



Productive Safety Net Programme Phase IV Programme Implementation Manual

Ministry of Agriculture
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ACRONYMS

AED	Agriculture Extension Directorate
AGP	Agricultural Growth Programme
BCC	Behaviour Change Communication
BOA	Bureau of Agriculture
BOFED	Bureau of Finance and Economic Development
BOH	Bureau of Health
BOLSA	Bureau of Labour and Social Affairs
BSC	Balanced Score Card
CAPWP	Community Annual Public Works Plan
CBN	Community Based Nutrition
CBPWD	Community Based Participatory Watershed Development
CDTAC	Capacity Development Technical Committee
CFSTF	Community Food Security Task Forces
CMAM	Community-based Management of Severe Acute Malnutrition
COPCU	Channel One Program Coordinating Unit
CRC	Citizen Report Card
CRGE	Climate Resilient Green Economy
CSO	Civil Society Organisation
CSC	Community Score Card
DA	Development Agent
DCT	Donor Coordination Team
DHS	Demographic Health Survey
DRM	Disaster Risk Management
DRM-SPIF	Disaster Risk Management Strategic Programme Investment Framework
DRMFSS	Disaster Risk Management and Food Security Sector
EFSRA	Ethiopian Food Security Reserve Administration
EFY	Ethiopian Financial Year
EIA	Environmental Impact Assessment
EPA	Environmental Protection Authority
ESAP	Ethiopia Social Accountability Programme
ESMF	Environmental and Social Management Framework
ETB	Ethiopian Birr
EWRD	Early Warning and Response Directorate
EWRD/P	Early Warning and Response Desk/Process
EWS	Early Warning System
FCA	Federal Cooperatives Agency
FDRE	Federal Democratic Republic of Ethiopia
FEMSEDA	Federal Micro and Small Enterprise Development Agency
FIC	Federal Information Centre
FMU	Food Management Unit
FS	Food Security
FSCD	Food Security Coordination Directorate
FSD/P	Food Security Desk
FSP	Food Security Programme

FTC	Farmer Training Centre
GoE	Government of Ethiopia
GSD	Gender and Social Development
GPS	Graduation Prediction System
GTP	Growth and Transformation Plan
HABP	Household Asset Building Programme
HEW	Health Extension Worker
HH	Household
HIV/AIDS	Human Immuno Virus/Acquired Immunodeficiency Syndrome
HRD	Humanitarian Requirements Document
IBRD	International Bank for Reconstruction and Development
ICB	International Competitive Bidding
IDA	International Development Association
IFR	Interim Financial Reports
IGA	Income Generating Activities
IPM	Integrated Pest Management
IYCF	Infant and Young Child Feeding
JRIS	Joint Review and Implementation Support [Mission]
JSOC	Joint Strategic Oversight Committee
KAC	Kebele Appeals Committee
KASNP	Kebele Annual Safety Net Plan
KFSTF	Kebele Food Security Task Force
LCS	Least Cost Selection Method
LIAS	Livelihoods Impact Analysis Sheet
LZAG	Livelihood Zone Assessment Group
M&E	Monitoring and Evaluation
MDG	Millennium Development Goal
MERET	WFP Land Generation Programme
MFI	Microfinance Institute
MIS	Management Information System
MOA	Ministry of Agriculture
MOFED	Ministry of Finance and Economic Development
MOH	Ministry of Health
MOLSA	Ministry of Labour and Social Affairs
MoU	Memorandum of Understanding
MoWCYA	Ministry of Women, Children and Youth Affairs
MSE	Micro and Small Enterprise
MUAC	Mid Upper Arm Circumference
NGO	Non-Governmental Organisation
NNP	National Nutrition Programme
NRD/P	Natural Resources Desk/Process
NRM	Natural Resource Management
NRMCP	Natural Resource Management Core Process
NRMD	Natural Resource Management Directorate
OFAG	Office of the Federal Auditor General
OFSP	Other Food Security Programme
OTP	Outreach Therapeutic Programme
PASS	Payroll and Attendance Sheet System

PBS	Protecting Basic Services
PCDP	Pastoralist Community Development Project
PIM	Programme Implementing Manual
PLW	Pregnant or Lactating Woman
PLWHA	People living with HIV/Aids
PMT	Proxy Means Test
PSNP	Productive Safety Net Programme
PTC	Pastoral Training Centre
PWCU	Public Works Coordination Unit
PWFO	Public Works Focal Unit
PWSG	Public Works/Access to Services Support Group
QCBS	Quality and Cost Based Selection method
QWICR	Web Interface Commodity
RASNP	Regional Annual Safety Net Plan
REMSEDA	Regional Micro and Small Enterprise Development Agency
REST	Relief Society of Tigray
RFP	Request for Proposal
RFQ	Request for Quotations
RFSSC	Regional Food Security Steering Committee
RFSTF	Regional Food Security Task Force
RRM	Rapid Response Mechanism
RRT	Rapid Respond Team
RUSACCO	Rural Savings and Credit Cooperative
SAIP	Social Accountability Implementing Partners
SBD	Standard Bidding Documents
SDTF	Social Development Task Force
SLM	Sustainable Land Management
SLMP	Sustainable Land Management Programme
SMS	Subject Matter Specialist
SNNP	Southern Nations, Nationalities and Peoples (Region)
SRFP	Standard Request for Proposals
TC	Technical Committee
TOR	Terms of Reference
TSF	Targeted Supplementary Feeding
TVET	Technical Vocational Education and Training
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
VSLA	Village Savings and Loan Association
WAO	Woreda Agriculture Office
WASNP	Woreda Annual Safety Net Plan
WFP	World Food Programme
WFSTF	Woreda Food Security Task Force
WHO	Woreda Health Office
WOFED	Woreda Office of Finance and Economic Development
WOLSA	Woreda Office for Labour and Social Affairs

PSNP IV Programme Implementation Manual

Part 1: Introduction

Version 1.0

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CHAPTER 1 HOW TO USE THE MANUAL

This is the Programme Implementation Manual (PIM) for Phase 4 of the Government of Ethiopia's Productive Safety Net Programme (PSNP). The PIM is the final source of guidance on programme concepts, objectives, principles and procedures.

This is the fourth major version of the PIM since the initiation of the PSNP in 2005, although there have been other minor updates, and two addendums which were additional documents to be read alongside the July 2006 version. The history of earlier versions is as follows:

- Original PIM, produced December 2004
- Revision in March 2006
- Further revision in July 2006
- Addendum to July 2006 PIM in October 2006
- Addendum to July 2006 PIM in January 2010
- PIM for Phase III, dated May 2010
- This version, dated December 2014

This version of the PIM has been introduced to support the new phase of the PSNP, commencing in January 2015. A number of major design changes have been introduced to the PSNP (as outlined in Part 1, Chapter 2 [Introduction]), and this PIM describes the new processes and procedures that support these design changes. This PIM also draws from the Household Asset Building Programme (HABP) PIM and consolidates the changes found in the original PIM and its addendums.

This is the overall programme manual, and as such it applies to all PSNP woredas – be they supported by Government or NGOs. The guidance described below, including the use of PSNP budget lines, must be used in PSNP woredas unless stated otherwise.¹

1.1 How the PIM is Organised

1.1.1 OVERALL STRUCTURE

This version of the PIM is in modular format to make it easier for programme implementers to find and use sections relevant to their tasks. It is not intended to be read as a book from start to finish – although key implementers may choose to familiarise themselves with it originally in this way – but rather as a reference guide for implementers. Section 1.3 below provides a quick reference for implementers and can serve as a basis for the development of modules for different programme components, as needed.

The PIM is organised into six parts:

Part 1: Introduction. This part includes two introductory chapters:

- This “how to” chapter

¹ Contractual agreements between the NGO and USAID may require slightly different arrangements and processes than those described in this PIM. In this case, the NGO and woreda will discuss the issue first with USAID and identify issues and possible solutions. If necessary, these situations will be brought to the attention of the JSOC on a case-by-case basis. Any proposed special arrangements for an NGO to bypass or modify a particular PIM directive, when necessary, will be submitted by USAID to JSOC for consensus and then the agreement reached will be disseminated by DRMFS and USAID to the affected woredas and regions.

- An “Introduction” chapter introducing the PSNP’s background, context, goal and outcomes. The introduction chapter also presents the PSNP’s outputs and how they relate to the various components, along with a discussion of programme principles, scale and scope, safeguards and an overview of what’s new in this phase of the PSNP.

Part 2: Planning and Preparatory Activities. This part describes the various activities that need to happen prior to commencing programme implementation. Each type of activity is outlined in a separate chapter:

- Programme entry and exit (targeting and graduation)
- Setting of the public works and transfer schedule, the wage rate and the mode of transfer
- Livelihoods analysis which needs to be conducted prior to annual planning
- Annual planning

Part 3: Implementation. This part lays out the detailed steps that implementers at different levels need to follow in order to efficiently and effectively implement the programme. In order to facilitate this, this part of the document is therefore sub-divided into five chapters:

- Permanent direct support component
- Public works and links to social services component
- Livelihoods component
- Social accountability and complaints and grievances
- Risk management

Part 4: Resource management. This part describes management of PSNP resources and is divided into the following five chapters:

- Financial management
- Food management
- Procurement
- Physical resource management
- Systems building and capacity

Part 5: Monitoring and evaluation. This part, which consists of only one chapter, presents the monitoring and reporting processes for the programme along with a number of monitoring and evaluation tools.

Part 6: Institutional arrangements. The final part and chapter of this PIM, Part 6 presents the institutional arrangements for the programme, with a detailed description of the role and responsibilities of each implementing agency, task force, committee, and other entities.

Where applicable (e.g. for planning, monitoring and evaluation, institutional arrangements, and sections of other chapters), chapters are further subdivided to make it clear which actions should be implemented at what level:

- Community and Kebele
- Woreda
- Region
- Federal

In addition to the main body of the document, a number of formats and other key materials are included as annexes. Other important PSNP reference documents, such as complementary guidelines and manuals for the programme, are cited where appropriate in the text below.

1.1.2 NEW SECTIONS

This PIM includes new sections not only for new design elements, but also to highlight:


- What's new in each chapter. This is the first section of each chapter
- Regional variations for each type of programme activity. The "Regional Variations" section is typically found at the end of the chapter.

1.2 New Visual Tools

This PIM introduces new visual tools to draw attention to different aspects of the programme. Each of these new tools is described in the boxes below.

1.2.1 THINGS TO LOOK OUT FOR


The pointing hand symbol below represents important things to note and clarifications. Implementers should pay special attention to these issues.

**Timing of public works:**

The timing of public works will be in accordance with the annual plan and the overall public works and transfer schedule. As stated in Part 2, Chapter 4 (Public Works and Transfer Schedule, Wage Rate and Mode of Transfer), public works will be scheduled so as not to undermine normal agricultural activity and the majority of public works will therefore take place during the dry season, the exact timing of which varies in different parts of Ethiopia. Section 4.2.3 of Chapter 4 indicates when public works will take place in your woreda.

1.2.2 SPECIAL CIRCUMSTANCES


The puzzle piece symbol below represents important specifications (for example about the role of NGOs) and what to do in special circumstances that may differ from general PSNP operating procedures.

**Specific provisions for NGO supported woredas**

In woredas supported by NGOs, NGOs will take a lead in executing food payments. However, the broad steps remain the same and the use of PASS remains mandatory.

1.2.3 EXAMPLES AND ILLUSTRATIONS

The "e.g." symbol below highlights examples to clarify the guidance in the PIM.

**How to apply the 12 months' notice period**

For households that select monthly payments: In a woreda where the transfer cycle is January to June, a household which is notified that it has been identified for graduation in September 2016 will receive its final monthly PSNP transfer in June 2017; but a household which is not notified that it has been identified for graduation until February 2017 will remain in the programme until June 2018.

1.2.4 IMPLEMENTATION QUESTIONS

Boxes with the question mark symbol provide additional explanation on why a specific action is needed. This is to help implementers understand why certain steps are so important.



What is the livelihoods checklist for?

The livelihoods checklist serves two purposes:

- As an implementation and accountability tool, to ensure that clients receive all of the necessary trainings to fully understand the livelihood prior to developing a business plan and obtaining financing for their investment
- As an M&E tool, to help the DA (or other training provider) to know what trainings the client has completed and to track, and report on, their progress

1.3 Quick Reference for Implementers

1.3.1 TRANSFER IMPLEMENTERS

Transfer implementers should refer to the following chapters:

- Chapter 5: Public works and transfer schedule, wage rate and mode of transfer
- Chapter 7: Permanent direct support component—transfer arrangements for permanent direct support clients
- Chapter 8: Public works and links to social services—transfer arrangements for public works and temporary direct support clients
- Chapter 10: Continuum of response—transfer arrangements for transitory clients
- Chapter 12: Financial management—budgeting and financial management processes
- Chapter 13: Food management—food management processes
- Chapter 17: Monitoring and evaluation—reporting lines for financial and food management
- Chapter 18: Institutional arrangements—role of Food Security, Early Warning, MOFED/BOFED/WOFED, and the newly created Food Management Unit.

1.3.2 PUBLIC WORKS IMPLEMENTERS

Public works implementers should refer to the following chapters:

- Chapter 3: Programme entry and exit—targeting into public works or permanent direct support
- Chapter 4: Annual planning—preparation of annual public works plans at each level, including a table summarising different types of public works sub-projects, ESMF processes
- Chapter 5: Public works and transfer schedule, wage rate and mode of transfer —planning of public works schedules
- Chapter 8: Public works and links to social services component—implementation of public works
- Chapter 17: Monitoring and evaluation—monitoring of public works activities, public works reviews, etc.
- Chapter 18: Institutional arrangements—role of Public Works Technical Committee at each level, and roles and responsibilities of the Natural Resources line agencies and other contributing agencies

1.3.3 LIVELIHOODS IMPLEMENTERS

Livelihoods implementers should refer to the following chapters:

- Chapter 3: Programme entry and exit—targeting for livelihoods transfers
- Chapter 4: Annual planning—preparation of annual livelihoods plans at each level, including a description of the livelihoods , ESMF processes
- Chapter 6: Livelihoods analysis such as technical analysis, value chain analysis, other preparatory activities, and an overview of ESMF processes for livelihoods
- Chapter 9: Livelihoods component—implementation of livelihoods activities across the three pathways

- Chapter 17: Monitoring and evaluation—monitoring of livelihoods activities, livelihoods reviews, and the introduction of tracking of client participation in livelihoods
- Chapter 18: Institutional arrangements—role of Livelihoods Implementation Unit and Livelihoods Technical Committee at each level, and roles and responsibilities of Extension, the Livestock Development Sector, the MSE Agency, Labour and Social Affairs, TVET, Cooperative Promotion, and other contributing agencies.

1.3.4 NUTRITION AND SOCIAL SERVICE IMPLEMENTERS

Nutrition and social service implementers should refer to the following chapters:

- Chapter 3: Programme entry and exit—targeting into public works or permanent direct support
- Chapter 4: Annual planning—preparation of annual plans related to BCC provision for public works clients, links to social services for temporary direct support clients and identification of appropriate services for permanent direct support clients
- Chapter 7: Permanent Direct Support Component – case management for permanent direct support clients
- Chapter 8: Public works and links to social services component—provision of BCC for public works clients, and links to social services implementation procedures
- Chapter 17: Monitoring and evaluation—monitoring of nutrition and links to social services provisions
- Chapter 18: Institutional arrangements—role of Labour and Social Affairs line agencies, Health line agencies and Food Security in supporting these activities

1.3.5 SYSTEMS IMPLEMENTERS

Systems implementers should refer to the following chapters:

- Chapter 16: Systems and capacity development – an overview of all the different systems which are to be developed and the responsible agencies
- Chapter 3: Programme entry and exit—food insecurity/poverty indices and national household registry
- Chapter 7: Permanent Direct Support Component – use of PASS to support payments to permanent direct support clients
- Chapter 8: Public works and links to social services component— use of PASS to support payments to public works and temporary direct support clients
- Chapter 10: Social accountability and grievance redress mechanism – implementation of social accountability tools and the grievance redress system
- Chapter 11: Risk Management Improvements to the early warning and needs assessment processes
- Chapter 17: Monitoring and Evaluation – the development of a Management Information System to support programme operations

1.4 Revision Process

As with all manuals, there will be a need for a regular review and revision process for the Programme Implementation Manual (PIM). This is particularly important for this manual because there are a number of known changes planned in the implementation of the programme, which – when fully designed and ready for roll-out – will need to be incorporated in the PIM.

This document has been designed in a modular format. This is to allow revisions to individual chapters of the PIM. When a chapter has been revised, it will be reissued with a new issue date and

revision number and distributed to the relevant institutions at federal, regional and woreda level who should then substitute the old chapter with the revised version.

The table below highlights some of the planned revisions and the chapters which they will effect. Other revisions may become apparent as operational experience is gained through the implementation of programme components and to take into account any changes in government systems:

Known change	Schedule and process	Revised modules to be released
Review and redesign of the grievance redress mechanism	EFY 2007 consultancy to review and revise grievance redress mechanism	Chapter 10
Design of a capacity development strategy	EFY 2007 consultancy to design a capacity development strategy	Chapter 16
Handover to MOLSA	Following the appropriate development of capacity in Labour and Social Affairs line departments	Chapters: 3, 4, 7, 8, 10, 12, 17 & 18
Development of MIS, food insecurity and poverty indices, and national household registry	Following design and piloting of each system	Chapter 16, Chapter 17, Chapter 7, Chapter 8 and Chapter 3

The process for revising the manual is as follows:

- Agreement that there is a need to revise one or more chapters (either during a Joint Review and Implementation Support Mission or by the Coordination and Management Committee) and the provision of guidance on the nature of revisions required.
- Tasking of specific individuals or teams (and any supporting consultants) to draft/revise the new chapters
- Review of the draft text by the relevant technical teams
- Approval of the revised chapter(s) by the Coordination and Management Committee or its delegates

Once a chapter or several chapters have been revised an update package will be released. This update package will include:

- A memo documenting the titles and module numbers of chapters attached
- A general description of revisions made
- Instructions for updating the manual

If two thirds or more of the manual are being revised at once, the full manual will be reissued.

CHAPTER 2 INTRODUCTION TO THE PROGRAMME

The Productive Safety Net Programme (PSNP) is Ethiopia's rural safety net for food insecure households. The programme covers households in Afar, Amhara, Dire Dawa, Harari, Oromiya, Southern Nations, Nationalities and Peoples (SNNP), Somali and Tigray, and targets households that are chronically and transitorily food insecure. The programme provides cash and/or food transfers to these households.

Households that have able-bodied adult labour engage in public works and receive transfers for 6 months of the year. Public works focus on integrated community-based watershed development, covering activities such as soil and water conservation measures, rangeland management (in pastoral areas), and the development of community assets such as roads, water infrastructure, schools, and clinics. These works contribute to improved livelihoods (through increased availability of natural resources including water and cultivatable land, soil fertility, increased agricultural production and improved market access), strengthened disaster risk management and climate resilience, and nutrition. The programme facilitates linkages with health and nutrition services, particularly for pregnant and lactating women who have antenatal care and nutrition-related co-responsibilities (soft conditionalities) as they transition to temporary direct support, but also for public works clients, whose participation in nutrition behavioural change communication (BCC) sessions counts towards their public works requirement.

Households without labour capacity, permanent direct support clients, receive 12 months of unconditional transfers and are linked with social protection services.

The programme provides technical assistance and training in livelihood activities (crop and livestock, off-farm, and employment) to clients to enable households to increase and diversify their incomes and build their assets. While many clients who participate in livelihoods activities are referred to credit providers, for the poorest households, the programme provides livelihood transfers that do not need to be repaid, helping them build their assets more rapidly while avoiding a cycle of indebtedness.

Together, these interventions aim to strengthen resilience, improve nutrition, and help households become food sufficient and, eventually, food secure.

2.1 Background and Context

PSNP Phases 1 and 2. Following the drought of 2002/2003, the Government of Ethiopia formed the New Coalition for Food Security to identify key actions to break the cycle of emergency appeals—which saved lives but did little to protect household assets—and comprehensively address food insecurity in Ethiopia. This process led to a number of initiatives, including the PSNP, which provided food and/or cash transfers to food insecure households in chronically food insecure woredas (those receiving food aid annually prior to 2005). Another, parallel programme - the OFSP - provided productive asset packages on credit and invested in socio-economic infrastructure in order to build household assets and enable graduation from the PSNP.

PSNP Phase 3. The following phase of the PSNP saw significant expansion and some important improvements in programme design and implementation. Building on the successes and lessons learned of the previous phase, the PSNP was expanded into two new regions (Somali and Afar);

improvements were made in the timeliness of transfers and the quality of public works, and there was an increasing shift from food to cash transfers. The OFSP was redesigned as HABP, designed to build household assets through improved technical assistance, business planning, and credit provision from appropriate financial institutions. This five-year phase was extended by six months and is due to end in June 2015.

The GoE’s current Growth and Transformation Plan (GTP) aims to enhance productivity and production of smallholder farmers and pastoralists; strengthen marketing systems; improve participation and engagement of the private sector; expand the amount of land under irrigation; and reduce the number of chronically food insecure households. The PSNP fits within this overall plan and contributes to four key policies: the Social Protection Policy, the Disaster Risk Management (DRM) Policy, the National Nutrition Programme (NNP), and the Climate Resilient Green Economy Policy (CRGE).

2.2 Programme Objectives

The objectives of the PSNP are articulated at 3 levels: the policy objectives, the programme goal and the programme outcomes. The extent of the contribution of the PSNP varies between these levels. With regard to the policy objectives, the PSNP is one of several programmes or interventions aiming to contribute to the achievement of these objectives. With respect to the programme goal, the PSNP expects to make a more significant contribution, although other interventions are also critical to achieving the goal (and achieving the goal is beyond the power of the PSNP alone). Progress towards achieving this goal and the contribution by the PSNP will be measured through its regular impact assessments. The programme outcome, on the other hand, is within the PSNP’s ability to deliver.

2.2.1 POLICY OBJECTIVES

Policy and Objective	Indicators
<p>Growth and Transformation Plan To become a country where democratic rule, good governance and social justice reign, upon the involvement and free will of its peoples, and once extricating itself from poverty to reach the level of a middle-income economy as of 2020-2025</p>	<ul style="list-style-type: none"> • Number of clients raised above poverty line.² • Total poverty-oriented expenditure as % of GDP.³
<p>Social Protection Policy To see all Ethiopians enjoy social and economic well-being, security and social justice</p>	<ul style="list-style-type: none"> • Number of safety net clients expressed as a percentage of people living below poverty line.⁴ • Number of safety net clients benefiting from fee waivers and nutrition-related conditionalities.
<p>Disaster Risk Management To reduce risks and the impacts of disasters through the establishment of a comprehensive and integrated disaster risk management system within the context of sustainable development.</p>	<ul style="list-style-type: none"> • Reduction in distress sales of assets by safety net clients as compared to previous similar disasters in operational areas. • Reduction in the number of children in operational areas affected by severe malnutrition⁵.

² PSNP’s contribution to the GTP indicator “Decrease in # of people living below the poverty line”. Measuring the “Number of clients raised above the poverty line” indicator will require panel data on per capita consumption/poverty. If this is not possible (e.g. through the Ethiopian Food Security Study or HICES), then this indicator will need to be adapted in order to be measurable.

³ GTP Indicator

⁴ At present there are not indicators included in the Social Protection Policy or Strategy. These indicators may need to be revised once a results framework for the strategy is developed.

Policy and Objective	Indicators
<p>Climate Resilient Green Economy To achieve the GTP goal of building Ethiopia into a middle-income country by 2025 in a way that is both resilient to the negative impacts of climate change and does not result in a rise in greenhouse gas emissions.</p>	<ul style="list-style-type: none"> • % of land covered by improved watershed and rangeland management structures and practices • Mt CO₂e sequestered in public works supported watersheds.⁶
<p>National Nutrition Programme To improve nutritional status of women and children in Ethiopia.</p>	<ul style="list-style-type: none"> • Reduction in % of stunting in children under 5 in operational areas⁷

2.2.2 PROGRAMME GOAL

The PSNP 4 has the following goal:

“Resilience to shocks and livelihoods enhanced, and food security and nutrition improved, for rural households vulnerable to food insecurity.”

While the PSNP is expected to make a substantial contribution to this goal, its achievement will also require support from other interventions as well as a more general enabling environment.

The PSNP’s contribution to achieving this goal will be regularly measured through programme impact assessments, using the following indicators:

- % of children age 6-23 months of age who receive minimum acceptable diet
- Household dietary diversity
- Average value of asset holdings
- Number of different income sources

The above indicators will be analysed to allow comparisons between PSNP clients, a control group (or counterfactual) and those who have exited the programme (graduates). This will allow an assessment of the impact of the programme on households participating in the programme, and the contribution of the programme to achieving sustainable livelihood security. Furthermore, data will be disaggregated to assess the differing impacts by gender of household head and gender of the household member participating in livelihood enhancing activities (whether credit or livelihood transfer).

2.2.3 PROGRAMME OUTCOME

The PSNP’s outcome is as follows:

“Enhanced participation in improved rural safety net, livelihood and nutrition services by food insecure female/male headed households”.

The PSNP’s achievement of this outcome will be realised through a combination of the expanding scale of the programme; improved quality of implementation; the introduction of instruments and tools which can enhance implementation and are one of the building blocks of a broader system;

⁵ PSNP’s contribution to the DRM SPIF indicators: “the reduction in the number of lives lost as compared to previous similar disasters, the reduction in the value of economic losses incurred as compared to previous similar disasters and the reduction in the number of people and children affected by severe malnutrition”

⁶ PSNP’s contribution to CRGE Strategy Indicator “Annual CO₂ emissions remain at 150 Mt CO₂e”

⁷ PSNP’s contribution to NNP indicator “% height for age”

and key activities that improve programme clients' access to key social services (particularly in relation to nutrition).

2.3 PSNP Principles

1. Fair and transparent client selection. Clients are selected through community-based targeting, with an effective appeal mechanism to address inclusion or exclusion errors. The client list is verified through public meetings during which it is read aloud and discussed. The final client list is also posted in public locations.

2. Timely, predictable and appropriate transfers. To create an effective safety net, clients must be sure that they can depend on the PSNP at all times. Transfers can be considered predictable if PSNP clients have timely knowledge of their eligibility for the programme, and they know what type of transfer they will receive, how much of this transfer they will receive and when they will receive it. A transfer is timely if it is provided to clients before or at the time during the year when they need the support. A timely transfer also takes place according to a planned transfer schedule. A transfer is appropriate if it meets the needs of households: cash is provided in settings where markets function well, while food is provided in areas where there is no food to purchase or food prices are extremely high. An appropriate transfer also has the same value whether it is provided in cash or food.

3. Primacy of transfers. Since the PSNP is primarily a safety net, ensuring that clients receive transfers takes priority over all considerations. Transfers should not be delayed for any reason, including those related to public works implementation.

4. Productive safety net. The PSNP is a productive safety net which means that it not only includes a commitment to providing a safety net that protects food consumption and household assets, but it is also expected to address some of the underlying causes of food insecurity and to contribute to economic growth in its own right. The productive element comes from infrastructure and improved natural resources base created through PSNP public works and from the multiplier effects of cash transfers on the local economy.

5. Tailored livelihood solutions. The PSNP provides livelihoods support that is tailored to 1) households and individuals according to their capacity, and 2) institutional capacity for each of three livelihoods pathways (crop and livestock, off-farm income generation, and employment).

6. Integrated into local systems. The PSNP is not a project but a key element of local development planning. PSNP plans are integrated into wider development plans at woreda, zone, region and federal levels.

7. Scalable safety net. The PSNP is scaled up when needed in the event of shocks to ensure that assistance is available to those households who need it most in PSNP woredas, to prevent them from becoming more food insecure. The PSNP can scale up to a predetermined ceiling; any transitory needs that cannot be met through the PSNP will be addressed through the emergency response system.

8. Cash first principle. When possible, cash should be the primary form of transfer. This assists with the stimulation of markets – since people spend their cash in local markets – and the move away from food aid. Food transfers are provided at times and places when food is not available in the market, or where market prices for food are very high. This protects PSNP clients from food shortages and asset depletion.

9. Gender equity. The PSNP is designed to respond to the unique needs, interests and capabilities of men and women to ensure that they benefit equally from the programme. This is done by promoting the participation of both men and women in PSNP decision-making structures and responding to women's responsibility for both productive and reproductive work and the differential access of female-headed households to resources.

2.4 Programme Elements

The table below summarises the five outputs of the PSNP, their key components and where to find further information on operationalizing these components in the manual:

Outputs	Key Components	PIM Chapter
Output 1: Prioritised instruments and tools in place to support an effective system for Social Protection and Disaster Risk Management	• Targeting (programme entry and exit)	Chapter 3 (Programme Entry and Exit)
	• Management information systems (MIS)	Chapter 17 (Monitoring and Evaluation)
	• Mapped public works data based	Chapter 17 (Monitoring and Evaluation)
	• Single registry	Chapter 3 (Programme Entry and Exit)
	• Disaster risk management system	Chapter 11 (Continuum of Response)
	• Planning, coordination and governance	Chapters 4 (Planning) and 18 (Institutional Arrangements)
	• Social accountability and grievance redress mechanism	Chapter 10 (Social Accountability and Complaints and Grievances)
	• Capacity development	Chapter 16 (Capacity)
Output 2: Appropriate, timely and accessible transfers received by male and female clients	• Provision of transfers (food and cash) for public works clients (six months of support), temporary direct support (six months), and permanent direct support (12 months)	Chapters 7 (Permanent direct support Component) and 8 (Public Works and Links to Social Services Component)
	• Operationalization of risk management tools which allow safety net transfers to be scaled up in response to shocks	Chapter 11 (Continuum of Response)
Output 3: Sustainable community assets built up and access to social services enhanced	<ul style="list-style-type: none"> • Planning and construction of public works that contribute to livelihoods, nutrition and other social services, climate resilience and DRM • Expansion of public works to include participation in BCC, literacy and financial literacy • Soft conditionalities which link temporary direct support clients to existing health and nutrition services 	Chapters 4 (Annual Planning), 6 (Periodic Planning) and 8 (Public Works and Links to Social Services Component)
Output 4: Clients' livelihood opportunities facilitated through three pathways: crop and livestock, off-farm income generation, and employment	<ul style="list-style-type: none"> • Basic training and technical support (e.g. financial literacy and savings) • Tailored technical support to three livelihood pathways • Referral of households to credit service providers • Provision of livelihoods transfer 	Chapters 4 (Annual Planning), 6 (Periodic Planning) and 9 (Livelihoods Component)

Outputs	Key Components	PIM Chapter
Output 5: Effective management and operational processes in place to manage the programme	• Human resource management	Chapter 16 (Capacity)
	• Accountable programme management systems with strengthened monitoring and evaluation function	Chapters 17 (Monitoring and Evaluation) and 18 (Institutional Arrangements)
	• Accountable budgeting and financial management	Chapter 12 (Financial Management)
	• Accountable food management systems	Chapter 13 (Food Management)
	• Accountable procurement systems.	Chapter 14 (Procurement)
	• Accountable asset management systems	Chapter 15 (Physical Resource Management)

2.5 Programme Safeguards

The PSNP has a variety of safeguards designed to ensure that the programme does not have any negative environmental or social impacts. These safeguards are outlined below by programme element.

Element of programme	Safeguard
General	Charter of rights and responsibilities Grievance Redress Mechanism Social accountability
Programme entry and exit	Public posting of client lists Appeals through Grievance Redress Mechanism One year grace period for graduation
Payments	Client cards and PASS Grievance Redress
Public works	ESMF Community review of PSNP Public Works plans presented at kebele level, after woreda Food Security Task Force approval.
Livelihoods	ESMF Grievance Redress
Resource Management	Audits

2.6 Scale and Scope

The PSNP 4 will scale up to a national rural programme. The programme will scale up systematically so as to ensure that capacity is built before programme implementation begins in each area. The scaling up of the programme will build on the residual caseload and phase in the introduction of households and woredas experiencing the greatest vulnerability in the existing programme regions.

Eventually the PSNP will cover all regions in the country except Gambella and Benishangul Gumuz⁸ and become a national programme. The estimated maximum annual programme caseload will be 10 million clients, consisting of 8.3 million chronic food insecure clients and the capacity to support an additional 1.7 million transitory clients if need exists. Transitory needs will be determined using data generated by the early warning system through a joint seasonal assessment conducted in December each year.

⁸ These regions are covered by other government programmes

As clients graduate, new clients will be added on a needs basis, using the targeting system, as long as there are unmet needs in the country.

The programme will also build strategic linkages between the development of the rural safety nets and the urban safety net (under development with the Ministry of Urban Development, Housing and Construction) to ensure consistent coverage using complementary tools and a consistent approach.

The PSNP retains previous phases' focus on food insecurity and poverty as the key criteria for selecting programme clients. However, within this poverty focus specific services will be targeted so that the particular needs of categorical groups (elderly, young children, pregnant and lactating women) can be better addressed.

2.7 What's Different in this Phase of the PSNP

The PSNP 4 builds largely on the successes and lessons learned from the current phase, with a number of important innovations:

1. **Transition to a system of integrated service delivery:** This phase sees the transition from a series of time-bound programmes to the development of an efficient and effective system for delivering elements of social protection and disaster risk management.
2. **Integration of the livelihoods component within the PSNP:** The two sets of interventions – safety net activities and livelihoods activities – are merged into one integrated programme with a common log frame.
3. **An increase in the value of the transfer:** The increase in value of the transfer to 15 kg of cereals and 4 kg of pulses allows for improved levels of consumption as a result of the increased kilocalorie value and higher protein and fat contents, as well as more significant contribution to resilience and asset protection because of its higher value.
4. **Twelve months of support for permanent Direct Support clients:** The move to year-round transfers recognises the greater needs of households who have no adult able-bodied support and provides these extremely vulnerable households with the support they need.
5. **Strengthened continuum of response:** The continuum of response further strengthens the current mechanisms which allow the programme to scale up in response to both localised and more widespread shocks through greater decentralisation of decision making and clear triggers and mechanisms.
6. **Greater flexibility in public works:** This greater flexibility allows the programme to increase its impact in the areas of social infrastructure, nutrition, climate resilience and disaster risk management.
7. **Expansion of conditionalities beyond previous public work focus:** The previous PIM allowed for some skills training and behaviour change communication; this PIM establishes mechanisms to ensure that this is a widely implemented part of the programme.
8. **Support to three livelihood pathways to graduation:** The three pathways are crop and livestock; off-farm income generation and employment. Each pathway is supported with better tailoring and sequencing of interventions. In addition the use of livelihoods transfers for the most vulnerable households – for whom credit is not an option – is introduced.
9. **MOLSA to gradually assume responsibility for permanent direct support clients:** based on the planned capacity review and in line with the development of MOLSA capacity, the PSNP will gradually transition the Permanent Direct Support clients over to the responsibility of MOLSA while ensuring common systems for targeting and implementation are used (e.g. the single registry).

