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PROTRACTED RELIEF AND RECOVERY OPERATION— ETHIOPIA 10362.0

Enabling Livelihood Protection and Promotion

Number of beneficiaries	3.8 million (relief 1.7 million; recovery 2.1 million)
Duration of project	Three years (1 January 2005–31 December 2007)
WFP food tonnage	1,401,743 mt
Cost (United States dollars)	
Total cost to WFP	780,052,528
WFP food cost	368,948,718

NOTE TO THE EXECUTIVE BOARD

This document is submitted for approval by the Executive Board.

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

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EXECUTIVE SUMMARY

Ethiopia is one of the poorest and least developed countries in the world, ranking 169th of 175 countries in the Human Development Index. Food insecurity is predominantly chronic, affecting 10 percent of the population of 72 million. Emergency responses have predominated, accounting for an annual average of 870,000 mt of food aid between 1994 and 2003. In 2003, WFP targeted 4.6 million people out of a record 13 million Ethiopians who required emergency assistance. Emergency response saved millions of lives, but destitution has worsened, people's assets have eroded and vulnerability has increased.

In 2003, the Government, donors, United Nations agencies and non-governmental organizations launched the New Coalition for Food Security, whose goal is to achieve within five years food security for 5 to 6 million chronically food-insecure people and significantly improve food security for an additional 10 million; a productive safety net for 5 to 6 million people is included, starting in January 2005. The main features are multi-annual funding, transition towards cash-based programming, scaled-up public/community works, transfers for health interventions, targeted supplementary feeding, linkages with broader food-security programmes and harmonized budgeting, monitoring and evaluation.

The objectives of the operation are to save lives, protect livelihoods in crisis situations, enhance resilience to shocks and support improved nutrition and health status among children, mothers and other vulnerable people. Relief components include general food distributions and food for assets for food-insecure communities affected by severe unpredictable food shortages. Recovery components include labour-intensive productive assets activities for able-bodied beneficiaries in chronically food-insecure communities and targeted supplementary feeding for vulnerable children and women.

Capacity-building at the institutional and community levels will be a priority. Gender and HIV/AIDS will be mainstreamed. Results-based management processes will be designed with implementing partners, including a monitoring and evaluation system to measure the effectiveness of the WFP support. As the Government's safety-net programme expects to achieve increased food security for the targeted population, WFP will implement exit strategies to move a percentage of the targeted population out of food-based activities.

An average of 387,000 children under 5 and 313,000 pregnant and lactating women will be assisted through targeted supplementary feeding. The total food requirement is 1,401,743 mt – 1,236,407 mt plus a contingency of 165,336 mt. The food cost is US\$368,948,718; the total cost to WFP is US\$780,052,528.

DRAFT DECISION*

The Board approves Ethiopia PRRO 10362.0, "Enabling Livelihood Protection and Promotion" (WFP/EB.3/2004/8-B/4).

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.



CONTEXT AND RATIONALE

Context of the Crisis

1. Ethiopia is one of the poorest and least developed countries in the world, ranking 169th of 175 countries on the United Nations Development Programme (UNDP) Human Development Index and 139th of 144 countries on the UNDP gender-related development index. The population is 72 million (2004¹), of whom millions live in abject poverty. The major poverty indicators reveal significant challenges in achieving sustainable economic and social development.
2. Ethiopia's development indicators are far below the averages for sub-Saharan Africa and least-developed countries in the 2004 UNDP Human Development Report: per capita gross domestic product (GDP) purchasing power parity is US\$810, one of the lowest in the world; the figure for sub-Saharan Africa is US\$1,831. More than 44 percent of the population are undernourished; 47 percent of children under 5 are underweight; 52 percent are stunted. The number of people aged 15 to 49 living with HIV/AIDS is 4.6 million, 6 percent of the population, which is affecting economic development. Life expectancy at birth is 45.5 years. Recurrent drought exacerbates health problems, including micronutrient deficiencies and communicable diseases.
3. Official Development Assistance (ODA) for Ethiopia averaged US\$13/person/year in 1998–2002, compared with US\$23 for sub-Saharan Africa and US\$21 for least-developed countries; 30 percent of ODA has been allocated for humanitarian relief, with only 8 percent for agriculture and 10 percent for transport infrastructure. Over the past seven years, imported food aid accounted for 7 percent annually of cereals for domestic consumption.
4. According to the 1994 population census by the Central Statistical Authority, 84 percent is rural and 16 percent is urban. The annual growth rate is 2.4 percent.² The country is dependent on agriculture, which accounts for 45 percent of GDP; 84 percent of the population earn a living from agricultural activities. Households have small land holdings and crops are almost entirely rain-fed. Crop failure leads to household food deficits.
5. Food insecurity in Ethiopia has become alarming, and coverage in droughts has affected a large proportion of the population. Climate change, poor technology, high population pressure, soil degradation and inadequate nutrition and health all contribute to growing problems of chronic and transitory food insecurity, which is exacerbated by inadequate and inappropriate development investment.

Situation Analysis

6. Ethiopia is a low-income food-deficit country. Chronic food insecurity affects 10 percent of the population; in 2003, a record 13 million Ethiopians required emergency assistance. Even in normal years, many households cannot meet their food needs and rely partly on food aid. In the last ten years, an average 870,000 mt of food aid has been provided annually, primarily through emergency response. Millions of lives have been saved, but destitution has worsened, people's assets have been eroded and vulnerability has increased. Ethiopia has been in a state of near-permanent food crisis for too many years.

¹ UNDP, medium variant projection.

² UNDP, medium variant projection.



7. Household access to food is severely constrained. In chronically food-insecure areas, smallholders typically produce part of their annual cereal requirement and are dependent on the market and emergency assistance for the remainder. There are few off-farm earning opportunities and purchasing power is limited. The sources of food for food-aid beneficiaries³ are domestic production (36 percent), food aid (31 percent), purchases (28 percent) and gifts and loans (5 percent). Women head 25 percent of poor households. Markets function poorly because of inadequate demand, poor information and rudimentary transport infrastructure. Households cope by disinvesting – for example selling assets and animals — exploiting common environmental resources, or migrating in a desperate search for employment.
8. Under-nutrition contributes to 58 percent of deaths among children under 5.⁴ Factors include insufficient nutritious food, poor access to health facilities, inadequate and unclean water, poor maternal and child care, and infectious diseases, particularly malaria and HIV/AIDS. Food insecurity encourages risky behaviour, inadequate nutrition hastens the onset of HIV/AIDS, and the care of patients consequently becomes a debilitating household burden.

