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SPR Reading Guidance



Construction and Management of the WFP Humanitarian Logistics Hub

Standard Project Report 2017

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



World Food Programme

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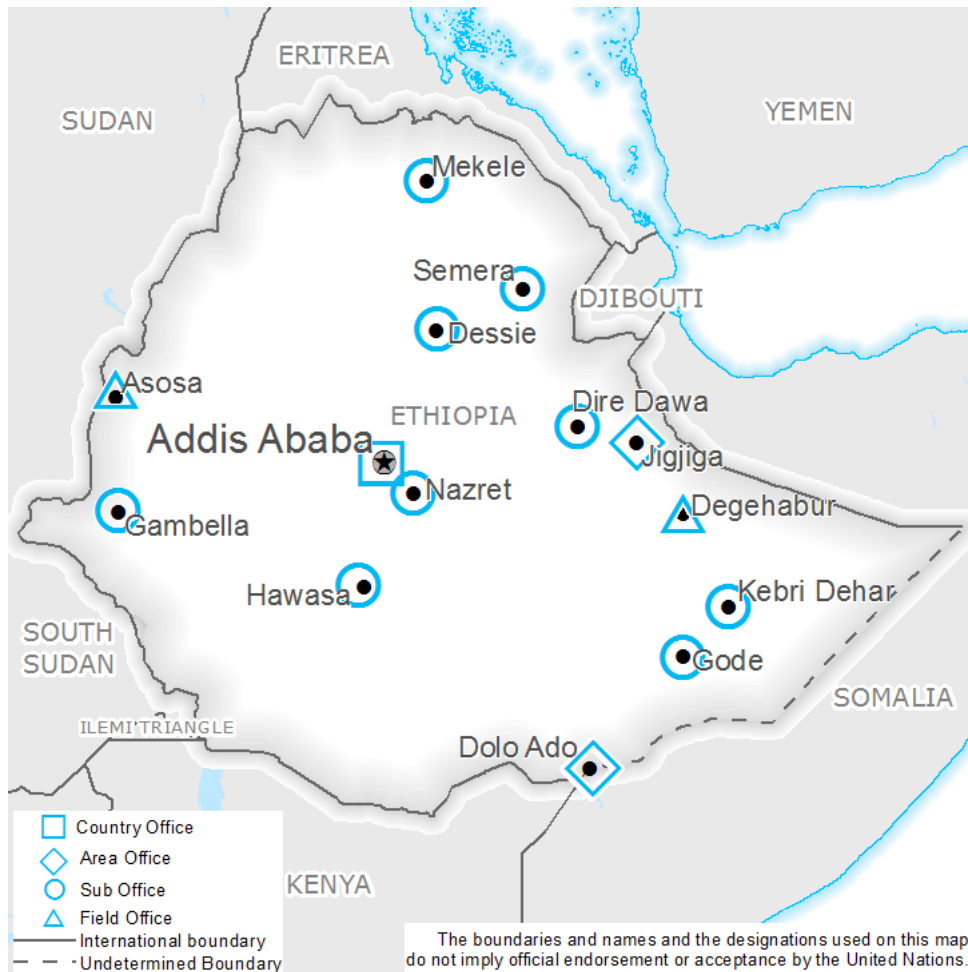
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Achievements at Country Level

In the follow up to the "worst drought in 50 years", 2017 continued to prove almost as difficult as 2016 for people living in Ethiopia's southern most regions. At the beginning of the year, the government-led Humanitarian Requirements Document (HRD) assessment estimated that 7.8 million people would have required humanitarian assistance in 2017. However, the mid-year multi-agency *belg* (spring) assessment indicated the need to provide assistance to transitory Productive Safety Net Programme (PSNP,) which is the Government of Ethiopia's flagship social protection programme, bringing up the number of people in need of receiving cash or food transfers to approximately 8 million. The number of people to be assisted was further increased by the number of internally displaced persons (IDPs), who had migrated as a result of conflict in the Somali and Oromia Region. In mid-2017, the total number of people identified by the Humanitarian Requirements rose to 8.5 million.

Out of this total, WFP planned to reach 3.68 million people with relief assistance under the Protracted Relief and Recovery Operation aimed at enhancing people's resilience to food insecurity (PRRO 200712), through general distributions. The remaining caseload was to be covered by the government through the National Disaster Risk Management Commission (NDRMC) and the NGO-led Joint Emergency Operations Programme (JEOP). By the end of the reporting year, WFP was able to undertake 7 out of the 9 distribution rounds planned 9. The operation experienced some delays in the delivery and dispatch of food commodities around mid year, as a result of changes in the transfer modality and insecurity at the borders between the Somali and Oromia regions. In spite of these challenges, WFP managed to keep distributions within the 4-5 week cycle. As a result, thanks to the structures established by the Special Operation Logistics Cluster, the delivery of humanitarian assistance significantly improved in terms of timeliness, when compared to previous years.

