



AFRICAN DEVELOPMENT BANK GROUP

# **PROGRAM TO BUILD RESILIENCE AND FOOD SECURITY IN THE HORN OF AFRICA (BREFONS)**

## **Annex 24. Fragility and Resilience Assessment**



# ***PROGRAM TO BUILD RESILIENCE FOR FOOD AND NUTRITION SECURITY IN THE HORN OF AFRICA (BREFONS)***

## ***FRAGILITY AND RESILIENCE ASSESSMENT***

### ***DJIBOUTI***

#### **I. Introduction**

Djibouti is at the forefront of major global challenges shaping the 21st century. From climate change to migration, from socio-economic inequality to various pandemics and from youth employment to terrorism; The country remains the main place where these problems often arise and challenge the public authorities to address them. Faced with a relatively small population, the country is increasingly vulnerable in its various forms and seems to be very unprepared to deal with the threats it faces.

A myriad of fragility risks that expose the country to various fragility factors that hinder the state from developing its capacity to perform its essential functions, which include providing basic services such as public health, water, sanitation and electricity; and guarantee the fundamental rights and norms of the people.

Risk variability and the diversity of factors of frailty generally result from a combination of both exogenous and endogenous factors. For Djibouti, external risks relate to climatic severity and community conflicts in the project intervention area, which can spill over into unregulated migration following famine or social events, while those related to internal factors relate to the topography of irrigated perimeters and the senility of water supply and irrigation infrastructure. The fragility of the agricultural sector is therefore rarely the result of a simple monolithic root cause.

#### **II. Overview of Djibouti's resilience and fragility**

The analysis of data collected in 2020 to assess Djibouti's resilience and fragility paints a country profile characterized by a stronger resilience capacity to overcome economic shocks, and a strong pressure marked by impunity for senior state officials, which weakens citizen trust in the institutions in charge of restoring social justice. In addition, the country profile also notes a weak capacity of the country to strengthen the independence of judicial institutions, important in social cohesion and public accountability. In addition, the political situation in the country is experiencing little pressure in terms of instability and this remains relative because the country needs to strengthen its political inclusion to increase citizen engagement in electoral processes on the one hand and fight against corrupt practices and bribery to increase institutional credibility.

#### **III. Aspects of targeted fragility in project design**

The extent and character of fragility varies according to the areas of intervention of the project and the activities planned for each beneficiary region. While some localities in the regions of the project intervention area prosper thanks to agricultural assets, others in the same regions struggle to get out of subsistence agriculture. To this end, the factors that shape fragility in the project

intervention area are broken down into the following challenges: (1) climate variability and change; (2) poverty and food insecurity ;(3) the performance of the agricultural sector; (4) the conflict between farmers and herders for access to natural resources; and; (5) exposure to natural hazards such as droughts, cyclones and floods. The choice of factors is partly motivated by their link to violence and crime, which, in their extreme forms, are considered key outcomes or manifestations of fragility. The choice of the five factors of fragility is described in more detail below.

- **Climate variability and change** : the phenomenon of climate variability and environmental changes are well perceived by the population of the project area. The major challenges facing the population of the localities where the project is located are naturally linked to the disruption of agricultural practices and crop cycles that directly affect the decline in agricultural production at the risk of food insecurity and conflicts related to the use and sharing of water resources. Indeed, the recurrence of these phenomena generates landscape changes in the project area, causes fertile soils to lose their vegetation cover, pushes the desert to progress and makes rivers disappear and dry up dams and rivers.
- **Poverty and food security**: Despite a relatively high GDP per capita (USD 3,425 in 2020), Djibouti is among the least developed countries, ranked 166th out of 189 countries on the Human Development Index (2019). The prevalence of relative poverty remains high and that of extreme poverty very significant. **Food security**. Djibouti is ranked 104th out of 107 countries in the Global Index of World Hunger (IFPRI, 2020). A large number of the national population is affected by severe or moderate food insecurity, with a strong disparity between Djibouti City and rural areas, which remain the poorest and most vulnerable. **Both** acute and chronic malnutrition also affects a large number of children under 5, to the point of exceeding the emergency threshold of 15% in almost all regions.
- **The performance of the agricultural sector** : Given an unfavorable climatic and pedo-hydrological context, the agricultural sector is poorly developed but constitutes the economic base for rural populations who represent about 30% of the country's total population. Crop production is poorly developed, due to lack of water, limitations in arable land and soil salinity. It is practiced punctually along the wadis. Practiced 90% extensively and transhumant, livestock is the main means of capitalization and income for rural households. Apart from livestock and fishery products, agricultural production covers only 10% of national food consumption.
- **The conflict between farmers and herders for access to natural resources**: The scarcity of surface water resources and depth, often brings community tensions around the economic activities practiced by farmers and herders. Areas perceived as very rich in this resource tend to suffer from overexploitation to the point of causing a bill for social cohesion by highlighting the mistrust between farmers and breeders. This often perpetuates insecurity and fear that can paralyze travel in parts of rural communities and also divert community needs from services such as public safety and public services at the expense of disputes.
- **Exposure to natural hazards** : Djibouti's fragility is also exacerbated by sudden and slow shocks such as floods, storm surges, strong winds. Extreme weather events have become increasingly frequent and their intensity affects people, supply chains and production in the country. These risks are particularly acute for the coasts of the country located on the coast of the Red Sea with coastal erosions. These risks also affect the proportion of project

beneficiaries living in the city's flood-prone areas who are often victims of natural disasters and loss of economic opportunity for the survival of flood survivors.

#### **IV. Opportunity for strengthening community resilience through the project**

Project beneficiaries are primarily characterized by social and economic vulnerability and are literally exposed to the risks of not maintaining and potentially improving the delivery of their basic functions before, during and after exposure to the consequences of recurrent drought. Indeed, the multisectoral nature of the project with a single ultimate objective of improving living conditions as one of the Bank's operational priorities, offers Djibouti an important opportunity to shape national and community resilience in various sectors to overcome the socio-economic challenges faced by populations. The direct beneficiaries of the project will enjoy economic and social inclusion, increased income and social equality, micro-economic security and social protection. At the level of social cohesion, the provision of basic services, including public health and critical infrastructure, includes capacity building of social networks and social support for women and young people, and finally, encourages strong cooperation between rural and urban areas; bring sources of economic and social resilience to the project intervention area by focusing on well-targeted activities related to surface water conservation and irrigation infrastructure to strengthen the socio-economic resilience of vulnerable populations.

#### **V. Conclusion and recommendation**

The Project concerns the overall population of the country. The multisectoral approach with a stronger focus on the agricultural sector reflects the Djiboutian government's commitment to addressing the various economic and social vulnerabilities, reinforced by recurrent droughts in the country. While creating jobs for youth and women, the realization of socio-economic infrastructure will reduce disparities in terms of access to basic socio-economic infrastructure and improve the base of income sources for direct beneficiaries and especially for the most vulnerable. In a more inclusive way, the Bank will contribute to improving the living environment of populations affected by the effects of climate change in Djibouti to promote a resilient rural community; through inclusive and equitable access to employment, basic services and income benefits from economic opportunities. Capacity building for the benefit of actors and beneficiaries will also strengthen the capacities of farmers and herders to overcome the factors of fragility with effective resilience to various pressures.