Government Recovery Policies and Programmes

9. The reduction of poverty remains the core objective of Ethiopia's Sustainable Development and Poverty Reduction Programme (SDPRP). Food security and agricultural development are priorities. The Millennium Project (MP) will further support Ethiopia's poverty-reduction plans, working towards the Millennium Development Goals (MDGs) by 2015.
10. In mid-2003, the Government initiated the New Coalition for Food Security (NCFS), drafting with donors, United Nations agencies and non-governmental organizations (NGOs) a programme to achieve food security within five years for 5 to 6 million people and significantly improve food security for an additional 10 million food-insecure people. The four pillars are: (i) availability of food, (ii) access to food, (iii) utilization of food and (iv) access to land/resettlement. Indicative pledges of US\$1 billion were made at the Consultative Group Meeting in Addis Ababa in December 2003, including a substantial government contribution.
11. There was agreement that a productive safety net for 5 to 6 million chronically food-insecure people should be designed and implemented as soon as possible. Related features included multi-annual funding, a move towards cash-based programming, scaled-up public/community works, targeted feeding, linkages with broader food-security programmes and a harmonized framework for budgeting, design and monitoring and evaluation (M&E).
12. 2004 has been a transitional year, during which there has been greater collaboration in the design of the safety-net programme. Safety-net implementation will begin by January 2005 at the latest; activities in 2004 will support the agreed directions as much as possible.
13. Subject to multi-agency assessments, joint humanitarian appeals may be issued for food requirements over and above those for the chronically food-insecure population.

³ WFP, *Food Aid Use and Impact Survey*, 2003.

⁴ Ministry of Health, draft National Nutrition Policy Framework, Profiles Analysis 2001.



14. In early 2004, the Government legislated for a major institutional realignment: the Ministry of Agriculture and Rural Development retains responsibility for the Disaster Prevention and Preparedness Commission (DPPC) and has created a Food Security Coordination Bureau (FSCB): DPPC became responsible for emergencies only; FSCB will coordinate all food-security programming, including safety nets.

Rationale

15. The Government, recognizing that meeting annual exigencies with emergency aid is essential but inadequate, has initiated a strategic plan to protect vulnerable food-insecure populations and make possible food-security investments with longer-term productive effects. This programme will provide transfers that focus primarily on community-level investments, protecting chronically vulnerable people from further decline and allowing investment in productive assets to enable participation in development programmes for enhanced food security. Measurable results are expected within three years. Donors and agencies will support the programme jointly in a harmonized planning framework. The programme will address 242 chronically food-insecure districts; WFP will provide a proportion of the resources through food aid.

RELIEF AND RECOVERY STRATEGY

Beneficiary Needs

16. Food and livelihood needs assessments are a regular feature of early-warning and resource programming for chronic and transitory food-insecurity. The work of the safety-net government/donor working group will continue to inform programme implementation, targeting and strategies, including exit from food-based activities.
17. WFP's targeting tool is the chronic vulnerability index (CVI), which helps to identify districts for recovery activities such as safety nets and targeted supplementary feeding. It is supported by rapid rural appraisal (RRA) in recovery areas to establish a baseline for tracking changes. Community-level targeting will be the basis for selecting beneficiaries for assistance.
18. Government-led assessments, CVI and RRAs have confirmed that chronically food-insecure households are resource-poor, have a low asset base and are affected by recurrent droughts and environmental hardships. Women in particular are at higher risk when faced with an external shock. These households require predictable, well-planned assistance to meet their basic food needs.
19. Government-led multi-agency assessments will be carried out at least twice per year in vulnerable districts to identify needs. Households affected by severe temporary food shortages in disaster-affected areas will receive targeted seasonal relief food assistance.
20. Malnutrition among mothers and children is pervasive in chronic and transitory food-insecure populations. All age groups are affected, but those particularly at risk include infants, young children and pregnant and lactating women, requiring supplementary rations of fortified food to meet their increased nutritional requirements.



The Role of Food Aid

21. Relief food will save lives and increase access to food during times of predictable disaster in and outside chronically food-insecure districts. A complete food basket will be distributed to meet urgent household food needs until their own food resources become available.
22. Supplementary food will be crucial in reducing malnutrition and reversing the effects of transitory hunger among mothers and children under 5. It will also support a programme of Enhanced Outreach Strategy for Child Survival Initiatives (EOS/CSI), run by the United Nations Children's Fund (UNICEF) and the Government, with immunization, hygiene, vitamin A and deworming, family planning and health messages, and HIV/AIDS awareness.
23. For chronically food-insecure people, rations will be used to meet household food gaps and prevent negative coping strategies. Food for assets (FFA) will provide a predictable transfer to target food-insecure families, who will carry out community-based labour-intensive activities that protect and create assets and decrease vulnerability to shocks. A food transfer will be provided for those not able to work.
24. The value of the food basket is slightly lower than the average national non-competitive daily labour wage of between Birr6 and Birr8.⁵ This will ensure that only chronically food-insecure households participate. Alpha values for commodities in the food basket range from 0.8 to 1.2.⁶

Intervention Approaches

25. This protracted relief and recovery operation (PRRO) will take over from emergency operation (EMOP) 10030.3, targeting similar beneficiary groups in similar locations.
26. Ethiopia's safety-net programme includes community works and transfers to households that are unable to participate in them. Safety nets are to be expandable: additional food-insecure people can be reached by integrating relief resources into ongoing safety-net activities. This operation will utilize the Government's *Programme Implementation Manual* (PIM) for safety nets. Activities include community works, farm improvement and environmental protection, to be selected by communities and integrated into district-level safety-net plans in line with the Government's focus on decentralization and community empowerment.
27. WFP will incorporate its experience from the country programme of the local level participatory planning approach (LLPPA) and technical standards for asset creation. LLPPA enhances local ownership and management and sustainable use. Activities to promote labour-intensive productive assets (LIPAs) will be based on national work norms and quality standards and will take the ecosystem into account, including people and their economic activities.
28. WFP's Enhanced Commitments to Women will be a guiding principle. Participatory planning and selection of LIPAs will serve the needs of women and improve their position and participation in communities and committees.

