



Regional Learning &  
Advocacy Programme  
for Vulnerable Dryland  
Communities

## **REGLAP Discussion Paper:**

# Addressing Chronic Food Insecurity in the Horn of Africa: Good Practice Identified but Commitment Needed?

## **NOTE ON THE STUDY**

The present report is based on a consultancy conducted by Frédéric Mousseau between April and June 2009 in Kenya and Ethiopia, mainly comprising interviews with staff from governments, donor countries, UN agencies and programmes, and NGOs as well as a desk review of relevant documents and data. While the scope of the study was regional, the report focuses primarily on the two countries visited. This choice was primarily due to time and access constraints and priority was given to countries confronted with chronic food insecurity where innovations in the fight against hunger have been taking place in recent years.

The report was updated by John Morton between May and December 2010, mainly on the basis of interviews by telephone with Nairobi-based staff in UN and donor agencies and others, and further review of documents.

The authors would like to extend their gratitude to all those who gave of their time, and shared their knowledge and analyses. Special thanks go to Nona Zicherman and Helen Bushell for their support and leadership on this project, Dr. John Wyeth for his useful comments and to REGLAP and the Emergency Food Security and Livelihood team in Oxford for their support and inputs.

This report is part of a set of research and advocacy activities, which aim at promoting appropriate responses to humanitarian needs and food insecurity in the Horn of Africa. The original focus on the research was on the practices and policies of donors, but during interviews the importance of new institutions for government leadership, and their implications, was underlined by various stakeholders, and the paper also reflects this.

Being a discussion paper, the report does not necessarily reflect Oxfam's views and analysis but is intended to stimulate debate and thinking, with the ultimate goal of making the fight against hunger more effective in the Horn of Africa.

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## ABBREVIATIONS USED

AU	African Union
COMESA	Common Market for Eastern and Southern Africa
DAC	Development Assistance Committee (of the OECD)
DFID	(UK) Department for International Development
DRR	Disaster Risk Reduction
EC	European Commission
ECHO	European Commission Humanitarian Aid Department
HRF	Humanitarian Response Fund
ICPAC	IGAD Climate Predictions and Applications Centre
IGAD	Intergovernmental Authority on Development
ILRI	International Livestock Research Institute
IMF	International Monetary Fund
IPC	Integrated Phase Classification
LEGS	Livestock Emergency Guidelines Standards
LRRD	Linking Relief, Rehabilitation and Development
MDNKOAL	Ministry for the Development of Northern Kenya and Other Arid Lands
NDCF	National Drought Contingency Funds
NDMA	National Drought Management Authority
NGO	Non-Governmental Organization
ODA	Official Development Assistance
OFDA	Office of U.S. Foreign Disaster Assistance
P4P	Purchase for Peace Programme
PSNP	Productive Safety Nets Programme
REGLAP	Regional Livelihoods Advocacy Project
USAID	U.S. Agency for International Development
WFP	World Food Programme

## EXECUTIVE SUMMARY

The Horn of Africa has experienced recurrent crises of hunger in recent decades, which have required massive relief operations. The region is also confronted with high endemic or seasonal levels of food insecurity. In the regional crisis of 2008, 18 million people were declared in need of emergency assistance. This coincided with a global rise in basic food prices, and local price rises which may have been linked.

After decades when food insecurity was addressed through relief operations, it has more recently become an important development issue in the eyes of donors and governments. This paper reviews the way in which donor responses to hunger are diversifying and demonstrating innovation, with particular focus on responses to the crisis of 2008. It discusses in turn the context, the new approaches, obstacles to wider adoption of those approaches and ways forward.

Important elements of context are the overall increasing levels of Official Development Assistance to the countries of the Horn, emerging new leadership and co-ordination roles for national governments and regional organizations, and the increasing importance of climate change, as an explicit element in donor funding decisions and in planning processes.

Promising new approaches to addressing food insecurity have been used, and valuable lessons have been learnt, but in each case there are limitations to the approach itself, and/or the willingness of donors to fully fund and use it.

In Ethiopia the Productive Safety Net Programme has shown great achievements in supporting the food insecure, and in making that support less dependent on annual appeals. But this is not to say that it is fully replacing humanitarian assistance. There are questions also about the administrative and financial resources it requires from different stakeholders, the extent to which it is encouraging “graduation” to food security among its clientele, and its resilience to price volatility.

Individual donors are successfully implementing Disaster Risk Reduction approaches and other approaches, usually country-specific, to bridging the gap between relief and development. Governments in the region have also set up multi-sectoral institutions to co-ordinate development. But there is a lack of connections or co-ordination between these efforts, and the large-scale UN humanitarian operations.

Major donors such as the European Commission and Canada have untied their food aid, although the USA is still tightly tied to a policy of sending its own produce. Current international arrangements, and in particular the Food Aid Convention, discourage more appropriate food aid practices, such as donation of costs for distribution of locally-procured food. While cash transfers have grown in popularity as an alternative to food aid, the 2008 crisis highlighted that cash transfers are not a panacea and food transfers continue to be important. Local procurement of food aid is also growing in popularity but its further development is hampered by procedural requirements and a continuing commitment to procurement at international prices, without flexibility on price for smallholders.

There has been good but limited use of direct interventions in agricultural and livestock production, as part of emergency responses, but this is not yet integrated with longer term measures in agricultural research and policy.

## **Recommendations**

### *General*

Countries of the region, assisted by donors, must critically reassess their national food security strategies and action plans, and the place of the safety net programmes within them.

Disaster Risk Reduction needs to be understood in its fullest sense of building resilience in the long term, both to climate shocks and price shocks.

Information on promising new approaches in Disaster Risk Reduction, alternatives to food aid and early livelihood interventions must be exchanged between donors and governments, and disseminated, as a step towards up-scaling and integrating with other initiatives.

### *Food Aid*

The Food Aid Convention must be reformed to favour aid in cash, local procurement and support to livelihood interventions.

US food aid must be reformed to allow local procurement of relief food.

Governments and WFP should invest further in the development of local procurement from small farmers and link up these activities with direct support to them.

Emergency operations and Disaster Risk Reduction initiatives must make more efforts to understand, communicate with and integrate operations with parastatals dealing with food commodities.

### *The Relief and Development Divide*

Co-ordination of donor efforts needs to extend to actions both against transitory and against chronic food insecurity.

Existing support by donors to new national-level government entities dealing with food insecurity in Kenya and Ethiopia, should be sustained and deepened.

Donors need to respond appropriately to these and other development that indicate new leadership roles for national governments.

### *Information Systems and Decision-Making*

The Integrated Phase Classification, and food insecurity information systems in general, need to be used for longer term interventions on food insecurity.

## 1 INTRODUCTION

The Horn of Africa has experienced recurrent crises of hunger in recent decades. These crises have led to massive relief operations with distribution of international aid, but have also recently made overcoming food insecurity and reducing vulnerability to disasters into some of the highest development priorities for donors and governments. Recurrent famine as portrayed by international media has also, sadly, become part of popular perceptions about the region in the countries of the North.

The crises of hunger, which now lead to international appeals for aid every two or three years, appear to be becoming more frequent. This has been attributed by many to the effects of climate change, but that attribution is complex and uncertain. What is certain is that people in the Horn have become more vulnerable to droughts and other natural disasters, as a result of a number of factors, including degradation of natural resources, inadequate land tenure institutions, population increase, and the disruptions of violent conflict.

To these factors has now been added, most notably in 2007-08, the possibility of global shocks in prices for cereals and basic foods.<sup>1</sup> Drought in Australia, conversion of grain crops to bio-fuels, and speculation may all have played a part in this. The 2007-08 global food crisis coincided with strong price rises in many countries of the region, although regional analysts are cautious about ascribing local price movements to the global crisis<sup>2</sup>, and it has certainly had implications for the way in which food insecurity is managed, discussed below.

Food crises in the Horn up till now have also been characterised by the lack of an adequate social protection system and the lack of any mechanism to ensure effective early responses. This has allowed even moderate climatic or economic shocks to throw large numbers of people into a crisis which threatens their lives and livelihoods. This was the context for a major regional food crisis in 2008 in which some 18 million people were declared in need of emergency food assistance in the region, specifically Djibouti, Ethiopia, Eritrea, Kenya and Somalia.

As well as headline-grabbing regional food crises, such as those of 2008 and before it those of 1999-2000, 2002-03, and 2005-06, the region is confronted with endemic high levels of food insecurity and malnutrition, which typically increase every year during the lean season. The persistence of food insecurity and growing vulnerability to shocks reflects the failure of development programmes and policies to address these problems in a sustainable way.

Despite the endemic nature of food insecurity in the region, until recently, development policies have generally sought economic growth through activities such as road construction or development of high-value crops, with little investment in addressing vulnerability, limited attention to marginal groups such as pastoralists, farmers living on marginal land, and the landless, and an unwillingness to address power imbalances and gender inequality. Responses to transient food insecurity have been predominantly through emergency operations, with governments and international agencies having to carry out assessments, launch humanitarian appeals to donors and implement relief programmes, consisting primarily of food aid. In addition, responses to food insecurity in the region have not always been timely or appropriate, and often poorly planned and coordinated.

In this context, food aid has been essential to save lives and livelihoods over the years, especially in Ethiopia, one of the largest recipients of international food aid over the past two decades, with some 800,000 tonnes received on average every year. For many years, concerns have been expressed over the reliance on such massive amounts of imported food

aid, including the detrimental impact on local and regional producers, delays in procurement and therefore distribution, and poor cost-effectiveness, as international food aid costs between 30 and 50 percent more to donor countries than locally procured food.<sup>3</sup> Concerns over poor effectiveness and adverse effects of food aid have also been fed by the inadequate international funding going to possible alternatives such as cash transfers or early livelihood interventions, in the sectors of agriculture, livestock and management of natural resources.