### ***ETHIOPIA***

#### **I. Introduction:**

B13.1 This analysis provides a concise overview of the country's recent developments, with a focus on political, economic, social, environmental/climate and regional dimensions related to peace and stability and Ethiopia's prosperity, but also its bearing on the Multinational Program to Build Resilience for Food and Nutrition Security (BREFONS) in the Horn of Africa (Djibouti, Kenya, Somalia and South Sudan) on 24 November 2021.

B13.2 Before the recent conflicts and the consequences of the Covid-19 health crisis, Ethiopia was on an encouraging development trajectory. The country had made some remarkable progress in recent years. Its unparalleled growth rates, sustained over a decade, had been achieved despite the

absence of oil and other mineral resources that have stimulated growth in some countries. High growth had led to falling unemployment and a steady decline in the poverty index. This growth has been supported by extremely high rates of investment in infrastructure and public services, particularly benefiting the poor. In recent years, the density of the road network has more than doubled and access to electricity and potable water has increased significantly. Socially, life expectancy is well above the African average and infant mortality has declined with considerable government efforts to improve maternal healthcare. Access to basic education has improved with increased focus on quality and improved access especially for girls and people with disability.

B13.3 The above notwithstanding, the recent tensions between the Tigrayan People's Liberation Forces (TPLF) and the Federal Government of Ethiopia which started in 2018 have tested the resilience of federal institutions and the country's system of governance enshrined. For instance, Article 39.1 of Ethiopia's 1995 constitution stipulates that "Every Nation, Nationality and People in Ethiopia has an unconditional right to self-determination, including the right to secession." This is interpreted differently by different political elites. For example, the TPLF relied on the same provision to 'assert' their right to run their own affairs independent of the Federal government's position.

B13.4 Nonetheless, the conflicts have substantially de-escalated since November 2021 with the exception of pockets of violence during key national events like the Orthodox Easter (April 2022) and Eid al-Fitr (May 2022), which were identified and foiled by federal forces. Today, in a demonstration of political goodwill, the Government of Ethiopia (GoE) has declared an indefinite humanitarian truce to facilitate the provision of humanitarian aid to people in need in the Tigray region. The government is equally charting the way for inclusive national dialogue.

B13.5 While government efforts must be commended as having a good potential to bring permanent peace in the country, there are other existing conflicts and insurgencies that are responsible for continued inter-ethnic violence in some regions. These conflicts which precede the current government include:

- Political differences between the Federal Government and the TPLF currently taking new dimensions;
- Territorial disputes between Tigray and Amhara regions; and
- An insurgency by the Oromo Liberation Army (OLA) in parts of Oromia.

B13.6 In spite of this situation, some of these disaggregated conflicts are now benefiting from several initiatives seeking to build trust and lay the foundation for lasting peace in the country. Some of these include:

- The Government's de-classification of the TPLF as a terrorist group, and the TPLF's explicit recognition of the current administration as the country's legitimate authority.
- The TPLF's inclusion in the national dialogue process, and
- The continued international pressure on the Government and the TPLF to reach a more formal and binding ceasefire agreement.

B13.7 Despite these developments, it must be emphasized that the conflict and its residual effects, coupled with the impact of the COVID-19 pandemic on SMMEs and the holding back on significant commitments by some Development Partners (DPs) decelerated economic growth from 6.1% in 2020 to 5.6% in 2021. Several industries in the North have remained unproductive as a

result of the conflict, and as a result, inflation reached 26.7% in 2021, from 20.4% in 2020. In addition to the long-lasting drought and climate-related challenges affecting certain regions of the country, the Russia-Ukraine war and associated sanctions are also adversely impacting Ethiopia through higher fuel, wheat and cooking oil prices. Given that in Ethiopia growth was previously led by industry and services on the supply side and private consumption and investment on the demand side, the quadruple impacts of the COVID-19, the conflict, droughts and sanctions have caused supply and value chain disruptions. The capacity to deliver basic services is constricted. In October 2021, the National Bank of Ethiopia doubled the cash reserve ratio requirement for commercial banks to 10% in the effort to contain inflation. However, despite these austerity measures, the drought and food supply challenges have only worsened due to worsening climate emergencies, increased demands for conflict-related humanitarian assistance and wheat shortage resulting from disruptions due to the war in Ukraine.

B13.8 The Federal government is maintaining strong focus on policy reforms, including through monetary policy and fiscal adjustments and drive to promote private sector participation in the economy. It is also positive to note that the fiscal deficit including grants, decreased slightly to 2.6% of GDP in 2020/21, from 2.8% in 2019/20, reflecting the net effect of tax revenue growth. Tax revenue grew by 24.8% and tax-to-GDP ratio increased to 9.8% in 2020/21 from 9% in 2019/20 as a consequence of government adjustments. In the same vein, public spending increased to 15.1% of GDP from 14.5% in 2019/20 due to the conflict and COVID-related spending, as well as financing the humanitarian assistance and reconstruction needs. Notwithstanding these adjustments, challenges relating to droughts persist; and have even been worsened by the rising humanitarian costs ensuing from internal conflicts and market and food import disruptions resulting from the Russia and Ukraine war. As such, the BREFONS' promise to contribute to developments of enhance food security fits well with the Government of Ethiopia's (GoE's) Ten-Year Development Plan (TYDP) for the period 2021-2030 and The Bank's High Five (particularly Pillar II: Feed Africa). The program's plan to strengthen the resilience of pastoral and agro-sylvo-pastoral production systems to climate change, support agribusiness development for youth and women, and strengthening the adaptive capacity of agro-pastoral communities to climate change would undoubtedly strengthen resilience in an area which needs to be appreciated and strengthened.

B13.9 In conclusion, the fragile nature of the country today has been countered by several policy interventions, but most importantly, through monetary policy and fiscal adjustments. It must be noted that, the fiscal deficit including grants decreased slightly to 2.6% of GDP in 2020/21, from 2.8% in 2019/20, reflecting the net effect of tax revenue growth. Tax revenue grew by 24.8% and tax-to-GDP ratio increased to 9.8% in 2020/21 from 9% in 2019/20 as a consequence of government adjustments. In the same vein, public spending increased to 15.1% of GDP from 14.5% in 2019/20 due to an upsurge in defense spending to 0.9% of GDP in 2020/21 from 0.5% in 2019/20 as well as financing the humanitarian assistance and reconstruction needs. Notwithstanding these adjustments, threats of food security persist; and have even been worsened by the rising humanitarian costs ensuing from internal conflicts and market and food import disruptions resulting from the Russia and Ukraine war. As such, the BREFONS' promise to contribute to developments of Water Resources for consumption and Agriculture fits well with the GoE's Ten-Year Development Plan for the period 2021-2030 and The Bank's High Five (particularly Pillar II: Feed Africa). The program's plan to bolster food security through

strengthening the resilience of pastoral and agro-sylvo-pastoral production systems to climate change, supporting would significantly address fragility and strengthen resilience in an area where the Bank currently has comparative advantage as no other DP has yet invested in this critical lifesaving sector.

## **II. Country Context**

B13.10 Ethiopia is not classified as a transition country by the Bank Group. However, the country is affected by persistent pockets of fragility that could undermine its development efforts. The country is one of the "giants of Africa": it is the second most populous country on the continent, with nearly 115 million inhabitants in 2021, and the tenth largest in terms of area, with more than 1.1 million square kilometers. It also has a great geographical and climatic diversity thanks to its mountainous relief, a rich cultural and religious history (Orthodox since the 4th century, Muslim since the 7th century), as well as an ethnic and linguistic diversity recognized in its constitution

B13.11 Ethiopia is one of the "African giants": it has the second largest population in Africa, estimated at about 110 million people in 2021, and the 10th largest land area on the continent with more than 1.1 million square kilometers. Ethiopia has a long history (first hominids and two millennia of written history) and its people are proud to have experienced no period of colonization (only one occupation). It also has a great geographical and climatic diversity thanks to its mountainous relief, a rich cultural and religious history (Orthodox since the 4th century, Muslim since the 7th century), as well as an ethnic and linguistic diversity recognized in its constitution.

