

**USAID/DCHA/OFDA  
ANNUAL PROGRAM STATEMENT (APS)  
FY-2009 Horn Food Price Crisis Response for Ethiopia  
(OFDA-FY09-002-APS)**

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UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT  
Bureau for Democracy, Conflict, and Humanitarian Assistance  
Office of U.S. Foreign Disaster Assistance  
1300 Pennsylvania Avenue, NW  
Washington, D.C. 20523

ISSUANCE DATE: October 28, 2008

SUBJECT: USAID/DCHA/OFDA FY 2009 Annual Program Statement (APS) for the Horn Food Price Crisis Response (HFPCR) for Ethiopia

Pursuant to the Foreign Assistance Act of 1961, as amended, the United States Government (USG), as represented by the U.S. Agency for International Development (USAID), Bureau for Democracy, Conflict, and Humanitarian Assistance (DCHA), Office of U.S. Foreign Disaster Assistance (OFDA), is seeking applications (proposals for agreement funding) from qualified U.S. and non-U.S., non-profit or for-profit Non-Governmental Organizations (NGOs), or other qualified non-USG organizations (Public International Organization (PIO) or (IO)) to assist USAID/DCHA/OFDA by implementing activities as described in the following Annual Program Statement (APS) for Ethiopia.

The purpose of this APS is to disseminate information to prospective applicants so they may develop and submit applications for USAID funding. USAID/OFDA anticipates awarding multiple cooperative agreements as a result of this APS, targeting interventions in specific zones within Oromiya, Somali, and Southern Nations, Nationalities, and Peoples regions in Ethiopia. This APS: (1) provides background concerning the effects of the global food price crisis in the Horn of Africa; (2) identifies the types of activities for which applications will be considered; (3) explains the criteria for evaluating applications; (4) describes the level of funding available and the process and requirements for submitting applications; and (5) refers prospective applicants to relevant documentation which is available on the Internet.

## I. BACKGROUND

The global food crisis has affected households around the world, but has had a particularly harsh impact on the most vulnerable families in developing nations. Vulnerable populations in the Horn of Africa region can be described in three types: pastoral, agro-pastoral, and marginal farming households. Marginal farm families are composed typically of 6-7 family members that likely include 4-5 children, are living on 1 to 0.6 hectares or less of farm land and their annual agricultural production during ideal conditions covers the basic annual caloric needs of the family. The size and productivity of subsistence farms is in constant decline due to the division of lands to children and the overuse of land without technical support. Characteristics of the pastoralist group include significant loss of livestock during recent droughts, low livestock holdings, loss of cash income and low purchasing power, high levels of coping strategies such as reduction in the number and size of meals, borrowing food from relatives and purchasing food on credit. These households also spend the majority of their expenditures on food purchases. The pastoral “dropouts,” a relatively new phenomenon since 2000, are families who have lost their source of livelihood and are camped in peri-urban areas, and are completely dependent on the Government and aid community for meeting their needs. This group does not have the livestock resources to return to pastoralism nor marketable skills. Unfortunately, this steadily increasing “dropout” population has few alternatives to an existence dependent on relief or alternative viable livelihood options.

Historically in the Horn region, all of these groups suffer the same repetitive scenario of humanitarian decline due to asset depletion resulting from the continuous man-made and climatic shocks. In general, this decline scenario includes a shock followed by households adopting negative coping mechanisms, such as selling productive assets to meet basic food needs and loss of assets to the effects of drought/flood/disease. Pastoralists, agro-pastoralists and marginal-agriculturalists in the arid and semi-arid areas have become chronically poor, usually unable to fully recover with high vulnerability to food insecurity. An increased resilience to shock through the rebuilding of livelihoods is a fundamental step on the road to recovery and development.

The global cost of food and fuel is a challenge to delivering humanitarian assistance, and it is unlikely that these prices will decrease in the near future. For this reason, OFDA is seeking to adopt new approaches to providing assistance that, where possible, will address the root causes of food insecurity, rather than continually providing inputs to poor households each year at higher and higher costs.

## **II. PROGRAMMATIC GUIDANCE**

USAID/OFDA's mandate is to save lives, alleviate human suffering, and reduce the social and economic impact of humanitarian emergencies worldwide. In order to achieve this goal, USAID/DCHA/OFDA's strategy for the Horn Food Price Crisis Response (HFPCR) is to improve local livelihoods as a means to increase household's resilience to shocks, helping to break the cycle of diminishing assets and humanitarian decline, and reducing the need for future relief based activities.

A. The broad goals of this APS for Ethiopia are to:

- Stabilize humanitarian indicators in food insecure households through humanitarian assistance activities designed to protect existing household assets;
- Rebuild livelihoods and household resiliency to shocks through the diversification and creation of household assets; and,
- Improve economic opportunities through improved market linkages in support of the predominate agricultural and livestock sectors.

B. The following general programmatic guidance is provided to potential applicants:

- The 2008 HFPCR will consider interventions that increase access to food and improve resiliency to future shocks through a comprehensive livelihoods-based approach comprised of the following objectives: 1) protect household assets; 2) diversify asset bases; and, 3) develop market linkages.

HFPCR will require a tailored approach that prioritizes the degree of emphasis of each objective according to the situation.

- Activities should be designed to **protect household assets** by using a livelihoods and integrated value-chain approach to support 1) activities that increase productivity and purchasing power in vulnerable populations, such as crop diversification, introduction of improved seed varieties, and microfinance to strengthen agricultural production, thereby stabilizing the deterioration of humanitarian indicators while creating community and household assets; and 2) support to livestock assets through water and range land management and interventions.
- Activities should be designed to **diversify asset bases** through agricultural assistance and assistance to both agricultural entrepreneurs and ex-pastoralists through an integrated value-chain approach and targeted alternate economic livelihood support for the pastoralist “dropout” population.
- Activities should be designed to **develop market linkages** and support the value-chain approach through 1) market infrastructure, 2) animal processing, and 3) local production and testing of nutritional foods.
- The HFPCR for Ethiopia will focus on one or two zones in each of the following regions.
  - Oromiya: to include East and West Hararghe and other areas with assessed needs;
  - Somali: pastoralist communities with assessed needs; and
  - Southern Nations, Nationalities, and Peoples.
- Beneficiary target populations should be pastoral, ex-pastoral, agro-pastoral, and marginal farming households and communities in the geographic focus areas, and where possible, include complementary support for Productive Safety Net beneficiaries to promote graduation.
- In addition to individual applicant submissions, applications may be submitted by introducing a teaming arrangement with a common set of objectives, activities, and outcomes with a consolidated monitoring and evaluation plan to ensure that program progress and impact are measurable.
- HFPCR program designs should include a combination of short-term interventions focused on asset protection and longer-term interventions targeting asset diversification and market linkages with a maximum

performance period of 36 months. Implementation plans for interventions must demonstrate an annual progression based upon appropriate benchmarks.

