Response Plan
Drought in the Horn of Africa

1. The drought in the Horn of Africa has put nearly 13.3 million people in urgent need of humanitarian aid across Somalia, Ethiopia, Kenya, and Djibouti. The crisis has been escalating dramatically in recent months, especially in Somalia, and as a result more people, crops and livestock will be affected in the coming months.

2. Somalia remains by far the most affected country, with an estimated 40 percent of its total population affected, living as internally displaced people or at refugee camps in neighboring countries (primarily Kenya and Ethiopia). The Dadaab camp in Kenya is now the largest refugee settlement in the world.

3. The situation is compounded by steep increases in food prices, which further undermine food security in the region, with particularly adverse effects on poor households. Cereal prices are currently at record levels in Somalia, Ethiopia and Kenya. The flow of refugees is putting additional pressure on food markets across the sub-region, including in areas that were not directly impacted by the drought.

4. The World Bank’s International Development Association (IDA), the donor-funded Global Facility for Disaster Reduction and Recovery (GFDRR), and the State and Peace Building Fund (SPF) are making available $1.88 billion to respond to the drought crisis in three phases: the **Rapid Response phase** covering the first six months, the **Economic Recovery phase** covering the first two years, and the **Drought Resilience phase** focusing on implementation over a longer period of time.

5. The overall thrust of the Bank’s response seeks to link short-term crisis mitigation with long-term development objectives both at country and regional levels.

### World Bank Response – immediate, medium and long term interventions

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6. **The first phase** has already started and for which $288 million has been allocated for rapid response needs. This phase will continue till early 2012. Activities under this phase will aim at increasing livelihood protection for drought affected by supporting public health response, as well as providing critical safety nets in affected communities. In particular, emphasis is being placed on cash for work programs, cash transfers, health screenings and nutrition schemes targeting vulnerable populations, especially women and children. Resources allocated in this initial phase are also helping with recovery planning.

7. **In the economic recovery phase**, $384 million have been earmarked as medium-term needs. Activities under this phase will aim on boosting crops and livestock production through improved land management and efficient irrigation techniques. The overall objective will be to strengthen livelihood recovery.

8. **The third and final phase**, for which $1.2 billion has been allocated, will reinforce and amplify the Bank’s longstanding focus in building drought resilience in the sub-region. In particular, resources will be allocated to investments in drought resilient agriculture, risk financing, resilience planning and strengthening social safety nets.

9. **Immediate relief and recovery in the hardest hit areas in Somalia remains an important priority.** Political instability impedes access by humanitarian agencies and development partners, but United Nations agencies such as the FAO and the UNHCR have an ongoing presence and a proven ability to deliver in Somalia’s most affected areas. A $9 million project has been mobilized through GFDRR and the SPF for a proposed Drought Management and Livelihood Protection Project in Somalia that will help provide basic supplies to more people. The project will be implemented by FAO.

10. **The severity, scale and regional dimension of the drought emergency in the Horn of Africa calls for a coordinated international response where the various partners each maximize their areas of competitiveness.** To this end, a $30 million Horn of Africa Emergency Health and Nutrition Project supported by IDA CRW funds has been prepared, which will be implemented through UNHCR. These resources will go toward scaling up health, nutrition, and sanitation services at the two largest refugee settlements (Daabab camp in Kenya and the Dollo Ado in Ethiopia), so as to keep pace with the rapidly growing population and related risks.
11. The full scale of the economic impact of the drought emergency is not yet appraised, but could be far-reaching. The World Bank experts are contributing to a comprehensive needs assessment that will help inform the scale and form of interventions in the economic recovery and drought resilience phases of the response plan.

12. Following decades of recurring droughts in the Horn of Africa, several World Bank-financed projects have established contingency and risk financing mechanisms that can be used for rapid response to drought crises. In this context, Risk financing mechanism has been triggered under Productive Safety Net Program for Transitory Food Insecurity and $134.7 million has been made available for immediate disbursement. The project will cover 6.5 million beneficiaries and 311,252 transitory food insecure people till November.

13. The World Bank is reviewing a range of projects that can deliver additional financing to prompt economic recovery and drought resilience so recurring droughts do not take such a heavy human toll. Under the Rapid Response Plan, the World Bank has mobilized seven out of ten projects that are proposed to be financed (Additional Finance) from the Crisis Response Window resources. These projects are:

(1) Ethiopia: Productive Safety Net Program; cost $537 million; $70 million under CRW
(2) Kenya: Water and Sanitation Project; Project cost $50 million; $20 million under CRW
(3) Kenya: Health Sector Support Project; Project cost $56.9 million; $56.8 under CRW
(4) Djibouti: Employment & Human Capital Safety Net; cost $8.6 million; $5 under CRW
(5) Djibouti: GFDRR & TFEESD; Project cost $6.2 million; $3.5 required under CRW
(6) Djibouti: Rural Community Dev. & Water Mobilization; cost $7.8; $2 mil. under CRW
(7) Djibouti: Emergency grants for diesel/energy etc.; cost $2.7 million required under CRW

14. Community driven development programs will be supported, including water and sanitation projects, small-scale irrigation for agriculture, or broad support to drought affected farmers and farming activities. Incomes will be recovered through cash grants, public work schemes for temporary income, asset replacement, and micro-insurance schemes. As noted above, some of these interventions are already underway.

Although the region has faced droughts for decades, climate change is making them more intense.

15. In the longer term, it is important that countries in the Horn of Africa prepare for recurring droughts and the World Bank is supporting these efforts.

16. When combined with the region’s population increase, droughts are expected to lead to higher socio-economic impacts in years to come. Climate-smart agriculture is a priority and cross-border strategies for drought risk reduction are needed. The donors and development partners can help by supporting smallholder farmers with seeds, fertilizer, better weather forecasting, and monitoring crop production; creating better ways to get produce to markets; providing food and effective social safety nets for the most vulnerable.
17. The World Bank is boosting agriculture and agriculture-related investment to $6-$8 billion a year from $4.1 billion in 2008.

18. Specifically, the World Bank’s Agriculture Action Plan emphasizes increased support in five areas: raising agricultural productivity; linking farmers to markets; reducing risk and vulnerability; improving nonfarm rural employment; and making agriculture more environmentally sustainable, as well as a source of positive environmental services.