Concept Note:

Linking EU's humanitarian and development interventions in the context of resilience building: The case of Ethiopia

EU RESET Programme

(EU - Resilience Building in Ethiopia)

Draft 29 October 2014

ECHO-ETHIOPIA / EU DELEGATION TO ETHIOPIA

1. Summary:

The EU **RES**ilience building program in **ET**hiopia (RESET) is an innovative initiative that brings together at operational level ECHO and the EU Delegation in Ethiopia in a tangible LRRD ([1]) process.

The approach is based on the premise that chronic humanitarian and longer term needs and recurrent food insecurity, mainly - but not only - caused by drought can be more efficiently addressed via a longer term resilience approach, linking humanitarian and development actions, than via short term reactive rapid response actions and disconnected development activities.

The strategy consists of an integrated approach where different partners - working in close coordination - implement a multi-sectoral resilience program together with the local authorities in a defined geographic area. These areas (currently 8) are called "clusters of woredas" ([2]) and were selected on the basis of their repeated vulnerability. Its demarcation mainly depends on homogeneity of the food and nutrition security levels or the livelihoods and agro-ecological diversity.

This concept is based on 4 cornerstones for building resilience:
- Improving the provision of basic services (health, wash, nutrition, etc.)
- Support to livelihoods
- Safety Nets
- Disaster Risk Reduction

These pillars are complemented by other areas of support such as: natural resource management, sustainable land management, climate change adaptation and social protection.

For each cluster ECHO and DEVCO embark on a joint analysis and needs assessment, a joint strategy and a joint action framework for each of the clusters. However, the different interventions are funded on the basis of a Division of Labour between ECHO and DEVCO.

In order to ensure consistence with the long term dimension of the chronic needs in the chosen clusters, the strategy and response of ECHO and DEVCO is based on a mid-long-term perspective. Both will combine different financial instruments to ensure continuity in the clusters of intervention. However, the definition of "Entry criteria" and "Exit criteria" (different for ECHO and DEVCO) will allow to determine the duration of the support.

The activities are mainly implemented by consortia of NGOs offering an integrated approach across sectors and benefiting from the different expertise.

The partnership with the local authorities as well as UN agencies or other partners intervening in the area is an essential part of the approach. RESET aims at complementing or even integrating some of its activities into the major resilience programs such as e.g. the Productive Safety Net Program in Ethiopia. In this sense, the livelihoods component of RESET will be part of PSNP in the clusters of intervention. Coordination with other initiatives being implemented in the clusters is ensured at the different stages of the cluster cycle.

In conclusion: RESET proposes a concrete, operational, sustainable and bottom-up solution to the concept of resilience building in Ethiopia.

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[1] Linking Relief , Rehabilitation and Development
[2] Districts in Ethiopian administration

2. Context

- ### *Why do we need to build resilience in Ethiopia?*

Over the past decade, Ethiopia has experienced significant economic growth and progress toward Millennium Development Goals (MDGs). Ethiopia's annual GDP growth averaged 10.3% between 2004 and 2012 (official government sources), a period that also corresponded to an impressive decrease in poverty rates: in 2004, 38.9% of the population lived below the national poverty line ($0.60 per day); in 2012, this figure was down to 29.6%. Ethiopia has enjoyed a steady increase in life expectancy during this timeframe, from 55.6 years in 2004 to 62.2 years in 2012. The country is expected to reach its MDGs related to gender parity in primary education, child mortality, HIV/AIDS, and malaria, and has also made significant strides towards reducing child malnutrition, and improving primary school enrolment and completion.([3])

However, poverty, malnutrition and vulnerability to crises remain high. Although the poverty rate decreased by over nine percentage points during the nine-year period between 2004 and 2012, this period also saw high population growth (74 million in 2004 to 91.7 million in 2012). As a result, the total number of people in poverty has decreased only slightly, from 28.8 million in 2004 to **27.1 million in 2012**. Moreover, malnutrition has decreased but remains high, with 44.4% of children stunted, 28.7% of children underweight and 9.7% of children wasted; and 27% of women underweight. 29% of the population are absolute poor ([4]), but an estimated 43% (46% of the rural population) are vulnerable to absolute poverty. Furthermore, although the Productive Safety Net Programme (PSNP – see information box page 19) has provided an important safety net for many poor rural households, **nearly half (12.2 million) of the 27 million identified as vulnerable to absolute poverty live in areas not covered by transfers from the PSNP.** This is due to the fact that much of this vulnerability is determined not by geography only but also by individual access to assets, lifecycle events and other factors. For example, looking at Ethiopia's susceptibility to shocks, we see that the majority of years in which negative economic growth was experienced the country experienced some kind of shock, most commonly droughts but also conflicts. Household surveys show that many households living in food insecurity point to specific large-scale crisis events as being the cause for their current circumstance. Poor households are more risk prone, both because they often live in marginal environments and also because they are less able to cope with shocks when they occur. They are also poor because they are risk prone and more likely to be in debt as a consequence of an emergency or crisis.

The acute food and nutrition crisis of 2011-2012 is a stark reminder of the depth of vulnerability that still exists. Ethiopia's swift response to the crisis, using new contingency instruments like the launching of the Risk Financing Mechanism (RFM) within the PSNP and a very effective Humanitarian Requirements Document (HRD) were able to mitigate the worst outcomes, but significant work

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[3] MoFED, 2012, Assessing Progress Towards the Millennium Development Goals: Ethiopia MDG's Report 2012

[4] **Absolute poverty:** "a condition characterized by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information". It depends not only on income but also on access to services. Currently, extreme poverty widely refers to earning below the international poverty line of a $1.25/day (in 2005 prices), set by the World Bank.

remains to be done in order to strengthen the architecture to harmonize humanitarian and development interventions, and to improve and consolidate food and nutrition security outcomes.

To deal with the vulnerabilities and root causes of crises has now become the priority rather than dealing only with their consequences. ECHO and DEVCO are now increasingly engaged in a joint action to enhance the ability of individuals, households and communities to absorb and recover from drought or any other shocks in Ethiopia. The ultimate goal is to build resilience to reduce humanitarian needs and underpin more equitable and sustainable development gains.