⁵ Approximately US\$0.70/US\$0.90. Birr8.63 = US\$1 in July 2004.

⁶ This is the ratio of the local market price to the total cost to WFP of delivery to the locality. Alpha values vary considerably, but a value far below 1.0 suggests a need to consider carefully whether there are feasible alternatives.



29. WFP's approach is to target supplementary feeding in support of health interventions to meet the heightened nutritional needs of children and vulnerable women.

Risk Assessment

30. The following risks are foreseen:
- The Government's safety-net programme assumes that adequate resources are committed on a predictable, multi-annual basis. WFP and donors must identify ways of guaranteeing resources. Support for the safety net from collaborating partners in the form of cash and/or food should be sufficient and timely to meet the needs of areas not being covered by WFP, otherwise the expected outcomes may not occur in the established timeframe, especially phasing out food-based activities.
 - Adequate support for capacity-building is required throughout the programme. Community participatory planning, adequate technical standards and strengthened administrative programming and budgeting skills are all necessary to achieve expected results.
 - PRRO-supported activities must be integrated into regional and district food-security development plans and budgets, otherwise or broader food-security results will be limited.
 - Inter-agency relief contingency plans should be reviewed regularly to anticipate any relief requirements for natural disasters beyond the resources of this PRRO. An EMOP may therefore be required.

Goal and Objectives

31. This operation contributes to the goal of the New Coalition for Food Security in Ethiopia, which is to attain food security for 5 to 6 million chronically food-insecure people and significantly improve food security for an additional 10 million food-insecure people within five years.
32. The main objectives are to: (i) save lives in crisis situations, (ii) protect livelihoods in crisis situations and enhance resilience to shocks and (iii) support the improved nutrition and health status of children, mothers and other vulnerable people.

IMPLEMENTATION PLAN

Major Programme Components

33. The following components constitute the PRRO:
- **protracted relief:** general food distribution and FFA for food-insecure communities affected by severe unpredictable food shortages;
 - **recovery component 1:** effective LIPAs, improved FFA in districts where food insecurity is predictable, undertaken by able-bodied beneficiaries in chronically food-insecure communities; and
 - **recovery component 2:** targeted supplementary feeding for vulnerable children and women.



Beneficiaries, Needs and Food Basket

34. Information on the characteristics of the beneficiary population is based on the WFP Food Aid Use and Impact Survey (FAUIS, 2003). Demographic data on beneficiary households by the main regions is shown in Table 1.

TABLE 1: DEMOGRAPHIC DATA ON BENEFICIARY HOUSEHOLDS BY REGION							
	Afar	Amhara	Oromiya	SNNPR	Somali	Tigray	Total
Rural population 2004 (million)*	1.3	16.4	21.6	12.6	3.4	3.4	59
% women and girls*	47	49	49	50	49	50	49
% children under 5*	15	14	18	14	17	14	15
Households**							
Average size	6.7	5.2	6.2	6.2	6.6	5.3	5.9
% headed by women	17	16	12	14	29	21	17
Average age of head	43	46	44	44	43	51	45
% productive members	46	33	27	32	37	30	33

Sources: *Central Statistics Authority; **FAUIS, 2003.

35. Households headed by women average 17 percent; regions with an above-average proportion, such as Somali, reflect the traditional migration of men with their herds. The average household size of targeted beneficiaries is 5.9 people, which is higher than the national 4.8, indicating that larger and often poorer households are targeted. Households are larger in pastoralist Afar and Somali.
36. Pastoral and agro-pastoral populations are primarily in Afar, Somali and southern Oromiya. Other regions are largely crop-dependent; occupations include food-crop agriculture, mixed agriculture, livestock and domestic and off-farm activities. Among crop-dependent farmers and pastoralists, vulnerable groups include children under 5, pregnant and lactating women, the sick and the elderly.
37. The average number of people in need of food assistance to meet minimum food requirements per year between 1999 and 2004 was 8.3 million. As in previous years, WFP will cover part of the food aid requirements; the remainder will be met by bilateral donations to the government or to NGOs. WFP will therefore aim to cover about 45 percent of the food aid required for protracted relief and recovery, covering 3.8 million beneficiaries.
38. For protracted relief, WFP forecasts that it will cover an average 1.7 million people, fluctuating between 2.4 million and 1 million depending on unpredicted events such as drought. This is a substantial portion of transient relief needs in and outside the districts selected for recovery efforts.
39. For recovery, the number of beneficiaries supported by the LIPA component will average 2.1 million, with a reduction of the caseload through transition from food to cash-based transfers and reduced needs from the impact of LIPAs.



40. In the recovery component, over 50 percent of beneficiaries will be women; 55 percent of the direct and indirect benefits will accrue to women and ease their workload. In each assisted community, vulnerable food-insecure households headed by women will be targeted for recovery assistance throughout the period.
41. Targeted supplementary feeding is estimated to reach an average 387,000 children under 5 and 313,000 pregnant and lactating women. In food-insecure areas targeted for relief distributions or recovery FFA, women and children will be a sub-set rather than additional beneficiaries.
42. Table 2 summarizes the projected number of beneficiaries for 2005–2007. There is provision for a contingency for relief and targeted supplementary feeding in case the numbers of beneficiaries exceed projected requirements.

TABLE 2: PROJECTED BENEFICIARY NUMBERS, 2005–2007				
Beneficiaries	2005	2006	2007	Contingency*
Protracted relief	1 700 000	1 700 000	1 700 000	1 125 000
Recovery – LIPAs	2 100 000	2 100 000	1 800 000	
Subtotal	3 800 000	3 800 000	3 500 000	
Recovery — targeted supplementary feeding	910 513	685 730	503 628	1 092 616

* See Contingency Mechanism, p. 17.

