Development Response to Displacement Impacts Project (DRDIP)
Local Economic Development (LED)
Experiences from the Horn of Africa Context
Gaziantep, Turkey
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Presentation overview

• Context
• DRDIP Overview
• DRDIP livelihood/LED Overview
• Theory of change and design elements
• DRDIP LED approach and evolution
• Next generation LED approach/focus areas
DRDIP Context

- Protracted displacement (Uganda: 1945 – present); some camps more than 25 years old.
- 3.8 million refugees, 7 million IDPs in Horn of Africa
- Most refugee hosting communities in lagging areas
- Development deficit – lack of access to basic services, environmentally fragile areas, limited local economic development opportunities
- Multi-sectoral development response, but LED tops the agenda of governments
- Most of these areas are arid or semi arid areas with predominantly agriculture, pastoral or agro-pastoral livelihoods – most youths want newer livelihoods
**Overview**

- To improve access to basic social services, expand economic opportunities, and enhance environmental management

**Countries and funding**

- Ethiopia: $100 M IDA credit
- Uganda: $50 M IDA credit + $150 M (AF)
- Djibouti: $20 M IDA credit
- Kenya: $100 M IDA credit + 8.18 M Danish grant
- IGAD: $5 M + 3 M IDA grant

**Project area**

- Ethiopia: 5 regions
- Uganda: 11 districts
- Djibouti: 2 regions
- Kenya: 3 Counties

**Project beneficiaries**

- Host communities and refugees

**Project duration**

- DRDIP (Ethiopia, Uganda, Djibouti): 2016 – 2021
- KDRDIP (Kenya): 2017 – 2022
DRDIP Project Scope

Ethiopia
$100 million
Ministry of Agriculture and Natural Resources

Uganda
$50 + $150 AF million
Office of the Prime Minister

Djibouti
$20 million
Agence Djiboutienne de Développement Social (ADDS)

Kenya
$100 million
Executive Office of the President

IGAD
$8 million
Regional Secretariat on Forced Displacement and Mixed Migration
Intergovernmental Authority on Development (IGAD)

- Bridging humanitarian and development response
- Knowledge generation, curation and sharing
- Supporting policy dialogue
- Hosting the regional project steering committee
- Organizing learning and sharing events
DRDIP Targets

- Total beneficiaries: 2.5 million
- Refugee beneficiaries: 110,000
- Livelihoods support: 75,000 households
- Labor workdays: 11 million
DRDIP Design Principles

- Local government led
- Community driven approach
- Comprehensive planning process
- Partnership with public and private sector
- UNHCR – Development & Humanitarian nexus
DRDIP COMPONENTS

Component 1: Social and Economic Services and Infrastructure

Component 2: Sustainable Environmental Management

Component 3: Livelihoods Program
  - Component 3.1: Support to traditional and non-traditional livelihoods
  - Component 3.2: Capacity building of community institutions for livelihoods

Component 4: Project Management, and Monitoring and Evaluation

Implementation of Project Components
<table>
<thead>
<tr>
<th>Country</th>
<th>Livelihoods component (LED)</th>
<th>LED Implementation Status</th>
<th>Target beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethiopia</td>
<td>$27 M</td>
<td>Started in 2017</td>
<td>• Host communities</td>
</tr>
<tr>
<td>Uganda</td>
<td>$27.75 M</td>
<td>Started in 2018</td>
<td>• Host community groups</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Host community and refugees integrated within host community (mixed group)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Refugees in settlements (with AF)</td>
</tr>
<tr>
<td>Djibouti</td>
<td>$3.5 M</td>
<td>Started in 2017</td>
<td>• Host communities</td>
</tr>
<tr>
<td>Kenya</td>
<td>27.5 M</td>
<td>To start in 2019</td>
<td>• Host communities</td>
</tr>
<tr>
<td></td>
<td>$85.75 M</td>
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</tbody>
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**DRDIP Livelihood Program Overview**
Theory of Change

**Objective**
To support livelihood activities of host communities and refugees to increase their incomes and expand their economic opportunities.

Supports traditional and non-traditional livelihoods.

**Activity**
- Community driven development, district diagnostic, participatory planning process
- Value chain/market assessment, creation of CIGs, CIG Federations, producer groups
- Creating access to finance through savings, grants, RF and partnership with banks/govt RF
- Skills development and business support for youth (nontraditional)
- Investments in economic infrastructure such as market irrigation works, market sheds etc.
- Partnerships with key organizations for value chain development, market linkages, sectoral economic services, strategic investment fund for value addition

**Intermediate Outcome**
- Increased self-employment of CIG/PG members
- Increased savings, incomes and consumption
- Increased Youth Employment
- Increased productivity and production; expansion of economic activities and diversification of livelihoods
- Enhanced access to markets

**Outcomes**
- Increased household income
- Increased employment

**Impact**
- Resilience, self-reliance and local economic development
DRDIP LED approach – key elements

Mainstreaming + comprehensive planning process
- local government led, reestablishing and/or strengthening social contract
- Leapfrogging -- build on what is existing and working programs/models, focus is on learning
- Livelihoods planning – market, district diagnostics, community

Community-driven development
- Social mobilization, targeting, community institution building – CIGs, VLICs, PGs/collectives

Market driven
- Value chain approach/market assessments, critical mass concept, cluster approach

Access to finance
- Savings, revolving funds, grants, and partnership with commercial banks or Govt RF

Productive/economic infrastructure
- Linking livelihoods to productive infrastructure; strategic infrastructure around value chains to fill the gaps

Partnership with market players
- Strategic investment fund for value addition and commercialization, linking producers groups to markets, signing MoU (commercial officers)
Pre-conditions

Implementation support

- National, Sub-national, local technical support teams, community facilitators (from national to community)

Technical assistance

- Partnerships with private sector, NGOs, Universities as capacity building partners; govt. are comfortable with basic agriculture/etc.

Phased implementation

- Learning by doing, Year 1 & 2 pilot (based model), Year 3 & 4 scale up/plus model, year 5 closure;
- having a 10-15 year perspective
What we want more of:

Scaling up, strengthening the basic model

1. **Tools for adaptive management**
   - MIS, process monitoring, rapid assessments to identify gaps, continuous improvement

2. **Strategic implementation support**
   - Value chain assessment, district diagnostics, partnerships with private sector, formation and management of producer organization

3. **Coordination mechanism:**
   - Multiple partners supporting refugees and host communities, coordination mechanism to share information, reduce duplication, and increase synergies

4. **Knowledge management**
   - Documentation of processes and experiences, what is working or not working, building an online resource library for sharing and learning

5. **Knowledge generation**
   - IE, case studies, sectoral assessments
DRDIP LED Evolution

- Basic model
- Scale up + strengthening of basic model
- Next generation program
Next generation of LED programs

Move towards higher level infrastructure and service delivery and large scale livelihoods

- Crux of LED is how to increase the pie
- Project offers multi-sectoral approach at the basic level –
- Potential to integrate with other operations along the value chain of service delivery i.e. support higher level infra & service delivery (secondary education, water supply systems, paved roads)
- Beyond basic livelihoods, how do we look at bigger returns, move to larger scale livelihoods

Refugees as primary beneficiaries

- Refugees are also beneficiaries, but now with the new grant funding instruments how they become primary beneficiaries of bank supported projects

How do the work of humanitarian and development actors work together

- Efficiency, value for money, development approach and move away from relief work
- Synchronize approaches in the forced displacement space

Urban vs rural

- Addressing LED in urban host communities - 80-90% refugees are in rural areas, but could change in the near future

Gender and youth

- Effectively addressing gender and youth livelihoods remains a challenge
Questions