- *Policy and legal framework for resilience*

At Regional (Horn of Africa) level, the Intergovernmental Authority on Development (IGAD) council of Ministers and Development Partners launched in April 2012 the 'Global Alliance on Drought Resilience and Growth". Following below-average 2011 spring rains in the eastern Horn of Africa (HoA), widely regarded as the worst in 60 years, IGAD put in place the Drought Disaster Resilience and Sustainability Initiative (IDDRSI) as a framework to provide a roadmap for ending drought emergencies in the IGAD region.

At the national level, also in 2012 the Government of Ethiopia (GoE) through the Ministry of Agriculture (MoA) and based on the IDDRSI framework developed its own Country Program Paper (CPP) as the strategy and framework for resilience initiatives and actions in Ethiopia. This paper has 6 components namely; 1: Natural Resources Management; 2: Market and Trade Access; 3: Livelihood and Basic Services Support; 4: Pastoral Disaster Risk Management; 5: Research and Knowledge Management and 6: Conflict Prevention, Management and Peace Building. Therefore the CPP is the GoE strategy and framework developed for the resilience interventions in the country.

The CCP is also in line with the GoE's current Growth and Transformation Plan (GTP) which aims at enhancing productivity and production of smallholder farmers and pastoralists; strengthen marketing systems; improve participation and engagement of the private sector; expand the amount of land under irrigation; and reduce the number of chronically food insecure households.

The more specific policies upholding these objectives are:

- The National Policy and Strategy on Disaster Risk management (DRM)

- The National Nutrition Programme (NNP)

- The Climate-Resilient Green Economy (CRGE)

- The Social Protection Policy

From the side of the EU, in October 2012, the Commission presented its Communication ([5]) 'The EU Approach to Resilience - Learning from Food Security Crises' to confirm its strong commitment to building resilience in crisis-prone countries. The document underlines that increasing resilience is a central aim of the European Union's external assistance: "The EU approach to resilience: learning from food security crises" states: "The Commission will systematically include resilience as an element in its Humanitarian Implementation Plans. The Commission will moreover strive for joint programming of

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[5] http://ec.europa.eu/europeaid/what/food-security/documents/20121003-comm_en.pdf . The Resilience Communication was adopted in October 2012 and followed by Council Conclusions adopted on 28 May 2013

the resilience-related actions in its humanitarian and development assistance so as to ensure maximum complementarity, and to ensure that short-term actions lay the groundwork for medium and long-term interventions."

The 'Action Plan ([6]) for Resilience in Crisis Prone Countries 2013-2020' operationalizes the Communication and sets the ways forward for a more effective EU collaborative action on building resilience, bringing together humanitarian action, long-term development cooperation and on-going political engagement.

This EU approach adds value to the already existing EU commitments to risk management and resilience, including initiatives on disaster risk reduction, climate change adaptation, social protection, nutrition and food security. It will ensure that different sectors complement and work better together towards the shared goals of reducing poverty and humanitarian needs. This resilience approach will be factored into all EU development and humanitarian assistance.

During 2013, DG ECHO also presented a policy document on Disaster Risk Reduction: Increasing Resilience by reducing disaster risk in humanitarian action.

More specifically, one of the specific objectives of the "Sustainable agriculture and food security" focal sector of the 11th EDF for Ethiopia (2014-2020) is to "Improve resilience and long-term nutrition, including through LRRD and safety net/social protection approaches". Under this objective ([7]) the EU has foreseen a support for PSNP and for RESET. These interventions will be complemented by those foreseen under other focal areas of the 11th EDF (health and transition from transport to energy) and other axes of the sustainable agriculture and food security (agricultural growth and natural resources).

3. Basic description of the programme

The general objective of the EU RESET programme is to build the resilience and expand the coping capacities of the most vulnerable population in specifically selected areas (clusters of woredas) which are known to be drought prone and food insecure.

The programme aims also at establishing a broader transformative capacity to absorb repetitive crises in a more effective and less damaging way in specifically selected areas.

This new strategy for drought response is based on an overall shift in policy in the EU in food insecure areas, where both humanitarian and development departments are encouraged to engage pro-actively in joint programming to increase the resilience of the most vulnerable populations.

ECHO and the EU Delegation in Ethiopia believe that the EU RESET approach provides a **concrete and operational solution to** the idea of **resilience building**, which otherwise often stays at the "conceptual" level. The success of the model over the coming years in Ethiopia could encourage replication in other countries.

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[6] http://ec.europa.eu/echo/files/policies/resilience/com_2013_227_ap_crisis_prone_countries_en.pdf

[7] € 110 million allocated

How we understand the concept of Resilience:

While many definitions for the concept of resilience have been proposed, there is still a wide interpretation of what resilience building actually means in concrete and operational terms.

Resilience building involves multilevel and multi-sector interventions that are different from the sum of "classic" development/humanitarian interventions. This implies a.o. that:

- an in-depth understanding of the underlying causes of vulnerability is obtained, including by developing a risk and vulnerability profile, for which a specific methodology should be jointly developed by ECHO and DEVCO (HQ level);

- multi-level, multi-sector and multi-actor coordination structures are developed;

- a sufficiently long-term perspective is applied by both humanitarian and development actors together;

- activities transcend sectoral boundaries and consistently incorporate a 'resilience lens' , looking at root causes of malnutrition and food insecurity;

