

## ANNUAL REPORT OF THE RESIDENT/HUMANITARIAN COORDINATOR ON THE USE OF CERF GRANTS

<b>Country</b>	<b>DPR Korea</b>
<b>Resident/Humanitarian Coordinator</b>	<b>Jerome Sauvage</b>
<b>Reporting Period</b>	<b>1 January 2009 – 31 December 2009</b>

### I. Summary of Funding and Beneficiaries

<b>Funding (US\$)</b>	Total amount required for the humanitarian response:	\$533,897,114		
	Total amount received for the humanitarian response:	\$90,182,663		
	Breakdown of total country funding received by source:	CERF \$19,000,000 CHF/HRF COUNTRY LEVEL FUNDS N/A OTHER (Bilateral/Multilateral) N/A		
	Total amount of CERF funding received from the Rapid Response window:	\$0		
	Total amount of CERF funding received from the Underfunded window:	\$19,000,000		
	Please provide the breakdown of CERF funds by type of partner:	a. Direct UN agencies/IOM implementation:	\$19,000,000	
		b. Funds forwarded to NGOs for implementation (in Annex, please provide a list of each NGO and amount of CERF funding forwarded):	\$0	
		c. Funds for Government implementation:	\$0	
		<b>d. TOTAL:</b>	<b>\$19,000,000</b>	
	<b>Beneficiaries</b>	Total number of individuals affected by the crisis:	8 million	
Total number of individuals reached with CERF funding:		8 million		
		645,000 children under 5 years		
		1,493,000 females		
Geographical areas of implementation:	139 counties from 9 provinces (North Hamgyong, South Hamgyong, South Hwanghae, North Hwanghae, North Phyongan, South Phyongan, Kangwon, Ryanggang and Pyongyang)			

## II. Analysis

In the Democratic People's Republic of Korea (DPRK) under-nutrition and poor health care continue to be the two most serious threats. Although progress has been achieved, the stunting and wasting rates of children under age five remain at 32 percent and 5 percent respectively. Approximately 28 percent of pregnant and lactating women are undernourished, which reduces the survival rate of newborns and their resistance towards diseases in their first years. Diarrhoeal diseases cause up to 19 percent of deaths in children under age five. These diseases are closely linked to poor water quality, inadequate sanitation services and unsafe hygienic practices. Additionally, 14 percent of children under age five suffer from diarrhoea for two week in their lives. The general lack of medical supplies in the country reduces the ability to treat and cure basic diseases. The infant mortality rate in the DPRK is 77 per 100,000 live births.

Despite gradual improvements since the mid-1990s, such humanitarian problems as food shortages, inadequate health system, lack of access to safe drinking water and deficit of basic agricultural inputs remain as DPRK's major challenges. All these factors negatively affect the lives of the DPRK's population as a whole and its most vulnerable groups. The political situation around DPRK in 2009 significantly reduced donor support and, therefore, diminished the number of humanitarian activities aimed at saving lives and alleviating the sufferings of the most vulnerable populations.

The harvest of June 2009 was similar to the one in 2008, while it exceeded the 2007 harvest by 17 percent. However, the increase of 17 percent was largely accounted to an increase in cultivated area and yield for potatoes. The major constraint to agriculture in 2008 and 2009 was the shortage of chemical fertilizer. The loan from the DRPK amounting to 350,000 tonnes of fertilizer did not materialise for the second successive year. Therefore, in 2009, the allocation of fertilizer to cooperative farms was the same as in 2008 and amounted to 60 percent of that in 2007. The alternative fertilizers were not fully effective and farms were unable to adequately compensate for the shortage of chemical fertilizer. Consequently, agricultural yields in 2009 were 25 to 30 percent lower than those in 2008. It is important to note that the 2008 agricultural yields barely achieved average production levels. Main crop yields in DPRK are low by international standards, due to soil fertility problems. In addition to chemical fertilizer scarcity, the agricultural sector suffered from a critical shortage of inputs. The redistribution of food between regions was hampered by lack of fuel, transportation and adequate infrastructure. Vulnerable groups including young children, pregnant and lactating women and elderly people remained particularly at risk of food insecurity and malnutrition because of their specific dietary needs.

