

**United States Agency for International Development
Bureau for Democracy, Conflict and Humanitarian Assistance
Office of Food for Peace**

**Fiscal Year 2011: Title II Proposal Guidance and Program Policies
Supplementary Fiscal Year 2011 Title II Non-Emergency Program
Country Specific Guidance: southern Sudan**

I. Background

The United States is committed to promoting development in southern Sudan by reducing food insecurity in communities affected by drought and conflict. The United States Agency for International Development (USAID) Office of Food for Peace (FFP) plans to make funding available for up to one Title II non-emergency program in southern Sudan to enhance market linkages, increase productivity and improve resiliency and risk management among pastoralists, agro-pastoralists and farming households. The anticipated FFP funding for this program is approximately \$15 million per year for up to three years. In addition, USAID/Sudan anticipates providing \$3 million per year in complementary cash resources, subject to the availability of funds.

II. FFP and USAID/Sudan Geographic Priorities

1. Geographic Focus

The *Desktop Study on Food Security to Identify Priority Areas for Title II Food Aid for Multi-Year Assistance Programs (MYAP) Southern Sudan and the Three Areas* commissioned by USAID/Sudan identified Jonglei among the most food insecure states in southern Sudan in terms of both percentage and absolute number of food insecure. USAID/Sudan has also identified this state as a priority geographic area on the basis of comparative need and potential for return on investment.

2. Geographic Focus within States

There is no pre-determined geographic focus within Jonglei. However, proposals must substantiate (with evidence) the proposed geographic focus within this state by demonstrating both comparative need and potential for return on investment relative to other areas within this state. The former should be established on the basis of the proportion or number of food insecure households, as well as the comparative need for the proposed activities (see section III). The later should be established based on the presence (or absence) of the conditions needed to maximize intended outcomes and impact. Proposals should also substantiate the proposed geographic focus within this state in relation to what other development actors are doing – be it with the aim of

leveraging other investments, enhancing complementarities, or avoiding duplication (see Section III, paragraphs 5 and 6).

III. Sector Priorities: Strengthening Livelihoods

1. Target Livelihood Groups (and Sub-Groups)

In support of USAID/Sudan's overall strategy for southern Sudan, the focus of the program will be to enhance market linkages, increase productivity and improve resiliency and risk management among pastoralists, agro-pastoralists and farming households. Within these broad parameters, proposals must first substantiate (with evidence) the choice of livelihood group(s) to be targeted. Proposals should also define and substantiate (with evidence) the choice of sub-group(s) to be targeted within these broadly defined livelihood groups. In both cases, this should be done on the basis of comparative need and potential for return on investment.

2. Productivity, Market Linkages, and Resiliency/Risk Management

Proposals must also substantiate (with evidence) the choice to focus on production, market linkages or resiliency and risk management or some combination of the three. Furthermore, they must define and substantiate (with evidence) the choice of proposed activities within these broadly defined activity areas. Again, this should be done on the basis of comparative need and potential for return on investment which may include - but is not limited to - the types of activities listed below. This list is meant to be illustrative and should not be interpreted as predetermining or prioritizing certain types of activities or precluding others. Inclusion in this list does not lessen the need to specify the proposed activities under these headings, nor does it lessen the need to substantiate (with evidence) the choice to include an activity in the proposed program.

- Improved crop and livestock production techniques/practices (*productivity*)
- Water source (dam/pan) development/rehabilitation (*market linkages, productivity*)
- Crop insurance and livestock asset protection (*resiliency/risk management*)
- Trade network and infrastructure development/rehabilitation (*market linkages*)
- Enhanced knowledge of market opportunities and market-oriented production among smallholder farmers and pastoralists (*market linkages, productivity*)
- Improved range management and soil conservation knowledge/practices* (*resiliency/risk management, productivity*)

* These activities should draw upon rich indigenous knowledge and practices in these areas.

3. The Use of Food as a Development Assistance Modality

Proposals must delineate how in-kind food aid resources will be used as an assistance modality to implement the development activities and achieve the intended development outcomes outlined in response to paragraphs 1 and 2 above. FFP recognizes that this may be conceived of as a constraint as cash often has a comparative advantage over food as a

development assistance modality. However, the inverse is also true for certain activities and in certain circumstances. Moreover, some activities can be implemented equally well with cash or food. Accordingly, proposals must demonstrate either the comparative advantage of food as an assistance modality for implementing the proposed activities or how and why food would work as well as cash. To ensure consistency with this and FFP's mandate to use Title II food aid as a development assistance modality, applicants should not request commodities that may be set aside as contingency stock for emergency response.

FFP and USAID/Sudan also recognize that many activities and circumstances demand a combination of cash and food. Accordingly, additional Section 202(e) funds (see Section 4, paragraph 3) and complementary cash resources (subject to availability) have been made available to maximize the effectiveness and impact of Title II food resources¹. Proposals must outline in the FFP technical narrative and budget how these cash resources will be used. Proposals should also outline how this use complements and enhances the use of Title II food aid as a development assistance modality.

