

PD-1350-646

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT DATA SHEET

1. TRANSACTION CODE: **C** (A = Add, C = Change, D = Delete)
 Amendment Number: **One**

2. COUNTRY/ENTITY: **USAID/Somalia**

3. PROJECT NUMBER: **649-0140**

4. BUREAU/OFFICE: **AFR**

5. PROJECT TITLE (maximum 40 characters): **Somalia Refugee Settlement**

6. PROJECT ASSISTANCE COMPLETION DATE (PACD): MM DD YY **1 | 2 | 3 | 1 | 9 | 3**

7. ESTIMATED DATE OF OBLIGATION (Under "B." below, enter 1, 2, 3, or 4)
 A. Initial FY **8 | 6** B. Quarter **2** C. Final FY **9 | 4**

8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. I/C	D. Total	E. FX	F. I/C	G. Total
AID Appropriated Total						
(Grant)	(1,500)	()	(1,500)	(4,000)	()	(4,000)
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country		1,000	1,000		1,000	1,000
Other Donor(s) Local Groups		1,000	1,000		1,000	1,000
TOTALS	1,500	2,000	3,500	4,000	2,000	6,000

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) RP	940			4,000				4,000	
(2)									
(3)									
(4)									
TOTALS									

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code

B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

Develop and test viable alternatives to refugee camps which enable refugees and the neighboring community to become fully integrated self-supporting residents of Somalia.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY **0 | 6 | 9 | 3**

15. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 941 Local Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a 25 page PP Amendment.)
 To modify project description, adjust budget items, and extend PACD. Project goal, purpose and total funding remain unchanged.

I concur in the methods of implementation and the financial arrangements under this project.

17. APPROVED BY: **Michael Bradley**, Controller
 Signature: *[Signature]*
 Title: **Acting Director USAID/Somalia**
 Date Signed: MM DD YY **0 | 6 | 2 | 9 | 8 | 9**

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
 MM DD YY

SOMALIA REFUGEE SETTLEMENT PROJECT

(649-0140)

PROJECT PAPER SUPPLEMENT

Handwritten mark or signature

SOMALIA
Refugee Settlement Project
(649-0140)

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H

MEMORANDUM TO THE ACTING MISSION DIRECTOR

FROM: David Himelfarb, PDO

THRU: Tom Lofgren, SPDO

SUBJECT: Somalia Refugee Settlement Project (No. 649-0140) PP Supplement

Action Requested:

That you approve a Project Paper Supplement for the Somalia Refugee Settlement Project which modifies the project design, makes adjustments to the budget (within the original authorized level of funding), and extends the PACD approximately thirty months to December 31, 1993. The original project goal and purpose remain unchanged.

Background:

The Somalia Refugee Settlement Project (SRSP) consists of a range of activities designed to test and develop viable alternatives to refugee camps, which enable refugees to become fully integrated, self-supporting residents of Somalia. The project was originally authorized on July 16, 1986; the Project Agreement was executed on January 7, 1987. The total authorized level of funding for the Project is \$4.0 million.

Project performance to date has been very slow. At approximately the half-way point in the life-of-project only one out of five planned sub-projects is ongoing (another was recently signed). Only a very small amount (about \$600,000) of the \$4.0 million obligated under the project has been committed, and actual disbursements (as of March 31, 1989) amount to only about \$250,000. A project evaluation conducted in November 1988, identified several aspects of the project design which were limiting the project's effectiveness and its appeal to potential grantees. This PP Supplement is an effort to address the problems identified in that evaluation through a redesign of some project elements. The project goal and purpose remain unchanged. No additional funding is required for the project.

Discussion:

Under this PP Supplement the following major design changes have been proposed:

1. The PACD is extended from June 30, 1991 to December 31, 1993. The additional 30 months will enable PVOs to propose longer (2 - 3 year) settlement sub-projects. This is considered to be a more realistic time frame for refugee beneficiaries to achieve self-sufficiency.

2. The separate categories of Rapid Impact Projects (RIPs) and Settlement Sub-projects have been combined into a single component: Settlement Activities. PVOs may now propose larger budget settlement sub-projects for grants in excess of one million dollars each.

3. The process of grant application under the revised SRSP has been modified so that grant applicants will know exactly what information must be included in their proposals. Outlines for both concept papers and proposals have been developed and will be provided as guidance to PVOs seeking grants under the SRSP. This will avoid many of the delays previously experienced in the review process.

4. Up to \$30,000 can be made available to a PVO from the SRSP as a Specific Support Grant (SSG) to fund the technical studies needed for the preparation of a project proposal. By helping to mitigate the high cost of proposal preparation, SSGs will make grant proposal preparation under the SRSP more attractive to PVOs.

5. AID will no longer be involved in settlement site identification and development. The SRSP will now respond to PVO initiatives that are based on a demonstrated interest and commitment by refugees to settlement. Two agricultural settlement sub-projects having grants in the range of one to two million dollars are expected.

6. Proposals for non-agricultural settlement activities, such as the development of business enterprises, vocational training or an apprenticeship program, are encouraged. Under the revised SRSP, one non-agricultural settlement sub-project will be supported with a grant in the range of \$300,000 - \$500,000.

Approximately six months after the approval of this PP Supplement, USAID will conduct a formal review of the redesigned project to determine if the modifications are having the intended effect and to decide whether the project should be continued at the current (or a reduced level of funding), modified further, or terminated.

Authority:

DOA 551, Section 4A(2), as amended on March 19, 1989, provides you with the authority to amend project authorizations as long as the amendment will not result in total life-of-project (LOP) funding of over \$30 million, does not present significant policy issues or deviate from the original project purpose, and does not require issuance of waivers that may be approved only by the Assistant Administrator or Administrator. These restrictions do not apply to the proposed Authorization Amendment or PP Supplement. DOA 551, Section 5A(3), as amended on March 19, 1989, provides you with the authority to approve extensions of the life of a project provided that the extension does not result in a new total LOP of more than ten years. The proposed PACD extension to December 31, 1993 brings total LOP to 7 years and six months.

Recommendation:

That you sign in the appropriate space below, the attached Project Authorization Amendment No. 1 and the Project Data Sheet, thereby approving the first Project Paper Supplement for the Somalia Refugee Settlement Project.

