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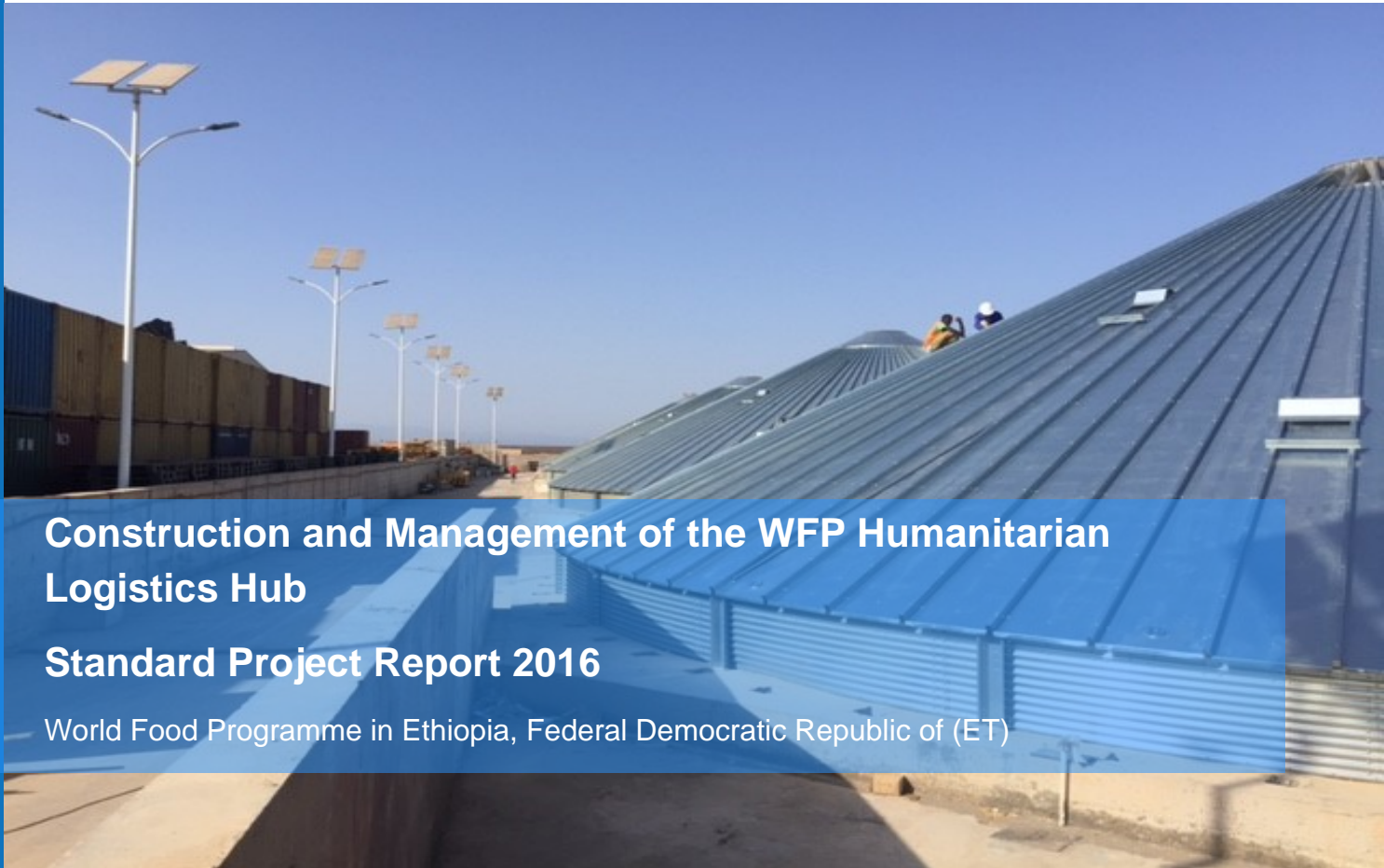
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**SPR Reading Guidance**



## Construction and Management of the WFP Humanitarian Logistics Hub

### Standard Project Report 2016

World Food Programme in Ethiopia, Federal Democratic Republic of (ET)