- ownership from government, local authorities and local communities is ensured

For the EU in Ethiopia, the four main cornerstones of a more global resilience building framework encompass **Disaster Risk Management, Livelihood building, strengthening basic social services and increasing access to safety nets**.
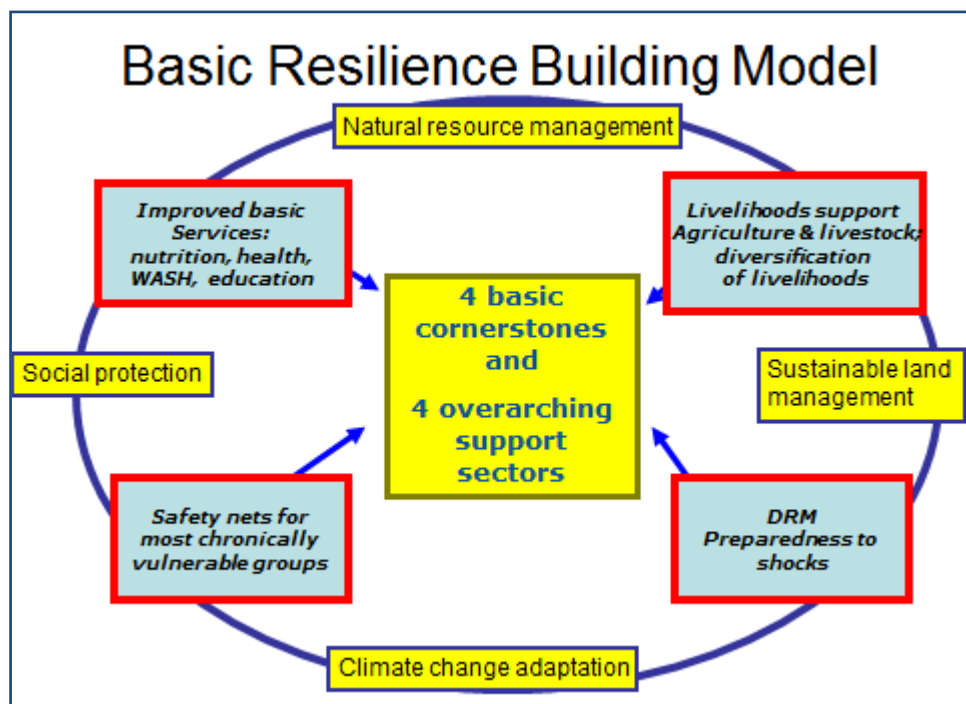
In practice: building resilience in selected clusters of districts as an LRRD process

In Ethiopia, the main concern is to build the resilience of the most vulnerable people and communities to the impacts of shocks, in particular drought and food price spikes. Key outcomes or characteristics of resilient communities include food, nutrition and environmental security. Reducing the prevalence of under-nutrition (chronic and acute) and diminishing its seasonal variation and flattening of its peaks is the overall goal of all multi-sector, integrated actions.

Both structures of the European Commission (ECHO and DEVCO) finance humanitarian and development activities in the same geographic areas, in so called EU clusters of woredas (districts), and follow a multi-sector approach using nutrition and food insecurity as entry point. The main target group is the most vulnerable part of the population living in areas that are prone to repetitive periods of drought (or other natural disasters).

Different financing tools are used such as the ECHO HIP (Humanitarian Implementation Plan), the SHARE programme under 10th EDF [(8)], and later on the 11th EDF [(9)] to build up over the coming 5 to 7 years the coping capacities of the population.

Joint context and risks analysis, mapping, cluster strategy development, joint action framework and coordination frameworks within each of the clusters are essential parts of the concept. (See point 7)

As resources are limited, the EU is following a geographically focused approach whereby currently 8 clusters of districts (woredas) in highly food insecure and drought prone areas have been identified. The 8 clusters cover 34 districts and more than 2.5 million people spread across 5 regions. The clusters are composed of a minimum of 2 woredas and a maximum of 6 woredas.

The selection of these clusters was based on:

- Areas where the EU (ECHO or DEVCO) has been repeatedly responding in emergency mode through its partners i.e. areas which experience recurrent droughts and nutrition related emergencies;

- Areas that present historic needs over the last 20 to 30 years and where the humanitarian community has repeatedly launched humanitarian response programmes in the recent past;

- Areas with homogeneity of livelihoods features so that a common strategy can be developed for the entire area of the cluster

Since 2012, ECHO has transformed its DDR programme (on-going since 2006) into a broader resilience programme in selected areas/clusters. Contracts of 18 months with specialised partners were launched within a larger 3 years jointly agreed logical framework.

Since the beginning of 2014, both financing tools (ECHO/HIP and DEVCO/SHARE) are contributing to the overall programme and the selection of geographic clusters as well as the concept has been revised to operate the resilience building programme over the middle to long term (from SHARE into 11th EDF).

In each geographical area, partners are required to collaborate to cover all sectors relevant to under-nutrition and resilience (and not covered by other partners), and maintain close operational coordination. To obtain maximum impact, partners in a certain geographic area are expected to build a common cluster strategy with the local authorities with a common 6 years joint action framework so that the cumulative effects of their efforts contribute towards a pre-set, joint, middle term objective. This strategy will be revised at mid-term stage (in fact two periods of 3 years).

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[8] SHARE: Supporting the Horn of Africa's Resilience (10th EDF)

[9] 11th EDF: European Development Fund (2014 – 2020)

An indicative timetable can be as follows:

- With a progressively decreasing ECHO budget and a progressively increasing DEVCO budget (SHARE and EDF 11)

- The starting point of the six year period (for longer term planning) varies from cluster to cluster.

	2012	2013	2014	2015	2016	2017	2018	2019
ECHO	Subject to exit criteria							
IFS ([10])								
SHARE EDF 10								
EDF 11								
			RESET programme					

In areas and in times where the approach mainly focuses on resilience building, partners are encouraged to mainstream DRR activities but also to maintain an emergency response capacity to tackle any emergencies that may arise using a crisis modifier, inherent in the programme budget or from other emergency response budgets within ECHO or DEVCO. This crisis modifier will be part of the cluster strategy.

What is new in this approach?

- Solid preparatory joint assessment and analysis within the cluster of woredas leading to a common strategic framework and programme design.

- A shift from reacting to repetitive emerging crises which produced a stop-go strategy, to a more cost efficient middle term commitment over a number of years to build up resilience and coping capacities of the most vulnerable populations in drought prone communities.

- The presence and action of a group of humanitarian and development partners working closely with the local authorities in critical areas. This provides an enormous advantage when the next episode of drought occurs by reducing the exposure to risks through DRR measures and improving DRM capacity, such as having available immediately (or even before drought occurs) human resources, emergency stocks, knowledge and understanding of the area, established contacts with authorities and communities, etc. This allows nipping in the bud the effects of the imminent drought.

- A multi-sector, integrated approach with as entry points nutrition and food security but also covering other aspects of resilience building (see 4 cornerstones above). The multi-causal characteristic of under-nutrition is thus respected.