Approved: *Kenneth R. Black*

Disapproved: _____

Date: *June 29, 1989*

Attachments:

Project Paper Supplement No. 1
Authorization Amendment No. 1

FIRST PROJECT AUTHORIZATION

Name of Country: Somali Democratic Republic

Name of Project: Refugee Settlement Project

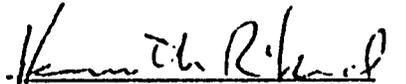
Project Number: 649-0140

1. Pursuant to the Foreign Assistance and Related Programs Appropriation Act, 1982, and the Migration and Refugee Assistance Act of 1962, as amended, the Refugee Settlement Project for the Somalia Democratic Republic was authorized on July 16, 1986. That authorization is hereby amended as follows:

a. The text of paragraph 1 of the Authorization is deleted and the following text substituted therefore:

"Pursuant to the Foreign Assistance and Related Programs Appropriation Act, 1982, and the Migration and Refugee Assistance Act of 1962, as amended, I hereby authorize the Refugee Settlement Project (649-0140) for the Somali Democratic Republic (the "Cooperating Country") involving planned obligations of not to exceed four million (\$4,000,000) United States dollars in grant funds over a seven year and six month period from the date of authorization, subject to the availability of funds to help in financing foreign exchange and local currency costs for the Project."

2. The authorization cited above remains in force except as hereby amended.


Kenneth Rikard
Acting Mission Director,
USAID/Somalia

Date: Dec - 29, 85

Impact Projects (RIPs). RIPs were also to be used to support training programs in vocational skills and to help establish new refugee businesses. The second group of refugees, who had an agricultural background but had not been able to obtain land, would be eligible for assistance through settlement sub-projects. Under these activities the Ministry of Agriculture (MOA) would provide large blocks of land designated for development as refugee farms. Once again, technical and material assistance would be provided by PVOs which had received grants from the SRSP.

To date, two RIP agreements have been approved with the second only recently signed. No proposals for settlement sub-projects have been submitted. Consequently, SRSP activities are only now beginning. The SRSP evaluation established why few PVO proposals had been submitted for review (see Section 2.0 Evaluation). This PP Supplement addresses these deficiencies in order to revitalize the Project.

1.3 Other Donor Assistance

Aside from AID, most direct assistance to refugees in Somalia is provided through UNHCR. Until recently, UNHCR's program centered on assuring that the basic needs of refugees were met, such as food, water, clothing and shelter. Additionally, UNHCR supported the establishment of education and health facilities, the development of refugee training farms, and the establishment of small business enterprises. As long as hostilities existed between Ethiopia and Somalia, UNHCR was prepared to continue such refugee assistance to the degree permitted by available resources.

With the signing of a peace accord between Somalia and Ethiopia in April 1988 and the beginning of normalization in relations, the UNHCR's Somalia office has proposed to wind down its care and maintenance operation and shift its available assistance to support repatriation to Ethiopia or local settlement in Somalia. As UNHCR's care and maintenance support is phased out between now and mid-1990, refugees will have to decide between these two alternatives. To ease the burden of this transition on the Government of the Somalia Democratic Republic (GSDR), UNHCR is trying to enlist additional development assistance from multilateral and bilateral donors. UNHCR wants this assistance to benefit both the refugees who elect to become Somali nationals and the local communities which receive them.

1.4 Policy Issues

Land Tenure: The issues raised in the original PP regarding refugee land tenure are still valid: any land considered to be suitable for agriculture, while not necessarily registered, has usually already been claimed by traditional users. Traditional use of land does not guarantee legal rights of tenure. However, in conflicts with refugees, individuals with claims based on traditional usage have often prevailed. Also where land is available, refugees may well find the process of obtaining title so time-consuming and costly that they become discouraged pursuing registration. Consequently, the number of refugees who have been able to obtain and hold title to land is relatively small - between 1,000

and 2,000 families. A larger number have begun to register land for farming but have not pursued processing their documents beyond the district level due to uncertainties about titles for refugee settlement farms.

Law No. 73 of 1975 provides the legal basis for land tenure in Somalia. Ambiguity under this law hinders refugee land registration. Land may be leased by the state to individuals, cooperatives, private companies, state farms and local governments. Customary rights of tenure are not recognized. To settle new land and prepare it for farming, refugee families usually join together in traditional groups to provide the necessary labor, capital and mutual support. In the group farms that result, each family has its own plot, though much of the work of land preparation and harvesting must be done together because of the labor requirements. The refugees, therefore, would like to be able to register their settlements as group farms in which the member families have equal rights or, alternatively, each family could register its own individual plot. Under the current centralized system of land registration, however, registering each family's individual one to three hectare plot becomes increasingly impractical as the number of settlers grows. At the same time, Law 73 does not provide for group farm leases as such. Thus, unless procedures can be arranged either for making the registration of individual small holdings feasible or for registering refugee agricultural settlements as group farms, titles for refugee farms will have to follow the requirements for cooperatives or private companies. This issue will be addressed in the land policy study which the Mission is now supporting in conformance with the GSDR's Policy Framework Paper (PFP) negotiated with the IMF to qualify for an IMF Shadow Program.

Repatriation vs. Citizenship: Both UNHCR and the GSDR assume that most of the refugees presently living in Somalia will be repatriated. It has not yet been determined, however, how repatriation will proceed. Planning for this effort will require careful attention to the logistical problems of transporting people to Ethiopia. Also, Ethiopia's ability to provide for the immediate needs of these returnees and to absorb them productively into the local economy must be carefully considered.

The GSDR, for its part, is faced with the possibility of having to receive large numbers of refugees who decide not to return home when UNHCR ends its support for refugee camps. Many of these individuals are ethnic Somalis who have clan and other ties to communities in Somalia. Nevertheless, integrating these people into the national fabric presents significant difficulties for Somalia because of the nation's weak economy and lack of resources.

Officially, Somalia has taken the position that those who have come to the country as refugees are welcome to remain and become citizens so long as they are able to demonstrate self-sufficiency. Until that time, however, Somalia considers it the responsibility of the international community to assure that the basic needs of the refugees are met. The means for determining when self-sufficiency has been achieved have not yet been firmly established. Agencies working with refugee settlers have proposed various measures as working definitions of self-sufficiency. UNHCR, for example, has proposed that two successful harvests on one

hectare of irrigated land or on 3 hectares of rainfed land would demonstrate self-sufficiency. World Concern, under its RIP activity, has proposed that an annual net income figure per family be used to indicate self-sufficiency. Both definitions provide rough but readily measurable indicators of self-sufficiency. While such definitions have been accepted by the GSDR for agricultural settlers, a comprehensive description of self-sufficiency which could be applied to all refugee families who settle in Somalia has not yet been agreed upon. For the time being, the GSDR is approaching this issue on a project by project basis. USAID would like to see that any self-sufficiency levels based on annual net income be revised annually according to the cost of living in the settlement areas.