**World Food Programme**

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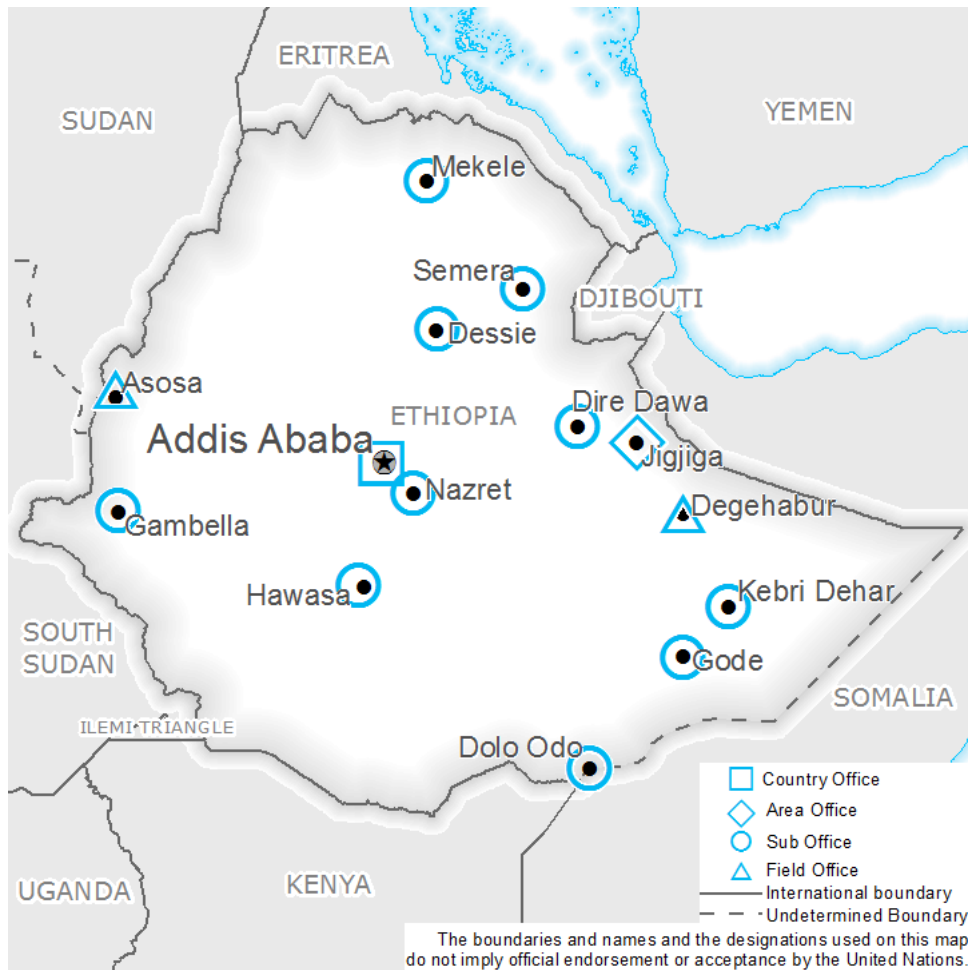
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# Country Context and WFP Objectives



## Country Context

Over the past seven years, Ethiopia has achieved high economic growth averaging 11 percent per annum and reduced extreme poverty from 60.5 to 30.7 percent, enabling it to eradicate extreme poverty and hunger rates by half, as was expected in Millennium Development Goal (MDG) 1.

Agriculture is one of the highest contributors to economic growth and contributes to 45 percent of Gross Domestic Product (GDP). About 12 million smallholder farming households account for an estimated 95 percent of agricultural production and 85 percent of all employment in Ethiopia. The government's medium term strategic framework Growth and Transformation Plan (GTP II), promotes agricultural development to achieve food and nutrition security with the aim of building resilience and places emphasis on the production of high value crops and livestock production. The overarching objective GTP II is the realization of Ethiopia's vision of becoming a middle income country by 2025.

Even though Ethiopia is one of the ten countries globally to have attained the largest absolute gains in its Human Development Index (HDI) over the last several years, it still ranks 174th out of 188 countries in the 2015 UNDP Human Development Report. Given the bulk of the rural population derives its livelihood from agriculture and poverty is by and large a rural phenomenon, the government is promoting agricultural growth as a major driver of poverty reduction in Ethiopia. The proportion of the population living below the national poverty line fell from 38.7 percent in 2003/4 to 23.4 percent in 2015 [1] The proportion of the population living in poverty fell in both rural and urban areas. This progress shows that the country is on track to achieve the target of reducing income poverty by half.

In spite of this progress, many rural households find it impossible to survive without access to seasonal wage employment or assistance from the National Productive Safety Net and related social protection programs. Some 25 million Ethiopians remain in poverty and live just above the poverty line, making them vulnerable to seasonal climatic shocks and food insecurity.

Climate shocks are the principal reason for chronic poverty and food insecurity at the household level in Ethiopia. The International Food Policy Research Institute's 2016 Global Hunger Index scores Ethiopia at 33.4, a slight decline from the previous scoring of 33.9. This is still 'serious'- in spite of the impressive gains the country has accomplished from the MDG perspective. The 2016 Ethiopia Demographic Health Survey (EDHS) indicated that the national prevalence of wasting was 9.9 percent, stunting was 38.4 percent and underweight was 23.6.

Overall, more than half of children 6-59 months (56 percent) suffered from some degree of anaemia: 25 percent were mildly anaemic, 28 percent were moderately anaemic, and 3 percent were severely anaemic. About one-fourth of women age 15-49 (23 percent) are anaemic. The majority are mildly anaemic (17 percent), 5 percent are moderately anaemic, and less than 1 percent are severely anaemic. The 2012 Cost of Hunger Study indicates that stunted children achieve 1.1 years less in school education and the annual costs associated with child under nutrition are estimated at Ethiopian birr (ETB) 55.5 billion, equivalent to 16.5 percent of GDP.

The national adult HIV prevalence declined remarkably from 5.3 percent in 2003 to 1.5 percent in 2011. In 2015, the projected national adult HIV prevalence was estimated at 1.2 percent, with geographical and gender variations. Marked variation in urban rural prevalence is also reported in the 2011 EDHS with urban areas showing a seven fold higher HIV prevalence compared to rural areas (4.2 percent versus 0.6 percent). HIV prevalence was disproportionately higher among urban females (4 percent) compared to urban men (2.4 percent).

In Ethiopia, gender inequality remains a significant concern. Women and girls are strongly disadvantaged compared to boys and men, in literacy, health, livelihoods and basic human rights (UN Women 2013). Ethiopia has a Gender Inequality Index of 129 out of 155 countries, whereas neighboring Uganda ranks 122 and Burundi 109 (UNDP HDI Report 2016). Moreover, gender inequality is deeply rooted in the patriarchal society where women are structurally disempowered. This is reflected in many development indicators. For instance, Ethiopia entered the twenty-first century with extremely low maternal and reproductive health indicators. Moreover, 70 percent of the women have encountered gender based violence.