43. The general ration supplies 2,100 kcal/person/day.⁷ The supplementary ration supplies 1,100 kcal/person/day. Beneficiaries receiving general and supplementary rations will therefore receive 3,200 kcal/person/day. The food basket for general ration distribution/FFA and targeted supplementary feeding is shown in Table 3.

⁷ Subject to finalization of the safety-net PIM.



TABLE 3: FOOD BASKET FOR GENERAL RATION DISTRIBUTION/FFA AND TARGETED SUPPLEMENTARY FEEDING					
Food basket	kg/month	g/day	kcal/day	Protein/day (g)	Fat/day (g)
General food distribution and FFA*	15.00	500	1 690	55	15
Cereals					
Pulses	1.50	50	169	11	1
Vegetable oil (Vitamin-A fortified)	0.90	30	266	0	30.0
Iodized salt	0.15	5	-	-	-
Total	17.55	585	2 125	66	46
Targeted supplementary feeding					
Blended food (micronutrient fortified)	6.25	208	790	37.4	12.5
Vegetable oil (Vitamin-A fortified)	0.9	30	266	0	30.0
Total	7.15	238	1 056	37.4	42.5

* Iodized salt for populations at risk of iodine deficiency diseases, as per consultation with the Government's Emergency Nutrition Coordination Unit. UNICEF leads advocacy for general salt iodization.

44. A summary of food requirements by year and activity is shown in Table 4.

TABLE 4: FOOD REQUIREMENTS BY YEAR AND ACTIVITY					
Requirements (mt)	2005	2006	2007	Total	Contingency
Protracted relief	177 775	177 775	177 800	533 349	118 463
Recovery – LIPA	183 003	183 003	156 882	522 889	
Recovery – targeted supplementary feeding	78 122	58 836	43 211	180 169	46 873
Total	438 900	419 614	377 894	1 236 407	165 336

45. Rations are targeted to households rather than communities so that families can control the food. They are distributed monthly for general distributions. For LIPAs, rations will be provided under a government coupon system prior to and on completion of work. Targeted supplementary rations are distributed every three months. Food aid is usually collected at the distribution site by men for 54 percent of households, women for 36 percent and children for 10 percent. Many households send two members to collect rations (FAUIS, 2003).

46. In almost three-quarters of beneficiary households, women are responsible for the utilization of food aid, enhancing its use in domestic consumption for the benefit of children (FAUIS, 2003).



Selection of Activities

⇒ *Protracted relief: general food distribution and FFA*

47. General food distributions will cover requirements for three to nine months per year where communities are affected by unpredictable food shortages. Beneficiaries will participate in FFA activities where capacity exists: able-bodied beneficiaries may implement simple but effective activities. People who are unable to work and unable to rely on family or community assistance may be assisted with free general ration distributions. Eligibility will be assessed in each community.

⇒ *Recovery: LIPAs*

48. LIPAs will use high labour input to construct assets that will provide ongoing returns in the future. Able-bodied beneficiaries will receive food rations for work under national work norms and appropriate technical standards.

49. LIPAs will use the local level participatory planning approach. Local priorities, timing of arrival of resources, capacities, availability of complementary inputs and agro-climatic conditions will influence planning. In areas with inadequate capacity, LIPAs will initially be low-technology and low-risk. LIPAs will take into account needs of women in terms of hours worked and physical capacity.

50. LIPAs will rehabilitate and create environmental and community assets, and promote community-based interventions to assist the most vulnerable, particularly households headed by women. Restoring the natural resource base and building productive capacity among vulnerable groups are investments for food security.

51. The main components of LIPAs are (i) public works such as feeder roads and community water sources, (ii) community works such as irrigation works and measures based on water harvesting, and conservation in degraded watershed areas, (iii) productive innovations such as area closure with agro-forestry and fertility enhancement of degraded land and (iv) land-reclamation works such as dams, checks and replanting gullies.

52. A central objective will be to reduce dependency on food aid. Principal strategies are central decision-making by communities on planning and implementation, technical coherence in intervention design and execution, and management accountability for maintaining the productivity of resulting assets.

53. Additional mechanisms building on community-level self-help and cooperation will be developed, linking food entitlements, labour inputs and community commitments to asset construction. These will be particularly effective in constructing multiple assets for severely constrained households, including those headed by women, and elderly people with no family support.

54. WFP will support a system to enable beneficiaries to redeem their food entitlements at times of increased need; this will be done jointly with partners, mainly for recovery activities.

55. Government policy on safety nets includes provision for transfers to labour-poor households in chronically food-insecure areas who cannot participate in community works.



⇒ *Recovery: Targeted Supplementary Feeding*

56. For targeted supplementary feeding, WFP will follow UNICEF in the execution of EOS/CSI. UNICEF and regional bureaux of health will develop the timetable, select areas, arrange administration, form mobile teams and provide the UNICEF-supported Health Extension Service package. EOS/CSI includes nutrition screening that will identify malnourished children under 5 and pregnant and lactating women.
57. Trained women food-distribution agents from communities will deliver education messages and will receive, store and distribute the food. Where nutrition screening is not possible, supplementary rations may be distributed to particularly vulnerable groups as blanket supplementary feeding.
58. This initiative is operational in the Southern Nations, Nationalities and Peoples (SNNP) region in 2004 and will be expanded to cover other regions between 2005 and 2007.

Activity Approval Mechanism

59. WFP will sign an overall agreement with the Federal Ministry of Finance and Economic Development as the government representative and the Ministry of Agriculture and Rural Development as an executing agency. Performance and workplans will be reviewed annually at the federal level by these ministries and WFP, with coordinating and line-ministry representation from the federal and regional levels. The reviews will be sent to FSCB for M&E of the overall safety-net programme. Preparatory regional reviews of district level performance may also be held if required.
60. Detailed plans of operations, consistent with the Government's PIM, will be prepared through federal and regional consultations with FSCB and implementing partners, with agreements signed with federal and regional authorities as appropriate.
61. Each community will prepare plans for integration into district safety-net plans, approved annually by district authorities. At the community level, annual evaluations and refinements will be incorporated into succeeding district and regional plans.