The GSDR has not defined when a refugee stops being a refugee and becomes a Somali national. The Government does not see this as a pressing issue. Somalis whether from Djibouti, Ethiopia or Kenya are considered to be part of "Greater Somalia" and can, therefore, claim citizenship as a birthright. Questions of citizenship and immigration are paramount primarily in major urban areas such as Mogadishu which have a significant population influx. For much of the country's population the question of citizenship is seldom raised unless a passport is required for international travel. Formal procedures may eventually be developed to recognize the change in the national status of refugees who settle in Somalia.

The GSDR's intent is that it will not deny rights and privileges to individuals because they originally entered Somalia as refugees. The critical question is whether refugees become accepted into local communities. While no national declaration can bring this about, support from the GSDR and international organizations can foster an atmosphere in which local communities look upon refugees as contributors to community life rather than as a burden.

Non-Agricultural Refugee Settlement: Because there are large areas which are either uncultivated or underutilized in Somalia, agriculture rather than the creation of new enterprises is often viewed as the best hope for economic development. This perspective is generally maintained in planning for refugee settlements. Consequently, the focus for most settlement efforts has been on the development of new agricultural land rather than on the organization of business opportunities or the training of skilled artisans and tradesmen. Yet for much of the arable land in Somalia, agricultural development may not be economically feasible because of marginal rainfall, the high cost of developing water sources, distance from market centers etc. For this reason, other non-agricultural alternatives for self-sufficient employment need to be developed.

The MOA does not object in principle to settlement projects which include job training or business activities so long as these are in support of a larger agricultural settlement activity. This position, however, does not adequately appreciate the potential contribution of non-agricultural activities to the settlement of refugees. Business enterprise development and training in skilled professions, would not only provide the means for a number of refugees to become self-sufficient, but would also contribute to the development of Somalia's market town

economies. The concern expressed by GSDR officials that training and business programs for refugees would result in the loss of urban jobs for Somali nationals needs to be addressed by assuring that nationals also would benefit from such training and investment programs. In order to demonstrate the viability of non-agricultural settlement activities, the Project will support one such sub-project through a grant valued at \$300,000 - \$500,000.

2.0 Project Performance to Date

2.1 Evaluation Conclusions

The Somalia Refugee Settlement Project experienced considerable delays in project start-up. By the time of the first evaluation (November, 1988) less than 15% of obligated funds were committed and on-site refugee settlement activity was only just beginning. Much of this delay can be attributed to low FVO interest in the Project. Low proposal submission can be attributed, in part, to the small number of eligible PVOs in-country interested in receiving U.S. government funds. More important are the perceptions among PVOs that: 1) grants for RIPs are difficult to apply for; and 2) available grants are too small (less than \$200,000) and too short (one year) to be generally effective. Furthermore, the procedures for application and proposal review have been protracted, resulting in significant delays in approval and subsequently a high opportunity cost to the PVO.

Activities planned for the northern part of the country were suspended following the outbreak of civil conflict in that region. However, the recent announcement by the UNHCR of its intention to phase out the refugee camp support program starting by mid-1990 has resulted in renewed interest by government agencies in developing alternative programs to assist refugees.

The evaluation found that refugee groups that were already cooperating or involved in joint farming activities were most suitable for assistance from this Project. Some degree of formal organization or group cohesion on the part of refugee farmers was considered to be an essential component of any plan for further assistance.

Although the original PP specified that non-agricultural income-generating activities would be included under this pilot effort, nothing had been done in this area by the time of the evaluation. Further clarification of the Government's position on accepting non-agricultural settlement activity under the Project is needed.

2.2 Evaluation Recommendations

The evaluation of November 1988 recommends that key elements of the Project be redesigned. The recommendations, accepted as part of the redesign except as noted, are as follows:

- The RIP and Settlement Sub-Activities should be combined as Settlement Activities. This will enable PVOs to present proposals for large-scale, multi-year settlement activities.

- Proposal preparation and review procedures should be modified to expedite the review process. Outlines should be prepared and given to PVOs to provide guidance in concept paper and proposal preparation. Small pre-project grants should be made available to PVOs to assist with the cost of proposal preparation.
- The Project should be extended to 1993 to provide adequate time for sub-project proposal development, approval and implementation. The evaluation also recommends that the position of the project coordinator should also be extended. The latter recommendation, however, was not accepted as reductions in the workload from other Mission projects should enable the AID project manager to meet the administrative requirements for this Project.
- Income-generating activities that were originally described in the original PP remain as eligible activities and it is recommended that they be tested as part of this pilot effort. USAID will work with the GSDR toward clarifying outstanding issues in this area.
- It is recommended that the MOA provide USAID with a statement outlining methods and procedures for expediting registration of individual and group/company land for settlement of refugees under this project.
- The evaluation also recommended that guidelines for proposal development specify that data on intended participating and benefiting families must be disaggregated to identify males vs. females and female headed households. Proposals should also outline the steps taken to address constraints to women's participation in development activities.
- While the evaluation recommends that an internal review be conducted by USAID and the MOA one year following commencement of activity under the redesigned Project to determine if the changes are having the intended effect, the Mission believes that a review in six months would be preferable. A detailed project implementation review, therefore, will be scheduled six months following the approval of this PP Supplement.

3.0 Revised Description of Project Assistance

3.1 Project Goal

At the time the SRSP was designed, settlement was looked upon as the primary alternative to maintaining refugees in the camps. While some refugees were returning to Ethiopia under UNCHR's repatriation program, the number of refugees involved in this exercise was minimal. Now, two years later, the situation has improved. With the signing of a peace accord between Somalia and Ethiopia, relations between the two countries are being normalized. The war conditions which resulted in the flight of refugees to Somalia have, in large part, ended. As a result of these changes, UNCHR has determined that many refugees should be able to return to Ethiopia and that, in consequence, support to the existing refugee camps can be phased down. Settlement, however, remains an option for those refugees who, for political or other reasons, feel that they are unable to return to Ethiopia.

The overall goal of the SRSP remains valid: to assist in the resolution of the refugee problem in Somalia. As the number of camp-based refugees in Somalia totals several hundred thousand, settlement could not previously have provided a means for reducing the camp population by more than a fraction. However, if most refugees now elect to return to Ethiopia, settlement activities can be expected to have a significant impact on the reduced numbers who decide to remain in Somalia. This situation would change if the political climate between Ethiopia and Somalia deteriorated or if it became clear that the refugees were not being well received in Ethiopia.