10. A **strengthened focus on gender equity**: gender equity is one of the eight principles that have guided PSNP implementation to date,⁹ but provisions intended to enhance women’s equal participation and increase their benefit have been not fully realised. Hence, the PSNP more systematically addresses gender-related concerns, particularly in the areas of nutrition, household asset management, and community cohesion, in order to make meaningful strides towards sustainable and gender equitable development outcomes.
11. **Gradual increase in Government of Ethiopia’s financial contribution**: In line with Government of Ethiopia commitments to increase domestic financing of social protection, the PSNP 4 will see a gradual increase in Government of Ethiopia’s financial contribution to the services this programme supports, with the goal of putting the programme “on budget” within a ten-year period. The total value of the GoE’s contribution is estimated at approximately USD 500 million, of which approximately USD 285 million will be provided as a cash contribution that will be incorporated in the annual PSNP budget and will be deposited into the pooled local currency account.

⁹ MoARD, 2010. PSNP Programme Implementation Manual Final October 2010, Addis Ababa

PSNP IV Programme Implementation Manual

Part 2: Planning and Preparatory Activities

Version 1.0

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3.1 Introduction

This chapter of the manual describes the processes for identifying households eligible for the various components of the PSNP. It describes how they should be identified for entry into the programme (targeting) and the criteria by which they should exit from the programme (graduation).

There are four core components of the programme from which individual households receive benefits and therefore resources need to be targeted. These components and the key criteria of eligible households are summarised in the table below:

Component	Selection criteria
Permanent direct support component (previously known as permanent direct support)	<ul style="list-style-type: none"> • Community member • Chronically food insecure - faced continuous food shortages (3 months of food gap or more per year) in the last 3 years • Those who have become suddenly food insecure as a result of a severe loss of assets (financial, livestock, means of production, assets), especially if linked to the onset of severe chronic illness, such as AIDS • No adequate family support and other means of social protection and support <p style="text-align: center;">and</p> <ul style="list-style-type: none"> • No adult-able bodied labour¹⁰
Public works and temporary direct support component	<ul style="list-style-type: none"> • Community member • Chronically food insecure - faced continuous food shortages (3 months of food gap or more per year) in the last 3 years • Those who have become suddenly food insecure as a result of a severe loss of assets (financial, livestock, means of production, assets), especially if linked to the onset of severe chronic illness, such as AIDS • No adequate family support and other means of social protection and support <p style="text-align: center;">and</p> <ul style="list-style-type: none"> • With at least one adult member able to participate in public works¹¹
Livelihoods component: Livelihoods technical support	<ul style="list-style-type: none"> • Is a member of a household benefiting from either the permanent direct support or the public works and temporary direct support component <p style="text-align: center;">and</p> <ul style="list-style-type: none"> • Self-selects to participate in the livelihoods component. If more clients are interested in participating than there are resources to support them, communities will undertake a targeting exercise to prioritise which interested households will receive livelihoods support during the year. <p style="text-align: right;">See Part 2, Chapter 4 (Annual Planning) for details on this self selection process</p>
Livelihoods transfer	<ul style="list-style-type: none"> • Is a member of a household benefiting from either the permanent direct support or the public works and temporary direct support component <p style="text-align: center;">and</p> <ul style="list-style-type: none"> • Has been selected through a community process as needing additional support before being able to embark on livelihood investments. Communities will be instructed to prioritise female household heads, landless youths, members of the poorest households, members of other households for whom credit is not an option. A household may only be targeted for one livelihoods transfer.

¹⁰ At least one household member who is over 18, not suffering from chronic illness, under the age of 60 and not mentally or physically challenged.

¹¹ A person temporarily unable to participate in public works, for example because they are pregnant, would qualify. But for the duration of their pregnancy and the first year they breast fed their child they would be referred to temporary direct support.

Risk management component	<ul style="list-style-type: none"> • Households who have successfully appealed wrongful exclusion from PSNP transfers • Households who have at least one malnourished child under the age of five who receive Targeted Supplementary Food or benefits from Community Management of Acute Malnutrition • Households who have been affected by a shock <p style="text-align: center;">See Part 3, Chapter 11 (Risk Management) for further details regarding selection criteria and targeting approach.</p>
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Households whose food security status has improved sufficiently that they no longer need transfers are expected to graduate from the programme. The key criteria for graduation is that

“households achieve food sufficiency in the absence of external support”

Both targeting and graduation use a combination of administrative and community targeting, the combination of which is described in the sections below.

3.1.1 WHAT’S NEW IN THIS VERSION OF THIS CHAPTER

- Introduction of a household cap of five persons per household
- Separation out of periodic targeting from annual recertification
- Summary of how to operationalize the graduation prediction system and identification of graduate households
- The development and piloting of a food insecurity/poverty index to support targeting
- The design and testing of a single registry of clients or national household registry
- Clarification on how to address polygamous households during targeting
- Introduction of flexibility in targeting approaches used in lowland operational areas
- Expansion of the programme into new woredas with a significant recurrent emergency caseload
- Expansion of programme in existing woredas to address unmet chronic food insecurity.

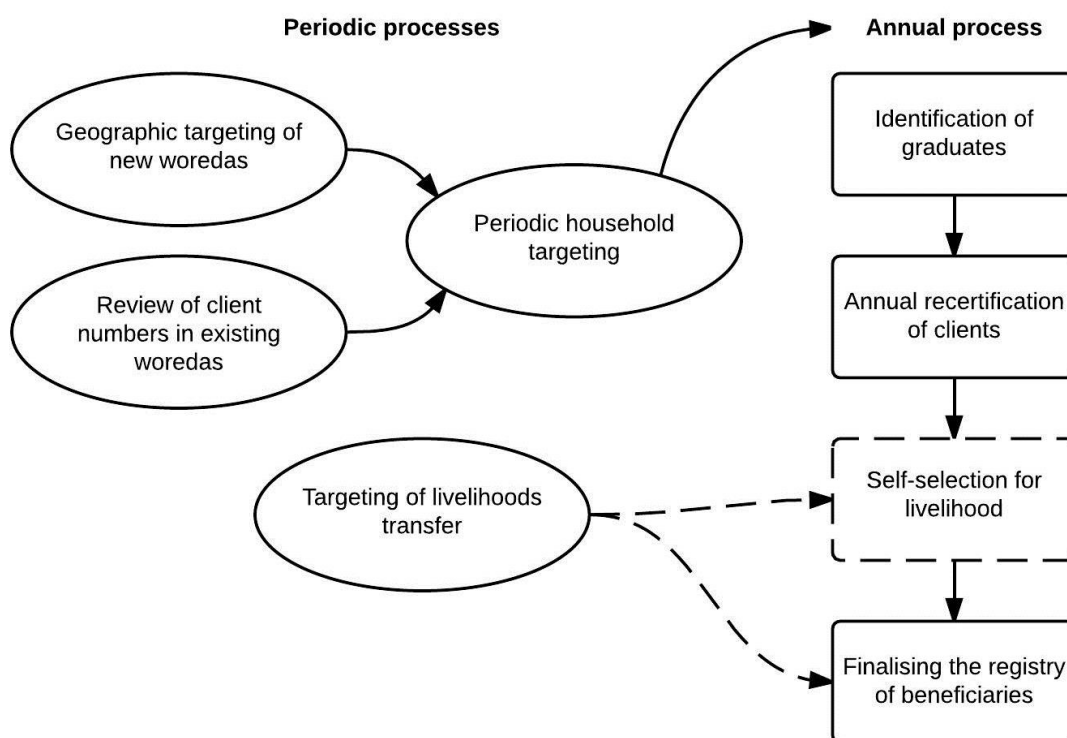
3.2 Key Principles for Programme Entry and Exit

- **Participatory approach.** Communities should be involved in the selection of programme clients and have an opportunity to verify and validate the final selection list
- **Fairness.** Households should be selected on the basis of entry criteria and not included or excluded on the basis of personal relationships or discrimination.
- **Transparency.** Communities and households should be aware of the selection criteria and those who have been identified in the programme. The client list is verified through public meetings during which it is read aloud and discussed. The final client list is also posted in public locations.
- **Access to an appeals mechanism.** Households will have access to an effective appeal mechanism to address inclusion or exclusion errors.
- **Evidence based graduation.** Graduation should be based on case-by-case, evidence-based assessment of a household’s circumstances compared to relevant, realistic criteria. Identification of graduate households is in no way linked to policy targets for graduation.
- **Safeguards against premature graduation.** Households are provided with 12 months notice of the fact will stop receiving core safety net transfers

3.3 Overview of processes for programme entry and exit

The flow chart below provides an overview of the key processes involved in programme entry and exit. As can be seen these key processes can be split into those which take place periodically (every three to five years) and may involve new woredas, and those which take place annually.

Figure 3.1: Flow Chart Indicating Key Targeting Processes



3.4 Roles and Responsibilities in Programme Entry and Exit

Federal Food Security Coordination Directorate	<ul style="list-style-type: none"> • Identify woredas with a recurrent emergency caseload for future inclusion in the programme • Review the number of clients for each existing or new woreda on the basis of the recurrent emergency caseload • Identify the order in which the roll-out should happen to new woredas on the basis of levels of need and the existence of key capacities • Take the lead in developing and piloting the poverty index to support targeting in discussion with MOLSA • Support the development the National Household Registry in consultation with FSCD and MOLSA
Early Warning and Response Directorate	<ul style="list-style-type: none"> • Support the identification of woredas with a recurrent emergency caseload for future inclusion in the programme • Support the review of the number of clients for each existing or new woreda on the basis of the recurrent emergency caseload
MOLSA	<ul style="list-style-type: none"> • Take a lead in developing the National Household Registry in consultation with FSCD. • Support the development and piloting the poverty index to support targeting

Regional Food Security	<ul style="list-style-type: none"> • Support the ordering of the roll-out to new woredas by providing information on the existence of key capacities • Support training and capacity building for woredas targeted for expansion • To print and distribute client cards
Woreda Food Security Task Force	<ul style="list-style-type: none"> • Select any new kebeles for inclusion in the programme following geographical targeting or expansion in client numbers • Review how any additional client numbers should be allocated across kebeles. • Approve the overall client list for the woreda
Woreda Food Security Desk	<ul style="list-style-type: none"> • Contract photographer for client cards • Distribute client cards to each kebele
Woreda Office of Labour and Social Affairs	<ul style="list-style-type: none"> • Contribute to targeting processes as a member of the WFSTF
Livelihoods Zone Assessment Group	<ul style="list-style-type: none"> • Apply the graduation prediction system and agree projected number of graduates per kebele
Kebele Food Security Task Force	<ul style="list-style-type: none"> • Discuss and agree allocation of client numbers between different communities • Review and approve the client list generated by the CFSTF • Support distribution of client cards
WOLSA Social Worker (where available)	<ul style="list-style-type: none"> • Contribute to targeting processes as a member of the KFSTF
Kebele Appeals Committee	<ul style="list-style-type: none"> • Hear any targeting or graduation related appeals
Community Food Security Task Force	<ul style="list-style-type: none"> • Complete household targeting for safety net transfers in accordance with the PIM • Complete client targeting for livelihoods transfers in accordance with the PIM • Brief community on final client list and raise awareness on complaints procedures • Identify potential graduates using wealth ranking • Conduct annual recertification of programme clients
Community Care Coalitions	<ul style="list-style-type: none"> • Contribute to targeting processes as members of the CFSTF or the KAC¹²

3.5 Periodic processes

3.5.1 FEDERAL LEVEL GEOGRAPHIC TARGETING OF NEW WOREDAS

Geographic targeting describes the selection of regions, woredas and kebeles for inclusion in the PSNP programme. Targeted areas are selected because of the prevalence of chronic food insecurity as indicated by recurrent emergency needs.

¹² Individual CCC members may either be members of the CFSTF or the KAC. One person cannot sit on both the CFSTF and the KAC because of the need for separation of responsibilities.

Programme expansion will take a phased approach with some woredas selected for the roll-out of expansion in EFY 2008, others in EFY 2009, etc.

The following is the basis for future geographic targeting in the programme:

- The programme continues to operate in eight regions of Ethiopia: Tigray, Amhara, Oromiya, SNNP, Afar, Dire Dawa, Harari and Somali.
- Woredas previously included in the programme will continue to be covered by the PSNP
- Within these woredas, new households will be accepted for inclusion in the programme if they have received emergency relief assistance in three years preceding 2014.
- New woredas will be accepted for inclusion in the programme if they have received emergency relief assistance in three of the five years preceding 2014.
- The order in which the programme will roll-out to new woredas will be decided on the basis of a) the level of needs and b) existence of key capacities (minimum staffing levels, financial /food management etc.).

The following five steps summarise this expansion in geographic targeting by the Food Security Coordination Directorate (FSCD), in coordination with the Early Warning and Response Directorate (EWRD):

Step 1: Identification of woredas with a recurrent emergency caseload (this is defined as those woredas receiving emergency relief assistance in three of the five years preceding 2014).

Step 2: Assessment of the likely number of programme clients in each of these woredas based on the average number of relief beneficiaries.

Step 3: Identification of woredas to be targeted in the roll-out for the next financial year based on a) the level of needs and b) existence of key capacities (minimum staffing levels, financial/food management and other capacity requirements detailed in Part 2, Chapter 16 (Systems Building and Capacity). This assessment of capacity will be one by the FSCD in coordination with regional food security offices and development partners. The final list of woredas to be targeted in each financial year's roll-out will be approved by the Joint Strategic Oversight Committee (JSOC).

Step 4: Training and capacity building in woredas targeted in the first wave of new roll-out

Step 5: Launch of the programme in new woredas

(Steps 3-5 will then be repeated for all subsequent woredas identified for roll-out)

3.5.2 FEDERAL LEVEL REVIEW OF CLIENT NUMBERS IN EXISTING WOREDAS

In addition to geographic targeting of new woredas, Step 2 above will also be used to review the number of clients in existing woredas to ensure the inclusion of all chronically food insecure households.

3.5.3 WOREDA SELECTION OF KEBELES AND ALLOCATION OF CLIENT NUMBERS

Selection of kebeles supported by the programme is done by the Woreda Food Security Task Force who will consider kebeles have been in receipt of recurrent food assistance (for at least three of the past five years). When the programme rolls-out to new kebeles (whether in existing safety net woredas or in new woredas there will be to establish key structures at woreda kebele, and community level including the Woreda, Kebele and Community Food Security Taskforces. Information on the composition (including requirements for women's participation) and

responsibilities of these taskforces and other key committees and institutions can be found in Part 6, Chapter 18 (Institutional Arrangements).

Woredas also use information on recurrent receipt of emergency assistance to identify how any increase in client numbers should be divided amongst kebeles in the woreda.

3.5.4 PERIODIC HOUSEHOLD TARGETING FOR SAFETY NET TRANSFERS

A full retargeting of safety net client households should take place every three to five years. This full retargeting will provide a greater opportunity to correct any inclusion and exclusion errors than is possible by an annual recertification exercise. Triggers for a targeting or re-targeting exercise include:

- Inclusion of a new area into the safety net programme (and the need to do initial programme targeting)
- Significant changes to client numbers as a result of the above federal level review of client numbers in existing woredas
- Identification of significant inclusion and exclusion error through periodic spot-checks
- The fact that it has been more than four years since the previous targeting exercise

The key steps in household targeting (in new woredas and kebeles) or retargeting (in existing safety net kebeles) at the kebele and community levels are as follows:

3.5.4.1 Kebele

Step 1: The Kebele Food Security Task Force (KFSTF) receives information on the number of PSNP clients allocated to their kebele. If this number is significantly different from what they were anticipating (based on previous years' experience and their knowledge of any graduation which has been agreed within the kebele) they should immediately report their concerns to the woreda Food Security Desk and seek clarification. The KFSTF may also receive guidance from the WFSTF on specific criteria to be used within the woreda for the identification of clients. Such criteria will be related to locally relevant indicators of poverty such as livestock holdings, land size, access to irrigation, and other locally predominant assets (fruit trees, timber trees, perennial crops, employment status, receipt of remittances, small businesses etc.).

Step 2: The KFSTF will discuss and agree on the specific allocations that will be passed onto the Community Food Security Task Forces which cover the kebele. In discussing and agreeing on these allocations the KFSTF should consider the following criteria:

- Previous years' PSNP allocations
- Number of households and household members who have graduated from the PSNP in previous years.
- Any serious events which may have affected the number of chronically food insecure households (severe droughts or other disasters).
- Prevailing conditions affecting food security within different areas of the kebele (agro-ecology, access to irrigation, soil quality and degradation, etc.).

Step 3: The KFSTF informs the CFSTFs of their respective PSNP client number allocations. If this number is significantly different from what the CFSTFs were anticipating (based on previous years' experience and their knowledge of any graduation which has been agreed within the kebele) they should immediately discuss their concerns with the KFSTF and seek resolution. If any issues cannot be resolved within the kebele, the complaint should be passed on to the WFSTF for clarification and resolution.



Temporary Direct Support

Pregnant and lactating women (up to one year after birth) and primary care-givers of malnourished children transition to temporary direct support. This means that at least one per person transfer is provided to their household without a public works requirement. The identification of **temporary** direct support clients is not a major focus of periodic household targeting, because household members eligibility for temporary direct support varies over time – not only year to year but even within the annual cycle of safety net implementation.

However, during periodic targeting any household members eligible for temporary direct support will be noted and referred to the relevant social services as outlined in Section 8.4 below and Part 3, Chapter 8 (Public Works and Links to Social Services Component), Section 8.3 for further details.

3.5.4.2 Community

The CFSTF has the main responsibility for identifying which households are within the PSNP, and whether these households should participate in public works and temporary direct support component or the permanent direct support component.

The key decision making process followed by the CFSTF is as follows:

Step 1: Identify household in need of safety net transfers: In conducting new targeting or undertaking a retargeting exercise, the CFSTF should refer to the following basic and supplementary criteria for targeting PSNP support to identify those households that should be eligible for safety net transfers (at this stage there is no need to distinguish whether permanent direct support or public works):

Basic PSNP eligibility criteria:

- The households should be members of the community
- Chronically food insecure households who have faced continuous food shortages (3 months of food gap or more per year) in the last 3 years
- Households who suddenly become more food insecure as a result of a severe loss of assets (financial, livestock, means of production, assets), especially if linked to the onset of severe chronic illness, such as AIDS, or other debilitating conditions, and who have been unable to support themselves over the last 3 to 6 months
- Households without adequate family support and other means of social protection and support

Supplementary criteria to assist in the refinement of the client list (further guidance on supplementary criteria may be provided by the WFSTF and forwarded by the KFSTF):

- Status of household assets: land holding, quality of land, livestock holding, food stock, labour availability etc.
- Income from agricultural and non-agricultural activities
- Specific vulnerabilities such as female-headed households, households with members suffering from chronic illness, elderly headed households caring for orphans etc.
- Where resources are available and other factors are equal, consider also the needs of poor and vulnerable pregnant and lactating women

Step 2: Assess the household's eligibility for the public works or permanent direct support component. Households with adult able-bodied labour should be selected for the public works and links to social services component. The following criteria should be used to determine whether an individual household member should be counted as an able-bodied adult:

- The household member should be above the age of 16.

- The household member should not be chronically sick, disabled or mentally challenged in such a way as to prevent them from undertaking work

If there are no members of the household who comply with the above criteria, then the household is considered eligible for permanent direct support. Households with at least one member meeting the above criteria are considered eligible for public works and links to social services.



Pregnant women and lactating mothers

Pregnant women and lactating mothers must not participate in public works but are still eligible for the public works and links to social services component. Within this component they are designated a temporary direct support client (from the moment the pregnancy is identified by a health agent and until the child is one year old) and requested to comply with co-responsibilities which will improve the health and nutrition of themselves and their child.

Step 3: Assess the application of the labour cap for households eligible for the public works and links to social services component. Households considered eligible for public works should be reviewed to assess the number of able-bodied adults and determine whether or not the household should be included fully as public works, or whether a cap should be set on the amount of labour the household will provide.

Step 4: Targeting up to the household cap of five. If a household is identified as being eligible for the PSNP, all household members will be listed as clients of the programme. However, transfers will only be provided for up to five household members and the public works requirement will be based on the number of transfers the household is receiving. For households of five and under, all family members, regardless of their age, will be listed and eligible for a transfer.



Listing of all household members

Even though transfers will only be provided for up to five household members, all household members should be documented during the targeting process. This will allow better documentation and recording of other services the household is receiving (such as temporary direct support) and will become an input into the single registry when it is developed.

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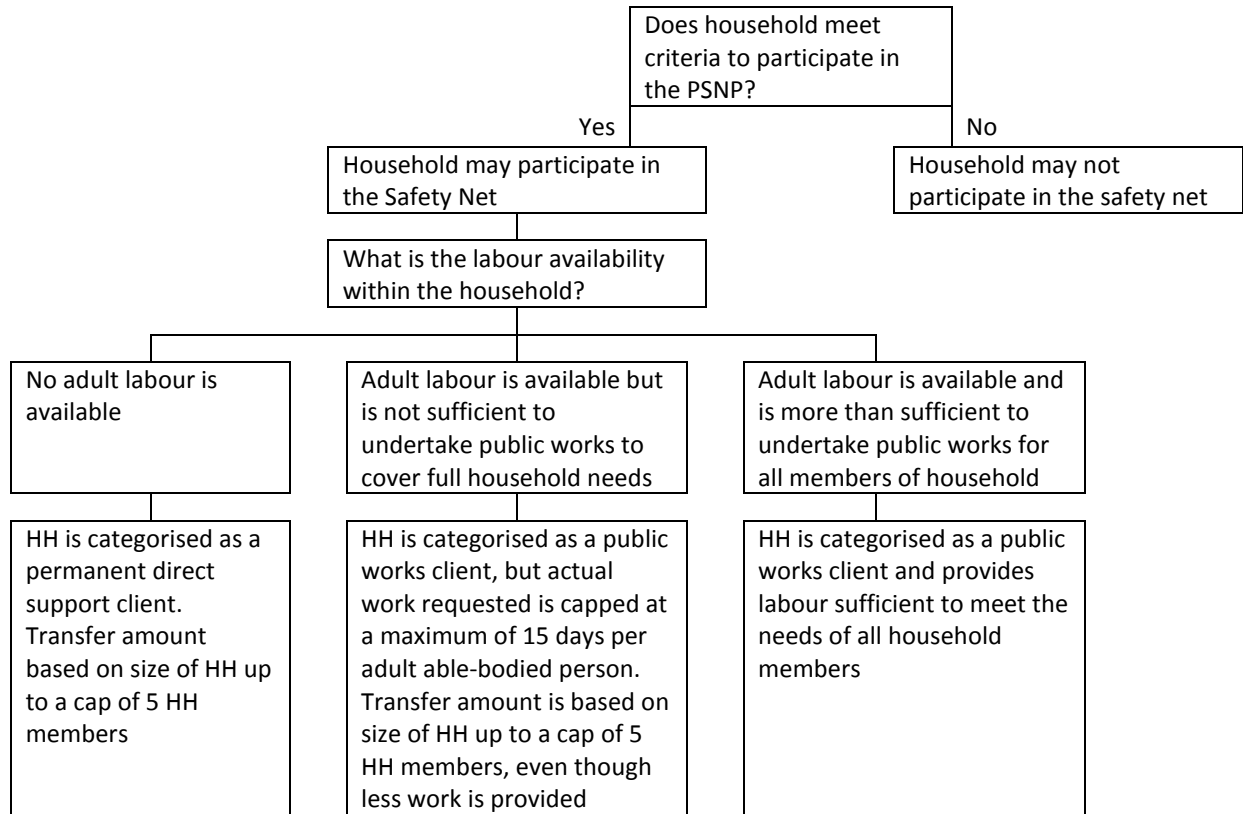
Illustration of how to operationalize steps 2, 3 and 4 above.

HH ID	Total HH Size a)	Number of able-bodied adults b)	HH category: public works (PW) /permanent direct support (PDS)	Number of HH members provided with transfer a) up to maximum of 5	Monthly transfer entitlement c) x 100 Birr	Monthly work requirement c) x 5 days, up to a maximum of b) x 15
001	2	0	PDS	2	200	0
002	3	1	PW	3	300	15
003	7	3	PW	5	500 (HH cap)	25
004	5	2	PW	5	500	25
005	5	1	PW	5	500	15 (labour cap)

Note: the basis of these calculations is the wage rate of 20 Birr per day. Actual wage rates vary from woreda to woreda and are adjusted annually for inflation.

The above steps can be summarised in the decision tree below:

Figure 3.2: Determining Household Eligibility



Further considerations that influence targeting include:

Polygamous families: For the purposes of safety net targeting each wife and her children should be counted as one household, with the husband only being counted in one of the households. Each of these separate households should be assessed as to whether or not they should be eligible for the PSNP. For those households considered eligible for the PSNP, the transfer each household receives, and associated work requirements, will be calculated separately.

Divorce: In the case that a husband and wife become divorced during the course of their inclusion in the PSNP, all family members residing in the kebele should continue as clients for the year. The transfer each household receives should correctly reflect the number of family members dwelling together. For example, if the children reside with their mother, she should receive their transfer, while the father would receive a payment for himself only. The next year, during the recertification exercise, the food security status of the separate households should be assessed to determine their eligibility for the PSNP, with each household being treated equally.¹³

Duration of client eligibility: Clients will remain in the PSNP for multiple years until they reach the graduation threshold. They will not be excluded from the PSNP through the annual recertification exercise if they are better off but do not meet the criteria for graduation.

Step 4: If community targeting of the livelihoods transfer is being done at the same time as targeting of safety net transfers, the CFSTF will at this point apply the wealth ranking techniques to identify

¹³ If one of the divorced parties moves to another PSNP kebele, she or he should register with the KFSTF in the new kebele; and will be eligible for consideration for inclusion through the appeals process and contingency budget, and for consideration for inclusion during the recertification process next year.

the poorest PSNP client households, as well as female-headed households, households with landless youth¹⁴, and others for whom credit is not an option for receipt of the livelihoods transfer (see section 3.5.7 for further details).

Step 5: The results of the targeting processes, the list of eligible households, and whether they are categorised for permanent direct support or public works will then be verified by the wider community. In order to ensure adequate input into this verification process, the list of proposed participants will both be displayed in a public place and discussed during a full general meeting of village residents.

The proposed list of participants, and their eligibility for permanent direct support or public works, will be displayed in public for at least a week prior to a full general meeting of village residents. During this meeting, the CFSTF will present the full targeting process and the results. The CFSTF will then allow a thorough discussion by community members, which will result in changes to the list if the community does not agree with the assessment of the CFSTF. The meeting should be concluded when there is broad agreement on the list of PSNP participants.

For more details, please refer to the Targeting Guidelines (available from FSCD).

3.5.4.3 Submission of client list for approval to woreda food security task force

Following community verification, the CFSTF will finalise the list of PSNP participants and forward it to the KFSTF for approval and further action. The KFSTF will collect the participant lists from all CFSTFs prior to compiling a full list for the kebele to be forwarded to the WFSTF for verification, approval, and/or necessary adjustment. This process may include minor adjustments in proposed client numbers (deviations from the originally projected allocations).

Once the list of PSNP clients is approved, the CFSTF briefs the community on the final list and raises awareness that they can raise complaints through the appeals committee (see Section 3.5.5 below).

The list of PSNP clients submitted to the woreda and the list that is approved by the woreda should be posted in a public location in the woreda and kebele centres.

3.5.5 KEBELE APPEALS PROCESS

An appeals process has been established for all aspects of PSNP implementation as part of the Grievance Redress Mechanisms (see Part 3, Chapter 10 (Social Accountability and Grievance Redress Mechanism) for further details) and includes a Kebele Appeals Committee and access to the Woreda Cabinet for unresolved complaints.

As described in Part 3, Chapter 10 (Social Accountability and Grievance Redress Mechanism), the Kebele Appeals Committee meets quarterly. One of these meetings will be convened within one month of a new annual listing of PSNP participants being produced to hear appeals related to the client selection process. During this meeting any appeals regarding selection will be heard whether it is from households who believe they were wrongly excluded during the targeting process, or complaints of inclusion error. The KAC members will review the evidence and make their recommendations on how the cases should be resolved. The KAC will have provided a listing of the appeals and the associated resolutions to the Kebele Council, Woreda Council and Woreda Agriculture Office.


¹⁴ This criterion is primarily relevant to highland areas and riverine areas in the pastoral lowlands. Pastoral lowland areas that are not riverine may consider prioritizing households with unemployed youth and/or pastoral drop outs.

Further details on appeals and the Grievance Redress Mechanisms can be found in Part 3, Chapter 10 (Social Accountability and Grievance Redress Mechanism).

3.5.6 ISSUING OF CLIENT CARDS BY WOREDAS AND KEBELES

Once the targeting process has been completed, and the participant list approved by the WFSTF (and after subsequent approval from regional and federal levels), all PSNP clients will be issued with a Client Card. The costs associated with issuing a Client Card are covered by the woreda administrative and regional management budgets in all woredas. Under no circumstances will PSNP clients be asked to pay for a Client Card.

All PSNP client households must hold a PSNP Client Card, with the photograph and signature of both spouses.¹⁵ However, delays in issuing client cards will not delay payments. Card is proof that a household has been targeted for the programme, and thus improves the security and predictability of their transfers. The Card also details how many days each household must participate in public works and the level of transfer they will receive. This provides clear information on the type of transfer each household can expect to receive, and provides clients certainty of their inclusion in the programme and on their entitlements. If a household is eligible for a livelihoods transfer (see Section 3.5.7), this will also be indicated on the card. A copy of the Client Card is included as Annex 3.1.

**Use of Client Cards**

The use of the Client Cards reduces the risk of rotation of households on and off the programme. It also improves the security of the transfer mechanism by ensuring clients' attendance during payments. This is because each client must present their card if they are to receive their payment; without presenting their card they will not receive payment. All clients must be informed of the requirement to bring their Client Card with them on each payment day. A member of the CFSTF may be delegated to collect transfers on others' behalf if no-one from the household is able to attend. In this case the representative takes the Client Cards and returns them to the clients with their transfers.

Client cards are printed by the regions and issued to woredas, which ensure that each card has a serial number written at the bottom of it. The correct number of cards (based on the planned number of PSNP clients in the respective kebele (plus five extras to account for error or loss) are then issued to each kebele.

The following steps are taken to issue client cards at kebele level.

Step 1: The Kebele Administration (KFSTF or Administrator) collects cards with written serial numbers from woreda based on the planned number of PSNP clients as above.

Step 2: The Woreda FSD/P contracts a photographer to take photographs of each client. A schedule should be created and communicated to kebele officials by the woreda FSD/P, identifying when photos will be ready for distribution by the photographer or for pick-up by kebele officials. Kebele officials, based on the schedule, call client households for their photos to be taken. Client Cards are issued to PSNP clients free of charge. Any costs associated with this process are covered by the PSNP through the woreda administrative budgets. Clients should not pay for the photographs nor for any other part of the Client Card, or any other PSNP process.

¹⁵ In the case that there is only one adult, the Client Card carries his or her photograph and signature.

Step 3: After photos have been received, kebele officials meet with household clients individually to fill out the card and affix the photo. Clients (household head and spouse) should also sign the card after they approve that the information entered is correct.

Step 4: Cards are then taken to the woreda office for final authorisation (this includes entering the PASS ID or National Household Registry ID¹⁶ number into the client card). At this time, kebeles return any voided or unused cards to the woreda. All voided cards are filed and all unused cards are stored in a safe place at the woreda office.

Step 5: Kebeles collect cards from woreda and bring back to kebele to distribute to clients. Kebele officials must confirm that all clients have received a card. If a household has not received a card, kebele officials should immediately take appropriate actions to ensure that a card is assigned.

If a card is lost, this loss should be reported immediately to the Kebele Administration who will request an additional card from the woreda and re-issue a new card.

When a client graduates or decides to leave the PSNP he/she hands in the Client Card to the KFSTF, which will arrange for the card to be stamped 'Graduated' thereby rendering the client ineligible for PSNP transfers.

Other card management issues:

- Cards will be renewed, as required, on an annual basis following the annual recertification process, by the Kebele Chair on the recommendation of the KFSTF. The cards can remain valid for five years. The renewal is done by indicating the year and receiving an official stamp.
- The expected transfer type is filled out at the time the card is issued or renewed using columns for cereal and pulses when necessary.
- Client Cards are non-transferable. Households may not sell their card nor exchange their card for any other benefits.
- If a household divorces, household head or spouse dies, and or marries the Client Card is re-issued with the new amended details following the next annual recertification.

3.5.7 COMMUNITY TARGETING OF THE LIVELIHOODS TRANSFER

Livelihoods transfers, described in more detail in Part 3, Chapter 9 (Livelihoods Component), are also targeted using a community targeting process. Livelihoods transfers are limited to members of households that are benefiting from either the permanent direct support or the public works and temporary direct support component and are deemed by the community as being in need of additional support before being able to embark on livelihood investments.

The CFSTF will prioritise the poorest PSNP client households (using wealth ranking techniques), female-headed households, households with landless youth¹⁷, and others for whom credit is not an option. Through this approach, the CFSTF will identify those in the community who should receive the livelihoods transfer.

Households targeted for the livelihoods transfer will not necessarily receive it in the year following the targeting exercise, but any time in the following three years. These households will be eligible to

¹⁶ The National Household Registry has not yet been developed but is expected to be designed and piloted in EFY 08/09 with roll-out some time after. Once the registry is in place it, along with the MIS, will supersede PASS.

¹⁷ This criterion is primarily relevant to highland areas and riverine areas in the pastoral lowlands. Pastoral lowland areas that are not riverine may consider prioritizing households with unemployed youth and/or pastoral drop outs.

receive only a one-time livelihoods transfer during the course of the programme after successful completion of the livelihoods checklist and business plan, as outlined in Part 3, Chapter 9 (Livelihoods).

