



Report Number: ICRR0021653

## 1. Project Data

**Project ID**

P163830

**Project Name**

Somalia Emergency Drought Response

**Country**

Eastern Africa

**Practice Area(Lead)**

Social, Urban, Rural and Resilience Global Practice

**L/C/TF Number(s)**

IDA-D2110,IDA-D2120

**Closing Date (Original)**

29-Jun-2018

**Total Project Cost (USD)**

50,955,108.41

**Bank Approval Date**

30-May-2017

**Closing Date (Actual)**

30-Sep-2018

**IBRD/IDA (USD)**
**Grants (USD)**

Original Commitment

50,000,000.00

0.00

Revised Commitment

50,000,000.00

0.00

Actual

50,955,108.41

0.00

**Prepared by**

Katharina Ferl

**Reviewed by**
J. W. van Holst  
Pellekaan
**ICR Review Coordinator**

Christopher David Nelson

**Group**

IEGSD (Unit 4)

## 2. Project Objectives and Components

### a. Objectives

According to the Project Appraisal Document (PAD) (p. 1) and the Financing Agreement of June 2, 2017 (p. 6) the objective of the project was “to address the immediate needs of the drought affected people within the territory of the Federal Republic of Somalia and support resilient recovery”. Both the PAD and the Financing



Agreement stated that the latter objective would be achieved through the provision of livelihood opportunities and the restoration of agricultural and pastoral production.”

**b. Were the project objectives/key associated outcome targets revised during implementation?**

No

**c. Will a split evaluation be undertaken?**

No

**d. Components**

**Component 1: Programmatic Support to the International Committee of the Red Cross (ICRC) for Immediate Drought Response (appraisal estimate US\$20 million, actual US\$20.45 million):** This component was to finance support to the ICRC’s efforts to distribute food and essential household items, especially in hard-to-reach insecure areas. In remote areas with depressed markets, the ICRC was to distribute food rations comprising of rice, beans, Corn Soya Blend (CSB) and oil per household for up to two months. In areas with functioning markets, the ICRC was to provide unconditional cash (US\$80-100 per household/month) to households for purchasing food for up to three months to drought-affected people, particularly families of pregnant/lactating women and of children undergoing treatment for malnutrition. Other targeted vulnerable groups were to include internally displaced people (IDP) households, host communities and rural communities of pastoralists and agro-pastoralists that had suffered major (over 50 percent) or complete losses of their crops and livestock. Furthermore, this component was to finance the scaling up the ongoing ICRC disease prevention efforts through water, sanitation and hygiene interventions in drought-affected populations and health facilities. Water interventions were to include repair and rehabilitation of existing boreholes in areas with populations under severe water stress. In addition, this component was to finance provisioning of emergency and primary health care for drought-affected populations at ICRC supported 25 fixed and 6 mobile health facilities, stabilization centers and cholera treatment centers in Kismayo and Baidoa. Finally, this component was to also finance the ICRC’s project management activities including conducting a beneficiary assessment to inform project design, monitoring and evaluation of ongoing and completed activities, technical designs for the rehabilitation of water infrastructure, supervision quality control and contract management of components, and support and strengthen existing grievance redressal system for beneficiaries.

**Component 2: Programmatic Support to the Food and Agriculture Organization of the United Nations (FAO) for Immediate Drought Response and Recovery (appraisal estimate US\$30 million, actual US\$30.5 million):** This component was to support the scaling up of FAO’s Cash-for-Work programs which were to provide vulnerable households cash for immediate access to food water and assets and were to engage them for twelve weeks of paid work. Activities supported through the work were to include restoring water catchments, rehabilitating existing small secondary and tertiary irrigation canals, constructing contour bunds to control erosion, shoring up breaks in river embankment to decrease flooding, and rehabilitating water harvesting and storage infrastructure. Beneficiaries were to receive cash upon registration, equivalent to two weeks of paid labor. This front-loaded payment was to enable families to improve their food intake immediately and were to be on top of the 12 weeks of paid work. Households



unable to participate in work projects due to age, health, or other considerations were to receive unconditional cash. Furthermore, this component was to finance support the recovery of agricultural production systems and improve food access of riverine communities by supporting the scale up of FAO's "Cash+" program. This program was to provide unconditional cash transfers and livelihood inputs for families to meet their immediate food needs while restoring their own food production (crop production or riverine fishing). This combination of assistance was to help farmers and agropastoralists to restore their productive asset base through provision of seeds and other inputs and prepare them for the next growing season. Also, this component was to support will support the scale up of FAO's ongoing emergency livestock interventions across Somalia. Animals in target areas were to be vaccinated/treated against a variety of debilitating diseases and conditions that threaten livestock productivity, value, health and survival. Rangeland cubes were to be provided to improve the health of animals. Finally, this component was to support a range of activities that were to improve current and future drought response and famine prevention activities.

#### **e. Comments on Project Cost, Financing, Borrower Contribution, and Dates**

**Project Cost:** The project was estimated to cost US\$50.0 million. Actual cost was US\$50.96 million.

**Financing:** The project was to be financed through a US\$30 million IDA grant to the Food and Agriculture Organization of the United Nations (FAO) of which US\$30.51 million was disbursed and a US\$20 million IDA grant to the International Committee of the Red Cross (ICRC) of which US\$20.45 million was disbursed.