Meanwhile, research, reviews and pilot projects undertaken by various organizations over the past two decades have set out important lessons on how to address food insecurity in more effective ways. These include developing government-led social protection mechanisms, developing cash transfers as a potentially effective alternative to food aid, favouring local and regional procurement of food, and implementing livelihood interventions adapted to different livelihood groups (e.g. livestock programmes for pastoralist populations). The use of a livelihood approach in the analysis of food insecurity and early warning of emerging crises has also been promoted. As contexts for all these approaches there have been institutional innovations in the way donors interact with each other and with host governments.

This paper reviews recent responses to food insecurity in the Horn, with a particular focus on donors' practices during the 2008 food crisis. The objective is to assess whether lessons learnt from the past are being incorporated in current aid practices, what the obstacles to this are, and what the next steps should be. The paper therefore has four further sections. Section 2 considers key elements in the context for donor responses: overall rising levels of aid, new forms of government co-ordination and climate change. Section 3 looks at what has changed in the policies and practices of donors in recent years, particularly positive innovations. Section 4 considers the obstacles and constraints to making the fight against hunger more effective. The final section draws out conclusions on key issues and makes recommendations for the ways forward.

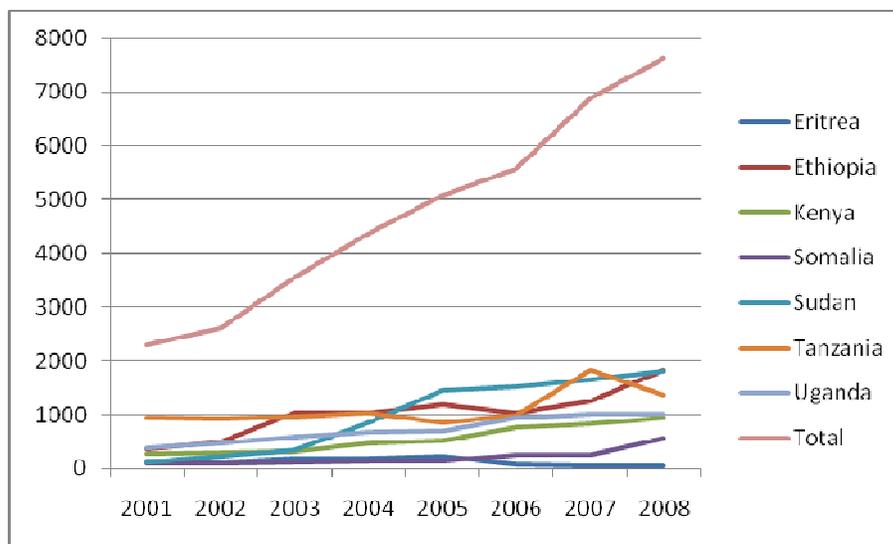
## 2 CONTEXT

The context for new forms of donor action on food insecurity in the Horn of Africa is threefold. Firstly, overall donor support – both relief and development – to the countries of the region is increasing, and the region is benefitting from high-level global initiatives in the wake of the food price crisis of 2007-2008.

Secondly, the governments of the region, and the regional and sub-regional organizations they have formed, have both taken on more responsibility for leading the struggle against food insecurity, and internalized many of the new ways of combating it. Donor responses can thus not be considered in isolation, but as contributing to a new landscape of combined government, donor and NGO action. Thirdly, donors and governments are increasingly aware of the threat of climate change and the new international frameworks for climate adaptation.

### 2.1 Increased Overall Funding

Total Official Development Assistance (ODA) from all bilateral and multilateral donors to the seven countries of the Horn of Africa has grown both rapidly and continuously over the last decade, as shown in Figure 1. There have been particularly steep increases in aid to Sudan and Ethiopia.<sup>4</sup>



**Figure 1: Net Disbursements of ODA from DAC Countries to Countries of the Horn of Africa, 2001-2008 (current prices \$ million)**

Only partially reflected in the figure are funds received by countries in the Horn as a result of global decisions taken by key donors in 2008 as a response to high food prices. Five countries in the Horn are receiving €135 million of the EC's €1 billion Food Facility over 2009-2011.<sup>5</sup> Of \$1190 million approved as part of the World Bank's Global Food Crisis Response Program, \$562 million, almost half of the total, was for five countries in the region.<sup>6</sup> These transfers are variously designed for agricultural inputs, safety nets and social protection, and reducing food taxes. Ethiopia also received \$50 million from the IMF<sup>7</sup> and \$136 million as budget support from the African Development Bank.<sup>8</sup> Such lending allows

the government to bridge the balance of payment gap that has been greatly increased by higher prices of food, oil and fertilizers.

However, even without counting emergency and conflict-related assistance, the need continues to be huge. The World Bank estimates that for Ethiopia to have a realistic chance of achieving the MDGs, donor support will need to rise from the current annual level of US\$20 per capita to about US\$60 per capita by 2015, or US\$4.5 billion per year.<sup>9</sup>

## **2.2 New Roles for Governments and Regional Organizations**

It is now impossible to discuss donor responses without considering the increasing degree of responsibility and leadership taken by national governments in the matter of food insecurity. This applies particularly to the government of Kenya but also to other governments in the region. In Kenya, the new Ministry of Development of Northern Kenya and Other Arid Lands (MDNKOAL) has a strong focus on drought management and is responsible for the new Hunger Safety Net (see below). This Ministry is in turn at the heart of the ongoing process to establish a National Drought Management Authority (NDMA). This new body will take over many of the functions (and personnel) of the Arid Lands Resource Management Project, replacing a time-bound, donor-funded project with a permanent institution on a sound legal basis. Associated with the NDMA will be a National Drought Contingency Fund (NDCF), a “basket” into which government and donors can direct funding, allowing co-ordinated rapid response to drought. Being outside the exchequer, the NDCF will be able to carry funding across government financial years.

Besides the NDMA and NDCF, there is a general sense in Kenya that government is becoming more effective in its own responses to food insecurity and its co-ordination of donor responses. The Crisis Response Centre within the Office of the Prime Minister is increasing its “convening authority” with donors in crises such as the January 2010 floods, both co-ordinating responses and leading the establishment of national and district-level flood contingency plans.

The drafting and adoption of Disaster Risk Reduction (DRR) policies has been an important action for governments. Outside Kenya, such policies have been drafted in Ethiopia and Uganda, and have also become a concern for sub-regional organisations like COMESA and IGAD, and for the African Union. COMESA has played a key role in recognising the importance of livestock mobility in crisis coping, and formulating commitments to remove barriers to mobility. IGAD has organised regional training courses on DRR, and now also sponsors the IGAD Climate Predictions and Applications Centre (ICPAC). The AU has convened meetings, most recently a Ministerial Conference in April 2010, to adopt a Programme of Action for the Implementation of the Africa Regional Strategy for Disaster Risk Reduction.

Increased initiative by national governments (and regional organizations) brings government-donor relationships over food insecurity into new territory. In the words of one donor representative: “how do international actors now modify their behaviour to meet the government leadership they have been advocating?”. The answer to this question must lie in an increased adoption by international agencies of a *capacity-building* role. Donors may not, at present, have the tools and procedures for this role, but they must acquire them.

## 2.3 Climate Change

The growing importance accorded to climate change is another part of the context for donor response. The extent to which recent droughts in the Horn of Africa can be attributed to global processes of climate change is still very much an open question.<sup>10</sup> For the future, the longer term projections for the region as a whole are for increased rainfall, though also increased probability of both drought and floods.<sup>11</sup> More localised projections are increasingly becoming available, for example the pastoral areas of northern Kenya are likely to experience decreased rainfall in the medium-term, but longer or more intense rainy seasons in the longer term.<sup>12</sup>

Beside the scientific projections, the issue is as much the increased readiness of donors and government to link climate change and emergency response. World Food Programme “Food For Assets” sub-projects are explicitly linked to either climate change adaptation or climate change mitigation. Some donors are using recent calls for adaptation funding, as at the 2009 Copenhagen Conference<sup>13</sup>, as argument for increased focus on Disaster Risk Reduction (though the phrase does not occur in the Copenhagen documents). The Ministry for Northern Kenya and Other Arid Lands is concerned to mainstream climate change adaptation in planning processes in the Arid and Semi-Arid Lands, a process which is being targeted in Isiolo District.

### 3 NEW APPROACHES TO FOOD INSECURITY

This section will examine several relatively new approaches to combating food insecurity, and the way they are being put into practice by donors in the Horn of Africa.

#### 3.1 Safety Nets and Social Protection

An important change in government and donor approaches to food security in recent years has been the development of “safety net” programmes. The rationale for safety nets in the context of the Horn of Africa is that a large number of those who have received food relief in the recurrent droughts and other crises of the last few decades are “chronically poor” or “predictably poor”. Droughts and other shocks force these people to dispose of assets, thus further increasing their vulnerability.<sup>14</sup> Safety nets are designed to make support for these people, multi-annual, predictable, and independent of annual appeals for international donor funding. They aim to meet basic food needs and prevent asset depletion at the household level. The predictability of transfers is also key to allowing people to plan and to make appropriate decisions that affect their livelihoods (e.g. sale of assets or migration).