4. Response Strategy for Predictable Shocks

Given USAID's choice to invest multi-year resources in areas that are highly vulnerable to drought and floods, significant forethought regarding emergency response is required. Indeed, recurrent drought and floods every few years, coupled with conflict and other aggravating factors, virtually assures that such a response will be required within the program's three-year lifecycle. To address this, proposals must contain a response strategy for dealing with predictable shocks relevant to the proposed target area(s) and livelihood group(s). This strategy should include activities that contribute to building local and state level early warning and response capacity. It should also be embedded in the proposed program's strategy - meaning it should align with and support development goals and preserve development gains made in intervening (non-shock) years. The response strategy should be detailed in the Program Description and Design section of the proposal.

How food is distributed is critical in this regard. General food distributions (GFDs), for example, can undermine livelihoods and coping strategies by introducing disincentives to production, as well as nomadic mobility². Timing is also critical as intervening too early or too late may well undermine development goals and gains. Accordingly, proposals must identify and define trigger indicators and response activities that take these 'how' and 'when' factors into account. Food-based destocking programs timed to prevent a downward spiral of divestment and destitution among pastoralist populations provide an illustrative and livelihood-specific example.

¹ For more information see the most recent Food for Peace Information Bulletin on eligible uses of Section 202(e) and ITSH funding (http://www.usaid.gov/our_work/humanitarian_assistance/ffp/ffpib.html).

² This is not to suggest that GFD is inappropriate in all circumstances. Rather, it is meant to suggest that GFD does not constitute an emergency response strategy embedded in a longer-term development strategy.

Specific budget information for ongoing early warning and response capacity-building activities should be provided. Notional budget information may be given for emergency response activities with the understanding that the awardee will be required to utilize existing resources to support them.

5. Food for Peace and Transformative Change

Proposals should articulate how the proposed livelihood strengthening activities complement (and are complemented by) conflict resolution and peace-building efforts supported by USAID and others in the proposed target area(s)³. These complementarities may constitute part of the justification for the target areas and activities proposed, particularly in relation to the potential return on investment and the potential for Title II non-emergency resources to contribute to transformative change.

6. Broader Linkages and Complementarity

Proposals should articulate how the proposed livelihood strengthening activities link to and complement other U.S. Government investments, Government of Southern Sudan (GOSS) and state level development priorities, and the aims, activities and investments of other development actors, including the private sector and communities themselves. Proposals for standalone food aid programs devoid of such linkages and complementarities are discouraged.

Proposals should clearly demonstrate intent to collaborate closely with GOSS and state-level Ministry of Agriculture and Forestry and/or Ministry of Animal Resources and Fisheries. Program activities must include components that utilize, strengthen and enhance GOSS systems and build the capacity of ministry staff to carry out critical activities and to sustain these critical activities after the award period ends. All activities, training and materials must comply with GOSS and state-level procedures, policies and protocols.

USAID/Sudan is currently developing a transitional development cooperation strategy for southern Sudan in collaboration with the GOSS and other stakeholders. Accordingly, a degree of flexibility must be built into the proposed activities to ensure complementarity with this transitional strategy once it is released.

IV. Additional Guidance

1. In addition to the strategy for addressing predictable shocks (see Section III, paragraph 4), proposals should include a contingency plan for responding to unexpected and/or unusual shocks that may occur during the life of the award. This plan should detail how the applicant would adjust or adapt its proposed program to respond to unforeseen events.

³ See the USAID/Sudan website for more information on these and other USAID activities in Sudan. (http://www.usaid.gov/locations/sub-saharan_africa/countries/sudan/index.html)

2. Monetization of food aid commodities for the southern Sudan program will not be considered.
3. As an exception to FFP policy, applicants for southern Sudan non-emergency proposals are permitted to propose Section 202(e) funding levels not to exceed 25 percent of the total food aid program value. This is in addition to the anticipated \$3 million per year in complementary cash resources to be provided by USAID/Sudan (subject to availability). Applicants are also strongly encouraged to provide cost share and other complementary resources to further enhance the impact of the proposed program.
4. Applicants are advised to use one proposal for both Title II funds and Mission complementary funding. Proposals should clearly indicate which activities are funded through Mission resources and which are funded through Title II resources. In addition to descriptions in the narrative and separate budget categories, FFP suggests the inclusion of a table or matrix categorizing activities by fund source either as part of the narrative or as a separate annex.
5. All required FFP indicators, as listed in *FFPIB 07-01: USAID and Food for Peace Indicators and Reporting Systems* must be included in proposal monitoring and evaluation plan.
6. Sudan is on the World Bank International Development Association (IDA) borrowing country list and is therefore eligible to receive ITSH funding⁴.
7. For additional contextual information see the *Desktop Study on Food Security to Identify Priority Areas for Title II Food Aid for Multi-Year Assistance Programs (MYAP) Southern Sudan and the Three Areas* (http://www.usaid.gov/our_work/humanitarian_assistance/ffp/ssudan.html).

⁴ For more information see the most recent Food for Peace Information Bulletin on eligible uses of Section 202(e) and ITSH funding (http://www.usaid.gov/our_work/humanitarian_assistance/ffp/ffpib.html).