**Borrower Contribution:** The Borrower made no contributions.

**Dates:** On May 30, 2017 the project was restructured to change the closing date from June 29, 2018 to September 30, 2018 to allow the FAO to re-program funding, scale up its ongoing response, and increase the expected number of beneficiaries gained due to cost-efficiency savings, exchange rate gains, and savings in the operational costs budgeted to the FAO.

### **3. Relevance of Objectives**

#### **Rationale**



In 2017, Somalia, a country with an existing fragile conflict environment with high levels of poverty, widespread internal and external displacement, deep communal tensions, and a nascent federal government, was at the brink of famine resulting primarily from severe drought. An estimated 6.7 million – half the population – were acutely food insecure and in urgent need of humanitarian assistance, mostly in remote rural areas. It was projected that in 2018 approximately 1.2 million children would be acutely malnourished. Furthermore, Somalia also faced an Acute Watery Diarrhea (AWD)/cholera outbreak in 12 of its 18 regions.

The devastating impact of the drought and resulting crisis overwhelmed national response capacities in Somalia and in February 2017, the President of Somalia declared a “national disaster”.

The project’s objectives to “address the immediate needs of drought affected people” and to “support resilient recovery” were in line with the government’s National Development Plan (NDP) which was implemented between 2017 and 2019 and aimed at alleviating poverty and building resilience by accelerating socio-economic transformation in a socially just and gender equitable manner. The most recent NDP for the period 2020 to 2024 is being finalized and one of its major themes is recovery and resilience building.

Furthermore, the objectives of the project were in line with the World Bank-UN Horn of Africa Regional Initiative which focused under pillar one on the need to enhance the productive capacities and coping mechanisms of displaced populations, in a way that promotes social cohesion and mitigates tensions. Also, the project was in line with the Bank’s first Country Partnership Framework for Somalia (FY19-22) which stressed the need to strengthen the country’s disaster risk management and resilience to climate change. Finally, the objectives were also simple, achievable and, for the most part, measurable.

## **Rating**

High

## **4. Achievement of Objectives (Efficacy)**

### **OBJECTIVE 1**

#### **Objective**

To address the immediate needs of the drought affected people within the territory of the Federal Republic of Somalia



## Rationale

The project's theory of change linked the distribution of food rations, cash grants, basic nutrition services, and providing drought related health services with addressing the immediate needs of drought affected people.

### **Objective 1: To address the immediate needs of the drought affected people**

**Outputs:** (based on information in Sections B and E in the ICR)

- 29,172 households received food rations, not achieving the target of 35,000 households.
- 42,315 households received cash grants, not achieving the target of 53,000 households.
- 9,544 Essential Household Item (EHI) kits were distributed, not achieving the target of 11,000 kits.
- 13,102 individuals participated in the cash for work program, surpassing the target range of 6,000 to 8,500 individuals.
- 31,159 pregnant/lactating women, and children under the age of five were reached with basic nutrition services, surpassing the target of 22,000 women and children.

### **Outcomes:**

- 201,465 individuals received drought-related health services, not achieving the target of 540,000 individuals. The ICR argued (paragraph 39) that one reason why the target for this objective was not met was that the PAD targets were based on the estimated catchment area of the primary healthcare centers supported by the ICRC, and not an estimate of the population likely to visit the centers. Also, the ICR stated that it was possible that the target might not have been achieved due to improvements in food distribution, inaccessibility of healthcare centers for beneficiaries due to insecurity in some areas, and the overachievement of other activities such as providing nutritional services to pregnant/lactating women and children under five, therefore may have decreased the demand for curative health services. There was, however, no evidence to back up the various reasons given why there was such a large shortfall between the target and the achievement
- 767,118 individuals benefited from improved food access, surpassing the target range of 474,600 to 632,800 individuals.
- 321,311 females had improved access to food surpassing the target range of 120,000 to 155,000 individuals.



- 777,529 individuals benefited from improved access to water, surpassing the target of 656,000 individuals.
- Third-party monitoring of the FAO component showed the following results which supported the data collected by FAO.
  - The Food Consumption Score (FCS), which measured improved access to healthy quality food by beneficiaries, improved from 37.46 during the 2016/2017 drought to 77.8 in 2018 ICR, paragraph 54).
  - The Household Dietary Diversity Score (HDDS), which measured the food quality, improved from 3.38 during the 2016/2017 drought to 4.72 in 2018 (ICR, paragraph 54).
  - The Coping Strategies Index (CSI) measures the extent to which households use harmful coping strategies when they do not have enough food or enough money to buy food; the result is reported by a numeric score. The CSI in target communities decreased from 18.30 during the 2016/17 drought to 14.7 in 2018, indicating a positive development because households had to use fewer harmful coping strategies (ICR, paragraph 55).

Based on the results reported in the ICR this review concluded that the project was substantially successful in achieving the first part of the PDO, namely to “address the immediate needs of drought affected people” in Somalia in the 12 months between project approval in mid-2017 and its close in mid-2018.

**Rating**  
Substantial

## **OBJECTIVE 2**

### **Objective**

To support resilient recovery of the drought affected people within the territory of the Federal Republic of Somalia . This was to be achieved through (a) provision of livelihood opportunities and (b) restoration of agricultural and pastoral production.