Whenever possible, the targeting of livelihood transfers will take place at the same time as the community targeting of the permanent direct support or public works components. Woredas that are planning a large-scale retargeting of programme clients may choose to target their livelihood transfers during the same process. But woredas that have no retargeting planned may need to conduct this process separately.

Clients who believe they have been unfairly excluded from eligibility for a livelihoods transfer may bring their complaint to the Kebele Appeals Committee.

3.5.8 DEVELOPMENT AND PILOTING OF A FOOD INSECURITY/POVERTY INDEX TO SUPPORT TARGETING

PSNP 4 will introduce a kebele food security index and a household poverty index to complement the existing community targeting system. These combined will form a proxy means test (PMT) which can be used to verify targeting. The PMT will be used to reduce errors of exclusion and inclusion and will be applied once the community targeting process has nominated a family for inclusion in PSNP transfers, but it will not replace community verification, nor community targeting; it is a supplement. Initially the index will be applied to those identified by community targeting (and as such, correct inclusion errors)' by the end of the programme (at the latest), all households in PSNP kebeles should be covered by the poverty/food insecurity index, which will then enable it to correct for both inclusion and exclusion errors.

The proposed revised targeting system that will be developed and piloted utilises: 1) A food security index to identify vulnerable kebeles, 2) The current community-based targeting methodology with standardised guidelines, and 3) Verification of clients by a proxy means test/household poverty index. This will facilitate: a reduction in exclusion and inclusion errors, management of appeals, adequate graduation procedures, and case management by providing a ranking score for each household. Food security indicators will be aggregated at the kebele level and will provide the basis for geographic targeting of kebeles with updated data and indicators.

PSNP will use the household poverty and kebele food insecurity indexes for the following purposes:

- During the targeting process, flagging possible cases of exclusion (households excluded by community but categorised as poor using the poverty-food insecurity indices) or inclusion (households selected by the targeting committee, but categorised as non-poor using the poverty-food insecurity indices). The appeals committee will review these cases to analyse and resolve the discrepancies.
- During the graduation process to provide input to the process identifying households ready for graduation according to local committees, but categorised as still poor using the poverty-food insecurity indices. The appeals committee will review these cases to analyse and resolve discrepancies.
- During the case management process to provide an objective procedure as one input to resolve appeals made by households that have been excluded from the programme.

Once the new approach and associated software have been developed, they will be piloted in selected woredas before being further revised and rolled out. Woredas selected for piloting will be informed of their selection and will be trained on how to collect the household information required for the new approach and how to use the index to verify the community targeting.

Woredas that have not been contacted should continue to use the targeting approach indicated in sections 3.5.1 to 3.5.6 until they are informed otherwise.

Once design and testing of the new approach has been completed and to support further roll-out of the approach an update of this chapter of the PIM will be issued which will provide information on who needs to do what and at which level to operationalize the approach.

3.6 Annual Process

The Annual Programme Entry and Exit process involves the identification of potential programme graduates, the recertification of programme clients of the permanent direct support and public works components, and the targeting of the livelihoods component. The sections below describe these processes in more detail.

3.6.1 GRADUATION

As part of the annual recertification process, the PSNP assesses whether or not any clients have achieved the required food security status to graduate. Undertaking this assessment uses a combination of the Graduation Prediction System (GPS) and wealth-ranking conducted by the Community Food Security Task Force to identify potential graduates from the PSNP. In addition it is possible that a small number of households will self-graduate.

The following key principles underpin graduation from the PSNP

- **Evidence Based:** The identification of a household for graduation must be based on that household meeting the criteria for graduation (rather than based on targets)
- **Transparency:** the system must be transparent to external actors (donors and federal/regional government) and to PSNP clients
- **Accountable:** the system must be accountable to PSNP clients
- **Simple, responsive and relevant:** the criteria used to identify clients should be easy to use, livelihood specific and revised periodically to remain relevant
- **Flexible:** the system should be implemented in a flexible manner (similar to targeting)
- **Balance incentives:** the system needs to be responsive to both positive and negative incentives.
- **Community awareness and involvement:** communities are best placed to operationalize graduation

3.6.1.1 Predicting the likely graduation rate (woreda and kebele representatives)

A Graduation Prediction System has been designed to support the assessment of likely graduation rates on a livelihood-by-livelihood basis. The GPS doesn't identify graduate households, but simply predicts the likely graduation rate. The selection of households for graduation is the responsibility of CFSTFs and the communities.

There is a GPS tool for each livelihood zone¹⁸ in every PSNP woreda. All woredas will be provided with the GPS and the relevant tools for each of their livelihood zones by FSCD. The GPS tool is used

¹⁸ A livelihood zone is an area which has similar agro-ecology and production pattern and where the population follows common livelihood strategies and have comparable access to markets. Woredas can have two or three livelihood zones marked by different altitudes, varying levels of rainfall, different cropping patterns, and greater or lesser dependence on livestock.

in graduation assessment sessions run annually. A separate graduation assessment session is conducted for each livelihood zone by a 'Livelihood Zone Assessment Group'.

Step 1: If not yet constituted, a "Livelihood Zone Assessment Group" will be constituted for each livelihood zone in the woreda. This group will be chaired by the head of the WFSTF and composed of the Kebele cabinet heads and the chairs of each KFSTF and CFSTF in the kebeles which make up the livelihood zone.


Step 2: The Livelihood Zone Assessment Group together decides what information is to be entered into the GPS tool to calculate the projected graduation rate. This information concerns a) the crop production performance of the year, the terms of trade, some key PSNP specifications (for example type and timing of public works), and the level of engagement in programme supported livelihood activities. Further information on how to use the Graduation Prediction System can be found in Guidelines: Graduation Prediction System available from the FSCD.

Step 3: Once the Livelihood Zone Assessment Group (LZAG) has completed its calculations of graduation rates for the livelihood zone, they then decide how the projected graduation rate will apply across kebeles. For example, if wealthier kebeles exist with more households ready to graduate, these kebeles should be allocated a higher percentage of graduates than poorer kebeles in the livelihood zone. By the end of the session, the LZAG should have discussed and agreed the projected number of graduates per kebele.

3.6.1.2 Identification of graduate households by CFSTF

Once the projected number of graduates per kebele has been agreed, CFSTFs conduct a wealth ranking exercise to assess which PSNP clients should be put forward for graduation. The wealth ranking exercise should be carried out for all PSNP clients and should follow the following steps:

Step 1: Identification of three to four easily recognisable wealth groups through a community discussion which focuses on key differences in households which make some do better and others worse off. This might produce a categorisation similar to what is presented in Table 3.1 below.

 **Types of questions that can be used to support identification of wealth groups**

CFSTFs can ask, "We know that households are not living in exactly the same way. What is it that makes one household better or worse off than another in the same kebele?" Or, "What are the different characteristics of households who are doing well, or not doing well, in our kebele?" These questions should serve as entry points into a discussion on estimates of household size, land holding, livestock holding, other asset ownership, and so on. Sometimes its easier to talk about difference than it is to talk about who is 'rich' or 'poor'.

Table 3.1: Sample wealth criteria (these will differ for each livelihood zone)

Wealth criteria	Very Poor	Poor	Lower Middle	Upper Middle
No. people in HH	2-3	2-4	3-5	4-6
No. hectares cultivated	0-0.1	0.1-0.25	0.25-0.5	0.5 – 1.5
No. goats	0	0-2	1-3	2-10
No. sheep	0	0-2	1-4	2-10
No. cattle	0	0	0-1	1-2
No. chickens	0-1	1-3	1-7	3-10

Step 2: PSNP clients' wealth categories should be marked on the master list of households (this master list should be produced using the PASS payroll software to ensure that it is complete).¹⁹

Step 3: Using the predicted rate of graduation calculated by the LZAG in its graduation assessment session as a guide, the CFSTF should begin to identify the potential graduate households from the wealthiest²⁰ of the better-off wealth group receiving PSNP transfers, proceeding to the next wealthiest and, if appropriate, the next wealth group. This process should continue until the number of predicted graduate households is met or the CFSTF considers that the households being identified are not ready to graduate. In the event of the latter, the CFSTF should not list these households as graduates, should stop the ranking exercise and document their conclusions.



Avoidance of premature graduation

The CFSTF should not list any household for graduation who does not meet the key criteria for graduation that a household is "food sufficient in the absence of external support".

Step 4: The list of projected graduates must be posted by the Kebele Council/KFSTF for at least a week prior to a public meeting to discuss the list. All households listed for graduation need to be notified of this fact prior to the public meeting and informed of the time and place of this meeting. A public verification meeting is then held to review the list of graduates and allow any correction of errors.

Step 5: If disagreements over the list remain after the public meeting, those grievances should be taken up with the Kebele Appeals Committee (KAC) by individual households.

Once appeals have been heard and resolved, the KFSTF can submit the final list of graduate households to the WFSTF. This should not occur before the KAC has heard and resolved all appeals.

When the poverty/food insecurity index is in operation, this will be used to verify the readiness to graduate of households identified through the wealth ranking process.

3.6.1.3 Self-graduation

Self-graduation may also occur. Self-graduation occurs when a household voluntarily withdraws from the PSNP. This may occur if households determine that their time and labour are better used engaging in non-programme income generation activities than in public works activities. However, self-graduation must occur on a completely voluntary basis and not due to urging on any level from programme officials.



Urging of households to self-graduate is forbidden

In some areas in the past, programme officials have placed pressure on households to self-graduate as a means to achieving graduation targets in the woreda. This has led to households leaving under the label of 'self-graduating' from the programme who did not leave the programme on a truly voluntary basis, and who have not yet reached food sufficiency. These households are placed at greater risk of more elevated food insecurity levels than if they had remained in the programme, and still remain at least as large a burden on government resources – if not a heavier one – as they are very likely to end up on the emergency food aid beneficiary lists later in the year.

¹⁹ PASS or the Payroll and Attendance Sheet System facilitates the management of client information to allow the generation of attendance sheets and payrolls to support public works implementation and public works and permanent direct support transfers. As such it holds a complete master list of all clients.

²⁰ The use of the term wealthiest does not imply that any of these households are wealthy, but that the least poor should be selected.

3.6.1.4 Twelve months notice and lump-sum payment

Households that graduate from the PSNP remain in the PSNP for a year from the date at which they were notified that they have been selected for graduation. This means that households should complete a full safety net cycle (six months of public works and six months of transfers) between the time of notification and their exit from the programme. For these last six months of transfers, households targeted for graduation may opt for a lump sum payment or for 6 monthly payments. All households, including those which select the lump sum payment, are expected to participate in public works for the full six months.



What is the lump sum payment?

A household targeted for graduation may choose to receive its last six months of public works transfers as a one-time, lump sum payment equivalent to the same amount. This payment should be provided in cash at the start of the public works period. The advantage of a lump sum payment is that households will have the ability to make livelihoods-related investments as they prepare for graduation. However, this lump sum payment must NOT be confused with the livelihoods transfer or other aspects of the livelihoods component (see Part 3, Chapter 9 (Livelihoods)).



How to apply the 12 months' notice period

For households that select monthly payments: In a woreda where the transfer cycle is January to June, a household which is notified that it has been identified for graduation in September 2016 will receive its final monthly PSNP transfer in June 2017; but a household which is not notified that it has been identified for graduation until February 2017 will remain in the programme until June 2018.

For households that select a lump sum payment: In a woreda where the transfer cycle is January to June, a household which is notified that it has been identified for graduation in September 2016 will receive its lump sum payment in February 2017. A household which is not notified that it has been identified for graduation until February 2017 will remain in the programme until the following year (through June 2018) and receive its lump sum payment in February 2018. This household will continue doing public works until June 2018.

3.6.2 ANNUAL RECERTIFICATION OF CLIENTS

Each year, the CFSTF should recertify all safety net clients. The primary objectives of this recertification is to:

- Ensure that the household is still resident in the kebele and eligible for receiving PSNP transfers
- Record any changes in household composition (such as births or deaths of household members, adoption of children, or other adjustment in household size)
- Record any changes in household status (such as members' ability to participate in public works)

These changes are recorded on the page of the client card which relates to public works participation and transfers for the coming year.

In addition, the annual recertification process provides an opportunity to review the PSNP caseload and to make any adjustments evident as a result of previous year's activities. The CFSTF should:

- Ensure that the new list of client reflects the exit of households identified for graduation at least 12 months previously (but still includes households that were identified less than 12 months previously)

- Incorporate households which successfully appealed wrongful exclusion from the programme in the previous year and were covered by the contingency budget (see Part 3, Chapters 10 and 11 for further details).
- Consider those households which were covered by the contingency budget for other reasons the previous year (particularly those whose children were screened as malnourished during Targeted Supplementary Feeding screening) and whether they should be incorporated as core programme clients.
- Review households eligibility for the public works or public works components and whether adjustments are needed in terms of the labour cap (see steps 2 and 3 of Section 3.5.4.2 above).

Any adjustments to the list of clients as a result of the annual recertification should be sent to the KFSTF for approval. The KFSTF will collect the same from all CFSTFs prior to compiling a full list for the kebele to be forwarded to the WFSTF for verification and approval.

Finally, the client cards of recertified clients are renewed by the Kebele Chair on the recommendation of the KFSTF. The renewal is done by indicating the year and receiving an official stamp.



What about targeting of livelihoods interventions?

Participation in the livelihoods component of the PSNP is on the basis of self-selection, with prioritisation by the CFSTF if more households are interested in participating than there are resources for them (both in terms of budget and in terms of capacity to provide training). The prioritisation process targets poorer clients first. This is an annual process that is described under Part 2, Chapter 6 (Annual Planning).

3.6.3 FINALISING THE REGISTRY OF BENEFICIARIES

The annually adjusted list of clients forms the basis of the registry of beneficiaries at woreda level. As indicated in Part 3, Chapters 7 and 8 (Section 7.5 and 8.5), at the start of each financial year the final lists of enrolled public works clients and permanent direct support clients are entered into the PASS software.

This list also becomes a key system for tracking the support provided to clients:

- Within the PASS it becomes a means of indicating participation in public works and receipt of transfers (see Part 3, Chapters 7 and 8 for further information on the use of PASS).
- The Extension Desk also maintains a livelihoods checklist tracker, linked to each household's unique (PASS issued) PSNP ID number (see Part 3, Chapter 9 for further details).
- The Food Security Desk maintains a similar tracker, with support from the Woreda Health Office, for temporary direct support clients to monitor their use of services as recorded in the co-responsibilities checklist (see Part 3, Chapter 8).

This approach will allow woreda implementers to better keep track of not only the number of clients benefiting from specific services (for example the number of households who have take livelihoods training or started savings which are both interventions under the livelihoods component), but also whether households are benefiting from the full regime of services expected.

Although initially tracking will be component specific, this approach will act as a precursor to the single registry of clients (see below for further details).

3.6.3.1 National household registry

PSNP 4 will introduce a Single Registry of Clients or National Household Registry, which will act as a full database for all Ethiopia's safety net, social protection and relief programmes. The National Household Registry will be housed in the Ministry of Labour and Social Affairs as they are the ministry with overall responsibility for social protection, with read access at regional level and read and write access at woreda level. The National Household Registry will both play a key role in the application of the poverty index described in Section 3.5.7 above and will also register the benefits households are receiving from different programmes and services. This will enable:

- Better targeting of services to households with different characteristics (e.g. nutrition services to households with young children)
- A reduction in the risks of duplication of coverage between different safety net interventions (e.g. PSNP and relief interventions).
- Tracking of the services households receive
- Increased coordination and oversight of all social protection interventions.

The proposed national household registry will be developed and piloted before being rolled out. Woredas selected for piloting will be informed of their selection and will be trained on how to use the registry, including how to collect the necessary information to make it work.

Once design and testing of the national household registry has been completed and to support further roll-out of the approach an update of this chapter of the PIM will be issued which will provide information on who needs to do what and at which level to operationalize the approach.


3.7 Regional Variations

3.7.1 TARGETING IN LOWLAND IMPLEMENTATION AREAS

Woredas and kebeles in lowland regions are encouraged to test different approaches to improve the quality of targeting in lowland areas. Woredas can test either of the community-based approaches outlined in the Guidelines for Implementation of the Pastoral Areas Pilot (and described below), or can propose their own approach and request regional approval to implement it.

The Guidelines for the Implementation of the Pastoral Areas Pilot outlined two community based targeting options. These included:

- Community triangulation targeting
- Community values-based targeting



Adequate support to targeting

Whichever approach is used for targeting needs to be adequately supported. Key elements of this support include:

- Ensuring the formation of community committees who properly represent their wider communities and do not just reflect the elite.
- Sensitisation of the community on the need for targeting, the eligibility criteria, and the importance of supporting those in the community whose needs are greatest.
- Adequate training of community structures to conduct targeting according to the guidance provided
- Regular field visits to oversee and supervise targeting processes and to confirm that processes are being followed
- Support to the establishment and effective functioning of appeals mechanisms.

The sections below describe how to implement these approaches.

3.7.1.1 Community-based triangulation targeting

Community-based triangulation targeting is a method of selecting households by the community based on their own knowledge of their local area and of one another. Separate groups from the community independently make a list of whom they think should be selected for help and then the lists are compared and discussed to agree a final list.

Steps in using community-based triangulation targeting

- Communities are made aware of the PSNP and eligibility criteria
- Meetings are arranged to bring together wide representation of the whole community
- Representatives of the community are divided into three groups – usually, men, women, and DAs with local knowledge
- Each group independently prepares their list of the poorest households in the community
- The three lists are discussed and compared in a joint public meeting
- Names that appear on all three lists are automatically included in the programme
- Names that appear on only one or two lists are discussed until it is agreed whether they should be included on the final list
- The list of eligible names will be posted in a public place



Ranking within the category of poorest

It is important that the communities realise at this stage that there may need to be limits on the number of households that can be supported so they should also rank the beneficiaries in some way to indicate: most needy, less needy and least needy. This ranking should be noted at this stage to help make any revisions of the plans easier at a later stage.

3.7.1.2 Community values-based targeting

This approach uses the community's knowledge. Pastoralists are very aware of each other's livestock holdings and social networks and this local knowledge is used in a number of traditional livestock redistribution systems in pastoral areas, where better off families help 'destitute' and 'very poor' pastoralists. In Somali (and other) areas livestock redistribution systems are further supported by Islamic teaching where the *Quran* and *Hadieth* teach that help should be given to the poor

Steps in Community Values-Based Targeting

- Communities are made aware of the PSNP and eligibility criteria and the need to target is couched within community values and systems regarding support to the destitute and very poor.
- A community committee is formed representing as broad a range of community interests as possible
- The members and responsibilities of the committee are agreed in an open meeting
- The beneficiary selection characteristics are agreed in open meeting(s)
- Target households are selected using agreed selection characteristics
- The list of selected households is discussed and agreed in open meeting(s)
- The final list is written out and posted in a public place
- The final list is sent to the kebele board



Ways of Reducing Targeting Errors

- Make sure there is wide community participation in the selection process, particularly agreeing characteristics to be used to identify suitable households for the programme
- Do not hurry the targeting process – allow time for full discussion in the community
- Try to get information on households from different sources
- Make sure there is good exchange of information by having plenty of public meetings and using traditional communication networks
- Supervise the targeting process and make sure targeting committees are held responsible for their decisions by the community
- Monitor that the selected households actually receive benefits
- Make sure that the people involved in the selection are also available to check on the distribution
- Monitor that selection committees are not falsely supporting friends or relatives
- Keep a regular check on the list with the help of respected elders and make sure it is updated properly

3.7.2 GRADUATION IN LOWLAND IMPLEMENTATION AREAS

With the introduction of the livelihoods component to pastoral areas and ongoing implementation of public works and safety net transfers, it is expected there may be some graduation from the PSNP in lowland implementation areas. The GPS, wealth-ranking and verification procedures will be introduced to these areas alongside appropriate training and capacity building.

Annex 3.1: Client Card for public works, temporary direct support and permanent direct support clients

PASS ID No: _____

National Household Registry ID No: _____

Region _____ Woreda _____

Kebele _____ Mender _____

Issuing Authority _____ Position _____

Signature _____ Date Issued _____

[HH head picture]

[Spouse Picture]

Name of HH Head: _____

Name of spouse: _____

Sex: Female
 Male

Client's Signature: _____

HH PW

Categorisation: PDS

1

2

Public Works Participation and Transfers

Year _____ No of Months of Entitlement

Number of PW HH members _____

Number of DS members _____

TOTAL HH members _____

Month	PW days	DS days	Transfer		Date received	Cashier Signature
			Type	Amount		

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Community Behavioural Change Communication Participation

Name of session	Initials	Name of session	Initials
1. _____		4. _____	
2. _____		5. _____	
3. _____		6. _____	

Soft Conditionalities Participation

Reason included in temporary direct support (check one)	Soft conditionality
Pregnant woman <input type="checkbox"/>	<ul style="list-style-type: none"> • 4 ANC visits • BCC sessions
Lactating woman with child <1 year old <input type="checkbox"/>	<ul style="list-style-type: none"> • One post-partum health facility visit • GMP • Child immunisation
Child assessed as malnourished <input type="checkbox"/>	<ul style="list-style-type: none"> • Monthly check-up of child at closest health facility • BCC sessions • Treatment of child

4

Livelihoods

Client Information

Year _____

Client Name _____

Gender _____ Age _____

Livelihood Pathway

- Crop and Livestock
- Off-farm
- Employment

Describe planned livelihood and investment in box below

Livelihoods Checklist		
Step 1: Financial literacy training	Completion date (whole course)	Name of training provider
Step 2: Savings participation	Savings institution <input type="checkbox"/> VSLA <input type="checkbox"/> RUSACCO <input type="checkbox"/> MFI <input type="checkbox"/> Other Name: _____	Monthly savings
Step 3: Technical training	Date	Name of training provider

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Livelihoods Checklist (continued)		
Step 3: Technical training	Date	Name of training provider
Step 4: Business/marketing skills training	Date	Name of training provider
Step 5: Checklist completion	Completion date	Signature of DA/MSE agent
Step 6: Business plan		

Step 7: Source of finance:	
<input type="checkbox"/> Credit (Source: _____ Date: _____)	
<input type="checkbox"/> Livelihoods Transfer	
<input type="checkbox"/> Other (Source: _____ Date: _____)	

If Eligible for Livelihoods Transfer:	
Date received	Client signature

Step 8: Follow-up technical support	Date	Name of DA/MSE Agent

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CHARTER OF RIGHTS & RESPONSIBILITIES

RIGHTS OF ALL CLIENTS

- If you have been selected as a PSNP client, you must be issued a Client Card free of charge.
- You should receive your transfer no later than 20 days after the month to which the payment relates if you are receiving cash transfers, and 30 days after the month if you are receiving food transfers.
- You have the right to receive your full transfer. You will be informed of the transfer rates at the beginning of the year.
- You have the right to request livelihoods technical assistance from the programme. If you self-select into the livelihoods component, you have the right to receive livelihoods technical support in the year that you are prioritised by the community.
- If you are targeted for a livelihoods transfer, you have the right to receive this transfer are you have successfully completed the livelihoods checklist and business plan.
- You have the right to know the criteria for graduation and to remain in the programme if you do not meet these criteria.

RESPONSIBILITIES OF ALL CLIENTS

- You must provide accurate and complete information to targeting committees.
- You must present your Client Card at the transfer site to record the receipt of payment.
- Should you lose your Client Card you must report its loss immediately to the Kebele Administration.
- You must report any abuses of these rights affecting yourself or your neighbour to the Kebele Appeals Committee. If you are not satisfied with the response, you may pursue your complaint up to the Woreda Council.
- If you are receive a livelihoods transfer, you have the responsibility to invest that transfer in planned livelihoods activities.

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RIGHTS OF PUBLIC WORKS & TEMPORARY DIRECT SUPPORT CLIENTS

- You have been categorised as a public works client because there is an able-bodied adult in your household. If you believe you have been wrongly categorised, you may appeal to the Kebele Appeals Committee.
- Your household should not provide more than five days' labour per household member per month. Furthermore, no individual should work for more than 15 days a month.
- If you are pregnant, and you have gone to your first antenatal care visit or are in your fourth month of pregnancy, or you are in your first year breastfeeding your child, you should not participate in public works. You have the right to receive your transfers as a temporary direct support client, and no-one should deduct any money for any reason from your transfer.
- If you have an illness or disability, you should not participate in public works, and no-one should deduct any money for any reason from your transfer. If this illness or disability becomes permanent and you are the only adult client in your household, you may request to transition to social assistance.

RESPONSIBILITIES OF PUBLIC WORKS & TEMPORARY DIRECT SUPPORT CLIENTS

- Households with able-bodied members must provide labour for public works and be committed to complete works to an acceptable standard.
- You must not send a child under 16 to contribute their labour to public works
- If you have transitioned to temporary direct support due to pregnancy or being in the first year postpartum, you are required to comply with soft conditionalities outlined by the Health Extension Worker.
- You have the responsibility to build your assets and work towards graduation.

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CHAPTER 4 PUBLIC WORKS AND TRANSFER SCHEDULE, WAGE RATE AND MODE OF TRANSFER

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4.1 Introduction

This chapter describes the different types of transfer available under the PSNP, how to decide which transfer type to use and how the wage rate is set. It also describes the process for agreeing the public works and transfer schedule which may vary from woreda to woreda depending on the labour slack period, the time people experience the greatest food shortages and taking into consideration other factors.

As outlined in Chapter 2, one of the core principles of the PSNP is the cash first principle. This states that whenever possible, cash should be the primary form of transfer. The use of cash stimulates markets – since people spend their cash in local markets – and supports a move away from dependence on food aid. Food transfers are provided at times and places when food is not available in the market, or where market prices for food are very high, thereby protecting clients from food shortages and asset depletion.

Another of the core principles of the PSNP is the ‘primacy of transfers’ which states that “transfers should not be delayed for any reasons, including those related to public works implementation”. Clients have a right to receive their transfers regardless of technical or administrative delays and have a right to know in advance how much is coming and when.

4.1.1 WHAT’S NEW IN THIS VERSION OF THIS CHAPTER

- The introduction of twelve months of support for permanent direct support clients.
- Variation in the timing of public works and transfers based on the specific needs of different woredas and regions.
- Further reinforcement of the cash first principle with a move away from food in highland implementation areas.
- Testing of cash transfers in lowland implementation areas
- Testing of new modalities of payments including e-payments and vouchers.
- New benchmark for the wage rate of the equivalent of 15kg of cereal and 4kg of pulses per month

4.2 Public Works and Transfer Schedule

The definition of the public works and transfer schedule is a key input to the overall implementation of the PSNP. The timing of public works and transfers are scheduled while taking into account three key factors (further elaborated in the section below):

- Public works are expected to be timed to coincide with the labour slack period and during periods when weather conditions are appropriate (avoiding periods of heavy rainfall or extreme heat).
- Transfers expected to be provided during or prior to the period of greatest need.
- Public works payments should take place soon after the period the work is completed.

4.2.1 TRANSFER SCHEDULE FOR PERMANENT DIRECT SUPPORT

Permanent direct support clients will be entitled to 12 months of transfers beginning in Ethiopian Financial Year (EFY) 2008. Thereafter, transfers will be made in all twelve months of the year.

4.2.2 THE TIMING OF PUBLIC WORKS AND THE TRANSFERS SCHEDULE FOR THE PUBLIC WORKS AND LINKS TO SOCIAL SERVICES COMPONENT

While the January to June public works and transfer schedule is appropriate to the lean season and agricultural labour requirements in many PSNP implementation areas, for some regions and woredas an alternate schedule would be more appropriate.

The key factors influencing the timing of public work and transfers are presented in the table below:

Table 4.1: Factors Influencing Public Works and Transfers Schedule

Key Factor	How it might influence decision making
Timing of rainy season	May affect ease of transporting food and cash. This could mean that there is a need for pre-positioning of food, or some pragmatic compromises to facilitate timely payments. Households living in pastoral areas may divide during the dry season making disbursing payments challenging. It may be easier to make payments during the wet season when the family is together, or it may be necessary to reach agreement on who should receive the payment if part of the family is travelling. ²¹ On the other hand inaccessibility during the rains presents a challenge.
Agricultural peak times	Will affect availability of clients for meetings since they will be busy at various times, some of which intensively. This includes land preparation, planting, weeding, and harvest periods. The periods of heaviest workload may fall on woman and men differently. In agricultural areas, for example, women tend to work most during the pre-harvest and harvest periods.
Timing of slack labour period	It is critical that public works be timed to coincide with the slack labour period to ensure minimum disruption to core livelihood activities. Slack labour periods can vary enormously over short distances. For example the dry season is a period of peak labour in exclusively pastoral populations as households travel long distances in search of pasture; whereas in neighbouring agro-pastoral areas the wet season is an intense labour period as households have to prepare, plant and weed the land.
Peak hunger season	Households should receive PSNP payments before or during the period where they experience the most severe hunger. If payments do not start by this time, households may have to sell productive assets in order to meet immediate food needs, undermining a key objective of the PSNP. Given that the slack labour period and the peak hunger period rarely coincide, and few households are willing to defer payments more than a short time period after completing work, this is an area which requires significant consultation before a decision can be reached. While public works must be matched with slack labour periods, transfers can be timed to so that clients receive them slightly before the hungry season rather than exactly during that period.
Prices of major staple foods	Programme clients tend to prefer food during periods of high prices and cash when prices are lower. Therefore seasonal price variations might influence the general timing of transfers, but might also influence when households will receive food and when they receive cash in woredas where a combination of food and cash have been requested.
Heat	Public works should be planned so as not to take place during periods of excessive heat. This is particularly important in pastoral lowlands.
Mass mobilisation	Public works schedules and mass mobilisation schedules should be coordinated.

Therefore, as part of the planning process, each region will set a public works and transfer schedule based on woreda needs, up to a maximum of 2-3 different transfer schedules for the region, and forward its schedule to the federal level. Federal disbursements to regions, and regional

²¹ Women typically travel less, and keep younger more vulnerable children with them. Households might, in these circumstances, be encouraged to agree that women should receive the PSNP payment when their husbands, or other male household members, travel.

disbursements to woredas, will follow this schedule, as described further in Part 4, Chapters 12 and 13.

The tailoring of public works and transfer schedules to the needs of woredas should follow the following principles:

- For ease of implementation, each region should not have more than 2-3 different transfer schedules for its woredas
- Timeliness of transfers remains paramount. Regardless of the schedule, regions and woredas are bound by the 20-day transfer target for cash and the 30-day target for food. In other words, if public works are implemented in December (e.g. to allow for mass mobilisation in January), transfers must be made within 20-30 days after the end of December.
- The months of public works implementation do not need to be consecutive.

The setting of the public works and transfer schedule will be done once at the start of Phase IV as part of the 2015/16 planning process. Modifications after this point are possible, once experience of the new schedules are developed, but will be considered on a case-by-case basis.

Woreda public works and transfer schedules will be publicly posted as part of the woreda plan.

The table below provides illustrative public works and transfer schedules for two different woredas.

Table 4.2: Illustrative Schedule for 2 Woredas

		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Woreda A	SA transfers												
	PW implementation												
	PW transfers												
Woreda B	SA transfers												
	PW implementation												
	PW transfers												

In the table above, Woreda A follows the January-June public works schedule, and the February-July transfer schedule, that PSNP woredas have applied in the past, and that continues to be relevant for many woredas.

Woreda B applies a new schedule, conducting public works in November and December, with a one-month break in January, and starting again in February through May. This may be due to mass mobilisation or other reasons.

For both woredas, transfers to permanent direct support clients continue year-round. It should be noted that the first payment of the new fiscal year budget for permanent direct support clients will be made in the month of August, while the last payment will be made in the month of July of the following fiscal year.

4.2.3 THE TRANSFER SCHEDULE FOR YOUR WOREDA

Woredas should complete the below schedule on the basis of the regionally approved public works and transfer schedule for your woreda.

Name of Woreda _____												
Table 4.3: Agreed Public Works and Transfer Schedule												
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
SA transfers												
PW implementation												
PW transfers												

4.3 Mode of Transfer

Four modes of payment are possible in this phase of the programme:

- Cash payments made using the traditional approach of WOFED cashiers
- Cash payments made electronically through third party payment service providers (MFIs, mobile money transfers etc.).
- Food transfers
- Food vouchers

The PSNP aims to provide transfers in the form that is most appropriate for clients taking into consideration their preferences, market conditions, the availability of services and capacity.

Evidence shows that there is limited justification for a continuation of food transfers in most highland implementation areas. Therefore, it is assumed that transfers in these areas will be made in cash (either using traditional methods or electronic payments) unless special justification is made.

Box 4.1: Special justification for food in highland implementation areas

- Woreda is exceptional because of its lack of access to functioning markets
- Agreement that this should be a combined cash/food woreda with support from USAID financed NGOs
- Emergency situation affecting food availability and requiring the need for an injection of food into local markets.

At present electronic payments are in the process of being designed and tested. Woredas selected for piloting will be informed that they are a pilot woreda. Unless they are informed, they should plan to make cash payments using the traditional method (outlined in Part 3, Chapters 7 and 8) of WOFED cashiers. Woredas where piloting is happening will be provided with the relevant guidance material on how to operationalize payments.

Food is expected to remain the predominant mode of payment in lowland areas (Somali, Afar and the pastoral areas of Oromiya). However, testing of both cash and voucher – in selected areas where market conditions, the availability of service providers (e.g. banks) and other conditions make it possible – is encouraged. Woreda Food Security Desk and the Regional Food Security Coordination Office should together agree that such testing be operationalized and should seek technical support to design and operationalize the approach.

It is possible for a single woreda to decide to make payments in cash in some kebeles and in food in other kebeles, depending on the factors in the following table. A single woreda will also have the

flexibility to provide cash transfers for some portions of the year and food transfers at other times in the year (for example cash may be more appropriate after the harvest when food is in good supply and food may be needed in the hungry period leading up to the harvest if food is scarce and unavailable in the market or at a very high price).

It should be noted that preferences for cash payments can usually be accommodated, but, for the following reasons, food needs cannot always be met:

- Food availability and management may sometimes constrain food transfers
- Food transfers may be used as a risk management tool at federal level to address food supply issues when needed

For these reasons the decision on the balance between cash and food transfers is finalised at Federal level. Regions and woredas are informed in writing each season what the arrangements will be for that year. This occurs as part of the annual planning process.

