approach.

9 For ACP countries, it is necessary to reduce the burden of the EDF Committee’s involvement, either by allowing ACP countries to decide or by giving the Commissioner for Development a major role in management. Another proposal currently under discussion is the Global Authorisation, a multi-year authorisation by the EDF Committee for an amount of €60 million, saving six months on the average disbursement time.
tolerance levels tailored to the nature of every financial instrument. In fact, Community instruments have extremely different degrees of risk tolerance. The risk tolerance of an instrument is the result of its mandate, size of the programmes and its possible re-orientation. An increase in flexibility also implies reducing procedures for LRRD contracts, as complicated tenders and financial controls requiring bank guarantees constrain the number of grants awarded. Different ideas are proposed:

- An LRRD procedure to be enforced after a country is declared in LRRD could allow a project manager access to all budget lines, reducing the number of signatures and controls required for approval.
- An LRRD partnership agreement with NGOs for post-crisis activities could also be explored, as could the possibility of including southern organisations.

3.4 STRUCTURES

There is some question as to whether LRRD is mainly an institutional problem that could be solved by linking relief departments with developmental departments. In this respect, the debate is one of semantics, obscuring the larger issue of how emergency and development assistance is actually organized.

3.4.1 The European Perspective

In encouraging linkages between existing organisations, there is an interest in avoiding the creation of new structures. New structures need time to work and ad-hoc structures, such as Task Forces for Rehabilitation, do not perform well and are features of a top-down approach. To progress, existing structures such as DG Dev and DG Relex need to play a more active role and redefine their mandates to bridge the gap between them. However, both seem reluctant to assume such responsibility, claiming a lack of capacity or the desire not to over-stretch their mandate.

3.4.2 Recommendation 10 on structures:

The European Commission should improve the ownership of all its services in LRRD

3.4.2.1 Balancing between inaction and responsibility

As a practical consequence of the contiguum approach, different EC services should proactively look for opportunities to intervene. Once the EU acknowledges its commitment to simultaneous interventions, EC services could be held accountable not only for ineffective action but also for inaction. This would encourage the EC services to actively seek opportunities for LRRD on the ground. As a result, they would be more interested in field development, favouring participation of NGOs on the ground. With a proactive approach to crisis, the contiguum approach requires the EU to take risks. Accepting them should be coupled with more freedom for officers and for services to take responsibility for their actions or inaction. Constructive balance must be kept between the freedom of risk taking and professional accountability.

3.4.2.2 Clarifying the role of EC services

The “humanitarian core mandate” is the strategic orientation for ECHO, but it places increasing responsibility on other departments to be involved in fast-changing crises. A redefinition of mandates should allow for simultaneous actions rather than disrupt aid. Currently ECHO focuses on “exit strategies” to clarify the limits of its mandate and allow for the participation of other services. However, LRRD involves more than hand-overs. Existing strategies do not imply any institutional responsibility to ensure LRRD and avoid disrupting the flow of aid.

Of more use would be the establishment of clear criteria to allow different EC services to enter and implement (even simultaneously) a general strategy. These “entry strategies”
would introduce elements of contingency and preparedness within development plans, encourage the development of early warning systems, and enhance the transparency of decision-making. Entry strategies would allow for linkages between development and emergency interventions from the beginning of a crisis. The current ECHO focus on "forgotten crises" and the establishment of indicators to identify them is a positive step toward the development of "entry strategies".

3.4.2.3 Seize the potentiality of existing structures

The April 2001 Communication attaches great value to Delegations in implementing LRRD. However, their responsibilities may become overwhelming in the future. All structures of the Commission could contribute to the LRRD implementation:

- The interservice quality support group (IQSG) that is supposed to control the coherence of the CSPs is essential to ensure the strategic planning of LRRD. Concretely, LRRD should be included as an issue within the checklist of criteria to assess in the CSPs.

- LRRD implementation is an issue of timely interaction among the services. The reorganisation and strengthening of EuropeAid has some potential for addressing LRRD management problems while also serving as a focal point for information sharing.

- The setting up of flexible structures at headquarter level could include an LRRD steering committee and field focal points.
Sudan and Humanitarian Plus

The concept of Humanitarian Plus is not officially defined and it is not an instrument in itself. It is used in ACP countries where EDF funds could not be spent due to the suspension of official cooperation. These interventions are meant to take place in protracted conflicts contexts working with local communities through “rehabilitation” interventions, in complementarity to ongoing emergency interventions. Here below, the Sudanese example is detailed, but other example of Humanitarian Plus include DRC and Angola.

In November 2000, the EU agreed for the three-year implementation of a Humanitarian Plus programme, using Article 6 under Cotonou. However, its too broad mandate and geographical coverage compounded with limited resources amount (15 M€) and long call for proposals are limiting its impact as a transitional tool. However, some of these limits could be overcome in the future, as the programme has been expanded by 20% and extended for 18 months with €3 million. The selection of the projects that are now being implemented (€11 million) has been done in close co-operation with the Delegation, ECHO and the Programme Management Unit (PMU) in Sudan.

Afghanistan and the Contiguum

This is a contiguum situation as both DG RELEX and ECHO are present in Afghanistan and co-ordination is rather close and done on a regular basis. DG RELEX/AIDCO intervene in parallel through the uprooted people budget line as well as through B 7-300 for the reconstruction of Afghanistan. DG DEV/AIDCO food security has increased its assistance in the context of drought. An interservice task force co-ordinated by DG RELEX.LRRD is well advanced and operational. Coordination has started at sectoral and regional level. The biggest concrete achievement has been the upcoming hand-over of health projects with a durable component to AIDCO. ECHO deals with all humanitarian issues beginning with repatriation up to shelter, while AIDCO is undertaking the long-term assistance through rural recovery.

ECHO and Delegation officials have undertaken joint missions and there is a relevant division of work between ECHO and RELEX, with both having a sharing of sectors and an inter-linking of projects.
**Liberia and Article 255**

When co-operation was interrupted, there was the immediate national authorisation allowing the European Commission to manage aid on behalf of “Liberian People”, to some extent bypassing the government. Access to funds via Article 255 was slightly easier than via budget lines, as Lomé allowed accelerated procedures. In fact, the procedures the Commission imposed on itself for the handling of Community budget appear to be much heavier than those of the EDF, in uncertain contexts.

Project implementation by private contractors allowed the EC to maintain its strict control. Although no official representation was on the spot, the EC opened a well-staffed office, concentrating large resources on aid coordination. Even at the peak of the emergency, the Commission launched rehabilitation activities, consisting of small projects. Finally, interpersonal trust among the staff allowed the acceleration of the decision-making process.
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Acknowledgements:
CISP
Euronaid
LRRD Working Group of NGO’s
Mark Vandenburg (MEP-NL)
Services of AIDCO, DEV, ECHO, RELEX
Voice
World Vision