### **Rationale**

#### **(a) Providing livelihood opportunities:**

**Outputs:** (based on information in Sections B and E in the ICR)

- 33 water infrastructure facilities were rehabilitated such as restoring water catchments, rehabilitating existing small secondary and tertiary irrigation canals, constructing contour bunds to control erosion, shoring up breaks in river embankment to decrease flooding, and rehabilitating water harvesting and storage infrastructure, almost achieving the target of 35 infrastructures.



- 87 other infrastructure projects were rehabilitated through the cash for work program, achieving the target range of 80 to 110 infrastructures.

**Outcomes:**

- 75 percent of households in the target communities experienced an increase in income based on increased livestock and crop sales, surpassing the target of 70 percent.
- 222,738 households in the target communities benefited in terms of increased incomes because of livestock vaccination and/or other veterinary treatment support, surpassing the target of 170,000 to 212,500 households.
- 56,366 households had increased access to additional livelihood earning opportunities, surpassing the target range of 13,725 to 18,300 households.
- The project's monitoring found that after receiving ICRC assistance, 84 percent of the total number of assisted households consumed at least two meals per day compared with a target of 80 percent and compared with 28 percent in the emergency needs assessment. Monitoring data also showed that, while more than 60 percent of assisted households had relied on the purchase of food on credit and support from family members as the main source of food upon displacement because of drought, this number decreased to 8 percent for assisted households after project interventions. 7 percent of beneficiaries shared the food received from the ICRC including food purchased through multi-purpose cash grants.

**(b) Restoring agricultural and pastoral production:**

**Outputs:** (based on information in Sections B and E in the ICR)

- 8,909,498 livestock were vaccinated and/or treated for the effects of drought, surpassing the target range of 6,375,00 to 8,500,000 livestock.
- 24,000 households benefited from nutrition support to livestock, surpassing the target range of 10,000 to 12,500 households.
- Communities and local partners were trained on Disaster Risk Reduction (DRR) and Early Warning Systems (EWS). The delivery of training was contracted to Somali universities. 271 people were trained (150 in Puntland, 61 in Somaliland and 60 in Mogadishu). This output was not included in the Results Framework in the PAD.

**Outcomes:**





- An impact assessment prepared for the ICRC component showed the following results:
  - In 2017, 28,341 households were supported through the treatment of 1,055,087 head of livestock. Since then, mortality has decreased from at least 50 to less than 10 percent. It was estimated that approximately 40 percent of treated animals survived death due to these treatments. While the assessment in July 2017 showed an average mortality rate of 63 percent, it was only 9 percent during the post-treatment monitoring at the beginning of 2018. The ICR (paragraph 60) noted the conclusion from the impact assessment that that 40 percent of animals (422,035) survived due to the project. Assigning a monetary value to the livestock saved resulted in an estimated value of US\$1,206 per household. It is clear from Annex 4 in the ICR that "treatment" included a range of activities aimed at supplementary feeding and vaccination of livestock which would both have been crucial for inclusion in this project.
  - The Tropical Livestock Unit (TLU), which measured the total mass of various livestock species owned by a household as a single figure, increased from 0.95 during the 2016/17 drought to 3.75 in 2018.
  - Before project implementation the SMART (Standardized Monitoring and Assessment of Relief and Transition) nutrition survey conducted in the target IDP settlements Abu Sharow and Towfeeq of Baidoa showed a Severe Acute Malnutrition of 5.4 percent. This rate decreased to 1.5 percent during the first quarter of 2018. SMART is an inter-agency initiative launched in 2002 to reform and harmonize assessments for humanitarian interventions.
  - An assessment at the end of the 2017 Gu (April to June – the main wet season) showed that only 19 percent of households in the target areas were able to cultivate their land within the Gu season. However, 83 percent of households that were supported ahead of the Deyr (September to November) season were able to cultivate an average area of 2 hectares per household. Also, a total of 17 percent of assisted households used the cash grant to cover primarily essential food expenditures and cover debts from the previous two seasons.
  - Also, 92 percent of the assisted households invested part of the cash grants received to buy small ruminants. In fact, an average of 62 percent of the grant was used to buy livestock while the remaining grant was used to buy essential food items, water and fodder. While the ownership of small ruminants was 4.4 per household in July-August 2017 (soon after project approval), it increased to 19.8 by February 2018.
  - Maize yields by beneficiaries was 1.09 tons per hectare while it was only 0.6 tons per hectare for non-beneficiaries. Beneficiary sorghum farmers achieved 1.03 tons per hectare while non-beneficiary farmers achieved 0.65 tons per hectare. Beneficiary cowpea growers achieved 0.68 tons per hectare while non-beneficiary farmers achieved 0.6 tons per hectare. While there was no evidence to confirm the yield gains for beneficiary compared with non-beneficiary farmers in the ICR, the Bank project team provided a Third-Party Technical Report for SEDRP which confirmed the veracity of claims on yields made in the ICR .

This review concluded that the project was highly successful in providing farm households in drought-affected areas in Somalia with support for a resilient recovery from the impact of drought.

## Rating





High

## Rationale

The achievement of Objective 1 was substantial based on highly successful achievement of the project's core PDOs but a significant shortfall compared with the target in the delivery of health services. On the other hand the project's second objective was highly successful in providing farm households in drought-affected areas in Somalia with support for a resilient recovery from the impact of drought. On balance this review rated the project's efficacy as high.

