

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add
 C = Change
 D = Delete

Amendment Number

DOCUMENT CODE

3

COUNTRY/ENTITY: SOMALIA

3. PROJECT NUMBER: 649-0123

4. BUREAU/OFFICE: AFR 06

5. PROJECT TITLE (maximum 40 characters): Refugee Self Reliance

6. PROJECT ASSISTANCE COMPLETION DATE (PACD): MM DD YY 019 115 8 6

7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4):
A. Initial FY 83 B. Quarter 1 C. Final FY 83

8. COSTS (\$000 OR EQUIVALENT \$1 = So. Shs 15)

A. FUNDING SOURCE	FIRST FY 83			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(1822)	(570)	(2392)	(3510)	(2490)	(6000)
(Loan)	()	()	()	()	()	()
Other U.S.						
1. PVO/UNHCR	498	379	877	1622	1237	2859
2.						
Host Country		586	586		2350	2350
Other Donor(s)						
TOTALS	2320	1535	3855	5132	6077	11209

9. SCHEDULE OF AID FUNDING (\$000)

A. APPRO- PRIATION	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	1430	1940				6000		6000	
(2)									
(3)									
(4)									
TOTALS									

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each): 920

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):

- Strengthen GSDR planning, monitoring and evaluation capacity to manage and coordinate RSR aid.
- Directly assist refugees and their Somali neighbors to enhance their productivity, economic livelihood and skills in agriculture, infrastructure improvements and training for self support.
- Gain greater understanding of refugee needs, incentives, resources and socio-economic issues.

14. SCHEDULED EVALUATIONS: Interim MM YY 01 84 MM YY 01 85 Final MM YY 10 85

15. SOURCE/ORIGIN OF GOODS AND SERVICES: 000 941 Local Other (Specify) 935

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

17. APPROVED BY: Signature: Jim Kelly
Title: Director USAID/Somalia
Date Signed: MM DD YY 1 2 21 8 2

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

USAID
SOMALIA
REFUGEE SELF RELIANCE
(649-0123)
PROJECT PAPER

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ABBREVIATION AND DEFINITIONS

AID/W	Aid Headquarters in Washington, D.C.
CDSS	AID's Country Development Strategy Statement
CEAR	European Committee for Aid to Refugees (French)
DER	One of two Somali rainy seasons (April/May)
ECPR	Executive Committee for Project Review (AID/W)
ELU	Emergency Logistics Unit of NRC
FFPO	Food-for-Peace Officer
FY	Fiscal Year (unless otherwise noted, of the U.S.A.)
GSDR	Government of the Somali Democratic Republic
GU	One of two Somali rainy seasons (October)
NRA	National Range Agency
NRC	National Refugee Commission
PID	Project Identification Document (AID internal document)
PL-480	US. Public Law No 480
PP	Project Paper (AID internal document)
PVO	Private and Voluntary Organization (Sometimes : Volag)
RAO	Refugee Affairs Office
RHU	Refugee Health Unit of GSDR Ministry of Health
RPA	Refugee Project Assistant

Executive Summary

A. Goal

The principal immediate to medium term goal of the Project is to increase the capacity of refugees in Somalia to become more productive and more self reliant, thereby improving their economic status while reducing their dependence on the Somali government and on donor agencies.

B. Purposes

There are three principal purposes, namely:

1. To strengthen GSDR planning, monitoring and evaluation capacity to manage and coordinate refugee self-reliance aid;
2. To directly assist refugees and their Somali neighbors to enhance their productivity, economic livelihood and skills in agriculture, labor intensive infrastructure improvements, and training for self-support; and
3. To gain greater understanding of refugee needs, incentives, resources and socio-economic issues.

C. Components

The four components which make up the Project are consistent with the three Project purposes listed above. No component will rely on the success or failure of any other, but all are viewed as necessary in developing experience and initiating long term action programs to reach the Project goal. The Project's four components are:

1. Support to the Planning Unit of the GSDR National Refugee Commission (NRC) through technical assistance with local supporting staff and facilities.
2. Socio-Economic and Technical Studies using expatriate and Somali contract consultants under the auspices of the NRC's Planning Unit.
3. Self-Reliance Sub-Projects designed and implemented principally by U.S. based Private and Voluntary Organizations (PVOs) in refugee camps and surrounding areas.
4. Project Monitoring and Management Assistance through expatriate personal services contractors based in refugee areas.

D. Analyses

The technical, social, administrative and economic analyses included in the Project Paper (PP) conclude that the Project is feasible. All issues raised in

reviewing the Project during the course of its design development have been addressed. The Project meets all applicable statutory requirements and is consistent with the AID/State policy and program guidelines for refugee activities and Mission and CSOR development strategies.

E. Funding

Funding for the Project is authorized by the Foreign Assistance and Related Programs Appropriations Act, 1932, and the Migration and Refugee Assistance Act of 1962, as amended. Because the authorization for this funding does not come from the Foreign Assistance Act, the provisions of that Act relating to the use of funds (such as procurement source requirements) do not apply as a matter of law and accordingly this PP reflects greater flexibility regarding certain procurement requirements than are normally permitted in an AID project. The provisions of certain other federal statutes and the limitations contained in the FY32 Appropriations Act do apply to this Project, and these have been adhered to in the design of the Project. Applicable statutory provisions are indicated in the statutory checklist in Annex 20.

F. Approval and Fiscal Summary

The Project Identification Document (PID) for the Project was approved in AID/Washington on July 14, 1932 and the USAID Mission in Somalia was granted permission to continue its Project efforts under the provisions of the amended Redlegation of Authority 140. In this regard, the Mission has finalized the PP, and will authorize and obligate full funding according to the following summary chart:

Table 1

Basic Fiscal Summary*
Non-Counterpart Cost

Component 1:	
Support to the Planning Unit of NRC	\$ 700,000
Component 2:	
Socio-Economic & Technical Studies	250,000
Component 3:	
Self-Reliance Sub-Projects	4,720,000
Component 4:	
Project Monitoring & Management Assistance	330,000
	Total: \$6,000,000

* Complete fiscal data including counterpart contributions may be found in Tables FA1 to FA4 of the PP Financial Analysis

INTRODUCTION

The Refugee Self Reliance Project represents one of AID's first attempts to make a significant developmental impact on the African refugee situation, in this case in Somalia. The choice of Somalia is apt because in no other African country is the refugee problem more pervasive, nor the annual cost to the host country and donors higher. *

AID's objective is to increase the productivity of refugees living in camps, by directly participating in the design and implementation of self reliance projects. The project contains a mix of agricultural, skill training and infrastructure improvement activities -- of benefit to both refugee and Somali families -- plus measures to strengthen USAID and GSDR monitoring and evaluation capacities. Project-related studies will attempt to find answers to key refugee and related social issues. Voluntary agencies with good track records in Somalia, will offer the technical resources required by the GSDR to implement self reliance activities.

AID faces a number of constraints to achieving these objectives. The size and composition of the refugee population in Somalia, the physical environment in which refugees live, and to a lesser extent, the nomadic traditions of a majority of these people preclude an instant development of self sufficient refugee communities. AID is therefore proposing a limited infusion of resources for small scale, on site projects, studies and institutional improvements which have been designed to reduce the dependency of only a small percentage of refugees. Such interventions will enable AID and the GSDR to better program refugee assistance through greater understanding of the problem, and improved administrative systems. The experience gained from the Project may form the basis for integrating refugee programs with overall country development efforts. The Project, coupled with the United Nations High Commissioner for Refugees (UNHCR) own experiences in the implementation of its self reliance and agriculture projects, will enable the GSDR and donors to better plan and manage the Somalia refugee assistance program.

The Refugee Self Reliance Project is closely related to its companion intervention, the CDA Forestry Phase I - Refugee Areas Project (549-0122) which is the first phase of a larger, long term, multi donor reforestation program. Both are guided by the same objectives. The Self Reliance sub-projects, described in detail below, provide a physical base for the initiation of both self reliance and reforestation projects. Both projects lay foundations, if circumstances permit, for broadening their "refugee" focus to programs which squarely address two of Somalia's most pressing problems: increasing agricultural production, and arresting deforestation.

* The estimated annual cost of care and maintenance is \$300 per refugee.

The projects will be implemented concurrently at common localities, and jointly guided, monitored and evaluated by common field personnel. Each project is linked with agriculture and forestry programs of the UNHCR, which is anticipated to be co-donor on several sub-projects.

The Setting and the Problem .

The Ogaden, a vast lowland area in southeastern Ethiopia, is predominantly inhabited by ethnic Somalis, the majority of whom rely on an economy of nomadic pastoralism. This geographic area has sporadically suffered from natural or man made disasters. Examples include the drought of 1974-75, and the floods of 1976.

In the wake of the Ogaden conflict between Ethiopia and Somalia in 1977, thousands of ethnic Somalis and Oromo sought refuge in northern and southern Somalia. In early 1978, the GSDR listed some 130,000 refugees in the country. By February 1981, when the influx began to ebb, the Somali government officially estimated that some 1.3 million refugees were living in the 35 camps established on their behalf in the country's Lower Shebelle, Hiran, Gedo and Northwest regions.

As early as 1977, the influx of refugees into Somalia attracted international interest to the social and economic problems associated with the refugees. The opening in 1979 of a United Nations High Commission (UNHCR) Branch office in Mogadishu marked the beginning of a massive relief operation, the costs of which were borne by UNHCR, the WFP and the international donor community.

To assist the UNHCR in meeting the basic needs of the refugees, the GSDR established in 1979, a National Refugee Commission (NRC). By late 1980, systems were in place for private voluntary agencies (PVOs) the UNHCR's operational arm in camps, to dispense medical care, distribute food and provide potable water.

The first eight months of 1981 marked a turning point in the situation of refugees in Somalia. Two major elements contributed to an improvement in the refugees health status: the arrival of CARE, in April 1981, to establish an effective food and commodity delivery and monitoring system; and the strong leadership exercised by the Refugee Health Unit (RHU), established by the GSDR in the Ministry of Health in September 1980, and responsible for the implementation and supervision of all health care programs. By September 1981, the RHU began to reduce the number of supplementary feeding stations in operation -- a first visible sign that the crisis was under control--. Thus, the Somali refugee program had reached a crucial turning point. The GSDR, external assistance agencies and PVOs could raise their sights from coping with crises to that of starting to address the longer run needs and problems of the refugees.

Several of the voluntary agencies, which first entered Somalia in 1977 to dispense medical care, had begun as early 1980, to provide manpower and financial resources for the establishment of development-oriented programs in camps. While a majority of PVO personnel continue to be employed in medical fields to this day, there have been since April 1981 increases in the number of qualified expatriate agronomists, foresters, irrigation engineers, extension trainers and community development specialists assigned to Somalia. PVOs have also begun to allocate substantial private funds to these programs.

The GSDR, for its part, began to address the medium term needs of the refugee assistance program prior to the UNHCR sponsored International Conference on Assistance to Refugees in Africa (ICARA) of 1 April 1981. A March 1981 policy change now permits refugee farmers to cultivate individual family plots and to earn 100 percent of the proceeds of their output. Additionally, Somalia's presentation to ICARA included a number of medium term development schemes in agriculture and forestry.

In December 1981, a special UNHCR task force came to Somalia to re-direct its program more towards self reliance objectives. As a result, the 1982 plan of Operations places emphasis on income generating schemes, self reliance and self help activities. On the US side, a combined State/Aid team arrived in Somalia in February 1982, to examine overall refugee programs and establish basic policies and guidance for further US support to the refugee program through the UNHCR and USAID. The team concluded that, failing voluntary repatriation, the problems of reducing dependence on external assistance, improving the government's capabilities to manage assistance programs, restoration of the environmental damage caused by refugees, and reducing the cost of care and maintenance were the highest priorities.

Constraints and Opportunities.

The GSDR's basic policy regarding refugees is that the refugees pose a temporary problem -- or at most a medium term, three year problem---. Thus, the refugees are temporary guests to be settled in camps until they are repatriated. Repatriation as the only acceptable long term solution precludes the settlement of refugees in Somalia on lands with potential for agriculture and livestock.

This policy is extremely understandable, given the huge investments relocation would involve for an economy that is struggling to provide some economic progress to its own people. It does, however represent the major constraint that permeates the refugee problem in Somalia. A second major constraint is a result of the fragile environment in the major refugee areas. Successful agriculture projects, the keystone to any self reliance program, will require careful planning and conservation measures. Related to this is the refugees present living conditions. Large, highly populated camps over-tax local resources and upset the local economy in numerous ways. Examples are overgrazing, erosion caused by the passage of large numbers of vehicles, humans and animals, and over cultivation of the soil leading

to depletion and the formation of dust bowls around camps. These factors predominate in the refugee areas today.

Other constraints derive from the fact that there is a limited amount of arable land around the refugee camps. Thus, allocated plots will not be large enough to permit families to become self sufficient. As a result, the Project will also address the development of non-agricultural opportunities which will furnish refugees with marketable skills.

The willingness of refugees to work has been discussed as a possible constraint. Some ask, what is the incentive? One has only to spend a short time in a camp to realize how frustrating the limitations of this form of human existence are. The overcrowding is unnatural, and the regimentation of food distributions, water service, medical care and most of the camp routine run counter to the ways and traditions of the refugees. These frustrations have caused many refugees to find relief in limited productive employment in agriculture, wood cutting and many other jobs in and around camps. There is little reason to expect that convenient employment opportunities would go untaken, especially as surplus food (normally used for barter) is reduced through improved commodity management.

While no guarantees can be offered, donor and PVO self-reliance programs could exert a further positive influence on Somali refugee policy. The Somali refugee situation is not static. Attitudes and policies change and have already become more flexible. The government has been willing to provide additional land for refugee cultivation, and allows refugees to participate in national development programs. Therefore, if participation in agricultural projects increases, if refugees are taught to farm with greater regard for environmental concerns, the GSDR might begin to decentralize the refugee populations within the areas where they live, into smaller settlements with more land for agriculture, grazing and tree lots. Should that happen, the former refugees will be, as a result of the Project, in a better position to take advantage of whatever new opportunities may be offered. Additionally, the project will create opportunities for refugee participation in activities with lasting national value: examples include wood lots, wind-breaks, water crossings, access roads, irrigation systems and other infrastructure construction. And Somali technical skills and productive capacity will have meanwhile been improved, thereby contributing to the growth of the country.