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[10] Instrument for Stability

- Geographic focusing on the same specific vulnerable areas where joint implementation between ECHO and DEVCO is strongly promoted.

- Genuine joint cluster strategy between ECHO and DEVCO bringing in the comparative advantages of both.

- Strong coordination and interaction among humanitarian partners and between these partners and the development partners working in the cluster to identify the gaps (to be analyzed during the situation analysis and the designing of the cluster strategy) and the potential synergies during implementation. The concept of "Partners" means in this context the relevant authorities, implementing partners and donors.

4. Basic cornerstones and Division of tasks between ECHO and DEVCO

The Ethiopia programme defines 4 basic cornerstones (see diagram above) to build resilience:

1. Improving the provision of basic social services, mainly health, water/sanitation and hygiene and nutrition;

2. Supporting livelihoods (mainly agriculture and livestock in Ethiopia) but also promoting and supporting alternative livelihoods (off farm and labour based) linked to the HABP (Household Assets Building Programme);

3. Disaster Risk Management and preparedness to shocks;

4. Strong link to safety net programmes, such as the PSNP – Productive Safety Net Programme in Ethiopia.

By themselves, the four cornerstones cannot come to full fruition if only approached in the short term and without the support from broader development activities. Parallel domains are defined de facto when the development dimension is added, mostly within the livelihoods cornerstone: e.g. more income generating activities, broader nutrition sensitive interventions, more investment in rural infrastructure, structural investment in agricultural growth programmes, livestock support programmes, market access and trade, irrigation, etc. Crucial is also the gradual progression from safety nets to fully developed social protection systems and sustainable livelihoods. Also additional aspects such as natural resources and sustainable land management and climate change related issues are added in the middle/long term.

The division of labour between ECHO as a humanitarian donor and DEVCO as a development donor is crucial and its respective comparative advantages are defined in the context of resilience building, while respecting the different mandates. Simultaneous involvement of both the humanitarian and the development side of the EU, reflecting identified needs, is a prerogative for a functioning LRRD resilience strategy.

The division of tasks are informed by the nature of the activity, the urgency of the activity versus the need for sustainability of the result, and by the aid modality (the way it is implemented).

General criteria for this division between development activities and humanitarian activities could be identified as follows:

- Systems versus individuals and households/communities

- Central level and regional level versus decentralized level (policy dialogue)

- Development and long term vision versus urgent and short term vision

- Policy work and capacity building/institution building versus community participatory initiatives

- Sustainability of the impact

Clear cut division could already be identified for certain domains:

- Natural Resources Management, Climate Change Adaptation and Sustainable Land Management, Disaster Risk Reduction (more on the DEV side)

- Disaster Risk Management (in particular the Emergency Preparedness & Response aspect), crisis modifier ([11]), (more on the humanitarian side)

5. Geographic scope of the clusters

The main criterion of selection for the geographic clusters is the level of vulnerability of the population living there. The geographical coverage of RESET needs to be flexible and dynamic in order to respond to the needs in the different areas.

Geographic scope

The definition of the specific geographical cluster demarcation of a cluster aims at assuring coherence and homogeneity in terms of:

- food and nutrition security levels
- livelihood and agro-ecological diversity
- vulnerability to specific risks

The correspondence of the demarcation of the cluster with the administrative boundaries at Zone level would facilitate the dialogue and collaboration with the local authorities at zone level. This would be the ideal demarcation for a cluster. However, it is often difficult to stick to that administrative delimitation as the above mentioned criteria should also be applied. Therefore, a flexible and pragmatic approach, based on the specific characteristic (role of the zonal authorities in the area, diversity of needs, etc.) of each cluster is required. Overall, the aim should be to keep the cluster within a single zone.

The maximum size of a cluster should also take into account the availability of funds to guarantee a sufficient impact per woreda.

Entry criteria

The current RESET approach started with ECHO interventions. The existing clusters were initially selected by ECHO on the basis of:

- Short term nutritional vulnerability;

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[11] The crisis modifier is also to be included on the development side as it forms an essential part of the broader transformative capacity to absorb repetitive crises in a more effective and less damaging way.

- Evidence based long term food insecurity (chronic food insecurity);
- Evidence based vulnerability to crises requiring emergency intervention.

Taking into account the current availability of resources and the need to strengthen, sustain and consolidate the existing clusters of intervention, no new clusters are expected to be opened in the short term.

However, the selection of new clusters of intervention in the future should be based on specific entry criteria that might take into account aspects such as:

- Levels of malnutrition: stunting and wasting;
- Long-term food insecurity;
- Proneness to drought and natural disasters;
- High level of competition for natural resources;
- Economic potential of the area;
- Etc.

Exit criteria

The commitment of the EU within a cluster is for the mid-long term. Nevertheless, the support should only stay as long as the needs exist.

The needs in humanitarian and in development terms follow different cycles and so should the response to those needs (see the graph below). Hence, it is expected that in a certain phase of the cluster cycle the humanitarian activities are not necessary any more, while the development interventions would still be required. Similarly, it can be envisaged that humanitarian assistance is at a certain point needed again in addition to the development intervention when an acute crisis occurs in the cluster area.
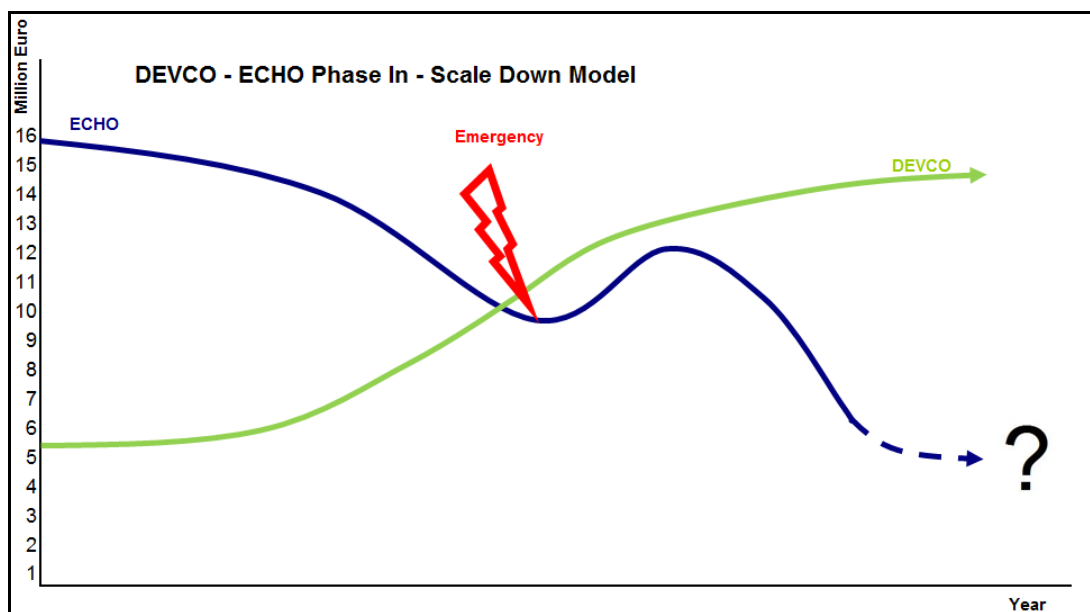