B13.12 More than a regional power today, it is also a military and diplomatic power thanks to its strategic position in the heart of the Horn of Africa. The capital, Addis Ababa, hosts the headquarters of the African Union and has a growing number of regional economic relationships. The country is a member of the Common Market for Eastern and Southern Africa (COMESA), IGAD, and the East African Power Pool.

B13.13 Despite all its assets and socio-economic potential, Ethiopia faces many challenges. The country needs to make major strides to reap the must find the winning combination of a demographic dividend (in the last 20 years, the population has doubled) and avoid increased dissatisfaction among its youthful population due to lack of decent jobs and opportunities. Impressive growth over the recent past has allowed visible development progress, but growth has been hit by the COVID-19 pandemic, further undermining efforts to reduce poverty and inequality. This includes the need to reinforce social cohesion and access to basic services via the development of health, education, functioning labor markets and social protection as well as energy, transport, and agriculture, all of which must be able to benefit all members of society (Do No Harm and Leave No One Behind). At the same time, the country faces a major political transition. Freedom of expression is also part of the challenges facing this young, dynamic, and growing country. The

country has faced some heightened internal pressures recently, exacerbated by the conflict in the Tigray region and some ongoing disputes with neighboring countries.

B13.14 Like many countries globally, Ethiopia is at the forefront of the significant global challenges shaping the 21st century. From climate change to migration, socio-economic inequality to various pandemics, and youth employment to terrorism, the country remains the central place where these problems often arise and call on the public authorities to remedy them. Faced with rapidly growing demographics, Ethiopia is under increasing pressure in its various facets and appears to possess adequate tools to meet the threats it encounters.

B13.15 Indeed, the country copes a myriad of risks that induce fragility and limit the government to fulfill its essential functions, which consist of ensuring the safety and security of people and goods; provide vital services that guarantee the human rights and standards of populations. Public health, water and sanitation, and electricity are reliable to scale social and economic inclusion. Most of these risks combine both exogenous and endogenous factors. External threats relate to cyclones and community conflicts in the project intervention areas, which may spill over in the form of unregulated migration resulting from political or social events. In contrast, internal factors relate to the arid perimeters and the senility of water supply and irrigation infrastructure. The fragility of the agriculture sector is, therefore, rarely the result of a simple monolithic root cause.

### **III. Overview of Ethiopia's resilience and fragility.**

B13.16 The country resilience and fragility assessment in 2020 draws a profile marked by a more robust capacity to overcome the climate and environmental impacts regarding the country's emergency preparedness and intense pressure that heightens the insecurity situation with a high armed group presence. However, the country security made remarkable progress in building its actual budget allocation capacity, strengthening the state confidence, and improving the defense ability. Despite this achievement, the security pressure remains higher than the country's capacity. It reveals a potential risk that may jeopardize the development plan and impact its social, economic inclusion progress, including the social cohesion consolidation. The country profile also indicates a weak capacity of involving civil society organizations in political discussions to enlarge the political inclusiveness dimension and then sustain political stability. Ethiopia has made considerable progress in reducing economic and income inequality by investing more in infrastructures and social sectors regarding economic and social inclusion. Hence, the Tigray rebellion and the international health crisis have wedged this progress due respectively to the conflict and Covid-19 pandemic.

### **VI. Fragility aspects addressed by the project in its intervention area.**



B13.17 One significant effect of the increased gender-based violence throughout much of the country and climate change is to advance food insecurity. Lower-than-expected rainfall in late 2020 and early 2021 and deteriorating macroeconomic conditions have contributed to the high level of food insecurity projected to last at least through September 2021 in much of eastern and central Ethiopia. This project will build food and nutrition security and Climate Change resilience of agro pastoral communities involving both men and women (from male and female headed households) farmers to deal with climate related shocks through gender responsive interventions across the program components.

B13.18 In Ethiopia, women play a vital role in agriculture, crop and livestock production and value chains, and natural resource management activities. Therefore, enhancing their role and participation in agriculture requires considerable effort. However, the prevalent gender inequalities from cultural norms, practices, and stereotypes hinder their involvement and agricultural productivity. Women contribute about 70 percent of the food production in the country (MoA, 2016). Still, they have limited access to farmland (and subsequently credit facilities), extension services, agricultural inputs, and technologies and markets. Providing women farmers equal access to productive resources could increase yields on their farms by 20-30 percent and could raise total agricultural output by between 2.5-4.0 percent (MoA, 2016). This program will enhance the capacity of women and youth through gender sensitive infrastructure and services (boreholes near homesteads, rehabilitation of markets, nurseries and day care centres), agribusiness development, implementation of GASLS methodology to transform socio cultural gender norms with women as champions and men as allies, and gender responsive climate smart agricultural technology and digital advisory services packaged and simplified to meet the low literacy levels of women, access to regional and across border markets through gender responsive standards and procedures for cross border trade in livestock value chains and alternative technology like renewable energy and biodigesters to reduce the labour intensity and time poverty constraints faced by women.

B13.19 The project is targeting to address backward agricultural water-retention technologies, environmental and resource degradation, poverty, weak institutional capacity to uproot the causes of food insecurity, inadequate infrastructure and social service, and inappropriate policies. Moreover, loss of crops and livestock, water stress, soil erosion, and land degradation have damaged the community's social cohesion and impacted the National Domestic Product (GDP), where the agricultural sector represents about 33.88%. Beyond the social and economic impacts, the challenges increased human and livestock diseases, migration, and conflict over water. Meanwhile, the drought significantly affects all sectors of the economy and increases the number of people that need food aid because of food shortages. Beyond the impacts on agriculture, recurrent drought has created social and economic disruptions and political instability. Overcoming these challenges requires a more outstanding commitment of the central and local governments, nongovernment, and other local community organizations to assure the people's basic needs through inclusive citizen participation involving both men and women in water committees (with atleast 30% being women) and other development forums related to agricultural

and commercialization through improvement of infrastructures, provision of incentives, and exportation of agricultural commodities by both men and women farmers through cross border trade.

B13.20 The 2021 Country Resilience and Fragility Assessment (CRFA), which provides data-based insights on seven pressures and capacity dimensions, offers a description of the complexities, multi-dimensionality, inter-linkages and dynamic situation in Ethiopia. These include the need for holistic, integrated and well-coordinated responses along the HDP-nexus to prevent and address economic, social, political, environmental/climate change and regional drivers of fragility. It also presents the ongoing efforts by Government to contain the situation, backed by the efforts of humanitarian agencies and development partners including the Bank. It is within this context that the ‘Ethiopia Institutional Support Project to Strengthen Macroeconomic Management’ is being proposed in support of the implementing of GoE policy measures to address macroeconomic imbalances, infrastructure bottlenecks, limited private sector participation in the economy, low-quality skills, and weak institutional frameworks to meet their development agenda. Within the scope of this project, a CRFA has been identified as crucial and would benefit sufficient attention during the implementation phase of the project cycle: (i) security, (ii) economic and social inclusiveness, (iii) social cohesion, (iv) continued climate and environmental stressors.