3.2 Project Purpose and End of Project Status

The purpose of the SRSP remains to test viable alternatives to refugee camps which enable refugees to become fully integrated, self-supporting residents of Somalia, thus enabling GSDR and donor resources, which now support refugees, to focus more fully on development. With a total of only \$4 million available under the SRSP, the Project must be seen as a pilot activity for demonstrating effective, low-cost settlement approaches.

At PACD it is expected that low per capita cost models will have been field tested which enable refugees to become integrated, self-supporting residents of Somalia. This will be accomplished through the following outputs:

1. Establishment of at least two agricultural settlement sub-projects in addition to two Rapid Impact Projects.
2. Establishment of at least one non-agricultural settlement sub-project.
3. At least 8000 individuals (approximately 1,600 families) benefitting from participation in the Project.

While it is expected that most of the remaining resources for settlement activities will be used for two or three agriculture-based sub-projects, proposals for other alternatives such as the development of business enterprises or apprenticeship programs in skilled trades are encouraged, particularly those related to agricultural inputs, services, and processing.

For agricultural settlements, the most important constraint continues to be the availability of land and the security of land tenure. Both of these factors are closely tied to the acceptance of refugees by local communities. Such acceptance cannot be imposed from above; it has to develop through arrangements the refugees make with those living in the area where they would like to settle. The pre-settlement process in which refugees develop into organized groups, search for suitable land and negotiate with villagers for rights to the land is an important factor for the successful establishment of settlements and in assuring the eventual assimilation of refugees into the national fabric. For this reason, the SRSP will focus on supporting such groups of refugees rather

than providing funds for centrally planned settlements. These groups can be identified based on the degree to which they are: well organized with a chosen leader; 2) have an interest in settling; and 3) are able to identify land with local farmers.

Not all refugees, however, have an agricultural background or can get access to good farmland. Alternatives to assist in the settlement of these refugees should also be considered. Over the past several years, a large number of income generating projects have been carried out in the refugee camps with varying success. Only one, however, demonstrated the possibility that refugees could become self-supporting through a learned trade or skill. That was the Partnership for Productivity (PFP) Enterprise Development Sub-project funded under AID's Refugee Self-Reliance Project. In this sub-project, refugees were apprenticed to successful entrepreneurs in Hargeisa so that they learned basic skills in a business setting. Similar sub-projects could be supported under the SRSP. These sub-projects could include microenterprises such as tailoring, oil pressing, maize and sorghum grinding, blacksmithing, baking, carpentry, pottery, mechanics, and welding.

3.3. Project Elements

This section provides a description of activities to be carried out under this PP Supplement. While some financial information is included, see Tables 1-6 in Section 5.0 for further budgetary data.

A.I.D.

Settlement Activities -- Under this PP Supplement the ongoing RIP with World Concern will be completed (\$220,000) as will the recently approved but not yet initiated JCH RIP (\$185,000). Three new Settlement sub-projects are anticipated. Two of these will be agricultural based for approximately \$1,250,000 each. The third will be an urban sub-project estimated to cost around \$350,000. Funding for Specific Support Grants to support PVO proposal preparation (approximately \$30,000 for each sub-project) may be funded from the Settlement Activity budget element.

Technical Assistance -- The position of Project Coordinator has been eliminated as reductions in the workload from other Mission projects should enable the A.I.D. direct hire project manager to meet the administrative requirements of the Project. As a result of this change and the revised focus of this PP Supplement on larger and longer-term settlement sub-projects, the balance of available technical assistance resources has been transferred to the Settlement Activity line item. Approximately two person months of technical assistance remains budgeted for the MCA's Refugee Settlement Office.

Commodities -- Approximately \$65,000 in commodities have been provided to assist the Refugee Settlement Office in managing and monitoring refugee settlement activities. Funds have been used to procure two 4-wheel drive vehicles and spare parts, and office supplies and equipment. The total amount budgeted for commodities under this Supplement is \$70,000, leaving a small balance yet to be programmed.

FSU Support -- Funding has been provided to the AID/Field Support Unit (FSU) for supporting the Project Coordinator during FY87 - FY89 and for the maintenance of project vehicles throughout the LOP.

Evaluation/Audit -- \$75,000 dollars are included in this Supplement to finance an end-of-project financial audit. As in the past, Mission plans to use REDSO technical services for carrying out the final evaluation.

GSDR

The GSDR local currency contribution to the Project is based on estimates of current local currency costs for materials and personnel costs. No increase beyond the level of support provided in the original PP is being requested in this Supplement. The level of support will be assessed annually by USAID, the Ministry of Finance and the MOA to assure that funding levels are appropriate.

Settlement Activities -- As in the original PP, the GSDR will contribute the shilling equivalent of \$800,000 towards settlement sub-projects, including approved RIPs. These funds will be granted to PVOs as part of their approved funding.

Personnel -- This item which includes long- and short-term technical assistance has been reduced from the local currency equivalent of \$50,000 to \$25,000 in line with the current Project focus which relies more on technical assistance provided under larger grants with PVOs.

Support Costs -- This item includes local currency costs associated with the Field Support Unit (\$90,000), procurement of fuel, oil and lubricants (\$5,000) and other operational expenses primarily for the MOA (\$80,000). A portion of these funds may be used to finance the services of a FSN Project Assistant using Trust Funds if deemed warranted by the Project Manager.

4.0 Review of Technical Analyses

4.1 Technical Analyses

Preliminary analyses for site selection and refugee attitudes, originally planned as part of the technical review process for sub-project preparation, will no longer be required for review of PVO proposals. Rather, the proposed approach for selecting refugee settlement sites under the redesigned Project differs significantly from the original Project in that PVOs will be encouraged to work with refugee groups that have already gone through the initial stages of group formation and have identified an area and started the process of securing rights to settlement. These are time consuming and complex pre-project activities that can be more productively addressed by the refugees themselves. Large groups of refugees are already involved in this process. In Luug, for example, over one thousand refugee families in several neighboring groups have obtained land and begun farming. More than twice that number of refugees are establishing farms around Qorioley. Such clusters of refugee settlers are the target for the redesigned project. The PVO's role is to encourage this process and to make it known to refugee groups

that PVOs can assist with technical and financial inputs once the group has demonstrated a commitment to settlement and has undertaken the first steps in the process of obtaining land.

The receptivity of the refugee participants to the concept of settlement has been demonstrated through their contributions of time and money to the process of securing land for settlement. This process has also tested the receptivity of local residents and existing land usage claimants to proposed settlement activities. In the two locations visited by the redesign team local reception was favorable.