As time progresses, the optimal evolution would in theory mean that less assistance is needed in core humanitarian domains such as nutrition and health, whereas stronger focus is put on sectors such as livelihood and water & sanitation – areas of intervention where the development assistance also has a mandate to scale up activities with time.

This implies that certain exit criteria, different for ECHO and for DEVCO, should be defined and followed up regularly.

Some of the following indicators will inspire the specific definition of the exit criteria that could trigger an exit strategy for ECHO or DEVCO at cluster level:

- Nutritional situation (stunting and wasting);
- Resilience indicators currently under development by different institutions and research centers;
- Evolution of the livelihood assets;
- PSNP graduation criteria;
- Local capacity to respond to shocks and presence of basic services
- Likelihood of emergence of acute shocks.

6. Cluster programme design process
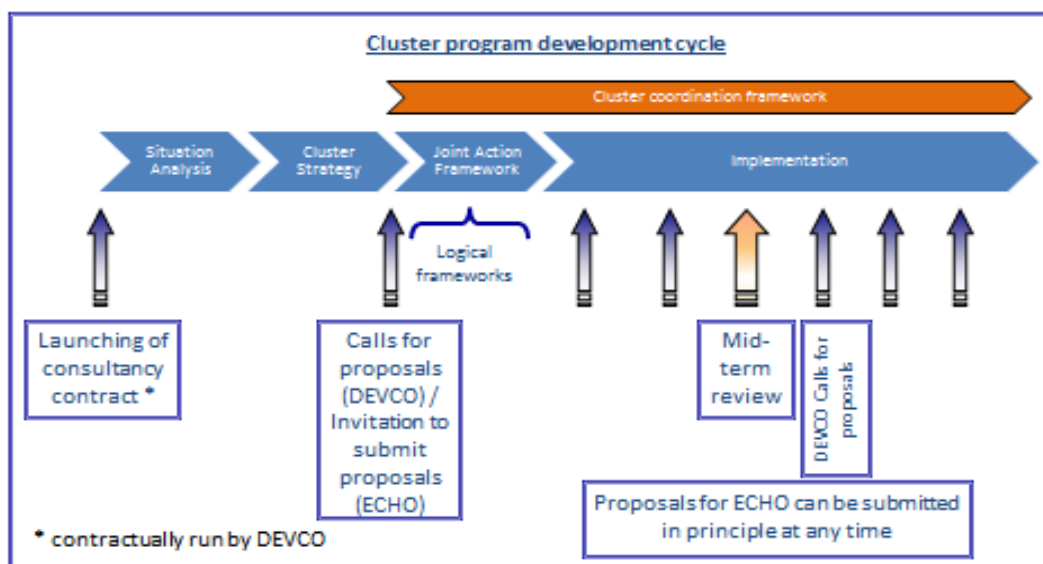
Once a geographical cluster has been identified through the entry criteria, the programme design for that cluster will entail different phases:

Situation analysis

Each cluster will be subject to a thorough Situation Analysis that will include:

- **Context analysis**: socioeconomic, ecological and cultural analysis of the cluster. Trends and dynamics;
- **Analysis of the economic potential** of the cluster;
- **Livelihood Analysis**: identifying the livelihoods characteristics across different wealth groups;
- Analysis of the level of **access and quality to social services** of the most vulnerable population;
- **Wealth and household profiling and analysis;**
- **Nutrition situation and causal analysis;**

- **Risk analysis:** exposure to shocks, analysis of vulnerabilities, coping and adaptive capacities, contingency planning requirements;
- **Mapping** of on-going and planned **interventions and actors** in the cluster (flagship programs, NGOs and programs operating in the area, etc.): 3 W analysis
- **Gap/duplication analysis**
- **Analysis of potential links/ synergies with other interventions** in the area

The situation analysis is carried out by an independent partner (consultancy company, University, etc.) under contract launched by the EU Delegation to Ethiopia in cooperation with ECHO and which will not participate in the implementation process, to avoid conflicts of interest. This partner is expected to bring an external perspective to the problems and challenges of the cluster and make the links with "the wider picture" beyond the cluster.

In addition to the above, ECHO interventions must continuously remain needs based and thus the needs analysis must be considered always up to date, i.e. covering a shorter time-frame than every 3-4 years. This regular adjustment is expected to be done by the ECHO implementing partners in the framework of their contracts with ECHO.

In the situation analysis the following partners are expected to be consulted or actively participate:

- Local authorities at the level of region, zone, woreda, kebele.
- NGOs present in the cluster.
- UN agencies (UNICEF, WFP, FAO, UNDP, etc.).
- Other donors and implementing partners present in the area.
- ECHO-Ethiopia & EU Delegation to Ethiopia.

Cluster Strategy

The same partner who has carried out the Situation analysis, will, on the basis of that document, lead the discussions and be responsible for drafting the strategy for the cluster.

The cluster strategy is intended to define the vision, in terms of EU support to the cluster, for the next 6 years (with ECHO involvement subject to the entry/exit criteria). However, a mid-term review of the strategy after 3 years will be performed.