- **Security.** The Government has made security and stability core priorities for the country. However, Government’s ongoing efforts to protect civilians need to be scaled-up across the country, which is a current focus of the Government. In support of these efforts, the Bank will continue to carry out analysis and provide timely advisory services on how best to support the Government’s conflict management and resilience-building efforts.
- **Economic and social inclusiveness.** High rates of growth and pro-poor spending have led to a reduction in poverty from 29% of the population in 2011 to 23.5% in 2016. Nevertheless, such efforts are constrained by rapid population growth, a lingering forced displacement crisis (about 1.7m internally displaced persons and 700,000 refugees), droughts, conflict and the COVID-19 pandemic. Collaboration with DPs is strong and efforts to unlock the potential of the private sector are more important than ever, including an expansion of the export base along value chains with clear value addition in the country. The current project will enable the Bank to keep abreast of national developments to ensure regular engagements with all stakeholders working to address social inclusion collectively and comprehensively.
- **Social Cohesion:** The most noticeable pressure in this dimension compared to the 2019 assessment, relates to the rise of group identity-based awareness. Ethiopia is dealing with legacy challenges and cumulated grievances over the past decades. Governmental efforts to strengthen the social fabric, advance the sense of belonging, respect for diversity and dialogue to foster peaceful co-existence and resolution of differences are commendable, the most prominent being the ongoing national dialogue. These efforts now need to be strengthened at community, state and at federal levels. This should include a particular focus on avoiding real or perceived marginalization, enhancing mutual respect, equality and understanding to overcome legacy rivalries via win-win progress. The consultation in the build-up to this important document has posited social cohesion and the strengthening of resilience at the crucible of the new strategy. This approach would complement the Bank’s efforts through this project and build a more united and cohesive Ethiopian society.

- **Climate and Environmental front,** efforts are ongoing to reduce the challenges of food and nutrition insecurity compared to the 2019 CRFA, although more needs to be done. Droughts, soil erosion, pressure on ecosystems, among other structural challenges due to climate change, have resulted in repeated food supply disruptions, malnutrition in parts of society, with negative effects particularly on children and displaced persons. Enhanced focus on climate-smart, water-efficient agriculture or agri-business and pastoralism, boosting nutritious-food self-sufficiency, are critical for resilience building. Government-led/facilitated efforts that bring in private sector innovations and investments to enhance climate resilience, thereby also preventing potential conflicts over livelihoods, are of utmost urgency. For these reasons, to ensure that this is catered for, and complimentary to this project, the Bank is equally investing approximately US\$ 30 million to counter droughts related challenges, through the BREFONS. The project complements the GoE's agricultural ambitions of becoming food self-sufficient and a regional food supplier.

## **V. Project's opportunities for building Local and Regional resilience.**

B13.21 Ethiopia's performance has been remarkable in terms of its rapidly growing economy and declining poverty rates over the past years. But it also faces some national development challenges. For instance, although Ethiopia's road connective and urban-rural infrastructure have increased significantly in ten years, more is needed to strengthen resilience in drought affected, pastoralist and agricultural or farming communities. As such, continued reliance on rain-fed agriculture in the face of increasing variable rainfall (without any enhancements to bolster productivity or investments in In addition, despite internal and external conflicts having receded the country's capacity for food security, the government has a clear vision of national development and has a highly pro-poor orientation in its national budgets and in its national budgets and public investments.

B13.22 Agriculture is the largest sector of the economy, providing employment for four-fifths of the workforce and 70% of export earnings. Rural areas have been a major beneficiary of public sector investment, much of which has been spent on infrastructure to enable farmers to access inputs and markets.

B13.23 The Food Resilience program will play an essential role in conflict mitigation strategies with women playing a key role as peace ambassadors across ethnic groups, securing peace by connecting at-risk populations, and rebuilding social cohesion by better integrating marginalized communities in investing in rural infrastructures. In addition, the program also will improve people's) men and women from male and female headed households) access to food, humanitarian aid, and essential services for getting out the community from isolation mark by lacking connectivity with the market.

B13.24 Beyond the conflict prevention, resolution, and peacebuilding initiatives involving women as peace ambassadors in interethnic conflicts to enhance interethnic community connectivity, the project will boost the local market access and cross-border trade, promote financial services under economic opportunities that the project implementation will generate. Supporting livelihoods and

essential social services to promote economic development and greater resilience, particularly among vulnerable groups (women, youth, children, internally displaced persons and people with disabilities) affected in project area, is vital to sustaining the region's stability.

## **VI. Conclusion and Recommendations**

B13.25 The combined effects of the crisis in Northern Ethiopia, the Ukraine-Russia conflict, drought conditions in various parts of Ethiopia and rising commodity prices are among the challenges that the Ethiopian economy has faced in recent years. The current fragility and resilience analysis has shown that the country is faced with various macroeconomic imbalances, structural and sectoral constraints, including high rates of inflation, mounting public debt, reduced FDI inflows, foreign currency shortages, weak market structure, sporadic inter-ethnic violence, and contestations between some regional states like Tigray and the Federal Government. Poverty rates and rising inequality, youth unemployment as well as ethno-political tensions have been simmering since 2015. Ethiopia's demographic pressure remains strong, and the country is the second most populous. In addition, low social and economic inclusiveness, including weak social cohesion, constitute twofold factors that drive the project intervention area to spotlight the food insecurity. The socio-economic infrastructures component into the project design reflects how the conflict sensitivity approach has contextualized the community needs to address some of the root causes of recurrent violence in the project zone and mitigate an effect that may impede the local and regional resilience building.

B13.26 Last but not the least, despite the economic slow-down and political instability currently experienced by Ethiopia, the prospect that this project can offer a source of hope, reduce conflicts and build resilience in drought affected communities is enormous. The services sector which contributed 2.1 percentage points to real GDP growth in 2021 followed by agriculture (1.8) are some of the prospect beneficiaries of the program. There's no doubt that during the enviable pre-COVID period, Ethiopia's growth was relatively inclusive with accompanying high pro-poor public spending, estimated at 58% of the budget in 2021. During this period as mentioned above, the drop in poverty from 39% in 2005 to 23.5% in 2016 (latest national poverty line data), driven by the high economic growth and pro-poor spending steadily suggested that, Ethiopia was one of Africa's leading economically growing nations. That the country's Ten-Year Development Plan (TYDP) anticipated poverty to decline from 23.5% in 2016 to 19% in 2020 and to 7% by 2030 based on average GDP growth trends were all noble until the denting by the COVID, the conflict and the continuing climate related challenges. In addition, some development partners (DPs) holding back on project financing and financial assistance to the government in the last year as the conflict reneged got the public sector-led growth model, largely financed by external borrowing, wanting for new ways to provide services to the increasing citizenry needs and continuing its development growth. Taking strain from foreign currency scarcity, mounting debt, and widening current account deficit have made the imperative of this project all but necessary and timely. That these come on the heels of the following challenges articulated in the Ten years development plan a pathway to prosperity 2021-2030 give further impetus to the project's contention that, water is an entry point and an enabler for (i) strengthening food security, (ii) fostering import substitution, (iii) raising the value of agricultural exports, and (iv) creating jobs.