Compounding this situation was the 2015/16 El Nino induced drought, the worst in 50 years, which was brought about by failed *belg* (spring harvest) and *meher* (main harvest) rains. As a result, over 10 million people above those targeted under the Productive Safety Net (PSNP) were considered food insecure. Whereas the 2010-2011 Horn of Africa drought affected lowland areas, the 2015/16 drought also affected the highlands, where population densities are high and households depend on rain-fed agriculture, livestock and seasonal wage labour. Emergency food and nutrition assistance needs rose sharply in late 2015 and remained at fairly high levels throughout 2016.

2016 began with 10.2 million people in need of humanitarian assistance. There was a slight decline in the mid-year review of the government's official Humanitarian Requirements Document (HRD) which indicated that 9.7 million people were in need of emergency food assistance. Of this number, WFP and the National Disaster Risk Management Commission (NDRMC) were responsible for 7.1 million while 2.6 million were assisted through Joint Emergency Operation Plan (JEOP), implemented by a consortium of US international NGOs. Some 2.36 million women and children required treatment for moderate acute malnutrition (MAM). With close to 20 percent of Ethiopia's population affected overall, the scale of the humanitarian emergency in Ethiopia has been significant. Though the last *meher* season rainfall situation has improved harvest prospects, there is still a need for emergency assistance in parts of the country as a result of the failure of seasonal rains and emergency humanitarian assistance may be required well into 2017.

Ranked 126th out of 160 countries in the Logistics Performance Index (WB, 2016) the logistics infrastructure and seasonal variations still poses a significant challenge for the access to the affected populations and efficient supply chain operation in the country. Due to long distances, poor infrastructure in some parts of the country and insecurity especially in the Somali Region, surface transport is rendered unfeasible making air transport critical to timely delivery of aid to beneficiaries. Existing commercial air operators do not serve some of the critical programme implementations locations.

Ethiopia hosts the second largest refugee population within east and central Africa. Over 780,000 officially registered refugees from South Sudan, Somalia, Sudan, Eritrea and Kenya now reside in 26 camps located in the five regional states of Afar, Benishangul-Gumuz, Gambella, Somali and Tigray. The resurgence of conflict in South Sudan in July 2016 saw the arrival of over 30,000 new refugees in the Gambella Region in Ethiopia.

[1] Federal Democratic Republic of Ethiopia: Growth and Transformation Plan II (GTP II) (2015/16-2019/20) Page 6

## Response of the Government and Strategic Coordination

The Government of Ethiopia has taken a progressively greater leadership role in shaping how the country combats food insecurity, malnutrition and the negative effects of climate change. The outcome has been a series of Government Flagship Programmes (GFPs), against which all international actors including WFP, have aligned their financial and technical support. The most prominent of these government flagship programmes include:

- Productive Safety Net Programme
- Humanitarian Requirements Document
- National Nutrition Programme
- Seqota Declaration to end child malnutrition by 2030
- Health Sector Transformation Plan that addresses HIV/AIDs
- Home Grown School Feeding Programme
- Education Sector Development Programme
- Sustainable Land Management Programme
- The related Sustainable Land Management Programme for Food Insecure and Pastoral Areas
- Ethiopia's Climate-Resilient Green Economy Strategy

Each of these programmes are intended to address a specific aspect of food insecurity, malnutrition and/or climate change. Each is led by a government entity, responsible for the implementation of its respective flagship programmes at federal, regional and community (woreda) level.

WFP's role in Ethiopia is to support government policies, programmes and systems that address the multiple dimensions of chronic hunger and undernutrition among the most vulnerable segments of the population and refugees hosted in different parts of the country. Interventions are aligned with the United Nations Development Assistance Framework 2016-2020, which represents the strategic response of the UN Country Team to the national development priorities articulated in the second Growth and Transformation Plan.

Since the onset of the El Nino drought, the government has played a strong coordination role by strengthening different platforms and mechanisms, including organizing weekly national and regional prioritization meetings that look at the overall resource allocations, engaging in district dispatch prioritization, monitoring nutritional and food movement performance indicators and delivery and distribution figures. Through its strong leadership, the government avoided a major humanitarian crisis through decades of investments in stronger national systems and with determined support from the international community, including WFP. As the lead agency of the Logistics Cluster, WFP supported the government-led response to the El Niño drought in Ethiopia. The National Disaster Risk Management Commission (NDRMC) in partnership with WFP, identified logistics gaps and bottlenecks in delivering life-saving assistance to drought-affected populations. The Logistics Cluster then proposed a set of mitigating measures and over the course of 2016, has worked to augment the logistics coordination and information management capacity of NDRMC and other humanitarian actors in response to the immense needs arising as a result of the worst drought in 50 years.

## Summary of WFP Operational Objectives

In 2016, WFP played a critical role in Ethiopia by a) providing support to the government to strengthen national systems, and b) promoting innovative and more effective approaches to improving food security and building resilience. Over the course of 2016, WFP contributed to the improvement of the supply chain, strategic food reserve and transport systems in Ethiopia and provided critical logistics support to South Sudan. In 2016, WFP procured food commodities from cooperative unions that were made available as stock for purchase under the Global Commodity Management Facility (CGMF) by Ethiopia, Somalia and South Sudan

**PRRO 200712 (2015 – 2018), approved budget USD 1.4 billion**, addressed food insecurity and malnutrition among people living in disaster-prone areas. The PRRO provided short-term food assistance for households in periods of acute emergency stress and addressed moderate acute malnutrition among children under 5 and pregnant and lactating women (PLW). Through the Productive Safety Net Programme, WFP supported the government in its efforts to transition from relief assistance to a structured and predictable safety net to reduce the impact of shocks and build resilience. The PRRO also addressed chronic malnutrition and stunting among children under two and PLW.