Key factors to be considered when choosing the mode of payment are summarized in the table below:

Table 4.4: Factors to Consider when Choosing Cash and/or Food as Payment

Transfer	Factors to Consider
Cash	<ul style="list-style-type: none"> • Near food surplus areas (in same or neighbouring woreda) • Availability of active food markets • Cash management capacity (presence of finance officers, cashiers, safes, transport, security at woreda level).
Electronic payments in cash	As above plus: <ul style="list-style-type: none"> • Selected as a pilot woreda because of the availability of service providers
Food	<ul style="list-style-type: none"> • Poor functioning of food markets affecting availability and making prices unpredictable • Price of food in markets so high as to make cash transfers the higher cost option. • Lack of experience in cash management and better food management capacity
Vouchers	<ul style="list-style-type: none"> • Food markets still weak, but improving • Systems in place to support testing of vouchers

4.4 Setting of Wage Rate

4.4.1 CASH

The PSNP cash-first principle determines that cash is the preferred mode of transfer in all areas where markets are functioning. It is therefore important that the wage rate accurately reflects the purchase cost of food in order that the PSNP fulfils its consumption smoothing function. Furthermore, a failure to ensure that cash rates are equivalent to the price of food will result in PSNP clients preferring food transfers.

The daily wage rate of the cash transfer is calculated on the basis of the cost of buying 3kg of cereal and 0.8 kg of pulses per day (15kg of cereal and 4kg of pulses per person per month) in the market.²²

²² The PSNP provides a cash transfer to households that can purchase 3 kgs of the cheapest cereal and 0.8 kg of the cheapest pulses available in the market.

PSNP clients receive the same transfer regardless of whether they are a permanent direct support client or a public works and links to social services client.

An annual wage rate study, commissioned by the Food Security Coordination Directorate, determines the cash transfer rates to be used in the programme. Rates can vary geographically to reflect the differing costs of food items in different markets. The wage rate study is conducted in September of each year and will assess how wage rates need to be adjusted in order to maintain benchmarking against the 15kg of cereal and 4kg of pulse standard. Each adjustment will include a buffer to account for projected inflation for the following year in such a way that the cash wage rate will enable clients to purchase the in-kind transfer equivalent during the lean season. Wage rate decisions will be made by November of each year and operationalized in the following January.

In exceptional circumstances severe market food price fluctuations may require an amendment to the cash wage rate at intervals shorter than one year. In this situation, DRMFSS may provide additional transfers to areas that are severely affected or pay transfers for two months in a single month, although this would be financed through the woreda or federal contingency budgets. For details on procedures related to the woreda and federal contingency budgets, please refer to Chapter 11.

4.4.2 FOOD

The monthly food transfer is 15kg of cereal and 4kg of pulses.

For recipients of conditional transfers (public works), the level of food transfer provided per day of work is calculated on the basis that 5 days should be worked for each person receiving transfers. This is the level agreed as reasonable for a chronically food insecure person who also has other livelihood activities to consider. Therefore the daily food transfer is calculated as monthly ration of food divided by 5 days, which is 3 kg of cereal and 0.8 kg of pulses ($\frac{1}{5}$ th of a monthly ration of 15 kg and 4 kg).

4.4.3 VOUCHERS

Vouchers are pieces of a paper which safety net clients can present to selected businesses and redeem an agreed value of goods. In woredas where vouchers are being tested, vouchers will provide households the equivalent of a daily wage of 3kg of cereal and 0.8 kg of pulses or a monthly transfer of 15 kg of cereal and 4kg of pulses.

Experience from the pilots will inform programme-wide lessons-learning and if necessary more detailed guidance on vouchers in subsequent editions of the PIM.

CHAPTER 5 LIVELIHOODS-RELATED ANALYSES

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5.1 Introduction

This preparatory activity for the livelihoods component aims to shortlist the list of livelihoods to be supported by the programme in each area in order to enable technical assistance providers – DAs, woreda SMSs, cooperative promoters, TVET trainers and others – to prepare and deliver appropriately tailored training and advice for each livelihood.

In order to identify/refine the list of livelihood options to be supported by the programme in each woreda, Regional Livelihoods Implementation Units will lead a market/value chain analysis and a technical analysis, which will culminate in the development of tailored training curricula. Technical experts as well as gender experts from Women, Children and Youth Affairs, as well as the Women and Youth Affairs within the BOA, will participate in these analyses to ensure that livelihoods with strong potential for women’s involvement are prioritised. In addition, livelihood options will be screened for potential environmental and social impacts, including climate change impact.

Where such analyses already exist (e.g. as conducted under HABP, or as conducted by TVET for off-farm livelihoods), new analyses need not be conducted. Existing livelihood zone analyses will also be used where available. Analyses will initially be conducted at the zonal level – with woreda-specific livelihoods/IGAs outlined where possible – and will be updated on a regular basis as needed.

5.1.1 WHAT’S NEW IN THIS VERSION OF THIS CHAPTER

This version provides additional clarity on the scope of the market and value chain analyses and the technical analyses to be conducted under the programme, and the frequency with which they should be updated. It also provides guidance on the training materials that need to be developed for each livelihood option.

Finally, this version lists the one-time activities that need to be completed in preparation for the implementation of the livelihoods component.

5.1.2 KEY ROLES IN LIVELIHOODS-RELATED ANALYSES

Extension, including Woreda SMSs	<ul style="list-style-type: none">• Through the LIU, lead livelihoods-related analyses and provide technical direction and input where needed
MSE Agency	<ul style="list-style-type: none">• Support market/value chain analyses for the off-farm pathway
Labour and Social Affairs	<ul style="list-style-type: none">• Conduct employment analyses
TVET	<ul style="list-style-type: none">• Support employment analyses as needed
Cooperative Promotion	<ul style="list-style-type: none">• Support market/value chain analyses as needed
WOFED	<ul style="list-style-type: none">• Disburse livelihoods transfer
Women and Youth Affairs; Women, Youth and Children Affairs	<ul style="list-style-type: none">• Ensure that livelihoods-related analyses take into account the needs of women and youth
Livestock Development Sector	<ul style="list-style-type: none">• Guide/provide input into analyses for livestock-related livelihoods
Financial institutions	<ul style="list-style-type: none">• Advise on financial viability of livelihoods

5.2 Market/value chain analysis

This analysis will combine aspects of the following:

- A **market analysis**: a market survey or assessment to find out the information about potential consumers, their requirements and any opportunities for capturing a share of the market.
- A **value chain analysis**: an analysis of market potential for introducing new products or improvements to an existing product through examining opportunities along its value chain; i.e., production (including sourcing of inputs), storage, packaging and post harvest processing, marketing, transportation, value addition/processing, export or domestic consumption.

Market/value chain analyses help identify products and services with market potential and are therefore critical to determining viable livelihood opportunities. Consulting firms may be contracted to assist with these analyses, but woreda and regional experts should participate in, and contribute significantly to, each step of the process. These analyses will comprise the following steps:

Step 1: Identification of potentially marketable products and services. The starting point is the selection and identification of potential products or services for market and value chain analysis, based on the livelihood zone. This should be done through consultation with community groups – including youth groups and women’s groups – as well as discussions with woreda and regional experts. It is important that these analyses focus on value chains that are within the reach of poor clients as well as women. Experts from the Women and Youth Affairs will participate in this process to ensure that the needs and interests of women and landless youth are taken in to account. An initial list of livelihoods may include the following:

Table 5.1: Illustrative List of Livelihood Options

Crop and livestock	Off-farm	Employment
<ul style="list-style-type: none"> • Ox fattening • Fruit seedling production • Sheep fattening • Poultry • Vegetable production • Beekeeping 	<ul style="list-style-type: none"> • Petty trading • Sand collection • Tailoring • Donkey cart transport • Carpentry • Masonry • Milling 	<ul style="list-style-type: none"> • Construction • Textiles • Cobblestone

Step 2: Compilation of available local knowledge in relation to markets and value chains. This may include knowledge of DAs, woreda experts, traders, and PSNP clients themselves.

Step 3: Analysis of market conditions and selected value chains. This will involve field work, visits to markets, and discussions with value chain actors as well as service providers (animal health input providers, feed suppliers, etc.).

Step 4: Understanding of analytical findings by experts. Findings will be validated by regional, woreda and kebele experts.

The expected outputs of effective market/value chain analysis are:

- Identification of products with greatest market opportunities through examination of market share, current market trends and existing competition in both local and more distant markets. These will be the **priority livelihoods/IGAs** for each woreda. For this exercise, a ranking matrix similar to the one below should be used.

Table 5.2: Illustrative Livelihood Ranking Matrix

Value Chain Selection Criteria	Weighting (%)	Rationale
Potential to maximise impact and outreach, including for women, youth, and other vulnerable clients	[Should be highest percentage]	<ul style="list-style-type: none"> • A critical mass of target clients exists that, with the appropriate support, can provide this product or service • Product/value chain has the potential to maximise incomes and improve livelihoods for significant numbers of clients • Sector/value chain has the potential to increase livelihood opportunities for women, youth and other vulnerable/landless clients
Competitiveness and market potential		<ul style="list-style-type: none"> • Product/service has significant unmet market demand • PSNP clients can access markets either directly or via cooperatives and/or a lead firm • With employment linkage support, PSNP clients can access employment opportunities • Sector is not overly constrained by legal or regulatory barriers
ESMF compliance		<ul style="list-style-type: none"> • Environmental and social impact are minimal and/or have appropriate mitigating measures in place

Source: Adapted from Emerging Markets Group, Ethiopia Graduation Pilot (as quoted in *From Extreme Poverty to Sustainable Livelihoods – A Technical Guide to the Graduation Approach*)

Implementers may be useful to use the matrix above to narrow down the list of potential livelihood options prior to conducting full market/value chain analyses, in order to ensure that programme resources are used to conduct analyses only for livelihoods that have significant potential.

- For each priority IGA:
 - Identification of possible product improvements including quality and standards
 - Mapping of available supporting services
 - An understanding of the existing producers and supplies and the capacity of local markets to absorb additional and surplus agricultural products.

Some PSNP clients may have an interest in activities that have not been included in the initial market and value chain analysis, but are believed to have the potential to improve the incomes of the households. If a client wants to pursue a livelihood that is not officially supported by the programme technical assistance component, s/he will be permitted to complete a checklist for that livelihood as long as the following conditions are met: 1) the livelihood is considered by woreda experts to be technically and financially viable, 2) the livelihood is deemed not to have significant negative social or environmental impacts, and 3) the client can demonstrate that s/he has sufficient technical know-how and/or has received external technical training, e.g. by an NGO. If sufficient interest is generated in a livelihood, it will be included in the next periodic update of livelihood options.

5.3 Labour Market Assessment

In each region, BOLSA, with support from REMSEDA and/or TVET where needed, will undertake a labour market assessment to determine employment opportunities to which PSNP clients can be linked. This assessment will include the following:

- **A list of employment opportunities.** Where possible, these opportunities categorised by type, e.g.:

- Seasonal agricultural wage labour (e.g. on commercial farms)
- Construction jobs
- Jobs requiring more significant training
- Etc.
- **Training requirements.** Where additional skills are needed in order for PSNP clients to take advantage of employment opportunities, the assessment will outline the training needs for each opportunity.
- **Employer commitment.** The assessment will identify employers willing to provide training, internships and/or guaranteed employment to clients. On the basis of these discussions, the programme will develop plans for employment linkage facilitation.

This assessment, which will be conducted and/or updated every year, will feed into the annual planning process for livelihoods.

5.4 Technical analysis

Once the information on market opportunities is analysed, the programme will assess the technical and financial feasibility of the identified livelihoods/IGAs, and what technologies, inputs, and complementary support are necessary. This analysis will include the following:

- Technical feasibility analysis, including an analysis of biophysical suitability
- Financial viability analysis

These analyses will be complemented by an analysis of potential environmental and social impacts, which is described in the following section.

5.4.1 TECHNICAL FEASIBILITY ANALYSIS

The technical analysis will comprise the following major elements (much of which already exists in technical manuals of the Ministry of Agriculture and FEMSEDA):

- For each potential IGA, a detailed description of:
 - Production processes/requirements (or, for service-related livelihoods, service delivery processes/requirements)
 - Input requirements, including seeds, fertiliser, plant protection products, tools, feed, water, animal health products, equipment, and other inputs
 - Potential local sources for the inputs outlined above
 - Business management requirements
 - Plant and animal health interventions
 - Special harvesting, storage and certification requirements.
- A list of technical training requirements for each potential IGA/livelihood.

In addition, the programme will analyse the biophysical suitability of the targeted locations to the selected commodity, taking climate change into consideration and using the following three major criteria:

- Suitability of the climate variables (rainfall, temperature and LGP)
- Suitable topography (slope)
- Suitable soil

These biophysical suitability criteria will be applied to each IGA and matched for each location, using a decision guide to be developed by CSI.

Technical feasibility analyses will be the responsibility of each responsible institution: Extension for crop and livestock livelihoods, MSE Agency (with support from TVET) for off-farm livelihoods, and Labour and Social Affairs (with support from TVET) for employment. Analyses will be undertaken in collaboration with relevant SMSs, micro and small enterprise development specialists, Agricultural Research Organisations, Rural Technology Development Centres, NGOs, and experienced households.

5.4.2 FINANCIAL VIABILITY ANALYSIS GUIDE

Building on the information from the technical analysis, a financial viability analysis guide will be prepared to facilitate the calculation of a simple Gross Margin Analysis for each livelihood. Given the localised differences in input prices and market access in each locality, it will not be possible to create one standard financial viability analysis for each livelihood. However, this guide should enable Woreda Subject Matter Specialists to calculate localised based on a comparison of projected revenue to cost of inputs related to different IGAs/livelihoods. This guide will include, for each livelihood:

- Guidance on how to calculate revenue based on a projected volume of output and/or services and market prices, reflecting value addition through storage or processing where relevant.
- The cost of inputs, including technology and labour, which will be deducted from the annual revenue.
- How to calculate credit repayment (principal and interest) in the cost.

This guide should be reviewed by MFIs at the regional level to ensure that it is aligned with their own viability analysis methods. Using this guide, Woreda SMSs will conduct a financial viability analysis/cost-benefit analysis for each livelihood at woreda level, and provide training to DAs in how to customise it for the preparation of tailored business plans.

5.5 Assessment of Environmental and Social Impacts (ESMF)

Following development (or updating) of the Woreda Environmental Profile (WEP) in conjunction with the Woreda Public Works Focal Person, each type of proposed IGA/livelihood is assessed annually by Natural Resources and Social Development Experts for any potential negative environmental or social impacts.

89 **Examples of potential livelihoods-related environmental and social concerns**

Areas of particular environmental concern for livelihoods activities might include:

- The promotion of increased livestock production without adequate safeguards for ensuring increased production of livestock feed.
- Environmental issues related to irrigation projects, such as issues related to downstream use of water, or a requirement for mitigating measures such as the application of integrated pest management (IPM).

Areas of particularly social concern might include the social aspects of seasonal migrant labour to distant commercial farms. Where this is being promoted, the dangers of HIV/AIDS should be properly understood.

The environmental and social impact assessment of each type of IGA is undertaken in consultation with local leaders and knowledgeable persons such as environmentalists and public health workers.

The assessment of potential environmental and social impacts involves three steps:

- The potential impacts of each type of IGA are identified in order to develop a list of eligible and ineligible IGAs in each woreda, as set out in the PSNP Environmental and Social Management Framework.
- The DA checks each proposed business plan against the list to ensure that the IGA is eligible.
- If the IGA is eligible, the DA determines whether any mitigating measures are necessary, and whether special conditions apply.

5.6 Other Livelihoods-related Preparatory Activities

5.6.1 PREPARE REGIONS AND WOREDAS FOR IMPLEMENTATION

Once the analyses have been conducted and finalised, a series of activities must take place to ensure that regions and woredas are ready for the implementation of the livelihoods component. These are described below.

5.6.1.1 Revision and dissemination of the financial literacy toolkit

The Livelihoods Implementation Unit will oversee a revision of the financial literacy toolkit based on the existing Household Asset Building Programme (HABP) and Graduation with Resilience to Achieve Sustainable Development (GRAD) programme toolkits, and will cascade this toolkit down to trainers at the local level.

5.6.1.2 Development and dissemination of an intensive coaching and mentoring guideline for DAs

Intensive coaching and mentoring will be a new activity for many DAs, and will require different skills from the technical skills on which their training usually focuses. Therefore, the Livelihoods Implementation Unit at the federal level will prepare and disseminate a guideline on intensive coaching and mentoring to give DAs the “soft” skills necessary for the implementation of this new activity.

5.6.1.3 Development and dissemination of technical guidelines and training curriculum for each livelihood pathway

For every livelihood option to be supported in each woreda, the responsible training institution (Extension for crop and livestock, and TVET for off-farm and employment) must have a training curriculum prepared that includes technical trainings as well as business skills and marketing trainings. If the livelihood option is new or relatively unfamiliar to the DA (e.g. beekeeping), the programme must ensure that DAs receive high-quality training on the livelihood for an adequate period of time prior to the provision of trainings to clients.

5.6.1.4 Determination of exact regional implementing arrangements

Institutional structures, particularly for off-farm and employment pathways, vary by region. For instance, in Amhara, REMSEDA and TVET have merged into one institution. In SNNP, a Job Creation Agency is responsible for employment linkages, particularly for youth. In addition, in some regions, zones play a greater role than in others. Therefore, when Regional Livelihoods Implementation Units are created at the start of the programme, the exact regional implementing arrangements for each pathway will be agreed.

CHAPTER 6 ANNUAL PLANNING

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6.1 Introduction

Planning is the critical first step in preparing for PSNP implementation. Planning in the PSNP largely takes place annually starting with planning at community level, which then feeds into woreda plans, which in turn fit into regional plans and so on. This planning is complemented and informed by other key preparatory activities including targeting and recertification of programme clients (see Chapter 3), the setting of the wage rate (Chapter 4), decisions regarding the mode of transfer (also Chapter 4) and livelihoods-related analyses (Chapter 5).

PSNP planning takes place in time to release the budget for the start of the Ethiopian Government Financial Year on 8th July.

6.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

This version of the planning chapter incorporates new design elements for the next phase.

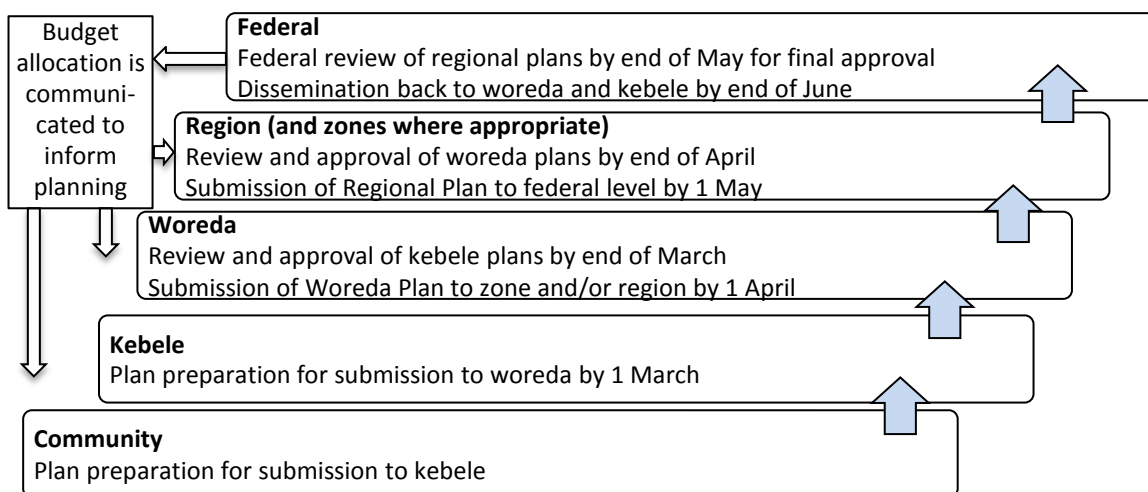
- Overall planning:
 - Provides an overview of ESMF procedures during planning
 - Integrates livelihoods plans into overall planning
 - Integrates links to social services per public works and temporary direct support clients, and case management of permanent direct support clients, into overall planning
- Livelihoods planning:
 - Incorporates livelihoods plans into PSNP plans at every level
 - Provides detail on the mechanisms for livelihoods planning
- Links to social services planning for public works and temporary direct support clients:
 - Incorporates links to social services in planning processes
 - Provides detail on the mechanisms for planning of soft conditionalities for temporary direct support clients and community BCC for public works clients
- Case management for permanent direct support clients:
 - Incorporates case management for permanent direct support clients in planning processes
- Public works planning
 - Provides guidance on enhancing women's participation in planning
 - Describes the tailoring of public works planning to the various livelihood types in pastoral lowlands
 - Details how to accommodate the different workloads for women in public works planning
 - Includes the planning for behavioural change communication as a public work, and how to adjust public works plans accordingly
 - Describes coordination mechanisms to increase the contribution of public works/conditionalities to livelihoods, nutrition and other social services, climate resilience and DRM.

6.2 Overview of the Planning Process

6.2.1 PLANNING PROCESSES, REVIEWS AND TIMELINES

The PSNP planning process is a multi-level process that combines a bottom-up and top-down approach, and produces annual safety net plans at each level, as illustrated in the figure below.

Figure 6.1: PSNP Planning Process²³



The planning process involves the following steps:

- It begins with community, which with the assistance of the DA produces the Community Plan
- These plans are reviewed, approved and consolidated at kebele level, and combined with kebele level client selection to produce the Kebele Annual Safety Net Plan
- The Woreda Annual Safety Net Plan consolidates kebele plans and incorporates specific woreda-level activities
- The Regional Annual Safety Net Plan combines the woreda plans along with activities to be conducted at regional level
- The Federal Annual Safety Net Plan is the highest level planning document which summarises plans across the whole programme for the coming year as well as describing specific activities to be conducted at the federal level

Each of these steps is detailed in the sections below.

For each of these plans there is a hybrid review process which involves two parallel processes:

- **Horizontal review:** Submission of plans for various components by Food Security, with review and consolidation into an overall safety net plan (for example, a Woreda Annual Safety Net Plan which includes inputs on public works as well as livelihoods). This enables Food Security at each level to have an overview of the whole programme in relationship to budget allocation and utilisation as well as ownership of the programme as a whole. This process also ensures the integration of safety net plans into overall development plans (e.g. Woreda Development Plans) and oversight of appropriate administrative bodies at each level.
- **Vertical review:** Submission of plans for various components to appropriate line structures to allow for technical review and technical coherence of each component. This is particularly critical for the livelihoods component, which requires input from the regional level in relation to value chains and markets, employment opportunities, availability of TVET services, etc.

²³ In regions where zone play a role in reviewing and consolidating plans, the woreda submit their plans to the zones who then consolidate them and forward them to the region. However, the deadlines indicated in this figure still apply.

Therefore, each section of the plan is submitted to Food Security at the appropriate level for consolidation into the overall Safety Net Plan, and is also submitted vertically to appropriate sectors for technical review and oversight.

Each of the plans is distributed back down to the lower levels immediately following federal approval so that all participants are aware of final planning decisions that have been taken and final resource allocations that have been made. This also allows greater downward accountability.

Once the PSNP annual plan and budget have been approved at the federal level, MOFED posts the annual woreda-by-woreda budget on its website. Each woreda also posts the annual PSNP plan, budget and list of clients, along with the Client Bill of Rights and Responsibilities, in a public location in the woreda centre and in each kebele centre.

6.2.2 KEY CONSIDERATIONS IN PLANNING

6.2.2.1 Preparations for planning


As a first step in planning at all levels, there is a review of the planning organisations and their membership, to ensure that:

- The planning bodies all exist and are functional
- The correct members are present
- Members have been adequately informed of their task and have the necessary skills and information to conduct it
- Any new members, for example where there has been staff turnover, have been adequately trained

6.2.2.2 Planning at different levels

The following sections are structured according to the hierarchy of planning and the planning product produced, starting with community and kebele, moving to woreda, and then to regional and federal level planning.

At each step of the process, additional information is added to the plans. For some aspects of the programme, information flows from the top down to inform the planning process. This includes information on budget allocation (to guide the targeting process) as well as livelihoods-related information such as market information, labour market opportunities, and credit availability.

	<p>Annual identification of market potential for livelihood opportunities</p> <p>Annual identification of market potential for livelihood opportunities is likely to follow the following pattern, which will determine at what level livelihood opportunities are incorporated into the planning process:</p> <ul style="list-style-type: none">• At community level: primarily on-farm crop and livestock livelihoods as well as some localised off-farm livelihoods• At woreda level: crop and livestock livelihoods, a greater range of off-farm livelihoods, and some labour (construction)• At regional level: labour/wage employment linkages (plantations, commercial farms, etc.) and off-farm livelihoods• At federal level: facilitation of employment linkages between regions as needed
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6.3 Overview of ESMF Procedures during Planning

The Environmental and Social Management Framework (ESMF)²⁴ is designed to address potential environmental and social issues arising from:

- Public works
- The livelihoods component

In order to effectively address any environmental and social issues, potential risks need to be identified during the planning process and any mitigating actions identified and planned for at this point.

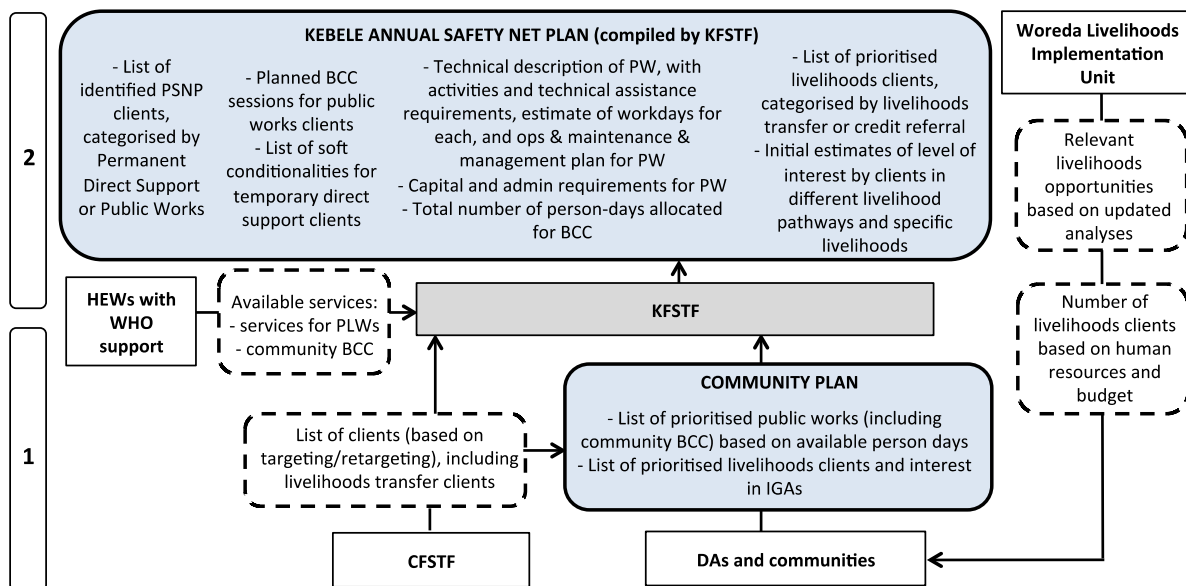
For public works, a screening tool supports the effective identification of ineligible projects, projects of concern or requiring special procedures and which therefore need referral to woreda and regional authorities, and projects which require mitigating actions. This screening tool is applied by the DA during the community planning process (see Section 6.4.1.1 below).

For the livelihoods component, the risk is less from the livelihood choice of an individual household and more the potential cumulative effects if particular livelihood investments become popular and are taken up at scale. Because it is the potential cumulative effects which are of concern, the ESMF is applied at woreda level for the livelihoods component (see Chapter 5 (Livelihoods Related Analysis), Section 5.5).

6.4 Preparation of the Community and Kebele Plans

The Kebele Annual Safety Net Plan is the lowest level planning document in the PSNP. It is prepared from PSNP planning processes that begin at the community level and are aggregated at the kebele, as illustrated in Figure 6.2 below.

Figure 6.2: Preparation of the Community and Kebele Plans



Several elements described in the preceding chapters also feed into the annual planning process. These include:

²⁴ "ESMF" here includes related documents such as the Resettlement Policy Framework.

- The client selection process, including the categorisation of clients into permanent direct support or public works, and targeting of clients for livelihoods transfers. This process is described in Chapter 3 (Programme Entry and Exit).
- Scheduling of public works and transfers. This process is described in Chapter 4 (Public Works and Transfer Schedule, Wage Rate, and Mode of Transfer).
- Livelihoods-related analyses, including market/value chain analyses, technical analyses, labour market analyses, and environmental and social impact analyses. The process by which these analyses enable the shortlisting of livelihoods options for each woreda is described in Chapter 5 (Livelihoods-Related Analyses).

The following sections describe the planning processes for public works, livelihoods, links to social services, and other aspects of programme implementation at the community and kebele level, along with their approval processes.

6.4.1 COMMUNITY PLAN

In January and/or February of each year, the community gathers to plan for public works, livelihoods, and links to social services. These various elements of the programme are planned in an integrated manner in order to maximise synergies between them (for example, identification of forage development as a public works sub-project to contribute to clients' livestock-related livelihoods). This process will also support climate smart planning.²⁵

6.4.1.1 Public works planning


Development Agents assist communities in planning public works based on sub-projects selected through the watershed-based community development planning process (refer to Community-Based Participatory Watershed Development Guidelines [CBPWDG] and the Pastoral Public Works Guidelines). This process helps to identify community needs, prioritise activities based on those needs, and ensure community ownership of the sub-projects as appropriate.

Prior to the community planning process, work will have taken place at woreda level to define the major watersheds and the critical watershed units. These watershed units may still encompass several kebeles or communities, and will therefore need to be further defined into community-based sub-watersheds. It is these community-based sub-watersheds (or community watersheds) which form the basis for planning, in order to have integrated management of watersheds (rather than a piecemeal selection of sub-projects).

Estimating person-days for public works. The number of public works sub-projects a community can complete is related to the number of person-days of public works participation available. Therefore, the number of person-days must be calculated based on the number of adult public works clients, these clients' labour requirement (different for women and men), and adjustments for temporary direct support clients. In addition, public works planning should include provisions for public works clients to participate in at least six 2-hour community BCC sessions per year. The DA and the Health Extension Worker work together to determine a realistic number of community BCC sessions to be organised for public works clients and how to schedule these sessions throughout the period of public works implementation (see Section 6.4.2.1 below for further details). The planned public works sub-projects and other community priorities should inform the topics to be covered in

²⁵ One method for climate-smart planning might be the application of the Climate Vulnerability and Capacity Analysis tool piloted by the Climate-Smart Initiative (CSI) to identify public works and livelihood activities that reduce key vulnerabilities and build resilience.

community BCC. For example, if water development or latrine construction projects are planned – at least one community BCC session should focus on hygiene and sanitation.



Public Works Exemptions for Financial Literacy and Basic Literacy Training

Clients participating in the livelihoods component can be exempt from up to four days of public works if financial literacy training is provided intensively during the public works period. However, the impact of this training on the number of available person-days for public works is expected to be minimal. Financial literacy training exemptions can therefore be taken into account as needed during implementation rather than at the initial planning phase.

Clients may also be temporarily exempt from participation in public works if: 1) basic literacy training is available, 2) the WFSTF approves the basic literacy training provider in the woreda, and the KFSTF decides that the client needs this training. This process is described in Part 3, Chapter 8 (Public Works and Links to Social Services). As with financial literacy training, basic literacy training can be taken into account as needed during implementation rather than initial planning.

The calculation for the potential number of person-days of employment should follow the process laid out in the below table:

Table 6.1: Calculating Available Person-Days for Public Works

Step	Process
Step 1: Identify the number of public works clients in the community	Figure to be provided by DA
Step 2: Approximate male and female breakdown	Unless other data is available, estimate a 50/50 split
Step 3: Calculate the total number of person days available prior to adjustments	% of male PW participants x total PW clients x 5 days per month x 6 months per year % of female PW participants x total PW clients x (5 days per month x 6 months per year) ÷ 2
Step 4: Adjust the number of person days to reflect exemption of temporary direct support clients from public works participation	Unless other data is available, reduce the total above by 3%
The total from Step 4 is the total number of person-days available for public works	
Step 5: Allocate person-days to community BCC and other types of public works	Community BCC: Unless other data is available, estimate 2% of the total from Step 4 above Other public works: Unless other data are available, estimate 98% of the total from Step 4 above.

Planning of sub-projects. For each community watershed, a planning team will be formed. This will often be based on the Community Food Security Task Force (CFSTF), but sub-teams may be formed to better support the planning process. In the formation of this planning team, careful consideration is needed to ensure active participation of women (both household heads from female-headed households and female members of male-headed households). Women should be encouraged to take leadership positions in public works planning wherever possible. Depending on the local context, the community may decide that a mixed team is the most appropriate approach, with a designated proportion of women in the planning team and ground rules to enhance women’s participation; or to establish separate male and female planning teams. The Social Development Expert monitors the participation of women in planning to ensure that constraints to their participation and leadership are minimised or eliminated.

The detailed planning process follows the steps laid out in the Community Based Participatory Watershed Development Guidelines and the Pastoral Public Works Guidelines. The smallest planning unit for public works should provide for efficient and collective planning and management of PW. In highland areas, the community is the smallest planning unit used. In pastoral areas, the lowest

planning unit may be the kebele or the community, depending on the dominant livelihood system in the target area. For further detail, see the Regional Variations Section (Section 6.10) and the Pastoral Public Works Guidelines.

Each community begins with a strategic plan through which the baseline conditions have been determined and an inventory of community assets has been done. Through this process, community needs are identified, with careful consideration of the needs of both men and women and different groups within the community. During this process, communities are encouraged to consider projects that contribute not only to watershed development but also specifically to livelihoods, nutrition, climate resilience and disaster risk management. A list of potential sub-projects is developed, which are then ranked in order of priority, taking into account the needs of women and other groups in the community. This process should consider the time during the year when the public works sub-projects will be carried out, and the number of person days available to complete the public works (see also Table 6.1 above).