## ***SOMALIA***

### **Country Context**

The Federal Republic of Somalia is a country in the Horn of Africa. It is bordered by Ethiopia to the west, Djibouti to the northwest, the Gulf of Aden to the north, the Indian Ocean to the east and Kenya to the southwest. The capital and largest city of Somalia is Mogadishu. The climate is mainly dry and hot, with landscapes of thornbush savanna and semidesert. Somalia's current population is estimated at 16,447,479. The country has a surface area of 637 657 km<sup>2</sup> and a population density of 26 per km<sup>2</sup>. The median age among the population is 18, with a life expectancy of 52.8 years.

Following Somalia's independence from British and Italian rules in 1960, the country was led by Aden Abdullah Osman Daar until 1967 and by Abdirashid Ali Shermarke from 1967 to 1969. In 1969, following the assassination of President Shermarke, a military government assumed power in a coup d'état. General Mohamed Siad Barre ruled the country from October 1969 until January 1991, when he was overthrown in a bloody civil war waged by clan-based guerrillas. After Siad's fall from power, warfare continued, and the country lacked an effective centralised government. Moreover, a de facto government declared the formation of an independent Republic of Somaliland in the north in 1991. Similarly, in 1998 the autonomous region of Puntland (the Puntland State of Somalia) was self-proclaimed in the northeast.

As a result of several peace and reconciliation efforts by international and regional actors, a Transitional National Government (TNG) was formed in 2000. The TNG was later replaced by the Transitional Federal Government (TFG) that was established as an interim government in 2004 and subsequently transformed into the Somali Federal Government (SFG) in 2012. A new coalition government was formed in 2009, with Sharif Sheikh Ahmed as president but remained fragile. Two prime ministers resigned during his reign until August 2012 when the Federal Government of Somalia (FGS) was established following the approval of the Provisional Constitution, with Hassan Sheikh Mohamud elected as president. In 2017, indirect elections, based on the 4.5 clan system, led to the election of Mr. Mohammed Abdullahi Mohammed as the second president of the Federal Government of Somalia.

Somalia is currently facing a governance challenges after political leaders failed to organise presidential elections in time before the four-year term of President Mohamed Abdullahi Mohamed expired on February 8, 2021, with no successor chosen to take his seat. In mid-April 2021, the outgoing President signed legislation extending his term, and in late April, talks between the opposition alliance and the central government broke down and devolved into violence as pro-government and opposition forces clashed in Mogadishu. After months of deadlock, in June 2021, political leaders decided to hold the elections in October.

The October 2021 elections is an opportunity for Somalia to strengthen democratic institutions and respect term limits in the context of increased frictions between the federal and local governments and increased security threats from the Al-Shabab extremist group. If conducted peacefully and transparently, the election would offer a renewed momentum to address the country's peace and state building challenges, and an opportunity to build on the progress achieved in recent years. It represents the best chance it has had for decades for peace and state-building.

## Overview of Country Resilience and Fragility Assessment (CRFA)

The 2020 Country Resilience and Fragility Assessment for Somalia carried out by the AfDB, revealed that the country remains fragile on account of long-standing political instability and uncertainty; armed conflict and violence; low economic growth; weak institutional capacity; ethnic-based frictions and environmental shocks. Significant pressures continue to outweigh the capacity of the federal and state governments across all dimensions as described below:

In terms of **Inclusive Politics**, the assessment indicates that the Somali democratic practice based on a clan power sharing formula undermines political participation and excludes minority and other groups, especially the youth and women. Although there is progress on universal suffrage elections as promised by the current government in 2017, much effort is still needed to make it a reality. Corruption and bribery are prevalent as indicated by Transparency International. This undermines the credibility of the state and in general the legitimacy of public institutions.

With respect to **Security**, Somalia has a long-standing defence and security challenge, mostly posed by the Al-Shabab group. Training, equipment, and resources for the security personnel is limited. Loyalty of in the Army follows clan lines as shown in the May 2021 mutiny of the army in Mogadishu. Trust between citizens and the police is low on account of the weak capacity and corruption. In April 2021, a contingent of 144 police officers joined the AMISOM forces to assist the police and the army in providing security in the country. The mission has contributed to an improvement in stability.

On its part, the **Justice** system in Somalia is complex and three-layered (i.e. mixes the traditional, religious and modern law). The system is not fully independent from the executive, as the judges are appointed/fired by the executive. The capacity and the budget of the judiciary are limited. Issues related to accountability of public office holders and abuse of power have not been addressed, leading to impunity and mistrust by the citizens. In practice the system excludes most of the population, especially women.

Regarding **Economic and Social Inclusiveness**, the government is carrying out several reforms on economic and financial management. Despite the still high poverty rate (71%), and the economic slow-down in 2020 due to Covid-19, locust's infection and floods, the economy is expected to improve in 2021. Provision of public goods is marginally improving with the complement of the private sector in challenging areas. Groups like women and disabled, from small clans suffer from exclusion in access to public goods. Continued institutional reforms and the clearance of arrears will support economic growth.

In terms of **Social Cohesion**, the assessment finds that while traditional and religious factors undermine gender equality, poor policy reforms undermine women and youth representations and participation in social dialogue. Nevertheless, there have been improvements with women representation in parliament increasing from 14% in the 2012 election to 24% of the seats in the 2016 elections. While Somalia is still a patriarchal society, efforts are being made to be more socially inclusive, to not only women but also to youth and other marginalized groups.

Regarding **Externalities and Spill-over Effects**, the assessment notes that Somalia is dependent on the agriculture sector (i.e., crops and livestock), which contributes 83% of GDP. The economy is vulnerable to climate change and demand shocks in middle east – the main export destination. Even with an undiversified economy, Somalia has managed to rank averagely in the 2020 Africa regional integration index. Shifts in diplomatic focus (by Kenya) and security concerns (for

Ethiopia over Tigray) weakens the security stance of Somalia as both Kenya and Ethiopia are major contributors to AMISOM.

In terms of **Climate and Environment Impacts**, it is noted that land degradation is a key environmental issue in Somalia, closely linked to desertification, drought and unsustainable livestock and agricultural practices. Food insecurity and livelihoods, possible hazardous waste, lack of marine and coastal management, and the mitigation and management of natural disasters are other environmental concerns. Somalia's preparedness for emergency during the droughts is poor and is mostly reliant on UN humanitarian agencies for support. The FGS is preparing a national climate change policy.

### **Drivers of Food and Nutrition Insecurity in Somalia**

Food insecurity is a leading cause of fragility in Somalia. Up to 2.7 million people in the country face high levels of acute food insecurity through mid-2021. An estimated 840,000 children under the age of five are likely to be acutely malnourished, including nearly 143,000 who are likely to be severely malnourished through December 2021. Food and nutrition deficiencies are especially prevalent in agro-pastoral, marginalised and displaced communities. More than 260,000 people died during the last famine declared in Somalia in 2015. Nearly half of the deaths occurred before the famine was even declared. The country continues to face a myriad of challenges that undermine the resilience of agro-pastoral systems.

Climatic and environmental shocks particularly drought and floods (2019-2020), and more recently, the desert locust upsurge, pose a threat to crop production and pastoral resources. Consecutive years of poor rains and harvests have decimated crops across Somalia with direct implications on food security. Other challenges contributing to food and nutrition insecurity in Somalia include lack of access to markets especially for pastoralists, lack of clean water and sanitation, difficulties in hiring labour and in accessing fertilizers or pesticides, veterinary services, feed, pasture and water.