This assignment should respond to questions like:

- What are the key opportunities that can build resilience (sectors) in the cluster?
- What are the relevant issues that cannot be tackled at cluster level through NGOs and at what level should these be addressed?
- What are the key livelihoods to be supported?
- Definition of target groups
- What is the vision to be achieved in 6 years?
- What links / synergies can be established with other programs in the cluster?
- What indicators can be developed to measure resilience building in the cluster? (including results after 3 and 6 years)

This strategy will include a division of labour between ECHO and DEVCO in terms of "who will finance which interventions".

On the development of the cluster strategy an active participation of the following partners is expected:

- Local authorities at the level of region, zone, woreda, kebele.

- UN agencies (UNICEF, WFP, FAO, UNDP, etc.).
- ECHO-Ethiopia & EU Delegation to Ethiopia.

The NGOs present in the area will be consulted, but much less involved than in the previous phase, in order to avoid a conflict of interest.

The cluster strategy should feed into the overall EU strategy of the country.

Call for proposals and submission of proposals

It is strongly recommended that consortia of NGOs respond to the needs identified in the "Situation Analysis" following the priorities developed in the "Cluster Strategy". For that, the consortia will submit operational proposals respecting the above mentioned framework.

This procedure will be competitive and a formal evaluation of the proposals will take place in order to grant the contract to the best proposal following certain predetermined criteria.

The financial mechanisms of DEVCO and ECHO for funding interventions at cluster level have different modalities:

- DEVCO: call for proposals to be launched once every 3-4 years.
- ECHO: annual invitation to submit proposals in the framework of the Humanitarian Implementation Plan (HIP) with half of the clusters covered in year 1 and the other half in year 2, etc. However, in principle, ECHO partners can submit proposals at any time.

The continuity and mid-long term support to the cluster is not assured in terms of continuous funding to specific consortia of NGOs, but at the level of support to the cluster.

Joint Action Framework

The Joint Action Framework is the operational framework resulting from the cluster strategy and the planned interventions of the different implementing partners.

This framework integrates under a common umbrella the different logical frameworks of the different projects coming from different financial instruments and sometimes implemented by different partners. As such, it integrates objectives and activities related to humanitarian and development aspects, corresponding to different timeframes, but all working towards a common cluster objective. It is by definition a dynamic document that will be regularly adapted to take account of the new projects in the cluster.

The Joint Action Framework allows to:

- Define who will do what and where.
- Continuously identify the gaps to be filled by future partners or local authorities.
- Define a common result framework with indicators for a joint 3 year log frame.
- Establish the operational links with other programs / initiatives implemented by other partners, including the local authorities.
- Define the need for contingency planning.
- Crisis modifier: in case an acute and significant crisis occurs in the cluster during the implementation of the project, how will the action be adapted? How will joint needs assessment of the emerging crisis be organized?
- Establish a joint coordination framework (among cluster partners - Memorandum of Understanding - MoU), with UN, with authorities, etc.), as developed in point 7.

- Define a common Monitoring & Evaluation (M&E) framework (including 3 year vision): one evaluation for the cluster operation instead of evaluation of individual partner operation.

- Define the mechanism and modus operandi for the exchange of lessons learned and good practices.

Nevertheless, each project will have its own logical framework that will feed into the overall Joint Action Framework.

The set of indicators considered for the exit criteria would be monitored annually under this arrangement.

Implementation

The projects financed by ECHO and DEVCO will have different periods of implementation (typically 18 months for ECHO and 3 - 4 years for DEVCO).

The coordination mechanisms and the M&E system will be applied during the whole duration of the cluster interventions.

Cluster Cycle

If the continuation of the programme in the cluster is still justified because exit criteria are not yet reached, after 6 years the whole cluster programme development cycle will start again with a new situation analysis, a new cluster strategy, etc.

7. Coordination between the stakeholders in the clusters

The coordination and cooperation between the different stakeholders of this process is fundamental for success and critical to obtain cost efficient results.

On the programme side, there are the following entities:

- The geographic cluster of woredas is a group of districts which present similar agro-economic, ecological and climatic characteristics. It serves as the entity for the EU to focus support and investment for resilience building with a short as well as long term perspective.

- The consortium of NGO partners is led by a consortium lead agency (CLA) who has the administrative responsibility towards the EU for programme implementation via a group of NGOs. It is linked with these NGOs via a MoU. The CLA will in most cases be the contract holder for ECHO or for the DEVCO programme or for both. The programme area for the consortium may be part of a zone or the entire zone, and only in rare cases, the programme will cover woredas belonging to different zones. It is possible that there are two (or more) consortia running in one cluster of woredas (e.g. 1 financed by ECHO, 1 financed by DEVCO and 1 financed by another donor). In most cases, limiting the number of consortia to 1 or maximum 2 is recommended.

Other stakeholders are: the different structures of the Ethiopian authorities, the direct managers or representatives from the flagship programmes, other NGO partners or donors not part of the consortium, UN agencies active in the cluster, the private sector with links to the project activities and the population benefitting from assistance.

- ➢ It is vital to support and act in full cooperation with the Ethiopian Government's existing **flagship programmes** in the different clusters of woredas as well as to maintain a close working relationship with the **local authorities** mostly on **woreda and zone level**. Throughout

the design process and during implementation, there is regular contact and consultation with the Zonal/woreda/Kebele authorities to promote streamlining with woreda development plans and government led flagship programmes.

- Involvement of the woreda and zone authorities in monitoring of the programme is encouraged. Regular meetings between the authorities and the consortium and the cluster members are strongly recommended to strengthen information sharing and appropriate programming. This can be at zonal as well as on woreda level. To the extent possible, existing coordination structures should be used or where needed reinforced, such as e.g. he DRM/ATF ([12]) platforms which exist already in many zones where resilience clusters have been selected.

- The interaction with the PSNP stands out as a special cornerstone for resilience building and as the first step in the direction of social protection. The revised PSNP will also include now a reinforced livelihood component. The overlap in caseload between the PSNP beneficiaries and the RESET programme will vary between the different clusters but a strong programmatic coordination and mutual reinforcement will be the minimal requirement.

- The RESET programme will be one of the implementing partners of the livelihood component of the PSNP in RESET woredas (see point 8). The use of the PSNP and IFPRI baseline data will be an asset for the RESET programme.