Through the Productive Safety Net Programme, WFP provided food assistance to chronically and transitory food insecure households in the Afar and Somali regions, for a period of four months in the first half of the year. The programme provided food transfers to chronically food insecure households in exchange for their participation in labor-intensive public works activities for able-bodied household members. Labor-poor households, including the disabled, the terminally ill, elderly, children, and pregnant and lactating women, received unconditional food transfers. For households headed by females, gender considerations taken into account allowed women to benefit from flexible work hours. In most project sites childcare was available at the work site. Through the PSNP, beneficiary households improved their dietary diversity to four groups per week. In 2017, WFP worked through Ethiopia's PSNP systems to harmonize PSNP and HRD beneficiary transfer modalities and value in the Somali Region. Even though there were a number of challenges which impacted the smooth harmonization of the two programmes, one of the key achievements was the signing of the Memorandum of Understanding by the Ministry of Agriculture and Natural Resources (MoANR), the National Disaster and Risk Management Commission and the Ministry of Finance and Economic Cooperation (MoFEC).

For the nutrition programme, a total of 1.1 million children 6 to 59 months with moderate acute malnutrition (MAM) and 1.1 million acutely malnourished pregnant and lactating women (PLW) were identified and targeted for assistance through screening undertaken at the woreda level with UNICEF and government partners. Given the severity of the drought, the number of Priority One Woredas increased from 192 in December 2016 to 228 in June 2017. This led to an increase in the number of beneficiaries requiring treatment for moderate acute malnutrition (MAM) from 2.2 million to 3.6 million. WFP provided Blanket Supplementary Feeding to prevent acute malnutrition among children 6-59 months and pregnant and lactating women in districts in the Somali region, where the food and nutrition security situation had deteriorated as a result of cholera and acute watery disease (AWD). WFP reached 22,800 out of a targeted 745,000 beneficiaries. The low achievement for 2017 was as a result of the late start of the intervention in 2017. However, implementation is planned to continue and scale-up in 2018.

In 2017, through CP 200253, the School Meals Programme contributed to increased enrollment rates. In particular, WFP was able to reach about 104 percent of the school girls targeted for take home rations. WFP also conducted capacity strengthening activities to build and further develop the capacity of government counterparts to implement programmes in schools. This included training in school health and nutrition, such as kitchen management, food preparation, hygiene and sanitation practices, and food handling and management. WFP also provided technical support to the government to develop the national school meals strategy. The draft National school meals strategy was completed and submitted for endorsement by the government.

In spite of resource shortfalls for the Refugee Operation, WFP provided assistance to about 624,000 refugees in 2017, representing about 96 percent of the total refugee population in 26 camps and 4 sites across the country through PRRO 200700. Refugees were provided with cash or monthly general food distributions. For 2017, it was estimated that the cash interventions injected about 16.5 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. In addition to the provision of food and cash assistance, WFP implemented livelihood and resilience building activities in the refugee camps which helped to reach 1,100 households in Awbaree, Sheder, Kebribaya, Berhale and Aysaita camps.

Through the R4 Rural Resilience Initiative, households in the Tigray Region were supported to engage in different income generating activities. R4 savings and credit activities were implemented for 3,242 households. They were organized into 150 savings groups and received an average loan size of 3000 BIRR to engage in different Income Generating Activities (IGAs). Through the project's innovative approach, Insurance-for-Assets (IFA) arrangement, farmers contributed labour to implement a range of disaster risk reduction projects that included watershed rehabilitation and restoration, water harvesting, small scale irrigation and homestead gardening which were identified through the community based participatory planning approach (CBPP). In 2017, WFP also began preparatory work for the Satellite Index Insurance for Pastoralists in Ethiopia (SIPE) programme. SIPE tests an innovative climate risk management approach, which includes a weather-index micro insurance product combined with disaster risk reduction interventions with the aim of protecting pastoralists in Somali Region from climate shocks.

In 2017, WFP began preparatory work on the Fresh Food Voucher (FFV) Programme (stunting prevention) which was designed to increase access to nutrient dense fresh foods for vulnerable populations through targeted vouchers, with the objective of improving dietary diversity and contributing to the reduction of stunting amongst pregnant and lactating women (PLW) as well as children 6-23 months old in the Amhara region.

Through UNHAS, WFP provided vital operational support to humanitarian interventions in the hard to reach areas of Ethiopia, especially the Somali and Gambella Regions. UNHAS also provided air services for WFP's South Sudan operation.

Through all of its programmes and interventions in 2017, WFP emphasized and mainstreamed gender equality and protection because of the direct effect this has on food insecurity, hunger and poverty in Ethiopia. This was done through advocacy in the field with the partners, through discussions and negotiations with partners and in programme design and implementation, WFP ensured that the needs of marginalized populations including women, children, the elderly and disabled amongst others were adequately addressed.

Country Context and Response of the Government

Ethiopia is the second most populous country in Africa, with a population of 97 million people, and hosts the second largest refugee population in Africa. The Government of Ethiopia's long-term vision, as articulated in the second Growth and Transformation Plan (GTP II), is to achieve sustainable national food and nutrition security and to become 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 2016 UNDP Human Development Report[1]. Ethiopia has established a range of policies and strategies to support the achievement of food security and nutrition targets under GTP II. These include the Food Security Strategy, the National Nutrition Program (2016-2020), the Disaster Risk Management Policy, the Social Protection Policy, Urban Food Security Strategy (2015/16 – 2024/2015), the Agriculture Sector Policy and Investment Framework 2010-2020, aligned to the Comprehensive Africa Agriculture Development Programme (CAADP), and the National School Health and Nutrition Strategy, among others. These policies are interlinked and address the provision of social protection safety nets, food insecurity, malnutrition and climate change.