The Census Report was released in December 2009 and data collection activities for the Multi Cluster Indicative Survey took place in the autumn of 2009. Despite many efforts from the United Nations country team and the donor community, a Crop and Food Supply Assessment Mission (CFSAM) was not conducted in 2009. The United Nations Country Team relied on findings from the various assessments conducted in 2008, such as joint WFP and FAO Rapid Food Security Assessment (RFSA) compiled in June of 2008 and Crop and Food Security Assessment (CFSA) from October of 2008. According to the CFSA estimation for the 2008/2009 marketing year, DPRK, would experience a cereal shortfall of 836,000 tonnes, which may leave 8.7 million people in need of food assistance. It was concluded that malnutrition rate among vulnerable groups was likely to rise during the lean season. The WFP's 2009 mid term review confirmed the need to continue addressing micro-nutrient and vitamin deficiencies as well as dietary diversity for the most vulnerable groups.

While the DPRK's health system is slowly recovering from the setbacks suffered in the 1990s, it continues to face enormous challenges in providing quality health care. Humanitarian assistance plays an essential role in meeting the immediate needs of vulnerable groups. The lack of access to essential drugs is a country-wide problem, which leads to high mortality rates,

particularly among the most vulnerable groups, such as pregnant women and children under age 5. The situation is especially grim in the Northern provinces because these areas were not accessible to humanitarian agencies from late 2005 until the middle of 2008. Although assistance reached these areas in 2009, the provision of basic health services remains a priority, particularly in the mountainous areas where harsh winters, food shortages and lack of adequate medical facilities result in high maternal, infant and child mortality and morbidity rates. Health facilities at province and county levels require additional improvement and resources.

After the Government's decision in July 2008 to re-allow the United Nations to access the north-eastern provinces, UNICEF undertook a rapid assessment of the North Hamgyong and Ryanggang provinces in July 2008. Additionally, in November 2008, the UNICEF sent another mission to North Hamgyong to assess the situation on the ground. Based on the number of children observed in institutions/hospitals, children with moderate and acute malnutrition comprise 10 to 20 percent of all children treated in those medical facilities. Lack of essential medicine was reported by almost all health facilities that were visited. It was concluded that the DPRK was completely dependant on external assistance for all of its life-saving vaccines and essential medicines.

In 2009, WFP planned to assist 5.6 million people by supplying 342,793 metric tons of food. The operation faced severe funding constraints which contributed significantly to under-achievement of food distribution target in 2009. As a result, the smaller number of people was reached by the WFP. Vegetable oil (one of the food basket items) was never directly distributed to the beneficiaries under VGF programme. Actual food distribution dropped to 19 percent of the original plan. Supply of cereal rations for general food distribution and FFCD activities was far below the initial target level.

CERF funding played a key role in supporting WFP operation in the DPRK. Two instalments from CERF's underfunded windows were received in a total amount of US\$ 12,293,725:

1. In early 2009 (March/April), an amount of US\$ 6,493,725 (16,100 metric tons of maize and 5,786 metric tons of wheat) was allocated to support the vulnerable groups in Ryanggang and North Hamgyong Provinces (643,388 beneficiaries). Biscuits and corn soy milk (CSM) was distributed to support the local population. The fortified blended food was intended for distribution to 1.5 million vulnerable beneficiaries across all 131 target counties in the country.
2. A second instalment of CERF funding (US\$ 5,800,000) was available in August/September for procurement of 7,644 metric tonst of raw food materials (wheat, maize, sugar, soybeans, dried skimmed milk, vegetable oil and rice) to support local production of corn soy milk (CSM), cereal milk blend (CMB), rice milk blend (RMB) and biscuits. Distribution of 2,000 metric tons of soybean to 0.59 million beneficiaries (mother and children) was also intended for two months.

Most CERF resources were used for the purchase of raw food materials for 13 LFP factories for further production and distribution of fortified blended foods and biscuits to the most vulnerable groups, such as children and women. The above mentioned activities were implemented according to the plan.