➢ In most regions, the consortium lead agency will have a direct link with the **regional authorities** who will have been involved in the programme design and who will have approved the programme. In some regions, there is also a direct approval per implementing agency but this seems superfluous if it is clearly indicated in the programme documentation who the implementing agencies are and for which aspects they are responsible. Involvement of the regional authorities in the monitoring of the programme should be considered and a periodic meeting with the stakeholders on regional level (e.g. once a year) is recommended.

➢ It is important to coordinate closely among humanitarian and development **partners and donors** working in the cluster to identify the gaps and the potential synergies between the different programmes. This coordination platform takes the form of a **Cluster Working Group (CWG)** which meets regularly in the field and in Addis to coordinate strategies and implementation in the cluster. This CWG should as much as possible include all actors (NGOs, UN agencies and donors) operational in the cluster (financial support from the EU is **not** a criterion to be in the CWG). The cluster working group should be managed by **an agreed TOR** which defines the modalities to organise:

  o a joint representation and a common voice towards the authorities;

  o a regular revision of the Joint Action Framework;

  o the operational coordination as well as the clear division of tasks between the partners in the CWG.

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[12] Agricultural Task Force

➢ **UN agencies** (in particular UNICEF, FAO and also WFP and UNDP, ISDR) have a potentially important role to play as general back up to the cluster based programmes. FAO and UNICEF will be directly supported via the SHARE programme already from 2014 onwards. Where the UN agency has deployed staff in the field (on the level of the cluster), the UN can provide technical expertise (FAO and UNICEF resp. in agriculture/livestock and in nutrition) and facilitation of some of the coordination aspects. Through the often privileged connection with the regional and federal level of government, the UN can bring in weight in the policy dialogue, sharing the cluster experiences and help advocate for certain crucial issues. The UN has also more easily the bird's eye view on the different clusters and the rest of the country and has access to a broader range of data (e.g. the ENCU – Emergency nutrition coordination unit for UNICEF).

Some coordination platforms already exist on the zone level such as the DRM-ATF co-led by FAO in many zones. In many clusters where some of these UN agencies guarantee a cluster level permanent presence, there may be a need to formalise the involvement of the UN via a MoU with the cluster working group. On the other hand, the UN can greatly benefit from the grass roots practice in the clusters; they can participate in and learn from the deep field experiences as acquired by the NGO partners and the local authorities. Participation in technical and monitoring missions is highly recommended. Moreover, the selected clusters also offer a unique opportunity for applied research on resilience building issues.

➢ The **Private sector**, usually forgotten as a potential stakeholder, should be brought in if interested. Often the private sector can contribute to the strengthening of the livelihoods of the population, the labour opportunities and the marketing aspects.

➢ The **population** benefitting from assistance will play a role throughout the whole process from the design phase to the direct implementation and the ex-post evaluation. Community and beneficiary participation (consultation and involvement) in these different phases is of paramount importance.
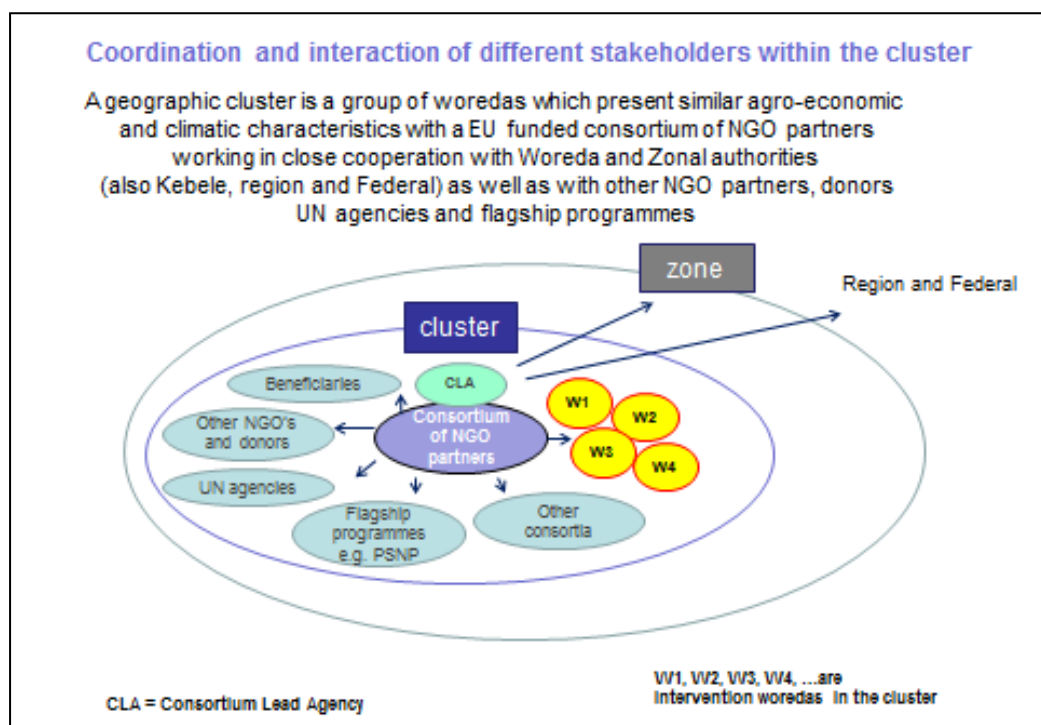
8. Articulation with other initiatives

The Situation Analysis identifies all interventions on-going in the cluster, whoever the implementing partner is (local authorities, NGOs, private sector, etc.), with an impact on the population.

The Cluster Strategy for the EU interventions will elaborate on the potential synergies, complementarities and gaps in relation to the existing initiatives.

The Joint Action Framework develops the links and coordination mechanisms to be established with the other partners and initiatives.

PSNP

PSNP can be considered as the main program in Ethiopia contributing to the resilience of the population. This program is also directly co-funded by the EU in Ethiopia. PSNP is active in all the woredas where RESET intervenes.

As mentioned in point 4, "safety nets for the most chronically vulnerable groups" is one of the basic pillars of the EU resilience concept / strategy. When PSNP provides these services, it will not be necessary that RESET implements safety nets in the areas of intervention (to the extent that the same beneficiaries have been targeted). Therefore, a proper integration between both programs is absolutely necessary.