Equally, conflict and violence constraints agro-pastoral activities and contributes to food insecurity in Somalia. The country has experienced multiple forms of armed conflict and political violence, including terrorist attacks by militant groups such as al-Shabaab. Violent clashes between rival clans have been commonplace throughout the country, primarily caused by scarcity of natural resources, particularly water and pasture. Livestock movements primarily during drought-prone years when resources are scarce, contribute to inter-communal resource-based conflicts. In Galmudug for example, the root cause of the clan-based violence is the lack of water and pastureland, which causes groups to move around the region in search of better conditions, bringing them into conflict with each other and eventually affecting the agro-pastoral activities in the areas. In southern Somalia, al-Shabaab controls large agricultural areas and restricts access of needy population to food aid. It also takes advantage of the hunger and control of agro-pastoral lands to attract new recruits. Environmental shocks, natural resource scarcity and conflict, worsen the state of food insecurity in Somalia.

Furthermore, the COVID-19 pandemic has had a minimal impact on food security in Somalia. Since its first COVID-19 case in March 2020, the Federal Government and Federal Member States

introduced several precautionary measures in response to the pandemic, including a ban on large gatherings to ensure social distancing, in addition to the closure of academic institutions and religious schools, the suspension of international and national passenger flights and the closure of borders with Kenya and Ethiopia, amongst others. While several of these restrictions, have been lifted, concerns grew about the implications for food systems in Somalia. It was feared that these restrictions had the potential to affect both food supply and demand, as well as food security. The COVID-19 pandemic greatly reduced remittances due to the global lockdowns, thereby reducing the food purchasing power of most families in Somalia who rely on financial assistance from relatives working in other countries.

## **Conclusion and Recommendations**

The Somalia component of the *Program to Build Resilience for Food and Nutrition Security in the Horn of Africa* will be implemented in regions with significant drivers and manifestations of fragility, conflict and violence. They include Somaliland, Puntland, Galmudug, Hirshabelle, Southwest and Jubaland. The program will interact with some of the drivers and manifestations of fragility in these regions. Taking the fragility context into account in the design and implementation of the program will contribute to building resilience to not just to food and nutrition insecurity, but also to violent conflict. It will therefore yield peace and security dividends in the regions and country in general.

The application of the conflict-sensitivity and Do-No-Harm approaches is important by ensuring that existing intercommunal tensions and drivers of fragility are not aggravated but reduced. There is need to ensure that the most vulnerable communities are not left behind. These include internally displaced persons, refugees and host communities. There is need for the strengthening of social safety infrastructure and long-term rural protection frameworks. These frameworks may include increased market access for pastoralists, and national/regional disaster coordination programs. Investing in the livelihood recovery of farmers and pastoralists is critical. Capacity-building for disaster preparedness is also important.

It is proposed that a fragility and conflict expert be included in the PIU to ensure that conflict-sensitivity and Do-No-Harm principles are taken into account at all levels of program/project implementation. These include ensuring the following:

- As much as possible, Leaving No Clan/Community Behind by ensuring equal access of all clans/communities – majority and minority, to project interventions. This includes fairness in the selection of project sites to avoid perceptions of partiality and favouritism.
- Consulting with beneficiary communities and taking into account their views, including of women and youth, to ensure that project interventions address real and not perceived needs.
- Including as much as possible, and as long as skills availability permit, local young people and women in the execution of the project.
- Avoiding areas under the control of violent extremist groups, to prevent any potential harm on project implementation workers or beneficiaries.
- Avoiding the destruction of personal or community properties and livelihoods, or disruption of markets during project implementation, and making provisions of compensation, in case properties and livelihoods are destroyed.



- Avoiding any potential harm on the natural environment that may negatively affect the health and wellbeing of local inhabitants.
- Avoiding any unnecessary interference in local cultures and traditions, with regard to project interventions.
- Transferring knowledge on areas of project intervention to enhance the autonomy of beneficiary communities and their capacity to take control of their future as well as to adapt, anticipate and absorb shocks and stress relating to food and nutrition security.

## ***SOUTH SUDAN***

### **I. Country context**

Following a fragile peace deal signed in 2018, South Sudan still faces a fragile and unstable political environment, and the risk of a return to full-blown conflict remains as high as ever. Insurgency in the south, and localized violence in some parts; and ethno-political tensions could be unleashed again by the next presidential election, originally scheduled for 2022.

Prior to the Covid-19 pandemic, the economy had grown 9.5% from 2019 to 2020, but poverty (at 82% of the population) continues pervasive. While oil is the main driver of growth, agriculture is the main source of survival and income for 80% of the population. However, food security and nutrition are low.

This implies that transforming agriculture from low productivity and dependence of rain into a more market orientation and more value-addition, is vital to improve food security, income generation, social inclusion, and stability.

### **II. Overview of fragility and resilience in South Sudan**

Fragility in South Sudan still looms high on account of tenuous political settlements and agreements; weak economic performance and social frictions; migratory pressures and spots of armed conflict.

Even after the formation of a transitional government in 2020, political uncertainty is a present risk due to weak institutions and poor economic governance, especially in the oil sector. The existence of fragmented militia groups and localized violence are important sources of security concerns. Social cohesion and economic inclusiveness are affected by the lack of basic freedoms; drop in oil prices and policy ineffectiveness and uncertainty.

With 50% of the GDP coming from the oil sector, the recent drop in international oil prices, the effects of COVID-19 and floods in South Sudan have had a negative impact on the economy.

The current downturn widened the fiscal deficit, opening large financing gaps to many programs, including provision of public goods, and is exacerbating poverty, currently affecting 82% of the population.

Environmental and climate changes are impacting agricultural performance and food security. Projections indicate that in South Sudan, global warming will be felt two and half times more than the global average. The ever-frequent drought is likely to exacerbate food insecurity and expand

deforestation and resource-based conflicts as 95% of the population depend on agriculture, fisheries, and forestry.

### **III. Drivers of food security from a historical and fragility perspective in South Sudan**

**Food security in South Sudan is highly associated with the production, access, and consumption of staple cereals such as sorghum and corn.** This preference is anchored in the country's history and rituals of local communities since the early 1900's.

**Geography, demography, and topography were the early determinants of food security in South Sudan.** Self-sufficiency was a dominant feature of the region up until the early 1980's when today's South Sudan was still part of Southern Sudan. Despite having arable and fertile land, after that period the country began to experience food insecurity on account of higher population growth, population returns following independence referendum and urbanization compared to agricultural output growth and cultivated area, which more than doubled during peace time (i.e, 2000 to 2013) from nearly 400,000 metric tons in 2000 to nearly 900,000 metric tons in 2013. However, the World Food Program (WFP) estimates that the food deficit began to exacerbate in around 2010 right before the civil broke out in 2013 and it spiked in 2019. The food deficit was closed by imports from neighboring countries, particularly, Sudan, Ethiopia and Uganda, and the imports got carried out by humanitarian organizations such as the WFP and FAO (Food and Agriculture Organization) and traders.

**Being a historically conflict-affected country, a multitude of political economy determinants affect food security in conjunction with apolitical determinants.** Other determinants of food insecurity such as (i) preference for imports; (ii) role of oil revenues;(iii) importance of traders; (iv) land ownership issues; (v) deficiencies in the transportation systems; (vi) changing political relationships with neighboring countries and, (vii) the role played by development partners in the country, affect food security and nutrition the South Sudan.