**PRRO 200700 (2015 – 2018) approved budget USD 487.3 million**, contributed to meeting the basic nutritional needs of refugees through the distribution of food assistance and the expansion of cash distributions. It reduced acute malnutrition in children, and PLW through the provision of specialized nutritious foods. The PRRO also contributed to stabilizing school enrolment of refugee girls and boys in WFP-assisted schools and increased livelihood and environmental opportunities for refugees and host communities in fragile transition situations.



**Country Programme 200253 (2012 – 2016) approved budget USD 333 million**, assisted the government to build its disaster risk and natural resource management capacity, including supporting community-based watershed development under Managing Environment Resources to Enable Transitions to More Sustainable Livelihoods (MERET) in the first half of the year. The Country Programme also supported school meals in selected primary schools; enabled access to HIV care, treatment and support in urban areas; and promoted the development of agricultural markets and livelihoods. It also promoted food marketing and rural livelihood strategies, especially for women. In addition to this, WFP implemented an insurance scheme through the R4 Rural Resilience Initiative Programme as a disaster risk management approach in the Tigray and Amhara regions. This improved natural resource management (community risk reduction), provided access to micro credit ("prudent" risk taking) provided insurance coverage (risk transfer), and increased savings (risk reserves).

**Special Operation 200358 (2012 – 2017) approved budget USD 31.4 million**, enhanced efficiencies of supply chains in the Horn of Africa and augmented regional humanitarian response capabilities. It strengthened logistics systems and capacities in the Djibouti Port and helped to improve lead times for the delivery of commodities. Although the budget for the entire operation cycle is over 31 million, the figure of 7.2 million refers for the share of the 2016 budget.

**Special Operation 200711 (2015 – 2016) approved budget USD 8 million**, provided safe, effective and efficient humanitarian air services in Ethiopia. It provided access to project implementation sites for NGOs, United Nations agencies, donor organizations and diplomatic missions and transported light cargo, such as medical supplies, high energy foods, and information and communication technology (ICT) equipment. The special operation also provided timely medical and security evacuations for humanitarian staff and is linked directly to WFP Strategic Objective 1, which is to save lives and protect livelihoods in emergencies. Although the budget for the entire operation cycle is over 18 million, the figure of 9 million refers for the share of the 2016 budget.

**Special Operation 200752 (2014 – 2016) approved budget USD 6.3 million**, entailed the construction of Geeldoh Bridge to enhance efficiencies in the supply of food aid for Salahad and Lagahida by reducing transport cost and delivery time, and opening a neglected area for further assistance by improving accessibility. Although the budget for the entire operation cycle is over 6 million, the figure of 1.3 million refers for the share of the 2016 budget.

**Special Operation 200977 (2016) approved budget USD 12.7 million**, provided critical logistics augmentation in support of the government's drought response. It enhanced coordination and information sharing, and deployed technical logistics staff to run the Logistics Cluster operation. A budget revision was approved on the 28th of December, so the figure in the 2016 SPR appears higher although this did not affect the 2016 budget.

Across several projects, WFP utilized the Purchase for Progress initiative. This initiative linked small-holder farmers with markets. Under the current drought response, food from small-holders was procured by WFP to feed drought-affected families across the country and served as an important contributor to the Global Commodity Management Facility for the drought response.

# Country Resources and Results

## Resources for Results

Funding levels for 2016 presented a mixed picture across various programmes for the Ethiopia Country Office. Whereas the funding levels improved considerably for some activities compared to previous years, others had constraints which affected the overall levels of implementation. The Country Office was compelled to prioritize activities to effectively use the resources available. Government leadership of the drought crisis was outstanding, and health, nutrition and food systems were scaled up successfully to cope with a three to four-fold surge in needs. The government allocated over USD 380 million of its own resources to back the response – covering close to 30 percent of the USD 1.4 billion appeal.

With regard to WFP's direct drought response, resources allocated to relief interventions covered approximately 60 percent of operational needs for the year. Treatment of Moderate Acute Malnutrition had initial funding gaps, carried over from 2015. The funding gaps were also related to increased people in need of assistance at the beginning of the year and challenges related to getting food into the country from the Djibouti Port. By April to May however, it was fully resourced through to the end of the year. Some of the resources received in the year included donors who had not funded the programme in a very long time. This was an exceptional improvement in comparison to previous years.

On the other hand, the Productive Safety Net Programme only had enough resourcing to cover the first quarter of the year. The programme was suspended for most of 2016. Assistance to chronically food-insecure people to enable them survive food deficit periods and avoid depleting their productive assets was only accomplished in the first part of the year. Additional resources for PSNP were received in the final stages of 2016 and will be carried over into 2017.

As part of a corporate pilot exercise, the Country Office accessed an advance from the Macro-Advance Facility (MAF) at the beginning of the year for PRRO 200700, to cover requirements through to June. This enabled WFP to respond to urgent needs and avert pipeline breaks for vulnerable refugee populations. Most of the contributions used as collateral for this advance came in as expected, allowing the full advance repayment by mid-year. A second MAF allocation was received during the second half of the year, enabling coverage of additional needs arising out of the influx of South Sudanese refugees in the last quarter of the year. WFP undertook joint resource mobilization with UNHCR through the Central Emergency Response Fund (CERF) to address the South Sudanese refugee influx towards the end of the year.