CERF funding allowed WFP to provide food assistance through 36,783 local institutions in 139 counties in 9 provinces. This included 2,499 public distribution centers, 3,536 primary schools, 20,485 nurseries, 10,077 kindergartens, 149 pediatric wards/hospitals and 37 orphanages. Total beneficiaries included 2,489,000 individuals, out of which 645,000 were children under five and 1,493,000 were women. The government's capacity to produce fortified foods was increased by 50 percent from 23,905 metric tons in 2008 to 35,894 metric tonst in 2009.

WFP monitored multiple points of the supply chain to ensure that food reaches the intended beneficiaries.. All checklists captured data on food distribution monitoring and operational

issues, including warehouse/PDC storage conditions and available stocks; food receipts and delivery of WFP commodities and non-food-items; number of beneficiaries receiving WFP assistance (disaggregated by sex and age); Government record-keeping of food movements, storage and distributions; and operational issues requiring on and off-site addressing by the Government and/or WFP.

A Mid-term Review of the EMOP 107570 was carried out in July 2009. A total of 46 counties and districts have been covered. The objectives of the mid-term review were to assess the efficiency, relevance and effectiveness of WFP assistance. According to the preliminary findings, despite certain improvements in food security, the issue remains chronic for vulnerable groups in the country, and without food assistance, those groups would most likely be in a much worse position at the present time. Despite serious resourcing shortfalls and pipeline breaks during the year in review, it was, nonetheless, evident in the discussions that WFP food assistance had had a positive impact on the lives of the beneficiaries. This included improved health and nutritional status in pregnant and lactating women and young children; improved attendance and enrolment rates at child institutions; more dietary diversity and better food consumption at the household level (especially during the lean season); improved ability to cope with food shortages; and, decreased pressure put on relatives to provide assistance. Food assistance should be redirected from neutral and coastal areas to inland mountainous counties and the north-eastern regions.. The Mid-Term Review also suggested that despite an improvement in dietary diversity, more than 50 percent of the interviewed households had reported poor and borderline poor food consumption score. Additionally, 70 percent of the households adopted negative coping strategies, which put their current and future livelihoods at risk.

Preliminary result of the 2009 MICS survey showed that the prevalence of underweight among children under five decreased from 23 percent in 2004 to 19 percent in 2009. The percentage of women with mid-upper arm circumference (MUAC) below 22.5 cm decreased from 32 percent in 2004 to 28 percent in 2009. The reduction of undernutrition among young children and women could be partially attributed to food assistance supported with CERF funding.

Without CERF, it would have been extremely difficult to reach the targeted beneficiaries with food assistance. As reported by the Government, the average PDS ration during 2009 was 344 gram per person per day which met less than 60 percent of energy needs, if 2,130 kcal per person per day is considered as a minimum daily energy requirement. CERF funding was crucial for the targeted beneficiaries since there are very few opportunities for alternative coping mechanisms.

Whereas the DPRK intends to reduce its dependence upon international food assistance and focuses on measures to improve food security in the country, the agriculture sector alone will not be able to meet national food requirements and additional economic investments and reforms are needed to promote sustainable food production and improve food distribution process.

#### *Procurement and distribution of Oxytocin and Magnesium Sulphate*

With funding support from CERF in 2009, UNFPA was able to procure and ensure uninterrupted nationwide provision of two RH essential drugs, oxytocin and magnesium sulphate.

Sustainable availability of these two drugs in all health facilities has been proven critical and cost-effective in prevention and reduction of maternal death. With the CERF allocation of USD \$ 154,883 in March 2009, procurement of these two drugs ensured their availability in all health facilities from October 2009 to March 2010. The procurement of these two drugs was completed in October 2009. In accordance with the quarterly distribution plan agreed between the government and UNFPA, the drugs were supplied to all provincial/county hospitals and Ri clinics through national distribution system. The procurement of these two drugs for 7 months-

long consumption was made possible by the CERF's allocation of USD \$ 99,838 in September 2010.

In 2009, the UNFPA assessment on the use of essential RH drugs for obstetric care, including oxytocin and magnesium sulphate, established that the introduction of these two drugs in the DPRK highly contributes to the decrease of MMR.