Objectives

Growth through development is the objective of all AID programs including USAID/Somalia's Refugee Self Reliance Project. Increasing the capacity of refugees in Somalia to become more productive and more self-reliant, thereby improving their economic status while reducing their dependence on the Somali government and on donor countries is the immediate to medium-term goal of Project activities. A second near-term goal is to provide opportunities for refugees to demonstrate their willingness and capacity to make a positive contribution to Somalia's development and to increase the productive capacity of the country. The longer-term goal is

to enhance the possibilities for a positive resolution of the refugee problem -- i.e. settlement in Somalia or repatriation to their homeland -- by increasing their skills and demonstrating their desire for self-support.

It is likely, however, that few, if any, of the foregoing goals can be achieved if the project beneficiaries are restricted to refugees, given the proximity of Somali agriculturalists in the areas in which the refugees are located and the importance of cooperative relationships between the two groups. Therefore, an important further goal of the project is to encourage participation in project activities by Somalis who reside near camp areas, thereby contributing to the country's development and social stability.

Specific Project purposes oriented to achieving the above goals are as follows:

1. Strengthening of a planning, monitoring and evaluation capacity within the GSDR to manage and coordinate assistance aimed at increasing refugee self-reliance;
2. Gaining a greater understanding of refugee needs, aspirations, incentives, resources and the socio-economic issues that confront the refugee populations and their Somali neighbors, as a means of developing and implementing more effective self-reliance programs;
3. Directly assisting refugees and their Somali neighbors to enhance their productivity, economic livelihood and work skills through:
 - a. A series of "on the ground" sub-project interventions in selected areas having potential for irrigated or dry land agricultural development;
 - b. Selected labor intensive infrastructure improvements to link camps with agricultural and forestry interventions and improve access to regional centers;
 - c. Opportunities to enable participants to increase their skills for self-support.
4. Providing the GSDR and USAID the capacity to monitor, evaluate and manage Project and related refugee assistance activities.

Principal Project Outputs

The conditions which we expect at the end of this project are the following:

- up to 8,000 refugee families farming on irrigated and/or rainfed land producing an average of 20-30 percent of the food they eat and a surplus to trade for other needed items;

- 12,000 or more hectares of arable land put into production by refugees;
- 5,000 farmers trained in improved agriculture practices;
- 5,000 refugees trained in other marketable skills;
- Environmental degradation in the refugee regions under control;
- GSDR with a capacity to plan and manage refugee and other disaster projects.

Relation to CDSS Strategy

The FY 84 CDSS devotes considerable attention to the refugee problem in Somalia and the options open to USAID for addressing it. It notes that the desirable solution (repatriation) is presently unrealistic and recommends a "second best approach" of assisting the refugees in becoming as self-supportive as possible in such functions as food production, water supply, strengthening skills and developing fuelwood resources. It recommends self-reliance activities in or around the camps and within a five mile radius of the camps. Also recommended is institutional support to the NRC Planning Unit and funding for studies and surveys.

I. DETAILED DESCRIPTION OF PROJECT COMPONENTS

9

A. Component I - Support to the Planning, Monitoring and Evaluation Unit * of the National Refugee Commission (NRC)

1. Background

The creation in March 1982 of a Planning Unit within the NRC occurred at a time when GSDR refugee policies began to address the requirements of a medium term development, rather than care and maintenance program. It also coincided with a gradual redefinition, by the GSDR, of the NRC's functions as a coordinating rather than implementing body.

The Planning Unit's three principal functions can be summarized as follows:

- (1) to serve as the NRC's internal mechanism for the review, monitoring and evaluation of refugee assistance programs;
- (2) to collect and disseminate available social, economic and technical data on the camps and the refugees, and to identify additional research and study priorities; and
- (3) to provide a strong working level linkage between the NRC and other donor, UN and GSDR agencies on the planning, coordination and execution of refugee assistance projects, including those in the field of self-reliance.

To accomplish these functions the NRC has identified specific financial, material and personnel requirements, for which it is requesting multi-donor participation.

1. The GSDR has supplied the Planning Unit with national personnel, including one director, two implementation officers and one administrative assistant. Additionally, the Unit has devised a consultancy system whereby 5 planners from key ministries are attached to the Unit, to participate in project development, review and evaluation. To date the NRC has chosen to appoint highly qualified national personnel to the professional positions in the Unit. All have, at a minimum, a Master's degree, often from a US university. Furthermore, most count at least five years of experience as GSDR employees, and have been active in the National Planning Commission of the Ministry of Planning.

2. USAID, the EEC and the UNHCR have received Planning Unit proposals requesting support for three expatriate professionals to perform the functions of Senior Planner, Implementation Manager and Research Manager. These individuals will supplement the national staff which the GSDR has made available for this Office. Schematically these persons will

* For convenience sake the name of this office has been shortened to the "Planning Unit".

have, as national counterparts, the Unit's director and two implementation officers. Assistance is also required for the cost of one expatriate administrative assistant, for operating and for transportation costs.

The UNHCR has provided \$150,000 to the Unit under its 1982 Plan of Operations. These funds cover national personnel costs, the salary and associated expenses for the Senior Planner, as well as some operational costs. This aid coupled with GSDR support and the secondment, on an ad hoc basis, of two expatriate NRC advisors has enabled the Unit to operate since April 1, 1982.

3. As a result of discussions between USAID and the Planning Unit during the preparation of the Project Identification Document (PID), USAID assistance is being proposed for a period of two years. This reflects two basic NRC assumptions in creating the Unit. First, the NRC's own scope of direct involvement in refugee assistance programs is apt to diminish considerably as technical implementing responsibilities gradually transfer into their appropriate line ministries. A second assumption is that the coming two years represent the critical period in the transition from care and maintenance to self reliance. Managerial assistance will be crucial during this time, to put in place within the NRC a strong program planning, and coordination system. Once the transition has been effected, and these systems are in place, national personnel will be capable of providing the necessary leadership in the Unit.

2. Outputs

This component of the project directly addresses the project purpose of strengthening a planning, monitoring and evaluating capacity within the GSDR to manage and coordinate assistance aimed at increasing refugee self reliance. In a two year period, donor support will help create planning and implementation systems within the NRC for future use by national planning personnel: Expatriate assistance will help to develop these systems: to instruct counterparts in the use of specific management tools: and, through contact with the NRC's five national consultants, provide these same opportunities to planners in those development ministries which are expected to increase their participation in the implementation of refugee assistance programs.

By the end of the two year period, the NRC's national personnel should be capable of assuring that available donor resources are equitably distributed among refugees. This would be accomplished through increased abilities to identify and plan an optimal use of available resources; to systematically track project implementation through monitoring and reporting systems; to evaluate proposals to determine suitability; to review completed projects to determine replicability; and to propose programs to fill assistance gaps.

The Planning Unit's efforts would be expected to result in the following outputs before the end of the two year period:

- a) a long term implementation scheme based on NRC project priorities; this will promote the disadvantaged camps to a point where there is no significant difference between camps in the allocation of resources proportional to needs;
- b) a data collection, storage and retrieval system with a data base regularly updated; this will include an index, by camp, of all existing projects;
- c) a standardized system for the evaluation of camp based activities, measured against NRC (quantifiable) goals and objectives;
- d) a corps of national planners acquainted with specific management tools such as the logical framework; and
- e) a foundation for strong inter-departmental, inter-ministerial and inter-agency cooperation that will be an asset in addressing the development needs of Somalia.

3. Inputs

AID's contribution to the project will provide technical resources valued at \$700,000, to include expatriate managerial assistance with supporting staff and facilities for the NRC Planning Unit for a two year period. A detailed illustrative budget is given in Annex 7.

Two expatriate managers will be funded through the Project. First, an Implementation Manager will be responsible with his/her Somali colleague for monitoring the implementation of NRC sponsored refugee projects, and for periodically evaluating the results of these programs. He/She will also develop criteria for reviewing, monitoring and evaluating various types of projects to be undertaken.

The second, a Research Manager, will be responsible with his/her Somali colleague for developing criteria for the evaluation of NRC sponsored projects. He/She will oversee research, surveys and studies undertaken under the auspices of the NRC, and recommend ways this information can best be disseminated, and incorporated into program priorities.

A Somali Implementation Officer and a local hire expatriate administrative assistant will also be funded through the project. Support facilities through Project funds will include two vehicles with spares and office equipment. (3)

- (3) See Annex 8 for additional description of the Planning Unit and provisional scopes of work for expatriate personnel.

B. Component II - Socio-Economic and Technical Studies

1. Background

Socio-economic and technical analyses, based on information currently available, provide a sound basis for initiation of refugee self-reliance activities and specific direction regarding activities to be undertaken immediately. However, long-term solutions to Somalia's refugee problem will require essential information, not currently available, on the conditions, problems and needs of the refugees. The socio-economic and technical studies to be supported under this Project are a response to this requirement and to recommendations made in the Dewey Report (see Annex 6) for refugee-related research.

This studies fund will support a coordinated program of selected socio-economic and technical analyses, studies and assessments on issues related to long range planning for refugee self-reliance and development. The fund will be coordinated through the NRC Planning Unit as part of its function to collect, analyse and disseminate program-related data. Results will assist the GSDR, in particular the Planning Unit of the NRC, as well as AID, in program planning, policy development, and program implementation, monitoring and evaluation. Answers to key refugee-related development issues will ultimately enhance the effectiveness, appropriateness, feasibility and impact of GSDR and donor refugee assistance over the long term.

Given the need for focused, operationally useful new knowledge on priority program issues, several principles will guide the selection of appropriate topics for study. To be considered for funding under this component, studies must generate results which:

- a. address the socio-economic or technical context which defines opportunities for or constraints to refugee self-reliance and productivity;
- b. address issues which affect implementation of current activities or planning for future activities regarding refugee self-reliance;
- c. lead to improved program strategies which reflect what has been learned about socio-economic and technical factors that affect progress toward greater economic participation of refugees;
- d. analyze quantitative or qualitative data with the aim of improving GSDR capacity to develop a long term, positive resolution of the refugee problem.

2. Outputs

This component incorporates problem-oriented studies into the Project, and directly supports the purpose of the Project to gain a greater understanding of needs, aspirations, incentives, resources and socio-economic issues that confront the refugee population and their Somali neighbors as

a means of developing a more effective self-reliance program. In addition, the studies will contribute to the project purpose to strengthen GSDR planning, monitoring and evaluation capacity and its ability to manage and coordinate assistance aimed at increasing refugee self-reliance.

By the end of three years, the GSDR and AID should have from four to seven program-relevant studies which further inform program planning, policy and strategy development; lead to recommendations for changes, expansion or replication of existing projects or programs; provide a sounder basis for review of proposals for new activities and plans; provide firmer requirements for baseline data collection, monitoring and evaluation in refugee assistance projects; and allow identification of issues for further investigation.

This studies fund is not intended to be used to support baseline assessments, monitoring or evaluation of individual sub-projects funded by this Project.. All of these functions will be incorporated into Project component activities* However, impact studies may be supported which evaluate several projects or types of self-reliance activities in terms of changes in social or economic factors.

Study topics are likely to be selected from the following list of priority areas. Topics identified by the Planning Unit or by AID during the implementation of this Project may be added to the list.

Possible study topics include:

- a. A review of technical, environmental and other conditions which affect potential for self-reliance activities in those camps in the Northwest, followed by the elaboration of strategy options;
- b. A study of the effect of refugee self-reliance activities, and of refugee camps in general, on the local economy in the vicinity of the camps, which includes the adjustments that both refugee and local groups have made, and implications for Somali development;
- c. An assessment of the potential for development of different types of small industries in or near refugee camps, which looks at such issues as production costs, markets, skills, training needs and credit, and examines the particular opportunities for and constraints to small enterprise development for women;
- d. A study of social and cultural changes -- e.g. changes in household roles, in community organizations and intergenerational change -- which has occurred as a result of participation in productive activities and adaptation to a more agricultural or sedentary camp life;

*Guidelines for the collection of baseline data for PVO Sub-Projects can be found in Annex 25. Monitoring and evaluation provisions are included in Annexes 5, 12 and 25, and in PP Sections I and V.

- e. An assessment of particular problems faced by urban refugees and refugees located outside of the camps, along with strategy recommendations and, where appropriate, recommendations for further study
- f. A study of the allocation of resources within the refugee household and of the changing roles and economic contributions of men, women and children in refugee families, to lead to recommendations to ensure that women's economic opportunities are adequate to meet their responsibilities for household support and that self-reliance and food-for-work programs have maximum impact on family well being
- g. A detailed review of social and economic issues that will affect the success of projects that incorporate food-for-work (e.g. impact of wages or commodity differences on willingness to work) to lead to program approaches which will ensure broad participation in and access to food-for-work
- h. An assessment of the long range implications of refugee relocation, including the description of technical, economic and social considerations for planning, implementation and management of relocation programs, drawing on previous experience in Somalia and elsewhere, leading to presentation of policy options and further study priorities
- i. A study of economic strategies pursued by refugee families and of conditions which affect participation in different productive activities as well as risk taking, initiative and investment and
- j. An analytical study, to be undertaken following the completion of several other studies, which pulls together their results, and other information available to date, and makes strategy recommendations for feasible and equitable steps to increase refugee motivation to undertake a non-camp lifestyle.

3. Inputs

The project will provide a total of \$250,000 to support from four to seven discrete studies. Funds will support the work of expatriate and Somali contract consultants, including travel, salary and per diem, plus associated research costs. Costs for each study will vary according to a number of factors among them, the extent to which original research or field surveys will be required, the amount of time and travel required and the degree of expatriate consultant involvement in each study.

Illustrative budgets and scopes are included in Annex II. The duration and level of effort required for each analysis, assessment or study will depend on the selection of priority questions to be answered.

The Socio-Economic and Technical Studies component of the project will be managed jointly by AIC and the IRC, who will together review proposals received and agree on proposals to be funded. The Self-Reliance Project funded Research Manager in the Planning Unit will have direct responsibility for management of the studies program, as part of his/her role as research manager and advisor on all aspects of IRC-sponsored research needs. Both the IRC and AIC will disseminate results and findings of the studies to appropriate government and non-government bodies, to assure their utilization in program and policy development and implementation of ongoing refugee programs.

C. Component III - Self-Reliance Sub-Projects (S-R Sub-Projects)

1. Background

The bulk of financing (\$4,720,000) in this project will be devoted to supporting specific refugee self-reliance interventions which are consistent with the objectives and purposes spelled out in the Project Paper introduction. Furthermore they will meet with the technical, social, environmental and administrative criteria noted in other sections of this paper, in Annex 9, "Procedures for Approval of PVO sub-projects", in Annex 25, "Guidelines for Social Analysis in Sub-Project Submissions" and in Annex 5, "Environmental Assessment".