- **Availability of oil revenues** following independence, and aid and cash programs from humanitarian organizations financed and helped consolidate imports of grains.
- **The role and influence of traders, aid and developments partners and exporting countries** in the east African region grew as imports of grains grew, distorting incentives for domestic and altering the trade pattern of grains in the region. so.
- **Traders, control 70% of grains trade**, especially in Juba (the capital) which gives them political influence.
- **Aid and humanitarian organizations** in their effort to ensuring food security, command large imports of cereals from markets in east Africa which perpetuates the status quo of the humanitarian-development nexus in the staple food markets in South Sudan and in the exporting countries.
- **The unclear land access and ownership laws** hinder the potential for investments in agriculture and limits social cohesion and inclusion as many women are left with no access to and ownership of land. This
- **Deficiencies in the transport system**, raise transaction costs which further boosts the availability of imported grains, even though, consumers have a taste and preference for domestic grains.

- **Shifts in the political relationships** between the main grain trading partners (i.e. Sudan, South Sudan, Uganda and Kenya) have affected tastes and market dynamics in South Sudan and therefore, food security. In fact, during the 2012 war with Sudan, Uganda became the main source of imported Sorghum and corn, while Sudan lost its importance. However, with the recent normalization of relations and the consumer preference for Sudanese grains compared to Ugandan, there has been a re-shift towards Sudanese grains. This shift is likely to affect grain prices in South Sudan and the tone of political relations with Uganda and grains exporting countries in the region.

#### **IV. Drivers of food security addressed by the project.**

- **Deficiencies in the transportation system increase food insecurity.** Infrastructure for transportation, irrigation, storage, and processing is underdeveloped and electricity services are not available in rural areas. In particular, the poor infrastructure for road transport leads to very high transportation costs and long transit time, which impedes collection of products from production areas.
- **Preference for imports, importance of traders and availability of oil revenues contribute to food insecurity.** Compared to neighboring countries, South Sudan's costs of production, particularly labor costs and input prices, are higher due to higher commodity prices brought about by poor infrastructure and strong currency from oil exports. The higher costs of production reduce the competitiveness of domestic agricultural products, resulting in large food imports, particularly grains from neighboring countries, especially from Uganda and Kenya.

#### **V. Opportunities to build resilience.**

The project will build resilient infrastructure and improve management techniques in Eastern Equatoria and the two states of El-Gazhar where food insecurity is high. The main deliverables include: harvesting dams for crop production, forestry, range and pasture development; establishment of animal stock routes; establishment of veterinary clinics and vaccination centers and slaughter slabs and rehabilitation of 25 km access road from Aweil town to scheme. These deliverables will contribute to a reduction in transaction costs and eventual shift towards domestically preferred grains.

If successfully implemented, the project has the potential to shape the political economy landscape around food production and consumption in South Sudan which, currently, contributes to food insecurity. By creating better infrastructure, policy and skills development conditions, the importance played by imported grains and their traders may reduce over time which may also contribute to the build-up of international reserves, lower inflation, and currency stabilization.

#### **VI. Conclusions and recommendations.**

The implication of the above findings is that combating food insecurity in South Sudan revolves, inter alia, around the clarification of land laws to ensure confidence in investors and equitable access by the different segments of the society (i.e. tribal groups and across gender); integration and coordination between transportation; housing and agricultural development plans to ensure

optimal market linkages; a review of the humanitarian agencies approaches to cash transfers vis-à-vis boosting incentives to balance production for consumption and markets.

## ***KENYA***

### **1. Country Context**

1.1. Kenya is an East African country bordered by Ethiopia to the north, South Sudan to the northwest, Uganda to the west, Somalia to the east, Tanzania to the south, and the Indian Ocean to the southeast. It has a surface area of 580 370 km<sup>2</sup> and considered the 23<sup>rd</sup> largest country in Africa and 48<sup>th</sup> in the world. As of September 2021, it had a population of approximately 55,230,515 and a population density of 94 per Km<sup>2</sup>. Kenya has 70 distinct ethnic groups, the largest five of which include the Kikuyu, Luo, Luhya, Kamba and Kalenjin. The country's national language is Kiswahili, and the official languages are Kiswahili and English. Nairobi is the capital and largest city. Other major cities include Mombasa, Kisumu, Nakuru and Eldoret.

1.2. Kenya is a presidential republic which gained independence from the British in 1963 and was led by founding icon Jomo Kenyatta from then until his death in 1978, when Vice President Daniel Arap Moi took power in a constitutional succession. The country was a de facto one-party state from 1969 until 1982, after which time the ruling Kenya African National Union (KANU) changed the constitution to make itself the sole legal party in Kenya. President Moi acceded to internal and external pressure for political liberalisation in late 1991. He stepped down in December 2002 and was replaced by Mwai Kibaki following fair and peaceful elections. Kibaki's re-election in December 2007 was marred by two months of violence in which approximately 1,100 people died. African Union-sponsored mediation led by former UN Secretary General Kofi Annan in late February 2008 resulted in a power-sharing accord bringing Raila Odinga into the government in the position of Prime Minister. The power sharing accord included a broad reform agenda, the centrepiece of which was constitutional reform.

1.3. In August 2010, Kenyans overwhelmingly adopted a new constitution in a national referendum. The new constitution introduced additional checks and balances to executive power and devolved power and resources to 47 newly created counties. It also eliminated the position of prime minister. Uhuru Kenyatta won the first presidential election under the new constitution in March 2013 and was sworn into office the following month; he began a second term in November 2017 following a contentious, repeat election.

1.4. The Economy of Kenya is a market-based with a couple of state enterprises. Major industries include agriculture, forestry, fishing, mining, manufacturing, energy, tourism and financial services. As of 2020, Kenya had the third largest economy in Sub-Saharan Africa, coming behind Nigeria and South Africa. Over 2015-2019, Kenya's economic growth averaged 5.7%, making it one of the fastest growing economies in Sub-Saharan Africa. The performance of the economy has been boosted by a stable macroeconomic environment, positive investor confidence and a resilient services sector. The COVID-19 shock however hit Kenya's economy hard through supply and demand shocks on both the external and domestic fronts and caused activity to slow sharply in 2020 (real gross domestic product is estimated to have

contracted by 0.3% in 2020). Agricultural output grew robustly, but manufacturing and many services subsectors (e.g., tourism, education) were severely disrupted.

1.5. While Kenya is not a transition state, it experiences drivers and manifestations of fragility. These include poverty, inequality, climate change, risk of spill-over of violent conflict from neighbouring Somalia, skills gap between market requirements and the education curriculum, relatively weak private sector investment, low investment and low firm productivity to achieve rapid, sustained growth rates and the vulnerability of the economy to internal and external shocks.

## **2. Overview of Kenya's Country Resilience and Fragility Assessment (CRFA)**

The 2020 Country Resilience and Fragility Assessment for Kenya conducted by the African Development Bank Group, revealed that except for defence institutions, the country generally enjoys high capacities across all dimensions. It however faces high pressures relating to corruption and bribery; presence of armed conflict; exclusion and access to justice; poverty; insecurity in neighbouring countries; vulnerability to natural disasters; and very importantly, food security and nutrition. The outcomes of the 2020 CRFA for Kenya are summarised along the lines of the seven dimensions of the tool, including inclusive politics, security, justice, economic and social inclusiveness, social cohesion, externalities and regional spill over effects, and lastly, climate/environmental impact:

**2.1.** With regard to **inclusive politics**, Kenya has reached many milestones in expanding the political space. The introduction of a 30% quota for Parliament seats, for women, and the creation of 47 county governments under the 2010 Constitution, were key in addressing concerns around the exclusion of women and marginalized communities. However, more needs to be done to tackle corruption and ensure that persons with disability are not left behind. Electoral reforms and violence preventative measures will be key in building resilience to political instability ahead of the 2022 general election.