This integration is expected to take place at 2 levels:

➢ **Livelihoods**: The livelihoods component of PSNP / Household Asset Building Program (HABP) has in general not delivered the expected results in terms of graduation of beneficiaries from food insecurity. RESET's livelihoods component has the potential to improve this situation in their clusters of intervention. The RESET livelihood component will, as from 2016, be integrated under the PSNP IV umbrella. In this sense, RESET funded NGOs will provide in the cluster areas:

   o   Technical expertise on livelihoods;

   o   Capacity building to local authorities;

   o   Opportunities for testing research questions;

   o   Source of innovations and new approaches around livelihoods.

The aim of implementing the PSNP livelihoods activities in those clusters through RESET is not only to improve the livelihoods of the local population, but also to test approaches and modalities that could be replicated in other PSNP woredas through the regular PSNP activities. This approach will allow the scaling-up of the livelihoods activities.

The targeting of the livelihood component of RESET will at least cover the beneficiaries to be identified following the criteria of the livelihoods component of the PSNP IV (Output 4).

Other donors like USAID are already taking a similar approach in their areas of intervention (through GRAD- "Graduation with Resilience to Achieve Sustainable Development").

➢ **Other activities**: beyond livelihoods, there are many sectorial activities that formally will complement and even reinforce the activities carried out by PSNP. These interventions would not formally be part of PSNP, but would however be integrated to those. This integration should be analysed at the moment of elaborating the Cluster Strategy and the Joint Action Framework. Development activities under RESET will build on the base created by PSNP, while

humanitarian activities will complement and reinforce the action of PNSP (e.g. also via the HRD) ([13]).

Some of the possible links to be analysed in each cluster together with the local authorities will include:

- Joint targeting of beneficiaries;

- Joint planning of public works activities under PSNP and RESET;

- Design of activities related to public works to be carried out by PSNP beneficiaries;

- Inputs and advice on possible innovations concerning the public works activities of PSNP;

- Use of the PSNP beneficiaries workforce for the implementation of certain RESET activities;

- Joint Monitoring and Evaluation at cluster level of RESET and PSNP activities;

- Capacity building to local authorities responsible for the implementation of PSNP;

- Etc.

PSNP / HABP

The Productive Safety Net Program (PSNP) was set up in2005 by the Government with the support of multiple donors. PSNP provides multi-annual predictable transfers, as food, cash or a combination of both, to help chronically food insecure people survive food deficit periods and avoid depleting their productive assets while attempting to meet their basic food requirements. In exchange of the transfers most of the beneficiaries carry out activities in the interest of the community (natural resource management, access to water, irrigation, etc.). PSNP includes mechanisms to address transitory needs and to scale up the response when facing specific crises.

The Household Asset Building Program (HABP) is a parallel instrument of the Government aimed at enhancing graduation out of food insecurity by building the livelihoods - and their assets - of the targeted beneficiaries. As from 2015 these livelihoods activities will be integrated in the PSNP IV program. Livelihoods support is provided to beneficiaries through three pathways: crop and livestock, off-farm income generation and employment.

Other EU funded resilience interventions

Other resilience related interventions funded by the EU (DEVCO or ECHO) will also complement the activities implemented under RESET. The SHARE program for example finances, on top of the NGOs, the following partners: UNICEF (for nutrition related activities in 17 RESET woredas), FAO (resilience coordination, nutrition and animal health). ECHO also funds broader nation-wide programmes of for example UNICEF (RUTF-pipeline) and FAO (technical assistance on livelihood support).

These activities are obviously closely connected and interrelated with the RESET NGO interventions.

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[13] Humanitarian Requirements Document

Other programs on health, energy, infrastructures, etc., financed by the EU in the woredas of intervention should be closely coordinated with RESET.

Other interventions

All interventions implemented by other donors or the Government should be taken into account in the design process of the program at cluster level. Potential synergies and complementarity should be sought from the beginning and the implementing partners in the area will be consulted at the situation analysis and the cluster strategy preparation. The coordination mechanisms described in point 8 will allow a proper exchange during implementation.

Other donors interested in the concept might engage by:

- Replicating the same concept in other areas of the country;
- (Co) Funding interventions under the same framework in the same clusters of EU intervention;
- Taking responsibility for specific sectors within the same areas of intervention.

9. Recommendations and next steps

- While ECHO HIP and DEVCO SHARE are currently the main contributors to the resilience building programme of the EU, the addition of the 11th European Development Fund (EDF) as a source of funding in the long term will be crucial. It will be essential to guarantee that the resilience component included in the 11th EDF programme targets the **same geographic clusters** and in close cooperation with the already existing programme.

- To guarantee the close cooperation between ECHO and DEVCO on this programme, there is a need for very solid personal goodwill and motivation from the main pro-actors on both sides BUT ALSO the progressive establishment of a joint cooperation framework between ECHO and DEVCO to run resilience (or LRRD) programmes jointly. This would allow referring to standard working modalities and procedures.

- This EU resilience programme covers 2.5 M people in 34 woredas in the critical area in Ethiopia prone to repetitive drought and crises. This represents some 10 to 15 % of the overall population and woredas in these critical zones. Further expansion of the resilience building programmes using the same model but funded by other donors should be promoted. An alternative is also co-financing of clusters by EU/ECHO together with other donors (EU member States or other donors). This could be a topic for EU+ joint programming in Ethiopia.

- As next steps, we retain:

  o Exploring further the division of labour between DEVCO and ECHO

  o Establishing the different MoU referred to in the document

  o Exploring further linkages with the other sectors very much related to resilience: wash, health, rural infrastructure, social protection, etc…

  o The promotion of the approach at HQ level and within the humanitarian/development community and the exploration whether or not this

model can be replicated in other countries where resilience building programmes are launched

- o The proposed future approach to government with a view to bringing all stakeholders on board and expand the RESET programme to a larger part of Ethiopia (disaster prone areas)

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Map of the current resilience clusters:

Linking Relief, Rehabilitation and Development in Ethiopia: EU Clusters for Resilience Building (ECHO and DEVCO)
April 2014