Encouragement for Mission efforts to support improvements in refugee self reliance activities came from the State/Aid team on "US Government Policy for Refugee Affairs in Somalia". The team's report recommended narrowing the range of AID funded activities to those which truly address the issue of increasing productivity among refugees. During the preparation of the Project Identification Document (PID), USAID had numerous discussions with GSDR, UNHCR, donor and PVO representatives regarding the direction of the Somalia refugee assistance program. This preparatory work will help to insure that activities undertaken under this project complement, do not duplicate similar efforts being carried out or proposed by other PVOs and donors. US based PVOs currently operating programs in Somalia submitted seven draft proposals with a mix of agricultural, skills training and road improvement activities. Final proposals are now in various stages of study and design. USAID may receive additional sub-project proposals for activities in the fields listed above.

Agriculture

The principal objectives of agricultural projects are to increase agricultural skills among refugees, and to allow participants to supplement their diets and/or earn cash from the sale of their crops. Sub-project activities under this category therefore represent a way of developing refugee and Somali skills which could be applied more fully when circumstances change.

In each case, sub-project activities will include:

- the development of land for irrigated farming; and, of land for use in rain fed farming, where this technology is applicable; in both instances, preparatory work will include land clearing and construction or improvement of irrigation systems. In some cases, UNHCR may fund the construction of these systems.
- the allocation of individual family plots to refugee and non-refugee participants: actual plot size may vary from 1/10th to 1 hectare, depending on site quality and extent of available land; during the pre-implementation studies, sub-project planners will consider how to provide sufficient land to create incentives for refugee commitment to these activities while simultaneously attempting to maximize participation. Except for small, pilot efforts which involve relocation, plot size will not be of a size to permit households to support themselves.
- the selection of suitable crops: during pre-implementation studies, and based on the technical recommendations included in Annexes 16 and 17, sub-project planners will determine which crops to plant at individual sites. While the preferences of participants will remain a major factor in this process, implementing agencies do plan to introduce new cash crops through the sub-projects.
- extension, through training courses in farm techniques and farm management and through on-site assistance to individual farm families.
- training components, aimed at refugee or Somali project personnel: implementing agencies plan to concentrate their training efforts in the areas of project management and agricultural extension.

Differences in sub-projects will appear in the ancillary skills training activities PVOs propose to undertake in conjunction with their agricultural components. These activities illustrate the different aspirations of refugees, regional opportunities, and the experience PVOs submitting the sub-projects have had in identifying the needs of refugees. Examples of such ancillary activities include, inter alia:

- the construction and operation of an agricultural workshop-cum-appropriate technology center, to offer training opportunities to both refugee farmers and other refugee and non-refugee participants;
- instruction in technologies such as seed oil extraction and bee-keeping;
- the introduction of appropriate water lifting devices, including hand, pedal and animal traction;
- training in animal husbandry and range management; and
- poultry raising.

There will be several common implementing procedures in all agricultural sub-project activities. They include:

- the inclusion of non-refugee participants in the sub-project activities;
- a reliance wherever possible, on labor intensive methods of irrigation development and land clearing;
- the utilization of food-for-work for labor intensive and time limited activity components, such as construction of main irrigation canals;
- linkages between these and Forestry activities funded under the USAID CDA Forestry Project, which are to be undertaken by the same PVOs and in the same locations.

USAID has reviewed four agricultural sub-project proposals, which were included as annexes to the PID, and which are now being developed by PVOs. All four will be implemented in the southern regions of Somalia: one is aimed at refugees in the Lower Shebelle's Qorioley camps; two will take place in the Gedo region, at the Halba and Ali Matan camps; the fourth proposes to work in the Hiran region's Jalalqsi district.

The first three sub-projects (Qorioley, Halba and Ali Matan) can be categorized as expansions of existing UNHCR funded agriculture activities. Because arable land is not available in abundance near these refugee camps, these interventions do not intend to permit refugee families to become entirely self sufficient.

The fourth sub-project, in the Hiran region, proposes to relocate a percentage of refugees currently living in the Jalalqsi camps to a site identified by the NRC and UNHCR as suitable for such a scheme. In this case, the sub-project does propose to create a self sufficient refugee community. And because of its definition as a relocation scheme, this sub-project includes an extended list of ancillary activities which are not directly related to agricultural production.

Vocational and skills training

Sub-projects will address the issue of skills and vocational training in two distinct manners. First, activities may be directed to refugee and non-refugee participants through on-site projects which attempt to strengthen refugee and Somali skills as a means of increasing productivity. These activities may constitute individual self-reliance sub-projects, or may be incorporated as components of agriculture or road construction programs. A second form of training would offer opportunities to implementing agencies and their sub-project personnel, and to NRC or other GSDR offices which may be involved in monitoring and evaluating self reliance activities.

The primary objectives of vocational training sub-projects or components are to refine or increase marketable skills among refugees, and primarily among refugee women. Rural industry programs for refugees will be of particular benefit to women who lack access to agricultural plots, or to the requisite technical assistance to increase the economic viability of their endeavors.

Activities undertaken in these sub-projects, or components, will include:

- Feasibility studies to select economically viable skills areas and suitable training approaches for each area;
- where necessary, the establishment of camp based training centers as well as the development of curricula;
- skills training for men and women, in areas such as general mechanics and repair; mudbrick construction; masonry; poultry raising; bee-keeping; seed oil production and other agroindustry and food processing activities; production of tools and implements; adaption of traditional domestic skills; and training in business management;
- provision of technical assistance, where appropriate, to establish a support system for purchasing, marketing and credit for men and women involved in cottage or other industries.

Differences in vocational training sub-projects, or components, would appear in the selection of beneficiary categories (i.e., men, women or both); and in skills offered.

In the case of training projects which intend to upgrade the managerial skills of implementors and sub-project personnel and of GSDR monitoring and evaluating personnel, the primary objective is to improve the delivery of services to refugees.

Activities to be included in such sub-projects include:

- Mogadishu-based training courses for NRC, NRA and other interested GSDR and PVO agencies in project design, monitoring and evaluating techniques;
- field-based training for implementing agency personnel in these, and other implementation procedures;
- on an as-needed basis, the organization of workshops on specific topics which relate to the implementation of sub-project activities.

This form of vocational training sub-project can be construed as an extension service for the NRC and NRA Planning offices and for planners in other GSDR, donor and PVO agencies directly responsible for supervising and reporting on the implementation of refugee programs.

USAID reviewed two PID level sub-projects which propose to undertake vocational training activities.

A first sub-project intends to address the direct needs of refugee women in the Lower Shebelli, Hiran and Gedo regions, by establishing training centers in selected camps of these regions.

A second sub-project was reviewed, and subsequently rewritten, to incorporate a strong management training component of benefit to NRC, NRA and PVO personnel. This project would be based in Mogadishu, but would include on-site training for field-based sub-project personnel as needed.

Road and Water Crossing Improvements.

The objectives of infrastructure sub-projects are to support USAID funded and other self reliance and forestry activities by improving access and major roads to project sites, and to train Ministry of Public Works employees in the use of an appropriate water crossing technology.

Activities contemplated under this heading would:

- provide access roads from camps and/or district towns to the sites designated for agricultural development and forestry development;
- improve one badly deteriorated road which connects the four Bur Dhobo camps to the Gedo region's capital at Garba Harre; major construction would be undertaken by the Ministry of Public Works, which has already improved major roads to the Gedo region camps under UNHCR contracts.
- introduce to Ministry of Public Works employees an "appropriate technology" innovation for the construction of wadi crossings: this component would attempt to use the gabion wire basket technique, a flexible construction option that might replace the more rigid mortar structures currently in use in Somalia.

All three activities would be of direct benefit to refugees. Improved access and major roads would enhance the refugees' opportunities for marketing agricultural produce, thereby encouraging cash, rather than consumption crops. Additionally, infrastructure development projects would offer food-for-work employment opportunities for a number of refugees.

USAID received an infrastructure development draft proposal from CARE, which was included in the PID. CARE's proposed sub-project would focuss on improving the road linking the Bur Dhobo camps to Garba Harre; on constructing access roads to US funded forestry and self reliance projects; and introduce the gabion wire technique. The proposal listed the Ministry of Public Works as principal implementing agency, with CARE providing management and training staff.

2. Outputs

a. Summary (by Activity Type)

Agriculture. Land area irrigated: 1300 hectares, and rainfed agriculture: 700 hectares, over three years, with participation to include 7300 refugee households (an estimated total of 36,500 persons) and several hundred local Somali households, living in or near 10 or more separate refugee camps. A much larger number of persons will benefit from extension activities.

Skills Training. Three skills training and production centers for refugee women established. Vocational skills in mechanics, agro-industry and other areas transferred to refugee and local Somali men and women, as a result of ancillary activities included in agriculture sub-projects.

Transportation Improvements. Access roads: 25 kilometers constructed. Wadi crossing: 20 built. Roads improved: 50 kilometers.

- b. Agriculture (by Region). Luuq Region (Halba I and II camps). Will provide 2000 refugee households with 1/10 hectare irrigated plots, thus expanding a very small pilot area already developed. Construction of an irrigation system and land levelling for the most part utilizing labor intensive methods and voluntary participation, will be major activities, as will demonstration of and training in farm techniques.

Luuq Region (Ali Matan).

Will provide 1/2 hectare irrigated and rain fed land plots and agricultural extension for 2000 refugee families and 100 local Somalis, thus expanding the current 120 hectares under irrigation by 280 hectares, and rain fed land by 320 ha. Also included will be training in locally suitable pedal pumping and tool making technologies, and in seed drying and post-harvest storage techniques. Agroforestry, including the planting of nitrogen fixing trees along canal banks, will stabilize structures, increase soil fertility and prevent wind erosion.

Lower Shebelli Region (Qorioley camps).

Will extend the amount of arable land available for irrigated and dryland agriculture, and provide 2300 households with plots of either 1/2 hectare of dryland or 1/6 hectare of irrigated land. A major component will be construction, improvement and maintenance of irrigation works. Land clearing and major irrigation construction will depend on both mechanized and labor intensive techniques, with up to 125,000 person days of food-for-work labor estimated. Extension and training in labor intensive methods of agriculture will be provided to all interested persons. Also included are a workshop and training center (for repair, maintenance, and tool production) and

pilot income generation activities, (for example in seed oil production, bee-keeping and poultry). Training of Somali and refugee counterparts in rural extension, appropriate technology and irrigation systems management will be substantial.

Hiran Region (Jalalalqsi)

Will provide 1000 refugee households with training and suitable land --- 1 ha irrigated plots -- to enable them to become self-sufficient. Participating families will relocate to an area approximately 7 kilometers from their camp, with refugees responsible for the construction of their own housing. Food-for-work labor will be used to support some of the land clearing and irrigation construction tasks, and will also support the construction of communal facilities and other necessary infrastructure. Vocational skills training programs will include such areas as mudbrick construction, general mechanics and poultry production.

- c. Skills Training. Under a separate sub-project, up to three training and production centers will be established to train refugee women in marketable skills as well as basic business and management techniques, and to provide follow up technical assistance and support to trainees who wish to set up their own business. The selection of appropriate skills will follow an initial feasibility study which examines market demand, labor availability, production costs, and credit needs. Pending a favorable evaluation of the economic viability of a first pilot center, the two additional production centers will be established.

3. Inputs

Contributions to Self-Reliance (S-R) Sub-Project activities will be made by AID, the GSDR and PVOs.

The AID portion of \$4,720,000 will provide 25 man years of technical assistance valued at \$1,490,000. It will supply \$1,128,000 in commodities which includes vehicles, tractors, irrigation pumps and other tools and equipment. It will also fund various training activities valued at \$44,000. The remainder will go toward local personnel, construction and other operational costs.

The PVOs (\$2,865,000) will cover expatriate personnel, incentives to local personnel, vehicles and other administrative costs. Included in the Financial Analysis section tables under the category of PVO contribution are expected UNHCR contributions. These will basically cover the cost of irrigation infrastructure, other construction and expansion of current UNHCR activities to support S-R Sub-Projects.

A portion of the GSDR contribution (Somali Shilling equivalent of \$900,000 from local currency proceeds of FY 1981 Title II sales) will go towards base salaries of counterparts and counterpart-trainees, salaries of other local employees, construction and local currency costs of POL. In kind contributions will approximate the Somali Shilling equivalent of \$85,000.

The Food-for-Work activities projected will involve over 850,000 man days work at a dollar equivalent in rations of \$1,365,000. This sum is also included in the tables as a GSDR contribution. The Food-for-Work steering committee of the NRC is developing Food-for-Work policies including work norms, wage scales, administration and distribution systems; building on the expertise already developed by the NRC Emergency Logistics Unit (ELU). The committee is chaired by the Commissioner of the NRC and consists of representatives of the NRC, WFP and UNHCR. Other donors, i.e. AID and EEC have been invited to participate and do so on an ex-officio basis from time to time. CARE has proposed that they would provide the executive secretary and eventually additional field staff.

The decision on what foods will be utilized is still in discussion but will probably consist of rice and oil. Until this determination has been made and the commodities ordered and received, workers will receive sugar, of which there is sufficient stock in port to pay for over 2 million man days.

It is anticipated that PVOs will not be involved in the handling and storage of food. They will pay their workers with "chits" to be redeemed at the regional CARE/ELU food warehouses. Hence the Food-for-Work activities will depend upon and strengthen existing systems and will not require additional infrastructure.

D. Component IV - Project Monitoring & Management Assistance.

1. Background:

Pursuant to the Mission's role in monitoring and reporting on the changing refugee situation, scopes-of-work for USAID Personal Service Contractors known as Food Monitors, have been revised. The new scopes incorporate responsibility for programming and monitoring self-reliance projects.

The impetus for broadening the terms of reference for the newly named Refugee Project Assistants (RPAs) came in no small part from the "Dewey Report" (see Annex 6). The Dewey State/AID Team assisted the Mission to obtain STATE/RP funding of \$354,500 to cover most monitoring expenses until the time when funding would be made available through the Mission's self-reliance project(s). This project, using the funds especially transferred to AID for use in African refugee programs through a special provision in the Foreign Assistance and Related Agencies Appropriations Act, 1982, will provide for the remaining costs of the next two years of refugee activity monitoring and program management as envisioned in the Dewey Report.