### III. GENERAL APPLICATION GUIDANCE

- **OFDA Guidelines:** Applicants that do not adhere to the USAID/OFDA's *Guidelines for Unsolicited Proposals and Reporting* (October 2008) will not be considered for funding. However, to the extent this APS supplements information from the *Guidelines*, this APS prevails. The USAID/OFDA *Guidelines* are posted at [http://www.usaid.gov/our\\_work/humanitarian\\_assistance/disaster\\_assistance/resources/pdf/updated\\_guidelines\\_unsolicited\\_proposals\\_reporting.pdf](http://www.usaid.gov/our_work/humanitarian_assistance/disaster_assistance/resources/pdf/updated_guidelines_unsolicited_proposals_reporting.pdf). Applicants must submit their applications based on these *Guidelines*. Applicants are also encouraged to review "Results-Oriented Assistance: A USAID Sourcebook," which may be found at: <http://www.usaid.gov/pubs/sourcebook/usgov/>. The program description section of the application will become the program description of any resulting award.
- **APS Distribution:** Beginning November 1, 2005, the preferred method of distribution of USAID APS' and submission/receipt of applications is electronically via Grants.gov, which provides a single source for Federal government-wide competitive grant opportunities. This APS and any future amendments or additions can be downloaded. The address is <http://www.grants.gov>. In order to use this method, an applicant must first register on-line with Grants.gov. **If you have difficulty registering or accessing the APS, please contact the Grants.gov helpdesk at 1-800-518-4726 or via e-mail at [support@grants.gov](mailto:support@grants.gov) for technical assistance.** It is the responsibility of the recipient of the application document to ensure that it has been received from Grants.gov in its entirety and USAID bears no responsibility for data errors resulting from transmission or conversion processes. Interested organizations should sign up with Grants.gov to receive email updates as changes may be posted to this and other APS solicitations.

- **International Organizations:** USAID/OFDA encourages international NGOs and PIOs to support, mentor, partner, and collaborate with local organizations. USAID/OFDA will consider funding activities under technical sectors that improve local organizations' capacity to achieve the technical objective. It is the responsibility of applicants to ensure that local partners do not appear on the Excluded Parties List which includes the U.S. Department of Treasury's Office of Foreign Assets Control "*Specially Designated and Blocked Persons List*" which can be found at: <http://epls.gov>. International agencies working through local partners are encouraged to ensure that partners have the capacity to carry out expanded programs, and should consider a capacity-building component which will leave a lasting impact on local partner agencies.
- **Protection:** USAID/OFDA strongly encourages implementing partners, wherever possible and appropriate, to incorporate protection principles into the design and implementation of their assistance programs in order to help protect populations from violence, abuse, harassment, or exploitation. Humanitarian programs funded by USAID/OFDA should be designed, implemented and monitored to ensure that they do not harm or endanger beneficiary populations because of negative unintended consequences, nor should programs aggravate local tensions or inadvertently empower those who are responsible for conflict or abuse. Provided that this does not pose a risk to beneficiaries and implementing staff, partners should regularly share information on these and related matters. For more detailed guidance on the protection sector, please refer to USAID/OFDA's *Guidelines for Unsolicited Proposals and Reporting*.
- **Conflict Mitigation:** All USAID/OFDA-supported programs should also seek to mitigate conflict among or between beneficiary populations, between displaced persons and their host communities, and between those receiving assistance and those who are not. A "Do No Harm" approach should be evident in program implementation plans. Successful applicants will identify possible conflict trigger points and outline steps taken in the program planning process to mitigate potential conflicts.

- **Sustainability:** Proposed programs should, to the extent possible, reflect an approach that will meet critical needs in a sustainable manner. USAID/OFDA will prioritize programs that demonstrate strong links to future financial viability, longer-term development efforts, or to a local, sustainable handover. (See also Section VIII.3.below).
- **New Partners:** Partners new to USAID/OFDA may submit applications. However, resultant awards to these organizations may be delayed so that USAID can undertake necessary pre-award qualification reviews of these organizations. These organizations should take this into account and plan their implementation dates and activities accordingly.
- **Sub-Partners:** Applicants are strongly encouraged to identify in their application sub-recipients. When such organizations are identified, Letters of Intent, Letters of Agreement, or Memoranda of Understanding should be included in the application for any proposed activity which includes implementing sub-partners. Please note that specific outlines of sub-partner versus primary awardee information is required in the implementation plan. Detailed, line item budgets are required for all sub-partner activities.
- **Cost Per Beneficiary:** Applicants are requested to state in their applications (1) the estimated cost per direct beneficiary, and (2) the percentage of the affected population (by district or site) to be served under any resulting award. Given the nature of this activity, it is understood that beneficiary numbers will be notional.
- **Past Performance References:** Applicants must submit a list of all contracts, grants, or cooperative agreements involving similar or related programs over the past three years, to include the location(s), name and current telephone number and/or e-mail address of at least one person (external to the applicant's organization) knowledgeable of the applicant's work on each such program, award numbers for each program (if available), and a brief description of the work performed. The knowledgeable individual should be someone not employed or subcontracted by the

applicant's organization. USAID also retains the right to expand the list of references to include other individuals not provided by the applicant.

- **Monitoring and Evaluation:** Applications must include a plan for monitoring and evaluating program progress, results and impact against stated objectives. The plan must ensure that data on results are collected, issues are documented, reporting addresses activity and impact indicators, and that all are reviewed at regular periods. The monitoring and evaluation plan and the methodology must be consistent with the USAID/DCHA/OFDA "Guidelines for Unsolicited Proposals and Reporting." As much as possible, evaluations should be made available to the public, to encourage use of its data and application of lessons learned.
- **Funding Ineligibility:** Applicants should note that USAID policies make foreign governmental organizations (e.g., organizations that function as a governing body, such as foreign ministries and local governments) and foreign government-owned organizations, (e.g., host government agencies or firms operated as commercial companies or other organizations—including nonprofit organizations other than public educational institutions—which are wholly or partially owned by a host government or agencies thereof) ineligible for USAID financing unless waivers are approved or special approvals are provided. Even if a waiver is approved or special approval is provided, potential applicants must consider the impact of foreign governmental organizations' and government-owned organizations' sovereignty on issues such as audits, cost disallowances, disputes, etc. In addition, USAID policies do not permit the payment of "salary supplements" to employees of a host government except in exceptional circumstances. Additional guidance on salary supplements may be found at: <http://www.usaid.gov/pubs/ads/200/119780.pdf>.
- **Ineligible Goods:** With reference to the standard provision entitled "USAID Eligibility Rules for Goods and Services" (see Section XIII below for the website), it is anticipated that the authorized geographic code will be Code 935, subject to the order of preference and file documentation requirements set forth in paragraph (b)(2) of the standard provision. Applicants should also take note of the ineligible goods and services and the

restricted goods described in paragraphs (a) (1) and (a) (3), respectively, of the standard provision. With respect to the restricted goods, applicants should be aware that:

- (a) **Agricultural Commodities:** Food (other than for nutritional and health purposes) is generally not financed by USAID/OFDA, and that seeds will be subject to special seed grower's certification requirements. If a Seed Grower's Certificate cannot be obtained, awardees shall document their files to indicate what quality assurance practices were followed in lieu of certification;
- (b) **Motor Vehicles:** While non-U.S. vehicles are authorized for Ethiopia, applications that propose non-U.S. vehicles should include a rationale therefore, and all vehicles will be subject to the order of preference and file documentation requirements in paragraph (b)(1) of the standard provision and a supplemental descending order of preference, as follows: U.S.-manufactured vehicles, vehicles assembled in the cooperating country or a Code 941 country using a substantial number of parts and sub-assemblies manufactured in the U.S., vehicles manufactured in any Code 935 country by a subsidiary of a U.S. manufacturer, and vehicles manufactured in a Code 935 country by other than subsidiaries of U.S. manufacturers;
- (c) **Pharmaceutical Products:** Applications that include pharmaceutical products should include the generic and brand name(s), strength(s)/concentration(s), dosage form(s), quantity(ies), unit package size(s), and intended therapeutic use(s) of the identified pharmaceuticals, and purchases of all approved pharmaceutical products will be subject to a special provision for the procurement of medicines and pharmaceutical products which, *inter alia*, limits such purchases to FDA-approved products/sources or from UNICEF unless otherwise approved, requires the awardee to assume the risk of purchases of non-FDA approved products/sources or from UNICEF, and requires submission of safety and efficacy information;

- (d) **Pesticides:** Pesticides are extremely problematic in terms of obtaining internal USAID approval and should not be proposed for USAID/OFDA funding if at all possible;
- (e) **Used Equipment:** Used equipment is also extremely problematic in terms of obtaining internal USAID approval and should not be proposed for USAID/OFDA funding if at all possible; and
- (f) **Fertilizers:** Fertilizers are not problematic if purchased locally (subject to the order or preference and file documentation requirements in paragraph [b][1] of the standard provision or the standard provision entitled “Local Procurement”) but may be problematic in terms of obtaining internal USAID approval if they are not purchased locally and should not be proposed for USAID/OFDA funding if at all possible, and that, in all cases, fertilizers may be subject to additional requirements regarding concentrations, application, etc.
- (g) **USG-Owned Excess Property:** It is not anticipated that any U.S. Government-owned excess property will be purchased.

#### IV. **DISABILITY POLICY - ASSISTANCE (December 2004):**

The objectives of the USAID Disability Policy are (1) to enhance the attainment of United States foreign assistance program goals by promoting the participation and equalization of opportunities of individuals with disabilities in USAID policy, country and sector strategies, activity designs and implementation; (2) to increase awareness of issues of people with disabilities both within USAID programs and in host countries’ (3) to engage other U.S. government agencies, host country counterparts, governments, implementing organizations and other donors in fostering a climate of nondiscrimination against people with disabilities; and (4) to support international advocacy for people with disabilities. The full text of the policy paper can be found at the following website: [http://www.usaid.gov/about\\_usaid/disability/](http://www.usaid.gov/about_usaid/disability/).

USAID therefore requires that the recipient not discriminate against people with disabilities in the implementation of USAID funded programs and that it makes every effort to comply with the objectives of the USAID Disability Policy in performing the program under this grant or cooperative agreement. To that end and to the extent it can accomplish this goal within the scope of the program objectives, the recipient should demonstrate a comprehensive and consistent approach for including men, women and children with disabilities.

**V. STANDARDS FOR ACCESSIBILITY FOR THE DISABLED IN USAID ASSISTANCE AWARDS INVOLVING CONSTRUCTION (SEP 2004)**

(a) One of the objectives of the USAID Disability Policy is to engage other U.S. government agencies, host country counterparts, governments, implementing organizations and other donors in fostering a climate of nondiscrimination against people with disabilities. As part of this policy USAID has established standards for any new or renovation construction project funded by USAID to allow access by people with disabilities (PWDs). The full text of the policy paper can be found at the following website: [http://www.usaid.gov/about\\_usaid/disability/](http://www.usaid.gov/about_usaid/disability/).

(b) USAID requires the recipient to comply with standards of accessibility for people with disabilities in all structures, buildings or facilities resulting from new or renovation construction or alterations of an existing structure.

(c) The recipient will comply with the host country or regional standards for accessibility in construction when such standards result in at least substantially equivalent accessibility and usability as the standard provided in the Americans with Disabilities Act (ADA) of 1990 and the Architectural Barriers Act (ABA) Accessibility Guidelines of July 2004. Where there are no host country or regional standards for universal access or where the host country or regional standards fail to meet the ADA/ABA threshold, the standard prescribed in the ADA and the ABA will be used.

(d) *New Construction.* All new construction will comply with the above standards for accessibility.

(e) *Alterations*. Changes to an existing structure that affect, or could affect, the usability of the structure will comply with the above standards for accessibility unless the recipient obtains the Agreement Officer's advance approval that compliance is technically infeasible or constitutes an undue burden or both. Compliance is technically infeasible where structural conditions would require removing or altering a load-bearing member that is an essential part of the structural frame or because other existing physical or site constraints prohibit modification or addition of elements, spaces, or features that are in full and strict compliance with the minimum requirements of the standard. Compliance is an undue burden where it entails either a significant difficulty or expense or both.

(f) *Exceptions*. The following construction related activities are excepted from the requirements of paragraphs (a) through (d) above:

(1) Normal maintenance, re-roofing, painting or wallpapering, or changes to mechanical or electrical systems are not alterations and the above standards do not apply unless they affect the accessibility of the building or facility; and

(2) Emergency construction (which may entail the provision of plastic sheeting or tents, minor repair and upgrading of existing structures, rebuilding of part of existing structures, or provision of temporary structures) intended to be temporary in nature. A portion of emergency construction assistance may be provided to people with disabilities as part of the process of identifying disaster- and crisis-affected people as "most vulnerable."