Resourcing for the Country Programme presented a mixed picture as well. Activities under the HIV/AIDS programmes were fully funded, but Managing Environmental Resources To Enable Transitions (MERET) and School Meals only had adhoc resourcing and could not meet the full operational requirements. As anticipated when the Country Programme was extended, the MERET was phased out and handed over to the government as part of the planned exit strategy. As a result of funding challenges, the number of feeding days and the rations for school meals was reduced. However locations with high food insecurity and affected by the drought were prioritized for assistance.

The Special Operation for Logistics Cluster to bolster the country's supply chain capacity, received a substantial response from donors given the pivotal role that the cluster played in the delivery of emergency assistance. The Inter-Agency Standing Committee (IASC) activated the Logistics Cluster for Ethiopia in early 2016, to support the coordination of delivery of humanitarian assistance in response to the current drought. The cluster was led by the Government of Ethiopia's National Disaster Risk Management Commission (NDRMC). WFP, as the global lead agency for the Logistics Cluster, worked with the government and humanitarian community to identify logistics bottlenecks, proposed mitigating measures for overcoming these gaps, and supported partners to ensure an efficient and effective logistics response. This included support to the Ethiopian Maritime Affairs Authority to facilitate the implementation of the national logistics strategy and support port planning operations. Other accomplishments included provision of 64,200 mt of additional storage space in 90 locations for the drought response and an improved reporting system enabling key drought response actors to respond promptly.

During the year, no additional resourcing was received for the Special Operations for the Djibouti Hub and Construction of the Geeldoh Bridge. The Country Office sought a Capital Budgeting Facility to enable critical activities to be undertaken under the Djibouti Hub Special Operation.

## Achievements at Country Level

WFP was able to reach targeted beneficiaries with assistance for over 80 percent of the year. WFP through the Special Operation Logistics Cluster, led by the National Disaster Risk Management Commission (NDRMC), identified logistics gaps and bottlenecks in delivering life-saving assistance to drought-affected populations. The cluster's actions significantly improved the delivery of humanitarian assistance and enabled a more efficient and effective response. Through the joint food pipeline of NDRMC and WFP, relief assistance reached 7.8 million beneficiaries in nine months of distributions. Following the implementation of an improved monitoring and reporting system, there was a significant improvement of the percentage of food and cash delivered and distributed within 4 weeks. This was as a result of improved coordination between staff at all levels, resulting in prompt resolution of challenges occurring in the course of deliveries and distributions. WFP also had significant contributions to emission reductions. A total of 24,000 fuel efficient stoves were distributed to 12,000 households in Ebnat and East Belessa woredas of Amhara Region and a monitoring campaign was launched to measure emission reduction. The Secretariat issued a certificate of emission reduction in November, 2016. The Managing Environmental Resources To Enable Transitions (MERET) programme developed phase out guidelines and supported local government partners in handing over 74 developed watershed sites to local government and user communities. WFP also implemented an insurance scheme through the Rural Resilience Initiative (R4), and government staff received training on environmental protection and management.

WFP worked with the government to undertake a number of public work activities including soil and water conservation, rangeland management, forestry and agro-forestry development, and water development activities (pond construction, shallow well construction and rehabilitation, reservoir construction).

WFP was able to target children in chronically food insecure areas and provided one hot meal per day. In addition to this, the programme provided 8 litres of vegetable oil per semester as a take home ration for girls in pastoralist areas.

WFP provided assistance to about 600,000 refugees in 2016, representing about 90 percent of the total refugee population in 26 camps across the country. Refugees were provided with cash or monthly general food distribution. For 2016, it was estimated that the cash interventions injected about 8 million BIRR into the local markets on a monthly basis. The cash provided to refugees enabled them to purchase food items which were not included in WFP's general rations as well as to buy various non-food items.

Cognizant of gender inequality's effect on hunger and poverty, the Country Office mainstreamed gender in its operations in order to strengthen service delivery and capacity building. In this regard, women's access to food increased considerably as a result of making women the holders of food entitlements.



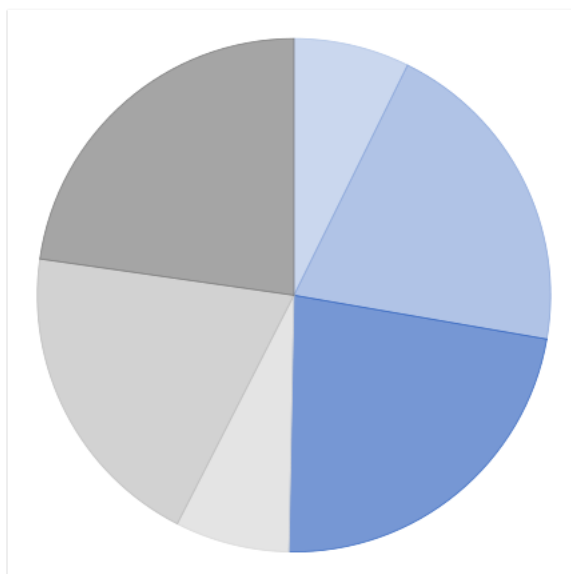
### Annual Country Beneficiaries

Beneficiaries	Male	Female	Total
Children (under 5 years)	674,189	664,946	1,339,135
Children (5-18 years)	1,887,311	1,824,446	3,711,757
Adults (18 years plus)	2,085,434	2,100,021	4,185,455
<b>Total number of beneficiaries in 2016</b>	<b>4,646,934</b>	<b>4,589,413</b>	<b>9,236,347</b>