## Overall Efficacy Rating

High

## 5. Efficiency

### Economic Efficiency

The PAD (page 98) conducted a benefit-cost analysis for some of proposed project activities using the following assumptions (i) valuation of costs and benefits based on market and shadow prices; (ii) a 15-year appraisal period and; (iii) a 6 percent discount rate. It estimated project benefits arising from (i) saving human lives; (ii) reducing the incidence of malnutrition; (iii) reducing expenditures on drugs and medical care; (iv) enhancing the quality of life of the population; (v) saving livestock; (vi) enhancing the quality of the livestock; and (vii) enhancing productive assets for agro-pastoralists through rehabilitation. The net present value (NPV) of these interventions was estimated at US\$180 million against a project cost of US\$28.3 million.

**Assessment by this review:** *This review's assessment is that the discount rate of 6% (based, according to the Bank task team, on World Bank guidelines) is well below any reasonable estimate of the opportunity cost of capital in Somalia. On the other hand, the guidance provided by Bank management in 2016 on the discount rate to be used for economic analysis is that rates can range from 2% to 10% corresponding to expected per capita growth rates in a country's economy of 1% to 5%.*

In line with the ICR, this review will assess the efficiency of three of the project's activities for which data were available.



**(a) Meeting Food Security Needs.** The PAD stated under “meeting urgent food security needs” (FAO’s distribution of food and essential household items, especially in hard-to-reach insecure areas) that “570,000 beneficiaries will be provided with at least two meals per day for a period ranging between one to three months, until they can cover their needs independently and are less vulnerable to drought. According to the PAD this intervention would remain economically feasible with a minimum of 55,100 beneficiaries or at a maximum cost of US\$143.7 million” (Annex 3, paragraph 3). Neither the PAD nor the ICR provided the basis for this conclusion.

In contrast, the ICR’s analysis of the food distribution program concluded that “The average amount of benefit across the in-kind and cash benefits was estimated at US\$20 per beneficiary. The total net present value of this intervention was estimated at US\$1.6 million and the internal rate of return (IRR) was estimated at 13%” (Annex 4, paragraph 3). The Bank task team advised IEG that the benefits of this program were composed of two streams namely, “the value in terms of saved lives and the value in terms of reduced expenditures on drugs and medical care”. The value of human lives saved per pastoralist was assumed to be US\$500 per year which was almost the same as the estimated GDP per capita for Somalia in 2017.

**Assessment by this review:** *While the assumed value of a pastoralists life is always contestable, it is surprisingly very conservative for the analysis in the ICR when one considers the burden of responsibilities of pastoralists families. On the other hand it is acknowledged that assessments of the value of lives varies and in this case the Bank’s task team made the assumption that the productive capability per life lost for a pastoralist/agro-pastoralist was US\$500, on average, per year. The number of lives which would otherwise have been lost was multiplied by the productive capability per year in order to estimate the value of saved lives per year. The team assumed that this benefit would accrue over a period of 15 years.*

**(b) Cash for Work for Immediate Food Needs and Water Infrastructure Rehabilitation.** For another activity providing “cash-for-work for immediate food needs and water infrastructure rehabilitation” the PAD estimated benefits as lives saved, the impact of reduced malnutrition on productivity, the value of rehabilitation of productive assets, the higher quality of life, and reduced expenditures of individuals on drugs and medical care. The PAD (paragraph 6) stated that approximately 12,900 people were expected to benefit from the cash-for-work program, with an estimated average benefit of US\$132 per month over 3.5 months. According to the PAD the intervention would remain economically feasible with a minimum of 9,700 beneficiaries or at a maximum cost of US\$8.5 million although the PAD provided no definition of “economically feasible”.

However, the Bank project team advised IEG, that the actual cost of this program was US\$5.454 million. The ICR (Annex 4, paragraph 4) stated that average cash for work cost (US\$265 per capita) and the unconditional cash transfers (US\$138 per capita) together with details of the resulting infrastructure works. It was estimated that the net present value of this activity was US\$12 million and the IRR was estimated at 36% but without further information on the benefit and cost streams.



**Assessment by this review:** *As noted already this review considers the discount rate of 6% to calculate the NPV as too low. Nevertheless it is in line with the latest guidance from Bank management.*

**(c) Restoration of Pastoral Livelihoods.** The PAD estimated (without evidence) that this activity would remain economically feasible at a maximum cost of US\$56.0 million assuming 2.9 million sheep and goats were vaccinated against common diseases as well as being provided with emergency supportive treatment, including the provision of multivitamins, deworming, ecto-parasite control and antibiotic treatments; and restocking of goat and sheep. The estimated cost at appraisal for this activity was US\$8.3 million.

The ICR stated that this activity included community animal health workers training, vaccination of sheep and goats against Contagious Caprine Pleural Pneumonia (CCPP), emergency supportive treatment to common infectious conditions, and vector control intervention in the riverine areas of South and Central Somalia during and after heavy rains (Annex 4, paragraph 5). Among these activities, the ICR reported that the vaccination against CCPP (a serious and contagious disease in goats) covered 8.9 million animals. While this was undoubtedly the major part of this set of activities aimed at restoring pastoralist livelihoods, the ICR concluded (without providing any evidence) that “The net present value of this intervention was estimated to be largely positive and the internal rate of return was estimated to be much in excess of the discount rate of 6% assumed in the cost-benefit analysis” (Annex 4, paragraph 5). Following an IEG request for more information the Bank’s task team advised that the NPV for this intervention was estimated at US\$258 million which the team stated was a very high NPV because the average vaccination costs were 44 cents per head and benefits were based on an average selling price of US\$53 per head in local and export markets. It should be noted, however, that this analysis (based on the information from the Bank task team) did not cover cattle and camels which, although small in numbers, were significant in terms of value. The Bank task team subsequently revised the economic analysis to include the disease vector control treatment of cattle and camels, and estimated the NPV at US\$297 million and the IRR at 4,163%.