Institutional Arrangements and Selection of Partners

62. WFP primarily supports Government-led coordination mechanisms and is a member of the following mechanisms:
 - i) the Federal Food Security Steering Committee;
 - ii) the technical working group on design of the safety-net programme;
 - iii) the editorial committee for the joint humanitarian appeal;
 - iv) the Food Aid Task Force, composed of DPPC, WFP, NGOs and food aid donors;
 - v) nutrition working groups: the Multi-Agency Nutrition Task Force, the Health, Population and Nutrition donors' group, the Health Task Force and the National Nutrition Policy Framework Group;
 - vi) the Technical Information Management Exchange (TIME), a coordination group of representatives of DPPC, the ministries of Agriculture, Education, Health and Water Resources, donor representatives, United Nations agencies and NGOs; and
 - vii) the technical committee for the Emergency Food Security Reserve Administration (EFSRA).



63. At the federal level, FSCB will coordinate the safety-net component of the PRRO; DPPC will be responsible for the relief component; coordination between these two institutions is required. A liaison mechanism between FSCB and DPPC will be established and supported by WFP for at least one year. The Ministry of Finance and Economic Development and FSCB will periodically review resource mobilization for the PRRO. WFP activities will be coordinated with all other food supported activities for recovery and relief to ensure similar outcomes. Geographical overlap will be avoided and the same types of rations will be used, following national standards.
64. Regional food-security coordination offices, including DPPC staff, will coordinate the activities. Regional bureaux will manage funds for capacity-building at the regional, district and community levels, and will assist in planning and integration with other food-security initiatives. WFP sub-offices will participate in coordination at the regional level, promoting effective implementation, assisting capacity-building and supporting partnership opportunities. Steps will be taken to ensure that women's participation in FFA activities does not add to their workload.
65. WFP and UNICEF will collaborate in EOS/CSI with the Ministry of Health and DPPC. WFP and UNICEF will continue to support the DPPC Emergency Nutrition Coordination Unit (ENCU) to ensure coordination of nutrition interventions, including standards for rations, intervention modalities and nutritional surveillance.
66. This operation is consistent with the United Nations Development Assistance Framework (UNDAF), particularly the policy dialogue in food security, coordinated humanitarian responses and collaborative programmes. WFP will also seek joint efforts with partners such as the World Bank and FAO on complementary support to food and cash-based interventions and capacity-building. As part of the UNAIDS working group, WFP will ensure complementarities when mainstreaming HIV/AIDS activities into this PRRO.

Capacity-Building

67. **LIPAs.** Further capacity-building is required in districts where some capacity already exists; capacity-building will also be required in districts where relief distributions may be needed. WFP will provide complementary inputs for the community, vehicles and equipment for technical ministries and additional technical training for communities and local staff, estimated at 5,000 field staff and 20,000 community representatives.
68. **Targeted supplementary feeding.** WFP will collaborate with UNICEF in capacity-building for local-government structures, including (i) production of nutrition education materials and ration cards, (ii) training for regional government staff, community leaders and community food-aid agents, estimated at 3,000 leaders and 4,000 agents, and (iii) information and communications technology (ICT) equipment and vehicles for monitoring. WFP will seek funding for ENCU national nutritionists, nutrition field workers, training for 500 government staff, ICT, health-related material and equipment and vehicles.
69. **Household targeting.** National food aid targeting guidelines were developed by DPPC with international partners; training in applying the guidelines continues. Over 100 vulnerable districts remain to be trained, which will involve 6,500 development agents, community leaders and officials for 3,000 peasant associations representing 2 million households. WFP will continue to support training.



70. **HIV/AIDS.** HIV/AIDS will be mainstreamed into all activities. WFP will continue HIV/AIDS awareness training for 3,000 transport workers and will develop a policy to make training mandatory for all transporters. Counterpart training for LIPAs and targeted supplementary feeding will routinely focus on developing community-based capacities in HIV/AIDS prevention and mitigation.
71. **Food management.** WFP trains counterpart staff in logistics and commodity management. Over the three years, training in commodity management at secondary warehouses and at final distribution points (FDPs) is planned for up to 500 counterparts. Improvements in food handling at FDPs will be part of regular WFP field monitoring. There will be continuous training of regional government staff in logistics contracting and management for all PRRO components.

Logistics Arrangements

72. **Loans.** Ethiopia's Emergency Food Security Reserve (EFSR) holds stocks of cereals that can be loaned against a written repayment guarantee from donors. This buffer stock will overcome delays in delivery and distribution of food for in-kind contributions, international purchases and local purchases. It is important that donors agree to use this facility to avoid interruptions in food distributions.
73. **Imported food commodities.** Djibouti will remain the major port for relief food. It can easily handle 5,000 mt per day of food aid. Djibouti and Ethiopia have well-established procedures for shipment processing and customs. Port Sudan, Berbera in Somalia and Mombasa in Kenya offer alternative routes for imports into Ethiopia but are seldom used for relief food.
74. **Local purchases.** Local purchases of food aid commodities, mainly cereals and pulses, can enhance the purchasing power of farmers and reinstate the flow of food from surplus to deficit areas; it reduces transport costs because there is no ocean freight and less inland transport. Between 1996 and 2003, an annual average of 130,000 mt of wheat, sorghum and maize was purchased locally for humanitarian operations. Procurement effected or announced in the early months of the year is more effective at stabilizing prices and benefiting farmers. Blended foods such as corn-soya blend (CSB) may be purchased locally.
75. **Internal transport, storage and handling (ITSH).** With over 400,000 mt of government storage capacity available at strategic locations, there is adequate warehouse space. The Government will remain responsible for primary storage and transport to distribution sites. WFP will reimburse government expenses after the food is handed over under ITSH costs, including inland transport, warehousing, food handling, fumigation, reconditioning and distribution. A coordination system is already in place for WFP, government implementing partners and EFSRA to manage food receipts, dispatches, loan withdrawals and repayments.
76. Because government resources are limited, WFP covers 100 percent of the landside transport, storage and handling (LTSH) costs for imported and locally purchased commodities. LTSH costs are estimated at US\$120/ton; US\$48/ton of this is for the overland section from Djibouti to primary storage locations; the ITSH rate accounts for US\$72/ton. The LTSH budget amounts to US\$169 million, based on the food requirement of 1.4 million mt including contingency.