## **VI. MARKING UNDER USAID-FUNDED ASSISTANCE INSTRUMENTS:**

Applicants are required to comply with the USAID Acquisition and Assistance Policy Directive (AAPD) 05-11, dated December 13, 2005, which can be accessed at the following link:

[http://www.usaid.gov/business/business\\_opportunities/cib/pdf/aapd05\\_11.pdf](http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd05_11.pdf)

While not required, applicants are encouraged to submit their branding strategy and marking plan with their applications and include associated costs in the budget. Applicants who choose not to include their branding strategy and marking plan with

their application will not be penalized during the evaluation process, but should be aware that any resulting award will be delayed pending receipt and review of the branding strategy and marking plan and inclusion of related costs into the budget.

## VII. ELIGIBILITY

### **Organizations Eligible for TIP<sup>1</sup> Assistance (May 2007).**

The U.S. Government is opposed to prostitution and related activities, which are inherently harmful and dehumanizing, and contribute to the phenomenon of trafficking in persons. No funds made available under an agreement resulting from this Request for Application or Annual Program Statement for the purpose of monitoring or combating trafficking in persons may be used to promote, support or advocate the legalization or practice of prostitution. Nothing in the immediately preceding sentence shall be construed to preclude assistance designed to combat trafficking in persons, including programs for prevention, protection of victims, and prosecution of traffickers, by ameliorating the suffering of, or health risks to, victims while they are being trafficked or after they are out of the situation that resulted from such victims being trafficked. U.S. and foreign organizations, Public International Organizations and collaboration agreement non-traditional partners, in each case, whether prime or sub-recipients, that receive U.S. Government funds to carry out programs that target victims of severe forms of trafficking, which means sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age, cannot promote, support or advocate the legalization or practice of prostitution. The preceding sentence shall not apply to such organizations or non-traditional partners that provide services to individuals solely after they are no longer engaged in activities that resulted from such victims being trafficked.

In accordance with the information-sharing requirements in Section 105(f)(4) of the 2003 TVPRA<sup>2</sup> and subject to the review procedures of the Senior

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<sup>1</sup> TIP = Trafficking in Persons

<sup>2</sup> TVPRA = Trafficking Victims Protection Reauthorization Act of 2003, Pub. L. No. 108-193 (2003)

Policy Operating Group (SPOG) -- an inter-agency coordinating body statutorily established by the 2003 TVPRA -- before USAID makes any award for anti-trafficking programs or activities or makes an award with a significant anti-trafficking component, USAID is required, to the extent permitted by law, to share information on its proposed action with the other primary grant-making SPOG member agencies (Department of State, USAID, Department of Justice, Department of Labor, Department of Health and Human Services, and Department of Homeland Security). Such information shared by the awarding SPOG member agency shall include (i) the name of the funding recipient (including subgrantees or sub-awardees); (ii) location of proposed project; (iii) proposed amount of the award; and (iv) a one or two sentence description of the project. SPOG member agencies shall have the opportunity to comment on (but not clear) any proposed anti-trafficking award of USAID's with respect to (1) whether the proposed action will duplicate anti-trafficking activities of other member agencies; (2) whether the proposed action presents opportunities for partnership with anti-trafficking activities of other member agencies; or, (3) whether the proposed action or award to a funding recipient is consistent with U.S. Government policies on combating trafficking in persons. This review and comment process may take twenty-seven business days or longer.

**Legal Organization:** All applicants must be legally recognized entities under applicable law in the country in which they are organized.

**Responsibility:** All applicants must be "responsible," as defined in the USAID Automated Directives System (ADS) 303.3.9. Accordingly, all applicants must have financial management systems, internal control systems, and policies and procedures which comply with USG and USAID standards, as set forth in 22 CFR 226, 2 CFR 220 (formerly OMB Circular A-21 [for universities]) or 2 CFR 230 (formerly OMB Circular A-122 [for non-profit organizations]) and A-133 (for both U.S. universities and U.S. non-profit organizations) or 48 CFR 31.2 (for for-profit organizations), and ADS-303, including the standard provisions for U.S. or non-U.S. nongovernmental organizations which are mandatory references to ADS-303, and references contained in said standard provisions (e.g., the USAID Inspector-General's "Guidelines for Financial Audits Contracted by Foreign Recipients," which

applies to non-U.S. organizations in lieu of OMB Circular A-133). International Organizations will be subject to ADS-308, including the standard provisions set forth in ADS-308.3.15.

**Registration as a Private Voluntary Organization (PVO):** Pursuant to ADS E251.5.3.(a)6, applicants do not need to be registered with USAID as a PVO to be eligible for funding hereunder.

**Fee/Profit:** Potential for-profit applicants should note that, pursuant to 22 CFR 226.81, the payment of fee/profit to the prime recipient under grants and cooperative agreements is prohibited. However, if a prime recipient has a subcontract with a for-profit organization for the acquisition of goods or services (i.e., if a buyer-seller relationship is created), fee/profit for the subcontractor is authorized.

**Code of Conduct:** As a condition for this award, applicants must certify that they have adopted a code of conduct that addresses the protection of beneficiaries of assistance from sexual exploitation and abuse in humanitarian relief operations. Such code of conduct must be consistent with the UN Interagency Standing Committee on Protection from Sexual Exploitation and Abuse in Humanitarian Crises, which includes the following core principles:

- a. Sexual exploitation and abuse by humanitarian workers constitute acts of gross misconduct and are therefore grounds for termination of employment.
- b. Sexual activity with children (persons under the age of 18) is prohibited regardless of the age of majority or age of consent locally; mistaken belief in the age of a child is not a defense.
- c. Exchange of money, employment, goods, or services for sex, including sexual favors or other forms of humiliating, degrading, or exploitative behavior is prohibited; this includes exchange of assistance that is due to beneficiaries.
- d. Sexual relationships between humanitarian workers and beneficiaries are strongly discouraged since they are based on inherently unequal power dynamics. Such relationships undermine the credibility and integrity of humanitarian aid work.
- e. Where a humanitarian worker develops concerns or suspicions regarding sexual abuse or exploitation by a fellow worker, whether in

the same humanitarian aid agency or not, s/he must report such concerns via established agency reporting mechanisms.

- f. Humanitarian workers are obliged to create and maintain an environment which prevents sexual exploitation and abuse and promotes the implementation of their code of conduct. Managers at all levels have particular responsibilities to support and develop systems which maintain this environment.

## VIII. EVALUATION CRITERIA

Applications will be reviewed by USAID/OFDA based on full and open competition and in accordance with the following evaluation criteria. Other USG agencies, USAID/OFDA consultants, and other partners may also be invited to review applications on a case-by-case basis provided that such participation does not create a conflict of interest, and further provided that information contained in the application shall be used only for evaluation purposes and shall not be disclosed outside USAID/OFDA. Award(s) will be made to organizations whose applications offer the best value to USAID.