The RPAs will dedicate the majority of this time to data collection and reporting on Project implementation, Food-for-Work and other activities concerning refugees as further identified below. It is not intended to have the RPAs engage in original research or in-depth studies, but rather to collect existing data from PVOs, NRC regional offices, and other sources and report on situations as they find them.

The USAID Refugee Affairs Officer will supervise the RPAs and determine their work priorities. He will collaborate with the NRC Planning Unit in determining specific work assignments so that duplication of monitoring efforts may be minimized and specific data needs of the Planning Unit may be supplied through the RPAs.

Assistance in monitoring and management responsibilities dealing with special and/or technical issues will be provided to the RPAs by USAID staff and Planning Unit personnel. In this regard, the Planning Unit would provide counterpart personnel to accompany and translate for the RPAs when such a need is felt for this type of joint activity.

2. Output:

The Refugee Project Assistants (RPAs) will be responsible for:

- (a) Comprehensive monitoring of the refugee situation in the regions and the refugee camps - including population status, commodity management, GSDR administration and management, UNHCR activities and PVO projects;
- (b) Monitoring of UNHCR projects, in particular the health, transport and logistics, water supply, agriculture/forestry sectors and the United Nations volunteer program;

- (c) Monitoring the performance and assisting U.S. funded activities under the Refugee Self-Reliance and CDA Forestry Phase I - Refugee Areas Projects, including efforts in project design, management, evaluation of impact, effectiveness and identification of problems; and
- (d) Periodic reporting, describing progress towards objectives, problems, issues and remedial action taken or recommended.

In regard to this last responsibility, the RPAs will submit two situation Reports each quarter.* In addition, other special reports will be generated periodically. The following topics illustrate the scopes of these special reports:

- (a) Refugee Population Status Report - growth or decline in population, movement of refugees, population distribution, demographic changes, refugee participation in self-help activities, equity of food distributions and assistance projects, morale and aspirations, etc;
- (b) Report on mobilization of self-reliance and forestry Projects - assessment of UNHCR, GSDR, PVO and other donor activities in these areas with a breakdown of projects and activities, budgets, progress in project start-up and implementation, problems encountered and lessons learned.
- (c) AID and other Donor Review - assessment of the organizational framework, operations and accomplishments of donor and GSDR refugee assistance agencies, review of USAID's refugee assistance strategy and its relevance to the present and future.
- (d) Specific Region and Camp Report - information on particular refugee groups, PVOs, special projects and local environment description, the relationship of the refugees to their local Somali neighbors, refugee activities, and reporting of refugee concerns as expressed in every day conversations.
- (e) Authority Structure Report - assessment of the overall authority structure of the Somalia refugee program including the GSDR, donors and PVOs, as it pertains to planning, coordination, individual roles, performance and effectiveness, both in practise and as perceived by refugees and concerned agencies.

* See Annex 12 for Report format.

3. Input

Self-Reliance Project Funding for this component of the Project is \$330,000. This is one-half of the funds required to maintain the program for a two year period. The companion refugee assistance project, GDA Forestry Phase 1 - Refugee Areas (649-0122) also contains \$330,000 in its budget. Together they sum the \$660,000 needed for two years of program upkeep. Annex 13 contains detailed budgetary information for drafting of Project Implementation Orders (PIOs).

Three expatriate RPAs will be funded as will one Somali RPA and a driver/mechanic.* The purchase of two vehicles and RPA support costs will also be covered through Project Funds.

At the end of year two of Project activities, the Project Monitoring and Management function will be evaluated by USAID (see "self evaluation" and "Project impacts" evaluation schedules in Evaluation Schedule of Section V). At this point, a recommendation will be made to continue, modify or phase out this activity. The decision will be subject to USAID refugee sector plans especially as concerns their integration with AID's overall assistance program. Should additional funds be required for continuing monitoring and management activities, an amendment to this project may be submitted or unearmarked Project funds may be transferred to this component.

* An RPA scope of work is included in Annex 12.

II. PROJECT SPECIFIC ANALYSES

A. Social Analysis

1. Background and Summary

The Project addresses the need to assist Somalia's refugee camp population to become more productive and self-reliant through participation in development activities. Of the four project activity components, the Self-Reliance Sub-Projects to be implemented principally or entirely through voluntary agencies will address this need most directly. Sections 2. to 6. of this analysis will refer primarily to these sub-projects. Self-Reliance Sub-Projects to be funded under the Project will contain some mix of activities under the categories of agriculture, skills training, infrastructure improvement and work opportunities. For each of these categories the social analysis indicates that the types of interventions to be included are soundly designed in that they are appropriate to the social, economic and historical context; address critical needs; are socially feasible; and, can have substantial beneficial impact on a significant proportion of the camp refugee population. Further, to meet approval criteria, each sub-project must contain a system for collecting and updating certain baseline data, a site and activity-specific identification of beneficiaries, and an analysis of social feasibility and benefit incidence. (See Annex 14 for social criteria, Annex 25 for guidelines for baseline data and social analysis in sub-project submissions, and instructions regarding opportunities for beneficiary participation.) Support to the Planning Unit of the NRC to manage refugee assistance and the Socio-Economic and Technical Studies program will enhance the feasibility and the potential for enhanced spread, replicability and sustained impact of Project activities.

2. Beneficiary Context

The vast majority of refugees in Somalia live in a camp situation which constrains their options for productivity, limits their initiative and encourages their dependence. Only a major increase in productive activities on the part of the refugee population will change this condition. Therefore, the primary beneficiaries of the Project are those refugees living in camps, along with farmers, village dwellers and pastoralists living near the camps. (An unknown number of refugees live outside of the camps as nomads, farmers or in towns, many with relatives; the problems of this group of refugees are largely unknown and are a priority topic for study in the Project.) The number of refugee households headed by women is not known; however this figure is likely to be high, given the high female-to-male ratio and the known migration patterns of men. Not only are women experienced farmers, they hold substantial responsibility for family support. Women headed households, and women in general, face special constraints, since to date they have received fewer economic opportunities or have been less able to take advantage of such opportunities.

The current situation of refugees in camps derives from crisis, and they are now living away from their homeland and its resources. The social life and social organization in refugee camps, and the skills, interests, aspirations and preferences of individual refugees are a recently established mix of what people have brought with them and what they have created in place. Relevant social infrastructure includes official camp administration, local Somali government representatives, elders and other traditional leaders (who can call groups together or influence local participation) and other community organizations (including formal and informal women's groups).

Geographic and ethnic origin of particular camp populations vary widely. Somali refugees, who are in the majority, originate in the Bale or Sidamo regions in Ethiopia's southeast lowlands or in the Harar region, where the Ogaden proper is located. Most Oromo come from Bale and Sidamo, but some originate in the more distant south central highlands of Ethiopia. Those from well watered or riverine areas report greater reliance on livestock.

The proportion of refugees who have experience in agriculture, particularly in sedentary agriculture, varies from camp to camp. Most refugee households, and almost all women, have some experience in dryland farming and the percentage of refugee households which have experience with irrigation or flood farming is substantial, with estimates from 40 to 60 percent. A smaller percentage could be termed sedentary agriculturalists.

Variation in degree and types of farming also characterizes the areas of Somalia to which the refugees have come. Two thirds of the camps are located between the Juba and Shebelli rivers, an area with a strong history of rainfed and irrigated agriculture. In addition, many Somali pastoralists have traditionally adopted an economy of mixed farming in times of drought or crisis, returning to a more nomadic life when conditions permit.

The refugee camps of the 1970's and 1980's appear to fit this pattern: as a result of political (and for some, drought) crisis, significant numbers of pastoralists express an interest in farming or are taking steps to farm on their own. The current crisis differs from those of the past as a result of its magnitude and duration, its links to international politics, and the degree of external donor support. It remains to be seen what proportion of refugees will choose to settle permanently.

Historical precedent among receiving (host) groups of Somalis in accepting and incorporating refugees -- especially in the south where most of the camps are located -- is a factor which conditions relations between refugees and nearby "host" Somalis. Such relations are both competitive and cooperative, with competition for land and water resources in evidence where camps are in close proximity to villages

and towns. There is almost universal competition for woodfuel. However, the overall impact of the refugee presence on local and regional economies may be positive, as a result of refugee participation in local markets and use of local services.

3. Social Feasibility: By Activity Type

- (a) Agriculture. Most self-reliance activities will be included under this category. For the most part, activities will be based on and/or expand tested interventions where the beneficiary population has positive interest or expertise in farming. Motivation for participation in agricultural interventions will continue if present policy remains in effect which allocates plots on an individual or household bases with all returns to the farmer. When inputs are provided to them, farmers generally agree to perform all manual labor on their plots and may contribute labor for land or canal clearing and construction of secondary and tertiary canals. Based on experience to date with similar programs in Somalia, motivation for participation will vary according to economic factors (e.g. risk and potential return compared to alternate opportunities) as well.

To ensure broad and equitable participation, implementing agency technical and extension staff will work with community leaders and local authorities to decide on location of farm land and establish guidelines for: (a) paid or contributed refugee labor (e.g. for irrigation construction and maintenance); (b) appropriate plot size; (c) procedures and criteria for allocation of land to individuals or households; (d) use of, and systems and standards concerning, Food-for-Work; and (e) extension approaches. Care must be taken so that resources (e.g. water) which have customarily been used by the indigenous Somali population are not taken from them without remuneration such as through participation in the benefits of land development.

Relocation. Worldwide experience shows that major relocation efforts are difficult and costly to plan, manage and implement, that they face a complex series of technical, economic and social considerations, and that they have significant long range social implications. The Project will support only modest, pilot efforts whereby a portion of a camp (not more than 15 percent of population) will be permitted to relocate near available farm land within 10 kilometers of the camp. Steps will be taken to minimize risk of adjustment to new sites (e.g. settlers will construct houses on their own) and disruption of local organizational capacity (e.g. decisions will be delegated to refugee representatives). Relocation activities will be carefully phased and will be based on in-depth feasibility analyses which take into account social, cultural as well as technical considerations. There will be special monitoring and evaluation requirements.

- (b) Vocational Training and Small Industry. Vocational training, training in income-producing activities and/or small industry activities may be included in sub-projects or the major component of a sub-project. Possible areas for skills training for men or women include the following: general mechanics and repair, mudbrick construction, masonry, poultry raising, bee-keeping, seed oil production, and production of tools and implements. In addition, rural industry programs for women may be supported by the project, especially for women who lack access to agricultural plots or to the requisite technical assistance to increase the economic viability of their endeavors. Programs for women will incorporate business and management training, where appropriate. Based on voluntary agency experience, there is high demand for industry and income producing projects in the camps (especially in poultry-raising and bee-keeping). Refugees have already taken the initiative to set up shops and businesses, for example in food processing, tailoring, and leather and footwear production. However, technical and market constraints may limit the potential for expansion of small industry, and activities will not be supported by the Project without a favorable evaluation of their economic viability, based on a review of production costs, availability of inputs and market demand. Since worldwide experience suggests that small industry programs for women often fail as a result of training women to produce items at high cost, of marginal quality and/or for which there is little demand, steps will be taken to avoid repeating this problem.
- (c) Transportation Improvement. The construction or improvement of roads and wadi crossings to provide camp access and regional links in relatively underserved areas will ameliorate current economic isolation of these areas. The lack of such transport facilities now limits access of a significant proportion of refugees to services and markets in nearby towns. There are no major social feasibility issues concerning this component: however, since employing refugees as road workers in Somalia through food-for-work is untried on such a large scale, the rate at which such activities are completed may be contingent upon motivation factors.
- (d) Work Opportunities. The Project will include food-for-work opportunities in agriculture (construction or upgrading of irrigation facilities and land levelling), road construction and building construction. Participation is expected to be high among those refugees lacking alternate opportunities. A number of unanswered questions surround the availability of labor on a large scale, since large scale refugee food-for-work projects are as yet untried in Somalia. (This is a priority research topic in the Studies component of the Project.) Labor participation has not been a problem with small-scale food-for-work projects with refugees or with forestry activities implemented on a food-for-work basis with non-refugees in Somalia. Motivation for participation in food-for-work is expected to depend on the reward

structure, the availability of alternate sources of income, and especially for women, on flexibility and timing of work schedules; each sub-project will, in effect be testing approaches to maximize participation. The level of participation in food-for-work may affect the implementation rate of some sub-project activities or even require that their scope be modified. In any sub-project that involves food-for-work, steps will be taken to maximize opportunities for women to participate.

4. Cross-Cutting Issues

- (a) Motivation. Motivation for participation is likely to be high, since the Project provides productive options in a context which builds on current interests and aspirations of refugees and nearby host groups. Access to productive activities is clearly a high priority for the refugees, and activities will build on existing skills and will not introduce radically new technologies nor require radically new behavior. Almost all activities to be supported either have precedent in traditional life or have been tried successfully on a small scale in refugee camps in Somalia. Many activities are likely to be expansions of such small scale efforts.
- (b) Participation. Equitable allocation of project resources will be enhanced by steps taken on the part of implementing voluntary agencies to develop: (1) working relationships with local leadership; and (2) extension strategies which enhance input into project decisions on the part of project beneficiaries. Collaboration with traditionally-based leaders and community-based groups (e.g. elders, committees for land and water management, women's organizations, and others) is encouraged. The effectiveness, cohesiveness and functions of various formal and informal organizations will vary from site to site and assessment of their potential role in sub-project activities should take place on a case-by-case basis.
- (c) Women. Special attention to women's participation is called for because, first, women (especially women heads-of-households) have tended to be left out of previous camp agricultural and training opportunities, and second, there may be particular constraints to women's participation, such as time constraints due to work burdens, which need to be carefully addressed. Greater participation of women will depend on: (1) carefully developed criteria for participant selection, (2) addressing the need women have for technical assistance in non-farm employment, and (3) flexibility in work schedules and encouraging informal labor-sharing among women.

5. Social Benefit Incidence

Benefits of Project activities include the transfer of skills and other extension information and the income and food production generated farm plots. Benefits in actual income generated will provide only a portion of total needs for most participants, but the social benefits of production work on the part of a dependent population -- benefits which include the encouragement of initiative and participation in problem solving -- are inestimable.

The Project will offer broad opportunities for participation of refugees and affected indigenous population. The only minimum requirement for participation in Project activities by refugees now dependent on care and maintenance rations is willingness to contribute requisite time and labor. As discussed in the section on Social Feasibility, implementing voluntary agencies will take steps to ensure equitable opportunities and distribution of benefits to women, to women-headed households and to members of other relatively disadvantaged groups in the camps. Somali host populations will benefit during project life and over the long term from the provision of increased irrigation efficiency and better water management, and from participation in training opportunities. Transportation improvement will benefit both Somalis and refugees with increased access to markets, raw materials, services, educational facilities, and reduced transportation costs.