The GSDR has contributed to this process by establishing a receptive environment in which refugee groups are encouraged to become settled. PVOs are invited to respond by submitting proposals to USAID to fund refugee settlement activities. These proposals will be jointly reviewed by USAID and the MOA. Technical officers from both agencies will review PVO proposals and offer guidance and assistance in addressing technical issues.

Grant application and review will follow a two-step procedure. A concept paper, including a summary budget, will be submitted for initial review. If approved, the PVO will be invited to submit a full proposal. A limited amount of funding may be made available to the PVO to cover part of the cost of proposal preparation. Guidance in the form of outlines will be provided for both concept papers and sub-project proposals.

4.2 Economic Analysis

The economic analysis of the original PP remains valid for this Supplement. The comparison of the cost of long-term camp maintenance with low cost "facilitated/spontaneous" settlement is the basis for the economic analysis used in the PP. The basic conclusion reached in the Economic Analysis is that the Project offers a considerable potential for savings over the cost of continued maintenance of refugees in their camp environment.

Concern was expressed in the PP as to whether the government would support the low unit cost approach. This is no longer an issue as the Government clearly supports this approach as an appropriate method for refugee settlement, and provides assistance for registering land as well as for technical agricultural assistance for refugee settlement activities. Also raised as an issue in the economic analysis was whether enough refugees see settlement as the long-term solution to their livelihood in Somalia. Experience over the past two years confirms that there are sufficient numbers of interested refugees for proposed settlements.

4.3. Social Soundness Analysis

The social soundness analysis identified four conditions as prerequisites to a socially feasible project:

- i) security of land tenure for agricultural based settlements;
- ii) economic returns to refugees equal to or better than camp existence;
- iii) continued food aid during initial phases of agriculture settlement;
- iv) compensation or negotiated arrangements for existing holders of rights to land usage.

These conditions remain valid. In both settlement sites visited during project redesign, it was observed that these requirements were being addressed as part of the pilot effort in both the design and implementation of RIP settlement activities. However, the two sites were agricultural production units, and no activity has been proposed yet for refugee settlement activities in villages and market towns.

4.4 Administrative Analysis

Changes in administrative procedures are being proposed for this Project. Procedural constraints relative to grant proposal processing were identified as a major factor contributing to the low level of PVO interest. The procedures for proposal review are being modified with a view toward expediting the review process. Some project funds will be made available to PVOs to assist with proposal preparation, especially for required technical analyses. The amount of funding for proposal preparation will depend upon the types of analyses and other activities to be undertaken during proposal preparation. Amounts up to \$30,000 will be made available to PVOs as grants to assist with program development and proposal preparation. (See Section 6.3 for more information on this process and Annexes 1 and 2 for guidance on concept paper and project proposal preparation.) The standardization of procedures should help to expedite the project review/approval procedure.

The Ministry of Agriculture (MOA) will continue to be the GSDR agency responsible for project implementation and has established a separate office for this purpose. Other GSDR agencies responsible for refugee relief activities will continue with their supportive role, but their interest in the project beneficiaries (former refugees) will diminish as refugees successfully assimilate into Somali society.

PVOs that are actively working with refugees will be targeted under this Supplement as the principle implementation entities for sub-project activities. As discussed above, AID will not be involved with site identification and development, but rather respond to PVO initiatives that are based on demonstrated refugee interest and commitment to refugee settlement. PVOs will be encouraged to assist clusters of refugee groups totalling more than 500 families.

4.5 Environmental Analysis

The PP procedures for environmental assessment were designed to assist USAID and GSDR in selecting settlement sites which would in turn be developed by PVOs following an application/bid process. This PP

Supplement modifies this process so that PVOs are now responsible for proposing the settlement sites. This change will likely result in groups of smaller neighboring settlement sites as the PVOs will be responding to refugee groups that are already in formation rather than trying to identify new groups.

Portions of the guidance that is currently used for the Somalia Development Partners Project (PVOP) have been incorporated into the redesigned SRSP PP Supplement. These guidelines were designed specifically for a PVO funded project in Somalia which includes many of the same types of activities that are supported by SRSP. Many of the PVOs eligible for SRSP grants are also recipients of or have applied for PVOP grants. Incorporating pertinent guidelines from PVOP into the SRSP will encourage consistency on the part of PVOs submitting proposals. This will also facilitate the review process by both USAID and GSDR. The environmental issues to be addressed are similar for both projects. Guidelines are attached as Annex 6.

4.6 Land Tenure Analysis

The ability of refugees to secure land tenure rights remains a major concern. Those issues raised in the original PP land tenure analysis continue, but recent PVO experiences with land tenure during the past two years provide some insight into how they can be resolved.

The land tenure analysis concluded that "It is unlikely that there are large amounts of high-potential land that can be brought under cultivation with traditional technologies", and "there are no lands in Somalia where pastoralists or cultivators do not already have long-established rights". These conclusions are still valid.

PVOs who appreciate the complex nature of land tenure issues have tended to wait until refugee groups work out suitable arrangements with those who hold existing land usage rights. Once the refugee group secures the right to cultivate the proposed site, the PVO is in a better position to offer technical assistance and financing. Resolving land issues can take a long time and it is prudent for the PVO to limit the amount of time they commit to this process as it can prove to be very costly. For this reason, PVOs are encouraged to work with refugee groups that are already on the way to securing land, or are in the process of finalizing land tenure arrangements.

Refugee groups are often in a better position than PVOs to resolve land tenure issues. Their ability to start the land acquisition process can be a further demonstration to the PVO that the refugee group is serious about their intention to settle and have the group cohesion and organising capability to implement a project. Reasonable assurance from the local community or previous holders of land usage rights that the refugee group will be allowed to settle on the land in question is often a better indication of land tenure security than administrative registration with the Government. However, refugees should be encouraged to obtain registration as well.

5.0 Revised Cost Estimate and Financial Plan

5.1 Current Financial Status

The total original PP Project budget including both A.I.D. and GSDR contributions is \$6.0 million as presented below in Table 1. Table 2 provides a summary financial status report of the Project; Table 3 provides the revised U.S. dollar budget summary; Table 4 presents current and projected dollar expenditures to the PACD; Table 5 provides data on expenditures by fiscal year; and Table 6 presents the revised PP Supplement dollar and local currency budget.

The Project was authorized on July 16, 1986 at the funding level of \$4.0 million. The Project is fully obligated at this level from Migration and Refugee Assistance Act funds. GSDR has committed the local currency equivalent of \$1.0 million. In addition, \$1.0 million is expected from in-kind contributions from refugees and local groups. No additional USC or GSDR funding is being sought for this Supplement.