The seven evaluation criteria and their respective weight (out of a total of 100 points), are:

1. Justification for Proposed Emergency Intervention – 5 points

The applications will be evaluated based on their justification for the proposed program in terms of:

- Identified need(s) based on assessments or surveys using sound methodology and current research findings. Proposed intervention(s) are innovative and clearly address the needs that have been identified in Section II, Programmatic Guidance.
- The extent to which activities target identified needs and fill gaps in current humanitarian or development programs.
- Consultation with targeted communities prior to submission of the application and incorporation of their concerns and needs into the application.
- Historical and/or baseline data against which the current crisis can be assessed.

2. Program Description - 30 points

The application will be evaluated from a technical perspective in terms of:

- The proposed interventions are technically sound and will likely meet USAID/OFDA objectives: 1) protect household assets; 2) diversify asset bases; and, 3) develop market linkages within the proposed timeframe (36 months).
- Ability to build upon previous lessons learned, identified good practices, and address identified challenges in accommodating food price increases and/or combating food insecurity. The application demonstrates a strong potential for leveraging of interventions in the priority geographic areas outlined in Section II, Programmatic Guidance.
- The implementation plan provides sufficient detail for the concrete understanding of methods to be used and for a determination of technical appropriateness and feasibility.
- Methodology for selecting target populations is appropriate;
- Accurate measurement of proposed indicators. The organization has made an attempt to identify impact as well as output indicators, per OFDA's "Guidelines for Unsolicited Proposals and Reporting;"
- Protection and conflict mitigation issues are clearly addressed throughout the Program Description;
- Description and understanding of the role that gender plays and plan for achieving gender integration and balance within the administration of the program. A demonstrated understanding and sensitivity to the real or perceived impact that gender and other personal attributes may have on personal security.

3. Sustainability - 30 points

The applications will be evaluated on sustainability in terms of:

- The plan for program phase-out or hand-over to host government institutions, local partners, or beneficiaries.
- The organization's description of its sustainable plan to address the root causes of food insecurity.

4. Institutional Capability and Past Performance - 10 points

Applicants will also be evaluated based on their institutional capacity and past performance, specifically:

- The organization's ability to implement the program expeditiously;
- Organization's competence in the sector(s) for which the organization is seeking funding, as demonstrated by relevant experience and technical expertise in previous programs;
- The organization's strength, productivity, and positive working relationships with government officials, beneficiaries, NGO partners, and USAID/OFDA in Ethiopia;
- The organization's contextual knowledge of Ethiopia, including political, economic, cultural, social, and institutional norms. In particular, knowledge of key issues relevant to areas prone to food insecurity.
- The organization's previous work experience and recent relationships within the proposed geographic area of intervention.

5. Coordination - 15 points

Applications will be reviewed in terms of the described level of coordination, specifically:

- The thoroughness of the applicant's overview of the ongoing and/or planned humanitarian effort in the proposed area of implementation. (Examples: Dynamics of how the proposed activities will interact and be sequenced with other humanitarian initiatives in the operational area or adjacent areas. A review of how well differing approaches are addressed to minimize potential conflict amongst beneficiary populations.)
- The thoroughness of the applicant's overview of the ongoing and/or planned development efforts in the proposed area of implementation (whether through the applicant's organization or other partners/donors) and a demonstrated outline of how the proposed intervention will complement these activities and/or provide a linkage from emergency to development activities.
- Demonstrated participation in relevant humanitarian and development coordination mechanisms in country.

6. Cost - 5 points

With regard to cost, the following criteria will be used:

- Cost-effectiveness: percentage of overall budget which goes to direct assistance for beneficiaries, and the significance of the program impact in terms of the number of beneficiaries and/or cost per beneficiary to USAID/OFDA.
- Cost realism: Likelihood that the program can be accomplished within the stated budget.

7. Security - 5 points

In terms of security, applications will be evaluated based on:

- Assessment of the applicant's consideration of the security situation in the proposed areas of implementation and whether the planned program and budget are structured accordingly.
- Applicant's discussion on how the proposed program will adhere to the organization's security policy.
- Applicants contingency plan in the event activities are suspended or halted as a direct result of insecurity.

#### **IX. FUNDING AVAILABLE, NUMBER OF AWARDS, SUBSTANTIAL INVOLVEMENT, AND REPORTING**

**Anticipated Funding Available:** USAID/OFDA plans to award up to approximately US \$30 million to support the HFPCR for Ethiopia described in Section II, Programmatic Guidance, above. Final funding levels for all proposed activities in this APS will depend on the content, quality, number of applications, received, availability of funds, and competing priorities.

Applicants are encouraged to keep costs reasonable in relation to the scope of their proposed activities, recognizing that the total funding under this APS will cover a range of efforts.

**Number of Awards:** USAID/OFDA anticipates awarding multiple cooperative agreements as a result of this APS. USAID/OFDA reserves the right to recommend one or more awards, fund portions of applications, or not to make any awards at all. USAID further reserves the right to award a grant instead of a cooperative agreement if deemed by USAID to be more appropriate. Issuance of this APS does not constitute an award commitment on the part of the U.S. Government, nor does it commit the U.S. Government to pay for costs incurred in the preparation and submission of any application.

**Substantial Involvement:** USAID/OFDA intends to award a cooperative agreement(s). Cooperative agreements are identical to grants except that

USAID/OFDA will be substantially involved in one or more of the following areas:

- (a) Approval of a recipient's implementation plans;
- (b) Approval of specified key personnel;
- (c) Agency and recipient collaboration or joint participation which includes one or more of the following:
  - 1. Collaborative involvement of advisory committee members (USAID may also choose to become a member);
  - 2. Concurrence on the selection of sub-award recipients and/or the substantive (technical/programmatic) provisions of sub-awards;
  - 3. Approval of a program monitoring and evaluation (M&E) plan;
  - 4. Monitoring specified kinds of direction or redirection because of interrelationships with other projects; and
- (d) Agency authority to immediately halt a construction activity.

**Reporting:** Financial reporting will depend on the payment provisions of the award, which cannot be determined until the successful applicant(s) are selected. Program performance reporting will be in accordance with 22 CFR 226.51 and USAID/DCHA/OFDA's "Guidelines for Unsolicited Proposals and Reporting."

## **X. COST SHARING**

Applications are not required to include counterpart funding. However, applications that include additional in-kind and/or cash contributions from non-U.S. Government sources will be more competitive, since cost-sharing demonstrates a strong commitment to the planned activities and will be rewarded under the evaluation criterion "cost effectiveness" set forth in section VIII above. **Public International Organizations (PIOs or IOs) that are U.N. agencies are not eligible for funding if USAID/OFDA is the sole contributor.**

## XI. INSTRUCTIONS TO APPLICANTS

### 1. Submission Deadlines:

**Questions Regarding the APS:** All potential applicants must submit any questions regarding this APS, on or before 5:00 PM Eastern Daylight Time (EDT) on November 5, 2008 via e-mail to Ms. Cara Christie at: [cchristie@usaid.gov](mailto:cchristie@usaid.gov). Oral explanations or instructions given before award(s) are made will not be binding. Following this period, the questions, if any, (without attribution to the organization), and answers will be posted as an amendment to the APS if necessary in submitting applications or if the lack of such information would be prejudicial to any other prospective applicant.