Monitoring & Evaluation

77. WFP will use the results-based management (RBM) approach. For both relief and recovery, WFP will assist the Government in implementing its system, in collaboration with other stakeholders, including creating a baseline and a logical framework of activities with inputs, outputs, outcomes, related indicators and a monitoring matrix. This system will measure results at each level and report on outputs and outcomes. At the community level, it will be based on a community-based planning and evaluation approach. Results will be disaggregated by gender where appropriate. WFP will have dedicated staff and consultants to ensure adequate capacity for RBM.
78. WFP and counterparts will monitor and evaluate the effectiveness of its support for relief and recovery operations in addition to the Standardized Project Reports. The M&E system will report on the following minimum components:⁸ (i) verification that chronically vulnerable people are being targeted, (ii) timely arrival and utilization of related resource inputs, (iii) evaluation of the efficiency and effectiveness of the interventions, (iv) evaluation of incorporating lessons learned into programme design and implementation, and (v) measurement of impact on people's livelihoods, including graduation from chronic vulnerability.
79. WFP's Commodity Movement, Processing and Analysis System (COMPAS) will be used collaboratively with the Government and other stakeholders for managing food aid logistics. Standard checklists for WFP sub-office monitoring will be developed on the basis of the M&E system, with additional components as required for WFP purposes. WFP will incorporate indicators and monitoring routines as required for reporting WFP corporate priorities such as the Enhanced Commitments to Women and HIV/AIDS.
80. WFP will assist coordination at the zone, regional and federal levels and help line ministries to collect and process summary data, which will be used in assessing programme efficiency and effectiveness and in providing impact information linked to SDPRP.

Security Measures

81. Security is classified at various risk levels in areas where WFP is present. Five regions are fully or partially under United Nations security phase III: Afar, Gambella, Somali and Tigray, and Borena zone in Oromiya. The rest of the country is under phase I.
82. WFP has the largest number of United Nations field staff of any agency in Ethiopia. The country office and sub-offices meet the Minimum Operating Security Standards (MOSS) according to the Office of the United Nations Security Coordinator (UNSECOORD). Maintaining the current security structure at country and sub-office level is essential, including (i) continuous security and communication training, (ii) adequate security guards, (iii) maintenance of safety equipment, (iv) upgrading of facilities and vehicles for compliance, (v) maintaining a vehicle/mission tracking system and a 24-hour communications network with common connectivity and e-mail, (vi) planning relocation/evacuation of staff and (vii) legal advice.
83. UNSECOORD covers the basic costs of a field security officer (FSO) and basic administration. All United Nations agencies must contribute to the United Nations common radio room. WFP deployed a full-time FSO in early 2004.

⁸ Zero Draft, FDRE Safety-Net Programme, May 2004.



Exit Strategy

84. The Government's safety-net programme expects to achieve increased food security for the targeted population within five years. WFP will therefore work towards several exit strategies in coordination with counterparts and partners.
85. One strategy in district food-security programmes and development plans is for WFP to support a raised level of food security for its beneficiaries, thereby eliminating the need for direct food assistance for some beneficiaries. Another is to phase out food in favour of cash-based safety nets when the comparative advantage of food decreases and the advantage of cash increases with the capacity to handle it. This will be possible when district-level development plans are linked to direct budget support for food-security programmes.
86. Targeted supplementary feeding will continue, and may have to be expanded, until the health services are strengthened and household food availability is adequate. WFP will continue to respond to emergency relief needs as they occur.

Contingency Mechanism

87. Ethiopia's recent history has shown wide fluctuations in emergency requirements triggered by droughts; these could exceed the requirements projected in this PRRO.
88. The opportunity to reallocate resources between PRRO components may be limited. If there is widespread drought, requirements in the chronically food-insecure areas are likely to increase, but safety nets should be expandable to cope with such increased needs. A contingency mechanism of 165,336 mt is therefore included in this PRRO to cover a six-month food requirement for 1.12 million people for normal rations and 1.1 million people for supplementary rations. This additional component is under 15 percent of the total cost of the PRRO. The contingency component would be used if contingency plans or government-led multi-agency assessments determined that emergency relief food requirements were (i) beyond the projected requirements of the relief component of this PRRO and (ii) would not be covered by NGOs or bilateral contributions to the government.
89. If emergency requirements were to exceed the contingency component, WFP would propose a budget increase or an ad-hoc emergency operation, depending on the situation.

RECOMMENDATION OF THE EXECUTIVE DIRECTOR

90. The Board is requested to approve Ethiopia PRRO 10362.0 designed to benefit 3.8 million people over three years from 1 January 2005 to 31 December 2007, which requires 1.4 mt of food costing US\$368.9 million; the cost to WFP is US\$780.0 million.



ANNEX I

PROJECT COST BREAKDOWN			
	Quantity (mt)	Average cost per mt	Value (US\$)
WFP COSTS			
A. Direct operational costs			
Commodity*			
– Cereals	1 010 250	179	180 834 750
– Pulses	101 025	410	41 420 250
– Vegetable oil	89 194	871	77 687 974
– Iodized salt	2 810	20	337 200
– Blended food	198 464	346	68 668 544
Total commodities	1 401 743		368 948 718
External transport			141 671 502
Landside transport			100 890 452
Subtotal for ITSH			67 795 300
Total LTSH			168 685 752
Other direct operational costs			14 690 930
Total direct operational costs			693 996 902
B. Direct support costs (see Annex II for details)			
Total direct support costs			35 024 152
TOTAL WFP COSTS**			729 021 054

* This is a national food basket used for budgeting and approval purposes. The contents may vary over time.