**Assessment by this review:** *On the basis of the additional information provided by the Bank project team this review questioned whether the substantial costs of marketing the sheep and goats that survived the drought and CCPP because of vaccinations and other “treatments” should be accounted for in estimating the value added from their sale which would reduce the NPV for this activity. The task team responded that marketing costs should not be taken into account.*

## **Cost Effectiveness and Operational Efficiency**

According to the ICR (Table 4) the unit costs for the FAO for delivering the three activities discussed above were relatively close to comparable activities that FAO had implemented in the region. The ICR also noted that the project’s efficiency was boosted by the economies of scale under its cash for work (paragraph 43) and



agriculture/pastoral activities. It was more challenging to make an assessment of the efficiency with which the activities under the responsibility of ICRC were implemented due to the lack of fully harmonized or comparable data set for conducting a comparative analysis between ICRC's activities in Somalia and ICRC's portfolio in other countries. Nevertheless, the ICRC-managed activities were completed within the intended timeline, while the FAO-managed activities required a three-month extension which benefited the strengthening of the M&E system. According to the ICR (paragraph 45) the project met its original disbursement schedule throughout implementation.

## **Project Administrative Costs**

As the ICR noted (paragraph 68) this project was prepared under exceptional circumstances in five weeks to respond to a famine in a high- risk, dynamic, and volatile country context. The Somali authorities agreed that FAO and ICRC implement the project using a design based on some of their ongoing programs which gave them access to remote and insecure areas in Somalia. The reported actual cost of US\$3.31 million for FAO (ICR, Annex 3) was 10.9% of the actual cost for programs FAO was responsible for. For ICRC the administrative fee was established in the grant agreement at 6.5% of the estimated cost of the proposed ICRC-managed operations (US\$20 million). On average the total administrative costs for the project were close to 9% of actual total project costs.

**Conclusion.** It was difficult to assess the efficiency of programs designed to distribute food and provide emergency services in a poor country such as Somalia with its harsh terrain and where insecurity was a major problem. While many project costs could be measured, assessing the value of the project's short and long-term benefits was challenging. This review has strong reservations about the validity of the two rates of return reported in Annex 4 of the ICR for the FAO-managed food security program (13%) and the ICRC-managed cash for work program (36%). Nevertheless, the economic rates of return for the food security and cash for work activities could be much higher than reported in the ICR if the value of pastoralists' lives (valued in the ICR over 15 years at the average GDP per capita) is merely doubled above that level. In addition, evidence of FAO's activities suggest acceptable cost effectiveness and according to the ICR the ICRC was diligent in its management of project funds. The average project administrative cost was on the high side but, in this review's judgment, realistic in the Somalia context.

Despite some concerns about the analysis of efficiency in the ICR, this review rates the project's efficiency as "Substantial".

## **Efficiency Rating**

Substantial



a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

\* Refers to percent of total project cost for which ERR/FRR was calculated.

## 6. Outcome

The relevance of both the project's objective and its efficacy has been rated High. On the other hand efficiency was rated Substantial. Overall there were no material shortcomings in this project's achievements. The project's outcome is therefore rated Highly Satisfactory.

### a. Outcome Rating

Highly Satisfactory

## 7. Risk to Development Outcome

According to the ICR (paragraph 125) the government continues to be committed to build resilience and reduce the risks of climate change-related shocks and political instability as outlined in the Somalia National Development Plan (FY2017-2019). Also, the Bank continues to support the government in its efforts to strengthen its disaster risk management and resilience to climate change as outlined in the Bank's most recent Country Partnership Framework for Somalia (FY2019-2022). The project strengthened the capacity of FAO-managed institutional mechanisms such as the Food Security and Nutrition Analysis Unit (FSNAU) and the Somalia Water and Land Information Management (SWALIM). Also, in 2018, the government of Somalia, the Bank, the European Union and the United Nations developed a joint partnership called "Drought Impact Needs Assessment" (DINA), the first comprehensive damages, losses, and needs assessment of the Somalia drought. Based on this assessment, the government developed a Resilience and Recovery Framework (RRF) to support the country from early drought recovery to longer-term resilience and disaster preparedness by identifying resilience building priorities and proposing a financing approach and institutional arrangements. However, the ICR (paragraph 125) stated that further investments will be needed to sustain the progress of some of the project activities such as improving the capacity of water catchment management committees, establishing regulatory frameworks for watershed and waste management, and maintaining water infrastructure in order to continue resilience building.