In Ethiopia, a joint donor/Government effort has allowed the establishment of the Productive Safety Net Programme (PSNP) since 2005, covering the basic food needs of nearly 8 million chronically food insecure people or about 10 percent of the total population of the country, during 6 months of the year. The major means of assistance, at least for able-bodied adults, is payment for participation in labour-intensive works that are themselves productive assets for the communities (roads, dams, etc.).<sup>15</sup> For households or individuals who cannot participate in these programmes there are other forms of direct support. The eight key donors, notably including ‘development’ donors such as the World Bank and the EC<sup>16</sup>, contribute about \$500 million annually both in terms of resources allocated and of policy and technical support. Independent evaluation shows that the PSNP is having a significant impact, but better linkages are needed with other programmes to ensure the chronically poor “graduate” into food security.<sup>17</sup>

In Kenya the Hunger Safety Net Programme has been piloted in four northern districts by the Ministry of Development of Northern Kenya and Other Arid Lands, with a commitment of £84 million over ten years from DFID. This fits both with a broader 10-year investment in social protection, and with DFID’s programme of support for MDNKOAL. The programme started in August 2007, with the objective of the pilot phase being to establish a programme making regular cash transfers to 60,000 households. Payments started in February 2009, and it is expected that payments will be underway to virtually the full quota of beneficiaries by December 2010. Beneficiaries are identified as chronically poor through three different methodologies, and payments are made unconditionally through an innovative system involving shopkeepers as local agents for banks and the new technologies of smart cards and electronic transfer of funds. Sophisticated Monitoring and Evaluation, including random assignment of sub-locations to different payment modalities, has been written into the programme from the beginning.

Safety nets in Kenya and Ethiopia give priority to the provision of cash over food and aim at providing predictable and timely transfers in order to create assets at the community level’. Giving preference to cash is justified by the multiplier effects of cash through local trade, agriculture and employment, and by the greater choice left to people in how to use the assistance received. However, the food price crisis in 2008 raised the question of whether safety nets based on cash transfers could cope with high price volatility; and there in Ethiopia beneficiaries were shifting to a preference for transfers in the form of food.<sup>18</sup>

### **Box 1: The Ethiopian PSNP in the face of food price volatility**

The Ethiopia Productive Safety Net Programme (PSNP) pays beneficiaries for their labour on public works in food, cash or a combination, depending on the region and availability of resources. Ensuring parity between food and cash wages is problematic, given seasonal price variability and actual availability of different food commodities. During late 2007 and early 2008, maize prices in Ethiopia rose sharply, though the extent to which this is attributable to the global crisis is debatable.<sup>19</sup> The effective value of PSNP cash wages in terms of food fell by 56% over seven months in early 2008. PSNP contingency funds had to be used on non-registered households who had become food insecure through the price rises, and many households had to fall back on emergency aid outside PSNP systems after the period of PSNP support ended in July 2008. PSNP participants during this period indicated an unsurprising preference for food over cash; and exceptionally, imported food became a more cost-effective means of support for donors, compared to either cash or locally-purchased food.

The experience of 2008 demonstrates the need for the PSNP as a mechanism for timely, predictable and appropriate transfers worthy of donor support. It also shows that the PSNP must grow in scale and scope, and that both donors and government need to be flexible about the type and amount of support provided.

*Source: M. Hobson, The food price crisis and its impact on the Ethiopian Productive Safety Net Programme in 2008, Humanitarian Exchange Magazine, Issue 42, March 2009, based on a longer report by Judith Sandford.<sup>20</sup>*

## **3.2 Disaster Risk Reduction**

Disaster Risk Reduction (DRR) is a terminology used by many donors for a systematic approach to identifying, assessing and reducing the risks associated with disaster. One characterisation is that DRR should:

- Identify all potential threats to lives and livelihoods (not just one threat, such as drought) and people's vulnerabilities to these threats; and
- Build their resilience – their ability to withstand shocks without jeopardising their ways of working and living.<sup>21</sup>

Key here are the ideas of vulnerability – the factors in people's livelihoods and economic situations that make them more or less likely to experience negative impacts from a particular disaster – and its obverse, resilience.

DRR as an approach has strong overlaps with efforts to make disaster response more timely. This is particularly true of drought response, meaning that response can take place in the onset period, if that is correctly identified, rather than the crisis itself. DRR also has overlaps with what is sometimes referred to as "protracted relief": efforts by humanitarian agencies or involving structured collaboration between humanitarian and development agencies to build rehabilitation periods and rehabilitation programmes into relief interventions. The idea is that beneficiaries receive tailored support as they rebuild livelihoods, rather than a cut-off of food aid once lives are no longer at risk. The World Food Programme has used the terminology of "protracted relief and recovery" for a programme of 819 sub-projects using food to promote development, and specifically adaptation to climate change, in the arid and semi-arid lands of Kenya. Following the 2006 crisis, humanitarian donors such as ECHO and OFDA have also remained involved in the Horn with continuous funding. Humanitarian funding is provided for longer periods than usual practice (three years for OFDA, 18 months for ECHO).

Although DRR has its roots in emergency response, and is promoted most energetically by relief donors such as ECHO and OFDA, it should be considered an approach within

development. The adoption of DRR as official policy by African governments within the AU and sub-regional organisations has already been discussed. In terms of donor action, a number of initiatives under the label of DRR or using similar approaches have been launched in recent years. Some of these are set out in Box 2.

#### **Box 2: Examples of Disaster Risk Reduction, Protracted Relief and Similar Approaches**

##### **USAID**

- The **Regional Enhanced Livelihoods in Pastoral Areas Programme (RELPA)**, started in 2007, is designed to increase household incomes and economic resilience of the population living in the pastoral regions and reduce their need for emergency assistance. The RELPA Program provides a bridge between emergency relief assistance and activities that promote economic development in pastoral areas.
- **OFDA's Horn Food Price Crisis Response (HFPCR)**, started in 2008, provides funding for humanitarian assistance programmes of for up to 3 years duration, to protect assets, rebuild livelihoods and support resilience to shocks in Ethiopia, Kenya and Uganda.
- The **Ethiopia Pastoralist Livelihoods Initiative (PLI)**, started in 2005 with \$29 million over two years<sup>22</sup>, worked to build long-term livelihoods of pastoralists through livestock support and marketing, improve emergency response mechanisms (protect lives, livelihoods and assets), and promotion of policy changes in favor of pastoralist livelihoods.
- **Kenya Northeastern Pastoral Development Program (NEPDP)**, started in 2006, focuses on improving the livelihoods of pastoralists through private sector-led livestock marketing and animal health delivery systems.

##### **European Commission**

- The DG Development's **Drought Management Initiative (DMI)**<sup>23</sup> started in 2008, is designed to strengthen capacities to prevent and respond to droughts in Kenya. It supports drought management policies and systems, as well as a €8.5 million **Drought Contingency Fund (DCF)** in partnership with the World Bank. It also provides a flexible disbursement grant system for ECHO-funded NGOs in order to Link Relief, Rehabilitation and Development (LRRD). It allows longer term interventions and smooth transition from emergency to recovery phase, including disaster prevention and preparedness mechanisms. So far, through this mechanism, Oxfam-GB and VSF-Belgium have received funding amounting to €4 million to implement LRRD projects.
- **ECHO's Regional Drought Decision (RDD)** programme, started in 2006, disbursing some €10 million annually, aims at building up resilience in communities which are particularly vulnerable to recurrent drought. The programme is innovative in many ways, including the involvement of FAOs as technical and operational support to NGOs, and an advocacy agenda to demonstrate the positive impacts of the LRRD approach.

##### **World Bank**

- The WB supports the **Kenyan Government's Arid Land Resource Management Project (ALRMP)**, which aims to enhance food security and social services, and reduce livelihood vulnerability. The Project is also serving as a foundation for the government's new National Drought Management Authority.
- **Kenya-Adaptation to Climate Change in Arid Lands (KACCAL)**, started in 2007, focuses on strengthening Kenya's capacity to reduce the vulnerability of rural livelihoods in arid areas to climate variability and change
- With \$80 million in 2008, the **Pastoral Community Development Project (PCDP)** implemented by the Government of Ethiopia aims at improving the livelihoods and resilience of pastoralists; it supports communities' engagement in decision making, their access to social services and credit and seeks to improve the pastoral early warning system and the responsiveness of the disaster mitigation and contingency funds.

##### **World Food Programme**

- The **Protracted Relief and Recovery Operation** operates in 15 districts of Northern Kenya, providing food for asset-building activities. 80% of the 819 sub-projects are focussed on climate adaptation through technologies such as water-harvesting and tree planting, the other 20% on climate change mitigation.

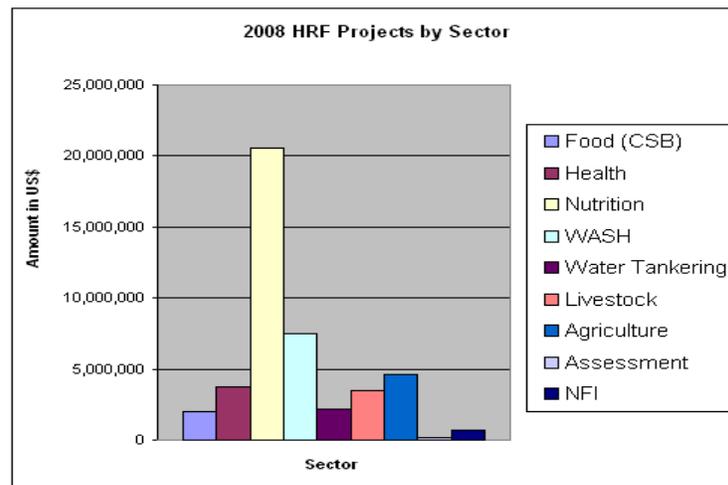
### **3.3 Making Humanitarian Financing More Timely and Effective**

Recent years have also highlighted the efforts made to improve the way humanitarian aid is delivered. Individual organizations such as WFP, partly as a result of sustained lobbying by NGOs, have recently developed new ways to intervene<sup>24</sup>. Donors have also participated in more systemic changes with the creation of humanitarian funds, evolution of their funding practices and support to the humanitarian reform.