** Indirect support costs at 7 percent of US\$51,031,474 are not included in the total.



ANNEX II

DIRECT SUPPORT REQUIREMENTS (US\$)	
Staff	
International professional staff	10 213 080
International general service staff	800 640
National professional Staff	486 000
National general service staff	5 882 400
Temporary assistance	422 767
Overtime	67 000
Incentives	236 900
International consultants	510 000
National consultants	467 401
United Nations volunteers	1 279 200
Staff duty travel	2 018 900
Staff training and development	742 500
Subtotal	23 126 788
Office expenses and other recurrent costs	
Rental of facility	1 112 000
Utilities (general)	166 800
Office supplies	1 295 000
Communication and IT services	1 916 886
Insurance	1 829 278
Equipment repair and maintenance	183 200
Vehicle maintenance and running costs	1 902 200
United Nations organizations services – WFP's share of common United Nations costs in Nairobi	370 200
Other office expenses	1 107 600
Subtotal	9 883 164
Equipment and other fixed costs	
Furniture, tools and equipment	282 400
Vehicles	1 160 000
TC/IT equipment	571 800
Subtotal	2 014 200
TOTAL DIRECT SUPPORT COSTS	35 024 152



ANNEX III: LOGICAL FRAMEWORK SUMMARY — ETHIOPIA PRRO 10362.0

Hierarchy of results	Objectively verifiable indicators (OVIs)	Assumptions
Overall goal		
PRRO contributes to attainment of food security for 5 million chronically food-insecure people in five years.*	<p>Proportion of food-insecure areas and populations graduating out of food insecurity.</p> <p>% of population in food-insecure areas meeting minimum calorie consumption level of 2,100kcal/day/person.</p>	<p>Level of resources provided by the Government and the other implementing partners guarantees complementary interventions.</p> <p>No major epidemics that are beyond the control of stakeholders occur.</p>
<p>Outcome 1</p> <p>Prevalence of acute malnutrition among beneficiaries reduced and/or stabilized through access to food.</p>	<p>Prevalence of acute malnutrition among under-5s, by gender.</p> <p>Infant and under-5 mortality rate, by gender.</p> <p>Proportion of people meeting their short-term food needs compared to the total of chronically-food insecure people.</p>	<p>Appropriate water and health interventions are implemented by other partners.</p> <p>Food reaches households and is consumed, not sold.</p> <p>Nutritional surveillance capacity is adequate.</p>
<p>Outcome 2</p> <p>Increased ability of communities and households in chronic food-insecure areas to protect livelihoods and enhance resilience to shocks through building productive asset.</p>	<p>Proportion of household expenditures devoted to food.</p> <p>Perception of target groups on development of positive coping strategies.</p> <p>Proportion of targeted households using measures as learned in the project training, by gender of household heads and training category.</p> <p>Number and/or % of households that received WFP resources and that created, maintained and retained assets, by gender and type.</p> <p>Proportion of households managing and benefiting from improved agricultural practices, by gender and type.</p>	<p>Adequate counterpart funding through ODOC allows for successful capacity-building.</p> <p>Government policy of environmental rehabilitation continues to be favourable for investment in land rehabilitation and productivity enhancement.</p>



* PRRO contributes to the goal of the National Coalition on Food Security in Ethiopia – reduction in food insecurity faced by vulnerable households by attaining food security for 5 million chronically food-insecure people and significantly improving and sustaining the overall food security of an additional 10 million food-insecure people within five years.

ANNEX III: LOGICAL FRAMEWORK SUMMARY — ETHIOPIA PRRO 10362.0

Hierarchy of results	Objectively verifiable indicators (OVIs)	Assumptions
<p>Outcome 3</p> <p>Nutrition and health status of children, mothers and other vulnerable people improved.</p>	<p>Prevalence of acute malnutrition among children under 5, by gender.</p> <p>Prevalence of acute malnutrition among women – BMI less than 18.5.</p> <p>Infant and under-5 mortality rate, by gender.</p>	<p>Appropriate water and health interventions implemented by other partners.</p> <p>NGOs have sufficient resources to carry out surveys.</p>
<p>Output 1.1</p> <p>Unpredicted acutely food-insecure beneficiaries received general relief food on time as free relief or exchange for communal/public works</p> <p><i>(Relief component)</i></p>	<p>Number of beneficiaries receiving general relief ration, by gender and level of participation in FFA.</p> <p>Quantity of general relief food distributed, by commodity, region, gender, vulnerability and time.</p> <p>Size of ration received against planned; a standard relief ration will be composed of 15 kg cereal, 1.5 kg pulses and 0.90 kg oil per person per month.</p>	<p>Sufficient resources are secured by bilaterals, NGOs and the Government to meet the food requirements of the unpredicted acutely food-insecure population not covered by WFP.</p> <p>Community-level targeting is adequate.</p>
<p>Output 2.1</p> <p>Target beneficiaries participate in food-supported LIPAs such as land productivity and environmental rehabilitation.</p> <p><i>(Recovery)</i></p>	<p>Number of beneficiaries participating in asset and income-generating activities, by activity types and gender.</p> <p>Number of communities implementing communal/public works as per LLPPA plans and standards, by type of assets created and/or maintained.</p> <p>Number of households received training, by gender and training type.</p> <p>Number of beneficiaries receiving food assistance for participation in LIPAs, by gender, age and commodity type.</p> <p>Quantity of food distribution, by commodity, region, gender, vulnerability and time.</p>	<p>The ongoing civil service reform encourages staff to remain in their positions during the life of the project.</p> <p>Sufficient implementing partner capacity to organise and manage effective food for assets/LIPAs maintained.</p>
<p>Output 2.2</p> <p>Transition from food to cash-based transfers took place in selected <i>woredas</i> (administrative districts), areas or communities.</p> <p><i>(Recovery)</i></p>	<p>Number of food-insecure <i>woredas</i>, areas or communities that have transferred from food to cash-based resources.</p> <p>Proportion of cash resources compared to food resources.</p>	<p>Other development partners come with cash based resources.</p> <p>Infrastructure and market situations allow availability of food in the local markets.</p>