The major types of sub-projects that are typically implemented under the PSNP are as follows:

- Biophysical soil and water conservation
- Gully control
- Forestry/agroforestry, forage development and pasture development
- Water projects/community and micro level/construction
- Water projects/community and micro level/rehabilitation
- Small-scale irrigation construction or expansion
- Small-scale irrigation rehabilitation
- Community road construction
- Community road rehabilitation
- Social infrastructure construction (including latrine construction)
- Social infrastructure rehabilitation
- Nutrition and other social services related activities, including participation in community BCC

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Contribution of public works to livelihoods, nutrition, climate resilience and DRM

Public works can contribute to livelihoods, nutrition, climate resilience and DRM in numerous ways. For instance, roads constructed or rehabilitated through public works may contribute to both livelihoods (through improved market access) and links to social services (through improved access to health facilities). Some other examples include:

- Construction of training halls for Farmer Training Centres (FTCs) and Pastoralist Training Centres (PTCs), forage and pasture development, nursery establishment, and construction of animal health posts are all ways in which public works might contribute to livelihoods.
- Latrine construction, development of kitchen gardens, construction of health posts, establishment of child care centres and provision of child care at these centres, and participation in community BCC are all ways in which public works might contribute to nutrition. Outcomes of community conversations²⁶ on maternal and child health and nutrition can help promote the identification of nutrition-sensitive public works by communities, where applicable.
- Area enclosures, birka construction and/or pond rehabilitation are all ways in which public works might contribute to climate resilience and DRM.

²⁶ Under Community-Based Nutrition, community conversations on nutrition are organised to discuss the progress of implementation of nutrition activities in the community, receive updates on nutrition status, and identify causes and possible solutions of malnutrition.

The landscape approach (looking at “clusters” of similar enterprises) piloted by the Climate-Smart Initiative can strengthen linkages between key household and community assets which are required to reduce vulnerabilities and increase resilience to climate change effects. This approach looks beyond household-level planning at the socio-economic dimension of watersheds and linked micro-watersheds. This is particularly important for market development interventions, environmental transformation (degraded lands development) and carbon financing opportunities.



Eligible Public Works

The above list should not be considered the complete list of eligible public works. Any public work planned by the community is eligible for consideration as a PSNP public work as long as it a) is labour intensive and b) meets the eligibility criteria laid out in the ESMF screening process.

Finally, a list of prioritised public works projects is completed based on the resources (public works person-days) available for the coming year. The DA is then responsible for the designing of the sub-projects with the assistance of woreda, zone or regional experts, as appropriate.

ESMF check and screening. The DA undertakes an ESMF eligibility check and ESMF screening for each planned sub-project. The DA attaches the completed and signed screening form to the sub-project file. For sub-projects of particular environmental concern, the DA ensures that the sub-project file is earmarked according to the procedures set out in the ESMF. The ESMF screening is overseen by the Woreda Environmental or NR Expert, who takes responsibility and signs the completed ESMF Screening Form.

The DA then completes for each sub-project form *PSNP-PW002: PW Sub-project & Activity Identification and Description*, setting out details of the sub-project including non-labour inputs, technical assistance likely to be needed for implementation, and operations and maintenance requirements. This is done in accordance with the guidelines published by the federal PWCU and disseminated in the PSNP Annual Training Course.

6.4.1.2 Livelihoods planning

Livelihoods planning entails a combination of bottom-up and top-down approaches, as livelihoods interventions must be based on community/client interest but also on resource availability (particularly human resources to provide financial literacy training, coaching, and technical training), credit availability, and market demand for goods and services.

The initial identification and shortlisting of livelihood opportunities is described under Part 2, Chapter 5 (Livelihoods-Related Analyses).

At the local level, livelihoods planning will entail the following key steps:

Step 1: Livelihoods client allocation. This step actually takes place at the woreda level, but should be completed prior to the preparation of the community livelihoods plan. Woredas will receive initial estimates of their budget allocation and will estimate their capacity to provide technical support, based on the programme’s implementation capacity (particularly human resource capacity) as well credit availability and market capacity. The box below illustrates how this process works.

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Allocation of livelihoods clients based on woreda-level capacity

Woredas will use the following criteria to determine how many livelihoods clients can be supported in each kebele and community:

- **Implementation capacity**, and particularly human resource capacity. The number of households to be supported in completing livelihoods checklists per livelihood pathway in a given year is guided by the following:
 - Crop and livestock: a 1-to-50 ratio of DAs to households²⁷
 - Off-farm: availability of one-step service centres and/or capacity of the MSE Council to oversee the coordination and implementation of the off-farm pathway. (Note: for simple off-farm livelihoods to be supported by extension, the 1-to-50 ratio of DAs to households will apply)
 - Employment: proximity/availability of training services and linkages to employment opportunities (based on information provided from the regional level)
- **Financial capacity**, and particularly the availability of credit resources. The plan should detail the availability of credit from MFIs and RUSACCOs in the woreda, based on their willingness to supply credit to PSNP client households.
- **Market capacity** for each livelihood pathway, based on an annually updated analysis (see Chapter 5). Information on market capacity for employment pathways and, to a lesser extent, off-farm livelihood pathways, is provided to the woreda from the regional level.

Based on these factors, woredas indicate how many clients can be supported in each kebele, and communicate these figures to communities to inform their planning and prioritisation processes, as described below.

Step 2: Community consultations. Community consultations are a key initial step in the planning of livelihoods interventions each year. The purpose of these consultations is as follows:

- To inform clients about the livelihoods component of the PSNP.
- To explain the livelihood pathways relevant to the community (in some communities, this may be all 3 pathways, while in other communities, only 1 or 2 pathways may be relevant), and how the project will support them. This process is tied in with public works planning, as public works sub-projects may expand opportunities in certain pathways.
- To provide clients with the opportunity to provide their input and suggestions on livelihoods interventions.

Community consultations include women from male and female-headed households, youth and other community members, and are done in conjunction with public works planning where possible. During the consultation, the DA visits the community and explains the purpose of livelihoods interventions, the types of livelihoods that will be supported, the various trainings clients may receive, and, where applicable, the employment linkages that may be facilitated. Participation in off-farm and employment pathways should be discussed in potential terms, as the plan for these pathways will ultimately depend on market demand for products and skills, as well as the availability of TVET trainers, which will be determined at a higher level. DAs coordinate with experts from the Women Affairs' desk in the Woreda Agriculture Office and other experts to ensure that representatives from women's and youth groups are present. These representatives subsequently organise women's group meetings, youth meetings and other community meetings to spread the word about livelihoods interventions and initiate the process of aspiration development. Through this process, poorer households that may initially be reticent to participate in livelihoods interventions are encouraged to register their interest.

²⁷ For an explanation of why this ratio is used, see Part 3, Chapter 9 (Livelihoods Component).

After women's, youth and other community groups have had enough time to spread the word about livelihoods interventions (this may take several days or a few weeks), the CFSTF registers the list of clients interested in participating in livelihoods interventions during the year.

Community consultations are repeated each year during the preparation of the woreda plan and prior to prioritisation of clients for livelihoods interventions.

Step 3: Prioritisation of clients and households. If more clients are interested in participating than there are resources to support them (see Step 1 above), the Community Food Security Task Force meets to prioritise which interested households will receive livelihoods support during the year:

- Households targeted for a livelihoods transfer (see Part 2, Chapter 3 (Programme Entry and Exit)) receive priority support in order that all households targeted for a livelihoods transfer are able to receive livelihoods support within three years of being targeted, if possible.
- Households that are identified as being "ready for the next step" in terms of livelihoods will be prioritised to make up the remainder of livelihoods clients for the year.²⁸

Up to two clients per household may participate in livelihoods interventions in a given year, but only one client may receive a livelihoods transfer during the programme. In each community, the final list of clients must reach a target of 50% women (including female youth). All households should be given the opportunity to participate in livelihoods interventions before one household participates for a second time.

Step 4: Preparation of a list of livelihoods clients and initial indications of interest regarding livelihood pathways/IGAs. These indications of interest are for planning purposes only, as clients will select their livelihoods once they have begun receiving technical support.

6.4.1.3 Compilation of the community plan

All of the processes outlined above feed into the Community Plan, which includes the elements below and is submitted to the Kebele Food Security Task Force:

- List of prioritised public works (including participation in community BCC) based on available person days
- List of prioritised livelihoods clients and interest in IGAs

6.4.2 KEBELE PLAN

The Kebele Food Security Task Force is responsible for preparation of the Kebele Annual Safety Net Plan (KASNP). This plan uses the results of the targeting/retargeting processes as well as plans for public works and livelihoods developed at community level, and incorporates further inputs on links to social services prepared at the kebele level, as outlined below.


6.4.2.1 Links to social services planning

Adjustments to co-responsibilities (as needed) based on local realities. At kebele level, Health Extension Workers in consultation with the Woreda Health Office review the expected co-responsibilities outlined in the table below against the capacity to provide health and nutrition services. If necessary, proposed modifications are made on the basis of the services available for inclusion in the KASNP.

²⁸ If communities cannot agree on how to prioritise clients for participation in the livelihoods component, a lottery system may be used as a final resort.

Category of Temporary Direct Support Client	Co-Responsibilities
Pregnant women	<ul style="list-style-type: none"> • Attendance of four ante-natal consultations • To participate in BCC sessions as informed by the HEW
Lactating women with a child less than one year old	<ul style="list-style-type: none"> • Attendance at one post-partum health facility visit • Attendance at growth monitoring and promotion/behavioural change communication sessions as informed by the HEW • Uptake of routine immunisation on behalf the child as informed by the HEW
Primary care-giver of a malnourished child under five years old during treatment	<ul style="list-style-type: none"> • Monthly check up of the child at the closest health facility • Attendance at BCC sessions provided by HEWs or the health development army as informed by the HEW. • Participation in treatment (e.g. community management of acute malnutrition or targeted supplementary feeding) as advised

Planning of BCC for public works clients. HEWs, with support from the Woreda Health Office and other actors as appropriate (e.g. WOLSA), map the potential existing and planned community BCC provisions in the kebele, taking care to focus on BCC that: 1) takes place during the public works season, and 2) targets both men and women. These might include community BCC planned for nutrition-related community conversations, community BCC planned during various health campaigns, and other planned group-focused BCC sessions.



Community-Based Behaviour Change Communication Interventions

PSNP public works clients will be reached at least once a month with community BCC interventions, including monthly cooking and feeding demonstrations. These BCC sessions will improve women’s and men’s access to and use of user-friendly information, and ultimately aim to change behaviour of nutrition and health-related caring practices of pregnant women and young children. As such, it is important that community BCC reach beyond the traditional target population of mothers, and also target men. This will allow the power of a broad range of influential groups to be harnessed in order to change overall social norms.

The following BCC and associated health-seeking behaviours are eligible to be counted as contribution to public works clients’ public works commitment:

- Participation in up to two community health days
- BCC sessions provided at a public works site (each session should last at least two hours)
- Participation in community conversations conducted as part of community-based nutrition

Following this assessment of existing community BCC services, the HEWs assess whether public works clients’ community BCC requirements (six sessions during the course of the public works implementation period) can be addressed through existing services or whether it will need to be complemented by additional specific sessions arranged for public work clients. The HEWs then agree the schedule of existing and specific sessions so that they can be accommodated in the above public works planning process.

6.4.2.2 Preparation of the kebele annual safety net plan

Step 1: The KFSTF consolidates all lists of needs and priorities related to public works and livelihoods prepared by the CFSTFs in the community plans, and adds the links to social services plan as outlined above, as well as the results of annual targeting/retargeting processes. Based on these inputs, the KFSTF prepares the Kebele Annual Safety Net Plan.

The KASNP has the following content:

- A list of identified PSNP clients, including categorisation:
 - Public works clients (including temporary direct support)

- Permanent direct support clients
- A brief technical description of proposed public works sub-projects
- A list of activities to implement those public works sub-projects
- An estimate of workdays required for each sub-project, based on standard work norms which are found in Part 1 of the CBPWD Guidelines and adjusted based on the mix of men and women (in line with the 50% reduction in the work load for women) and planned participation in community BCC, as outlined in Table 6.1 above.
- Requirements for technical assistance for the design of the project or during implementation
- Requirements for non-labour capital or administrative inputs
- Operations and maintenance and future management plan for all new infrastructure
- The number of total person-days allocated for participation in community BCC.
- Planned community BCC sessions for public works clients
- Any proposed modifications to the co-responsibilities for inclusion in the Links to Social Services sub-component.
- A list of PSNP livelihoods clients, including categorisation for credit referrals or livelihoods transfers
- Initial estimates of level of interest by clients in each of the three livelihood pathways



Budgeting

Budgets are not prepared at Kebele level. Budget information is added at woreda level.

Step 2: The KFSTF verifies that the KASNP pays particular attention, where relevant, to: 1) incorporating management and rehabilitation of the watershed as a key activity for promoting long-term food security, and 2) linkages and synergies between planned public works sub-projects, livelihoods pathways and investments, and links to social services activities.

Step 3: The KASNP and the Kebele Development Plan are integrated in all respects, and the content of the KASNP is used to update the wider Kebele Development Plan as appropriate. The Kebele Annual Safety Net Plan specifies which activities within the broader Kebele Development Plan will be undertaken under the PSNP.

Step 4: The completed Kebele Annual Safety Net Plan is presented within the context of the wider Kebele Development Plan to a general meeting of all communities in the kebele for review and endorsement.

Step 5: The endorsed KASNP is sent to the Woreda Food Security Task Force.

Step 6: The KASNP is assessed technically by the WFSTF, which arranges a technical appraisal of the proposed projects by experts from the woreda or regional BOA and other line Bureaus, if not done already. This includes project screening with ESMF.

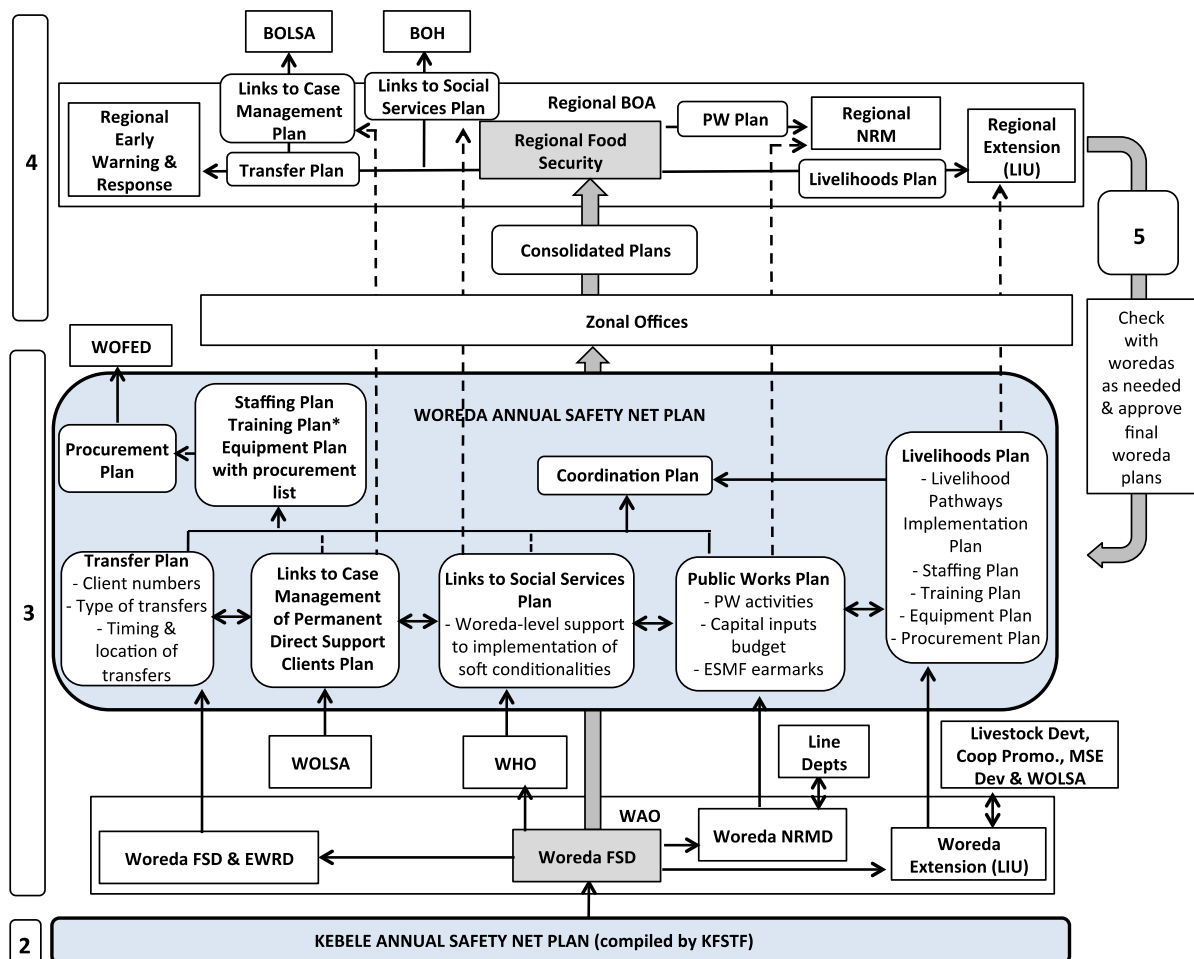
Step 7: If this process results in technical concerns with any of the proposed activities, these concerns are discussed with the WFSTF and may result in the suspension or rejection of some of the proposed sub-projects. However, this is not grounds for delaying approval of the wider KASNP. Any appeals arising from this process will be heard by the Woreda Council or Cabinet, as appropriate.

Kebele Annual Safety Net Plans, once approved, form the basis for PSNP interventions.

6.5 Preparation of the Woreda Plan

Woreda Annual Safety Net Plans (WASNPs) are prepared from all of the Kebele Annual Safety Net Plans in a woreda. Woreda Annual Safety Net Plans are prepared by the Woreda Agriculture Office (WAO), working together with other sector offices. This helps ensure that their roles and responsibilities are acted on and that duplication of plans is avoided. The woreda plan includes plans for each of the programme elements: transfers, public works, links to social services, links to case management of permanent direct support, and livelihoods. However, the plan is more than the sum of its parts: it integrates all safety net activities in the woreda, including the woreda-level functions, as illustrated in the diagramme below.

Figure 6.3: Preparation and Review of the Woreda Plan



*The Links to Case Management of Permanent Direct Support Clients Plan and the Links to Social Services Plan feed into the training plan, but not the staffing plan, equipment plan, or procurement plan. At woreda level, the Livelihoods Plan has each of these sections separately as they are covered by a separate budget.

The WASNP includes the following content:

1. Client numbers and whether they are clients of the permanent direct support or public works clients (including temporary direct support). The proportion of resources required in cash and food, and when each is needed based on community demand
2. Transfer plans for cash and food, including when transfers will be needed, and where and when they will be distributed
3. Planned public works sub-projects, indicating those requiring specialised technical input, and including the schedule for the year
4. Links to social services plans

5. Links to case management of permanent direct support clients plans
6. Livelihoods plans
7. Staffing needs in the woreda
8. Equipment needs in the woreda
9. Training needs and plans for the woreda
10. Basic procurement plans
11. Coordination plans
12. Woreda budget and schedule

The Woreda budget and schedule should cover all programme activities separated by line item. The administrative budget will cover staffing, equipment (including procurement), and training for the implementation and oversight of transfers, and public works. It will also cover training needs for the implementation and oversight of links to social services. The livelihoods capacity building budget will cover these administrative costs for the implementation of the livelihoods component. This is described in further detail in Part 4, Chapter 12 (Financial Management).

The WASNP is prepared in April when all the KASNPs are available, although planning must occur in time to ensure that the WASNP is submitted to the zone (and/or region where appropriate) by the end of April. The process for planning and approval of the key elements of the Woreda Annual Safety Net Plan is described in sections below.

6.5.1 CLIENT NUMBERS BY COMPONENT

The WASNP summarises kebele level data on client numbers, with the following process.

Step 1: Kebele client lists, which have taken into account graduation and any other adjustments, and are presented as a part of the KASNP, are sent to the WAO and shared with sector offices for consolidation and analysis, and discussed by WFSTF. The client lists are part and parcel of the KASNP.

Step 2: The Woreda Cabinet checks and approves the list of participants in each kebele, ensuring that adequate resources will be available during the year to support this number of clients.

Step 3: If any adjustments are needed, the WFSTF informs the KFSTF, which revises its client list and KASNP accordingly.

Step 4: If adjustments are needed that increase the client number above the PSNP budget allocation, the Woreda Council may approve use of the woreda contingency to cover the increase.

6.5.2 TRANSFER PLAN

Timely and predictable transfers are key to the success of the PSNP. The Woreda Annual Safety Net Plan is the source of information that allows regions and the federal level to plan in order for transfers to be disbursed in a timely manner. Planning for the types of transfers (food or cash) is covered in Chapter 4 (Public Works and Transfer Schedule, Wage Rate, and Mode of Transfer). The woreda takes into account preferences articulated in the KASNP where appropriate and develops an overall resource plan for the woreda.

The transfer plan includes a section for transfers to permanent direct support clients, who will receive 12 months of transfers per year, and a separate section for transfers to public works (and temporary direct support) clients, who will receive six months of transfers per year. Section 4.2 of Chapter 4 (Public Works and Transfer Schedule, Wage Rate, and Mode of Transfer) describes the process for scheduling of disbursements for permanent direct support transfers as well as public works transfers, including in woredas where transfer schedules may differ from other woredas in

their region. Section 12.3 of Part 4, Chapter 12 (Financial Management) and Section 13.3 of Part 4, Chapter 13 (Food Management) detail the key steps with the resulting payment schedule for cash and food transfers annexed to the WASNP.

The number of clients targeted for graduation who opt for a lump sum transfer is taken into account during the preparation of the transfer plan. This transfer must be provided at the start of the public works period, and must be provided in cash, even in woredas where transfers are provided in food.

If cash and/or food flow plans are amended during the year, the Woreda Food Security Desk/Process informs the WFSTF and WOFED in a timely manner and woreda plans are amended. The amended payment schedule is communicated to PSNP clients.

6.5.3 PUBLIC WORKS PLAN

The Woreda reviews the prioritised public works in the KASNPs and consolidates them into an overall woreda public works plan. This process is completed by the Public Works Technical Committee chaired by the Natural Resources Desk. The committee reviews the resources available to complement the labour input, develops the budget for capital inputs into the public works project, and ensures the mainstreaming of gender and social development issues into the public works plan. The technical committee also ensures the integration of the community watershed plans into overall watershed planning of the woreda and the major watersheds and critical watershed units previously identified.

Contributions of public works to livelihoods, nutrition, climate resilience and DRM should be specifically outlined in the Public Works Plan.

The Woreda Environmental or NR Expert ensures that any planned public works sub-projects of environmental concern are clearly earmarked.

The Woreda Natural Resources Desk submits the Public Works Plan to the Woreda Food Security Desk/Process for incorporation into the overall Woreda Annual Safety Net Plan, and also sends it to Zonal Agriculture Office for compilation and submission to the Regional Natural Resources Core Process for technical review.

6.5.4 LINKS TO SOCIAL SERVICES PLAN

The Woreda Health Office and WOLSA, where available, review any proposed modifications to the list of co-responsibilities proposed by HEWs in the kebele plans, with support and participation of the Woreda Agriculture Office, per the National Nutrition Programme (NNP) policy. They also review potential estimates of number of temporary direct support clients and identify any additional support HEWs and health facilities will need to meet any increased uptake in services. In addition, the Woreda Health Office reviews kebele plans for the provision of community BCC to public works clients. WHO and WOLSA use these plans to inform their own woreda-level activity planning in order to ensure that adequate human resources and other resources will be available for their implementation.

6.5.5 LINKS TO CASE MANAGEMENT OF PERMANENT DIRECT SUPPORT PLAN

In woredas where WOLSA has a presence, WOLSA staff review the list of permanent direct support clients and identify potential services they can be referred to, as discussed further in Part 3, Chapter 7 (Permanent Direct Support Component).

6.5.6 LIVELIHOODS PLAN

The livelihood component of the Woreda Plan incorporates the capacity analyses described in Section 6.4.1.2 above (implementation capacity, credit availability, and market capacity) together with PSNP client interest in different types of livelihoods.²⁹

The process for the preparation of the Woreda Livelihoods Plan is as follows:

Step 1: The Extension Desk/Process, through the Livelihoods Joint Technical Committee, compiles the following information:

- Human resource capacity at the woreda level to provide financial literacy training and technical assistance in each of the three livelihood pathways.
- Credit availability (including willingness to lend) at MFIs and RUSACCOs
- Market demand for goods, services and labour
- Number of clients prioritised for livelihoods technical support, by pathway.
- Number and list of clients targeted for livelihoods transfers who are prioritised for the year
- Initial livelihoods training plan, including:
 - Financial literacy training
 - Savings promotion
 - Training in each of the livelihood pathways
 - Business plan preparation
 - Follow-up support
- Implementation arrangements for each of the above

Step 2: Based on initial ESMF assessments conducted during the livelihood analysis process (see Part 2, Chapter 5 [Livelihoods-Related Analyses]), the Woreda Environmental or NR Expert uses the Livelihoods Environmental and Social Management Planning Template and Checklist and ensures that any planned livelihood activities of environmental concern are clearly earmarked. This checklist is used to identify potential negative environmental and social impacts, and to plan for the implementation of mitigating measures as required.

Step 3: The Livelihoods Implementation Unit prepares staffing plans, training plans, equipment plans and basic procurement plans as outlined in the sections below. The livelihoods elements of these plans will be kept separate from the other elements, as they will be covered by the Livelihoods Capacity Building budget rather than the Woreda Administrative Budget.

Step 4: Following review and approval by the Livelihoods Technical Committee, the Extension Desk/Process submits the Woreda Livelihoods Plan to the Woreda Food Security Desk/Process for incorporation into the overall Woreda Annual Safety Net Plan, and also sends it to Zonal Agriculture Office for compilation and submission to the Regional Extension Core Process for technical review.

6.5.7 STAFFING PLAN

The woreda needs to plan to ensure it has sufficient staff, both permanent and on contract, to implement the PSNP effectively. Staff turnover is a critical challenge at kebele and woreda levels, and should be assessed at least once a year by each line sector, and compiled by the WAO. The assessment result indicates the staffing capacity and measures to be taken. The following process is followed to ensure such plans are entered in the WASNP:

²⁹ As noted above, this indication of interest is for planning purposes only, as clients will have the opportunity to select their pathway once they have received initial trainings and participated in client consultations.

Step 1: WFSTF reviews KASNP and identifies support requirements from woreda-level staff from all departments and other organisations, including itself. This should be comprehensive but may include staff for financial management, food management, programme oversight, provision of required and anticipated technical support, monitoring and evaluation, provision of training, and procurement.

Step 2: WFSTF circulates kebele plans and its initial assessment of support required from woreda staff to Line Departments and other organisations required to provide support to kebele level and play a role in PSNP implementation. In order to strengthen synergies between different components, all offices/desks should also receive a copy of the overall staffing plan, but their primary responsibility for review and input will be allocated according to the list below:

- Overall staffing plan: WAO and eventually WOLSA (where available)
- Staffing for transfers: WOFED and EWRD/P
- Staffing for public works: Natural Resources, Roads Desk, Woreda Health Office, Education Office
- Staffing for livelihoods: Extension Desk, MSE Agency, WOLSA (where available), Cooperative Promotion Office, Livestock Development Desk (this is covered under the Livelihoods Capacity Building Line Item)
- Others as appropriate

Step 3: All offices, departments and other agencies assess needs for the coming year against current staffing availability, taking into account any known changes for the coming year.

Step 4: WFSTF assesses staffing levels against minimum standards for effective PSNP implementation if relevant, and any subsequent capacity assessments as specified in Part 4, Chapter 16 (Systems Building and Capacity).

Step 5: All departments submit reports on staffing status and its adequacy to serve needs in the current year, with proposals for any changes and proposed budget for permanent or contract staff, to the WFSTF.

Step 6: WFSTF compiles analysis of staffing adequacy and staffing requirements, and discusses them with departments until agreement is made.

Step 7: WFSTF compiles Annual Staffing Plan, and inserts this as a section in the Woreda Annual Safety Net Plan. Staffing for the livelihoods component is indicated separately with the budget source the livelihoods capacity building budget.

Step 8: Following regional and federal approval processes, the Woreda is informed of approved staffing plans, and adjusts the WASNP as necessary.

6.5.8 TRAINING PLAN

The training plan includes: awareness creation on PSNP, refresher training for newly recruited or appointed staff in PSNP guidelines, and other training. The training plan is structured by types of training, training clients (KFSTF, communities, development agents, woreda staff), and resource persons/institutions to provide training. The training plan may also consider experience sharing (local or regional).

Woreda offices are responsible to:

- Provide whatever role is required of them to ensure adequate training and human resource development for lower levels.

- Ensure woreda staff, both new and existing, are adequately trained.

The training plan includes a separate section on training of clients in livelihoods, which should be identical to the training plan under Section 6.5.3 (Livelihoods Plans), as well as training of staff for implementation of livelihoods activities.

The following process feeds into the development of the Woreda Annual Safety Net Plan:

Step 1: WFSTF reviews minimum requirements for regular training, as described in Part 4, Chapter 16 (Systems Building and Capacity), and plans for what is needed.

Step 2: WFSTF reviews kebele plans and identifies any further requirements for a woreda role in training.

Step 3: WFSTF refers to other training assessments for the PSNP under capacity building initiatives to identify further training needs.

Step 4: WFSTF requests that other departments and offices submit their own training needs under the PSNP.

Step 5: WFSTF compiles an annual training needs assessment for needs that cannot be met at woreda level. It also compiles an annual training plan for training which can be delivered at woreda level. These are submitted to Regional Food Security for approval and planning as a part of the WASNP.

Step 6: Following regional approval and planning, Regional Food Security provides the woreda with an approved annual training schedule for training organised at regional or federal levels.

Step 7: The WFSTF amends the WASNP as necessary.

6.5.9 EQUIPMENT PLAN

Each woreda must make sure that all equipment that will be needed for the coming year will be available when it is needed. The following process feeds into the WASNP. As with staffing and training, livelihoods-related equipment needs are listed separately.

Step 1: WFSTF reviews minimum requirements for equipment.

Step 2: WFSTF reviews KASNPs and identifies any further requirements for equipment at woreda level to support kebele plans.

Step 3: WFSTF refers to other capacity assessments for equipment for the PSNP under capacity building or procurement initiatives to identify further equipment needs.

Step 4: WFSTF requests all cooperating Departments and Organisations at woreda level to submit their own equipment needs under the PSNP, with justification.

Step 5: WFSTF compares existing equipment holdings with requirements and identifies where additional equipment is needed for effective implementation of the PSNP.

Step 6: WFSTF plans how each type of equipment need may be met. This may include:

- Pooling arrangements

- Other sharing arrangements
- Repairing existing equipment
- Purchasing new equipment

Step 7: WFSTF reconciles priority needs with available budget and prepares an equipment plan for the Woreda Annual Safety Net Plan, including items to be purchased and sourced by other means.

Step 8: Any equipment requiring purchase is included in the procurement planning process, as described in Section 6.5.10 (Basic Procurement Plan) below.

6.5.10 PROCUREMENT PLAN

The rules for PSNP procurement are summarised in Part 4, Chapter 14 (Procurement). Woreda responsibility for procurement comprises:

- Preparation of procurement plan
- Procuring items allowed at the woreda level
- Passing on procurement needs where regional or federal action is required

The following steps are followed:

Step 1: The WFSTF identifies procurement needs from the process of identifying equipment described in Section 6.5.9 above, the capital inputs for public works based on the Public Works Plans. Input requirements from the Livelihoods Plans are listed separately.

Step 2: Other non-equipment procurement needs are identified from the training needs assessment (Section 6.5.8) and other sources.


Step 3: The Procurement Officer in WAO consolidates procurement requirements from different implementing agencies and prepares a procurement plan based on the needs of each department.

Step 4: The list of procurement items is included in Woreda Annual Safety Net Plan, which is submitted as a proposal to Regional Food Security.

Step 5: The region may seek further justification for procurement proposals, particularly those for equipment.

Step 6: Following regional and federal approval processes, the woreda will receive feedback from Regional Food Security on procurement proposals, and will modify the woreda procurement plan if necessary.

Step 7: A detailed Procurement Plan is prepared according to the procurement guidance and following the format in the Procurement Manual. This Procurement Plan is prepared by the Procurement Officer in WAO and is submitted to the WFSTF for approval. Following WFSTF approval, it is submitted to WOFED.

	<p>Importance of timely preparation and submission of the Procurement Plan for timely procurement</p> <p>Timely preparation and submission of the Procurement Plan is the basis for timely procurement and delivery of capital goods required for public work implementation. The basic procurement plan must be included in the safety net plan at each level, and a detailed procurement plan following formats in the Procurement Manual must be submitted by July of each year.</p>
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6.5.11 COORDINATION PLAN

Coordination is essential if the PSNP is to achieve its objectives. Coordination is something that you do, not something that happens automatically. As such it needs to be planned like any other activity. The steps for planning coordination at woreda level are as follows:

Step 1: WFSTF defines all the needs for coordination at woreda level, and all the mechanisms that are available for facilitating that coordination. Specific events and dates should be identified to the extent possible. Particular attention should be given to coordination with:

- Social services, e.g. activities by social workers and other social protection initiatives
- Health services, such as the Health Extension Programme
- Nutrition services, such as Community-Based Nutrition activities and other elements of the National Nutrition Programme
- Livelihoods and economic development programming, such as the Pastoral Community Development Programme (PCDP), the Agricultural Growth Programme (AGP), and NGO programming
- Land management programming, such as the Sustainable Land Management Programme (SLMP)
- Climate change resilience activities, such as the Climate Smart Initiative (CSI)

Step 2: WFSTF circulates the coordination list to all concerned stakeholders and asks them to confirm that they have entered their obligations in their own annual plans.

Step 3: The WFSTF translates the coordination list into an action plan that it will implement over the coming year for proactive coordination.

Step 4: The WFSTF ensures that it has sufficient resources to fulfil its obligations regarding coordination, and enters any additional resources into the relevant section of the annual plan.

Step 5: The WFSTF includes the coordination plan in the Woreda Annual Safety Net Plan, for submission to regional level.