### 3.3.1 Humanitarian Response Funds

The Humanitarian Response Funds (HRFs) for Somalia and Ethiopia were created to improve the timeliness of responses: they are funds<sup>25</sup> managed by OCHA or the UN Resident Coordinator to pool bilateral donor funding for emergency responses and early interventions. Since they were created in 2006, \$169.9 million has been provided to the two countries through the HRFs.<sup>26</sup> The HRF comes in addition to the Central Emergencies Response Fund, which has channelled some \$236 million to 7 East African countries since it was initiated in 2006.

**Figure 2: Breakdown of HRF Projects by Sector, Ethiopia 2008<sup>27</sup>**



### 3.3.2 Insurance-based Funding

The World Food Programme has, since 2006, been involved in an innovative experiment in Ethiopia by which it insures its obligation to provide food aid on the international re-insurance market. Payment to WFP is triggered if a calibrated index of rainfall data gathered from 26 weather stations across Ethiopia drops significantly below historical averages.<sup>28</sup> The pilot is currently on a small-scale, but has maintained the momentum for research in and piloting of index-based insurance.<sup>29</sup> The offer of insurance to small-scale farmers and livestock owners is discussed in Section 3.4.

### 3.3.3 Funding Allowing More Effective NGO Interventions

The continuous presence of humanitarian donors in recent years, combined with additional Linking Relief, Rehabilitation and Development funding through the different donors' initiatives, has allowed more continuity in NGO presence and activities in drought prone areas; such longer term investment also encourages NGOs to develop longer term strategies and gives them more flexibility in adjusting interventions according to context and needs.

Several NGO consortia have been set up in the region under the aegis of key donors, primarily the US. In Kenya, the OFDA-funded Food Crisis Response Consortium composed of 5 international NGOs is implementing a 3 year, \$15 million programme, running a variety of livelihood interventions aiming at improving access to food for some 500,000 people in rural communities through enhanced resilience to shocks. In Ethiopia, a similar consortium is in place for similar programmes. While in the past<sup>30</sup> NGO consortiums were mainly set up for channelling US food aid - and a consortium still exists in Ethiopia for this purpose - consortium establishment is now more concerned with the joint implementation of livelihood interventions at scale.

### *3.3.4 Humanitarian Reform*

An important reform of the international humanitarian system has been the cluster approach, introduced in 2005, in which individual agencies lead humanitarian activities in sectoral clusters of UN agencies and NGOs, globally and generally also at country level. This has been developed in the region over the past three years, with set-ups that vary from country to country: there are seven clusters in Ethiopia, nine in Uganda, ten in Somalia and eleven in Kenya. However, different clusters deal with food security in different countries: Early Recovery & Food Security, Health and Nutrition, Food Aid, Food Security and Agriculture, Agriculture and Livelihoods, Floods and Droughts, Governance Infrastructure and Livelihoods, Food Security and Agricultural Livelihoods.

In addition to coordination within each sector, the cluster system plays an important role for the allocations of the HRFs between different sectors and programmes, which seems to be relatively effective: for each concerned country, a review board with cluster leads, UN agencies, international NGOs and government meets on a regular basis, reviews proposals and sectoral priorities and makes recommendations to the UN Humanitarian Coordinator regarding the appropriate disbursement of funds.

The value of the approach is undeniable in fast-onset emergencies and situations of displacement, where adequate coordination and sectoral leadership are critical. There are however concerns, highlighted by a recent evaluation of the cluster approach, globally and within the Horn of Africa in Uganda.<sup>31</sup> The clusters may exclude national and local actors, particularly national NGOs, may fail to support existing co-ordination mechanisms, and fail to use participatory approaches. Cluster management and facilitation may sometimes be poor, or overly top-down. Inter-cluster co-ordination and management of crosscutting issues is a particular problem. In addition, some observers note a lack of definition in the roles of UN lead agencies, and variable performance by them. The cluster approach may not be the best way to tackle chronic food insecurity, and may entrench a separation between management of food aid and fostering of food security. This may be an especial problem in pastoral areas. As observed by the Overseas Development Institute (ODI), the cluster approach "builds on and reinforces a sectoralised approach to emergencies, which is counterproductive in pastoral areas, where responses to drought need to be premised on an integrated approach across a number of sectors".<sup>32</sup>

### *3.3.5 Information Systems*

Also important have been a series of linked developments in donor co-ordination and management of information. The Integrated Phase Classification (IPC)<sup>33</sup>, an analytical framework and “common language” for assessing and communicating levels of food insecurity, is being rolled out in the region. There has also been substantial investment in the Household Economy Approach, a methodology for analysing livelihoods and thus observing changes in them that serve as early warnings of disaster. The refinement of other early warning tools, those derived from remote sensing, also continues.

There have been notable innovations in the dissemination of early warning information. OCHA talks of a “surge model”, digesting and translating early warning information, then using multiple tools, but notably mobile phone networks including SMS messaging, to transmit it to multiple partners and stakeholders. This has been applied to information about floods and about aflatoxin problems (see below).

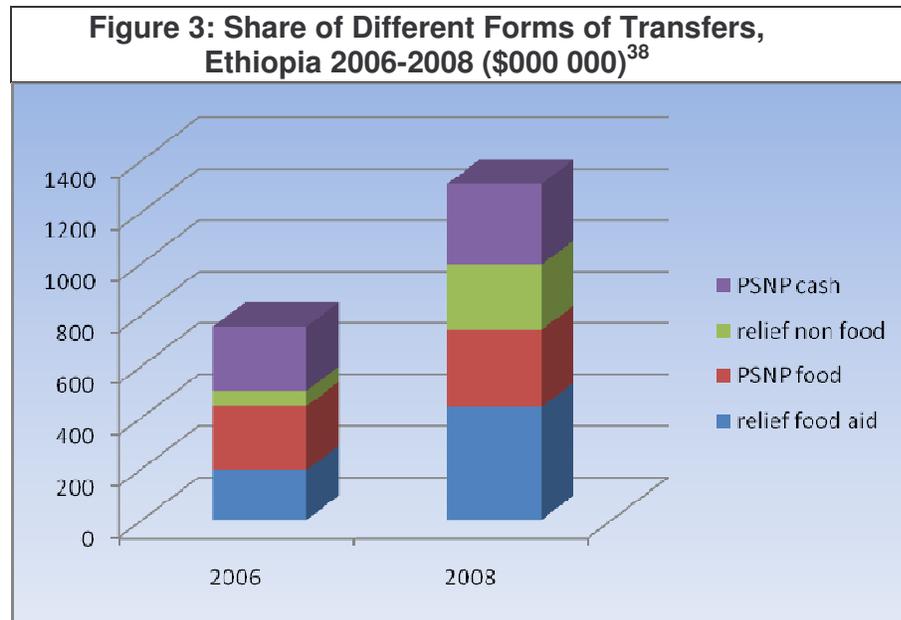
### *3.3.6 Food Aid and Alternatives*

Food aid, as discussed below, remains the dominant humanitarian response to food insecurity in the region. However, a number of interesting innovations have also been experienced recently in the region. These include use of warehouse receipts<sup>34</sup> and the provision of food aid through small traders<sup>35</sup>. However, the most important innovations are local and regional purchase from small farmers, and increased use of cash transfers.

In recent years, the increased availability of cash versus in-kind food commodities has allowed more local and regional purchase of food aid – close to 50 percent of the resources received by WFP from donors are now in cash<sup>36</sup>, which can be used to procure food wherever appropriate. After decades of providing in-kind food aid, Canada fully untied its food aid funding in 2008, which now allows the provision of cash for procurement in developing countries. ECHO’s flexible and fully untied food aid allows not only the provision of food aid but also nutrition, livelihood support including livestock protection, and agricultural inputs.

Going beyond this general readiness to include local producers in procurement, WFP has since September 2008 implemented its Purchase for Progress (P4P) initiative in 17 countries, including all the countries of the Horn of Africa region, with a mix of public and private foundation funding. P4P entails regular procurement, some of it under forward contracts, with technical capacity-building on production, post-harvest handling and marketing. However, recent problems in Kenya with aflatoxin<sup>37</sup> contamination highlight the difficulties of safeguarding quality, and the importance of developing appropriate diagnostic tools for grain purchased from smallholders.

The development of safety nets has also put an emphasis on cash transfers. By 2008, 60 percent of safety net transfers in Ethiopia were in cash. Together with relief transfers this means that just under half the total transfers to the food insecure were made in cash rather than food (Figure 3).



### 3.4 Emergency Responses in the Agricultural and Livestock Sectors

As shown below in Figures 4 and 5, direct assistance to agriculture is poorly represented in humanitarian appeals and poorly funded: in 2008, it represented about 10 percent of total requirements in the region, of which no more than 20-25 percent was funded. The limitations of funding support to agriculture through emergency budgets need to be recognised: support to agriculture must be a long term objective, addressing policies and markets and pursued with adequate investment and training plans. However, it is clear that there is a place for provision of agricultural inputs in many emergency or post-emergency situations, to replace assets lost, eaten or forcibly sold during disaster, or to influence recovery in ways that reduce vulnerability.