In spite of these programmes and policies, the country faces challenges linked to its vulnerability to recurrent climate shocks, with 30 percent of the Ethiopian population living with food-insecurity, even in a normal year.[2] Malnutrition, particularly due to a lack of animal protein and diet diversity in the diet, remains a concerning public health issue in the country, and presents a considerable drag on economic growth. Gender inequality remains a significant concern in the country, where women and girls are strongly disadvantaged compared to boys and men, in literacy, health, food and nutrition security, livelihoods and basic human rights. Ethiopia has a Gender Inequality Index of 173 out of 186 countries.[3] 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. Higher levels of gender inequality are associated with higher levels of under-nutrition, both acute and chronic[4]. There is always a co-existence of well-fed and malnourished persons in a single household, as resources are often not shared in an equitable manner[5]; Ethiopia is no exception to this norm. The nutritional status of girls and women is affected not only by biological factors, but also by systemic inequalities within households and the socio-cultural norms prevalent in a specific community, making it no surprise that in Ethiopia women generally reflect poorer nutritional status, compared to men. In households with limited food resources, practices of “food hierarchy” are observed in many communities, with women at the bottom of said hierarchy, and not consuming a balanced diet. These unequal conditions are present throughout the life cycle, and across ethnic groups in the country, with women and girls suffering poorer nutrition outcomes throughout their lifetimes, higher rates of mortality, less access to health care, and greater household food insecurity[6]

Adult HIV prevalence in Ethiopia is 1.5 percent, with close to 1 million people living with HIV, making the country one among the countries requiring a *Fast-Track* strategy to end the AIDS epidemic by 2030. Ethiopia is faced with intra-border conflicts between ethnic groups and an often challenging local context.

Over the last 20 years, Ethiopia has made impressive strides in reducing poverty and expanding investments in basic social services. Between 1990 and 2014, the number of people in absolute poverty fell from 48 to 25 percent. Concurrently, the proportion of underweight people fell from 75 percent in 1990 to 32 percent between 1992 and 2014, enabling Ethiopia to reach its Millennium Development Goal hunger reduction target. The prevalence of stunting declined from 58 to 40 percent between 2000 and 2014, though wasting rates remained at 10 percent during the same period. Net primary school enrollment rates rose from 21 percent in 1996 to 92.6 percent in 2014, and the gender parity index currently stands at 0.93 from 0.783 in 2009 [7], indicating significant improvement in girls' access to primary education. 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.

Poverty in Ethiopia has the usual characteristics, with individuals that are less educated; more remote; more engaged in agriculture and in large households with higher dependency ratios, more likely to be poor. The pastoral lowland areas in the periphery of the country, mainly in the Regional States of Somali, Afar and Oromia are lagging on virtually all social indicators. 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.

Ethiopia has been hit by a series of climatic shocks, including the 2015/6 El Nino drought, which was considered the worst in 50 years. The Indian Ocean Dipole Drought in 2017 led to persistent drought in the lowland areas of Southern and South Eastern Ethiopia, as a result of which at least 8.5 million people were targeted with food assistance by the Government and international partners.

Ranked 126th out of 160 countries in the Logistics Performance Index (WB, 2016) the logistics infrastructure and seasonal variations still pose a significant challenge for 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. There is a high cost and environmental impact of using air transport when compared to road transportation, but that this is the only option available when overland transport is not possible. 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 890,000 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 73,000 new refugees in the Gambella Region in Ethiopia. In December 2017, Ethiopia launched a Comprehensive Refugee Response Framework (CRRF), which included providing work permits, the right to live outside of camps, civil registration and improved access to education for refugees in Ethiopia. Implementation of the CRRF will be expanded in 2018.

[1] <http://hdr.undp.org/en/countries/profiles/ETH>

[2] <http://www.worldbank.org/en/news/press-release/2010/09/30/improving-food-security-and-livelihood-in-ethiopia-through-agricultural-growth>

[3] <http://hdr.undp.org/en/content/gender-inequality-index>

[4] (FAO, 2011)

[5] Gender Influences on Child Survival, Health and Nutrition, (2011)

[6] (UNESCO 2004).[

[7] <https://data.worldbank.org/indicator/SE.ENR.SECO.FM.ZS?locations=ET>

WFP Objectives and Strategic Coordination

WFP's objective 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, including refugees. WFP's programmes in Ethiopia have evolved through a long-term engagement with the government, rooted in large-scale humanitarian food assistance. In the past decade, a number of large-scale droughts have pushed WFP to scale up its food assistance to reach over 10 million people. WFP is recognized for its contribution to saving lives in drought situations and provision of support to refugees, both highly valued by the government. In addition to this, WFP's contribution to development objectives includes natural resource management, access to education, nutrition, strengthening capacities related to disaster management preparedness, analysis and response. Other areas of work, with a view on the risk reduction aspect of WFP's interventions, include the Rural Resilience initiative, the Satellite Index Insurance for Pastoralists, the Purchase for Progress (P4P) initiative and Smallholder Support, and the support to women's income generation activities.