## 8. Assessment of Bank Performance

### a. Quality-at-Entry

The Bank team prepared the project within five weeks given the emergency situation in Somalia. According to the ICR (paragraph 113) the project's design built on lessons learned from natural disasters such as the devastating 2011 Horn of Africa drought, and was based on ICRC and FAO's ongoing programs in the country. The Bank team closely collaborated with FAO and ICRC and took their international experience from such disasters into account when designing the project. The Bank team included members from several global practices and cross-cutting solution areas as well as headquarters and field-based staff. A rapid and remote needs assessment was conducted during project preparation and relevant risk factors were identified. Political, governance and fiduciary risks were rated as high. According to the PAD (p. 36) lack of government presence, a volatile security situation, and the ongoing anti-terror campaign restricted access and the delivery of support services. Also, the nature of project interventions, namely targeting criteria and geographical coverage, were also considered politically sensitive. The project addressed these challenges by designing a grievance redress mechanism of the supported partners to identify perceived bias in access or delivery in the affected communities. Also, the project set up an informal apex-level group – with the World Bank Somalia Country Representative, the ICRC Head of Delegation, and the FAO Country Representative – to coordinate on the overall progress for their respective activities. Under this arrangement, regular coordination was maintained with Somalia's Ministry of Humanitarian and Disaster Management to align with the overall drought response and recovery program led by the Government. This system of informal coordination was put in place and utilized during the project as and when needed.

Also, the project's fiduciary risk was rated high at appraisal. Mitigation measures included: (i) strengthening of the existing beneficiaries identification and enrolment systems through use of biometric systems as a way of identifying beneficiaries at enrolment and payments checkpoints; (ii) strengthening the existing framework agreements with third party Payment Service Providers (PSP) to facilitate delivery of payments and services, in particular practical measures to minimize liquidity challenges; (iii) deployment of Third Party Review arrangements complemented by field based community monitors—centrally managed through FAO for ease of coordination; and (iv) allocation of requisite funding to strengthen the existing FAO and ICRC Internal Risk Management Frameworks.

The project's Results Framework in the PAD was adequate and built on some of the existing performance indicators used under the ICRC and FAO programs.

**Quality-at-Entry Rating**  
Highly Satisfactory



## **b. Quality of supervision**

According to the ICR (paragraph 116) the Bank worked closely with the ICRC and FAO throughout project implementation and conducted three implementation support missions. The ICR stated that setting specific goals, developing short-term action plans, and deadlines was critical for maintaining implementation momentum. Also, the Bank team provided timely and consistent support in financial management, safeguards, procurements, and in addressing any implementation bottlenecks. According to the ICR (paragraph 117) the Bank's financial management staff and technical staff worked closely together which allowed the team to make quick financial management decisions throughout the project's design and implementation. Also, the project benefited from support at headquarters and the field. The ICR (p. 119) stated that the project benefited from its flexibility in design such as being able to reprogram funds for FAO through a three-month-no-cost extension and ICRC's use of US\$1 million for prospective financing of resilience-building activities.

The ICR (paragraph 121) stated that the Bank's collaboration with the ICRC required intense learning from each other and addressing institutional differences in critical areas such as procurement, financial management, and expenditure and results monitoring. The ICRC's centralized Geneva based system for these areas required the Bank to coordinate with both the ICRC Geneva and its field office in Somalia. Also, the ICRC could not use third-party review to assess impact of project activities at the field level due to sensitivity issues of giving a third-party access to beneficiaries. According to the ICR (paragraph 119) the envisioned regular collaboration between the Bank's country representative, the ICRC's head of delegation, FAO country representative and Somalia's minister of humanitarian affairs and disaster management to discuss implementation progress did not materialize due to the ICRC's rules of strict independence and neutrality. However, the Bank team collaborated with each institution separately to ensure alignment of project implementation.

### **Quality of Supervision Rating**

Highly Satisfactory

### **Overall Bank Performance Rating**

Highly Satisfactory

## **9. M&E Design, Implementation, & Utilization**

### **a. M&E Design**

The project's theory of change and how key activities and outputs would lead to intended outcomes was reflected in the Results Framework and presented in detail for each component in Tables 1 and





2. Also, the objective of the project was clearly specified and all outcomes of the PDO statement were encompassed by the selected indicators.

The ICR (paragraph 84) stated that the project's Results Framework was built on some of the existing performance indicators used under the ICRC and FAO programs. The project's M&E was also supported by progressive impact validation through third-party validation of outcomes.

Both, the ICRC and FAO were responsible for their M&E program of the project and for issuing quarterly updates on the overall progress of project implementation. Given the project design's flexible programmatic approach to adjust to changing circumstances, some of the indicators in the Results Framework had target ranges.

#### **ICRC Component:**

According to the ICR (paragraph 87) the Risk Monitoring Unit (RMU) within the ICRC was responsible for conducting verification activities through its own staff and locally hired consultants. Activities were related to Economic Security and focused on procedures, communication regarding entitlements, verification of post-distribution monitoring and existence of beneficiaries. The RMU also consisted of two call centers which were based in Nairobi and in Mogadishu and addressed concerns raised by beneficiaries. Furthermore, the RMU also involved local communities to define who to include on the registration lists. Also, local communities participated in the process of cleaning up the registration list, verification processes before the delivery of the assistance, and dissemination of the toll-free number to reach the ICRC. According to the ICR (paragraph 89) this process allowed beneficiaries to provide feedback, make complaints or ask questions during and after the beneficiary registration process, during and after the assistance delivery and during the post-distribution monitoring.

The post-distribution monitoring was conducted by the ICRC and Somali Red Crescent Society and assessed the selection and verification processes, use of assistance provided, short-term outcomes, services delivered and levels of satisfaction, and accountability and feedback.