The seemingly low funding levels fail to take account of significant emergency funding for agriculture channelled through non-humanitarian channels: in Ethiopia for instance, \$237 million in loans and grants from the World Bank for infrastructure projects were redirected to purchase fertilizer<sup>39</sup>, as was a \$64 million credit from the African Development Bank for the same purpose. These came in addition to the initiatives led by USAID and the EC discussed under the heading of Disaster Risk Reduction, and the European Food Facility mentioned in section 2.1.

There has also been a notable increase in interventions specifically designed to protect livestock-based livelihoods, especially those of pastoralists, during the onset of drought. Most important are emergency livestock vaccination (to prevent disease while livestock are still relatively well-nourished) and interventions sometimes referred to as “destocking”. This term groups both direct purchase of livestock by aid agencies, with the animals being slaughtered and the meat distributed, and encouragement or subsidy to the private sector to purchase animals (more, earlier, or in more remote locations than they would otherwise have done), which then enter regular marketing chains. In 2008, seven contracts out of ten within ECHO’s RDD included destocking.<sup>40</sup> Other livestock-specific interventions have included provision of water, feed (usually for selected breeding stock only), and negotiation of exceptional access to private pastures. The Livestock Emergency Guidelines and

Standards (LEGS) Project has collated and disseminated information on good practice in such interventions.<sup>41</sup>

Finally, there has been increased interest in the possibility of offering insurance to farmers and livestock-owners. Specifically, the interest is in *index-based insurance*, where payouts are made not against some level of damage to the insured farmer's crops, but against some objective and specified meteorological event in the area (e.g. rainfall at the nearest rainfall station falling below 50% of the long-term average for the months of the growing season). "Traditional" crop insurance with individual loss adjustment has long been regarded as unfeasible in developing countries except for small numbers of commercial farmers, because of problems of high transaction costs (including avoiding corruption and complicity by those verifying crop losses), adverse selection (farmers may only insure those fields or livestock at the highest risk, leading to higher costs for an insurance company) and moral hazard (farmers may put less effort into managing crops or livestock that are insured). Index-based insurance gets around these difficulties and also has the advantage that it can be sold in very small denominations, i.e. a farmer can pay a small or a large premium depending on his/her needs, and will receive the same ratio of payout to premium if the specified event happens. However, it does depend on the ability to define a weather or environmental event that is a reasonable proxy for crop failure (or livestock mortality) causing distress among farmers.

An index-based system is now being piloted among pastoralists in Marsabit, Northern Kenya, by the International Livestock Research Institute (ILRI) and partners.<sup>42</sup> After a research phase to design the programme, in which insurance pay-outs are triggered by satellite-based measurement of forage availability dropping below certain levels, 2000 insurance contracts have now been sold, though expectations of success among the donor community are mixed.

## 4 PROBLEMS AND CONSTRAINTS IN ADDRESSING FOOD INSECURITY

### 4.1 Humanitarian Challenges Remain

The 2008 food crisis has showed that in spite of the investment in safety nets, prevention and risk reduction, humanitarian assistance will continue to be required in the region on a large scale. When asked to look back at the 2008 food crisis, many observers noted that the food crisis had never really ceased since 2004 and that it is still there – the last WFP Emergency Operation (EMOP) in Kenya lasted 5 years from 2004 to 2009. Though the global food crisis is less in the news, humanitarian requirements as represented in appeals have grown year-on-year between 2006 and 2009 in Somalia, Ethiopia and Kenya.

The triggers will continue to be droughts, floods and (it is unfortunately logical to assume) continued conflict, but underlying vulnerability to these shocks, and underlying lack of adaptive capacity, will continue to stem from poor governance including inappropriate land policies, poor management of natural resources, environmental degradation and population growth (see Box 3).

#### **Box 3: Demographic stress in Ethiopia**

The population of a country like Ethiopia, about 80 million people in 2008, increases by about 2.5 million every year. Just to keep pace with its burgeoning population, there needs to be growth in all sectors of economic and government activity, including social and health services and, of course, agriculture. In 2008 alone, the demographic growth resulted in an additional food requirement of 450,000 tons of cereals for Ethiopia (according to FAOSTAT data), which corresponds to about half of what the country usually receives annually as food aid.

### 4.2 Concerns over Safety Nets

Section 3.1 above has shown the importance of the “safety net” concept for reaching the chronically poor and the vulnerable, as an alternative to a precarious dependence on annual appeals for aid. But the safety net programmes as they have evolved are not above criticism.

Despite the Ethiopian PSNP reaching nearly 10 percent of the population in 2008, it has been described as being ‘off track’ since then, both in terms of numbers of people covered and in regards to the amount of transferred resources. While close to 8 million people were covered by the PSNP in 2008, three consecutive humanitarian appeals re-estimated needs upwards by a cumulative 6 million. In early 2009, close to 5 million people were still considered in need of emergency assistance including emergency food aid.

The global food crisis and inflation at a national level also had a drastic impact on attempts to shift from food to cash distribution, despite adjustments made possible by additional pledges from WB, DFID and other donors. Recent surveys all confirm the now overwhelming preference of beneficiaries to food over cash.

Initial high expectations on graduation - i.e. on the ability of the programme to move people out of poverty - have not yet been met. It was initially expected that people receiving the appropriate transfers under the national Food Security Programme (i.e. including PSNP transfers and other forms of support such as credit and assets), would graduate after 2-3 years.<sup>43</sup> A recent review of programme acknowledges that, rather than the several million expected, only 18,000 people actually graduated in the first four years.<sup>44</sup> There is now

limited confidence that most beneficiaries will ever graduate<sup>45</sup>, and recognition that needs will continue to rise in the country because of population growth and degradation of natural resources.

Other concerns around the PSNP include the heavy administrative burden of assessing needs and identifying, designing, implementing and monitoring projects, particularly as it falls on local government and national NGOs.

### 4.3 A Fuller View of Disaster Risk Reduction

The adoption of new approaches and new tools discussed in Sections 2.2 to 2.4 has been invaluable in improving preparedness for and management of disasters, especially drought, through addressing vulnerability at community level and improving timeliness, co-ordination and appropriateness of aid. However, there is a danger that these approaches will divert attention from the equally important issues of addressing the roots of vulnerability in policies, institutions and unequal access to knowledge. These issues need to be addressed. In terms of the Hyogo Framework, the set of internationally-agreed principles for reducing vulnerabilities to hazards<sup>46</sup>, this means maintaining a focus on priorities 3 and 4 as well as 2 and 5.

Addressing food insecurity in the arid lands requires adequate rural development policies, proper investment in the management of natural resources, actions to address power imbalance, including gender inequality, marginalisation of certain groups and the promotion of appropriate agricultural practices, all key to strengthen communities' resilience. Since 2008, we can now see that it also requires policies to cushion the poor from global food crises. The case made for pastoralists in the box below is valid for marginal farmers as well and shows that preparedness can only be effective if it is underpinned by policies to strengthen the overall resilience of livelihoods systems.

#### Priorities of the Hyogo Framework for Action (2005-2015)

1. Ensure that DRR is a national and a local priority with a strong institutional basis for implementation
2. Identify, assess and monitor disaster risks and enhance early warning
3. Use knowledge, innovation and education to build a culture of safety and resilience at all levels
4. Reduce the underlying risk factors
5. Strengthen disaster preparedness for effective response at all levels

#### Box 4: Drought vulnerability and long-term development problems for pastoralists

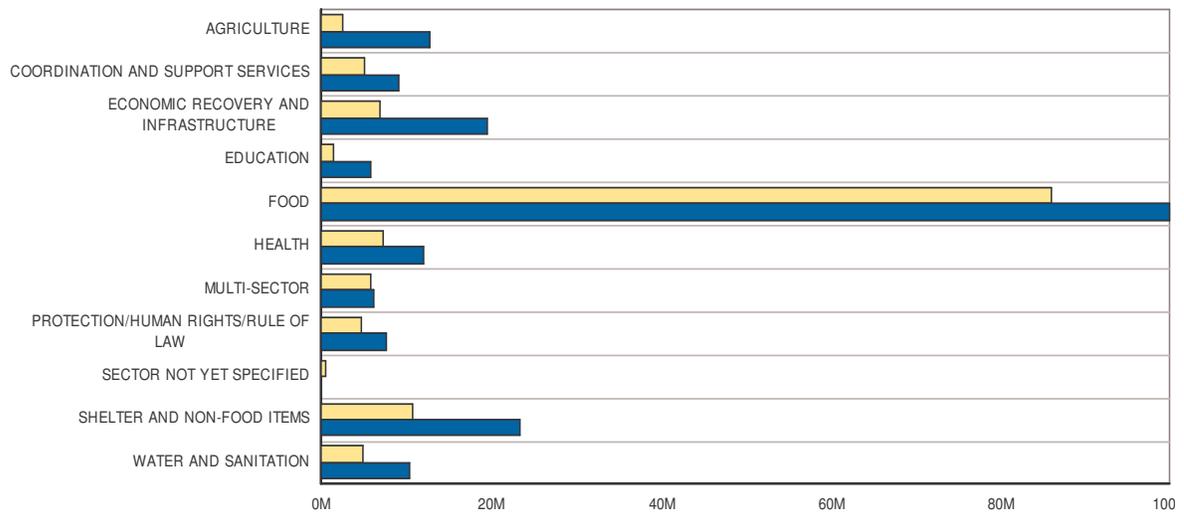
*The increasing vulnerability of pastoralist communities to climatic shocks is the result of population growth and increasing intensity of drought coupled with many years of inappropriate policies and a lack of investment in pastoral areas. Appropriate and timely livelihoods-based drought responses will not prevent further structural weakening of the pastoralist livelihoods system. Drought responses take place in a context where access to animal health care is limited or nonexistent, water services are scarce, markets do not fully function, access to land is often restricted and conflict is common. Drought resilience can only be enhanced through long-term development interventions.<sup>47</sup>*

