BUILDING RESILIENCE TO DROUGHT IN THE PASTORAL AREAS OF THE HORN OF AFRICA

14th Horn of Africa Ministerial Meeting
Sources of resilience across HOA are key to enhancing regional integration, supporting livelihoods, and addressing drivers of fragility.

### BUILDING RESILIENCE IN THE HOA

**APPROACH & PRINCIPLES**

Strengthening these sources of resilience should build on the following key principles on engagement:

1. **SOCIAL CAPITAL**
   - Social ties, traditional institutions, & civic engagement that help sustain livelihoods and build social cohesion
   - Diaspora groups providing crucial economic lifelines to communities across the region

2. **EVOLVING ECONOMIC OPPORTUNITIES**
   - Expansion and facilitation of cross-border and regional networks to reduce conflict, strengthen economic linkages, and support livelihoods
   - Prospects for improving economic opportunities and service delivery, particularly in borderlands

3. **REGIONAL INTEGRATION INITIATIVES**
   - Strengthening regional institutions and fora promoting policy dialogue and economic integration, addressing shared challenges and shocks, and strengthening cooperation over transboundary resources (e.g. water)

- Mainstreaming and strengthening existing sources of resilience systematically through the HOA Initiative portfolio
- Building synergies between programs to strengthen communities’ resilience across different dimensions
- Adopting participatory approaches to facilitate implementation, especially where government reach is limited and community buy-in and ownership is crucial
- Leveraging multipronged approaches to building resilience at different levels
- Remaining engaged over the long-term and engaging proactively with partners with complementary programs and mandates to maximize impact on-the-ground
BUILDING RESILIENCE IN THE HOA

INTERVENTION & TOOLS

1. WBG Groundwater For Resilience Project
   Improving access to water to cope with drought shocks

2. AFDB Build Resilience For Food And Nutrition Security Project (BREFONS)
   Increasing food security in agropastoral areas

3. WBG De-risking Inclusion And Value-enhancement Of Pastoral Economies Project (DRIVE)
   Improving access to financial services and markets to build resilience to drought

4. WBG HOA Resilience Dashboard
   Using digital tools to map all interventions
Improving access to water to cope with drought shocks

GROUNDWATER FOR RESILIENCE PROJECT

US$ 385 million

Phase I: [Country Flags]
Phase II: [Country Flags]
GROUNDWATER PROJECT

KEY INTERVENTIONS AND CURRENT STATUS

GROUNDWATER'S untapped potential is crucial for the region's resilience to climate shocks. Groundwater confirmed as a priority area under the Resilience Pillar at the HOAI Ministerial Roundtable in October 2020.

Objectives and Structure

1. PDO: To increase the sustainable access and management of groundwater in the HoA borderlands

2. Common project structure, accompanied by robust learning agenda + state-of-the-art monitoring system
   - C1: Delivery of inclusive GW services to priority areas
   - C2: Generating GW information and strengthening regional and national GW institutions
   - C3: Support to project management, knowledge, and operations

Status Update

Board approval June 1st, 2022. Phase I (Eth, Ken, Som, IGAD - 2022-2028) effective, Phase II (Dji, S.Sudan) under preparation.

<table>
<thead>
<tr>
<th>Country</th>
<th>Effectiveness</th>
<th>Total</th>
<th>1st Disbursement</th>
<th>Launch</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETHIOPIA</td>
<td>02.08.2022</td>
<td>US 210M</td>
<td>No</td>
<td>Done</td>
</tr>
<tr>
<td>SOMALIA</td>
<td>05.08.2022</td>
<td>US 30M</td>
<td>No</td>
<td>Oct-22</td>
</tr>
<tr>
<td>KENYA</td>
<td>processing</td>
<td>US 135M</td>
<td>No</td>
<td>Nov-22</td>
</tr>
<tr>
<td>IGAD</td>
<td>29.07.2022</td>
<td>US 10M</td>
<td>Yes</td>
<td>Done</td>
</tr>
</tbody>
</table>

Groundwater investments can contribute to regional integration, with positive cross-border rippling effects

Increased water availability through resilient rural water supply systems is key to strengthen food security, livestock rearing, and people's health. Can also mitigate conflict, forced migration and insecurity. Positive outcomes on livelihoods, fragility and regional collaboration.
EXPECTED RESULTS & KEY OUTCOMES