**Applications:** This APS will be open for six-months from the date of issuance. **Applications received on or before 5:00 PM Eastern Daylight Time (EDT) on November 14, 2008, will be included in the first round of reviews. Applications submitted after this date will be considered late and will be reviewed under subsequent batch reviews, if any.** This APS may be amended either to establish subsequent submission deadlines or to indicate an award(s) has/have been made and that no further funding is available. Subsequent batch deadlines may be established, if warranted, at a later date.

### 2. Format of Application:

- (a) Applications submitted under this APS must follow the USAID/OFDA's "*Guidelines for Unsolicited Proposals and Reporting*," dated October 2008.
- (b) Applications must be submitted in English. Documentation in other languages may be included as long as there is an accompanying English translation.
- (c) Applications shall be submitted electronically, by the application deadline, via email attachment using Word 2000 or newer and/or Excel 2000 or newer. E-mail attachments with the following file extensions are NOT allowed by the USAID e-mail system: .Exe, .Com, .Pif, .Lnk, .Bat, .Mp3,

.Scr, .Shs, .Vbs, .Eml, .Mpeg, and .zip. All messages and attachments should be checked for computer viruses BEFORE transmittal.

(d) The SF-424 and certifications and representations forms **MUST** be signed and are required at the time of submission. Electronic signatures provided in PDF format are acceptable. Applications submitted without the required signed documentation will **NOT** be considered.

(e) **All application materials MUST arrive before the closing date and time listed above.** As this is a U.S. Government procurement action there are no exceptions. Applicants are responsible for confirming that their application materials were received prior to the deadline.

### 3. Place and Means of Submission:

To be reviewed in the first batch of applications, applicants must submit applications electronically by 5:00p.m. EDT on November 14, 2008. Applications must be submitted to:

Ms. Cara Christie  
Disaster Operations Specialist  
East and Central Africa  
U.S. Agency for International Development  
DCHA/OFDA/DRM, Suite 8.06.51  
1300 Pennsylvania Avenue, NW  
Washington, DC 20523-8602  
Phone: (202) 712-1119 Fax: (202) 216-3706/7  
E-mail: [cchristie@usaid.gov](mailto:cchristie@usaid.gov)

Applicants unable to submit applications electronically should notify Ms. Cara Christie at 202-712-1119 prior to the deadline to make arrangements.

## XII. PROGRAM INCOME

If the successful applicant is a non-profit organization, any program income generated under the award(s) will be added to USAID/DCHA/OFDA funding (and any cost

sharing that may be provided). However, pursuant to 22 CFR 226.82, if the successful applicant is a for-profit organization, any program income generated under the award(s) will be deducted from the total program cost to determine the amount of USAID/DCHA/OFDA funding.

### **XIII. AWARD ADMINISTRATION AND RELEVANT WEBSITES FOR REFERENCE**

Resulting awards to **U.S. non-governmental organizations** will be administered in accordance with Chapter 303 of USAID's Automated Directives System (ADS-303), 22 CFR 226, applicable OMB Circulars (i.e., A-21 for universities or A-122 for non-profit organizations, and A-133) or 48 CFR 31.2 (for for-profit organizations), and Standard Provisions for U.S. Nongovernmental Organizations.

USAID/OFDA "*Guidelines for Unsolicited Proposals and Reporting*" are available at: [http://www.usaid.gov/our\\_work/humanitarian\\_assistance/disaster\\_assistance/resources/pdf/updated\\_guidelines\\_unsolicited\\_proposals\\_reporting.pdf](http://www.usaid.gov/our_work/humanitarian_assistance/disaster_assistance/resources/pdf/updated_guidelines_unsolicited_proposals_reporting.pdf)

ADS-303 is available at:  
<http://www.usaid.gov/policy/ads/300/303.pdf>

22 CFR 226 is available at:  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_03/22cfr226\\_03.html](http://www.access.gpo.gov/nara/cfr/waisidx_03/22cfr226_03.html)

Applicable OMB Circulars are available at:  
<http://www.whitehouse.gov/omb/circulars/index.html>

48 CFR 31.2 is available at:  
<http://www.arnet.gov/far/>

Standard Provisions for U.S. Nongovernmental Organizations are available at:  
<http://www.usaid.gov/pubs/ads/300/303maa.pdf>

<http://www.usaid.gov/pubs/ads/300/303maa.pdf> Resulting awards to **non-U.S. nongovernmental organizations** will be administered in accordance with ADS-303, 22 CFR 226, 2 CFR 220 for universities (formerly OMB Circular A-21), 2 CFR 230

for non-profit organizations (formerly A-122), or 48 CFR 31.2 (for for-profit organizations), and Standard Provisions for Non-U.S. Nongovernmental Organizations.

Standard Provisions for Non-U.S. Nongovernmental Organizations are available at: <http://www.usaid.gov/policy/ads/300/303mab.pdf>

Survey on Ensuring Equal Opportunity for Applicants:  
<http://www.usaid.gov/forms/surveyeo.doc>

Resulting awards to **Public International Organizations** (PIOs, or IOs) will be administered in accordance with Chapter 308 of USAID's ADS (ADS-308), including the Standard Provisions set forth in ADS-308.3.15.

ADS-308 is available at:  
<http://www.usaid.gov/policy/ads/300/308.pdf>

Survey on Ensuring Equal Opportunity for Applicants:  
[http://www.usaid.gov/business/business\\_opportunities/cib/pdf/aapd04\\_08.pdf](http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd04_08.pdf)