Country Beneficiaries by Gender and Age

- Children (under 5 years)
- Children (5-18 years)
- Adults (18 years plus)
- Children (under 5 years)
- Children (5-18 years)
- Adults (18 years plus)



## Annual Food Distribution in Country (mt)

Project Type	Cereals	Oil	Pulses	Mix	Other	Total
Country Programme	570	704	-	2,810	16	4,099
Single Country PRRO	373,731	15,151	43,724	52,694	2,158	487,459
<b>Total Food Distributed in 2016</b>	<b>374,301</b>	<b>15,855</b>	<b>43,724</b>	<b>55,504</b>	<b>2,174</b>	<b>491,558</b>

## Cash Based Transfer and Commodity Voucher Distribution (USD)

Project Type	Cash	Value Voucher	Commodity Voucher
Country Programme	67,705	-	597,883
Single Country PRRO	24,286,230	-	-
<b>Total Distributed in 2016</b>	<b>24,353,935</b>	<b>-</b>	<b>597,883</b>

## Supply Chain

WFP managed the supply chain starting from the port of entry (primarily Djibouti and Berbera), followed by delivery and handover to government counterparts at pre-defined destinations (handover points). WFP maintained a monitoring role while delivery and distribution were carried out by the government, except in the Somali region and refugee camps where WFP also delivered to the final delivery points. The continued utilization of WFP's Logistics Execution Support System and Food Management Improvement Project (FMIP) enhanced the visibility, control and monitoring of commodities being handled in the pipeline. The Logistics Cluster facilitated augmenting the Supply Chain network, including improving storage capacity for the drought response and supporting the government transportation and logistics network. WFP's support was also extended to South Sudan in the course of 2016.

WFP's use of its Global Commodity Management Facility (GCMF) for local purchases, helped mitigate distribution delays as the PRRO was able to benefit from timely access to most of the commodities as soon as funds were received. The GCMF ensured that food commodities were already in WFP warehouses when needed, and when funds became available, which ensured that there was no break in the pipeline. Receiving and storing GCMF commodities until sales were finalized in the hubs in Ethiopia also reduced the costs associated with long-term storage in the port of Djibouti. 114,170 mt of food was purchased locally of which 39,420 mt of maize was bought from smallholder farmers. Through the Purchase for Progress (P4P) gender component, women groups were supported with training and introduction of household storage options (silos and haematic bags). WFP, through P4P, was party to the Rural Women's Economic Empowerment Joint Programme (UN Women, FAO, WFP, and IFAD). Benefits from WFP's P4P comparative advantage include knowledge and lessons learned from the field, as well as WFP's capacity to initiate transfer of revolving funds, adapting community tools and training for cooperative unions which include female small-holder farmers.

As a result of the social unrest in the Amhara and Oromia regions in the last quarter of the year, there were challenges with the delivery of humanitarian assistance to these regions. WFP worked with federal and regional authorities to ensure access in these regions. Progress in implementing additional storage units in remote locations were also delayed as a result of the unrest. In spite of these challenges, the Logistics Cluster finalized two local constructions in Somali and Southern Nations Nationalities and Peoples Region (SNNPR), providing additional storage capacity of 700 mt. This was in addition to the erection of 80 mobile storage units and four warehouses rented for National Disaster Risk Management Commission (NDRMC) to provide an additional storage capacity of 50,000 mt. This was 80 percent of the 60,000 mt target in more than 80 locations, for NDRMC and the NGO-led Joint Emergency Operations Plan use.

UNHAS was a critical component of the supply chain in 2016 and responded to needs beyond passenger requirements. Cargo transportation was a key part of the services delivered and without UNHAS service, support to more than 200,000 refugees hosted in camps in the Dollo Ado area of Somali region, would not have been possible as there were no other alternative means to get access to the beneficiaries.



## Annual Food Purchases for the Country (mt)

Commodity	Local	Regional/International	Total
Iodised Salt	-	500	500
Sugar	-	138	138
<b>Total</b>	-	<b>638</b>	<b>638</b>
<b>Percentage</b>	-	<b>100.0%</b>	

## Annual Global Commodity Management Facility Purchases Received in Country (mt)

Commodity	Total
Beans	21,981
Corn Soya Blend	42,030
High Energy Biscuits	59
Maize	83,205
Ready To Use Supplementary Food	2,054
Split Peas	28,371
Vegetable Oil	10,502
Wheat	206,041
<b>Total</b>	<b>394,242</b>

## Implementation of Evaluation Recommendations and Lessons Learned

For the drought response through PRRO 200712, initial cash transfers from federal National Disaster Risk Management Commission (NDRMC) to the various regions were delayed by 2-3 weeks each month given the time required to complete the transfer of cash from the National Bank to regional branches. After a thorough assessment of the situation and discussions with WFP, NDRMC agreed to review the processes and transfer cash directly to the regional Disaster Prevention and Preparedness Bureau (DPPB) through established letters of agreement. This has reduced the transaction time from three weeks to about four days, ensuring that beneficiaries received their entitlements in a timely manner. To further expedite food deliveries in the drought response, WFP prepositioned food commodities in the hubs in Somali region prior to the official commencement of the food distribution rounds to enable WFP reach beneficiaries within an average period of four weeks as against previous distribution cycles of six to eight weeks.