**BUILDING RESILIENCE IN THE HOA**

- **3.3 MILLION** people with access to improved water supply
- **90% OF WATER POINTS** constructed or rehabilitated under the project that will be functioning
- **Regional groundwater institutions with INCREASED ACCESS TO IMPROVED INFORMATION** critical for sustainable GW management
- **610** Water supply schemes constructed or rehabilitated in drought-prone areas with reliable GW resource
- **237** Community institutions and/or Water Resources Associations established for Operation & Maintenance of GW infrastructure

**POTENTIAL RISKS**

**SUSTAINABILITY CHALLENGES**
- faced by rural water supply schemes and water investments in rural areas

**SECURITY RISKS**
- linked to the changing security situation and fragility in the region’s borderlands

**CHALLENGES related to low INSTITUTIONAL CAPACITY**
- to monitor, assess and manage GW resources; fledging governance systems

**CLIMATE CHANGE**
- shocks and climate variability increasing vulnerability and exacerbating food insecurity, tensions over scarce resources, and health risks

**LEVEL of COLLABORATION**
- required between countries, including willingness to share GW data and information
BUILD RESILIENCE FOR FOOD AND NUTRITION SECURITY PROJECT (BREFONS)

Increasing food security in agropastoral areas

US$ 167 million
BUILDING RESILIENCE IN THE HOA

BREFONS: KEY INTERVENTIONS AND CURRENT STATUS

OBJECTIVES

1. Making Agropastoral Production Systems More Resilient
2. Increasing Income from Agropastoral Value Chains
3. Improving Populations’ Capacity to Manage and Adapt to Climate Change Risks

STATUS UPDATE

Projects Approved in Nov. 2021 for Djibouti, Kenya, Somalia, South Sudan and IGAD; and July 2022 for Ethiopia

<table>
<thead>
<tr>
<th>Country</th>
<th>Disb. Effectiveness</th>
<th>1st Disb. Done</th>
<th>Launching</th>
</tr>
</thead>
<tbody>
<tr>
<td>DJIBOUTI</td>
<td>19.05.2022</td>
<td>Yes</td>
<td>Done</td>
</tr>
<tr>
<td>KENYA</td>
<td>24.05.2022</td>
<td>Under processing</td>
<td>Nov-22</td>
</tr>
<tr>
<td>SOMALIA</td>
<td>06.05.2022</td>
<td>Yes</td>
<td>Oct-22</td>
</tr>
<tr>
<td>SOUTH SUDAN</td>
<td>20.05.2022</td>
<td>Yes (30%)</td>
<td>Done</td>
</tr>
<tr>
<td>ETHIOPIA</td>
<td>Under processing</td>
<td>NO</td>
<td>Oct-22</td>
</tr>
<tr>
<td>IGAD</td>
<td>Under processing</td>
<td>NO</td>
<td>Nov-22</td>
</tr>
</tbody>
</table>
EXPECTED RESULTS & KEY OUTCOMES

BUILDING RESILIENCE IN THE HOA

UP TO 30% INCREASE of agricultural (crops and livestock) productivity

Development of 181 ANIMAL HEALTH, feed and market access infrastructures

300,000 HA of additional pastoral and agropastoral lands under sustainable management

180,000 PASTORALISTS and farmers with access to innovative technologies and practices

LIVELIHOOD diversification

POTENTIAL RISKS

CLIMATE CHANGE and climate variability

Governments’ commitment undermined by the COVID-19 PANDEMIC

INSECURITY and conflicts in some of project areas

Complex TECHNICAL DESIGN of operation
Improving access to financial services and markets to build resilience to drought.

**WBG DE-RISKING INCLUSION AND VALUE-ENHANCEMENT OF PASTORAL ECONOMIES PROJECT (DRIVE)**

Improving access to financial services and markets to build resilience to drought.
DRIVE

Key Interventions and Current Status

Private sector-centered approach for sustainability. Private sector delivery of financial services (drought insurance, savings, digital accounts) in pastoral areas to cope with drought shocks; de-risking facility to attract private investment in livestock value chains; etc.

Aggregation, contribution of beneficiaries, linkages to value chains. DRIVE targets pastoralist groups that are constituted around economic activities and have the potential to become more commercial.

Regional implementation of financial services. C1 implemented by a single regional entity (ZEP-RE) to provide scale and sustainability and facilitate transfer of drought risk to the insurance market.

Objectives and Structure

1. PDO: Enhance pastoralists’ access to financial services for drought risk mitigation, include them in the value chains and facilitate the livestock trade in the HOA

2. Two interlinked components:
   - C1: Package of financial services for climate resilience
   - C2: Livestock Value Chains and Trade Facilitation

Status Update

Project effective in Ethiopia and Somalia. Pending effectiveness in Kenya and Djibouti.