Development of an appropriate land distribution policy for Project activities has taken into account the tradeoffs between providing larger and smaller plots and the potential benefits of maximizing the number of refugee participants through provision of smaller plots to a greater number of interested individuals and household. Experience to date in Somalia suggests that relatively small plot size will more equitably distribute available land, provide productive opportunities to many more people and vastly extend the audience for training, extension and technical assistance. However, in the case of relocation, plot size must be large enough to permit self-sufficiency.

Many Project activities (e.g. extension approaches) or sub-projects (programs for women, relocation) may serve as models for other development projects in Somalia. The substantial amount of counterpart (including refugee) training in technical areas and in extension implies long-term benefits at a national level, and enhances potential for sustained benefits beyond project life, for replication and for spread of new information, skills and practices. Self-Reliance Sub-Projects to be implemented by voluntary agencies form when taken together, an experimental or transitional phase toward larger scale development efforts to be undertaken by national institutions. Impact on future efforts is assured through effective sub-project monitoring and the information-gathering, coordination and planning functions to be strengthened within the NRC.

6. Sub-Project Analysis Requirements.

All sub-projects to be implemented through private voluntary agencies must include a thorough social analysis which addresses social feasibility and impact. Requirements in this regard can be found in ANNEX 11 (para. II.G), ANNEX 25 and PP Section V "Evaluation".

II. B. Technical Analysis

1. Summary of Analysis:

Future evaluators of RSR sub-projects should consider the level of risk involved and its effect on sub-project results. Project analysis has attempted to highlight conceivable problems, and complete loss of several growing seasons during the project life span would not be surprising. These risks, however, are well within acceptable limits and more than balanced by the probability of increased agricultural production. The very positive aspects of these sub-projects should not be masked by the above-mentioned problems.

In summary, the irrigation projects proposed should introduce a higher level of management to Somalia's agriculture and serve as the basis for much needed extension activities. Dramatically higher yields are possible. There is evidence that refugee farmers will adapt to new methods with good results. (In Bur Dhubo for example, the Mennonite supported farms have already been able to raise maize yields to 2.5 tons per hectare.) RSR project activities are on as firm a basis as is possible in Somalia. Refugee and local farmers participating in the proposed projects will have a much better chance of success than farms outside the Project area. We can conclude then that most sub-projects proposed for funding are feasible, introducing a more progressive agriculture to key areas of Somalia.

2. Discussion

The feasibility of the agricultural projects envisioned under the Refugee Self-Reliance program is dependent mainly upon the level of management that is practiced. In general, agriculture in Somalia is a high risk venture for both irrigated and dryland farming. Only with a high level of water, soils and agricultural practice management can some of these risks be mitigated.

In the case of dryland farming, these risks are unacceptably high in many of the locations contemplated as sites for refugee farming. Environmental damage from land clearing and a high probability of crop failure make dryland farming feasible in only a few of the locations analyzed. (Criteria for the establishment of dryland farming are discussed in Annex 16, Section A.) It is unlikely, however, that any of the irrigation systems proposed will free project participants from dependence on natural rainfall. Irrigated systems will none-the-less decrease dependence on natural rainfall, and thus hopefully increase yield. The obvious place to begin is in supplying a regular source of water. (Irrigation efficiency and water quality are discussed at length in Annex 16, Section B.)

Because of irrigation, planting schedules will be tied to the volume and quality of the river flow, which although not entirely reliable, will allow farmers to plant earlier and thus take advantage of natural rainfall for the critical grain filling stage of plant growth.

Considerable variation will occur between the sub-project locations, nevertheless, some type of minimum production standard should be applied to the project as a whole. This must be done to assure that yields from these farms do not:

1. fall below yields obtained from local farmers outside the project area; and
2. represent so little in the way of value that project farmers who already receive food rations lose interest in further participation.

To obtain these standards some estimation must be made for maximum possible yields and the probability of crop failure.

(a) Yield Data. Yield data are sorely lacking in Somalia. For example, the World Bank uses yield estimates based on data from other countries for its calculations on farm productivity. No Somali data are used. Nevertheless, research data available from the agricultural station in Afgoi are useful in demonstrating what types of yields are possible if sound management and technical practices are followed. (However, Afgoi is atypical. It has reliable water, it is free from flooding and it has good soils; all of these characteristics set it apart from the locations of the proposed sub-projects and, for that matter, from much of Somalia.) The yield data that have been obtained from local farmers have been anecdotal. Similar yield data have also been obtained from voluntary agency staff working in refugee farms and from American and Somali extension workers involved in the GSDR national program. The conclusions that can be drawn from these discussions are as follows:

1. one irrigated hectare will support a family of five people using the traditional maize/sorghum cropping pattern;
2. with a minimum of 450mm of rain, one hectare of dryland farming can support one person in most years; and
3. yields are about 300-400 kg/ha for sorghum and about 500 kg/ha for maize (irrigated).

From this third conclusion we can say that these yield figures represent the minimum that any sub-project involving irrigation should expect in any season with "normal" rainfall.

Data from Afgoi, which we assume represent the best possible management in Somalia, show yields of maize and sorghum approaching 4 or 5 metric tons per hectare. Such yields are the result of regular water supply, proper weed and pest control and heavy application of commercial fertilizers. In the context of the refugee agricultural programs proposed, not all of these methods are suitable. For example, the highest yields of maize at Afgoi were achieved with uneconomically high levels of fertilization*and, the level of management that might be expected in

* Footnote: The application was of 150 kg/ha of urea and 100 kg/ha of triple phosphate. Neither commodity is readily available in Somalia.

refugee farms suggests that widespread use of pesticides is not practical. These research yields; remain, however, a standard by which to judge productivity. Table TA1 contrasts anecdotal estimates of local farmer yields with those that have been achieved at Afgoi.

- (b) Weather Risks. Our discussion so far has assumed a "normal" year, but as mentioned earlier, risks of less than normal river flow or rainfall are high. Estimates of frequency of crop failures, or of extremely poor growing seasons, at first glance seem discouraging. An AID study done in November 1981 (Hogan et.al., Somalia Agricultural Sector Strategy) found that, on small and medium irrigated farms and rainfed farms, four out of ten growing seasons will result in partial or nearly total failures. Out of the other six seasons, one very good crop was expected and acceptable crops would result for the other five. The study also cites an analysis by van der Poel (Summary of Meteorological data for Somalia FAO project SOM/72/014, Strengthening Agricultural Research, April 1978) which states that crop failures could be expected for three out of ten seasons for the Gu rains and an even higher percentage for the Der rains. Both studies refer to Somalia as a whole and not to specific project sites.

It was information concerning specific project sites that the technical analysis team wanted. Anecdotal information on this subject was found to be conflicting and of limited use. To give perspective to this question, weather data and Shebelli river volume for the twenty years since 1961 were examined. It was then assumed that two sub-projects had been in place in Jalalaqsi and Qoridoley. Although the findings of this exercise are speculative at best, they indicate that problems of varying magnitude would have occurred in about half the years examined. The probable loss of either season during the year was about 30%. The probable loss of both seasons (.30 X 30 = 09) was about 10% and in fact it seemed fairly sure that two years out of the twenty would have been complete losses. In other words, at these locations -- considered the best of the four now proposed -- there is a ten percent chance of complete crop failure each year. One would assume that risks for irrigated agriculture at the other two locations in the Luq area would be about the same, in that the Juba river has a more reliable flow, although rainfall is considerably less and the land classifications tend to be of poorer quality. The speculative nature of this analysis, (shown in its entirety in Annex 17) should be emphasized. While the estimates are based on actual river flow and rainfall data, the projects and their design are hypothetical.

(c) Contingency Planning. Although weather risks have been mentioned as the most likely cause of crop failure, others which are man-made will probably be the most costly in terms of equipment and man-hours required to remedy unanticipated holdups or setbacks in implementation. Contingency planning to be done by PVOs (including sufficient funding in sub-project budgets that are submitted for approval) should follow the guidelines outlined below in hopes that some of the more common situations can be overcome by planning.

1. Fuel Shortages. In reviewing the current status of refugee agriculture, it has been found that persistent fuel shortages have stymied agricultural programs, especially in the Gedo district. At Ali Matan, for example, cropping for the 1982 Gu season was seriously delayed when diesel fuel was unobtainable in the area, with considerable crop loss a direct result. To prevent this problem, fuel storage provisions should be made for sub-projects that require diesel pumps. This could assure that planting dates remain tied to river volume and quality. Stored irrigation fuel should be able to carry crops to that period where at least 75% probability of rain exists;
2. Damage to Earthworks. Although no certain formula exists for judging beforehand just how much damage earthwork structures such as canals and dykes will incur during project lifetime, there are certain indications that such damage is likely. For example, areas that are known for flood hazards or where heavy concentrated rains occur (as in Qorioley) should expect to lose part of the earthworks sometime during the project life. Provisions for such contingencies might take the form of Food-for-Work for the extra labor that might be required; and
3. Mechanical Problems. Again, there is no set way to account for such troubles in advance. However, training should be provided for the upkeep of pumps and of the limited number of powered farm equipment that may be called for in sub-project agreements.

3. Conclusions

Production increases are definitely possible. Doubling current yields of certain key crops are foreseeable within the project life span. Weather and other risks pose problems for refugee farmers, but these risks can be reduced through tight management practices. Extension and training activities will reach both refugees and local farmers, and as a result, impact positively on Somalia's overall development effort.

TABLE TA1

COMPARISON OF LOCAL VS. RESEARCH STATION YIELDS*

(kg/ha)

<u>Crop</u>	<u>Local Estimates</u>	<u>Afgoi Results**</u>
Groundnuts 2	800-900	1,800-2,000
Cowpeas 1	300-400	600-900
Sorghum 5	300-400	4,000-5,000
Maize	400-500	3,000-5,000
Sesame 4	100-200	300+

* Annual Progress Report, Ministry of Agriculture, 1977

** A range of yields is given from several experiments.

II. C. Financial Analysis

A. Introduction

The financial plan is presented as illustrative tables at the end of the Financial Analysis Section (Tables FA1 - FA4). They show the financial requirements of the project by year, of input, component of project, foreign currency, local cost, and and non-grantee (PVO and other donors) contribution. The Food-for-Work input to the project is shown as a GSDR local cost contribution to the Project. Other expected donor contributions to PVO Sub-Projects are included with PVO contributions and grouped under the heading of "Non-Grantee Contributions". The rate of conversion for all local currency costs is Somalia Shillings 12.5 per US \$1.00. Detailed budgets for Project components 1, 2 and 4 are given in Annexes. The budget for the PVO sub-projects shown in Tables FA1 to 4 were developed based on submitted PVO proposals in preliminary form. These projects consist of activities described in Section I.C. The cost estimates contained in these tables will be refined during review of PVO proposals according to criteria contained in Annex 9 and Handbook 3 App.6A.

B. Basis for Cost Estimates

All project cost estimates are based upon current expatriate salary levels, local hired labor rates, and current estimates for cost of equipment and vehicles delivered to Somalia, all as developed by the in-Country PVOs and USAID staff. A contingency and inflation factor was built into sub-project activity costs. The cost for Food-for-Work is based upon the estimated number of "worker days" being compensated at food commodities per worker day, having a value of US \$1.60. Consultant costs were based upon actual proposal submission made by in-Country consultants during the development of the PID and Project Paper. Current international air fares and per diem, and in-Country per diems were used for cost projections with inflationary adjustments for years 2 and 3.

C. Contingency and inflation

Allowance for inflation and contingency have been built into years 1, 2 and 3 of the sub-project activities on an illustrative basis. Ten percent (10%) was established for contingency and sixteen percent (16%) for inflation. The bulk of the foreign exchange used for commodity procurement will take place in year one of the project. Technical assistance, the other major user of foreign exchange, was adjusted for inflation. Local cost components for sub-project activities were adjusted for contingency (10%) and, when appropriate, inflation (16%) over the three year life of the project.

D. AID Inputs

As outlined in the following tables, A.I.D.'s contribution to the Project shall consist of financing of advisors, local support staff and facilities for the NRC; expatriate contract consultants working under the

auspices of the NRC's Planning Unit on various generic problem-oriented studies; technical assistance, equipment including vehicles, physical infrastructure, commodities, training, operational costs, Project personnel salaries and other direct and overhead costs of self-reliance activities; and, the cost of expatriate Project monitoring and management technicians. Third country and U.S. participant training may also be financed. The total cost to the U.S. to complete the project will be approximately \$6,000,000.

E. GSDR Inputs

Locally purchased POL and a portion of local staff salaries and other locally purchased commodities will be financed by the GSDR through the NRC using proceeds from the sale of A.I.D. Title II commodities under the 1981 Title II Agreement. *

Payment of workers and staff will also be made available by the National Refugee Commission from its yearly operating budget, and together with the contribution for local goods and services, the total GSDR contribution to the project will be approximately So.Shs. 14,775,000 (\$985,000 at So.Shs. 15 = U.S. \$1). Food-for-Work rations may finance various labor intensive S-R Sub-Project activities. The estimated value of FFW commodities to be made available to the Project by separate agreements with WFP is \$1,365,000 (equivalent) and is treated in the tables as a GSDR contribution. (See item K below for more information on FFW).

F. PVO and Other Donor Inputs

The sub-project activities, representing the major portion of project funding, will be implemented by Private and Voluntary Organizations (PVOs) or by qualified Somali private and public sector organizations. Contributions are expected from the majority of the U.S. based PVOs operating on-going refugee programs in Somalia. The contribution is expected to vary depending upon the nature of the sub-project activity and the financial capabilities of the PVO. Some sub-project activities will also be funded in part, by other refugee organizations operating in Somalia, such as the UNHCR. This funding will flow directly to the PVO from the donor and be a part of the fiscal year financial plan of the donor. These other donor contributions have been included under the PVO headings in the financial tables which follow.

* An implementation letter under the Title II Agreement was issued by AID on 9 September. GSDR countersignature was obtained on 14 September, A copy of the letter is included as Annex 19. The total of So.Shs. 27,000,000 is shared between this project and its companion CDA Forestry Phase I; Refugee Areas Project, (649-0122).

G. Reasonableness and Firmness of Costs

The financial tables presented within this section of the PP are for illustrative purposes only. At the time of submission of sub-project proposals by the PVOs for review and approval by USAID the proposal will be reviewed for reasonableness, firmness, adequacy and detail of the projected costs and financial planning. Approval of the activity will be dependent, among other factors, on the accuracy and adequacy of the above.