**2.2.** Concerning **Security**, the Kenya Police Service has a moderately strong operational capacity to maintain law and order. Nevertheless, street crime remains a challenge. Faced with a constant threat of terrorist attacks by *al-Shabaab* militants along its Somalia border, Nairobi, Mombasa and the other big cities, Kenyan Defence Forces have been able to contain threats from external aggressors. Marginalized youth are recruitment targets for violent extremist groups. Capacitating the military to prevent and fend off threats and investing in countering violent extremism (CVE) is vital for national security.

**2.3.** Pertaining to **Justice**, the independence of Kenya's judiciary from the executive and legislative branches of government is very strong. The country's judicial system enjoys public trust as a majority of Kenyans are satisfied with outcomes from the various avenues from where they seek justice. Police brutality is however a cause for concern. The September 2020 launch of the Alternative Justice Systems (AJS) Baseline Policy by Kenya's Chief Justice will mainstream traditional forms of justice and allow access to justice for all Kenyans, especially those living in rural areas.

**2.4.** As far as **Economic and Social Inclusiveness is concerned**, significant economic reforms that followed the adoption of the 2010 constitution made Kenya one of the fastest-growing economies in sub-Saharan Africa. A stable macroeconomic environment, positive investor confidence and a resilient services sector, including financial services and ICT, have created jobs, albeit, mostly for the educated middle classes. While public service delivery has significantly improved over the years, reducing poverty and inequality, particularly in north-eastern counties, has been a major challenge. Context-specific interventions are necessary for building resilience in pockets of poverty and inequality.

**2.5.** In terms of **Social Cohesion**, Kenya's 2010 Constitution guarantees the protection of the fundamental rights and freedoms of all Kenyans, including freedoms of expression, association and assembly. Civil society is well organised and holds government accountable. Policy and institutional reforms within the transport sector sped up improvements in the transport network, thereby easing population movement. Nonetheless, COVID-19 prevention protocols included curfews and restriction of movement. Significant progress has been made to address group-based polarisation and gender marginalization but strengthening social cohesion requires more efforts to curb youth unemployment.

**2.6.** In terms of **Externalities and Regional Spill over Effects**, Kenya's economy remains resilient despite being tested by the impact of the COVID-19 pandemic. As East Africa's largest economy, it is well integrated in the region, playing important roles in economic cooperation and trade in the EAC and COMESA. Kenya is however exposed to the spillover of Ethiopia's internal crisis, Somalia's electoral impasse and the threat of *al-Shabaab*, amongst others. *Its UN Security Council membership over the next two years offers it a unique opportunity to address the peace and security challenges of the region.*

**2.7.** Lastly, regarding **Climate/Environmental Impact**, Kenya is vulnerable to the effects of climate change and environmental degradation which cost its economy approximately 2.6% of GDP, annually. Flash floods, drought, land degradation and locust infestation were among the notable shocks in 2020, with implications on poverty alleviation and food security. Kenya normative framework for building resilience to climate change is robust. Effective implementation of its National Adaptation Plan, and Green Economy Strategy and Implementation Plan is critical for protecting lives and livelihoods and preserving the environment for present and future generations.

### **3. Drivers of Fragility in Baringo, Isiolo, Marsabit, Samburu, Turkana, West Pokot and Garissa Counties and Entry Points for Building Resilience**

**3.1.** The Kenya component of the *Program to Build Resilience for Food and Nutrition Security in the Horn of Africa* will be implemented in counties with significant pockets of fragility, conflict and violence. They include Baringo, Isiolo, Marsabit, Samburu, Turkana, West Pokot and Garissa. While the drivers of fragility are context-specific and vary from county to county, they are also

largely similar. Most of the counties are affected by drought and environmental stress, food insecurity (in March 2021, over 1.4 million individuals faced high levels of acute food insecurity and were in need of urgent action), natural resource scarcity, poverty, high youth unemployment, poor service delivery, land and boundary disputes, election-related political violence, gender-based violence, radicalisation, violent extremism, proliferation of small weapons, other forms of violent conflicts and forced displacements.

3.2. Baringo, Isiolo, Marsabit, Samburu, Turkana, West Pokot and Garissa have all experienced various forms of conflicts, particularly intercommunal. For instance, Baringo has witnessed conflict between the Tugen, Ilchamus and Pokot. There have also been natural resource-based conflicts in pastoralist communities of Isiolo and Marsabit. Such conflicts are predominantly linked to livestock and its related productive assets - water, land and pasture. Cattle rustling is common in most of the counties. Similarly, inter-communal conflict has also been witnessed along the Turkana-West Pokot borderline. Garissa has on its part been subject to al-Shabaab violent extremist and terrorist activities, including the shooting of 148 people at Garissa University College in April 2015.

#### **4. Prospect for peace strengthening and resilience building**

4.1. The *Program to Build Resilience for Food and Nutrition Security in the Horn of Africa* will interact with some of these drivers and manifestations of fragility in the beneficiary counties. Taking the drivers into account in the design and implementation of the programme will contribute to addressing them and building resilience to not just to food and nutrition insecurity, but also to violent conflict. It will therefore yield peace and security dividends in the counties. This however requires the application of the conflict-sensitivity and Do-No-Harm approaches by ensuring that existing intercommunal tensions and drivers of fragility are not aggravated but reduced, if not addressed. Local communities should also be involved in program/project implementation. To ensure that the most vulnerable communities are not left behind, programme implementation should be guided by selectivity. However, care must be taken to avoid bias in implementation, especially in counties with inter-ethnic communities where tensions are high.

4.2. In addition to the activities of each of the four components, the following are proposed to build resilience:

- Create (where they do not exist) and strengthening (where they already exist) of One Stop Youth Centres (OSYC), to offer vocational, computer and internet, entrepreneurship trainings, as well as access to ICT, etc.
- Support and capacitate Local-Based Inter-Communal Dialogue Networks/Traditional Mechanisms for Conflict Resolution (where disputes over land, water, pasture and other natural resources are discussed and peacefully settled).
- It is also proposed that a fragility and conflict expert be included in the PIU to ensure that conflict-sensitivity and Do-No-Harm principles are taken into account at all levels of program/project implementation.

4.3. In order to ensure that the program is conflict sensitive and “Does-No-Harm”, the following are also recommended:

- As much as possible, Leaving No Clan/Community Behind by ensuring equal access of all clans/communities – majority and minority, to project interventions. This includes fairness in the selection of project sites to avoid perceptions of partiality and favouritism.
- Consulting with beneficiary communities and taking into account their views, including of women and youth, to ensure that project interventions address real and not perceived needs.
- Including as much as possible, and as long as skills availability permit, local young people and women in the execution of the project.
- Avoiding areas under the control of violent extremist groups, to prevent any potential harm on project implementation workers or beneficiaries.
- Avoiding the destruction of personal or community properties and livelihoods, or disruption of markets during project implementation, and making provisions of compensation, in case properties and livelihoods are destroyed.
- Avoiding any potential harm on the natural environment that may negatively affect the health and wellbeing of local inhabitants.
- Avoiding any unnecessary interference in local cultures and traditions, with regard to project interventions.
- Transferring knowledge on areas of project intervention to enhance the autonomy of beneficiary communities and their capacity to take control of their future as well as to adapt, anticipate and absorb shocks and stress relating to food and nutrition security.