For Treatment of Moderate Acute Malnutrition, a joint response plan was devised by WFP and UNICEF to strengthen Community Management of Acute Malnutrition delivery. This included advocacy with government, NGOs and donors on the necessity to prioritize 'MAM-SAM continuum of care'. A review of the implementation of the WFP-UNICEF plan with all relevant stakeholders will take place in early-2017 under the facilitation of the Nutrition Cluster.

The mid-term evaluation of the HIV/AIDs programme carried out in 2014 came up with a set of recommendations from strategic and operational perspectives. Recommendations from this included the need for an effective linkage of the economic strengthening (ES) participants to Micro Finance Institutes. This was accomplished in 2016. The

Nutritional Assessment and Counselling programme has been linked to the ES programs to ensure household food security, treatment adherence and improvement of quality of life. Most of the recommendations in this evaluation have been implemented and served to improve the effectiveness and efficiency of the project.

The results of recent case studies on the impact of the Managing Environmental Resources To Enable Transitions (MERET) Programme on resilience to the 2015 El Niño-induced drought in Ethiopia, clearly demonstrated the contribution of sustainable natural resource development on livelihoods improvement and overall resilience building. This study revealed that households in MERET community sites recovered better than households in non-MERET community sites, in terms of bouncing back to the pre-drought conditions, due to better adaptive capacities and increased household income that contributed to improving the household food security. As a result of this, the government has focused on the management of natural resources through community-based participatory watershed development approach, which has been evolved from experiences MERET gleaned from implementation.

An operational evaluation of the PRRO 200700 was carried out in 2016, resulting in a number of recommendations on how to further enhance the programme. In line with the recommendations, WFP entered into a nutrition partnership with GOAL Ethiopia to implement Treatment of Moderate Acute Malnutrition activities in Aysaita camp to address critical nutrition gaps. It also resumed Prevention of Acute malnutrition for children aged 24-59 months in all Dollo Ado camps and entered into partnership with Save the Children Federation to implement on site feeding for pre-school age children between 3-6 years in all Dollo Ado camps. The aim of this is to reverse the high malnutrition noticed in these camps. In addition, school meals were provided in all Gambella camps starting October, 2016; cash combined with food assistance was scaled up to additional five camps and there are plans to further scale up in more camps in 2017. This is as a result of the flexibility of food choices it afforded refugees, enabling them to improve their diet diversity. Livelihood activities were reviewed and extended in Shire and Afar camps to enable refugees meet their food needs from their own resources. Some of the challenges faced by livelihood interventions so far include lack of access to agricultural opportunities, absence of job opportunities in the host community and finding useful employment for trained refugees. These have all contributed to near total dependency on food assistance, but with the continued support of the government and donors, it is expected that livelihood options will be expanded in the coming year.

Monitoring standard operating procedures were drafted to allow field monitors provide systematic support to implementation as agreed with key partners (ARRA and UNHCR). In addition to this WFP worked with partners to strengthen women's participation in decision making. This included establishing standards (guidelines) to promote a 50 percent representation of women in food management committees in all camps and putting in place gender-sensitive protection approaches for cash-based relief by ensuring cash resources are placed predominantly on the hands of women.

With regard to gender, the Gender Baseline Study for Ethiopia (2015-2016) recommended that as most of WFP programs support the government's Growth and Transformation Plan II, it is important to look to the government sectoral gender indicators and align the program indicators towards these indicators to achieve better results and sustain achievements. The study also noted that it is important to adapt and replicate MERET innovative gender-sensitive results based management system to other programmes to support more gender-inclusive and operational reporting/analysis and this has been incorporated into the Country Office's plan for 2017.

# Food Management Improvement Project

In line with the Government of Ethiopia's (GoE) Disaster Risk Management Strategic Programme and Investment Framework, WFP Ethiopia launched the Food Management Improvement Project (FMIP), a flagship WFP capacity building initiative within WFP Ethiopia's Logistics Unit. Implemented since 2010, this project has been collaborating with the National Disaster Risk Management Commission (NDRMC) of the Government of Ethiopia for over five years. The project aims to build the overall capacity of the Ethiopian Government in the management of the food assistance supply-chain in order to make it more visible, efficient, and accountable, strengthening national and regional capacities for effective implementation of food and non-food movements. This initiative was developed at the request of the Ethiopian Government, as their food aid supply chain was suffering from a multitude of challenges.

## 1. Component 1: Commodity & Allocation Tracking System (CATS)

CATS is an internet-based database system which aims to improve the visibility of commodities as they move from the donor to the beneficiaries, through the NDRMC supply chain. The system is operable in NDRMC federal offices, hubs, and the different regional capitals.

## 2. Component 2: Commodity Management Procedure Manual (CMPM)

The CMPM is a manual standardize and rationalize commodity management and to compile reporting procedures for NDRMC-handled Relief and Productive Safety Net commodities. The aim of the CMPM is to strengthen the downstream paper-based commodity management and reporting system by introducing a set of reporting forms to be used in all regions at all governmental levels: regional, zonal, woreda and food distribution points (FDP). In order to ensure its implementation, a Woreda Training Programme was developed and conducted for NDRMC partners.

## 3. Component 3: Supply Chain Management (SCM) Training

The aim of the Supply Chain Management (SCM) Training is to provide a framework for improving skills and knowledge on planning and coordination and aims to create an overview of the way different areas in the supply chain inter-relate with a strong emphasis on coordination. The training targets middle and high level logistics managers. In the end, participants receive an internationally accredited supply chain management certification.

This system, in partnership with the Logistics Cluster, has helped streamline food commodity management throughout the course of the 2016 drought response. It has improved government staff capacity and transparency/tracking of commodities to allow for improved decision making and pipeline management.