H. Periodic Examination

As a part of the formalized evaluation plan for the project, periodic reviews will be undertaken by USAID to determine the degree of adequacy of the implementation plan and financial plan for the sub-projects. These reviews would determine the necessity for revisions of the financial plans and cash flow arrangements for the sub-project activities.

I. Disbursement Procedures

Disbursement of funds for Project implementation is planned to be done using the following procedures with detailed instructions covered under subsequently issued Project Implementation Letters (PILs).

Technical Assistance for Institutional Support (Component 1) and Project Monitoring (Component 4)

These services will be contracted as Personal Service Contracts (PSCs) by the GSDR for institutional support and by AID for Project Monitoring and Management consultants. Payments of both foreign exchange (FX) and local currency (LC) will be initiated through the USAID Controller's Office, based upon conditions of contract.

Consultant Services (Component 2)

Contracting for those items envisioned in Component 2 will be done by either host country contracting (AID Handbook 11) or direct AID contract. Disbursements will be made following the procedures contained in the contracts.

Self-Reliance (S-R) Sub-Project Activities (Component 3) Implemented by:

1. PVOs -- U.S. based: Sub-Project implementation by PVOs will be carried out under sub-project agreements entered into by AID, the GSDR and the PVOs. In the case of grant or cooperative sub-project agreements, payments to the PVO may be made under a Federal Reserve Letter of Credit (FRLC).

2. Somalia based qualified private and public sector organizations and GSDR Agencies (Component 3): Sub-Project Implementation will be carried out under a cooperative, grant or contract sub-project agreement signed by USAID, the GSDR and the Somali organization.

Disbursement to the Somali organization will be for local currency costs only and be made directly to the organization in the form of a Somali Shilling check. Payment requests will be submitted to USAID and paid in accordance with the terms of the agreement.

The Somali organization's FX requirements for off-shore procurement of commodities or services would, as defined under the terms and conditions of the agreement, be a subject of an implementation letter exchange between the parties to the agreement.

Procurement of Commodities or Other Services:

Funding of the procurement of commodities and services for both FX and LC payment will be implemented under the following guidelines:

1. For Technical Assistance Support (Component 1): FX procurement will be made by PIO/C procedures using the Letter of Credit as the method of disbursement preferably through a procurement service outlined in 3.b. below. Local cost procurement of goods and services will be made by letter request to USAID. USAID will approve, and the T.A. requesting office will procure locally and be reimbursed directly.
2. For Consultants: Procurement, both FX and LC, would be initiated and implemented by the consultant under the terms and conditions of the contract.
3. Sub-Project Activities (Component 3):
 - a. U.S. Based PVO. Both FX and LC procurement would be implemented by the PVOs and paid through the FRLC.
 - b. Somalia Based PVO and GSDR Agencies. Off-shore procurement would be undertaken upon request by AID in accordance with PIO/C procedures. Somali agencies would also have the option of utilizing a procurement services agent, if the U.S. based PVOs have set up such a service for facilitating their own Self-Reliance Sub-project procurements.

J. Obligation Schedule

The umbrella Grant Agreement is expected to be signed in December 1982. Full funding of \$6,000,000 is anticipated to be made available before the beginning of year 1 activities in January 1983.

K. Food-for-Work

Estimates of FFW needed are thought to be on the liberal side. This is because some PVOs may require refugees to participate on a voluntary basis when they are to be the eventual direct beneficiaries of Project activities. The high estimates have been used because, if FFW is proven to be viable, the Mission would maximize the FFW inputs to camp areas as a means of facilitating a reduction in the amount of free food that presently goes to refugees and thereby reduce the overall cost to donors of the established care and maintenance program.

PVO sub-projects will likely be funded in a sequential manner. Lessons concerning FFW will be learned early on and applied to the designs of subsequent PVO sub-projects. If, for example, FFW does not prove to be viable as a form of payment for unskilled refugee labor, funding may be switched to cash derived from AID, the GSDR or PVO contributions.

L. Recurring Costs

No significant recurring post Project costs are anticipated. Annex 21 contains a copy of a telegram responding to an AID/W query in this regard.

M. Participant Training

No separate analysis has been undertaken to define exact U.S. and third country participant training needs to be funded by the Project. These needs will be identified by the Mission, PVO implementing agencies, and AID funded advisors to the NRC based upon actual work experiences with GSDR counterparts. Training oriented to improving performance in current functions or as incentives for top performing GSDR professionals to enable promotions to positions of increased responsibilities will be initiated through PIO/C procedures.

The financial plans to be incorporated into the umbrella project agreement (ProAg) will allow for funding for U.S. or third country participant training to be taken from budget line items containing excess or unprogrammed funds.

Table FA-1

Financial Plan (\$1000) Illustrative,

By Project Component and Category For Three Year Life of Project.

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Component	Category (Inputs)										GSDK	PVCS	Project
	Tech. Asst.	Const. Servs.	Personl	Commodities	Infrasc. Const.	Training	Operat. Costs	Concing Inflat.	Total (aid)	A.I.D.			
Institutional Support to the HRC Planning Unit	453			64			60	103	780	65	0	785	
I Socio-Economic and Technical Studies		250							250	0	0	250	
II Project Monitoring and Management	184			64			25	50	230	0	0	230	
III Refugee Self-Reliance Sub-Project Activities	1,110	0	475	535	505	30	475	1,230	4,720	1/	2855	9844	
Total	1,747	250	475	603	505	30	521	1,359	6,000	2550	2855	11209	

1/ GSDK contribution includes \$1,300,000 of Food-for-work as part of sub-project activity.

Table FA-2

Financial Plan, Illustrative

By Category of Assistance and Disbursements by Year (\$1000)

Category (Inputs)	Year #			Totals
	1	2	3	
AID				
1. Technical Assistance	582	790	575	1,747
2. Consultant Service	75	166	75	250
3. Personnel	110	150	135	475
4. Commodities	565	350	50	965
5. Infrastructure Construction	100	340	35	505
6. Training	5	10	15	30
7. Operational Costs	150	222	20	501
8. Contingency and Inflation	745	660	158	1,389
Sub-Total (AID)	2,352	2,473	1,130	6,100
NON AID				
GSDR				
1. PL 480 & Others	250	518	200	985
2. Food-for-Work	525	475	555	1,335
Sub-Total (GSDR)	985	993	771	2,350
PVOs				
Sub-Total (PVOs)	877	1,256	722	2,855
Project Total (\$000)	3,855	4,727	2,127	11,200

* Project year

Table FA-3

Financial Plan, Illustrative

By Source/Category and Foreign Exchange/Local Currency (\$1000; 2/)

Category (Inputs)	AID		Non-AID 1/		Total
	FX	LC	FX	LC	
	1. Technical Assistance				
2. Consultant Service	1,540	400	150	231	2,119
3. Personnel	35	215	0	0	250
4. Commodities	0	475	0	0	475
5. Infrastructure Construction	665	870	215	175	1,925
6. Training	35	535	440	500	1,510
7. Operational Costs	30	---	---	2	32
8. Contingencies/Inflation	200	375	522	524	1,621
9. Food-for-Work (Labor)	1,010	220	---	---	1,230
	---	---	---	1,365	1,365
TOTAL	3,510	2,490	1,522	3,387	11,207

1/ Non-AID includes a) USDR contributions from PL-480 Title II, Food-for-Work and other sources
 b) PVO and other Refugee Donors i.e. UNHCR

2/ For three year life of project

Table A-4

Financial Plan, Illustrative

By Component of Assistance and Disbursements by Year (\$1000)

46

Component	Year **			Totals
	1	2	3	
A.I.D.				
1. Institutional Support to the NC Planning Unit	0	0	0	0
2. Socio-Economic and Technical Studies	450	300	0	750
3. Project Monitoring and Management	0	100	75	175
4. ISR Sub-Project Activities	112	210	0	322
Sub-Total (AID)	562	610	75	1,247
ESDP				
1. Institutional Support to the NC Planning Unit	0	0	0	0
2. ISR Sub-Project Activities	20	30	30	80
Sub-Total (ESDP)	20	30	30	80
PVOs				
ISR Sub-Project Activities	0	0	0	0
Sub-Total (PVO)	0	0	0	0
TOTALS (\$1000)	582	640	105	1,327

** Project Year

D. Economic Analysis

1. Institution Building and Study Activities

Increasing the refugees ability to become more productive and more self reliant is the principle near term goal of the project. In order to reach this goal, the NRC will need the capability to: a) set strategy and program priorities; b) manage and monitor field activities; c) collect, analyze and disseminate information on refugee status, incentives, resources, needs and other socio-economic factors; and, d) direct the replication or expansion of successful self-reliance approaches. The proposed project provides funds to establish this planning and monitory capability within the NRC. Only with such support, provided through Components, I, II and IV of the Project, can the discrete sub-projects of Component III lay the foundation for greater refugee productivity.

It is important to note that the strengthening of the NRC planning Unit is an interim measure. Over time, it can be expected that large numbers of refugees will return to the Ogaden. Others, particularly those with relatives in Somalia, will become integrated into the Somali society. At that point, with the number of refugees significantly reduced -- it will be desirable to transfer the functions and staff of the NRC to those GSDR institutions responsible for Somalia's overall economic development.

The institution building and research study costs of this project can be measured against expected benefits. Over the term of the project, there will be a deepened understanding of refugee affairs resulting in an increasingly more skillful assistance approach on the part of donors and, in time, more productive refugees. As a consequence, the "refugee burden costs" should be reduced both for the host and donor governments.

2. Self-Reliance Projects

The largest component of this project consists of financing for subproject activities in and around the refugee camps. The sub-activities will improve agricultural productivity, increase access to market centers and impart vocational skills to both the refugees and their Somali neighbors.

a. Agricultural Production: At this time, the amount and quality of land available for agriculture is limited to that in close proximity to the camps; thus there are definable constraints to the productivity of refugee agriculture. The situation would change, however, if the GSDR made better land available for agriculture and settlement. But it is not likely that the GSDR will be moved to turn over such land to the refugees until self-reliance activities on currently available land demonstrate the value of refugee productivity on Somali soil.

In Somalia as a whole, agriculture is reasonably profitable in both the irrigated and better dryland areas. And, with appropriate inputs and techniques, agriculture becomes very productive. For example, maize farmers in the Genale area have achieved yields as high as 3,000 kilograms per hectare on irrigated land. With the current loosening of market controls and trend toward higher producer prices, a considerable amount of private investment has begun to flow into agriculture in search of the excellent profits which can be realized. 1/

In the case of refugee agriculture, however, productivity and profitability are limited by the quality of available land and water. Many of the camps are located on lands with marginal prospects for dryland production and, consequently, much of refugee agriculture will require irrigation. The cost of developing irrigated land is high in Somalia -- as it is the world over. Estimated costs per hectare range from \$1,360 (Sir M. MacDonald and Partners for Jalalaqsi) to \$3,100 (Africare/Jalalaqsi). Irrigation development costs combined with marginal soils at certain locations, less than optimal farm sizes -- because of a need to accommodate large numbers of refugees -- and the absence of a significant savings in terms of the amount of donated food furnished in the short term make it likely that the internal rate of return for the self-reliance activities as a whole will be low.

Available farm management data 2/ provides information on likely returns to labor, as depicted in Tables EA 1 and EA 2, for rainfed and irrigated groundnuts. 3/ Groundnuts, chosen as an example because they are one of the more profitable crops in Somalia, are suitable for most locations currently open to refugee agriculture. The first case

1/ See Elliot Berg Encouraging the Private Sector in Somalia p. 39.

2/ Source, Farm Management Data Book (FAO Project Nccp/SOM/503) organized by the Planning Departments of the Ministry of Agriculture and the Ministry of Livestock, Forestry and Range.

3/ In choosing those farmers to be interviewed, the Ministry of Agriculture selected some of the more progressive farmers in the area: e. g. average yields for maize were 3 tons/ha in one case, twice the usual yield of 1 - 1.5 tons/ha. With good management practices, through sub-project supervision and extension services, refugee farmers should also attain production levels equal to or better than the 3 tons/ha yield.

(Table EA 1) is a model of a small, traditional rainfed farm. With a very low level of inputs, this farm is expected to earn -- in a strict economic sense -- the subsistence wage for family labor (22 Shillings per person day). The return to family labor is counted as a project benefit since such labor otherwise would be unemployed. The season used in the model (Gu 1982) represents an average year with no serious weather problems. In the second model (Table EA 2) an increase in the level of inputs, coupled with controlled irrigation, increases crop yields. Return per person day of labor rises to about 26 shillings, as opposed to 22 shillings for the rainfed model.

Refugee agriculture probably fits between these two extremes, with farmer-operated systems, limited material inputs and increasingly high yields. Returns are only indicative, of course, due to the poor quality of agricultural data in Somalia. The models do, however, suggest that the return to these kinds of activities could offset some if not all development costs of the sub-project activities. At the level of the individual refugee farmer, any agriculture is likely to be profitable and nearly all returns to labor are a project benefit due to the minimal level of agricultural production and income earning alternatives which would prevail in the absence of the project.

The agricultural sub-projects will attempt a variety of production approaches and, by the end of project life, should yield considerable evidence of what does and does not work. The voluntary agencies will be required to collect data on farm size, labor requirements, inputs utilized (and cost), 1/ crops grown (and cropping patterns), yields, marketing costs, prices received and special problems encountered. 2/ The project will encourage and test approaches to increase yields -- e.g. through agroforestry with leguminous trees (which can in some cases increase yields by as much as 30 percent) and by encouraging high value crops such as vegetables and spices. New data on the above topics will permit donors and private groups to develop more cost-effective projects for larger numbers of beneficiaries leading to higher levels of self-sufficiency.

- 1/ One area of uncertainty is that of new program costs incurred by voluntary agencies. Since some of the administrative costs are fixed costs which would be incurred by the agencies in the absence of the AID financed sub-projects, a portion of these costs should not, in strict economic terms, be charged to the sub-projects.
- 2/ AID will assign an economist to help in setting up baseline data and evaluating it on a periodic basis.

b. Increased Access to Markets: Standard cost/benefit analyses will be undertaken on all proposed feeder road construction and included in the sub-project proposals. These will examine the costs of the feeder road construction against savings in time and transport costs and the value of the additional production which the road is expected to facilitate. The linkage between feeder road construction and the viability of self-reliance activities will be closely explored.

c. Vocational Skills: Non-agricultural income-generating activities will be undertaken in a phased manner. Sub-projects will proceed from a research and data collection phase, through a pilot stage, where complete marketing and productivity information is developed, to a large scale skills training program. Each sub-project will contain its own economic analysis to determine if costs are justified by the benefits which will accrue from skills training while the refugees are in camps and as well as after they return to their homes.