#### 4.4 Resistance to Change in the Food Aid System

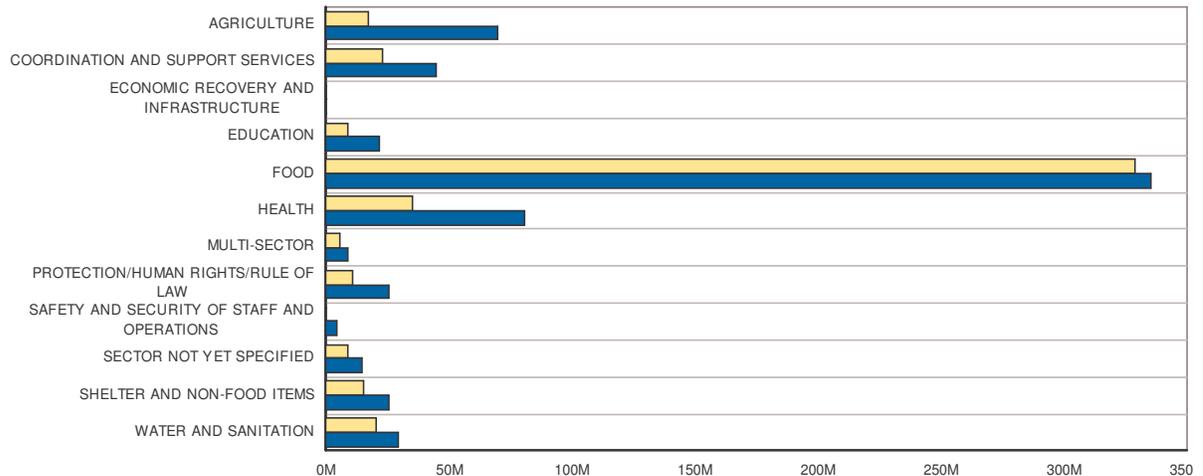
Section 3.3.6 detailed increasing interest and experience, in the Horn of Africa and globally, in a) local procurement of food aid and b) cash transfers. Despite these experiences, international food aid remains the dominant tool to tackle food insecurity.

As shown in Tables 4 and 5, food assistance, especially in-kind food aid, remains the most demanded and the most funded response to food insecurity. In Kenya 2008, food aid represented 48 percent of the humanitarian appeal and was funded at 86 percent, in contrast with agriculture, representing only 6 percent of the appeal and funded at 21 percent. Similarly, in Somalia, food aid represented 51 percent of the appeal and was funded at 98 percent, in contrast with agriculture, representing only 10 percent of the total appeal and only funded at 25 percent.

**Figure 4: Kenya Flash Appeal, Requirements and Contributions per Sector (2008)<sup>48</sup>**



**Figure 5: Somalia Appeal, Requirements and Contributions per Sector (2008)**



Shortfalls and pipeline breaks remained a critical issue in 2008, especially for Ethiopia, where only 40 percent of the emergency food aid requirement was received and food rations had to be cut by 30 percent or more for several months of the year for several millions of people considered in need of food relief<sup>49</sup>. The same appeared to happen in 2009.

There is also growing pressure to expand food aid programmes to new chronic caseloads, such as urban populations; USAID has for instance argued in recent years that “in Nairobi’s slums, the need for food aid is extreme and underserved.”<sup>50</sup> This may exemplify a more general implicit view that hunger and malnutrition can solely be explained by lack of food and must be addressed through food aid.

The USA is one of the major donors in the region: it funds for instance some 68 percent of all humanitarian assistance to Ethiopia, and food aid represents the biggest item in its overall funding there. Unfortunately, despite recent attempts in the US to reform the food aid system<sup>51</sup>, and the 2007 ending of monetisation of US food aid in the Horn, US policy shows an overwhelming bias towards procurement in the US from US farmers. In 2008, out of around \$559 million of US food assistance to Ethiopia, only \$3.9 million (0.7 percent) was for local/regional purchase of food aid<sup>52</sup>.

For donors with less restrictive policies on procurement, there are still obstacles in practice. The current rules and procedures of the Food Aid Convention, the international treaty that governs food aid, discourage more appropriate assistance, and in particular ‘twinning’, where developing countries could procure food aid locally provided that donors could finance transport and distribution costs.<sup>53</sup> This has served to limit local procurement options in the region, despite their potential.

The Purchase for Peace programme has had limited achievements so far, with modest quantities of food actually purchased from small holders<sup>54</sup>. WFP is explicit that the programme does not allow it to procure food at higher than market prices, and that the capacity-building component of the programme has to take place within a context of open tendering, although markets are volatile and subject to inequalities of access and power, and smallholders are not necessarily in a position to compete with larger farms or subsidized imported food. Following the success of Brazil in reducing hunger and improving the livelihoods of small holders through preferential local procurement<sup>55</sup>, the question must be asked whether P4P should be pushed further into positive discrimination in favour of smallholders.

There are also barriers to governments’ own procurement from smallholders. In Kenya, parastatals dealing with food commodities, public procurement, food reserves and pricing have been severely criticized for their low effectiveness and poor management<sup>56</sup>, which limits their potential role as an alternative to international food aid.

Turning to cash transfers, the volatility of food prices since 2007 has weakened the case for cash and strengthened the arguments in favour of in-kind food aid, seen as a more stable and reliable resource (especially since donors’ commitments under the Food Aid Convention are in tonnage, not in cash, i.e. not subject to market fluctuations). However, food aid would not be required at the same level if proper mechanisms were in place to stabilize food markets. Research has also pointed out that food aid was the least preferred intervention for pastoralists, who, instead of relief aid, call for measures to limit the volatility of food prices.<sup>57</sup> Yet current market interventions undertaken by governments have not been effective in stabilizing prices.<sup>58</sup>

#### **4.5 Are we on the Right Track with Emergency Agricultural Interventions?**

The increased interest in emergency agricultural interventions (including livestock interventions), and increased funding, especially for fertilizer distribution, are welcome. There are, however, some concerns about the way that such measures have been implemented to date.

One concern is that fertilizer deliveries to countries, as with Ethiopia in 2008 and 2009, are not always co-ordinated with food shipments and can temporarily tie up capacity in ports to the detriment of emergency food aid.<sup>59</sup> A second, more fundamental concern is that the massive imports of fertilizers have not been matched with parallel investment in improved seeds and seeds systems: agricultural experts in Ethiopia argue that the seed sector is weak and that there is a need both for short-term import of improved seed and for development of local capacities for multiplication and seed trade. Enhanced seed availability would have resulted in stronger and more sustainable impact than fertilizers alone.

Finally, fertilizer distribution, as a supply response to the food crisis, raises questions about whether small and marginal farmers, especially women, are going to benefit from this type of measure, given governments will probably prioritize the more productive areas and larger farms. A supply response may thus improve the national cereal balance and reduce the reliance on food imports, but not necessarily improve livelihoods and reduce hunger. The recent oft-cited experience of Malawi, actually showed that the country could become a food exporter with an important part of its population remaining food insecure.

New donor approaches have also allowed the development of early interventions in the livestock economy. However, these interventions are not yet significant in terms of actual needs in the livestock sector during drought and drought onset<sup>60</sup>; they also remain marginal (about 1 percent of the total) as a proportion of total international assistance to the region. Finally they cannot compensate for the lack of adequate and sustainable routine service delivery: implementing routine vaccination for cattle would require stronger veterinary services but be more effective than running emergency vaccination when a crisis strikes.<sup>61</sup> Similarly emergency destocking cannot counter the constraints to livestock marketing presented by poor infrastructure and veterinary-related export problems. Establishing fodder multiplication centres and developing supply chains for fodder and supplementary food might allow smoother and larger-scale interventions than targeted emergency supplementary feeding of animals.<sup>62</sup>

#### **4.6 Information and Decision Making**

Information systems have received significant investments in recent years. However, despite the recognition of the chronic nature of food insecurity, assessment and information systems are still oriented mainly to emergency operations,<sup>63</sup> and defining food insecurity situations as emergencies or otherwise. UNICEF has made efforts to use nutritional surveillance in a more coordinated and strategic way to better inform interventions and policies, but progress remains limited and in general international organizations still rely on acute malnutrition thresholds, which are late indicators to decide interventions. There is also a tendency to over-emphasize meteorological indicators, whereas food insecurity has a very complex relation to meteorological drought.

Despite the progressive roll out of the Integrated Phase Classification<sup>64</sup>, reaching consensus on the issue of 'needs' remains a major challenge. Despite decades of investment on information systems, the crisis situation in 2008 is said to have taken people by surprise. In

Ethiopia, the humanitarian appeal had to be revised upwards three times (2.2 million people in April, 4.6 million in June, and 6.4 million in October). In Kenya early 2009, donors had initial doubts over the severity of the situation described by the Government, until a few weeks later, NGOs warned of very high malnutrition levels in Northern Districts, with Global Acute Malnutrition close to 30 percent. Identifying the right number of people in need is a challenge, with mistrust between different stakeholders, including lack of confidence in Governments estimates (often perceived as unreliable, either underestimated or overestimated depending on the country); some donors are also concerned about the inclusion in emergency appeals of people in chronic poverty such as urban caseloads.

The experience of 2008 shows the IPC is still far from fulfilling its intended role of improving the quality of information, building consensus, and helping decision-making by donors. There is a lack of investment in developing and using the approach. More fundamentally, there is a lack of willingness to use the approach in monitoring and responding to both chronic and transient food insecurity in an integrated way. This is a symptom of a more general lack of willingness to integrate methodologies and information systems.