Table 1

ORIGINAL SUMMARY COST ESTIMATES AND FINANCIAL PLAN (\$000s)

	<u>AID</u>	<u>GSDR</u>	<u>Other</u>	<u>Total</u>
1. Settlement Activities	2990	800	1000	4790
Rapid Impact Projects	790	400	280	1470
Settlement Sub-Projects	2200	400	720	3320
2. Technical Assistance	640	100		740
Long-Term	440	50		490
Short-Term	200	50		250
3. Commodities	80			80
Vehicles	50			50
Computers	20			20
Office Equip/Supplies	10			10
4. Support Costs	90	175		265
5. Evaluation/Audit	200	5		205
TOTAL	4000	1000	1000	6000

As shown in Table 2, below, only a very small amount (\$585,000) of the \$4.0 million obligated under the Project has been committed. Accrued expenditures through March 31, 1989 have been mainly for long-term technical assistance (project coordinator) amounting to approximately \$200,000 for technical assistance and \$459,000 for the Project overall. A total of over \$2.8 million remains available for already approved RIPs and anticipated settlement sub-projects. Some \$3.541 million was unexpended as of March 31, 1989.

Table 2

SUMMARY PROJECT FINANCIAL REPORT
(\$ 000)

<u>Description</u>	<u>Obligation</u>	<u>Commitment</u>	<u>Accrued Expenditures</u>	<u>Unexpended Obligation Ba</u>
Rapid Impact Grants	790	196	168	622
Settlement Sub-Proj.	2,200	0	0	2,200
Technical Assist	640	281	209	431
Commodities	80	64	64	16
FSU Support Costs	90	44	18	72
Evaluation/Audit	200	0	0	200
Total	4,000	585	459*	3,541

5.2 Revised Budget

The revised budget (Table 3) consolidates RIP and Settlement Sub-Projects the single heading of Settlement Activities. Adjustments have been made shown based on the element descriptions provided in Section 3.3 of this Supplement.

Table 3

REVISED U.S. DOLLAR SUMMARY COST ESTIMATE
(\$000s)

<u>Line Item</u>	<u>Original PP</u>	<u>Proposed Changes</u>	<u>PP Supplement</u>
1. Settlement Activities	2,990	310	3,300
2. Technical Assistance	640	(326)	314
3. Commodities	80	(10)	70
4. Support Costs	90	-	90
5. Evaluation/Audit	200	(125)	75
6. Contingency	-	151	151
TOTAL	4,000	0	4,000

*Actual disbursements are \$241,000 or about 6% of total obligation.

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Table 4
SUMMARY OF U.S. DOLLAR PROJECT EXPENDITURES

AND
PROJECTIONS TO PACD
(\$000s)

<u>Line Item</u>	<u>Accrued Expenditures to 3/31/89</u>	<u>Projected Expenditures 4/1/89-12/31/93</u>	<u>Total</u>
1. Settlement Activities	168	3,132	3,300
2. Technical Assistance	209	105	314
3. Commodities	64	6	70
4. FSU Support Costs	18	72	90
5. Evaluation/Audit	-	75	75
6. Contingency	-	151	151
TOTAL	459	3,541	4,000

Table 5
ESTIMATED FISCAL YEAR EXPENDITURES U.S. DOLLAR BUDGET
(\$000s)

<u>Line Item</u>	<u>Through</u>		<u>FY*</u>			<u>FY</u>	
<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>
<u>Total</u>	89	90	91	92	93	94	
1. Settlement Activities	314	524	670	800	825	167	3,300
2. Technical Assistance	234	40	20	-	20	-	314
3. Commodities	64	6	-	-	-	-	70
4. FSU Support	18	14	15	15	14	14	90
5. Evaluation/Audit	-	-	-	-	-	75	75
6. Contingency	-	-	-	50	50	51	151
TOTAL	630*	584	705	865	909	307	4,000

* Includes both expenditures/accruals from project initiation on January 7, 1987 through March 31, 1989 (\$459,000) plus additional proposed expenditures through remainder of FY89 (\$171,000).

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Table 6

REVISED SUMMARY U.S. DOLLAR AND LOCAL CURRENCY COST ESTIMATES
(\$000s)

<u>Line Item</u>	<u>A.I.D.- PP Supplement</u>	<u>GSDR</u>	<u>Other</u>	<u>Total</u>
1. Settlement Activities	3,300	800	1,000	5,100
2. Technical Assistance	314	25		339
3. Commodities	70	-	-	70
4. Support Costs*	90	175	-	265
5. Evaluation/Audit	75	-	-	75
6. Contingency	<u>151</u>	<u>-</u>	<u>-</u>	<u>151</u>
TOTAL	4,000	1,000	1,000	6,000

* For GSDR \$90,000 for FSU, \$80,000 principally for MOA Refugee Office and \$5,000 for P.O.L.

5.3 Methods of Implementation and Financing

<u>Method of Implementation</u>	<u>Method of Financing</u>	<u>AID FX Amount (\$ 000)</u>
Technical Assistance		314
- PSC	Direct Payment	
Commodities		70
-Direct Aid Contracts	Direct Payment/	
-PIO/C	Direct Letter of	
-Supply Contracts	Commitment (DLC)	
Operational Support		90
-Implementation Letter to earmark (Direct AID contracts/PIO/Cs, supply contracts, purchase orders)	Direct Payment & DLC	
Financial Audit		75
- Direct AID Contract	Direct Payment	
Settlement Activities		3,300
- Specific Program Support Grants	Letter of Credit to Federal Reserve Bank/ Direct Reimbursement	
- Specific Support Grants for Proposal Development	Letter of Credit or Direct Reimbursement	
TOTAL		<u>4,000</u>

6.0 Revised Implementation Plan

6.1 Administrative Structure

The administrative arrangements for project implementation differ somewhat from the plan proposed in the PP. Contrary to PP expectations, experience to date with project implementation has not required significant involvement of the Settlement Steering Committee. This has been because most of the actions required have been of a technical nature rather than those of broader refugee policies. Organizations originally designated as members of the Settlement Steering Committee will continue to interact with the project in line with their routine refugee responsibilities. However, MOA will be responsible for the project's operational activities that are carried out as part of technical support for refugee settlement and other income-generating activities.

6.2 Implementation Responsibilities

The Ministry of Agriculture will continue as the GSDR's General Implementing Agency with responsibilities as described in the PP. These responsibilities are being modified to reflect current operational practice in which MOA coordinates proposal review on behalf of interested GSDR agencies and meets jointly with USAID for proposal approval. Other entities of the GSDR are invited to participate in the review process when matters of particular interest arise or if the proposal presents issues that are in the domain of the other government agencies.