6.5.12 WOREDA BUDGET AND SCHEDULE

PSNP budgeting takes place at the woreda level, together with preparation of the Woreda Annual Safety Net Plan. The PSNP woreda budget consists of seven components:

- **The transfer budget for permanent direct support clients.**
- **The transfer budget for public works clients (including temporary direct support clients).**
- **The public works capital budget which** covers capital inputs and material for public works activities. The total capital budget must stay under the threshold, calculated as the ETB equivalent of \$8.5 per public works and temporary direct support client for the first 30,000, and the ETB equivalent of \$6 per public works and temporary direct support client thereafter. This is described in further detail in Part 4, Chapter 12 (Financial Management). Within the overall budget, there is no cap to the capital budget allocated to an individual sub-project. The WFSTF has the responsibility to allocate and approve the woreda capital budget as per the approved public works sub-projects.
- **The livelihoods implementation (capacity building) budget.** This budget is based on the number of targeted clients for livelihoods interventions as well as the need for capacity building of grassroots institutions such as FTCs/PTCs and RUSACCOs. This budget covers training costs (including TVET trainer fees), training equipment, inputs, and other activity

costs, as well as all associated staffing and administrative costs (e.g. small office equipment and materials travel and transport, and monitoring and evaluation activities).

- **The livelihoods transfer budget.** This represents approximately \$200 per livelihoods transfer client. Livelihoods transfers will be disbursed by PSNP cashiers and recorded in PASS using the Livelihoods Transfer budget line, which will be distinct from regular transfer payments.
- **The administrative budget which** covers human resources, small office equipment and materials, travel and transport, training, monitoring and evaluation activities, and other costs (e.g. costs related to the operation of RRTs), with the exception of livelihoods-related costs. The WFSTF has the responsibility to allocate and approve the woreda admin budget for the implementing sector offices.
- **The contingency budget.**³⁰ Once the total budget has been established (transfers, plus capital, and administrative costs, but excluding livelihoods capacity building costs), the woreda adds 5% of the total permanent direct support client transfers and public works (including temporary direct support) client transfer funds as its contingency budget. Management of the contingency budget is described in detail in Part 3, Chapter 11 (Risk Management).

Further information on eligible expenditures under these seven components can be found in Part 4, Chapter 12 (Financial Management).

The budget is linked to the Woreda Annual Safety Net Plan so that it is clear what each allocation will be spent on. A timetable will also be produced showing what expenditures will be incurred at what point during the Ethiopian Fiscal Year, with a clear overview of the public works, transfer and livelihoods schedules.

The budget is submitted for approval to the Woreda Council and Cabinet, which ensure compatibility with Woreda Development Plans, and is then submitted to the Region for approval.

6.6 Zonal Level Consolidation

In some regions, zones consolidate woreda plans and submit them to regions.

6.7 Regional Level Planning and Approval

Regional level planning starts early enough to have a complete plan for submission to FSCD by the end of May, and involves two parallel processes:

- Bringing together and ensuring quality and adequacy of plans emerging from woredas
- Putting into place plans for regional-level functions

The product of the regional planning process is the Regional Annual Safety Net Plan. This document covers each of the same areas as the Woreda Plan, but with additional content as well as management and monitoring components.

The overall process for the RASNP is outlined below:

³⁰ Each woreda should have a Contingency Plan which includes plans for how to scale up the PSNP in response to shocks. See Part 3, Chapter 11 (Risk Management) and relevant guidance from the Early Warning and Response Directorate for further information.

Step 1: Regional Food Security receives the WASNPs. In some regions, these plans may be submitted through Zonal Offices. The Regional Food Security reviews these plans to ensure that they are complete and accurate, then circulates them to the Natural Resources Management Core Process (NRMCP) through its Public Works Focal Unit, the Early Warning and Response Core Process (EWRCP), the Extension Core Process through its Livelihoods Implementation Unit, BOLSA, the Bureau of Health, and BOFED.

Step 2: Implementing agencies review woreda plans as required and develop regional plans for each of the programme components (see the sections below). In addition, BOFED receives and reviews plans, and makes an allocation schedule that reflects the resource flows required.

Step 3: Regional Food Security consolidates the plans from Regional Natural Resources Management, Early Warning, Extension, and BOFED, together with its plan and a resource allocation plan, into the Regional Annual Safety Net Plan.

Step 4: The Regional Food Security Steering Committee reviews and approves the plans and submits them to the Regional Cabinet for final approval.

Step 5: The Cabinet verifies that safety net annual plans and budgets are in line with strategic regional priorities (growth corridors, natural resource conservation, etc.) and harmonised with Government agendas.

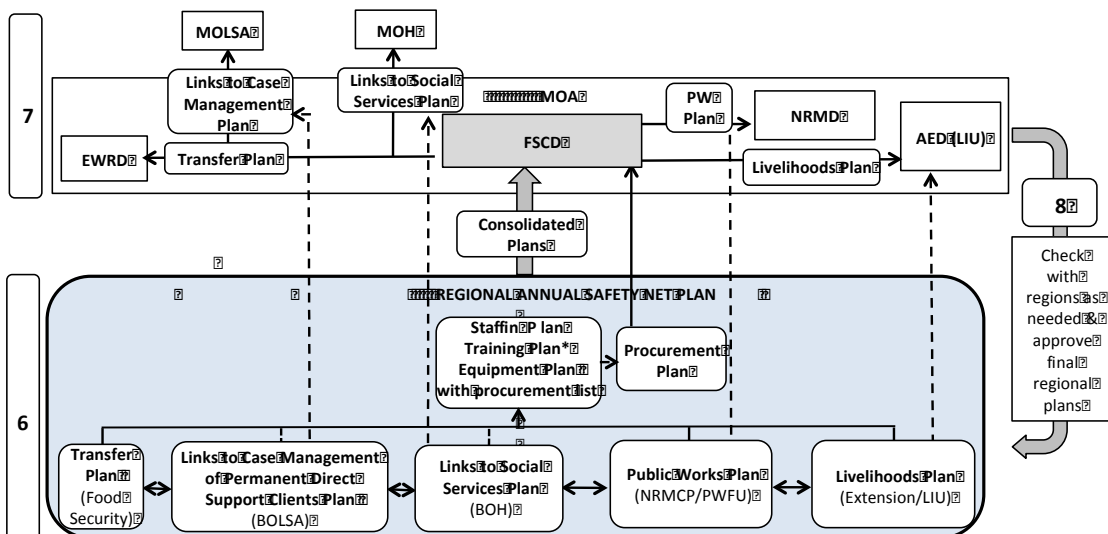
Step 6: If plans and budgets are not approved by the Cabinet, they are sent back to Regional Food Security, which communicates with woredas and zones to discuss the issue(s) blocking approval and to find a solution. Plans are then resubmitted.

Step 7: The approved Regional Plan is then submitted to FSCD, and copied to MOLSA, AED and NRMD at the federal level.

Step 8: When the final Regional Annual Safety Net Plan is approved by the federal level, it is circulated down to woredas so they are fully informed on the decisions affecting them.

This process is illustrated in the diagramme below.

Figure 6.4: Preparation and Approval of the Regional Plan



*The Links to Case Management of Permanent Direct Support Clients Plan and the Links to Social Services Plan feed into the training plan, but not the staffing plan, equipment plan, or procurement plan.

6.7.1 TRANSFER PLANS: CASH AND FOOD

Timely and predictable transfers are key to the success of the PSNP. In order to ensure this in practice there are some preparations regions can make, as follows:

Step 1: Regional Food Security receives Woreda Annual Safety Net Plans and prepares an analysis that includes the following:

- Total client number per woreda based on approved number of clients after initial appeals.
- Total cash and food required for each woreda based on proposed cash-food split (see Section 6.5.2).
- Timing of cash and food needs based on woreda-specific plans for timing of transfers across the year. The timing of transfers will typically be set once, at the start of the programme, with minimal changes from year to year. This process is described under Part 2, Chapter 4 (Public Works and Transfer Schedule, Wage Rate, and Mode of Transfer).
- Number of clients targeted for graduation who opt for a lump sum transfer. This transfer must be provided at the start of the public works season, and must be provided in cash, even in woredas where regular public works transfers are provided in food.

This plan should include all PSNP woredas, whether government or NGO implementers. This process should be done in parallel with an analysis of food requirements to create a complete picture of woreda-level resource requirements.

Step 2: Regional Food Security uses this information to compile a cash and food flow requirement analysis for the region. Regional Food Security shares the cash flow information with BOFED for planning purposes. BOFED shares this planning information with the Commercial Bank to allow it to address liquidity constraints on banks in PSNP woredas.

Step 3: Based on this analysis, Regional Food Security and BOFED plan cash transfers to woredas following the normal financial processes, making sure everything is in place for timely disbursement. Regional Food Security prepares a food resource plan by month. This plan should include a clear indication of where and when food resources will need to be pre-positioned. The regional cash and food flow analysis is included in the Regional Annual Safety Net Plan, which is submitted to FSCD by the end of May.

Step 4: The Transfers and Resource Management Technical Committee receives proposals from relevant line bureaus (including Regional Food Security, EWR, Regional Extension [and other livelihoods implementing agencies at regional level], BOFED, BOLSA and BOH³¹) for their budget needs for supporting safety net implementation. These proposals should reflect the need to support and monitor timely transfers, livelihoods technical support, and other aspects of overall programme implementation, as well as links to community BCC for public works clients, links to social services for temporary direct support clients, and links to case management for permanent direct support clients. These proposals will then be discussed along with proposals from the Public Works Joint Technical Committee and the Livelihoods Technical Committee as discussed in Section 6.7.6 below.

Once the annual plan is approved the Regional Food Security sends approved cash and food flow information to each WAO, and the woreda amends its own cash and food flow plan if necessary. At the same time, Regional Food Security sends the approved cash flow information to BOFED, which

³¹ Budget support to BOH for PSNP-related activities to will be provided through the Capacity Development budget rather than the regional management budget.

sends a copy to WOFEDs. The approved distribution plan is communicated to PSNP clients through public meetings and the posting of the approved distribution plan in public locations.

If cash flow plans are amended during the year, FSCD informs Regional Food Security in each region in a timely manner and regional and woreda plans are amended as per steps 6 and 7. Any amendments are communicated efficiently to BOFED and WAO and WOFED. WAO then informs PSNP clients of any changes in the PSNP cash transfer schedule.



Importance of timely reporting to maintain cash flow schedule

Submitting financial and physical reports on a quarterly basis is necessary to ensure that funds are available at Federal level when required. Reporting is the responsibility of BOFED and Regional Food Security.

6.7.2 PUBLIC WORKS PLAN

The Woreda Annual Safety Net Plans are submitted to Regional Food Security, which submits them immediately to the Regional NRMCP. NRMCP also receives a copy of public works plans from woredas via zones.

Step 1: The NRMCP then circulates to the line departments, which review woreda plans to check if they are compatible with regional development plans, priorities, targets and the wider watershed. If they are not, the line departments communicate their concerns to NRMCP, through its Public Works Focal Unit. These concerns are consolidated and then communicated to the woreda. The woreda may be asked to adjust its plan in response to these comments.

Step 2: The ESMF Focal Person in the Public Works Focal Unit passes the files for any sub-projects of environmental concern to the Regional Environmental Protection Authority (EPA) for a decision as to whether or not an Environmental Impact Assessment (EIA) is required.

If the Regional EPA decides that an EIA is required, the PWFU informs the concerned woreda Environmental or NR Expert, who arranges for the EIA, in accordance with the procedures set out in the ESMF.

If the Regional EPA decides that an EIA is not required, then EPA should approve (or modify) the proposed mitigating measures in the Screening Form, so that the DA can finalise the sub-project design.

Step 3: The woreda plans and woreda and regional sector department budget proposals are discussed in the Regional Public Works Joint Technical Committee. The Committee approves the final plans before submission to Regional Food Security, and onward submission to the Regional Cabinet.

The Regional NRMCP, supported by the PWFU, provides technical backstopping and quality control for all sectors of Public Works through the Technical Committee in the plan approval process. Acting as secretary for the Public Works Technical Committee, the Head of the PWFU is responsible for convening meetings and circulating comments on the plan for discussion.

The Regional Public Works Technical Committee has 3 main functions:

1. Reviewing the annual regional public works plan to ensure the feasibility of projects, a balanced portfolio of project under public works, and inclusion of all public works actors
2. Ensuring budget provisions from the regular government budget for the operation and maintenance of new infrastructure in all sectors including health and education

3. Ensuring the active participation and technical inputs of the relevant line bureaus and offices in the implementation and monitoring of the public works programme.

Based on the feedback from the Regional PW Technical Committee, the Regional NRMCP, supported by the PWFU, makes necessary changes to the WASNP after consultation with woredas, consolidates final woreda public works plans and budgets, and sends them to Regional Food Security.

Step 4: The Regional NRMCP, supported by the PWFU, based on their analysis of the plans, devises a plan for itself that outlines the technical backstopping, etc., needed for the year to come including the associated management budget required. The same is done by other line departments involved in public works implementation. The Regional Public Works Joint Technical Committee discusses these proposed plans and finalises them. These proposals will then be discussed along with proposals from the Transfers and Resource Management Joint Technical Committee and the Livelihoods Technical Committee before the overall regional plan and budget is confirmed and approved (as discussed in Section 6.7.6 below).

Step 5: The Regional NRMCP, supported by the PWFU, consolidates the final woreda public works plans, together with its plans to support Public Works implementation in the Region and the plans of the sectoral line agencies, into a single Regional Public Works Plan. This plan is reviewed and approved by the Public Works Technical Committee and is then submitted to Regional Food Security and copied to the Natural Resources Management Directorate at federal level.

6.7.3 LINKS TO SOCIAL SERVICES PLAN

The Woreda Food Security Desk submits woreda plans for links to social services to Regional Food Security, which forwards them to the Bureau of Health. BOH reviews the plans, provides feedback to woredas, and, based on its analysis of the plans, devises a plan for itself that outlines the technical backstopping, etc., needed for the year to come. This enables BOH to ensure that it has adequate resources to support the implementation of soft conditionalities for PLWs and community BCC of public works clients, and to request programme capacity development support as needed. This plan is submitted to Regional Food Security and copied to the MOH.

6.7.4 LINKS TO CASE MANAGEMENT OF PERMANENT DIRECT SUPPORT PLAN

The Woreda Food Security Desk submits woreda plans for links to case management of permanent direct support clients to Regional Food Security, which forwards them to the Bureau of Labour and Social Affairs. BOLSA reviews the plans, provides feedback to woredas, and, based on its analysis of the plans, devise a plan for itself that outlines the technical backstopping, etc., needed for the year to come. This enables BOLSA to ensure that it has adequate resources to support case management for permanent direct support clients, and to request programme capacity development support as needed, as a supplement to overall BOLSA and MOLSA capacity development to take on the permanent direct support component. This plan is submitted to Regional Food Security and copied to MOLSA.

6.7.5 LIVELIHOODS PLAN

The woreda livelihoods plan approval process and regional livelihoods plan development differs slightly from the process for public works planning. This is because several key implementing agencies from the livelihoods component (BOLSA and TVET) do not have a presence in every woreda, and several key implementing institutions (TVET institutes and one-stop service centres run by REMSEDA) are town-based rather than woreda-based. Moreover, employment opportunities are frequently found outside of PSNP woredas. As a result, a significant amount of planning for these

agencies occurs at the regional level. Therefore, the regional level will see a greater level of planning and integration of plans for livelihoods than for other aspects of the programme.

Upon receipt of the Woreda Annual Safety Net Plans, Regional Food Security immediately submits them to the Extension Core Process and its Livelihoods Implementation Unit, which through the Livelihoods Technical Committee leads the review and completion process.

Step 1: Regional Food Security submits WASNP to the Livelihoods Implementation Unit within the Extension Core Process at regional level. Extension then circulates it to Livelihoods Focal Points within REMSEDA, BOLSA, the Cooperative Promotion Bureau, and TVET, as well as other members of the Regional Livelihoods Technical Committee. Acting as chair of the Livelihoods Technical Committee, the Extension Core Process is responsible for convening meetings and circulating comments on the plan for discussion.

Step 2: Prior to receiving the plan, REMSEDA, BOLSA and, in some instances, TVET, will have engaged with employers at the regional level to identify demand for labour services and the skills required for PSNP clients to fill these opportunities. These institutions will seek to obtain commitment from employers to hire a certain number of PSNP clients following the provision of training, in order to set up the employment pathway. Based on these commitments as well as market analyses, REMSEDA, BOLSA and TVET will provide inputs into the regional livelihoods on market demand for off-farm goods and services and labour, availability of training facilities and trainers, and other inputs.

In addition, these agencies as well as Extension and the Cooperative Promotion Bureau devise a plan for themselves that outlines the technical backstopping, etc., needed for the year to come, including the associated management budget required. The Regional Livelihoods Technical Committee, through the assigned Livelihoods Planning Team and/or Implementation Unit, then consolidates these inputs.

Based on both woreda and regional level inputs, the Regional Livelihoods Technical Committee provides technical backstopping and quality control for all livelihoods interventions in the plan approval process. The committee analyses woreda plans in terms of:

- Market capacity
- Availability of credit (from outside the programme) and livelihoods transfers (from the programme budget)
- Human resource availability for financial literacy training, savings promotion, and technical assistance in each of the three livelihoods pathways
- Number of clients and the degree of women and youth participation
- Capacity of grassroots institutions (FTCs/PTCs, RUSACCOs, MFIs and multipurpose cooperatives) to support programme interventions
- Consideration of environmental and social factors.

Based on regional plans incorporating additional capacity and demand information on off-farm and employment pathways, the Livelihoods Technical committee matches client interest at the woreda level with available resources at the regional level, and consolidates the final product into a draft regional Annual Work Plan.

Step 3: The Livelihoods Technical Committee receives proposals from regional line departments for management and implementation budgets based on the WASNP and the draft regional Livelihoods Plan (described above). The woreda and regional sector department budget proposals are discussed in the Regional Livelihoods Technical Committee. The Committee reviews the feasibility of the proposed budget and disbursement schedule in terms of:

- Type of activity and the average processing time for activities within regions

- Required work load and actual existing implementation capacity
- Performance levels including the proposed budget compared to the past performance record.

The Technical Committee approves the final plans before submission to Regional Food Security, and onward submission to the Regional Cabinet.

Step 4: The ESMF Focal Person (based in the Public Works Focal Unit) passes the files for any livelihoods activities of environmental concern to the Regional Environmental Protection Authority (EPA) for a decision as to whether or not an EIA is required.

- If the Regional EPA decides that an EIA is required, the ESMF Focal Person informs the concerned Woreda Environmental or NR Expert, who arranges for the EIA, in accordance with the procedures set out in the ESMF.
- If the Regional EPA decides that an EIA is not required, then EPA should approve (or modify) the proposed mitigating measures in the Screening Form, so that the livelihoods plan can be finalised.

Step 5: The Livelihoods Planning Team within the Technical Committee consults with woredas and makes necessary changes to the WASNPs based on the draft regional plan. The TC then consolidates final woreda livelihoods plans and budgets, and sends them to Regional Food Security.

Step 6: The Regional Livelihoods Technical Committee makes final edits to the Regional Annual Work Plan and Budget as needed and submits it to Regional Food Security and to the Agricultural Extension Directorate at federal level.

6.7.6 STAFFING PLAN

Regional Food Security receives inputs from all implementing bureaus and processes through the technical committees (Transfers and Resource Management Joint Technical Committee, Public Works Joint Technical Committee and Livelihoods Technical Committee) and prepares a first draft of an overall regional management plan and budget.³²

Staffing capacity and needs – including an analysis of staff turnover – are assessed at least once a year by each line sector, and compiled by Regional Food Security. This assessment should reflect the minimum standards outlined in Part 4, Chapter 16 (Systems Building and Capacity). The resulting staffing plan should be compiled.

All offices should receive a copy of the overall staffing plan, but their primary responsibility for review and input will be allocated according to the list below:

- Overall staffing plan: BOA/Regional Food Security and eventually BOLSA as well
- Staffing for transfers: BOFED and Regional Early Warning
- Staffing for public works: NRMCP/Public Works Focal Unit, Bureau of Health, Education Office, Roads, Water
- Staffing for livelihoods: Extension Core Process, REMSEDA, BOLSA, Cooperative Promotion Bureau, TVET, Livestock Development Agency/Bureau
- Bureau of Health
- Women’s Affairs Desk in Bureau of Agriculture
- Others as appropriate

³² Although the woreda administrative budget does not cover livelihoods implementation costs [which are covered in a separate line item at woreda level], the regional management budget covers management of the livelihoods component.

6.7.7 TRAINING PLAN

Training requirements should be fed into an overall training plan following the steps indicated below. The Training Plan should be submitted as part of the overall regional annual safety net plan.

Step 1: Regional Food Security reviews minimum requirements for regular training (see Part 4, Chapter 16 (Systems Building and Capacity)), and plans for when, how, where, by whom it will be conducted. The Livelihoods Implementation Unit within the Extension Core Process provides input to this plan for livelihoods-related training. A budget is prepared for each item.

Step 2: Regional Food Security reviews woreda plans and identifies any further requirements for a regional role in training.

Step 3: The Livelihoods Implementation Unit within the Extension Core Process reviews woreda training plans related to livelihoods and, in consultation with the Livelihoods Technical Committee, identifies additional trainings per the Regional Livelihoods Plan.

Step 4: Regional Food Security refers to other training assessments for the PSNP under capacity building initiatives such as the Capacity Development Support Facility to identify further training needs.

Step 5: Regional Food Security requests other Departments and Organisations to submit their own training needs under the PSNP.

Step 6: Regional Food Security compiles an annual training plan, which also describes whether regional or federal level is responsible for financing and providing each training requirement.

6.7.8 EQUIPMENT PLAN

Equipment planning should take into consideration regional needs to support the differing components of the programme and the minimum standards outlined in Part 4, Chapter 16 (Systems Building and Capacity). Steps in developing the equipment plan and corresponding procurement plan are outlined below.

Step 1: Regional Food Security reviews minimum requirements for equipment (see Part 4, Chapter 16 (Systems Building and Capacity)).

Step 2: Regional Food Security reviews woreda plans and consolidates any equipment requests from woredas. It also identifies any further requirements for equipment at regional level.

Step 3: Regional Food Security refers to other capacity assessments for equipment for the PSNP under capacity building or procurement initiatives to identify further equipment needs.

Step 4: Regional Food Security requests other Departments and Organisations to submit their own equipment needs under the PSNP, with justification.

Step 5: If requests are not approved, they are returned to their source with explanation and further discussion takes place.

Step 6: Regional Food Security compares existing equipment holdings with requirements and identifies where additional equipment is needed for effective implementation of the PSNP.

Step 7: Regional Food Security plans how each type of equipment need may be met. This may include:

- Pooling arrangements
- Other sharing arrangements
- Renting vehicles or other equipment
- Repairing existing equipment
- Purchasing new equipment

Step 8: Regional Food Security reconciles priority needs with available budget and prepares an equipment plan for the Annual Regional Plan. From this equipment plan, procurement needs are identified and addressed through the procurement planning process described below.

6.7.9 PROCUREMENT PLAN

The rules for PSNP procurement are summarised in Part 4, Chapter 14 (Procurement). Regional responsibility for procurement comprises:

- Procuring items allowed at the regional level, and
- Passing on procurement needs where federal action is required

For public works capital items and office facilities, excluding IT equipment, procurement takes place at woreda level, unless an agreement is in place for the region to undertake the bulk procurement of capital goods on behalf of the woreda, such as in times of accessibility/supply problem. Livelihoods inputs and training materials, e.g. for Farmer Training Centres, are also procured at the woreda level (in the case of training materials and inputs used by TVETs, procurement may take place at the woreda or the regional level). A similar approach is applied between region and federal level, as required.

The following steps are to be followed:

Step 1: Regional Food Security identifies procurement needs from the process of identifying equipment described in Section 6.7.8 above.

Step 2: Identify other non-equipment procurement needs from training needs assessment other sources.

Step 3: A list of procurement items is prepared for inclusion in the Regional Annual Safety Net Plan.

Step 4: Procurement Coordinators in BOA, in coordination with other sector office procurement officers, prepare a detailed Procurement Plan following the format in the Procurement Manual. This Procurement Plan is prepared separately and submitted to FSCD, together with the maintenance plan for any items that will be procured to determine the cost of purchasing spare parts.

Step 5: FSCD consolidates regional Procurement Plans submits them to the World Bank for approval.

Step 6: The World Bank reviews the Procurement Plans and, if approved, gives a 'no-objection' to FSCD.

6.7.10 REGIONAL BUDGET

The Regional Management Plan and Budget should include provision for staffing, supervision and monitoring costs (supervision and monitoring including the costs associated with staff travel to

woredas in support of the key components of the programme and the recruitment of local consultants to support monitoring), training and equipment.

The Annual Regional Plan budget pulls together all budget items from woreda and regional plans, for submission to federal level, with the following steps:

Step 1: The full costs of all Woreda Annual Safety Net Plans are compiled in the prescribed format, as described in Section 6.5.12, by Regional Food Security. This includes both cash and food, and both Government and NGO woredas.

Step 2: The full costs of all regional-level expenses as identified in this section are added to the same format, by Regional Food Security.

Step 3: Regional Food Security checks this budget and ensures that all cost categories have been included for all levels, including transfers, livelihoods implementation and livelihoods transfers, capital and administration, contingency budget, and capacity building.

Step 4: The checked budget is included in the Regional Annual Safety Net Plan, and submitted by Regional Food Security to FSCD.

Step 5: Following its own budgeting and approval processes, the federal level returns the final annual budget to the region in early July. If the budget has been revised, Regional Food Security revises its own budget and informs other regional implementing bureaus, sector offices and woredas of their own revised budgets. Regional Food Security also informs other sector offices/bureaus regarding the approved budget. Regional Food Security also informs all PSNP woredas of the approved budget. Woredas revise their budget as necessary and post the final approved budget in a public location.

Step 6: Regions and woredas then revise their own Annual Plans to fit with the final budget allocation. The final, approved Annual Plans are posted in a public location or available publically.

6.8 Federal Level Planning and Approval

The product of federal planning is the Federal Annual Safety Net Plan, which summarises all key dimensions of the programme and compiles an overall programme budget for the year. The federal planning process takes place at the same time as planning processes for lower levels, in time for the new Financial Year.

The format for the Federal Annual Safety Net Plan has the same sections as the regional plan, for each of which guidance is provided in the sections below. When the final Federal Annual Safety Net Plan is approved, it is circulated down to regions, to other federal agencies, and to Development Partners so all are fully informed on the decisions that have been made. Any amendments to the Annual Plan are communicated formally to regions and Development Partners.

6.8.1 PUBLIC WORKS PLAN

The Public Works Coordination Unit:

- Verifies consistency of regional public works plans and their correspondence with the resources available.
- Verifies that the regional public works plans follow the principles of the PSNP.
- Verifies that the ESMF procedures are followed and that the plans are in line with federal priorities.

- Submits the regional public works plans to the federal Public Works Joint Technical Committee for information, discussion and review.
- Communicates concerns, if any, about regional public works plans to the regional Public Works Focal Units for their appropriate action.
- Forwards all the regional public works plans to the FSCD once they are finalised appropriately.

The Public Works Coordination Unit also prepares an annual plan that details how it will support the implementation of the RASNs together with their overall mandate.

6.8.2 LINKS TO SOCIAL SERVICES PLAN

The Federal Ministry of Health:

- Verifies consistency of regional plans for links to social services and their correspondence with the resources available.
- Forwards any concerns about the regional links to social services plans to BOH for their appropriate action.
- Prepares an annual plan that details how they will support the implementation of the RASNs together with its overall mandate.
- Forwards final Links to Social Services plan to the FSCD and takes it into account for its own annual planning.

6.8.3 LINKS TO CASE MANAGEMENT OF PERMANENT DIRECT SUPPORT PLAN

MOLSA:

- Verifies consistency of regional plans for links to case management of permanent direct support and their correspondence with the resources available.
- Forwards any concerns about the links to case management of permanent direct support plans to BOLSA for their appropriate action.
- Prepares an annual plan that details how they will support the implementation of the RASNs together with their overall mandate.
- Forwards a final Links to Case Management of Permanent Direct Support Plan to the FSCD and takes it into account for its own annual planning.

6.8.4 LIVELIHOODS PLAN

At the federal level, the Livelihoods Implementation Unit:

- Verifies the consistency of regional livelihoods plans and their correspondence with the resources available.
- Verifies that the regional livelihoods plans follow the principles of the PSNP's livelihoods component.
- Verifies that the ESMF procedures are followed and that the plans are in line with federal priorities.
- Forwards any concerns about the regional livelihoods plans to the regional Livelihoods Technical Committee for their appropriate action.
- Together with other Livelihoods Technical Committee members, prepares an annual plan that details how each institution will support the implementation of the RASNs together with their overall mandate.
- Prepares a summary presentation of the proposed annual budget by livelihood pathway and activity, and consolidated Livelihoods Plan and Budget
- Forwards the final regional and federal Livelihoods Plans and Budgets to the FSCD

6.8.5 TRANSFER PLAN: CASH

FSCD and MOFED are responsible for ensuring that cash is available for disbursements to make cash transfers timely and predictable. The process for planning cash at federal level is as follows:

Step 1: FSCD proposes a predicted wage rate for the programme for the coming year in June, as described in Part 2, Chapter 4 (Public Works and Transfer Schedule, Wage Rate, and Mode of Transfer), which is approved by the JSOC.

Step 2: FSCD decides on the appropriate cash:food split for each region, taking into account:

- Requests expressed in Regional Annual Safety Net Plans
- Predicted food availability for the programme overall
- Predicted cash availability for the programme overall
- Predicted wage rate for the programme for the year
- The cash first principle

Any mid-year shift from cash to food or vice versa should be finalised on or before December 31 of each year.

Step 3: FSCD analyses Regional Annual Safety Net Plan submissions, calculates the cash required each month of the year, for each region, based on their regionally approved transfer schedules.

Step 4: FSCD produces expenditure and cash requirement forecasts.

Step 5: The expenditure and cash requirement forecast is passed to MOFED.

Step 6: The expenditure and cash requirement forecast is part of the quarterly IFR and be submitted to Development Partners by MOFED for clearance.

Step 7: FSCD prepares a disbursement plan and instruction to MOFED, Government Line Departments, and Regional Food Security in the regions as part of the reporting downwards process. MOFED effect the cash transfers to the regions and Government Line Departments as per the instructions from FSCD and communicates the same to BOFEDs and FSCD.

6.8.6 TRANSFER PLAN: FOOD

Federal level FSCD is responsible for ensuring that food is available to provide food disbursements and transfers in a timely and predictable manner. The process for planning food transfers at the federal level is as follows:

Step 1: FSCD identifies the likely food availability for the coming year, taking into account:

- Carry-over stocks held by EWRD, NGOs and WFP
- Agreed provision from development partners, especially USAID, and the timeline for these deliveries
- Current stocks in EFSRA and the possibility of accessing them
- Predicted market trends, nationally and internationally
- Predicted emergency requirements
- Possibility of procuring food nationally or internationally

Step 2: FSCD decides on the appropriate cash:food split for each region, as outlined under Section 6.8.5 above.

Step 3: FSCD analyses Regional Annual Safety Net Plan submissions, calculates the food required each month of the year, for each woreda in each region, based on their regionally approved transfer schedules.

Step 4: FSCD produces a food flow requirements analysis, including an assessment of the source of food for each monthly payment. Any amounts to be borrowed from the EFSRA are secured in advance.

Step 5: The food flow requirement analysis is passed to the Food Management Unit within the EWRD. EWRD defines when disbursements will be made to woredas for the coming year and the amount of each disbursement. EWRD provides a copy of this analysis to FSCD. After the food flow requirement is analysed, FSCD and the Food Management Unit in EWRD jointly develop an allocation plan, dispatch plan and delivery reporting plan.

Step 6: The final food flow analysis and disbursement plan is circulated by FSCD to Regional Food Security and EWRD, and to NGOs, WFP and USAID as part of the reporting downwards process.

Step 7: EWRD's Food Management Unit and FSCD plan the sourcing of the food to meet this schedule, including a timetable for specific actions that are needed to ensure the food is available where needed on time.

Step 8: If any changes are required during the course of the year, EWRD informs FSCD, which informs regions as soon as possible, and provides revised schedules. Regions then inform woredas, and woredas revised their woreda plans accordingly to ensure predictability for PSNP clients. Woredas communicate any changes in the distribution plan to PSNP clients.

6.8.7 STAFFING PLAN

The federal level is responsible for ensuring adequate staffing in federal level organisations with PSNP responsibilities, and also approving staff requests from regions. The process is as follows:

Step 1: FSCD reviews regional plans and identifies support requirements from federal-level staff from all departments and other organisations, including itself. This should be comprehensive but may include staff for financial management, food management, programme oversight, social development, provision of required and anticipated technical support (including for livelihoods interventions in each of the three pathways), monitoring and evaluation, training provision, and procurement.

Step 2: FSCD circulates regional plans and its initial assessment of support required from federal staff to Line Departments and other organisations required to provide support to regional level and play a role in PSNP implementation. Review of the staffing plan should be comprehensive based on local arrangements but may include:

- Overall staffing plan: FSCD and eventually MOLSA
- Staffing for transfers: EWRD, MOFED
- Staffing for public works: NRMD, Ministry of Health, Education, Roads, Water
- Staffing for livelihoods: Extension Directorate, FEMSEDA, MOLSA, Federal Cooperative Agency, TVET, Livestock Development Directorate
- Ministry of Health
- Women's Affairs Desk in Ministry of Agriculture
- Others as appropriate

Step 3: All federal implementing agencies and other organisations assess needs for the coming year against current staffing availability, taking into account any known changes for the coming year. They also assess staffing levels against minimum standards for effective PSNP implementation if relevant, and any subsequent capacity assessments.

Step 4: All implementing agencies submit reports on staffing status and its adequacy to serve needs in the current year, with proposals for any changes, to FSCD

Step 5: FSCD compiles analysis of staffing adequacy and staffing requirements, and approves the plans. If plans are not approved, they are returned to the relevant organisation with explanation, for further discussion.

Step 6: FSCD compiles an Annual Staffing Plan and inserts this as a section in the Federal Annual Safety Net Plan.

Step 7: FSCD allocates available staffing budget on priority basis in the plan, and reports back to relevant organisations on budget allocations through circulation of the Federal Annual Safety Net Plan.

Step 8: FSCD reviews proposed staffing plans in the Regional Annual Safety Net Plans and approves them as part of the wider process of approval of these Regional plans. If FSCD does not approve the staffing proposals then an explanation is provided to the Region and the issue is resolved through discussion. Regions then update their plans and resubmit to FSCD for final approval. FSCD sends final approved plans back to Regions as described.