WFP's interventions are aligned with the United Nations Development Assistance Framework 2016-2020, which represents the strategic response of the UN Country Team. They are also aligned with the government's medium term strategic framework Growth and Transformation Plan (GTP II), which promotes agricultural development to achieve food and nutrition security and aims to build the resilience of vulnerable populations. In 2017, WFP's activities contributed to address the Strategic Development Goal 2 "No hunger" and the Strategic Development Goal 17 "Partnership for Sustainable Development." These activities shaped WFP's efforts towards achieving Zero Hunger in Ethiopia.

The objective of the Nutrition Programme was to prevent chronic malnutrition and stunting among children under 2 and pregnant and lactating women (Strategic Objective 4). WFP worked in partnership with other agencies including UNICEF for the moderate and severe acute malnutrition (MAM/SAM) Continuum, through the Emergency Nutrition Cluster, with the International Fund for Agricultural Development (IFAD), Food and Agriculture Organization (FAO)

and UN Women on the Rural Women's Empowerment Programme among other partners. WFP's activities implemented in 2017 were gender transformative and aimed to move beyond individual self-improvement among women and toward transforming the power dynamics and structures that contribute to gender inequalities. WFP worked to educate partners and beneficiaries on the importance of providing support to and empowering female beneficiaries.

WFP built the capacity of health institutions, in collaboration with regional health bureaus, to provide Nutrition Assessment Counseling and Support services to people living with HIV (PLHIV), which was successfully handed over in 2017. The jointly developed electronic multi-sectoral information system was also handed over to the National HIV/AIDS Prevention and Control Office in 2017.

Over the course of 2017, WFP contributed to the improvement of the supply chain, strategic food reserve, transport systems in Ethiopia, and provided critical logistics support to South Sudan. WFP procured food commodities from cooperative unions that were made available as stock for purchase under the Global Commodity Management Facility (GCMF) by Ethiopia, Somalia and South Sudan.

Under the **PRRO 200712 (2015–2018)** "Responding to Humanitarian Crises and Enhancing Resilience to Food Insecurity", with an **approved budget of USD 1.4 billion**, WFP's objective was to address 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 aged 6 to 59 months and pregnant and lactating women (PLW). Through the Productive Safety Net Programme, WFP aimed at supporting the government in its efforts to transition from relief assistance to a structured and predictable safety net, in order to reduce the impact of shocks and build resilience. In addition, in line with building resilience of local communities, WFP, through the Rural Resilience Initiative (R4), aimed to improve natural resource management (community risk reduction), provide access to micro credit and insurance coverage (risk transfer), and increase savings (risk reserves).

Under the **PRRO 200700 (2015–2018)** "Assistance to Refugees", with an **approved budget of USD 494 million**, WFP had as objective to meet refugees basic nutritional needs, in line with the Strategic Plan 2014–2017. The main objectives were to enable refugees to meet minimum food security levels (Strategic Objective 1) through general distributions of cash and food; to treat and reduce acute malnutrition in children, pregnant and lactating women (PLW) and other vulnerable groups with special nutritional needs (Strategic Objective 1) through the provision of specialized nutritious foods; to stabilize school enrollment of refugee girls and boys in WFP-assisted schools (Strategic Objective 2); and to increase livelihood and environmental opportunities for refugees and host communities in fragile transition situations (Strategic Objective 2).

WFP's **Country Programme 200253 (2012–2016)**, with an **approved budget of USD 339.5 million**, had the objective to support children access to primary schools. In addition, it aimed to assist the government in building its disaster risk and natural resource management capacity, including through supporting community-based watershed development under Managing Environment Resources to Enable Transitions to More Sustainable Livelihoods (MERET) in the first half of the year. It also aimed to promote food marketing and rural livelihood strategies, especially for women. In addition to this, WFP worked to implement an insurance scheme through the R4 Rural Resilience Initiative Programme, as a disaster risk management approach in the Tigray and Amhara regions, in order to improve natural resource management (community risk reduction), provide access to micro credit ("prudent" risk taking,) provide insurance coverage (risk transfer), and increase savings (risk reserves).

WFP's **Special Operation 200358 (2012–2017)** "Construction and Management of the WFP Humanitarian Logistics Hub", with an **approved budget of USD 31.5 million**, aimed to enhance efficiencies of supply chains in the Horn of Africa and augment regional humanitarian response capabilities, through strengthening logistics systems and capacities in the Djibouti Port and supporting the improvement of 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.

WFP's **Special Operation 200711 (2015–2017)** "Provision of humanitarian air services in Ethiopia", with an **approved budget of USD 16.4 million**, aimed to provide safe, effective and efficient humanitarian air services in Ethiopia. Its main objectives were to provide access to project implementation sites for NGOs, United Nations agencies, donor organizations and diplomatic missions; transport light cargo, such as medical supplies, high energy foods; provide information and communication technology (ICT) equipment; and provide timely medical and security evacuations for humanitarian staff, in line with WFP's Strategic Objective 1 (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.