The Settlement Steering Committee will consist of a representative from the Ministry of Agriculture and invited members from the other technical ministries such as Livestock, Forestry and Range; Public Works; and Fisheries. The Steering Committee will not be called upon for routine approval of proposals unless there are issues related to proposal review that require policy interpretation or inter-agency coordination and action.

6.3 Concept Paper and Proposal Review Process

The process for review of concept papers and sub-project proposals has been revised to reflect experience with the review process to date and the desire to expedite this process. A PVO will submit a concept paper to USAID and the MOA. Guidance on proposal preparation will be made available to PVOs by USAID. The concept paper and proposal outlines will contain all the relevant sections and information that are required for MOA and USAID review. Specific guidance for preparation of the proposal sections on social analysis, economic analysis, and environmental analysis will be provided by USAID.

The Project Manager and the MOA counterpart will coordinate a joint review of the concept paper. Concept papers will be reviewed, and, if approved, the applicant will be invited to prepare a full proposal. Applicants will be notified of the MOA and USAID decision within four weeks following submission of the concept paper to USAID. Any special requirements for the proposals will be conveyed to the applicant in the reviewing committee's reply to the applicant.

Completed proposals will be submitted to both MOA and USAID. Copies of the proposals will be circulated to the USAID Project Review Committee and to relevant line ministries by the MOA. Internal reviews will be conducted by each respective organization as required. A joint review meeting of MOA and USAID will be held within six weeks following PVO proposal submission. Any matters of policy that require action from the Steering Committee will be conveyed to the Steering Committee following this review. This review will identify issues that need further clarification from the proposer. The Project Manager will prepare a written reply to the proposer requesting clarification or further information that the review committee may require. AID and MOA will meet jointly within four weeks of receiving the PVO's written response clarifying issues raised by the initial review.

Upon satisfactory review and approval of the proposal by both MOA and USAID, the applicant will enter into negotiations with USAID for a grant agreement in accordance with the provision of AID Handbook 13.

The Project will also fund a limited number of Specific Support Grants to PVOs to share in the cost of proposal preparation. Requests for grant funds for proposal preparation will be included with the concept paper submission. A separate budget for proposal preparation will be required as part of the concept paper. The amount approved will depend upon the technical requirements of the proposal and the total amount of funds requested. Up to \$30,000 is available for each proposal.

6.4 Procurement of Services and Commodities

The guidelines for procurement of services and commodities as described in the PP continue to be appropriate for the PP Supplement. No changes are proposed.

6.5 Extension of the Project Assistance Completion Date (PACD)

The current PACD is June 30, 1991. Because project activities have only recently commenced, the PACD will be extended to December 31, 1993 to provide adequate time for implementation of recommended three-year sub-project activity grants. The Project will undergo an internal review six months after the execution of this PP Supplement to determine if the redesign is having the intended effect and to determine if adequate progress has been made to justify continuation.

6.6 Implementation Schedule

<u>Date</u>	<u>Activity</u>	<u>Responsible Party</u>
6/89	Complete PP Supplement	USAID
7/89	Finalize Outlines for Concept Papers/Proposals	USAID/MOA
7/89	PIL for Project Changes	USAID
7/89	Circulate to PVOs Outlines for Concept Papers/Proposals	USAID/MOA
9/89	Receipt of Concept Papers	USAID/MOA
12/89	Completion of World Concern RIP	WC
12/89	Internal Implementation Review	USAID MOA
1-3 '90	Approval of new Sub-Project Activity Proposals	PVOs USAID MOA
6/90	Completion of Save the Children RIP	SCF
	Quarterly Monitoring Reports	Project Manager
	Semi-Annual Settlement Activity Progress Reports	Grantees

6/93	Final Evaluation	USAID GSDR Contractor
9/93	Project Financial Audit	USAID/RIG
12/93	PACD	USAID MOA

7.0 Revised Monitoring and Evaluation Plan

7.1 Project Monitoring

Procedures for project monitoring have been established by both USAID and the MOA to measure progress toward meeting project objectives. A provision for monitoring will also be incorporated into sub-project activity grants. This will assist the PVO in tracking project activities, as well as provide USAID and the MOA with information on individual sub-project activities.

7.1.1 USAID

USAID will no longer fund a PSC Project Coordinator. Project administrative responsibilities will be met by the Project Manager and a FSN Project Assistant.

The Project Manager and FSN Project Assistant will make periodic visits to settlement sites for the purpose of reviewing implementation progress and providing assistance to PVO grantees on AID related administrative matters. As specified in the PP, both site visit reports and quarterly progress reports will be prepared.

7.1.2 Ministry of Agriculture

As the implementing agency, MOA will have primary responsibility for monitoring project implementation. This will include progress being made in achieving the stated objectives of the grant agreement, performance of individual sub-project grants to PVOs, and the monitoring of relations between the Project and other Ministries and organizations directly involved with refugee settlement activities.

An office for the Project has been established and staffed by the GSDR which has received commodities and logistical support for management and monitoring activities. Technical assistance for developing monitoring and management systems will be provided by the Project Manager and FSN Project Assistant as well as through limited short-term outside assistance.

7.1.3 PVO Grantees

PVOs will be granted funds to support refugee settlement activities. Provisions for monitoring and reporting will form part of the PVO grant application. PVOs will follow the reporting provisions stipulated in their agreements.

7.2 Internal Implementation Progress Review

Six months following commencement of activity under this PP Supplement, USAID and the MOA will jointly conduct an internal project review. The purpose of this review is to determine if the recommended changes incorporated into the redesigned project are having the desired effect. The review will assess the level of interest of PVOs in the Project, progress being made in improving the proposal review process, and progress in implementing PVO grants.

If progress is satisfactory the Project will continue through to the revised PACD. Satisfactory progress in this instance would be a minimum of two sub-project activity proposals received. If progress is not satisfactory and if constraints to implementation remain unresolved, consideration should then be given to either additional redesign work, perhaps involving changes to the goal and purpose (which could be formulated to encompass repatriation) or termination of the Project and deobligating the balance of funding. Grants previously made to PVOs would continue to their scheduled completion date.

7.3 Evaluation

The first evaluation conducted in November, 1980, was confined largely to an assessment of constraints to project implementation since no on-site settlement activity had commenced by the time of the evaluation. This evaluation provided the basis for a redesigned project.