Step 9: Departments and organisations plan approved recruitment.

6.8.8 TRAINING PLAN

FSCD, in coordination with MOFED, EWRD, NRMD, AED, Livestock Development Directorate, FCA, REMSEDA, MOLSA and TVET, is responsible for

- Providing whatever role is required of them to ensure adequate training and Human Resource Development for lower levels
- Ensuring federal staff, both new and existing, are adequately trained

The following process feeds into the development of the Federal Annual Safety Net Plan:

Step 1: The Capacity Development Support Facility reviews minimum requirements for regular training at federal level.

Step 2: FSCD and the Capacity Development Support Facility review regional training plans and identify additional requirements for a federal role in training.

Step 3: FSCD and the Capacity Development Support Facility refers to other training assessments for the PSNP under capacity building initiatives to identify further training needs requiring federal input.

Step 4: FSCD requests other Federal Departments and Organisations to submit their own training needs under the PSNP.

Step 5: FSCD and the Capacity Development Support Facility compile an annual training plan that describes when, how, where, by whom training will be conducted. A budget is prepared for each item.

Step 6: The training plan is included in the Federal Annual Safety Net Plan.

6.8.9 EQUIPMENT PLAN

The federal level must make sure that all equipment that will be needed at federal level for the coming year will be available when it is needed. This might include:

- Vehicles
- Motorcycles
- Computers and other computer-related equipment
- Furniture
- Accessories for computers, photocopy machines, fax machines, etc.

The following process feeds into the annual plan:

Step 1: FSCD reviews minimum requirements for equipment at federal level.

Step 2: FSCD reviews the Regional Annual Safety Net Plans and identifies any implications for further equipment required at regional level, such as vehicles, motorbikes, computers, etc.

Step 3: FSCD refers to other capacity assessments for equipment for the PSNP under capacity building or procurement initiatives to identify further equipment needs.

Step 4: FSCD requests other Departments and Organisations to submit their own equipment needs under the PSNP, with justification.

Step 5: If requests are not approved then they are returned to their source with explanation and further discussion takes place.

Step 6: FSCD compares existing equipment holdings with requirements and identifies where additional equipment is needed for effective implementation of the PSNP.

Step 7: FSCD plans how each type of equipment need may be met. This may include:

- Pooling arrangements
- Other sharing arrangements
- Renting vehicles or other equipment
- Repairing existing equipment
- Purchasing new equipment

Step 8: FSCD reconciles priority needs with available budget and prepares an equipment plan for the Annual Federal Plan.

6.8.10 PROCUREMENT PLAN

The rules for PSNP procurement are summarised in Part 4, Chapter 14 (Procurement). Federal responsibility for procurement comprises:

- Procuring items required at the federal level, and
- Consolidating regional procurement plans

The following steps are to be followed for the Federal Safety Net Plan:

Step 1: FSCD identifies procurement needs from the process of identifying equipment described in Section 6.8.9 above.

Step 2: Other non-equipment procurement needs are identified from the training needs assessment (Section 6.8.8) and other sources.

Step 3: FSCD reviews procurement proposals in draft Annual Plans from regions and approves them. If regional plans are not approved, FSCD provides an explanation why and addresses the situation through discussion.

Step 4: FSCD identifies items from regional procurement plans requiring federal procurement.

Step 5: The Procurement Coordinator in FSCD prepares a separate annual procurement plan, consolidating regional and federal procurement plans, according to the procurement guidance. This is accompanied by a maintenance plan for all equipment to be purchased. These plans are submitted to the World Bank for approval.

Step 6: The World Bank reviews the procurement plan and, if approved, gives a 'no-objection' to FSCD.

6.8.11 FEDERAL BUDGET

The Annual Federal Budget pulls together all budget items from the PSNP, with the following steps:

Step 1: The full costs of all approved Regional Annual Safety Net Plans are compiled in the prescribed format by the FSCD. This includes both cash and food, and both Government and NGO woredas.

Step 2: The full costs of all approved federal-level planned expenditures as identified in this section are added to the same format.

Step 3: The FSCD checks this budget and ensures that all cost categories have been included for all levels, including transfers, capital and administration, livelihoods implementation (capacity building) and livelihoods transfers, contingency budget, capacity building and management budgets.

FSCD should ensure inclusion of the federal contingency budget in the overall annual plan and budget. At the start of the year this should reflect the lumpsum budget reflected in the overall safety net budget. Once the federal contingency budget is triggered, actual resources to be programmed will be further broken down according to whether resources are to be provided in cash or food and the need for accompanying administration and capital budgets.

Step 4: The final budget is included in the Federal Annual Safety Net Plan, and submitted by the end of June to MOFED for approval with the regular Government Budget and Development Partners at federal level, and in the final Federal Annual Safety Net Plans back down to regions, which in turn provide relevant information to zones and woredas.

6.9 Dissemination of Approved Federal Annual Safety Net Plan

Once the PSNP annual plan and budget has been approved at federal level, MOFED posts the annual woreda-by-woreda budget on its website.

The final woreda PSNP Annual Plan and budget is posted in a public location in the woreda and kebele centres, together with the approved client list and list of appeals, as they are issued. This helps ensure that clients and non-clients in PSNP areas are well informed of which households will participate in the PSNP for the coming year, and of those, which will participate in livelihoods, the overall budget, and expected public works activities. The Plan and budget should remain posted for the full year.

The Client Bill of Rights and Responsibilities is posted next to the PSNP plan and budget in the woreda and kebele centres and, if possible, among PSNP communities. This should remain posted throughout the year. Woreda officials should also ensure that all other PSNP posters and information materials are publically displayed. If the posters have become old or have disappeared, woreda officials should request new posters from the Regional Food Security Coordination Office.

6.10 Regional Variations

Planning processes will be similar across regions, with a few variations depending on institutional structures and agroecological and cultural characteristics.

6.10.1 TRANSFER AND PUBLIC WORKS SCHEDULES

As described in Part 2, Chapter 4 (Public Works and Transfer Schedule, Wage Rate, and Mode of Transfer), woredas and regions have the opportunity to set their own public works and transfer schedules to correspond to the timing of the hungry season as well as labour availability. This will be particularly important in pastoral lowlands.

6.10.2 ROLE OF ZONES

In some regions (e.g. SNNP), zones play an important role in the review of woreda plans and the approval of budgets.

6.10.3 PLANNING APPROPRIATE PUBLIC WORKS SUB-PROJECTS IN LOWLAND IMPLEMENTATION AREAS

Public works planning in pastoral lowland areas is guided by the Pastoral Public Works Guidelines. These guidelines outline scheduling considerations, planning units, and types of public works tailored to pastoral lowlands.

6.10.3.1 Scheduling

In addition to the general factors to take into consideration when planning public works scheduling (as outlined in Part 2, Chapter 4 (Public Works and Transfer Schedule, Wage Rate, and Mode of Transfer)), in pastoral lowlands, heat is an important scheduling factor.

6.10.3.2 Planning units

The smallest planning unit for public works should provide for efficient and collective planning and management of PW. In pastoral areas, the lowest planning unit should be defined based on the dominant livelihood system prevailing in the target area under consideration (pure pastoral system on the one hand, and agro-pastoral, ex-pastoral and riverine farming systems on the other).

- In pure pastoral systems, the kebele is the smallest planning unit
- In other livelihood systems (agro-pastoral, ex-pastoral and riverine farming), the community is the smallest planning unit, as in the highlands

More detail is provided on pages 24-25 of the Pastoral Public Works Guidelines.

6.10.3.3 Types of public works

The planning of public works subprojects and livelihoods interventions will take into account the differing agro-ecological and sociocultural characteristics in pastoral lowlands, with public works and livelihoods tailored to pastoral livelihoods, agro-pastoral livelihoods, riverine agriculture livelihoods, and ex-pastoral livelihoods. Planning of public works is the result of a community based participatory planning process and actual works selected reflect this participatory planning process. Any public works that is labour intensive and is eligible according to the ESMF framework is allowable. The table below lists some of the most frequently prioritised public works sub-projects according to differing livelihood zones of lowland implementation areas.

Table 6.2: Tailoring of Public Works Types to Livelihoods Types in Pastoral Lowlands

Livelihood type	Illustrative public works subprojects
Pastoral livelihoods	<ul style="list-style-type: none"> • Rangeland management (including water and grazing land rehabilitation) • Social services infrastructure • Any other labour-intensive public works based on community priorities and income generating activities
Agro-pastoral livelihoods	<ul style="list-style-type: none"> • Rangeland and integrated water and soil management • Any other labour-intensive public works based on community priorities and income generating activities
Riverine agriculture livelihoods	<ul style="list-style-type: none"> • Irrigation • Bush control • Flood control through dike construction • Any other labour-intensive public works based on community priorities and income generating activities
Ex-pastoral livelihoods	<ul style="list-style-type: none"> • Any labour intensive public works based on community priorities and income generating activities

6.10.4 PLANNING APPROPRIATE LIVELIHOODS INTERVENTIONS

The planning of livelihoods interventions will take into account the differing agro-ecological and sociocultural characteristics in pastoral lowlands, with livelihoods tailored to pastoral livelihoods, agro-pastoral livelihoods, riverine agriculture livelihoods, and ex-pastoral livelihoods. A table summarising possible livelihoods interventions in each of the lowland livelihood areas is provided in the Regional Variations section of Part 3, Chapter 9 (Livelihoods Component).

PSNP IV Programme Implementation Manual

Part 3: Programme Implementation

Version 1.0

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CHAPTER 7 PERMANENT DIRECT SUPPORT COMPONENT

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7.1 Introduction

Under this component, the programme will provide transfers to poor labour constrained households, defined as households without adult able-bodied labour. This includes households comprised of the elderly, disabled, and people with chronic illness; as well as female headed households that are very poor and have high dependency ratios. This component is called the permanent direct support component because a) direct support refers to the fact that clients receive transfers without participating in public works and b) permanent differentiates clients from this component from temporary direct support clients who for a short period of time receive their transfers without participating in public works (because they are pregnant, breastfeeding or caring for a malnourished child prior to reverting back to participating in public works). The management of temporary direct support clients is discussed in Chapter 8 below.

The permanent direct support component entails two sets of activities: 1) the transfers to labour constrained households, and 2) where available, the provision of support to these households to link with other services.

As this phase of the programme evolves it is expected that the Ministry of Labour and Social Affairs (MOLSA) will play a greater role in the programme, particularly in relation to the labour constrained households. This greater responsibility will be assumed as capacity is developed at national, regional, woreda and community levels. In this version of this chapter, MOLSA's role remains limited and will depend on the availability of capacity at woreda level. Responsibility for cash payments will remain with WOFED and for food payments will remain with EWRD/P.

This chapter details how labour constrained households are supported once they are enrolled in the programme. Details on how they are targeted and enrolled are covered in Part 2, Chapter 3 (Programme Entry and Exit). Information on the funds flow and food logistics for this component can be found in Part 4, Chapter 12 (Financial Management) and Chapter 13 (Food Management).

7.1.1 WHAT'S NEW IN THIS PHASE OF THE PROGRAMME

The permanent direct support component is similar to the provision of services to permanent direct support clients in previous phases of the PSNP. Some of the key differences are listed below:

- **Support to labour constrained households increased from six to twelve months.** Labour constrained households are amongst the poorest and most vulnerable PSNP households. Their lack of adult able-bodied labour means they have very limited income earning opportunities and their needs extend beyond the six months of support that is provided to most safety net clients. In recognition of this greater need, permanent direct support clients will receive twelve months of support.
- **Introduction of a separate payment schedule and payroll for permanent direct support clients.** The payment schedule and payroll for permanent direct support will be separated out from the systems supporting public works clients to allow payments to be made without any interruptions (such as a delay to public works implementation) and to make it easier to transfer responsibility for these clients to MOLSA in the future once capacity is developed.
- **Provision of social care and support to permanent direct support clients where capacity exists.** Where Woreda Offices of Labour and Social Affairs (WOLSAs) and/or social workers are present and have capacity, they will begin to provide support to permanent direct support clients including linking them to appropriate social services.

- **New performance standards for timeliness of payments.** The new performance standard for timeliness in the PSNP 4 will be 20 days after the end of the month for cash and 30 days after the end of the month for food.
- **The implementation of a pilot for future MOLSA management of the Permanent direct support component and engagement in soft conditionalities.** During this phase of the PSNP, MOLSA is expected to begin to take on responsibility for clients of the permanent direct support component. In preparation for this, a pilot is underway to test some of the potential modalities of this involvement. The pilot is taking place in two woredas of Oromiya (Adami Tulu and Dodota) and two woredas of SNNP (Alaba and Shahego)

7.2 Key processes in Implementing the Permanent Direct Support Component

There are four key processes in implementing the permanent direct support component:

- The targeting of PSNP clients and the identification of which clients are eligible for the permanent direct support component and which clients are eligible for the Public Works and Links to Social Services Component (this is described in Part 2, Chapter 3 (Programme Entry and Exit)).
- The planning for case management of permanent direct support clients (described both in Section 7.3 below and in Part 2, Chapter 4 (Annual Planning)).
- Case management of permanent direct support clients (described in Section 7.3 below).
- Regular monthly payments to permanent direct support clients (described in Section 7.5 below).

7.3 Key Roles and Responsibilities in the Permanent Direct Support Component

Food Security Desk/Process (FSD/P)	<ul style="list-style-type: none"> • In woredas where payments are made in cash, provide the Woreda Office of Finance with the list of permanent direct support clients and liaise with them each month to ensure payroll is prepared. • In woredas where payments are made in food, prepare the payroll and submit to Early Warning and Response Desk • Communicate payment dates to Kebele Chair and KFSTF for onward communication to clients
Woreda Office of Labour and Social Affairs (WOLSA)	<p>In woredas where WOLSA has a presence</p> <ul style="list-style-type: none"> • To support the Food Security Desk in its activities related to the permanent direct support clients (including taking on responsibility of these actions if delegated) • To review needs of permanent direct support clients and refer them to any available services.
Woreda Office of Finance (WOFED)	<p>In woredas where payments are made in cash:</p> <ul style="list-style-type: none"> • Confirm adequate resources in bank account • Prepare the payroll • Withdraw money from bank and ensure safe passage to payment points • Provide cashiers to execute cash payments
Early Warning and Response Desk/Process (EWRD/P)	<p>In woredas where payments are made in food:</p> <ul style="list-style-type: none"> • Ensure resources have been received

	<ul style="list-style-type: none"> • Prepare appropriate requisition documents for food distribution points • Provide distribution experts to execute food payments
Cashiers/ Distribution Experts	<ul style="list-style-type: none"> • Check client cards against payroll to ensure that payments are being made to correct households • Execute payments
Woreda Health Office and Health Extension Workers	<ul style="list-style-type: none"> • Coordinate all HEP activities including those related to PSNP clients • Follow up permanent direct support clients to encourage their uptake of health services
Kebele Chair and KFSTF	<ul style="list-style-type: none"> • Communicate payment dates to clients • Support and oversee payment days
NGOs	<p>In woredas supported by NGOs:</p> <ul style="list-style-type: none"> • Prepare/check payroll • Prepare appropriate requisition documents for food distribution points • Provide distribution experts/cashiers to execute food payments

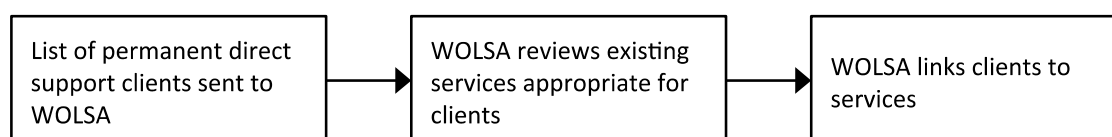
7.4 Case Management of Permanent Direct Support Clients

7.4.1 INTRODUCTION

The following processes will only be possible in areas where Labour and Social Affairs has a woreda presence. These should be considered a minimum set of activities and, as capacity of Woreda Offices for Labour and Social Affairs is developed, guidance for their involvement will change and a new edition of this chapter of the Programme Implementation Manual will be released.

The following flowchart highlights the key steps in case management in areas of WOLSA involvement:

Figure 7.1: Flow chart for case management of permanent direct support clients



7.4.2 LIST OF PERMANENT DIRECT SUPPORT CLIENTS SENT TO WOLSA

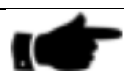
Following the annual recertification exercise (see Part 2, Chapter 3 [Programme Entry and Exit] for further details), the Woreda Food Security Desk submits to WOLSA the final list of enrolled permanent direct support clients. Where available, this should include as much information as possible on the composition of client households and the specific vulnerabilities which have made them eligible for the permanent direct support component (age, disability, ill health, etc.).

WOLSAs, where they have the capacity, may seek to supplement the information available in this final list of enrolled clients by investigating further the circumstances of permanent direct support clients and the needs they face, for example by requesting key information kept in the family folders available at health posts.

7.4.3 WOLSA REVIEWS SERVICES AVAILABLE FOR PERMANENT DIRECT SUPPORT CLIENTS

WOLSA social affairs staff will review any services available in the woreda and their appropriateness for permanent direct support clients. Potential services include:

- Community Care Coalitions (CCC)
- Self help groups organised for the elderly or disabled
- NGO programmes supporting specific target groups (elderly, disabled, chronically ill)
- Appropriate elements of the Health Extension Programme
- Availability of fee waivers to support medical expenses of poor households



Links to Health and Nutrition Services

This phase of the PSNP includes a strong focus on links to mainstream health and nutrition services provided through the Health Extension Programme. Female members of households participating in the PSNP who are either pregnant or have a child under the age of one are expected to take up these services as part of their responsibilities to the programme whether they are clients of the permanent direct support component or the public works component. A full description of how these linkages are to be operationalized can be found in Part 3 Chapter 8 (Public Works and Links to Social Services Component), Section 8.3.

In woredas where WOLSA has a presence, WOLSA staff and may be delegated to support the operationalization of these linkages.

7.4.4 WOLSA LINKS CLIENTS TO SERVICES

Once the WOLSA social affairs staff have identified what services exist which may be appropriate to permanent direct support clients, they will make use of the capacity they have to link permanent direct support clients to these services. This will include ensuring that Woreda Health Office Staff and Health Extension Workers are aware of the existence of permanent direct support clients and any specific needs they have, and making use of Community Care Coalitions where they exist.

As highlighted above, where a permanent direct support client household includes a member who is pregnant or has a child under the age of one, they should be expected to take advantage of key health and nutrition services and should be catered for in the procedures laid out in Section 8.3.

7.5 Payment Procedures

7.5.1 INTRODUCTION

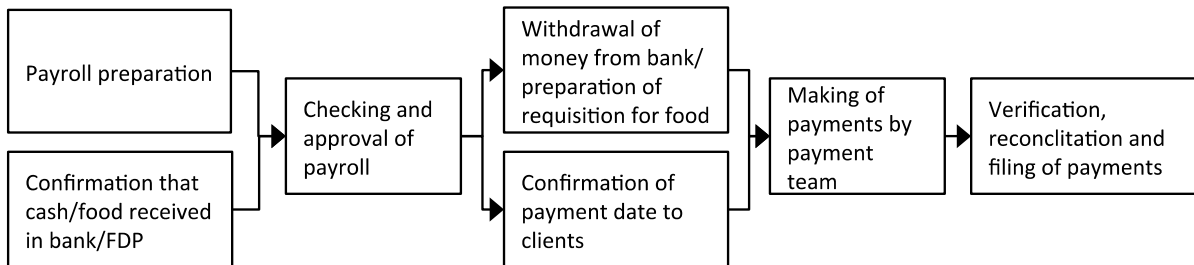
Payments are made to permanent direct support clients on a monthly basis throughout the year. Therefore, implementers must ensure that cash flow and food flow management allow transfers to be available in a timely manner throughout the year, as outlined in Part 4, Chapter 12 (Financial Management) and Chapter 13 (Food Management) The payment amount is set annually according to the process outlined in Part 2, Chapter 5 (Public Works and Transfer Schedule, Wage Rate and Mode of Transfer).

A core principle of the PSNP is that payments to clients are timely and predictable. This means that all cash payments will be made to clients by the 20th of each month, and all food payments will be made by the 30th of each month.

Payments to permanent direct support clients can be made independently of payments made to public works clients and should be prepared on a separate payroll.

The following flow chart indicates the main steps in the payment process for permanent direct support clients:

Figure 7.2: Flow chart for payment process to permanent direct support clients




These steps are spelt out further in the sections below.

7.5.2 CONFIRMATION THAT CASH/FOOD HAS BEEN RECEIVED

In woredas where payments are made in cash, WOFED monitors the receipt of funds and confirms that adequate funds have been received prior to payments being made. Further information on cash flow planning and funds flow can be found in Part 4, Chapter 12 (Financial Management).

In woredas where payments are made in food, EWRD confirms that adequate food stocks are held in the relevant Food Distribution Points (FDPs) prior to payments being made. Further information on food disbursement planning and logistics can be found in Part 4, Chapter 13 (Food Management).

7.5.3 PAYROLL PREPARATION AND VERIFICATION

 **Payroll and Attendance Software System (PASS):**

Use of payment software – PASS – is mandatory in all PSNP woredas in Amhara, Oromiya, SNNP, Tigray, Dire Dawa and Harari. PASS will also increasingly be used in woredas of Somali and Afar regions where there is a functioning electricity supply. Once a woreda has the software installed and has received the required training they will be expected to make use of the software to generate payrolls.

Should the PASS malfunction, WOFED, in coordination with the WAO, will contact the IT Helpdesks at the regional level for assistance. However, payments to clients should not be delayed if these problems persist. In this case, attendance sheets and payrolls can be prepared in Excel for the affected month. The problem with the PASS should be then be rectified prior to the following month’s payment and any data entered into the excel sheet should be uploaded into PASS.

The exact steps followed in payroll preparation vary depending on whether the woreda makes payments in cash or food. The sections below highlight these differences.

At the start of each year, woredas should establish a schedule of payments which is communicated to permanent direct support clients and informs them of when they can expect to receive their permanent direct support transfers.

	Woredas with cash payments	Woredas with food payments
Annual update of PASS	Following the annual recertification exercise (see Part 2 Chapter 3 (Programme Entry and Exit) for further details), the Woreda Food Security Desk/Process submits to WOFED the final list of enrolled permanent direct support clients. This list is entered into the PASS software at the start of each PSNP annual cycle and forms the basis of the monthly payroll.	Following the annual recertification exercise (see Part 2 Chapter 3 (Programme Entry and Exit) for further details), the Woreda Food Security Desk/Process (FSD/P) enters the final list of enrolled permanent direct support clients into the PASS software at the start of each PSNP annual cycle. This forms the basis of the monthly payroll.
Payroll Preparation	Towards the end of each month, WOFED, in discussion with the FSD/P, generates the monthly payroll using the PASS software. As payments to permanent direct support clients are unconditional, the generation of the payroll does not require any submission of attendance information.	Towards the end of each month, FSD/P generates the monthly payroll using the PASS software. As payments to permanent direct support clients are unconditional, the generation of the payroll does not require any submission of attendance information. The payroll is then passed to EWRD/P to allow them to communicate with Food Distribution Points.
Scheduling of Transfers	WOFED then sets up the transfer schedule depending on when transport, security and staffing can be arranged. Priority should be given to ensure that the transfers are made as per the performance target. As such transfers should adhere to the already agreed transfer schedule prepared during annual planning.	EWRD/P then sets up the transfer schedule depending on when transport and staffing can be arranged. Priority should be given to ensure that the transfers are made as per the performance target. As such transfers should adhere to the already agreed transfer schedule prepared during annual planning.
Communication	WOFED then communicates to the kebeles (through the kebele chair and KFSTF) the date planned for cash payments. The aim is to minimise the amount of time clients will have to wait to receive their payment. If WOFED can, it should indicate the time at which payments will start in each payment site and the list of households that will be paid in the morning and then in the afternoon. This will allow the households to come in the morning or afternoon rather than waiting the whole day.	EWRD/P then communicates to the kebeles (through the kebele chair and KFSTF) the date planned for food payments. The aim is to minimise the amount of time clients will have to wait to receive their payment.

In woredas where transfers are made in a combination of cash and food, WOFED is responsible for entering the final list of enrolled permanent direct support clients into PASS at the start of each PSNP annual cycle and uses PASS to generate the monthly payroll for all months regardless of whether payments are made in cash and food. In the months that payments are made in food, WOFED sends the payroll to EWRD/P, copied to the FSD/P, to allow them to schedule transfers and communicate with kebeles and clients.

If, for any reason, the date scheduled for making transfers is delayed by more than a week from the previously approved annual transfer schedule, the delay will be communicated to programme clients so that they know when they can expect their next safety net payment and can plan accordingly.



Specific provisions for NGO supported woredas

In woredas supported by NGOs, NGOs will take a lead in executing food payments. However, the broad steps remain the same and the use of PASS remains mandatory.



Woredas implementing the MOLSA Social Cash Transfer Pilot

The permanent direct support Component in Woredas where MOLSA is implementing a pilot will follow a different set of implementation modalities. These woredas (listed in section 7.1.1 above) will be provided with their own guidance material to support this pilot.

7.5.4 MAKING PAYMENTS

For **cash payments**, the WOFED cashier and accountants collect the cash from the bank to make the transfers and travels to the payment sites. Payment sites are as close to clients as possible, at least in the kebele centre and ideally in the communities. WOFED should mobilise sufficient cashiers and accountants (those working both on PSNP and the regular government program can be mobilised) to make the payment process as fast as possible to meet the agreed performance target.

For **food payments**, food resources are delivered to distribution points (see Part 4, Chapter 13 (Food Management) for further details) and clients are asked to assemble at these points. The actual payment process is the same for both cash and food payments, all that differs is whether the payments are being made by WOFED cashiers or EWRD/P distribution experts.

The key steps in the payment process are as follows:

Step 1: Identity Verification. All payments are made against the PASS payroll prepared by WOFED or the FSD/P. The cashier/distribution expert confirms that the Client Card ID Number matches the PASS ID number corresponding to the client's name. The cashier/distribution expert also verifies that the photo on the Client Card is a match to the person presenting the Card.



Client Cards

PSNP Client Cards provide the basis for all transfers to clients. They record the names of the people entitled to receive transfers, and the size of their entitlement (see Part 2: Chapter 3 [Programme Entry and Exit] for further details).

Clients will not receive their payments if they do not present their Client Card to the cashier. If a client does not have his or her card, the client and cashier will mutually agree if: (i) the client will travel to the woreda capital to collect the payment from WOFED, (ii) the cashier will return at a later day that month; or (iii) the payment will be made during the next payment cycle. The cashier should, to the extent possible, assist the client in receiving his or her payment as soon as possible. The cashier makes a note of the agreement reached with the client. If the card has been lost or stolen the client should be told to report it immediately to the Kebele Administration who will request an additional card from the woreda and re-issue a new card.

Step 2: Payment. After the identity of the client is verified, the cashier pays the clients the total payment due to his or her household.³³ The cashier asks the client to sign on the PASS payroll to indicate receipt of payment and notes the gender of the recipient on the payroll. Immediately afterwards, the cashier will enter the PASS generated data onto the Client Card corresponding to:

- Transfer: type and amount
- Date transfer is received

If a Permanent direct support client is unable to collect his or her payment, for instance if he or she is elderly or disabled, someone else may collect the payment on his or her behalf. This should be

³³ As outlined in Part 2, Chapter 3 (Programme Entry and Exit), Section 3.4 - for the purposes of the PSNP each wife and her children within a polygamous family is considered a household with the husband only counted in one of the households.

agreed with the Community Food Security Taskforce. The CFSTF then informs the KFSTF, which informs the cashier/distribution expert that this arrangement has been made through written confirmation.



Inclusion of a designated person to collect transfer payments in Tigray

In Tigray Region, households can choose to include a designated part to collect their transfers on their client card. The personal information (including picture) of the client as well as the person they designate to collect the transfer on their behalf is clearly indicated on the client card

If the client believes that he or she did not receive the correct payment, they should NOT sign the payroll and should instead ask the cashier/distribution expert to verify that the payment is correct. If this does not resolve the problem, the client can lodge a complaint with a member of the Appeals Committee. If the member can resolve it by providing further details to the client he or she should do so, otherwise the complaint should be immediately referred to either the FSD/P or the woreda council.

Under NO circumstances should clients be asked to pay from their PSNP payment any costs associated with the payment process, such as having their identification verified, their Client Card checked or their name found on the PASS payroll. All payments to PSNP clients MUST be made in full, as stated in the PASS payroll.

Step 3: Closing the payment period. Once payments have been completed, copies of the completed and signed payrolls are filed appropriately, including data entry into PASS on whether payments were collected (or need to be carried over to the next month) and the gender of the recipient. All information regarding a particular payment cycle for permanent direct support clients need to be entered into PASS and the payment period closed, before the following months payment cycle can be initiated. For cash payments, copies of the completed and signed payrolls should be filed at WOFED and for food payments a copy should be retained in the filing system of the EWRD/P and a copy filed with the FSD/P at the woreda level.

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8.1 Introduction

The Public Works and Links to Social Services Component presents the conditionalities linked to transfers for PSNP Client households which contain some adult-able bodied labour.

As in previous phases of the PSNP, one of the core conditions applied to households with some adult-able bodied labour is participation in public works programmes. Public works are labour-intensive community-based sub-projects designed to address underlying causes of chronic food insecurity through the provision of employment for chronically food insecure people who have able-bodied labour. Community assets built through public works provide a significant opportunity to enhance livelihoods while increasing the programme's impact in the areas of nutrition, climate resilience and disaster risk management.

In this phase of the programme, additional conditions will be added which reflect the strong focus on improving the impacts on nutrition and the integration of livelihoods into the core PSNP. As a result, this component also includes two new sets of conditions:

- Participation in a limited number of community behavioural change communication regarding health and nutrition as a substitute to public works for both male and female clients
- Introduction of co-responsibilities (or soft conditionalities)³⁴ for temporary direct support clients. These include pregnant or lactating (up to 12 months after the child is born) members of PSNP client households, and primary care-givers of malnourished children under the age of five living in PSNP client households. These household members will be expected to take up core elements of the health extension programme in return for being exempt from public works.

For public works clients, failure to fulfil public works requirements, or to participate in public works substitutes such as community BCC or agreed training sessions, will result in client households being penalised through deductions to their transfer. Penalties will not be applied to temporary direct support clients, however there will be close follow-up of these household members to encourage their uptake of key services.

The above does not reverse the key principle of 'primacy of transfers', which states that "transfers should not be delayed for any reasons, including those related to public works implementation". If woreda implementers are unable to organise public works projects during the expected period or verify their completion on time, transfers should be made prior to public works implementation or verification. But if public works are conducted and households are provided the opportunity to participate, but they fail to participate or they miss days without a valid reason such as illness, then their transfer should be reduced proportional to the number of days missed.

This component also includes the provision of transfers to public works and temporary direct support clients. Public works and temporary direct support clients will receive payments for six months of the year.

8.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

Much of the implementation of public works will remain the same, but the links to social services involves significant differences in operations. Some of the key innovations in this phase of the programme include:

³⁴ A conditionality is considered "soft" when a household is informed of its co-responsibilities and basic monitoring is undertaken but no penalties (in the form of deductions to a transfer) are enforced.

- Increased contribution of public works to livelihoods, nutrition and other social services, climate resilience and DRM (putting this into practice starts from the annual planning described in Part 2, Chapter 6).
- Operationalization of flexibility in timing of public works (described in Part 2, Chapter 4)
- Mainstreaming of the provision that women should work a reduced workload which allows them to arrive late and leave early (and adjusting their work commitment to 50% of the standard)
- Participation in behavioural change communication on health and nutrition as a substitute to public works.
- Further guidance on how participation in basic or financial literacy training sessions as a part substitute for public works if considered necessary and appropriate in the woreda.
- The transition of a woman when she is pregnant to temporary direct support on confirmation from the health worker of her pregnancy (or in the absence of this, from the 4th month of pregnancy); and her continued receipt of direct support until her child is 12 months old.
- The transition of primary care-givers of moderately or severely malnourished children (under five) under treatment to temporary direct support until the child is assessed as no longer requiring special treatment by the health care worker.
- The definition of clear co-responsibilities for women receiving direct support with regards to their uptake of health and nutrition services for them and for their young child.
- More effective tailoring of choice of public works sub-projects to the various livelihood types in pastoral lowlands.

8.2 Key Principles of Public Works and Links to Social Services Component

Many of the core principles of safety net public works remain unchanged from previous phases, but there are minor adjustments and additions, particularly related to the introduction of links to social services. The revised list is as follows:

- **Contribution to livelihoods, nutrition and other social services, climate resilience and DRM:** Public Works and Links to Social Services contribute to each of these in the following ways:
 - Strengthened livelihoods, through the construction of roads and market infrastructure, and through the consideration of financial literacy training as meeting public works requirements
 - Improved nutrition and other services, through behavioural change communication as a part substitute for public works, through the construction of health posts, and through encouragement to temporary direct support clients to take up health and nutrition services
 - Strengthened climate resilience and disaster risk management, through watershed development and rangeland management approaches
- **Participation:** The community participates in the identification, planning, monitoring and evaluation of public works projects to ensure public works are tailored to the prevailing livelihood in the area (particularly important in lowland implementation areas). The participation principle requires that an enabling environment be established so that women – including women in male-headed households – are able to participate in public works

planning. In addition, within the list of possible “projects” will be included participation in community BCC and other trainings.