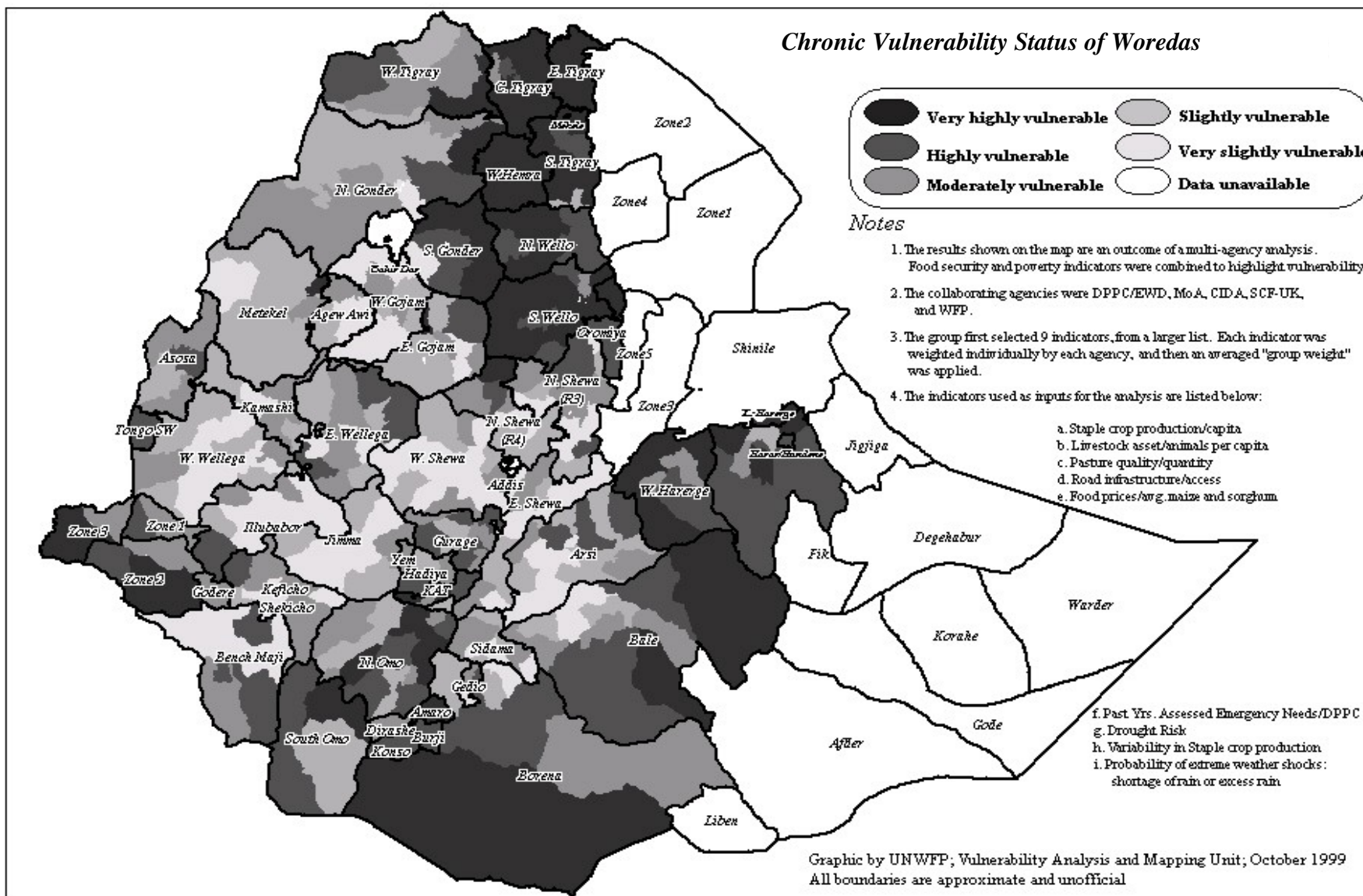


ANNEX III: LOGICAL FRAMEWORK SUMMARY — ETHIOPIA PRRO 10362.0

Hierarchy of results	Objectively verifiable indicators (OVIs)	Assumptions
<p>Output 3.1**</p> <p>Participation of target populations – children, mothers, the disabled and the elderly – in food-supported nutrition and health interventions enhanced.</p> <p><i>(Relief, recovery)</i></p>	<p>Number of children reached through food-supported nutrition and health interventions.</p> <p>Number of pregnant and lactating women reached through food-supported nutrition interventions.</p> <p>Quantity of fortified food delivered and proportion received by the targeted beneficiaries.</p> <p>Percentage of micronutrient-fortified food delivered through WFP-supported nutrition interventions.</p>	<p>UNICEF receives sufficient resources to carry out vaccinations, health and environmental sanitation, soap distribution and monitoring, and to increase its outreach from SNNP region to other regions.</p> <p>Ministry of Health will continue to give sufficient attention and resources.</p>



** This output is also a means for Outcome 1 as well.



The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of the World Food Programme (WFP) concerning the legal status of any country, territory, city or area or of its frontiers or boundaries.



ACRONYMS USED IN THE DOCUMENT

COMPAS	Commodity Movement, Processing and Analysis System
CSB	corn-soya blend
CVI	chronic vulnerability index
DPPC	Disaster Prevention and Preparedness Commission
EFSRA	Emergency Food Security Reserve Administration
EMOP	emergency operation
ENCU	Emergency Nutrition Coordination Unit
EOS/CSI	Enhanced Outreach Strategy for Child Survival Initiatives
FAUIS	Food Aid Use and Impact Survey
FDP	final delivery point
FFA	food for assets
FSCB	Food Security Coordination Bureau
FSO	field security officer
GDP	gross domestic product
ICT	information and communications technology
ITSH	internal transport, storage and handling
LIPAs	labour intensive productive assets
LLPPA	Local Level Participatory Planning Approach
LTSH	landside transport, storage and handling
M&E	monitoring and evaluation
MDG	Millennium Development Goal
MOSS	Minimum Operating Security Standards
MP	Millennium Project
NCFS	New Coalition for Food Security
NGO	non-governmental organization
ODA	Official Development Assistance
OVI	objectively verifiable indicator
PIM	Programme Implementation Manual
PRRO	protracted relief and recovery operation
RBM	results-based management
RRA	Rapid Rural Appraisal
SDPRP	Sustainable Development and Poverty Reduction Programme
SNNPR	Southern Nations, Nationalities and People's Region
TIME	Technical Information Management Exchange
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNSECOORD	Office of the United Nations Security Coordinator