#### **FAO Component:**

According to the ICR (paragraph 97) targeting processes such as complying with the pre-determined selection criteria and to the numbers of beneficiaries included were verified by an independent research and consultant organization and FAO. Verification activities included random checks such as phone calls and



household visits on 30 percent of the beneficiaries. In addition, focus group discussions and key informant interviews with community elders and leaders were conducted. Furthermore, field observations and interviews with beneficiaries and non-beneficiaries confirmed that target beneficiaries met the defined selection criteria and received project interventions.

## **b. M&E Implementation**

### **ICRC component:**

According to the ICR (paragraph 95) data were collected across the economic security (EcoSec), water/sanitation, and health sectors and included in the ICRC's Planning and Monitoring Tool (PMT) and program-specific databases. M&E activities included continuous collecting, measuring, recording, and analyzing data of all activities being implemented and of progress being made. Different monitoring approaches were implemented such as pre-distribution verification, on-the-spot distribution and activity performance monitoring, and post-distribution/activity monitoring. Health and nutrition data were compared to standard indicators at primary healthcare and stabilization centers supported by the ICRC.

The project ensured that Economic security assistance reached the intended beneficiaries by implementing the following process: (i) clear vulnerability and selection criteria were established; (ii) the ICRC field staff undertook initial beneficiary selection; (iii) cash transfers were verified by RMU; and (iv) cash was provided through mobile phones.

According to the ICR (paragraph 98) the initial 100 percent verification process resulted in 30 percent of individuals being taken off the registration list. For the EcoSec drought response, a 100 percent post-registration verification was conducted prior to transferring the cash for beneficiaries who were to receive benefits. The process included matching the registered name and location to the registered phone number.

### **FAO component:**

The ICR (paragraph 100) stated that M&E activities were conducted by 12 M&E field monitors and third-party independent monitors. In addition, a performance tracking officer was in charge of monitoring project activities and coordinating with FAO implementing sectors. Achieved outputs were verified against planned outputs and information was updated in the Results Framework. Under the FAO component a vulnerability impact assessment, post-distribution assessment, livestock impact assessment, and crop



yield assessment were conducted. Qualitative data was gathered through drought situation monitoring, focus group discussions, key informant interviews, and direct field observations.

An independent research and consultancy conducted the third-party technical review through verifying activities, tracking implementation, measuring the results achieved, monitoring social and environmental sustainability of activities in line with the Bank's and FAO's agreed on environmental and social management plan. Also, a consultancy conducted several studies and prepared reports to measure progress towards the PDO. Furthermore, verification missions identified potential non-compliance issues which are currently being reviewed by the FAO office of the inspector general.

### **c. M&E Utilization**

According to the ICR (paragraph 105) M&E data were shared on a quarterly basis and used to adapt project activities. The Bank team stated (April 19 ,2019) that the utilization of M&E data to inform project decision making remained one of the key focus of the Bank task team during the entire course of implementation. For example, despite some initial delays, the FAO component was completed with a marginal 3-month extension of time, through the strengthened process monitoring and management system introduced under the project in the working of the FAO. Also, the ICRC and FAO worked closely with the World Bank to quickly absorb project resources and improve their transactional efficiency. As a result, both the ICRC and FAO calibrated process monitoring systems to identify processing delays and course-correct, which will benefit future programming.

#### **M&E Quality Rating**

High

## **10. Other Issues**

### **a. Safeguards**

According to the ICR (paragraph 108) the usual Bank fiduciary safeguards that would normally applied were formally waved. The Bank team relied on the ICRC's organizational systems, procedures, and respective internal controls. The Bank team had to understand the ICRC's financial and cost accounting systems in depth given that the retroactive financing portion of the project required that all the expenditures had to be verified before a refund would be submitted to the ICRC. The ICR (paragraph 108) stated that the Bank team conducted a detailed review of the ICRC budgeting, cost allocation mechanisms, revenue/expenditure recoding and financial and cost accounting systems globally, regionally and specific field delegation offices such as in Somalia. During a financial management assessment, it was agreed that the project audit would



be conducted for the ICRC. In addition, Agreed Upon Procedures (AUP) for project expenses were undertaken to ensure the application of the grant proceeds.

Since FAO is part of the United Nations family, the project conducted audits in compliance with FAO's financial regulations and the financial management framework agreement between the Bank and the United Nations.

According to the ICR (paragraph 108) the project did not detect any ineligible expenses and the ICRC had a robust system for tracking expenses. The ICR (paragraph 109) stated that, although FAO's internal approval and reporting system was slow in responding to the Bank's financial management requirements, compliance was verified throughout project implementation.

## **b. Fiduciary Compliance**

### **Financial Management:**

According to the ICR (paragraph 108) the usual Bank fiduciary safeguards that would normally applied were formally waved. The Bank team relied on the ICRC's organizational systems, procedures, and respective internal controls. The Bank team had to understand the ICRC's financial and cost accounting systems in depth given that the retroactive financing portion of the project required that all the expenditures had to be verified before a refund would be submitted to the ICRC. The ICR (paragraph 108) stated that the Bank team conducted a detailed review of the ICRC budgeting, cost allocation mechanisms, revenue/expenditure recoding and financial and cost accounting systems globally, regionally and specific field delegation offices such as in Somalia. During a financial management assessment, it was agreed that the project audit would be conducted for the ICRC. In addition, Agreed Upon Procedures (AUP) for project expenses were undertaken to ensure the application of the grant proceeds.

Since FAO is part of the United Nations family, the project conducted audits in compliance with FAO's financial regulations and the financial management framework agreement between the Bank and the United Nations.