## ANNEX: 1

### USAID/OFDA 2009 Horn Food Price Crisis Response Strategy

#### Introduction

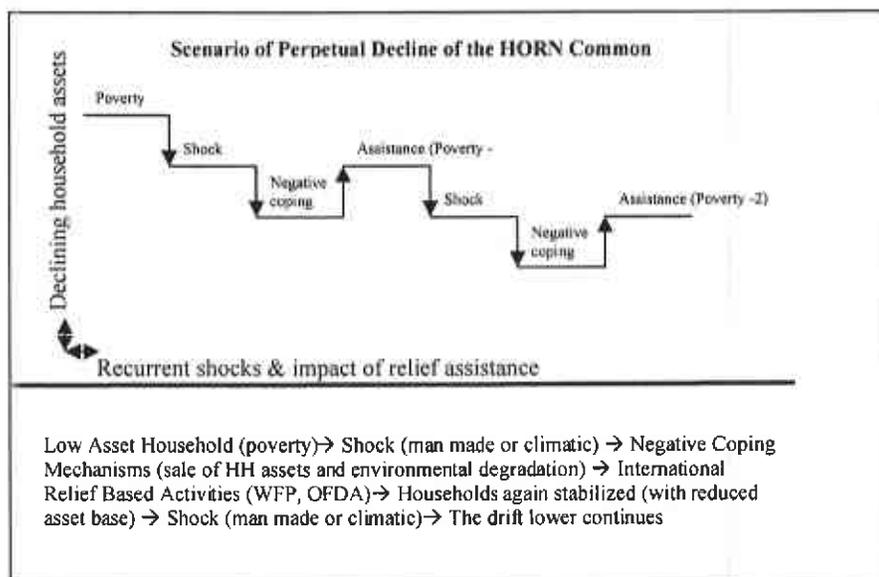
As part of the President's \$770 million food price crisis initiative, USAID/OFDA has developed the Horn Food Price Crisis Response (HFPCR) strategy. The goal of the integrated, regional HFPCR strategy is to increase local resilience to food security related shocks in the target countries: Ethiopia, Kenya, and Uganda through programs that use a livelihoods approach to increase household and community resiliency to shocks that impact food insecurity. While food security is also a critical concern in Somalia, the security environment and lack of absorptive capacity among partner organizations preclude USAID/OFDA from effectively including Somalia in this food price crisis initiative. The HFPCR is a combination of humanitarian and recovery interventions targeting the arid, semi-arid and marginal farming regions in the Horn designed to a) stabilize food insecure households through both the provision of humanitarian assistance and activities designed to protect existing household assets, b) strengthen existing developmental programming designed to rebuild livelihoods and household resiliency to shocks through the diversification and creation of household assets, and c) improve economic opportunities and livelihoods through improved market linkages in support of the predominate agricultural and livestock sectors.

USAID/OFDA's strategy will be based on three primary objectives: asset protection, asset diversification, and market linkage development. Activities within each objective will serve the most vulnerable and those at risk of slipping into humanitarian need. Country context, USAID and other donor development initiatives, and USAID/OFDA's particular comparative advantages were considered in the development of the country and objectives. The strategy was developed in close consultation with USAID/East Africa, USAID/Kenya, USAID/Ethiopia, USAID/Uganda, and USAID Office of Food for Peace (FFP) to ensure an integrated approach, eliminate duplication, and ensure that USAID/OFDA resources are targeted to address critical gaps.

## Context/Problem Statement

Assessments indicate that the majority of food insecure in the three priority countries can be classified as either pastoral, agro-pastoral or marginal farming populations.

Historically in the Horn region, all of these groups suffer the same repetitive scenario of humanitarian decline due to asset depletion resulting from the continuous man-made and climatic shocks. In general, this decline scenario



includes a shock followed by households adopting negative coping mechanisms, such as selling productive assets to meet basic food needs, thereby losing assets to the effects of drought/flood/disease. Pastoralists, agro-pastoralists and marginal-agriculturalists in the arid and semi-arid areas have become chronically poor and food insecure, usually unable to fully recover. An increased resilience to shock through the rebuilding of livelihoods is a fundamental step on the road to recovery and development.

The countries identified within East Africa for this initiative include Ethiopia, Kenya, Somalia, and Uganda. USAID/OFDA will prioritize activities in:

1. Ethiopia: Vulnerable Ethiopians are among the most critically food insecure in the world, with the food price crisis having an acute impact. Large USAID/Ethiopia and USAID/FFP ongoing programs are also addressing USAID/OFDA's food price crisis objectives, allowing USAID/OFDA to focus on critical gaps and resulting in targeted and integrated USAID programming. Substantial capacity exists within the partner community to

take on additional efforts without negatively impacting the substantial ongoing humanitarian response.

2. Kenya: While Kenya has been affected by the food price crisis, the impact has been better managed by the Kenyan government and the international community and is of significantly smaller scope. However, millions of Kenyans remain vulnerable to food insecurity. Large USAID/ Kenya and USAID/FFP programs, including new famine fund and food price crisis activities provide the opportunity to design a comprehensive approach. Capacity exists within the international community and the Government of Kenya to implement the required activities.
3. Uganda: At-risk Ugandans have not been affected as significantly as the rest of the region by the food price crisis. However, pockets of food insecurity remain in some areas. However, there are a few critical activities that if linked with USAID/Uganda's long term efforts, may result in a significant increase in the resiliency of Ugandan to food price shocks.
4. Somalia: Critical humanitarian needs are growing in Somalia. However, due to ongoing insecurity and a lack of absorptive capacity among partners to expand operations in Somalia, USAID/OFDA is not including Somalia in this initiative.

### **Objectives and Beneficiary Targeting**

The 2009 HFSCR strategy will be to increase access to food through the following objectives:

- Protect household assets
- Diversify asset bases
- Develop market linkages

Although interventions to address the three objectives above are applicable in the three priority countries of the Horn (Ethiopia, Kenya and Uganda), recent OFDA and USAID assessments conclude that the severity of the problems with respect to food insecurity are not homogenous and a tailored approach is required. For example, the humanitarian situation now faced in Ethiopia is much more severe than what exists in Kenya and Uganda. While elements and the associated

activities of the three objectives are needed in each priority country, the degree or level of emphasis towards each objective through the OFDA intervention will vary greatly (See Table 1).

The following descriptions are for the two beneficiary groups in the priority countries most affected by the food price. A third group, or agro-pastoralists, can be characterized as combining several traits from both the pastoral and marginal farmer groups.

#### *Marginal Farmers*

Marginal farm families, known as “subsistence farmers” are composed typically of 6-7 family members that likely include 4-5 children, are living on 1 to 0.6 hectares or less of farm land. In Kenya, subsistence farmers comprise about 47 percent of farm families (around 6 million people) and their annual agricultural production during ideal conditions basically covers the annual caloric needs of the host family. The size and productivity of subsistence farms is in constant decline due to the division of lands to children and the overuse of land without technical support.

In Kenya, the highest concentration of food insecure marginal farmers is located in the eastern regions, including the Coastal and Eastern Provinces, and in the semi-arid areas north of the Rift Valley in the Samburu and Baringo Districts.

In Ethiopia, marginal farmers exist across the country, but the most acutely affected are those in the densely populated SNNPR and Oromiya regions. Farmers in these areas often live on less than 0.5 hectares, have limited access to fertilizers and extension services, and have no alternative livelihoods to farming or small animal raising. Family sizes of up to 10 children are not uncommon and complicate the economic stability even in normal times. Under drought conditions, the larger number of children in a household creates a serious nutrition problem, particularly exacerbated by sky-rocketing food prices.