WFP's **Special Operation 200977 (2017)** "Logistics Cluster and WFP Logistics augmentation in support of the Government of Ethiopia for the drought response", with an **approved budget of USD 12.7 million**, had as main objective to provide critical logistics augmentation in support of the Government's drought response. It aimed to

enhance coordination and information sharing, through the deployment of technical logistics staff to run the Logistics Cluster operation.

Country Resources and Results

Resources for Results

In 2017, challenges with resourcing, especially in the first half of the year significantly affected operational implementation and results across all programmes. Carry-overs from 2016 enabled the Country Office to respond, though at a reduced level in the first few months of 2017. The worsening drought and food security situation resulted in increased funding levels mid-year for the PRRO 200712, which enabled the Country Office to reach more beneficiaries and to meet expectations of the humanitarian community in the drought response. For the Country Programme and Refugee Response, challenges in the funding levels were experienced throughout the year. The Country Office worked actively to mobilize resources from both traditional and non-traditional donors. A number of new donors stepped up to the plate and contributes to Ethiopia's programmes however, the Country Office was compelled to prioritize activities to effectively use the resources available. For the Refugee Programme, WFP in partnership with the government and UNHCR agreed on ration cuts to extend the available resources.

Resources allocated to relief interventions covered approximately 60 percent of operational needs for the year. Urgent resourcing requirements in the first quarter of the year resulted in the need to obtain a Central Emergency Response Fund (CERF) Rapid Response allocation for the treatment of moderate acute malnutrition. With the increased availability of resources by mid-year, WFP was able to reach the moderately malnourished women and children identified through the mid-year Joint Humanitarian Assessment. Challenges related to delays in procurement and delivery of specialized nutritious food commodities which were experienced in previous years, significantly improved in 2017. The National Disaster Risk Management Commission (NDRMC) improved the transport arrangement for delivery of nutritious commodities with stronger follow up through the Emergency Nutrition Cluster and the weekly Targeted Supplementary Feeding coordination meetings.

WFP's carryover resources received towards the end of 2016 contributed to cover the needs of beneficiaries targeted under the PSNP for the first half of the year. In the second half of 2017, challenges with harmonizing the PSNP-HRD models delayed the delivery of cash to targeted people in the pilot. Assistance was provided through the relief channels. The Memorandum of Understanding for the new model was signed with government partners towards the end of the year and distribution of cash to beneficiaries is expected to begin in 2018. Provision of assistance to chronically food-insecure people will enable them survive food deficit periods and avoid depleting their productive assets.

Following critical funding shortfalls, WFP had to cut rations in the refugee programme, reaching up to 37 percent between July and September 2017. This was revised to about a 20 percent reduction from October to December. The in-kind milling allowance and sugar were not part of the ration throughout 2017. There was also no Super Cereal for general food distributions for some months of the year. In spite of these challenges, WFP avoided cutting rations for the nutrition and school feeding programs which were prioritized in partnership with the government and UNHCR. Information on the poor food consumption patterns were shared with donors which resulted in positive responses increasing contributions available for the last quarter of the year.

In 2017, WFP mobilized only about 27 percent of the planned budget for the School Meals Programme. Resources carried over from 2016 helped bridge resourcing gaps. The Country Office was awarded funding from WFP's Contingency Evaluation Fund which contributed to the impact evaluation of the Satellite Index Insurance for Pastoralists in Ethiopia (SIPE) pilot.

Resourcing for the three Special Operations presented a mixed picture in 2017. For UNHAS, a fleet analysis conducted in late 2016 indicated that two C208 and one back-up aircraft on an ad-hoc basis was the best fleet configuration, which remained the most efficient and cost effective option for the needs of Ethiopia. Due to funding shortfalls, the capacity building component of the Special Operation 200358 to train government staff in heavy vehicle and forklift driving was not implemented in 2017. Resource carry-overs for the Logistics Cluster enabled WFP to finalize capacity building activities in the first quarter of the year until the project was close at the the end of March.

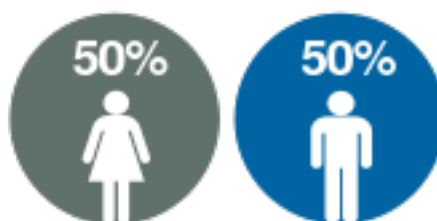
To ensure value for money for all operations, WFP procured commodities from the Global Commodity Management Facility (GCMF) which considerably reduced lead times and achieved significant cost savings for the operations, through optimizing WFP's global delivery network. This responded to the most basic question of the value principle which is relief arriving in time, at an appropriate quality, and at a reasonable cost. To assess the effectiveness and efficiency of WFP's interventions, WFP put in place food basket monitoring and beneficiary feedback mechanisms to solicit the views of beneficiaries on the assistance provided. This was linked to WFP's accountability mechanisms and end user feedback process. In 2017, WFP Ethiopia initiated work on a five year Supply Chain Capacity Strengthening Project to strengthen the current systems for emergencies and development purposes with a special

focus on food management and critical supply chain functions. This will ultimately ensure cost savings for WFP and the government and improve the response to future emergencies. WFP Ethiopia implemented a Structure and Staffing Review (SSR) in 2017 to right-size the office in line with funding flows and introduce a structure which exploits efficiencies and avoids redundancy.