According to the ICR (paragraph 108) the project did not detect any ineligible expenses and the ICRC had a robust system for tracking expenses. The ICR (paragraph 109) stated that, although FAO's internal



approval and reporting system was slow in responding to the Bank's financial management requirements, compliance was verified throughout project implementation.

#### **Procurement:**

According to the ICR (paragraph 110), due to the emergency situation and the need to act fast, the Bank agreed that the FAO and the ICRC use their own procurement procedures or "Alternative Procurement Arrangements (APA)" as outlined under Section III F in the Bank's "Policy Procurement in IPF and other operational procurement matters". The Bank conducted procurement assessments for both organizations which found that the procurement rules and regulations were generally consistent with the Bank's core procurement principles and governance requirements set out in the procurement policy. The Bank's board granted waivers of the application of the anti-corruption guidelines for the FAO and a partial application of the anti-corruption guidelines for the ICRC.

The ICR (paragraph 111) stated that due to the fact that the ICRC received retroactive financing all activities such as works, goods, non-consulting services and consultant's services had to be post-reviewed by the Bank on a sample basis. Also, service providers were subject to the Bank's sanction list. The Bank team conducted the post-review in the ICRC offices in Nairobi and Geneva. The ICR (paragraph 111) stated that the Bank team faced the challenge of support documents being filed in the two different offices. However, this issue was resolved adequately.

#### **c. Unintended impacts (Positive or Negative)**

NA

#### **d. Other**

---

### **11. Ratings**

<b>Ratings</b>	<b>ICR</b>	<b>IEG</b>	<b>Reason for Disagreements/Comment</b>
Outcome	Highly Satisfactory	Highly Satisfactory	
Bank Performance	Highly Satisfactory	Highly Satisfactory	
Quality of M&E	High	High	
Quality of ICR	---	Substantial	



## 12. Lessons

The ICR provides a large number of lessons derived from the project. They are classified into two groups, namely (a) Bank Engagement and Design and Implementation of Operations in FCV/Complex Emergencies, and (b) Third Party Implementation and Direct Engagement with Partners in Complex Emergencies. It is acknowledged in the ICR that “The Project Results Framework was derivative of, and built upon, some of the existing performance indicators being used under the ICRC and FAO programs” (paragraph 84) and hence some of the lessons from this project will inevitably be based on lessons learned by ICRC and FAO from their work in FCV countries. On the other hand, many of the lessons listed were not lessons but issues to be considered in similar future projects with no lesson emerging.

While the ICR also makes recommendations, ICR Reviews do not consider or make recommendations. Hence the following will focus on lessons adapted by this review from among those listed in the ICR which IEG assessed were the most important.

1. **For emergency situations it is vital to have simple and measurable project objectives.** This project had simple and measurable objectives. The ICR draws attention to the fact that “The Results Framework indicators, during the course of implementation, were proven to be adequate in measuring the substantive quantitative and qualitative dimensions of the PDO related to ‘provision of immediate support’ and ensuring resilient recovery” (paragraph 84). A supplementary lesson here is that simple lessons need not be simplistic.
2. **Flexible funding approaches by the Bank are critical to provide the basis for emergency assistance projects as problems emerge.** Even though this project was based on existing programs by the ICRC and FAO, the project’s design included fewer but broader activities and the targets for some of the indicators included in the Results Framework had ranges. Also, the project allowed for the re-allocation of resources across sub-components. All these features ensured that the project had a much-needed flexibility to finance actions to address evolving emergencies and provided attractive basis for collaboration with third parties.
3. **The Bank’s ability to address complex emergency situations in an FCV environment is enhanced through collaborative project implementation by third parties when the Bank’s traditional approach is not adequate.** Due to Somalia’s IDA non-accrual status, the Bank, the ICRC and FAO engaged in an innovative partnership with the Bank providing direct IDA-funding to these organizations. This required the Bank to be flexible, tolerant of differing organizational systems, willing to find common ground, and open to institutional cross-learning in order that this project could be implemented. The lesson is that for all such collaboration reconciling organizational differences and agreeing to norms-of-practice that translate into specific actions at the operational level will be required in advance to ensure the efficacy and efficiency of such partnerships. This collaboration was further deepened in this project by progressive impact validation through third-party validation of outcomes, which



was beyond the scope of the original results framework, which contributed significantly to improving the robustness of both the “monitoring” and “evaluation” functions compared with that envisaged under the Project’s M&E regime.

### 13. Assessment Recommended?

No

### 14. Comments on Quality of ICR

The ICR provided a very good overview of project preparation and implementation of an innovative project the Bank had never implemented before. The ICR described in detail what the collaboration with the ICRC and FAO looked like and pointed out challenges and how they were overcome. The ICR was also concise, internally consistent, outcome driven and followed OPCS guidelines.

On the other hand, while the ICR included some economic analysis of the project's efficiency, the ICR made almost no attempt to assess the analysis in the PAD, the assumptions made for the analysis when completed were in most cases either not transparent, or not stated at all creating considerable difficulties to assess the validity of the project's efficiency analysis in a draft of this review. Subsequently the Bank task team provided

The ICR included some useful lessons applicable to similar operations in the Bank. On the other hand the ICR contained many other lessons which reflected implementation bottlenecks relevant only to this project which were not applicable to similar operations.

#### **a. Quality of ICR Rating** Substantial