More than 90 percent of health facilities had sufficient stock of oxytocin. The drug was being properly used in accordance to the existing standard protocols and guidelines. Suggestions and recommendations on proper management of drugs will be addressed by UNFPA regular programme in 2010. (Note: There were shortages of magnesium sulphate in clinics that were not assisted by UNFPA at the time of those monitoring visits. CERF supply of magnesium sulphate were made available after October 2009.)

The "no access, no assistance" principle has been implemented in all UNFPA projects. UNFPA continued to monitor the distribution of the medicine through quarterly stock reports from the National Logistics Management Information System (LMIS) established by UNFPA.

Monitoring visits to county hospitals and Ri clinics were made in 2009. More than 110 health facilities were visited in 2009 to monitor the distribution of drugs and to supervise their proper utilization. Thanks to the support from CERF, the shortage of Oxytocin was not reported in the last two years, which most likely contributed to the decrease in maternal mortality. Key findings and observations were shared with MoPH and provincial/county health bureau officials to take follow-up actions as appropriate to enhance the effectiveness of the project implementation.

In addition to distribution of these essential drugs nationwide, UNFPA has conducted various complimentary activities to ensure the effectiveness of such intervention:

(1) addressed concerns about the utilization of Oxytocin in the health facilities for risk deliveries only. In February 2009, UNFPA convinced MoPH to release a new policy to all health facilities that oxytocin shall be used for all deliveries

(2) In June 2009, UNFPA started a nationwide cascade training funded by its regular budget to train all midwives and doctors on the proper use of oxytocin, magnesium sulphate, iron folic acid and vitamin A. A total of 461 obstetricians were educated during 25 local training sessions. These trainings improved their skills and knowledge on proper utilization of essential RH drugs in the management of pregnancy and delivery with awareness of 95 percent. UNFPA also supported printing and distributing 10,000 copies of IEC materials about these drugs to all health facilities in the country.

CERF funding was critical to sustain the availability of life-saving RH drugs in the DPRK. This additional financial support assisted UNFPA to extend and maintain its services on a nationwide scale, saving the lives of women during pregnancy and delivery. Close collaboration with MoPH and regular field monitoring visits proved essential in ensuring (1) availability and proper utilization of drugs, (2) collection of maternal health-related indicators, and (3) strengthening the capacity of the medical staff in providing EMONC services. Consistent support to institutionalise provision of these essential drugs and mitigate funding gap will ensure positive impacts in the future. .

### III. Results:

Following projects are not reported on:

Amount Approved	Project number	Window	Title	Date USG Approval	Sector
500,007	08-CEF-063	UFE	Reduce the incidence of common childhood diseases	17-Sep-08	Health - Nutrition
540,914	08-CEF-076	RR	Reduce the incidence of severe malnutrition among under five children	26-Sep-08	Health - Nutrition
599,869	08-FAO-044	UFE	Support to barley and vegetable crop production	17-Sep-08	Agriculture
			Emergency fertilizer to reduce food insecurity		
0	08-FAO-053	UFE		14-Oct-08	Agriculture
350,008	08-FPA-029	UFE	Sustain Maternal Health Services in vulnerable areas	17-Sep-08	Health
550,000	08-WHO-053	UFE	Life Saving Public Health Intervention Package in the to provinces of Ryanggang and North Hamgyong	17-Sep-08	Health
857,256	08-WHO-063	RR	“Strengthening Local Action for Improving Child Survival (SLAICS) in DPRK”	7-Oct-08	Health
1,150,001	09-FAO-009	UFE	Emergency support to main summer crop production	7-Apr-09	Agriculture
1,700,001	09-FAO-027	UFE	Emergency support to early crop production	29-Sep-09	Agriculture
154,883	09-FPA-007	UFE	Reduce maternal mortality in DPRK	15-Apr-09	Health
99,838	09-FPA-025	UFE	Reduce maternal mortality ratio (MMR) in DPRK	23-Sep-09	Health
1,100,000	09-WHO-014	UFE	Strengthening Service Delivery for Improving Maternal and Child survival in DPRK	8-Apr-09	Health
700,171	09-WHO-049	UFE	Strengthening Service Delivery for Improving Maternal and Child Survival in DPRK	23-Sep-09	Health