Annual Country Beneficiaries

Beneficiaries	Male	Female	Total
Children (under 5 years)	503,871	496,686	1,000,557
Children (5-18 years)	1,437,747	1,385,216	2,822,963
Adults (18 years plus)	1,513,921	1,533,368	3,047,289
Total number of beneficiaries in 2017	3,455,539	3,415,270	6,870,809




Annual Food Distribution in Country (mt)

Project Type	Cereals	Oil	Pulses	Mix	Other	Total
Country Programme	-	2,188	-	6,573	128	8,889
Single Country PRRO	297,983	15,580	41,023	42,809	1,398	398,793
Total Food Distributed in 2017	297,983	17,769	41,023	49,382	1,526	407,682



Cash Based Transfer and Commodity Voucher Distribution (USD)

Project Type	Cash	Value Voucher	Commodity Voucher
Single Country PRRO	8,376,567	-	-
Total Distributed in 2017	8,376,567	-	-

Supply Chain

WFP's supply chain spanned activities from the ports of entry in Djibouti and Berbera to delivery and handover to government counterparts at pre-defined handover points. In 2017, the Country Office introduced a new overland transport modality for containerized cargo movement through Djibouti corridor which was all-inclusive of clearing and forwarding. The implementation of direct delivery from Djibouti port to Ethiopia, eliminated transit storage at Djibouti and mitigated risks of demurrage, shunting and food loss during storage and transport. Using the new and alternative Berbera corridor for food deliveries to Somali region for relief programs, helped to avoid the risk of congestion and demurrage at the Djibouti port and ensure faster transport deliveries. On completion of the road access repairs being undertaken by the Regional Government, the Geeldoh bridge route will reduce the turnaround time for trucks delivering humanitarian assistance and, therefore, minimize transportation costs for the movement of food aid. In total, the new route is expected to provide 28 percent savings in transportation costs for deliveries through-Djibouti and a potential saving of 68 percent for deliveries through Berbera.

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 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 augmented 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 2017. 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. Local purchases constituted about 9 percent of the overall total tonnage procured for the year. Even though this was quite limited, it contributed positively to savings in terms of lead time and reduced commodity cost.

As a result of the social unrest on the border of the Oromia and Somali Regions there were some disruptions in the transportation business and closure of businesses. There were some challenges with the delivery of humanitarian assistance to these regions. WFP worked with federal and regional authorities to ensure access in these regions. UNHAS was a critical component of the supply chain in 2017 and responded to needs beyond passenger requirements including provision of medical evacuations when required. Cargo transportation was also a key part of the services delivered. 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 access the beneficiaries.



Annual Food Purchases for the Country (mt)

Commodity	Local	Regional/International	Total
Iodised Salt	-	892	892
Rice	-	3,682	3,682
Wheat	-	1,350	1,350
Total	-	5,924	5,924
Percentage	-	100.0%	

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

Commodity	Total
Beans	15,686
Corn Soya Blend	55,902
High Energy Biscuits	74
Maize	67,338
Ready To Use Supplementary Food	1,713
Sorghum/Millet	115,015
Split Peas	11,883
Sugar	463
Vegetable Oil	11,190
Wheat	38,694
Total	317,958

Implementation of Evaluation Recommendations and Lessons Learned

Persistent droughts and the occurrence of extreme weather conditions constitute one of the major development threats that Ethiopia faces, which continues to affect agricultural production and food security. Over the course of 2017, the government and its humanitarian partners continued to battle the residual effects of the 2015/16 El Nino drought and the emergence of the Indian Ocean Dipole which affected the South Eastern part of the Ethiopia.

To improve the overall humanitarian response and forge linkages with long-term development programmes, WFP, the Productive Safety Net Donor Working Group (PSNP-DWG) and Government of Ethiopia (GoE) assessed areas of integration of relief assistance (HRD) and the Productive Safety Net Programme (PSNP), with the objective of aligning and improving efficiencies as well as working towards a continuum of response. WFP supported the implementation of the pilot harmonization of the HRD and PSNP cash transfers in 10 woredas of Fafan and Sitti zones in the Somali Region. The integration included harmonizing the cash transfer modality using the PSNP wage rate in the selected woredas, using PSNP cash delivery system to channel the resources through the Ministry of Finance and Economic Cooperation, and registering relief beneficiaries into the PSNP Payroll and Attendance Sheet System (PASS). There were a number of operational and policy level challenges which were encountered in the course of implementing this new approach and distributions are scheduled to start in January 2018.

WFP documented lessons related the PSNP-HRD Pilot, with the view of utilizing this as the basis for a final lessons learned and recommendations document, which will establish and improve operating procedures for an effective integration of relief assistance into the PSNP. A formal After Action Review exercise will be organized in March 2018 to document what has worked so far (and why) and what did not work as planned and why. The exercise will be organized at both federal, regional and woreda levels. The findings and recommendations from the pilot will also be discussed amongst the relevant stakeholders Government and PSNP Donor Working Group to inform further adaption of the scalable safety net. WFP anticipates that these recommendations will play a key part in any future joint discussions on revisions to the PSNP Programme Implementation Manual (PIM).