3. Alternative Approaches to Refugee Agriculture Sub-Projects

There are other approaches which AID could pursue in trying to assist the Somali refugees.

-- AID could continue in an emergency program posture and hope that the refugees return to the Ogaden in the near term. This approach has been rejected for two reasons: first, we are concerned about the impact that continued dependency is likely to have on the ability of refugees to return to a normal lifestyle. The Introduction and Social Analysis Section of this paper has underscored the dysfunctional aspects of this dependency. Secondly, we are concerned about squandering opportunities to improve skills and increase food production in the Ogaden as well as Somalia.

-- AID could support large scale, long term development schemes which would employ many refugees. This approach has been rejected because the Somali government cannot declare itself on large scale refugee land issue (i.e. settlement) until there is evidence that the refugees are willing to work productively. This means that resources must be used in deriving more data and experience on adapting technology to small plot agriculture in order to demonstrate that refugees can and will make a positive contribution to rural development. There is also the sensitive issue of undertaken large scale refugee development activities while resources are insufficient to meet the development needs of an equally poor indigenous population.

-- AID could instigate larger plot self-reliance agriculture activities. This would increase per capita returns, but significantly reduce the number of project beneficiaries. This alternative also would diminish a) the demonstration effect of refugee participation in self-support activities, b) the benefits resulting from the provision of technical advice and training skills to a large proportion of the refugee population, and, c) the encouragement of initiative among as large a number of refugees as feasible.

4. Conclusion

The economic profitability of refugee self-reliance activities is constrained by physical factors (i.e. land and water) as well as the indeterminable "length-of-stay in Somalia" question. Consequently return-to-investments in refugee agriculture, infrastructure and skills training are likely to be lower than returns to similar investments for non-refugees. However, costs of refugee support, in the long run, cannot be reduced without a major investment in these areas at this time.

Each sub-project proposed for funding under this refugee self-reliance activity will be reviewed (using the criteria outlined in Section 2 above) to verify economic viability and ensure that development costs are held to a minimum. Those projects with the highest returns to labor and positive cost/benefit factors will receive funding priority.

TABLE EA 1

Synthetic Budget for Rainfed Groundnut Production in Somalia, 1982

<u>FIXED COSTS</u>	<u>UNITS PER HECTARE</u>	<u>COST/VALUE PER HECTARE</u>
Rent		50
Taxes		10
Sub-Total Fixed Costs		<u>60</u>
<u>MATERIAL/PURCHASED INPUTS</u>		
Seed (Kgs @ 4 Sh. ea)	100	400
Bags (Number @ 15 Sh. ea)	7	105
Transport to market (qtl @ 15 Sh. ea)	3.5	53
Sub-Total Purchased Inputs		<u>558</u>
<u>LABOR INPUTS (persondays/ha)</u>		
Land Preparation	8	
Planting	6	
Weeding (2-3 times)	30	
Harvesting	8	
Trashing & Shelling	11	
Transport to Store	2	
Sub-Total Labor	<u>65</u>	
<u>Yield</u> (kgs/ha shelled nuts)	500	-
<u>Gross Revenue</u> (@ Sh. per kgs)	-	2000
<u>Return to Family Labor</u>	-	1442
Return per person day (Shs.)		<u>22.2</u>

Source: Revised from central tendencies reflected in three separate budgets published in Afifi & Brough (1982) with guesstimates for omitted cost components. 1982 prices are used.

II. E. Administrative Analysis

The Refugee Self-Reliance project will be implemented at the local level by US based PVOs with possible participation of Somali public or private institutions. Sub-project activities will be carried out with the approval of the National Refugee Commission and in close coordination with the Somali Office of the United Nations High Commissioner for Refugees.

1. Voluntary Agencies*

U.S. based PVOs will manage most or all Component 3 activities - Self-Reliance Sub-Project activities in Mogadishu and in the refugee regions. Their responsibilities will include project development and submission of proposals to the NRC and USAID. In the implementation of sub-projects, PVOs will recruit local and expatriate project personnel, procure necessary equipment and commodities, offer logistical support, as well as organize and supervise activities, including the tool-for-work components individual sub-projects may contain.

A majority of PVO sub-project proposals are being prepared by agencies with one to three years of experience in Somalia: for example, Africare, CARE, Interchurch Response to the Horn of Africa (ICR), Save the Children Federation (SCF) and World Concern International (WC) have been managing Mogadishu and field based projects for refugees. The Experiment in International Living (EIL), will continue to operate, under its proposed management assistance sub-project, out of Mogadishu.

These, as well as most of the remaining 26 PVOs currently in country, now manage UNHCR or privately funded projects and, under UNHCR and NRC coordination, have begun to allocate their resources to development, rather than care and maintenance programs. An indication of this change is apparent in the improved recruitment of PVO staff, whose longer contracts now average one year in length.

The PVOs have established formal relationships with offices of the OSDR, including the NRC, in Mogadishu and in the field. They all have administrative offices in Mogadishu or Harardua, and have established good communications between their field offices and their headquarters. In their years in Somalia they have developed adequate logistical support systems for their field staff, including housing, transport and supply of commodities.

Discussions are now underway for the creation in Somalia of an Association of Voluntary Agencies. Such a body would offer PVOs additional coordinating mechanisms, and might also strengthen the position of PVOs with the GSDR. In addition, in the context of the Project, several U.S. PVOs are contemplating the establishment of a centralized procurement system for the purchases and shipment of equipment and materials required for USAID funded self reliance projects. (See ANNEX 3 for the basis for this initiative.)

All of the agencies which have expressed a desire to participate in the Project are registered with AID. For the most part they have had experience managing and implementing AID projects in other parts of Africa, and therefore, will be capable of meeting the technical, managerial and administrative requirements.

2. GSDR Agencies

Refugee Self-Reliance (Component 3) activities will be carried out with the approval of the National Refugee Commission (NRC) and, in particular, of its Planning Unit. The NRC's major areas of involvement will be reviewing sub-project submissions, and monitoring and evaluating their implementation. In addition, the NRC will continue to coordinate the refugee program, and offer participating agencies, including PVOs, assistance in their dealings with other GSDR offices. The NRC will also manage the studies program (Component 2) and be assisted in various ways through the support activities of Component 1.

The NRC*, established in 1979 and elevated to quasi ministerial status in 1981, is the GSDR coordinating body for all refugee programs. Structurally, the organization comprises four administrative and four technical departments: the latter, which include Agriculture and Water, Social Services, Technical Services, and Emergency Logistics Unit (ELU) have responsibilities which vary by department from liaison and coordination of a particular program area, to actual project implementation. In the field, the NRC has four regional and three district refugee commissions. Its chief executives are the Extraordinary Commissioner, the Commissioner and the Deputy Commissioner for Refugees. The GSDR provides the NRC with seconded personnel, office space, materials and some equipment. Donors and PVOs have added advisory services and in-kind donations to these resources. However, the bulk of the NRC's operating costs are met each year through a UNRCR administrative support grant which, in 1982, will total about \$600,000.

* See Annex 24 "Administrative Analysis: The NRC" for detail and organization chart.

Since its creation in 1979, the NRC has succeeded in coordinating relief programs with some measure of efficiency, and this in spite of two major problems: poor internal communications and reporting systems, and lack of qualified staff. The NRC does have strong leadership and qualified technical and administrative staff in senior positions, but it has had difficulties in recruiting able supervisory and middle level staff. This problem, common to many Somali institutions, is compounded by the fact that the NRC obtains most of its personnel through secondment from other ministries.

During the emergency phase of the relief effort in Somalia few GSDR agencies, other than the NRC took part in the program. The establishment within the Ministry of Health of a Refugee Health Unit (RHU) in 1980 marked the beginning of increased overall GSDR participation in refugee affairs. The RHU is responsible for the implementation of all health care programs in camps, and has achieved a commendable degree of success in this respect. Since 1980 similar shifts have begun to occur with respect, for instance, to vocational education, water supply, and sanitation. If the RHU serves as a model, such a transfer will eventually lead to improved delivery of services to refugees, and will increase the GSDR's capacity to manage situations similar to the refugee crisis.

The process of realigning responsibilities for the refugee program will be gradual. It has already altered the emphasis in the NRC's scope of work from direct management to planning, and coordinating refugee projects. In this light, the NRC recently established the Planning Unit. The Unit will be involved in data collection, project monitoring and evaluation as well as planning, coordinating and liaison between Somali and expatriate agencies that are concerned with refugee self reliance. (See PP Section I and Annex 8 for more detail on Planning Unit structure and program.)

For the purposes of the AID project, this implies that sub-project implementing agencies will coordinate their work through the Planning Unit and, through this office, will be able to invite GSDR agencies such as the Ministry of Agriculture, Labor and Social Affairs, or Education, to participate in their sub-projects. The NRC has appointed highly qualified national personnel to the Unit, and has requested expatriate advisory support from USAID (Component 1), UNHCR and EEC. To facilitate inter-agency liaison, it has devised a consultancy system using planners from key ministries. All of these measures should give the NRC the competence required to properly manage its new functions.

3. USAID and REDSO/EA

USAID will have the administrative responsibility, with technical support from REDSO/EA, of carrying out the AID/USAID administrative requirements for project implementation. AID, in conjunction with the NRC, will review and approve:

- (a) PVO and Somali organization Self Reliance Sub-Project proposals;
- (b) host country contracts for technical assistance services; and
- (c) host country contracts for goods and consultant services for various project activities.

USAID, in carrying out these responsibilities will involve a number of Mission offices and staff.

The major share of administrative and monitoring responsibilities for the Project will lie with the USAID Refugee Affairs Office (USAID/RA). This office will provide the Project Manager who will have direct project administration responsibilities. The Project Manager will also have the responsibility to coordinate project activities with the NRC, Ministry of Planning, other GSDR agencies and PVOs, related to AID procedures and regulations. Supporting the Project Management and USAID/RA in this involvement will be the USAID Projects Office (USAID/PROJ), the Controller's Office (USAID/OON), the Management Office (USAID/MGT) and the Agriculture Office (USAID/AGR).

In addition to the USAID staff and office inputs to the project, AID/REDSO/EA will provide project support for technical, environmental social soundness, contracting, and legal issues arising from Project initiation, implementation and evaluation.

The administrative, management, monitoring and evaluation inputs to the Project by USAID and REDSO/EA will represent a significant allocation of staff time to achieve sound and effective project implementation and required support to the GSDR and PVOs. In this regard, current USAID staff and REDSO/EA support capabilities have been determined to be adequate to initiate Project implementation. USAID will, however, undertake an analysis of the Project related workload that will be generated over time to determine if the recommendation of the "Dewey Report" concerning positioning of an additional Project Officer, dedicated to management of refugee self reliance activities, is justified.

II. F. Environmental Concerns

As a result of the Initial Environmental Examination (IEE) a positive determination was recommended by USAID and this decision was subsequently approved by the AFR Bureau Environmental Officer. An Environmental Assessment (EA) was then carried out which addressed the basic issues concerning the risk of environmental damage.

Further environmental examination was needed since there will be irrigation and land clearing activity taking place in arid areas with soil erosion, salinity and siltation problems. These activities and their consequences are discussed in detail for each sub-project in the Environmental Assessment, which further provides mitigation procedures and checklists which will help reduce adverse environmental impacts during the preliminary stages of sub-project implementation. Adherence to the guidelines and recommendations in the Environmental Assessment will help achieve the Project goals of increased self sufficiency through improved sanitation, soil conservation and irrigation practices.

The Environmental Assessment and AID/W approval cable are included as Annex 5.

III. IMPLEMENTATION ARRANGEMENTS

A. Roles and Responsibilities

Implementation responsibilities in USAID's Refugee Self-Reliance Project will be shared between USAID/Mogadishu, the Ministry of Planning, the National Refugee Commission (NRC) and US-based PVOs and/or Somali institutions. In some instances the UNHCR may also be involved as a funding agency. Annex 13 contains Annex 1 of the umbrella Grant Agreement. In it, roles and responsibilities are described as they will be presented in the Agreement. AID Policy Determination No. 53 (PD-60), which states a preference for host country contracting, has been considered in formulating the Project implementation plan.

Project Agreement

USAID and the Ministry of Planning, in consultation with the NRC, will sign a Project Agreement. The NRC will be named Project Implementing Agency and authorized representative for the grant. Procedures for the transfer of USAID and GSDR grant funds for the project, and specific institutional responsibilities are discussed in the PP Financial Analysis (Section II.C) and will be defined in the Agreement and in subsequent implementation letters.

Institutional Support (Components 1 and 2)

USAID and the NRC will co-sign a Project Implementation Letter (PIL) for USAID assistance to the Planning Unit. Following USAID and NRC selection of two advisors, the NRC will make contractual and other arrangements for their arrival in Somalia. The NRC will make all necessary arrangements regarding GSDR contributions to the Unit, including personnel and in-kind resources. In implementing its work plan, the NRC will, in collaboration with USAID, select research/studies topics and with USAID approval of content and contracts, will contract locally or internationally for the conduct of any such projects or will approve consultants to be contracted directly by AID to undertake jointly agreed upon studies or surveys. The NRC will continue to assume its planning, monitoring and evaluating activities, as described in Section I of the PP. USAID will monitor the Planning Unit's performance on a regular basis.

Self-Reliance Sub-Projects (Component 3)

Self-Reliance Sub-Projects through U.S. based PVOs will be submitted to the NRC and AID for consideration and joint approval. If approved by both AID and the NRC, a sub-agreement under the Grant will be entered into with the NRC, PVO and AID as signatories. Provision is made in this component of the Project for the possibility of funding one or more sub-projects designed and implemented by either public or private sector Somali institutions in a manner similar to that to be used to fund U.S. PVO sub-projects. In this regard, such Somali institution sub-projects will also need to meet the criteria for Sub-Project selection shown in Annex 2.

USAID anticipates funding between 6 and 10 sub-projects. As stated, they will be selected and approved for funding by joint agreement of the NRC and AID. Good proposals will be approved and funded on a "first come, first served" basis. USAID and the NRC will both monitor and evaluate the sub-projects. The NRC will be responsible for obtaining approvals, technical inputs, support and cooperation of other GSDR participating agencies. Implementing agencies will be required to include all USAID requested design components in their implementation plans. This will include requirements specified in Section II.E. "Environmental Analysis" and the Project Environmental Assessment (EA) presented in Annex 5.