<table>
<thead>
<tr>
<th></th>
<th>Effectiveness</th>
<th>Total</th>
<th>1st Disbursement</th>
<th>Launch</th>
</tr>
</thead>
<tbody>
<tr>
<td>DJIBOUTI</td>
<td>pending</td>
<td>US 7.5 M</td>
<td>No</td>
<td>22-Nov</td>
</tr>
<tr>
<td>ETHIOPIA</td>
<td>05.08.2022</td>
<td>US 115M</td>
<td>No</td>
<td>22-Oct</td>
</tr>
<tr>
<td>KENYA</td>
<td>pending</td>
<td>US 140M</td>
<td>No</td>
<td>22-Nov</td>
</tr>
<tr>
<td>SOMALIA</td>
<td>02.08.2022</td>
<td>US 70 M</td>
<td>In process</td>
<td>Done</td>
</tr>
<tr>
<td>ZEP-RE</td>
<td>29.07.2022</td>
<td>US 28 M</td>
<td>Yes</td>
<td>Done</td>
</tr>
</tbody>
</table>
BUILDING RESILIENCE IN THE HOA

EXPECTED RESULTS & KEY OUTCOMES

1.6 MILLION
pastoralists with access to financial services (drought insurance, savings, digital account)

$572 MILLION
of private capital mobilized through the project

2,500
pastoralist groups connected to markets

20
trade facilitation measures supported by the project

BUILDING CLIMATE ADAPTATION
of pastoral communities & boosting CLIMATE MITIGATION with improved herd management

POTENTIAL RISKS

BEHAVIORAL CHANGES
can be long and challenging (incentivizing regular sales of quality livestock, insurance adoption, etc.)

Require
STRONG COLLABORATION
between countries and regional implementer ZEP-RE

Episode of
POLITICAL INSTABILITY
and conflicts in the region

CONSTRAINED FISCAL SPACE
and macroeconomic instability

1.6 MILLION
pastoralists with access to financial services (drought insurance, savings, digital account)

$572 MILLION
of private capital mobilized through the project

2,500
pastoralist groups connected to markets

20
trade facilitation measures supported by the project

Building
CLIMATE ADAPTATION
of pastoral communities & boosting CLIMATE MITIGATION with improved herd management

POTENTIAL RISKS

BEHAVIORAL CHANGES
can be long and challenging (incentivizing regular sales of quality livestock, insurance adoption, etc.)

Require
STRONG COLLABORATION
between countries and regional implementer ZEP-RE

Episode of
POLITICAL INSTABILITY
and conflicts in the region

CONSTRAINED FISCAL SPACE
and macroeconomic instability
HOA RESILIENCE DASHBOARD

Using digital tools to map all interventions
The HOA Resilience Dashboard is a new digital tool developed to better understand interactions between development projects in the region. Indicators monitored through the tool: conflict, food insecurity, poverty, displacement, transboundary resource, infrastructure.

Note: The map in the figure above provides a snapshot of WB project locations leveraging the GEMS platform. The charts on the sides show conflict trends over time across the Horn. The dashboard is being continuously updated with spatial project data to support portfolio monitoring for the Horn of Africa.
BUILDING RESILIENCE IN THE HOA

BUILDING RESILIENCE TO DROUGHT IN THE HOA: LESSONS LEARNED

1. REGIONAL INTEGRATION PROJECTS REQUIRE A REGIONAL MINDSET
   - Not a collection of national projects - Regional entities can only do so much.
   - Line ministries should build trust and work with their neighbors. Regional approach should be validated in each country.

2. MOVING FROM HUMANITARIAN RESPONSE TO PREPAREDNESS
   - Projects are building the foundations to enable countries and pastoralists to adapt and cope with future shocks such as those posed by climate change.

3. A HOLISTIC APPROACH TO DROUGHT RESILIENCE IS KEY
   - Resilience is multi-sectoral: interventions on pastoral production systems, financial services, access to water, etc.; involvement of stakeholders at the regional, national, sub-national and local levels.

4. COORDINATION AND SYNERGIES BETWEEN ACTORS ARE ESSENTIAL
   - Coordination between countries, ministries and development partners
   - Fully integrate the use of new technologies (e.g., Geo-enabling initiative for Monitoring and Supervision - GEMS with HOA Resilience Dashboard)

5. NEED FOR PRIVATE SECTOR INVOLVEMENT
   - Facilitate private sector investments into value chains (E.g. fodder) to move toward self-reliance