To expedite food deliveries in the drought response, WFP pre-positioned food commodities in the hubs in the Somali region prior to the official commencement of the food distribution rounds, to enable WFP reach beneficiaries within an average period of four to five weeks as against previous distribution cycles of six to eight weeks. WFP continued coordinating and collaborating with NGO's and the government through the Field Level Agreements with NGOs and provided support to mobile health and nutrition teams (MHNTs) to operationalize the moderate acute malnutrition/severe acute malnutrition (MAM-SAM) continuum of care in the emergency affected woredas. The

improved and increased collaboration with NGO's increased the linkage of SAM/MAM services. Competition and duplication of efforts was minimized through consultations with donors and the nutrition cluster.

Following the closure of the Logistics Cluster in March 2017, a number of steps were outlined for the continuation of logistics capacity building support through WFP on behalf of the National Disaster Risk Management Commission and the Government of Ethiopia (GoE). WFP developed a five-year capacity strengthening strategy and plan, to further build on the support of the Logistics Cluster. This was implemented through the continuation of specific activities and the introduction of new initiatives which included technical support for the Ethiopian Maritime Affairs Authority to tackle the issues of congestion at the Port of Djibouti and the inefficient inland logistical operations. Continued logistical support included development and assessment of the Ethiopian railway system in collaboration with the Ethiopian Railway Corporation (ERC) and Emergency Preparedness and Response to build on the lessons learned from the emergency response to the drought in 2016 and the activities implemented by the Logistics Cluster to augment storage and hub operations. In addition to this, WFP in 2018, will undertake Road Transport Capacity building in partnership with the Federal Road Transport Authority (RTA), to develop a project to strengthen the commercial road transport sector. The project is based on WFP's best-practice in fleet management, including advanced and tailor-made fleet management systems. It will be complemented with training programmes for Ethiopia's commercial road transport sector.

In 2017, the Country Office Gender Action Plan (CGAP) guided implementation of key activities in support of gender equality and women's empowerment. The CGAP enabled the Country Office to improve its capacity in gender monitoring and reporting through the creation of a Gender Results Network . Gender capacity was strengthened through a gender analysis training for 32 staff and the significant uptake of the online course "I know Gender" by staff. Furthermore, to foster gender capacities in other units, "gender clinics" were delivered by the RBN Humanitarian Advisor to various units in the Country Office. This is in line with objectives stated in layer 2 of the CGAP, focusing on organizational change.

In 2017, WFP conducted a final external evaluation of the the USAID/PEPFAR [8] Funded "Urban HIV/AIDS, Nutrition and Food Security Project" in Ethiopia - a WFP-designed project that started in October 2011 and ended in March 2017, with a focus on the provision of nutrition and food security assistance, including economic strengthening support, to food insecure people living with HIV (PLHIV), affected households and vulnerable children and orphans in urban settings where the prevalence of HIV and food insecurity is higher. Results indicated that beneficiaries were generally satisfied with the services received, and that strong linkages were created between communities, health facilities and households in providing care and support to malnourished PLHIV. The project built the capacity of the government health system to assess, counsel and treat malnourished PLHIV. Findings showed an effective upgrading of government's data management systems from manual to computer-based/automated and web based managed information. The project reflected achievements in line with project objectives, which included increasing anti-retroviral (ART) drug adherence, improving livelihoods, ensuring food security and breaking the inter-generational cycle of transmission of HIV from mother to child. It also reflected increasing school enrollment and attendance, which contributed to mitigating the social and economic impacts of HIV/AIDS. Based on this evidence, the report concluded that the Urban HIV/AIDS, Nutrition and Food Security Project was relevant and adhered to government's priorities and beneficiaries' needs. As a follow-up to the evaluation recommendations, WFP's Economic Strengthening (ES) strategy was later adopted by the Government Urban Job Creation and Food Security Agency. In particular, after WFP shared its experience of using matching funds and Monetary Financial Institutions (MFIs) to create financial access to beneficiaries, the Government's Agency proposed to utilize MFIs for a revolving fund mechanism to provide a matching fund required by ES participants.

[8] United States Agency for International Development (USAID); President's Emergency Plan for AIDS Relief (PEPFAR).

Accelerating Progress towards the Economic Empowerment of Rural Women

Accelerating Progress towards the Economic Empowerment of Rural Women (RWEE) in Ethiopia is a five-year joint programme being implemented by the Government of Ethiopia in partnership with UNWomen, the International Fund for Agricultural Development (IFAD), the World Food Programme (WFP) and the Food and Agriculture Organization of the United Nations (FAO). In 2017, the RWEE aimed at accelerating progress in the regions of Afar and Oromia. The overall goal was to secure rural women's livelihoods and rights in the context of the Sustainable Development Goals (SDGs) in line with Ethiopia's Growth and Transformation Plan.

WFP assisted 2,000 smallholder rural women farmers and agro-pastoralists as direct beneficiaries, which made a difference to the lives of more than 14,000 family members. The initiative indirectly benefited 32,000 people (17,000 women and 15,000 men). The rural women farmers were members of Rural Saving and Credit Cooperative Organizations and were involved in the production of teff (the staple grain in the country), wheat, maize, onions, tomatoes and other vegetables.