## 5 MOVING FORWARD

2008 will be remembered as a highly critical year for the fight against hunger in the Horn of Africa. High food prices have resulted in renewed political and financial commitments to meet the challenges of food and agriculture but also highlighted the need for a critical review of the food security strategies in place in different East African countries.

### 5.1 Conclusion: Many Challenges Ahead

Despite continuous increase in ODA in the recent years, and the development of new mechanisms to address hunger, the region was in 2008 and 2009 in a state of food security crisis, with millions of people depending on external assistance to protect their lives and livelihoods. Promising new approaches to addressing food insecurity have been used, and valuable lessons have been learnt, but in each case there are limitations to the approach itself, and/or the willingness of donors to fully fund and use it.

In Ethiopia the Productive Safety Net Programme has shown great achievements in supporting the food insecure, and in making that support less dependent on annual appeals. But this is not to say that it is fully replacing humanitarian assistance. There are questions also about the administrative and financial resources it requires from different stakeholders, and the extent to which it is encouraging “graduation” to food security among its clientele.

Individual donors are successfully implementing Disaster Risk Reduction approaches and other approaches, usually country-specific, to bridging the gap between relief and development. Governments in the region have also set up multi-sectoral institutions to co-ordinate development. But there is a lack of connections or co-ordination between these efforts, and the large-scale UN humanitarian operations.

Major donors such as the European Commission and Canada have untied their food aid, although the USA is still tightly tied to a policy of sending its own produce. Current international arrangements, and in particular the Food Aid Convention, discourage more appropriate food aid practices, such as donation of costs for distribution of locally-procured food. While cash transfers have grown in popularity as an alternative to food aid, the 2008 crisis highlighted that cash transfers are not a panacea and food transfers continue to be important. Local procurement of food aid is also growing in popularity but its further development is hampered by procedural requirements and a continuing commitment to procurement at international prices, without flexibility on price for smallholders.

There has been good but limited use of direct interventions in agricultural and livestock production, as part of emergency responses, but this is not yet integrated with longer term measures in agricultural research and policy.

While the issue was not studied in depth for this report there are concerns over governments restricting access and presence of humanitarian organizations in places such as Eritrea, or parts of Ethiopia, as well as the broader concerns about humanitarian access in Somalia and Darfur. At a lower level, there have been disputes between governments and NGOs over numbers of people in need, supposed over-emphasis on famine in international media, and principles of humanitarian independence. On the other hand, there are encouraging signs of real leadership and co-ordination from governments, to the extent that donors themselves are now challenged to respond positively through support and capacity-building.

## 5.2 Recommendations

### 5.2.1 General

In the light of the additional questions raised over the effectiveness of safety nets, and particularly the unresolved questions over graduation, *countries of the region, assisted by donors, must critically reassess their national food security strategies and action plans, and the place of the safety net programmes within them.*

*Disaster Risk Reduction needs to be understood in its fullest sense of building resilience in the long term, both to climate shocks and price shocks.* This must include co-ordination between emergency assistance and investment in agricultural infrastructure, agricultural research and changes in policy to make agriculture and livestock production more resilient to climatic and economic shocks.

*Information on promising new approaches in Disaster Risk Reduction, alternatives to food aid and early livelihood interventions must be exchanged between donors and governments, and disseminated, as a step towards upscaling and integrating with other initiatives.*

### 5.2.2 Food Aid

Though international food aid has often been essential to save lives and livelihoods in the region, Oxfam, like a number of other NGOs, considers that international food aid:

- should be one instrument among others, used only when appropriate, rather than the dominant form of response to food insecurity it has been for decades.
- should be untied from domestic interests of donor countries and actively seek synergies with longer term development objectives, by giving the priority to local and regional procurement from small producers.

To these ends:

*The Food Aid Convention must be reformed to favour aid in cash, local procurement and support to livelihood interventions<sup>65</sup>.*

*US food aid must be reformed to allow local procurement of relief food.*

*Governments and WFP should invest further in the development of local procurement from small farmers and link up these activities with direct support to them in order to strengthen their position in markets and limit risks associated with price volatility.*

*Emergency operations and Disaster Risk Reduction initiatives must make more efforts to understand, communicate with and integrate operations with parastatals dealing with food commodities, given their potentially important role in contributing to the management of national food security, especially important in times of high volatility in food markets.*

### 5.2.3 Co-ordination and the Relief-Development Divide

*Co-ordination of donor efforts needs to extend to actions both against transient and against chronic food insecurity.* Current cluster approaches may be inadequate. The model of the UN High Level Task Force at country level, which includes all international institutions concerned with the fight against hunger, if properly resourced may be the best forum to bring them together for policy coherence and coordination.

*Existing support by donors to new national-level government entities dealing with food insecurity in Kenya and Ethiopia, should be sustained and deepened.* The new entities must be empowered to broaden the scope of Disaster Risk Reduction and disaster management beyond early warnings and preparedness, and be thus enabled to play a coordinating role, across sectors and ministries towards a more comprehensive approach to food security. They should work with the UN system towards coherence and coordination of different relief and contingency plans, funds and instruments.

*Donors need to respond appropriately to these and other developments that indicate new leadership roles for national governments.* Donors need to take national leadership seriously and put resources into capacity-building for the new bodies.

### 5.2.4 Information Systems and Decision-Making

*The Integrated Phase Classification, and food insecurity information systems in general, need to be used for longer term interventions on food insecurity,* and not just to estimate short-term needs and food aid requirements. One way forward would be for the IPC to be used by and in the government institutions recently created in Kenya and Ethiopia, and used to guide national food security plans, with both earlier and long-term interventions. For this, there will be a need for more ongoing surveillance, baseline studies, vulnerability mapping and trend analysis, alongside classic Early Warning System work.

### 5.2.5 Humanitarian Access and Government/NGO Relations

This paper does not make explicit recommendations on protecting humanitarian access and managing disputes between government and NGOs, but we observe that the measures proposed above, including investing in capacity-building for governments and strengthening the role of the High Level Task Forces will favour consensus on needs estimates and appropriate dissemination of news on levels of need, and enhance trust in general.

## References

- <sup>1</sup> At the time of writing in October 2010, there were some signs of another sharp global rise in food prices related to drought in Russia, though FAO had concluded that the probability of a crisis like 2007-08 was low. See <http://www.bbc.co.uk/news/business-11177346> and <http://www.bbc.co.uk/news/business-11402852>
- <sup>2</sup> N. Majid and A. Crosskey *Food Security and Complex Livelihoods in The Horn, East and Central Africa*, Oxfam 2008 – the linkage is clearer for Somalia, Eritrea and Djibouti, much less so for Kenya or Ethiopia, despite a 39% rise in food prices in the latter between March 2007 and March 2008.
- <sup>3</sup> See E. Clay, *Food Aid and the Doha Development Round: Building on the Positive*, ODI, February 2006.
- <sup>4</sup> Calculated using figures on OECD website <http://stats.oecd.org/WBOS/index.aspx>, accessed June 2010.
- <sup>5</sup> <http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/09/138&format=HTML&aged=0&language=FR&guiLanguage=en>
- <sup>6</sup> <http://www.worldbank.org/foodcrisis/pdf/GFRPPProjectStatus.pdf>
- <sup>7</sup> IMF website, <http://www.imf.org/external/pubs/ft/scr/2009/cr0934.pdf> accessed July 2009
- <sup>8</sup> ADB website <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/Thepercent20Africapercent20Foodpercent20Crisispercent20Response.pdf>, accessed July 2009
- <sup>9</sup> Updated from *IDA AT WORK, Ethiopia: Protecting the Most Vulnerable*, March 2007.
- <sup>10</sup> An Oxfam publication (*The Rain Doesn't Come on Time Any More: Poverty Vulnerability and Climate Variability in Ethiopia*, Oxfam International 2010) reports opinions that average rainfall in Ethiopia has remained more or less constant since the 1950s, but that it has shown high variability. The document also reports recent research findings that there has been a significant decrease in February-May rainfall.
- <sup>11</sup> See the UNDP Climate Change Country Profiles for various countries in the region, available at <http://country-profiles.geog.ox.ac.uk/>
- <sup>12</sup> Osbahr, H. and D. Viner (2006) *Linking Climate Change Adaptation and Disaster Risk Management for Sustainable Poverty Reduction: Kenya Case Study Report*, Report to European Commission, MWH, La Hulpe, and: Nassef, M., Anderson, S. and C. Hesse (2009) *Pastoralism and Climate Change, Enabling Adaptive Capacity*, Regional Pastoral Livelihoods Advocacy Project, Nairobi and ODI, London.
- [www.iied.org/pubs/pdfs/G02497.pdf](http://www.iied.org/pubs/pdfs/G02497.pdf)
- <sup>13</sup> The 15<sup>th</sup> Conference of Parties of the UN Framework Convention on Climate Change.
- <sup>14</sup> [http://www.ipc-undp.org/publications/cct/africa/RHVPBrief\\_14\\_PSNP.pdf](http://www.ipc-undp.org/publications/cct/africa/RHVPBrief_14_PSNP.pdf)
- <sup>15</sup> Ethiopia's Ministry of Agriculture and Rural Development (MoARD) (2006) *Programme Implementation Manual* p.1.
- <sup>16</sup> The eight are the World Bank/IDA, United Kingdom Department for International Development (DFID), EC, Canada, Ireland, Sweden, USAID and WFP.
- <sup>17</sup> [http://www.ipc-undp.org/publications/cct/africa/RHVPBrief\\_14\\_PSNP.pdf](http://www.ipc-undp.org/publications/cct/africa/RHVPBrief_14_PSNP.pdf)
- <sup>18</sup> ALNAP (nd) *The Global Food Price Crisis: Lessons and Ideas for Relief Planners and Managers*.
- <sup>19</sup> N. Majid and A. Crosskey *Food Security and Complex Livelihoods in The Horn, East and Central Africa*, Oxfam 2008.
- <sup>20</sup> <http://www.odihpn.org/report.asp?id=2997>
- <sup>21</sup> Oxfam (2009) *Band Aids and Beyond: Tackling Disasters in Ethiopia 25 Years after the Famine*
- <sup>22</sup> <http://www.america.gov/st/health-english/2008/June/20080616000549xjyrrep3.794497e-02.html> accessed July 2009.
- <sup>23</sup> See <http://www.dmikenya.or.ke/inside.php?articleid=1> accessed July 2009
- <sup>24</sup> WFP's new Strategic Plan 2008-2011, broadens WFP's tool box (shift from food only to inclusion of cash and vouchers), emphasises local procurement from small-holders and commits to capacity-building for local governments and institutions.
- <sup>25</sup> In Ethiopia, various donors thus contribute to the HRF including DFID, Netherlands, Norway, Ireland, Italy, Sweden, Spain and Switzerland.
- <sup>26</sup> *Making Pooled Funding Work for People in Crisis*, Oxfam International Briefing paper, 1 May 2009
- <sup>27</sup> OCHA Ethiopia website, <http://www.ocha-eth.org/> accessed July 2009
- <sup>28</sup> <http://www.wfp.org/node/598>
- <sup>29</sup> Joint WFP/IFAD publication
- <http://docustore.wfp.org/stellent/groups/public/documents/communications/wfp220176.pdf>
- <sup>30</sup> As with C-Safe in Southern Africa in 2002-3.
- <sup>31</sup> *Cluster Approach Evaluation 2: Synthesis Report* <http://www.humanitarianinfo.org/iasc/downloadDoc.aspx?docID=5269&ref=4> and *Cluster Approach Evaluation 2: Uganda Case Study* <http://www.humanitarianinfo.org/iasc/downloadDoc.aspx?docID=5271>
- <sup>32</sup> Pantuliano, S. and Wekesa, M. *Improving drought response in pastoral areas of Ethiopia Somali and Afar Regions and Borena Zone of Oromiya Region*, Humanitarian Policy Group, Prepared for the CORE group (CARE, FAO, Save the Children UK and Save the Children US), Overseas Development Institute, London January 2008.
- <sup>33</sup> <http://www.ipcinfo.org/>