# Project Objectives and Results

## Project Objectives

WFP's Special Operation 200358 aimed at developing a humanitarian logistics base in the Port of Djibouti in order to improve efficiencies in both humanitarian and commercial logistics. The special operation is in line with Strategic Objective 1 of WFP's Strategic Plan (2014-2017). Specifically, it aimed at:

- enhancing efficiencies of logistics supply chains in the Horn of Africa;
- augmenting regional humanitarian response capabilities;
- aligning with Ethiopia's expanding strategic commodity reserves; and
- strengthening logistics systems and capacities in Djibouti.

This special operation also fits in with Ethiopia's Emergency Food Security Reserve Administration (EFSRA) expansion plan. As a cornerstone of the country's Growth and Transformation Plan, the EFSRA is committed to supporting a gradual shift from the current supply chain to bulk grain transport and storage. This will entail the construction of bulk storage facilities in Nazareth to support the expansion plan. The humanitarian logistics base will play an essential role in supporting this shift.



## Approved Budget for Project Duration (USD)

Cost Category	
Capacity Dev.t and Augmentation	28,416,879
Direct Support Costs	966,093
Indirect Support Costs	2,056,808
<b>Total</b>	<b>31,439,779</b>

## Project Activities

To undertake the technical aspects of the construction of the Humanitarian Logistics Base (HLB), the project manager, in collaboration with the WFP engineering units in Rome and Addis Ababa, divided the project into a number of stages. Activities undertaken in 2016 included the submission and approval of the final design for the silos complex including related civil works, supply and construction of phase one of the silos complex, which included construction of the foundation and structural works for the load and off-load tower; construction of the second phase of the silos including associated civil works as well as construction supervision which included hiring of a site engineering team for the supervision of the works.

Following the government's request for WFP to assist with developing the Djibouti logistics transport sector, a Memorandum of Understanding was signed between the Government of Djibouti and WFP, to enable WFP to support vocational and professional trainings targeting government staff in the areas of warehousing, truck driving and supply chain management. These trainings were essential for the transfer of necessary skills and in enhancing the longer-term sustainability of the operation, and were undertaken in 2015. Despite the importance of this capacity development component, trainings were not undertaken in 2016 as a result of funding constraints.

## Operational Partnerships

The Government of Djibouti was WFP's main partner and the key resource in the implementation of the construction project. WFP, through this project, is partnering with the Government of Djibouti's transport sector through strengthening the existing logistics systems and improving the capacity of local staff. Both partners are committed to growing and strengthening the partnership in the year ahead.

Following the completion of the first part of the Humanitarian Logistics Hub, a partnership platform for humanitarian organizations involved in programmes in the region was created. In 2016, UNHCR stored 280 mt of non-food items such as tarpaulins, mosquito nets, jerry cans, blankets and kitchen sets. United Nations Children's Fund (UNICEF) and World Health Organization (WHO) expressed interest in using the hub and intend to do so in early 2017. Other organizations plan to tap into the use of the facility through loans and borrowing prepositioned stocks from each other. Operational partners, including the United Nations Department of Safety and Security, United Nations Development Programme, Food and Agricultural Organization, and International Organization for Migration have expressed interest in the use of the Humanitarian Logistics Hub. A delegation from the Ethiopia State Ministry of Agriculture paid a visit to the facility and also expressed interest in the use of the facility. WFP, through the Humanitarian Logistics Hub, is offering warehousing, loading, and all related infrastructure and services necessary for a multipurpose storage and handling.

## Results/Outcomes

As part of the overall goal of enhancing efficiencies of logistics supply chains in the Horn of Africa and augmenting regional response capacities, the warehousing facility of the new HLB was completed in 2015 and utilization began in January 2016. Silos for bulk storage are currently under construction and will be completed in May 2017. The completion of the new warehousing facility facilitated the closure of the old and inadequate warehouses and offices and a relocation of all the logistics staff into the new office. Operational partnerships with other organizations were fostered during 2016. UNHCR is currently a full partner, using the non-food commodities warehouse. Discussions with WHO and UNICEF are ongoing to provide them with prepositioning and other services. The logistics base offers very competitive rates for cargo routed through it.

The completion of the silos will align with providing storage for Ethiopia's expanding strategic commodity reserves. The bonded warehouse allows humanitarian actors to save time and avoid high expenditure related to customs clearing and re-export of cargo. An analysis of the cost savings will be fully undertaken in 2017 when the silos are expected to be fully functional.

Courses in small and heavy vehicle driving and warehouse management proved so successful in 2014 that they triggered a request from the Government of Djibouti for WFP to organize further trainings. However, due to funding shortfalls, the capacity developing component of the special operation was not implemented in 2016. WFP has prepared a proposal to train additional government staff from Djibouti in the field of heavy vehicle and forklift driving. The training proposes to develop the capacity of government staff, given the logistics development envisaged for Djibouti in the next five years.

# Figures and Indicators

## Data Notes

- Credit: Cover page photo © WFP/ Michael Tewelde
- Caption: Humanitarian Logistics Base (HLB) in Djibouti.

1. Number of hubs established will be updated by 2017.
2. Staff training did not take place in 2016 due to funding constraints.

## Project Indicators

### Output Indicators

Output	Unit	Planned	Actual	% Actual vs. Planned
<b>SO1: Special Operation (Logistics)</b>				
Number of agencies and organizations using storage facilities	agency/organization	3	1	33.3%
Number of hubs established	hub	1	-	-
Number of staff trained	individual	400	-	-
Total storage space made available (m2)	unit	6,000	6,000	100.0%