The Scope of Work (SOW) for the second evaluation will incorporate those aspects of the PP evaluation plan that relate to assessment of RIP activities. These issues are appropriate for evaluating sub-project activities that are funded as part of the redesigned project. Policy issues that impact on the implementation of settlement activities will also be included.

As part of their grant proposals, PVOs will provide baseline information to be used in the end-of-project evaluation by the external evaluators. PVOs may wish to undertake evaluations of their individual sub-projects. The PVO should in such cases provide for the evaluation in the grant proposal (and assure that it would be completed prior to the external evaluation). Such internal evaluations are eligible for grant support.

Three areas of expertise will be required for the final evaluation: (1) a sociologist with experience in refugee settlement; (2) an agriculturalist with microenterprise development experience; and (3) a development specialist with background in institution building and project administration.

7.4 Audit

A financial audit is planned for the last year of the Project. The type of audit (RIG/A or non-federal) and audit scope of work will be determined by the Mission at a later date.

GUIDELINES FOR CONCEPT PAPERS

Under the SRSP, PVOs seeking funding for refugee settlement will initially submit a brief concept paper (5 - 6 pages) which provides an overview of the following:

Project Purpose
Background (relevant PVO experience and understanding of the problem)
Description of Project Activities
Description of Key Implementation Issues
Illustrative Project Budget (including AID, GSDR, and PVO/Other resources each identified separately and disaggregated by generic budget categories)
Project Time Frame

The concept paper will be reviewed by USAID and the Ministry of Agriculture within two weeks of its submission. A decision will then be made whether the PVO is to be invited to submit a formal proposal for its planned settlement activity.

Approval of a settlement concept paper will be based upon its meeting the following criteria:

1. The PVO submitting the concept paper must be registered with AID/W and with the GSDR Ministry of Foreign Affairs.
2. The PVO must demonstrate experience in design, implementation and evaluation of similar projects.
3. The concept paper must indicate clearly how refugees participating in the project will become economically self-supporting.
4. The concept paper must address technical feasibility. The concept paper will identify additional technical analyses (e.g. soil and water surveys, engineering designs) that would be required for an adequate assessment of the overall sub-project proposal.

SRSP concept papers are to follow the following format:

SOMALIA REFUGEE SETTLEMENT CONCEPT PAPER OUTLINE

Sub-project Title:

Sub-project Location(s):

PVO Name:

PVO Home Office Headquarters (Address, Telex, Cable):

PVO Somalia Office Location and Phone:

PVO Contact Person in Somalia:

Date PVO Registered with AID:

Date PVO Registered with GSDR:

Date of Concept Paper Submission:

Project Purpose:

PVO Background:

Description of Project Activities:

Implementation Issues:

Illustrative Budget:

Implementation Time Frame:

GUIDE LINES FOR SUB-PROJECT GRANT PROPOSALSA. Sub-Project Purpose:

1. State the goal or purpose of the settlement activity.
2. Describe the group to be assisted and how they have been selected.
3. Identify the location(s) of the sub-project and those site factors which will affect sub-project design and implementation. How was this location selected?
4. Describe the extent to which Somali nationals will benefit from the proposed sub-project.
5. The data on beneficiaries should be disaggregated to identify males vs. females and female headed households. Proposals over \$300,000 should include a discussion of constraints to women participating and directly receiving economic benefits and the measures taken to address these constraints.
6. Sub-project final reports and evaluations should include sex-disaggregated data.

B. Background:

1. Explain how your organization became involved in the proposed settlement activity.
2. Are there other organizations involved in similar settlement activities in the proposed sub-project area?
3. If an agricultural settlement is proposed, do the refugees have title to the land to be farmed? If not, have they applied for a land title and what is the status of their application?
4. Comment on your organizations capabilities to implement the proposed sub-project, including availability of key staff, availability of needed materials and equipment, logistical arrangements, etc.

C. Implementation Issues:

1. What kinds of assistance will your organization provide to the beneficiaries through this sub-project?
2. What will the beneficiaries contribute to the implementation of the sub-project (e.g. labor, capital)?
3. What assumptions have been made concerning successful implementation of the sub-project?

4. What is the time frame for the proposed sub-project? When must the sub-project begin in order to meet constraints associated with planting seasons, staff availability, etc.?

5. Describe the tasks you will undertake to accomplish the activity's purpose. If more than one group is involved, assign responsibility for task completion.

6. When do you expect tasks to be completed? Use chart or narrative form.

D. End of Project Status:

1. Describe the changes you expect to have taken place at the end of the activity to improve the status of beneficiaries.

2. List the specific types of information you will gather at the outset of and during the project which will serve as indicators to measure and monitor progress, or lack thereof, during and at the end of the activity. How will this information be gathered and by whom?

E. Assumptions:

1. Is the successful completion of this project dependent on other activities or other support?

2. Does it depend on support and participation of intended beneficiaries and or support from the Somali Government? Describe what must take place or continue in order to accomplish the purpose of the project.

F. Evaluation:

1. How often will evaluations take place? Who will evaluate the activity? Have funds been identified to cover evaluation costs?

G. Financial Narrative:

1. If you plan to buy any goods or services which would require a waiver, identify these requirements (see Standard Provisions).

2. How much of the AID funds will be used to buy goods and services? How much will be spent in-country? What financial controls will you employ to ensure good financial management?

3. Describe your method of financing the procurement of goods or services, if not through AID Letter of Credit. Use a grid or narrative style.

4. Briefly describe your accounting system, identifying by title the people operating it. Describe your organization's audit capability and how this relates to your Somali operation.

H. Budget:

List in detail by year or other convenient time period the expenditures of USAID resources. The non-AID resources should be identified in separate columns both as to the source of the resources as well as whether these resources are in cash or in-kind.

An estimated value should be shown for in-kind resources, such as donated materials and services from individuals, organizations and governments. The budget should identify unit costs where applicable, such as per diem rates, salary levels, cost per square foot for construction, and should have an accompanying list, where appropriate, detailing such items as equipment, supplies, materials and services to be acquired under the project. Sufficient line items should be listed to permit detailed evaluation of progress against the budget. Based on the data in detailed budget tables, a summary budget table should be prepared similar to the following:

SUMMARY BUDGET

	<u>AID</u>	<u>GSDR</u>	<u>PVO*</u>	<u>OTHER*</u>	<u>TOTAL</u>
1. Technical Assistance					
2. Commodities/Equipment Agricultural Inputs					
3. Capital Development Costs (land clearing, infrastructure build- ings etc.)					
4. Direct Support Costs (travel/transportation, administration etc.)					
5. Overhead					
<hr/>					
TOTAL:					

*Includes in-kind PVO and beneficiary contributions

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