The programme capitalized on the mandate and comparative advantages of partnering with other UN agencies to generate long-lasting and wide-scale improvement in the livelihoods and rights of rural women in Ethiopia. It also worked to achieve four main outcomes: improving food security and nutrition of rural women; increasing their income to sustain livelihoods; enhance leadership and participation in their communities' development and securing a gender-responsive policy environment for the economic empowerment of rural women.

Key results of this joint initiative included improving access of rural women to gender-sensitive financial and non-financial services. This included the establishment and management of revolving funds, which enabled over 1,700 women to access start up capital ranging from 4,300 BIRR to 10,500 BIRR (approximately 183 to 446 USD). Nine hundred women were able to diversify their source of income, of which 600 women were enabled to have bank accounts with the support of cooperative services in the targeted districts with saving balances ranging from 400 BIRR to 3000 BIRR (17 to 130 USD). The project also created market linkages for women in rural saving and credit cooperative organizations through an exhibition in Addis Ababa. Through this project, over 3,000 men and women (1,650 men and 1,350 women) were coached to change their attitudes towards gender issues through leadership trainings, exposure visits, community conversations and awareness raising campaigns.

Project Results

Activities and Operational Partnerships

The Government of Djibouti, in partnership with WFP Ethiopia, undertook the construction and the development of a Humanitarian Logistics Base (HLB) to enhance efficiencies in both humanitarian and commercial logistics for the benefit of the Horn of Africa region.

The construction of the Humanitarian Logistics Base (HLB) was divided into two phases, which were implemented across different years. The first phase, which concerned the construction of warehouses, was completed in 2015. The second phase, which concerned the construction of silos, started at the end of 2015 and its implementation was completed in 2017.

In particular, in 2017, key activities included civil works on the logistics base, installation of the silos complex, and recruitment of the site engineering team.

After the completion of most of the activities, a partnership platform to connect humanitarian organizations operating in the region was created in 2017. Following its establishment, WFP began implementing agreements with a number of partners, including the World Health Organization (WHO) for temperature-controlled storage of drugs for acute watery disease, the United Nations Children's Fund (UNICEF) for storage of armoured vehicles, and the United Nations High Commissioner for Refugees (UNHCR) for the storage of non-food items (NFIs).

Following the government's request for WFP to support the development of the logistics transport sector in Djibouti, the Government of Djibouti and WFP signed a Memorandum of Understanding. This included WFP's support to 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 enhancing the longer-term sustainability of the operation. Despite trainings were conducted in previous years, lack of funding prevented WFP from implementing this capacity development component in 2017.

Results

In 2017, completion of the final phases of the hub construction, ensured the closure of old and inadequate warehouses and offices and the relocation off all logistics staff to the new offices.

The Humanitarian Logistics Base currently consists of 40,000 metric tons and 12,000 metric tons of bulk food storage capacity and break bulk food storage capacity, respectively, as well as 2,500 square meters of non-food item storage, equipped with an efficient racking system. The base offers warehousing, loading and all related infrastructure and services necessary for a multipurpose storage and handling facility. In addition, the base includes container yard terminal capabilities, office space as well as communication and meeting facilities.

In 2017, WFP ran a full cost recovery business model, which implemented a very competitive charging system for cargo routed through the facility. A Business Case Study, which will be conducted early 2018, will enable the Country Office to fully analyse the cost benefits of the operation for users in the Horn of Africa. Among other things, the facility enhanced cost savings to users throughout the various stages of the supply chain, such as warehousing, loading, and all related infrastructure and other services necessary for a multipurpose storage and handling facility. The hub generated cost savings with direct solutions to logistical bottlenecks, which included:

- Availability of space for trucks to await loading directly at the hub, rather than in the Ethiopian Parking Lot, which enabled faster off-take and related savings on external transport rates;
- Bulk storage which reduced stevedoring costs;
- An ability to shunt grain from the port to the hub's silos, thus avoiding vessel demurrage and higher costs associated with commercial warehousing;
- Provision of a non-food item warehouse and container yard, which enabled savings on storage and detention charges, which were previously incurred at the Djibouti container terminal;
- Pre-positioning of humanitarian goods in transit at the logistics hub bonded warehouses and silos, which saved time and additional expenses related to customs clearing and re-export of cargo.

As a result, the HLB enabled various organizations to tap into each other's pre-positioned stocks through a loans and borrowing system facilitated by WFP, following the United Nations Humanitarian Depot (UNHRD) model. In

addition, it is worth noting that the number of agencies and organizations using the HLB storage facilities met the expected target for 2017, also thanks to the partnerships established with UNICEF, WHO and UNHCR.

Concrete evidence on how the hub is enabling the humanitarian community to conduct operations in a more cost effective and sustainable way will result from the findings of the Business Case Study, in 2018.

Figures and Indicators

Data Notes

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WFP Djibouti Logistics Hub

Project Indicators

Output Indicators

Output	Unit	Planned	Actual	% Actual vs. Planned
SO1: Special Operation (Logistics)				
Number of agencies and organizations using storage facilities	agency/organization	3	3	100.0%
Total storage space made available (mt)	Mt	40,000	40,000	100.0%