In Uganda, highly food insecure marginal farmers are largely concentrated in the Moroto and Nakapiripirit Districts of the eastern Karamoja Region. Food insecurity and malnutrition are chronic problems in the region. The WFP program is currently providing approximately 400, 000 individuals with a 50 % ration to supplement daily requirements.

*Pastoralists (including Pastoral “dropouts”)*

Characteristics of the Pastoralist group include significant loss of livestock during recent droughts, low livestock holdings, loss of cash income and low purchasing power, high levels of coping strategies such as reduction in the number and size of meals, borrowing food from relatives and purchasing food on credit. These households also spend the majority of their expenditures on food purchases. The Pastoral “Dropouts”, a relatively new phenomena since 2000, are families who have lost their source of livelihood and are camped in peri-urban areas and completely dependent on the Government and aid community for meeting their needs. This group does not have the livestock resources to return to pastoralism nor marketable skills. Unfortunately, this steadily increasing “dropout “population has few alternatives to an existence dependent on relief or alternative viable livelihood options.

In Kenya, Pastoral populations most affected by the food insecurity reside in the Turkana, Marsabit, Moyale, Madera and Wajir Districts of the north and northeastern regions of the country. Of the 1.38 million people classified in the Kenya Long Rain Assessment as highly food insecure, approximately 1 million live in these Arid and Semi Arid Lands (ASAL). The WFP on average feeds between 800,000 – 1 million people in the ASAL regions that are classified as chronically food insecure.

In Ethiopia, pastoralists in Afar, Borena and Somali region have been deeply affected by the current drought. Declining herd health, coupled with the high food prices, has upset the terms of trade for pastoralists, making it costly to buy even one sack of grain. In Somali Region, the conflict, commercial restrictions on livestock and food items, and three years of drought have made survival precarious for the entire population. This crisis will likely result in general pastoral dropouts, requiring new forms of livelihoods.

In Uganda, affected pastoralist populations live in the eastern districts of Koitido, Moroto and Nakapiripirit know as the Karamoja Region. The WFP program is currently targeting 700,000 pastoral and marginal farmers with partial rations that represent 80 % of the region’s population.

## Country Strategies

Based on the country context, USAID and other donor development initiatives, existing gaps, cost of the intervention, and USAID/OFDA's particular comparative advantages, USAID/OFDA will address the three objectives as follows.

**Table 1: HFPCR Priorities and Resources**

	<b>Ethiopia</b>	<b>Kenya</b>	<b>Uganda</b>
Asset Protection	30%	20%	20%
Asset Diversification	50%	60%	60%
Market Linkages	20%	20%	20%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### *Ethiopia*

In order to maximize the impact of the 2008 HFPCR funding and help communities to break out of the cycle of deteriorating livelihoods, USAID/OFDA plans to direct resources for comprehensive interventions that address multiple factors affecting food security within several priority locations. To this end, USAID/OFDA's 2008 HFPCR funding will target vulnerable households with the aim of preserving livelihood assets through reducing post harvest losses and promoting improved crop varieties and the proper use of fertilizers. In some areas, especially those with small plot size, USAID/OFDA will help families develop alternative livelihoods to diversify income and asset sources, to better equip them to manage in times of drought. Finally, in order to help communities better manage crises in the future, USAID/OFDA will support a combination of agricultural interventions that will improve the quality of seeds produced and marketed and support crops that can be used for therapeutic feeding. All programs will be linked closely to USAID/Ethiopia programming that focuses on value chain development and farm to market linkages.

*Kenya*

The majority of USAID/OFDA's 2009 HFPCR in Kenya will target the Arid and Semi-Arid Land (ASAL) areas, as well as Coastal, Eastern, and Rift Valley Provinces. In order to protect household level assets of vulnerable and marginal populations in Kenya, immediate cash infusion is required. Cash transfer programs will increase purchasing power and enable households to retain their productive assets necessary for recovery and ongoing resiliency. Protection of existing livestock resources linked with USAID/Kenya value chain initiatives is a critical priority. In continuing with the value chain approach, asset diversification efforts will focus on providing marginal and small-scale farmers with the inputs, extension, and infrastructure needed access critical markets and services supported by USAID/Kenya and USAID/East Africa initiatives'.

*Uganda*

All of USAID/OFDA's 2008 HFPCR in Uganda will be focused on the Karamoja Region, including the Districts of Kotido, Moroto and Nakapiripirit (total population estimated to be 880,000). Short term asset protection programming including cash transfers and veterinary support to livestock will stabilize sliding humanitarian indicators. The OFDA humanitarian activities will compliment a robust general distribution program implemented by the World Food Program and supported by the Office of Food for Peace. Long term programming designed to protect and improve existing livestock resources to sustain food security is a critical priority. Asset diversification efforts will focus on providing marginal and small-scale farmers with the inputs, extension, and infrastructure needed access critical markets and services is supported by USAID/Uganda.

**Impact**

Developmental, and to some degree, humanitarian responders have incorporated asset diversification / improved livelihood schemes with some degree of success along side relief interventions for several years. This is most evident in Kenya, where in spite of the convergence of several factors (increased commodity costs and climatic impact) the numbers of those classified as highly food insecure is just 35 percent of requirements from 2006. However, the fact remains that while an enormous amount of international resources has been channeled to the region for the last several years, the vast majority has been restricted to humanitarian

response, including food and non-food programming specifically designed to stabilize or improve humanitarian indicators.

The significant HFPCR resources through the HSFCR, allowing for interventions that go beyond strict humanitarian response activities and help to solidify livelihood gains and break the pattern of diminishing livelihood security. All Stakeholders in the Region agree that improvement depends on increasing household resiliency to minor shocks through increased assets and asset diversification. USAID, through DCHA and Missions, have successful models in place, however, the historical under-funding of the early recovery and development assistance following a large humanitarian response side has limited the results. Components of this initiative that fall outside of traditional humanitarian assistance are designed to address this common shortfall by augmenting or “jumpstarting” regular USAID early recovery and developmental programming. The HSPCR will address this critical gap in funding for targeted communities that are predictably affected by reoccurring shocks and impacted by the current global food price crisis. The integrated approach with development, Title II, and famine fund resources will converge to provide comprehensive support that is brought to scale in targeted communities, resulting in meaningful increases in resiliency for limited geographic areas.

Any program designed to improve household resilience through increased assets and improved livelihoods will never be successful if attempted in isolation. Positive change in many of the current food insecure areas is also dependent on improved governance, supportive public and economic policies, the establishment of law and order, and economic engagement from the private sector. The HSPCR will target and implement activities within current realities and work closely with USAID development initiatives in these areas to ensure changes needed to improve household resiliency and maximize HSPCR impact are brought into the dialogue.