Sector/ Cluster	CERF project number and title (If applicable, please provide CAP/Flash Project Code)	Amount disbursed from CERF (US\$)	Total Project Budget (US\$)	Number of Beneficiaries targeted with CERF funding	Expected Results/ Outcomes	Results and improvements for the target beneficiaries	CERF's added value to the project	Monitoring and Evaluation Mechanisms	Gender Equity
Food Security	09-WFP-018 “DPRK EMOP 107570- Emergency Assistance to Population Groups Affected by Floods and Rising Food and Fuel	\$6,493,725	\$90,182,663	21,886 mt of food was purchased and distributed to 2,250,000 vulnerable people in 131 counties including 577,000 U5 children and	Dietary Diversity: percentage of households eating only 3 food groups per day was increased  Percentage of households with a poor Food Consumption Score was reduced prevalence of underweight among	Percentage of households eating only 3 food groups per day was increased from 39% in 2008 to 54% in 2009.  Percentage of households with a poor Food Consumption Score was reduced from 41% in 2008 to 17% in 2009	The bulk of the commodities was used to meet beneficiaries' energy requirements during part of the critical lean season	A set of monitoring tools was designed to track the flow of WFP food from warehouses and LFP factories to beneficiary groups, including checklists for child institutions,	Priority was given to pregnant and lactating women during the pipeline break. In the LFP factories, women represent 75 percent of employees. The

	Prices”			1,345,000 women	targeted children under age 5 (weight-for-age as %)	Prevalence of underweight among targeted children under age 5 (weight-for-age as %) was reduced from 23% in 2004 to 19% in 2009		hospitals, Public Distribution Centres (PDCs) and households. Periodic assessments on food security and nutrition with FAO/UNICEF were also pursued.	majority of staff working in the children's institutions and schools and managing food distribution were women.
<b>Food Security</b>	09-WFP-055 “DPRK EMOP 107570- Emergency Assistance to Population Groups Affected by Floods and Rising Food and Fuel Prices”	\$5,800,000	\$90,182,663	9,644 mt of food was purchased and distributed to 1,396,000 vulnerable people in 62 counties including 400,000 U5 children and 819,000 women	<p>Percentage of households with a poor Food Consumption Score was reduced</p> <p>Prevalence of underweight among targeted children under age 5 (weight-for-age as %)</p> <p>% increase in production of fortified foods, including complementary food and special nutritional products</p>	<p>Percentage of households with a poor Food Consumption Score was reduced from 41% in 2008 to 17% in 2009</p> <p>Prevalence of underweight among targeted children under age 5 (weight-for-age as %) was reduced from 23% in 2004 to 19% in 2009</p> <p>The government's capacity to produce fortified foods was increased by 50 percent from 23,905 mt in 2008 to 35,894 mt in 2009</p>	Raw food materials were purchased for 13 LFP factories for further production and distribution of fortified blended foods and biscuits to the most vulnerable groups	A set of monitoring tools was designed to track the flow of WFP food from warehouses and LFP factories to beneficiary groups, including checklists for child institutions, hospitals, Public Distribution Centres (PDCs) and households. Periodic assessments on food security and nutrition with FAO/UNICEF were also pursued	Priority was given to pregnant and lactating women during the pipeline break. In the LFP factories, women represent 75 percent of employees. The majority of staff working in the children's institutions and schools and managing food distribution were women.