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- <sup>34</sup> Warehouse receipts provide farmers with credit on their harvests and can be combined with schemes to procure locally food aid from small farmers, see USAID West Africa website, <http://eastafrika.usaid.gov/en/Article.1159.aspx>, accessed June 2009.
- <sup>35</sup> Innovative programme implemented through a WFP- Oxfam partnership in Northern Kenya.
- <sup>36</sup> WFP direct communication, June 2009.
- <sup>37</sup> Toxins produced by fungal action on grains and other foods, just before harvest or during storage, particularly in humid conditions. Aflatoxins are both extremely toxic and very difficult to detect outside a laboratory.
- <sup>38</sup> Sources are OCHA Financial Tracking System and direct communications from World Bank Ethiopia.
- <sup>39</sup> See <http://www.bloomberg.com/apps/news?pid=20601116&sid=aIMqNz8DFfUo&refer=africa>, accessed June 2009.
- <sup>40</sup> ECHO Nairobi personal communication
- <sup>41</sup> <http://www.livestock-emergency.net/>
- <sup>42</sup> <http://www.ilri.org/ilrinews/index.php/archives/1440>
- <sup>43</sup> Devereux, S. et al., *Ethiopia's Productive Safety Net Programme: 2008 PSNP Assessment – Summary Report* September 2008. The authors explain on p.5 that beneficiaries of transfers and other food security programmes are expected to graduate after 2-3 years and give an estimate on p.11 of numbers receiving the different components.
- <sup>44</sup> *Review of Food Security Programme*, Addis Ababa, GoE , March 6, 2009, page 34.
- <sup>45</sup> *Review of Food Security Programme*, Addis Ababa, GoE , March 6, 2009, page 21-22.
- <sup>46</sup> <http://www.unisdr.org/eng/hfa/docs/Hyogo-framework-for-action-english.pdf>
- <sup>47</sup> Pantuliano, S. and Wekesa, M. *Improving Drought Response in Pastoral areas of Ethiopia; Somali and Afar Regions and Borena Zone of Oromiya Region*, Humanitarian Policy Group, Prepared for the CORE Group (CARE, FAO, Save the Children UK and Save the Children US), Overseas Development Institute, London January 2008, page 29.
- <sup>48</sup> Unless otherwise indicated, humanitarian aid figures and tables come from OCHA's Financial Tracking System
- <sup>49</sup> Ethiopia Humanitarian Requirement Document 2009, page 6.
- <sup>50</sup> USAID West Africa website, <http://eastafrika.usaid.gov/en/Article.1029.aspx> , accessed June 2009.
- <sup>51</sup> See the new US request to use up to 25 percent of the Title II funds for the local or regional purchase and distribution of food. <http://www.usaid.gov/policy/budget/cbj2009/101430.pdf> accessed July 2009.
- <sup>52</sup> *Ethiopia – Complex Emergency Situation Report #7*, Fiscal Year (FY) 2008 October 1, 2008.
- <sup>53</sup> Under the FAC, all main donors are committed to provide annual resources to developing countries for the provision of food aid. However, cash to finance an element of a food aid operation where food is provided by another country cannot be accounted for as a contribution against one's commitment. For instance, the Government of Kenya can offer to buy food from local producers, and to either give it to WFP or distribute it itself. In the latter case, Kenya needs then donor support to transport and store the food for food distribution, but the money spent by donors in support of such an operation cannot be counted as part of their international commitments under the Food Aid Convention. As a result donors tend to avoid this type of operation.
- <sup>54</sup> See *P4P Update*, World Food Programme, June 2009 and *WFP Food Procurement Report 2008 – WFP's P4P* is allowing the purchase of about 20,000 metric tons of food from small holders, i.e. 0.7 percent of a total purchase of 2,824,667 metric tons in 2008.
- <sup>55</sup> Through the National Supply Company (CONAB), the Brazilian Government purchases food from family farmers without requiring tender procedures, provided that their prices are no higher than those prevailing in regional markets. The food products that are bought are used to supply public programmes or services such as meals served in schools, distribution of basic food baskets to extremely poor families, meals served in hospitals and penitentiaries, and building reserves. Since it was created, the Food Procurement Programme has invested around \$646 million to buy 1.25 million tons of food products from 86,000 family farmers. This food was consumed by about 10 million people through public programmes. Source – Ministério do Desenvolvimento Social e Combate à Fome (MDS), *Jornal MDS* N° 4, June 2008, pp. 6-7, [http://www.mds.gov.br/servicos/Coordenacao/jornal-mds/servicos/Coordenacao/jornal-mds/2008/jornal\\_mds\\_junho.pdf](http://www.mds.gov.br/servicos/Coordenacao/jornal-mds/servicos/Coordenacao/jornal-mds/2008/jornal_mds_junho.pdf) - last accessed January 2009.
- <sup>56</sup> See for instance Berardi , G., *Kenya - Starvation and Food Insecurity in the Land of Plenty*, Institute for Global and Community Resilience, Huxley College of the Environment Western Washington University Bellingham, WA, 2009.
- <sup>57</sup> Pantuliano, S. and Wekesa, M. *Improving Drought Response in Pastoral Areas of Ethiopia; Somali and Afar Regions and Borena Zone of Oromiya Region*, Humanitarian Policy Group, Prepared for the CORE group (CARE, FAO, Save the Children UK and Save the Children US), Overseas Development Institute, London January 2008.
- <sup>58</sup> Prices have been highly volatile in the region, though Governments in the region intervene in food markets in various ways: some level of price control on certain crops (e.g. maize in Kenya), public procurement and importations of food commodities (e.g. Ethiopia, Kenya), management of national food reserve (e.g. Ethiopia, Kenya), export bans (e.g. Tanzania) and import tariffs.
- <sup>59</sup> <http://www.ethiopianreview.com/articles/9698> accessed June 2009.

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<sup>60</sup> According to a livestock expert interviewed in the study, livestock interventions in the region are not meeting more than 10 percent of actual needs.

<sup>61</sup> Vaccines can be less effective or even detrimental if provided when animals are weak.

<sup>62</sup> Some of these ideas were proposed as part of the *Horn of Africa Consultations on Food Security: Country Report Federal Democratic Republic of Ethiopia* Ministry of Agriculture and Rural Development Addis Ababa, 15 May 2007.

<sup>63</sup> In Kenya the Government coordinates food security programming through the Kenya Food Security Meeting (KFSSM). The KFSSM coordinates early warning systems, organises two annual food security assessments, and establishes geographical needs and priorities. The District Steering Groups (DSG) coordinate implementation at the district level.

<sup>64</sup> The IPC is being rolled out in several countries in the region (Burundi, Democratic Republic of Congo (DRC), Ethiopia, Kenya, Tanzania, and Uganda), and notably at a slow pace in Ethiopia.

<sup>65</sup> For more details on what a reformed FAC should look like, see *A Billion Hungry* People, Governments and aid agencies must rise to the challenge, Oxfam GB, January 2009, [http://www.oxfam.org.uk/resources/policy/conflict\\_disasters/downloads/bp127\\_billion\\_hungry.pdf](http://www.oxfam.org.uk/resources/policy/conflict_disasters/downloads/bp127_billion_hungry.pdf)