The details of UNHCR or other donor responsibilities and roles will be spelled out in separate agreements between these agencies and PVO or Somali implementing organizations. The UNHCR and other donors are not expected to become parties to any Project sub-agreement. All sub-project documents will be shared, however, and AID, the NRC and PVOs will work closely with the UNHCR and other donors to ensure complete coordination and cooperation.

Project Monitoring and Management (Component 4)

In order to properly monitor the implementation of the Refugee Self-Reliance project and related efforts, USAID will recruit monitors (RPAs) through direct AID personal services contracts. An implementation letter under the Grant Agreement will be countersigned by the NRC to allow the contracting activities to proceed.

B. Procurement

Requirements concerning the procurement of goods and services are included in Annex 15. Considerations leading to the establishment of these requirements are given in Annex 3. Disbursement procedures are itemized in the Financial Analysis (Section II.C.).

In all procurement under the Project, minorities and women will be specifically encouraged to participate through organizations or as individuals. In all cases, the Project's implementing agencies will select or approve ^{key} firms or individual consultants for the various assignments, subject to AID approval as provided for in the applicable sub-project agreement.

C. Follow-on Activities

The modification and content of self-reliance activities, following USAID's initial three year funding period, will be determined through analysis of three factors:

- (1) the progress achieved in repatriating refugees to their homeland;
- (2) changes in the current GSDR policy regarding permanent settlement of refugees; and
- (3) the success or failure of sub-project designs and strategies.

It appears unlikely that AID will be assisting refugees through substantial repatriation programs in the next three years, when follow-on activities should be designed. And while the successful implementation of sub-projects might lead the GSDR to increase its allocation of land to refugees, or even to consider several pilot resettlement schemes, the basic government policy regarding the permanent settlement of refugees in Somalia may not change.

The future of refugee program activities may therefore depend in major part on the experiences gained in the implementation of the Project components, especially the PVO sub-projects. As described earlier, these PVO activities will attempt to involve refugees as well as small numbers of non-refugees in agriculture, livestock production, conservation and vocational training. Should these efforts prove satisfactory, AID will consider integrating existing PVO sub-projects into small scale rural development programs which claim refugee and non-refugee beneficiaries in equal proportions. Such initiatives would:

- (a) assist refugees in becoming self-supportive;
- (b) create community-based development programs in the refugee impacted areas; and
- (c) help to improve the GSDR's capacity to develop, plan and manage rural development projects at the local level.

The Refugee Self-Reliance Project will undergo an external evaluation from 6 to 12 months prior to the completion of activities. A case by case examination will offer sufficient data to determine whether some, or all of the sub-projects had a substantial enough impact on their beneficiaries to warrant additional funding and/or replication. Within a larger USAID rural development program framework, the 85-86 CDSS could make the transition from strictly Refugee Affairs to Refugee Affairs and Rural Development. This question will be examined thoroughly at two points: (1) during the project impact evaluation and (2) during final evaluation. (See Evaluation Schedule of Section V for details and dates).

D. Implementation Schedule

A schedule for principal items of Project implementation follows. It is based on timing of initial steps as follows:

- | | |
|---|-------|
| (1) Project approval (delegated to Mission in STATE 216673 ECPR
PID approved cable) | 12/82 |
| (2) Project Authorization (Mission has signing authority per
STATE 178049 African Bureau Delegation of Authority, Revised) | 12/82 |
| (3) Project Agreement signed | 12/82 |
| (4) Initial Conditions Precedent met | 1/83 |

Actual Project implementation will begin in January 1983 as indicated in the Schedule. Evaluations will be performed per the Evaluation Schedule of Section V.

TABLE 1A1
 IMPLEMENTATION SCHEDULE

Self-Reliance Project

	Year 1	Year 2	Year 3	Year 4	Year 5
	SONI	UPH	UPH	UPH	UPH
1 Project Agreement signed	*				
2 Condition precedent satisfied	*				
3 SAID/NRC recruit 2 advisors	*				
4 RC contracts & mobilizes advisors	*		*		
5 Advisor contracts expire					
6 USAID/NRC selection of initial studies	*				
7 Contracting & study program implement.	*				
8 USAID/RPA monitoring & management					
9 First Planning Unit self evaluation	*				
10 USAID/joint evaluations - studies program - self reliance sub-projects (overall) - USAID/RPA program - institutional support	*	*	*	*	*
11 Final evaluation (outside & joint)				*	*
12 Self Reliance Sub-Projects	*	*	*	*	*
- Overall					
- Proposals submitted to USAID & NRC	*	*	*	*	*
- Proposals approved by USAID & NRC	*	*	*	*	*
- Sub-project agreements signed	*	*	*	*	*
- Sub-project implementation	*	*	*	*	*
- First proposal	*	*	*	*	*
- Submitted	*	*	*	*	*
- Approved	*	*	*	*	*
- Agreement signed	*	*	*	*	*
- Implementation	*	*	*	*	*
- Evaluation	*	*	*	*	*

IV. Conditions Precedent, Covenants and Status

A. Conditions Precedent

To initial disbursement:

- Designation of authorized representative(s) with specimen signature(s).

B. Covenants

- Agreement to establish an evaluation program as part of the Project, to include during implementation and after:
 - a. evaluation of progress towards attainment of the Project objective;
 - b. identification and evaluation of problem areas or constraints;
 - c. assessment of how such information can be used to help over-come problems; and
 - d. evaluation of Project's development impact.
- GSDR agreement to establish a post construction repair and maintenance program for infrastructure improvements.
- GSDR agencies collaborating with non-grantee implementing organizations (basically PVOs) agree to:
 - a. assist implementors identify counterparts to expatriate sub-project personnel;
 - b. assure that GSDR personnel employed for sub-projects are seconded to implementing agencies;
 - c. delegate personnel administration authority and responsibilities for seconded personnel to implementors; and
 - d. assist implementors to identify trainees or graduates from appropriate sources, to be employed as sub-project personnel.
- The Grantee agrees to provide adequate and suitable land for use as implementation sites for Self-Reliance Sub-Projects.

C. Status

The four Project components are in varying states of readiness for implementation. This section of the PP briefly summarizes the negotiations which have transpired and remaining pre-implementation actions. Negotiations concerning the overall Project have been completed. The GSDR/NRC letter of request for all Project activities is contained in Annex I.

1. Support to the NRC Planning Unit

Implementation of this Project component is ready to begin. The GSDR has officially requested the assistance described in the PP and preliminary work to identify suitable candidates for the AID funded positions has begun. Following the signing of the Project Agreement, AID and the NRC will review and select contractors for the two positions and AID will issue a Project Implementation Order to allow the GSDR/NRC to initiate contract procedures.

2. Socio-Economic and Technical Studies

As with the first Project component, all pre-implementation actions have been completed. The Planning Unit of the NRC will be able to contract for studies described in Section I after signing of the Project Agreement without further AID input past review and approval of study and contract content and contract procedures.

3. Self-Reliance Sub-Projects

All of the potential S-R sub-projects described in Section I are, as has been previously stated, not finalized nor officially presented to AID for funding consideration. PVOs have been diligently developing their proposals while AID has been designing this project, but to this point in time, AID has not committed itself to fund any PVO proposal, including those listed below.

Development of this component of the Project has in many ways been a cooperative effort. AID has learned a great deal about resource needs and the potential for self-reliance improvements through PVOs. The PVOs in turn, have been including significant refinements in their proposals based on USAID feedback. This healthy dialogue between organizations has led to PVO proposals in the following states of preparation: (the list is incomplete and used for illustrative purposes only.)

a. AFRICARE

AFRICARE is in the process of re-writing and gaining headquarters' approval for the project proposals which were originally submitted for the PID. The re-write involves both, re-organization to follow the OPG outline from Handbook 3 which was shared with them, and in terms of substance, filling in the technical gaps of both papers.

They fielded a three person U.S. design team for this purpose which has finished its work and already departed.

AFRICARE is keeping the NRC completely briefed on their plans and progress. Contact with USAID is on an almost daily basis. Assistance in proposal preparation is being given to AFRICARE by PP design team consultants. Submission of the finalized proposals is expected before the end of December.

b. CARE

The CARE proposal, written for the PID needs substantial revision. They are now in the process of examining their present program and making plans for the future. CARE has by far the largest operation of any PVO in Somalia, but it is not a regular CARE country program. They are working under a contract with the NRC and UNHCR to manage the Emergency Logistic Unit of the NRC. Their presence here has contributed to a complete turn-around of the food and nutrition situation in the camps. CARE is now, however, hoping to open a CARE country program and are in discussion with the GSDR.

Discussions with AID have indicated that they will submit proposals for AID funding. As yet, however, they are not ready. These same discussions have resulted in USAID's decision to retain the original CARE proposal, for illustrative purposes, as the best estimate of resources which will be requested of AID.

c. Experiment in International Living (EIL)

EIL has officially submitted a proposal to furnish implementation training and assistance to the NRC and such PVOs as might benefit from such services.

d. Interchurch Response for the Horn of Africa

Interchurch has been operating in Ali Matan camp since January 1981. They began with a medical program and branched out into agriculture, reforestation and intermediate technology.

They have two proposals in the first PIDs, one for reforestation and one for agriculture. These proposals are now being re-written given more recent data as available.

e. Save the Children Federation USA (SCF)

The socio-economic and most other analyses for the SCF proposed sub-project are finished, and they are working to complete the remainder of their proposal.

SCF is anxious to begin implementation as they have personnel who have been recruited for the sub-project and whose services were needed in early October. Project grant funds were not available to fund the sub-project by that time causing SCF to initiate implementation with a non-AID source of bridge funding. They are studying a possible re-arranging of SCF's share of the budget to cover these persons allowing AID grant **funds** to cover other items.

f. World Concern International (WCI)

A new WCI director for Somalia has recently arrived in country. The WCI proposal is being reviewed by him. Technical input is being given by PP design team members. Review meetings to discuss the WCI proposal and set a schedule for its finalization and submission to AID have been held. A copy of there proposal is expected at AID during December.

4. Project Monitoring and Management

As with the first two Project components, there are no additional pre-implementation actions yet to be completed. AID, after issuance of an NRC approved implementation letter, may reserve and obligate funding for the services and commodities described in Section I.

V. EVALUATION ARRANGEMENTS

The Refugee Self Reliance Project will be evaluated at two levels:

- (1) the national level, in the NRC and other ministries as they become involved in project activities; and
- (2) the regional/district level in and around refugee camps where the target population resides.

The evaluations will focus on the following components of the Refugee Self Reliance Project:

- (1) Institutional improvements;
- (2) Research and planning in the NRC; 1/
- (3) Sub-projects implemented principally by PVOs; and
- (4) Project monitoring management under the direction of the USAID Project Manager.

Evaluation is an integral part of project management. In the broad sense, evaluation takes in all forms of information feedback from the NRC, PVOs and USAID. Each activity and sub-project will have its own evaluation format and mechanisms through which data are analyzed and implementation problems are solved. 2/ The information feedback will be analyzed to:

- (1) improve design and execution; and
- (2) assess impact and relevance of design strategies, and determine factors associated with success or failure.

1/ A \$250,000 studies/research fund is being allocated to the NRC for the collection and dissemination of relevant social, economic and environmental data during the life of the project. In addition, the NRC will assist PVOs by facilitating the conduct of any pre-implementation analyses sub-projects may require.

2/ Each PVO type sub-project will contain project specific baseline data so that effective and useful assessment of lessons learned and the problems/opportunities identified can be made available to others in AID both during sub-project implementation and upon completion. Baseline monitoring and evaluation data on beneficiaries and benefits will be precise enough to permit measurement of benefits disaggregated to subgroups of refugees, to categories of households (women headed, men headed) and to men and women.

The basic process will consist in periodic reports from the PVOs NRC and USAID on progress against implementation schedules, and scheduled self-evaluation(s) during the life of the Project (see evaluation schedule below).

The responsibility for each evaluation activity is place functionally and organizationally as close as possible to the user of the evaluation findings in order to facilitate effective and prompt utilization, i.e., GSDR agencies, PVOs and/or USAID. Where evaluation skills are lacking, the Project implementors will provide appropriate technical assistance and training to develop this capacity, for example, via advisor/managers placed in the NRC Planning Unit. These skills will also be developed as a regular component of PVO type sub-projects.

The evaluation schedule appearing at the end of this section shows four categories of evaluations taking place over the life of the Project. Each category has its own purpose and anticipated benefits to the Project and these are shown below in the order in which they occur.

Type of Evaluation	Purpose/Anticipated Benefits
1. Evaluation of institutional and managerial effectiveness	Determine the influence of Project and Unit management practices and organizational structure on program, project and activity effectiveness; provide information needed to improved the management of refugee assistance.
2. Evaluation of on-going sub-projects and their individual activities	Provide feedback on findings into improved design and execution of individual sub-projects and activities; improve the composition of the overall Project and effectiveness of sub-projects.
3. Evaluation of Project and sub-project impact	Assess impact, evaluate relevance of design and strategies, and determine factors associated with success/failure, foster improved design of follow-on efforts.
4. Secondary analysis, aggregation of projects, evaluation i.e., types 1, 2 and 3	Derive information on the total effect of project strategies, project design and resource inputs under different socio-economic, environmental and institutional conditions. permit better programming and design criteria (this evaluation will be external).

Taken as a whole, types 1, 2, 3 and 4 constitute the Refugee Self Reliance Project evaluation system, with responsibilities for the execution of specific assessments divided between the participating GSDR agencies, individual PVOs and USAID as the following Evaluation Schedule shows. The chart lists the major Self Reliance evaluation activities. In illustrative form, these evaluation activities are shown as they take place over the life of the Project, indicated in stages of operation (which includes evaluation). At the bottom of the chart is the overall Evaluation Schedule by type of evaluation and approximate time when it will take place.

This plan is illustrative and, therefore, subject to modifications as the Project evolves and greater experience is gained. A more refined evaluation plan will be developed during the Institutional and Managerial Effectiveness evaluation phase in year one of the Project.

Approximately three to four person months of contracted assistance will be required for the final (external) evaluation. The Project Agreement Annex 1 budget will indicate that funding of approximately \$40,000 may be required for this purpose. The \$40,000 is included in the detailed financial plan of the Project Monitoring and Management component of the Project (see PP ANNEX 13).

EVALUATION SCHEDULE