Sector/ Cluster	CERF project number and title (If applicable, please provide CAP/Flash Project Code)	Amount disbursed from CERF (US\$)	Total Project Budget (US\$)	Number of Beneficiaries targeted with CERF funding	Expected Results/ Outcomes	Results and improvements for the target beneficiaries	CERF's added value to the project	Monitoring and Evaluation Mechanisms	Gender Equity
<b>Health &amp; Nutrition</b>	09-CEF-15	\$1,101,300	\$10,026,000	500,000 children under age 5 targeted	Improved treatment of infectious/contagious childhood diseases in all health facilities in five provinces	Total 4,150 essential medicine kits were procured & distributed and 500,000 children under age 5 received improved treatment through 2,588 health facilities under five provinces.	CERF funds allowed to procure the total # of essential medicine kits needed for children under age 5	Regular field visits were made by technically qualified international staff as well as national staff to check the availability, quantity, quality and timeliness of the supplies, to review progress and to identify project constraints and to monitor end-use supplies.	Boys and girls under age five equally benefited from the project.
<b>Health &amp; Nutrition</b>	09-CEF-49	\$696,784	\$10,026,000	500,000 children under age 5 were targeted	Improved treatment of major child-killer diseases (diarrhoea & pneumonia) in all Ri and county health facilities under five provinces	Total 1,820 essential medicine kits were procured and 500,000 children under age 5 will receive improved treatment through 2,588 health facilities.	CERF funds allowed to procure the total # of essential medicine kits needed for children under age 5	In 2009, a total of 112 project sites were visited by both international and national staff who checked the availability, quantity, quality and timeliness of the supplies, reviewed progress and identified project constraints and monitored end-use supplies .	Boys and girls under age five equally benefited from the project.

Sector/ Cluster	CERF project number and title (If applicable, please provide CAP/Flash Project Code)	Amount disbursed from CERF (US\$)	Total Project Budget (US\$)	Number of Beneficiaries targeted with CERF funding	Expected Results/ Outcomes	Results and improvements for the target beneficiaries	CERF's added value to the project	Monitoring and Evaluation Mechanisms	Gender Equity
<b>Health &amp; Nutrition</b>	09-CEF-15	\$1,101,300	\$10,026,000	500,000 children under age 5 targeted	Improved treatment of infectious/contagious childhood diseases in all health facilities in all five provinces	Total 4,150 essential medicine kits were procured & distributed; 500,000 under age five children received improved treatment through 2,588 health facilities under in all provinces.	CERF funds allowed to procure the total # of essential medicine kits needed for children under age 5	Regular field visits were made by technically qualified international staff as well as national staff to check the availability, quantity, quality and timeliness of the supplies, to review progress , to identify project constraints and to monitor for end-use supplies.	Boys and girls under age 5 equally benefited from the project.
<b>Health &amp; Nutrition</b>	09-CEF-49	\$696,784	\$10,026,000	500,000 children under age 5 were targeted	Improved treatment of major child killer diseases (diarrhoea & pneumonia) in all Ri and county health facilities under five provinces	Total 1,820 essential medicine kits were procured and 500,000 children under age five will receive improved treatment through 2,588 health facilities.	CERF funds allowed to procure the total # of essential medicine kits needed for children under age five	In 2009, a total of 112 project sites were visited by both international and national staff who checked the availability, quantity, quality and timeliness of the supplies, reviewed progress and identified project constraints as well as monitored for end-use supplies.	Boys and girls under age 5 equally benefited from the project..

## **Annex 1: NGOS and CERF Funds Forwarded to Each Implementing NGO Partner**

There were very few opportunities for partnerships with NGOs in the DPRK context

## **Annex 2: Acronyms and Abbreviations**

<b>CFSAM</b>	Crop and Food Security Assessment Mission
<b>CMB</b>	Cereal Milk Blend
<b>CSB</b>	Corn Soya Blend
<b>EMOP</b>	Emergency Operation
<b>FAO</b>	Food and Agriculture Organization
<b>FFCD</b>	Food for Community Development
<b>IFPRI</b>	International Food Policy Research Institute
<b>IMR</b>	Infant Mortality Ratio
<b>LFP</b>	Local Food Production
<b>LOU</b>	Letter of Understanding
<b>MDG</b>	Millennium Development Goal
<b>MICS</b>	Multiple Indicator Cluster Survey
<b>MMR</b>	Maternal Mortality Ratio
<b>NCC</b>	National Coordinating Committee
<b>NFI</b>	Non Food Items
<b>PDC</b>	Public Distribution Center
<b>RMB</b>	Rice Milk Blend
<b>UNDP</b>	United Nations Development Programme
<b>UNFPA</b>	United Nations Population Fund
<b>UNICEF</b>	United Nations Children’s Fund
<b>US\$</b>	United States Dollar
<b>VGf</b>	Vulnerable Group Feeding
<b>WFP</b>	World Food Programme