- **Appropriateness of conditionality:** Households with able-bodied adult labour are expected to participate in public works. Pregnant and lactating women are expected to transition to temporary direct support both to safeguard the health and welfare of themselves and child, but also to allow them to participate in soft conditions which further enhance health and welfare for themselves, the new child and the wider household.
- **Predictability:** Public works are provided through a multi-annual resource framework. Programme participants should be aware of both the timing of public works, which should be scheduled to avoid peak labour periods, and what their entitlements and responsibilities are (with regards to both public works and soft conditionalities).
- **Proximity:** Public works will be conducted to the extent possible in the immediate localities of the people in need. Similarly the co-responsibilities (soft conditionalities) to which temporary direct support beneficiaries agree should be based on what service provision is adequately available in the local area.
- **Watershed approach in the highlands:** Public works will be planned according to the community-based watershed management approach outlined in the CBPWD guidelines. This ensures a holistic approach to managing a watershed, ensuring that activities upstream and downstream complement each other, and incorporates mitigation activities into activities (such as road construction), which may create environmental risks.
- **Tailored approaches in the pastoral lowlands:** In pastoral lowlands, the geographical unit of public works planning and implementation can vary from the watershed approach in the highlands. Furthermore, the choice of public works is likely to vary. In areas where livelihoods are dominated by pure pastoralism, communities are likely to select activities that focus on grazing land rehabilitation (including control of invasive species) and water point development and rehabilitation. In agro-pastoral and riverine areas, community priorities will likely also support crop production, while for ex-pastoralists, a greater focus on social infrastructure is expected. To ensure that public works are relevant to community needs, it will be critical to ensure greater community involvement in planning.
- **Integration:** Public works will be integrated into Woreda Development Plans, Regional Development Plans and – where appropriate – river basin plans (which will allow consideration of meso and macro-watersheds). The works will be planned on inter-sectoral basis and will require coordination between woreda-level offices of NRM, Water, Health, Roads, and Education, and collaboration with complementary programs such as SLM.
- **Gender sensitivity:** Public works are designed to enable women to participate, and priority is given to works which reduce women’s regular work burden. In order for public works to accommodate the needs of women and plan effectively for women’s late arrival and early departure, women’s workload is 50% that of men. Therefore, those planning and overseeing public works must calculate the total number of person days for a project based on the mix of men and women within the team.
- **Work on private land:** Work on private land was allowed in previous iterations of the PIM, but in practice has rarely been implemented. The creation of community assets is a primary objective of public works, but the watershed approach allows public work labour to work on private land if this work is necessary for the improvement of the watershed. In addition, public works activities can be undertaken on private land belonging to female-headed households with severe labour shortages, for instance for the establishment of household gardens.

8.3 Public Works Implementation Procedures

8.3.1 INTRODUCTION

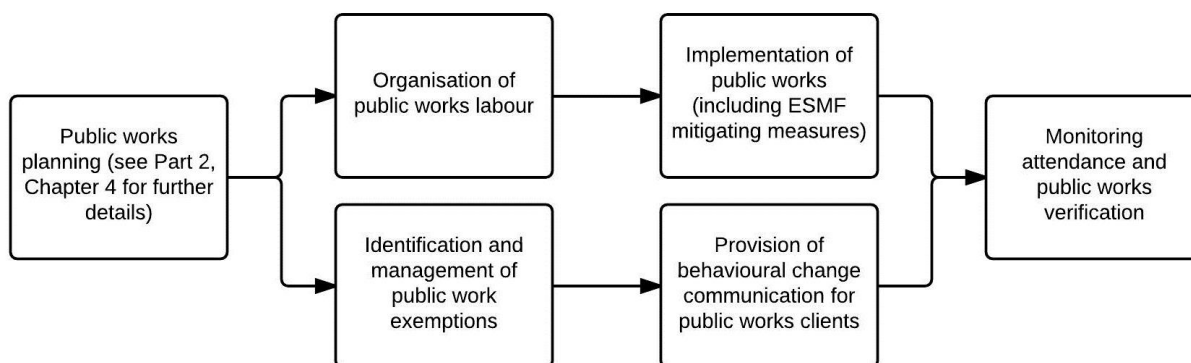
Public works remain a core element of the PSNP. As indicated in Part 2, Chapter 6 (Annual Planning), a wide range of activities are eligible for consideration as public works. The actual public works selected depends entirely on the community planning process and any public work can be considered as long as it complies with the Environmental and Social Management Framework and is labour intensive. Likely typical public works include:

- Biophysical soil and water conservation such as terracing, bund construction, area closures and compost making
- Gully control interventions such as checkdams, SS dams, and gully re-vegetation
- Water interventions including pond construction, spring development, and a variety of water harvesting structures (cisterns, birkas or flood diversion schemes)
- Rehabilitation of water schemes
- Forestry/agroforestry, forage and pasture development including seedling production and planting, forage and grass seed production, clearing of invasive plants on the range land and grassland development
- Small-scale irrigation construction or expansion including traditional river diversion and spate irrigation
- Small-scale irrigation rehabilitation
- Community road construction including earth roads, gravelled roads bridges and culverts
- Community road rehabilitation and upgrading
- Construction of social infrastructure such as farmer and pastoral training centres, market infrastructure nutrition focused infrastructure (latrines, health posts, demonstration homestead or kitchen gardens) child care centres or other infrastructure to support livelihood priorities.
- Social infrastructure rehabilitation
- Participation in health, nutrition and hygiene community behaviour change communication sessions and caring of children in the temporary child care centres during implementation of the PW

In addition to the above, public works activities can be undertaken on private land belonging to female-headed households with severe labour shortages. Public works on such land can include land preparation, irrigation development, and production/distribution of nursery products (vegetable and legume seeds, and fruit tree seedlings) and establishment of household gardens for these households.

Public works planning is not covered by this section of the manual. A summary of planning procedures can be found in Part 2, Chapter 4 (Annual Planning), but for the full planning procedures readers should refer to the Community Based Participatory Watershed Planning Guidelines.

The key steps in public works implementation are as follows:




8.3.1.1 Roles and responsibilities in public works

Food Security Desk Process (FSD/P)	<ul style="list-style-type: none"> • Support the coordination of public works activities • Support coordination of community BCC activities • Provide additional backstopping on gender, social development and nutrition provisions and facilitates collaboration with the health sector(Social Development Expert, where available)
Natural Resources Desk/Process (NRD/P)	<ul style="list-style-type: none"> • Together with the FSD/P supervise public works and provide technical backstopping • Monitor and ensure implementation of mitigating measures identified during ESMF screening • Implement GSD provisions of the PW • Coordinate community BCC activities for public works clients
Road, Water, Education and other sector offices	<ul style="list-style-type: none"> • Provide technical backstopping to ensure quality public works implementation • Take over completed PW sub-projects
Woreda Health Office	<ul style="list-style-type: none"> • Support and oversee health extension worker and health development army provision of community BCC for public works clients • Provide technical backstopping to NRD/P ensure quality implementation of nutrition sensitive public works
Extension Desk	<ul style="list-style-type: none"> • Provide technical backstopping and monitor and supervise DAs
Women and Youth Affairs Desk (and WOLSA where present)	<ul style="list-style-type: none"> • Support and ensure implementation of the gender and social development provisions in the implementation of public works
Kebele manager	<ul style="list-style-type: none"> • Supports coordination of the community BCC sessions and facilitates collaboration between DAs and HEWs
Relevant DAs	<ul style="list-style-type: none"> • Oversee the implementation of public works • Supports the coordination of community BCC sessions and related exemptions from PSNP public works • Facilitates mobilisation of community BCC sessions

Health Extension Workers	<ul style="list-style-type: none"> • Ensure, in collaboration with the health development army, the provision of the community BCC sessions for public works clients • Prepare and provide community BCC for public works participants in accordance with plan
Community Care Coalitions (where available)	<ul style="list-style-type: none"> • Support the provision of child care for children of public work clients during the public work sessions • Supports implementation of the behavioural change sessions for public work clients
NGOs	<p>In woredas supported by NGOs:</p> <ul style="list-style-type: none"> • Provide technical support to the management of public works • Provide capacity support for front line workers in the provision of community BCC • Avail the required budget according to allowable expenditures outlined in Part 4, Chapter 12 (Financial management)

8.3.2 ORGANISATION OF PUBLIC WORKS

Public works are implemented in accordance with the approved plan described in Part 2, Chapter 6 (Annual Planning). Public works will be implemented at specific times of year as indicated in this plan.



Timing of public works:

The timing of public works will be in accordance with the annual plan and the overall public works and transfer schedule. As stated in Part 2, Chapter 4 (Public Works and Transfer Schedule, Wage Rate and Mode of), public works will be scheduled so as not to undermine normal agricultural activity and the majority of public works will therefore take place during the dry season, the exact timing of which varies in different parts of Ethiopia. Section 4.2.3 of Part 2, Chapter 4 (Public Works and Transfer Schedule, Wage Rate and Mode of Transfer) indicates when public works will take place in your woreda.

8.3.2.1 Purchase of capital inputs and other non-labour costs

The budget available for the purchase of non-wage inputs into public works are calculated in accordance with the formula outlined in Part 4, Chapter 12 (Financial Management), Section 12.2. This budget can be used to buy capital inputs (such as cement, gabions, and seedlings); equipment and tools to support public works design and implementation; transportation of these items; and the hiring of skilled craftsmen or foremen/women, the provision and multiplication of community BCC tools where needed and the purchase of first aid kit (Part 4, Chapter 13 (Financial Management) includes a fuller list of allowable expenditure). The identification of the items needed should take place during the planning process (see Part 2, Chapter 6) and procurement should be completed in accordance with the procedures laid out in Part 4, Chapter 14 (Procurement).

8.3.3 ORGANISATION OF PUBLIC WORKS LABOUR

Public works participants will be organised in work teams. A work team is usually comprised of between 15 and 30 members, and work is assigned for completion by the work team, not the individual. There may be only one work team working at a public works site, or – for larger projects – several teams may be involved, but each team will be allocated the work it is expected to complete.



Eligibility for public works:

Only able-bodied adult household members of target households are eligible to work at public works sites. The following household members are not considered able-bodied household members and are therefore NOT eligible to participate in public works:

- Children (under the age of 18)
- Older persons (over 60 years old)
- Physically challenged
- Mentally challenged
- People who are eligible for temporary direct support
 - Pregnant women
 - Lactating mothers during the first 12 months after birth
 - Primary caregivers of children under five who are moderate or severely malnourished, as identified by health.
- Other people who are temporarily unable to work because they are sick (including severely malnourished)

No able-bodied adult household member is expected to work more than 15 days per month. If there are insufficient able-bodied adult household members in a household to fulfil the public works requirement for that household, then the labour cap comes into force. The procedure for defining labour days for each client household is largely completed during the targeting process, and is described in Part 2, Chapter 3 (Programme Entry and Exit). Changes can take place in the course of implementation, for example when a pregnant woman transitions to temporary direct support.

8.3.3.1 Formation of work teams and work units

Teams can be formed by grouping selected clients who reside in the same neighbourhood, are from nearby villages or are close relatives, or on the basis of traditional (e.g. Clan) groupings. This helps to ensure cooperation within teams, such as covering each other's tasks willingly when some are unable to attend, monitoring each other's attendance, and ensuring that each other arrive at work on time. Team formation is done by the DAs/site manager, foremen/women or relevant woreda sector office in close consultation with the kebele cabinet. Each work team should have a fairly balanced composition taking into account gender, age, skill ability and strength. Women can be part of mixed teams or form their own teams. They can also be team leaders or co-team leaders.

Teams elect their own team leaders and co-team leaders who support the organisation of the team and act as the go-between between those overseeing the work (DAs, site managers or foremen/women) and the team. If the selected team leader is male, the co-team leader should be female, and vice versa. Team leaders communicate to their members the time and location of the public works activities, and are responsible for sharing of the work within the team.



Allocation of light works to women:

Team composition and the assigning of teams to different public works project should take into consideration the need to allocate light works to women. When allocating tasks between team members, the team leader is expected again to ensure that lighter works are allocated to women.

The definition of light works can vary according to context – for example the watering of seedlings may be a 'light work' in some areas, but in others may involve the walking of unacceptably long distances to reach a water source.

Special focus should be given to facilitate continuous breastfeeding by women who have children older than 12 months old and who perform public works and to assign them light tasks such as caring for children in childcare centres because of the high-energy demands of breastfeeding.

There should be a similar consideration for older persons, with care to ensure that they are not allocated tasks beyond their capacity.

Where necessary and to facilitate the overall management of large numbers of workers within a single large-scale project work team can be grouped together in work units, each coordinated by a foreman/woman. This can also facilitate the distribution and management of resources when a project is operating in a number of scattered sites. Where needed, a labour unit would generally consist of 5 to 10 work teams.

The relevant woreda sector office will appoint the required site personnel, and—for larger projects—foremen/women.

Most projects, therefore, will have team leaders, a chief artisan, a DA or site manager and, occasionally, guards. In a large project, foremen/women may be required and an assistant to DA/site manager may also be assigned. A relevant woreda sector office supervisor would normally provide technical and managerial guidance to community projects.

Orientation on the fundamental principles of public works, cooperation, participation, and safety precautions should be given to all public work labourers before starting work and a first aid kit made available to each public works site.

Table 8.1: Duties and Responsibilities of Team Leaders and Supervisory Personnel

<p>Team leader/Co-team leader Team leaders chosen by each team should be motivated, literate and have some knowledge of record keeping</p>	<ul style="list-style-type: none"> • Control, monitor and record the attendance of the team members during public works, including the community BCC sessions • Give advice on safety measures to be taken by labourers • Distribute and arrange for the maintenance and repair of hand tools, and the collection and storage of them at the end • Record attendance and reports weekly to the foremen/women on attendance, work accomplished, and the amount of wages to be paid to each labourer • Report disciplinary problems in the team to the DA or foreman/woman • Ensure that women are assigned lighter work and adapted tools
<p>Foreman/woman Where required for a large-scale project, foremen/women are recruited by the relevant woreda sector office. They should have good organisational skills</p>	<ul style="list-style-type: none"> • Direct, coordinate and monitor works undertaken by all teams in the unit • Supervise the team leaders, providing advice and guidance to them • Supervise the implementation of the gender and social development provisions of the PW and organise child care provision for PW clients where needed • Check and approve the attendance list of labourers and persons-days accomplished as reported by each team leader • Compile these into a report for the unit and send it to the DA/site manager for final approval and payment of wages • Refer any disciplinary situations which he/she cannot resolve to the DA/site manager
<p>Site Manager A site manager is a technical person from the relevant woreda sector office</p>	<ul style="list-style-type: none"> • Supervise and provide technical and managerial guidance to the team leaders and the foreman/woman involved in the project • Ensure the satisfactory completion of works according to the work plan and approve the outputs of each team and the



- payment of labourers
- Issue warnings to labourers reported for discipline problems, informing the relevant woreda sector office, and refer serious cases to the Kebele Council/Cabinet or KFSTF
- Perform other tasks given to him by the supervisor

Supervisor
A supervisor is assigned by the relevant woreda sector office

- Make periodic (at least weekly) visits to all work sites, and can be assigned to more than one project.
- Be responsible for the overall technical, administrative and managerial performance of the project(s) and provide guidance to the site manager and other on-site staff
- Identify issues related to implementation of the gender and social development provisions and suggest corrective actions where needed

8.3.3.2 Labour rules


The Woreda Agriculture Office (WAO), in consultation with the KFSTF, Kebele Council/Cabinet, the DA and other implementing agencies, defines the rules with respect to labour organisation in general, and disciplinary measures in particular. The WAO, in consultation with the above entities, may amend these rules from time to time, as necessary.

The WAO will guide and monitor the system of labour organisation in public works, and ensure a consistent overall approach while allowing for local flexibility.

The relevant woreda sector office in consultation with WAO will establish:

- The number of hours to be worked per day and per week; and
- The overall organisation structure (organogram) and number of foremen/women and other supervisor personnel required.

Work can be for a full day or a half-day, depending on local conditions. Work can be undertaken on a shift basis within a day (one set of workers in the morning, another in the afternoon) depending on the need of clients and the resumption of agriculture activities.



50% reduced workload for women:

The work requirement of women is 50% of that of men because of their responsibilities for reproductive labour, such as cooking and caring for children. Women are, therefore expected to work a shorter day than their male counterparts for the same daily wage. This reduced work requirement will have been factored into planning (see Part 2, Chapter 4 (Annual Planning)) and should also have informed the composition of work teams.

As detailed further below in sections 8.3.5 and 8.3.6, clients may be exempt from part of the public works commitments when they participate in community BCC or in financial literacy or basic literacy training. In most instances, exemptions related to community BCC participation will apply to all members of a work team who will participate together in community BCC sessions for part of the working day, and will include both men and women. The expected work norms that the team will be expected to achieve should be adjusted accordingly. Exemptions related to participation in approved financial literacy or basic literacy training will more commonly be granted on a client-by-client basis related to their livelihood pathway and checklist. The main steps in managing these exemptions can be found in sections 8.3.5 and 8.3.6.

Before work commences, the relevant woreda sector office and the labourers, or representatives of the work teams in the presence of the representatives of the kebele task force council, will agree on:

- The actual hours of work (hours of starting and ending work each day) for male and female workers
- The organisation of behavioural change communication sessions for public works clients
- The number of days needed to complete a project, and the public and local holidays to be observed (except for special functions, such as guarding)
- Frequency of payment
- Arrangements to ensure that children will not be present at or working on public works sites, including the provision of child caring services by women if required
- Other practical aspects related to labour organisation (such as how to address absences due to illness or other family emergencies).

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Example of items to be included in Public Works Labour Rules

Labourers working in public works must meet the basic eligible criteria for the PSNP and agree to undertake the various types of work required at the established wage rate. Payment will normally be on a task rate basis calculated on the basis of established work norms.

Each labourer will work the number of hours agreed between the relevant woreda sector office and representatives of the work teams in the presence of members of the Kebele Cabinet.

Children are not expected nor permitted to participate in public works; any children sent will be immediately sent home and a day's payment forfeited (unless an adult from the same household makes up the missed day).

Labourers will bring sufficient drinking water for their own use to the work site.

If a labourer is unable to attend because of illness or a family emergency he or she should send a message to the team leader. If the absence is for greater than 2 days he or she must comply with any requests for additional information from the team leader.

Any labourer who is absent without valid reason, sends an ineligible family member as a labourer, cheats or disrupts the work, or loses or damages tools through wilful neglect, will be publicly warned and reported to the KFSTF. If the problems continue, the labourer will be dismissed and excluded from any further work.

Wages will be withheld from any labourer who loses any tool provided by the agency until he/she finds and returns the tool. If the tool is not returned, the equivalent value will be deducted from his/her wages.

8.3.3.3 Childcare centres

Childcare support mechanisms must be available at each work site or in the village to ensure that people are able to adequately participate in public works, but also to ensure that the burden of childcare responsibilities do not fall on girls or boys of school-going age. Depending on the needs, each public-work team should assign one or two workers to take care of young children etc. This may be considered one of the appropriate light works for women.

In the provision of childcare facilities, it is important to consider the security and safety of such facilities including the need for them to be free from dirt, insects and animals and that they provide some shelter from sun or rain.³⁵ The construction of such centres is an allowable use of public works labour.

8.3.4 IMPLEMENTATION OF PUBLIC WORKS

8.3.4.1 Sub-project implementation, including implementation of mitigating measures identified during ESMF screening

Sub-project construction should follow the agreed design prepared during programme planning and the relevant infotechs included in the Community Based Participatory Watershed Planning Guidelines (or in pastoral areas the Guidelines for PSNP – PW in Pastoral Areas).

³⁵ One good practice conducted by some woredas is the provision of tents as childcare centres.

If during Environmental and Social Management Framework (ESMF) screening, the need for mitigating measures were identified these should be implemented during sub-project implementation. The Kebele will designate a person who is responsible for ensuring the mitigation measures are effectively implemented as specified before, during and after construction. This will normally be the DA.

The Woreda Environmental Protection Office will designate a staff member to inspect and oversee the implementation of mitigating measures. They will make site visits to relevant public works sub-projects during and on completion of sub-projects as required. Monitoring of the implementation of mitigation measures will be reported as part of the public works monitoring and evaluation system, and will allow the Regional Public Works Focal Unit and Regional Bureau of Environment and Forests to assess the application of the prescribed mitigation measures.

8.3.4.2 Attendance and discipline

Attendance of labourers will be taken twice a day generally before starting the morning and after completion of the day's work. Team leaders should be aware of those who have been granted exemptions from public works attendance because of their participation in financial or basic literacy training in order that this to be recorded appropriately in the attendance sheet. Copies of the financial or basic literacy training attendance records will be forwarded to the foreman and the DA/Site manager. The attendance of the labourers should be strictly checked by the DA/site manager, foreman and task forces. In recording attendance, the foreman, and DA/site manager should assess the eligibility of the participant to participate in public works (see above), and reject attendance by those who are ineligible.

If participants arrive for work but are prevented from working by factors outside their control (e.g. delays in the delivery of required public work materials, the Development Agent or foreman is absent, the works are not planned on time) participants should be recorded as having fulfilled their public work requirement and should still receive 100% of the transfer for that day. The overall expectation of the amount of work the team will complete will be reduced accordingly.

In exceptional circumstances (ill health of the public works participant or other emergency), a household may submit a request to waive the public works requirement. The exact process of doing this should have been agreed during the setting of labour rules described in section 8.3.3.2 above.

Disciplinary problems will be solved within the work team or unit as much as possible. The existing disciplinary body of the kebele council, in consultation with the concerned line departments, will approve disciplinary measures that cannot be solved including dismissals.

8.3.5 PROVISION OF BEHAVIOURAL CHANGE COMMUNICATION FOR PUBLIC WORKS CLIENTS

In recognition of the fact that addressing nutrition challenges is the responsibility of the whole family and the wider community, participation in community health and nutrition Behavioural Change Communication (BCC) is expected to be a core public works responsibility. The table below indicates the types of behavioural change communication and associated health seeking behaviour that are eligible to be counted as contribution to public works clients public work commitment. The table also shows the means by which attendance will be registered. Within the six month public works period, clients are expected to participate in at least 6 community BCC sessions. Participation in 3 such sessions is equivalent to one public works day. At least 2 of the 6 community BCC sessions should be attended by the household head.

Eligible community BCC or associated health seeking behaviour	Means of recording participation
Participation in up to 2 community health days	Attendance recorded in client card, which is presented at next public works participation for inclusion in the public works attendance sheet
Community BCC sessions provided at a public works site (each session should last at least two hours)	Public works attendance and client card
Participation in community conversations as conducted as part of community based nutrition	Attendance recorded in client card, which is presented at next public works participation for inclusion in the public works attendance sheet

Community BCC sessions will be planned and organised by Health Extension Workers and may be provided by them directly or using community volunteers such as the Health Development Army, under their supervision. The location of the community BCC should be selected with the suitability of the location in mind (proximity to homes or public work sites, shelter from sun and rain etc.).

Community BCC sessions need to respond to local realities and to addresses specifically local barriers to appropriate health and nutrition caring behaviours. Sessions will cover some of the same community BCC messages as those provided to temporary direct support clients (covering health, nutrition, family planning and sanitation) and will also include cooking and feeding demonstrations for young children. Furthermore, some sessions will be tailored to reflect the specific public works being implemented and to mobilize the community to effectively use any nutrition sensitive public works.

This community BCC will both depend on existing tools and materials, but also some PSNP specific materials developed with the support of the capacity building strategy (see Part 4, Chapter 16 (Systems Building and Capacity) for further information). While most of the costs associated with this sub-component should be covered through core Woreda Health Office budgets, financing for monitoring and supervision and small scale duplication of materials can be covered through the PSNP administrative budget (see Part 4, Chapter 12 (Financial Management) for further details).

Attendance at community BCC sessions or associated health seeking behaviour such as participation in child health days will be marked in the household's Client Card and then entered into the public works attendance sheet according to the standard that participation in 3 such sessions is equivalent to one public works day.

8.3.6 PARTICIPATION IN FINANCIAL LITERACY

As outlined in Chapter 9, Section 9.2.11, financial literacy training is a basic activity that all clients participating in the livelihoods component should participate in to improve the success of this component. Whenever possible, financial literacy training will be provided outside of the public works period; but, if there is an overlap, participation will be considered as a contribution to public works. Participation in five two-hour sessions of training will count towards two days of public works, with individuals participating in the training provided with special dispensation to arrive late or leave early to allow their participation and ensure the completion of the remainder of their public work conditions. With the maximum public work exemption being 4 days in any six month period.

If a public works client is selected to participate in financial literacy training during the public works period, the following processes will be followed:

Step 1: The DA will notify the team leader of the work team of the specified client that they will participate in financial literacy training and they therefore should be provided with flexibility as to

their attendance, and that five days of financial literacy training will count as two days of public works up to a maximum of 4 days.

Step 2: The team leader will note this on his or attendance record at the start of the affected weeks and monitor attendance of the client (and/or his or her household) in public works participation in the light of this adjustment.

Step 3: The client will participate in the financial literacy training and have his or her attendance marked by those providing the training on his or her checklist.

Step 4: The client will take the checklist with him/her when he attends public works to allow this attendance to be transferred to the public works attendance sheet and to confirm whether or not the client and his or her household have completed their public works requirement.

While basic literacy is not a core training provided under the livelihoods component, similar procedures can be followed in the event of such training being available in the woreda, approved as a valid substitute for public works by the WFSTF, and the client's need for this training being confirmed by the KFSTF.

8.3.7 PUBLIC WORKS VERIFICATION PROCESS

Basis of payment: Wage payments are made on the basis of attendance and quantity and quality of work completed as determined by the DA and Kebele Chairperson, in consultation with the foreman/woman, based on the standards (work-norms and specifications) set out in the Community Based Participatory Watershed Development and Pastoral PW Guidelines. Participation in designated community BCC sessions (as outlined in section 8.3.5 above) and basic literacy and financial literacy training (as outlined in section 8.3.6) will be included in this assessment. As outlined above, each two-hour community BCC session will count towards the completion of one third of the work norm requirement of that day, while daily participation in financial literacy training for one week (2 hours x 5 days) will count as two days of public works.

Technical Assessment: Technical assessment is carried out at verification stage by DAs or woreda experts, supported by backstopping from zonal or regional experts if necessary, depending on the type of activity. However, payments to clients do not depend on technical approval of the works by a woreda/zonal/regional expert.

Correcting defects: The measures for correcting defects varies depending on whether the defect is identified during implementation or after the completion of the activity. These variations are indicated below:

- If a defect is identified by a regional, zonal or woreda expert in terms of quantity or quality of the works during the implementation, the defect is corrected by the community during the following month. If this was due to a planning or technical error, this is counted as additional work days for which PSNP clients are paid.
- If, after completion of an activity, a regional, zonal or woreda expert identifies defects in terms of quantity or quality of works, the community, with the support of the DA, can: (i) complete the works on a self-help basis; (ii) apply to the woreda for contingency funds to complete the works; or (iii) include the outstanding works in the safety net plan for the following year.

8.3.7.1 Attendance

The foreman/woman records the attendance of public works labourers twice a day generally before starting the morning and after completion of the day's work.

Each week, the foreman/woman gives the attendance sheet to the site manager or DA, whoever is responsible for the public works site. The DA, site manager and Community Food Security Taskforce monitors attendance at public work sites and checks the attendance sheet.

As noted above, if participants arrive for work but are prevented from working by factors outside their control this should be marked as a day attended (even though no work completed) and participants should receive 100% of the transfer for that day.

8.3.7.2 Public works: verification process

Technical supervision of Public Works projects is carried out by woreda, zonal or regional experts depending on the type of activity. These experts remain accountable for the quality of Public Works. However, payments to clients do not depend on technical approval of the works by a woreda/zonal/regional expert.

8.4 Links to Social Services Implementation Procedures

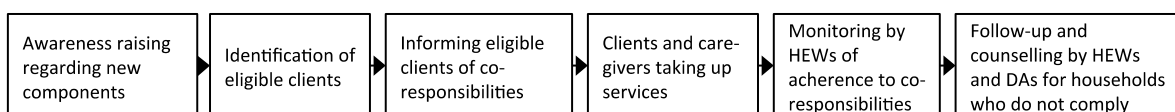
8.4.1 INTRODUCTION

Links to Social Services is a new sub-component of the PSNP introduced in recognition of the importance of coordinating a number of interventions in order to ensure rapid progress in reducing maternal mortality and improving nutrition. Although a new sub-component of the PSNP it builds on already existing service provision provided by the Ministry of Health (and its counterparts at woreda level) through the Health Extension Programme.

The key target groups for this sub-component are as follows:

- Pregnant women
- Lactating mothers with a child under one
- Children under five identified as suffering from moderate or severe malnutrition


The core elements of this sub-component include the identification of eligible clients, the referral of these clients to appropriate services, and the monitoring and follow-up of the use of these services. The flow chart below highlights these key elements which are then explained in more detail below:



8.4.1.1 Roles and responsibilities in links to social services

Food Security Desk/Process (FSD/P)	<ul style="list-style-type: none"> • Support the coordination of health and nutrition activities under the PSNP • Support the training of HEWs in the processes and documentation required for this sub-component. • Enter temporary direct support entitlements into PASS • Ensure and supervise linkages between Health and Agriculture sectors at kebele level
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Woreda Health Office	<ul style="list-style-type: none"> • Identify and meet any additional capacity needs required as a result of intervention • Coordinate all HEP activities including those related to PSNP clients • Train HEWs in the processes and documentation required for this sub-component • Provide woreda specific BCC tools where needed • Oversee health extension workers provision of the HEP and provide technical backstopping • Supervise implementation and monitoring of the Health sector's support to the PSNP and suggest corrective actions where needed
Kebele food security task force	<ul style="list-style-type: none"> • Review implementation of the links to social services sub-component.
Kebele manager	<ul style="list-style-type: none"> • Facilitate collaboration between the DA and HEW • Community mobilization
Health Extension Workers	<ul style="list-style-type: none"> • Confirm that a woman is pregnant and refer them to temporary direct support through the DA • Identify malnourished children through regular screening (including screening for TSF, GMP) and refer them to temporary direct support through the DA • Provide nutrition and health support to temporary direct support clients in accordance with the HEP • Arrange and facilitate separate BCC sessions for temporary direct support clients on regular basis • Follow up temporary direct support clients to encourage their uptake of services • Notify the DA of temporary direct support clients who miss multiple appointments. • Record uptake of services by PSNP temporary direct support clients • Provide a report on uptake on a quarterly basis to DAs • Provide reports on use of services of all community members to WHO
DAs	<ul style="list-style-type: none"> • Support follow-up with households of temporary direct support clients, particularly those missing multiple appointments • Collect reports on uptake of services from HEWs and submit to WAO.
Community Care Coalitions (where available)	<ul style="list-style-type: none"> • Facilitate the implementation of these provisions and supports the HEW and DA where needed
NGOs	<p>In woredas supported by NGOs</p> <ul style="list-style-type: none"> • Provide capacity building, and where required, technical support to the management of the Links to Social Services sub-component. • Avail the required budgets

 **Specific provisions for woredas with a social worker work force**

An increasing number of woredas are hiring social workers to support the provision of social services to vulnerable households. Woredas with a sufficient social worker work-force (for example one social worker supporting three kebeles) may delegate some aspects of operationalizing this component to this workforce.



Woredas implementing the MOLSA Social Cash Transfer Pilot

In woredas where MOLSA is implementing a pilot on social cash transfers, the links to social services sub-component will follow a different set of implementation modalities. These woredas (listed in section 7.1.1 above) will be provided with their own guidance material to support this pilot.

8.4.2 AWARENESS RAISING REGARDING NEW PROVISIONS

As part of the overall roll-out of the new phase of the PSNP, there is a need to ensure that communities and programme clients are aware of the new provisions in the PIM. In particular, it is important that clients understand their rights and responsibilities with regards to this new sub-component:

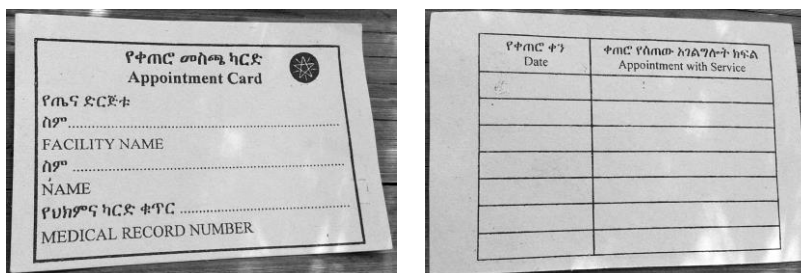
Target Group ³⁶	Rights	Responsibilities
Pregnant women	To transition to temporary direct support and receive a transfer without participating in public works.	To take up the core elements of the ante-natal services provided under the health extension programme as directed by the local health worker
Lactating women with a child of less than one year old	To remain on temporary direct support after the delivery of the child, and receive a transfer without participating in public works.	To take up the core elements of post natal health services, childhood health services and immunization or nutrition services under the health extension programme as directed by the local health agent
Primary care-giver of a malnourished child under five years old	To transition to temporary direct support and receive a transfer without participating in public works.	To participate in Community Management of Acute Malnutrition programming and/or health and nutrition services offered by the health facility as directed by the local health agent

8.4.3 TRANSITION TO TEMPORARY DIRECT SUPPORT

Transition of pregnant and lactating women to direct support until one year postpartum. Women will be transitioned to direct support on confirmation by a health worker that she has undergone a first ante-natal check up. In the absence of this referral, the pregnant woman will be automatically transitioned at four months of pregnancy. The woman should report her pregnancy to the relevant DA supporting public works, along with the evidence of her pregnancy. Evidence accepted will include

- An appointment card stating the date of her first or second ante-natal counselling session (most common)
- A letter from a health worker stating her name and confirming her pregnancy and participation in an ante-natal counselling session (if an appointment card is not available)


Figure 8.1: Sample Appointment Card



³⁶ These rights and responsibilities refer to only the household member who is also part of the target group. Other household members retain their public works responsibilities.

The woman will then remain on direct support until 12 months after the birth of her child.


Transition of primary care-giver of a child under five years old. If a child is identified as moderately or severely malnourished by a health worker (maybe in the course of routine growth monitoring or as a result of targeted supplementary feeding screening) and requiring treatment, the primary care-giver of the child (usually the mother) will be transitioned to temporary direct support during the period of treatment. This will most commonly be done through a reference card from the Health Extension Worker or other health professional.

 **No client should ever be asked for a fee in relation to services related to the PSNP**
 The issuing of the above cards or letters should be provided for free by health workers. In no instance should a PSNP client ever be asked to pay a fee in relation to these notifications.

The DA will report the transitioning of any household members to temporary direct support when he or she submits the attendance sheets for public works attendance to the WAO.

When a household member moves to temporary direct support, no other household member is expected to work to earn that transfer or to work any days beyond the existing labour cap of 15 days per able-bodied adult per month. **Transfer for at least one household member will be provided without participation in public works.**

This means that, in most households, at least one up to three household members will be covered by public works, while the PLW and any additional members will be covered by direct support. In the case of households where the PLW had been the only able-bodied adult, all household members will transition to temporary direct support. The box below presents several scenarios of how the labour cap will be applied when PLWs transition to direct support.

 **Applying the labour cap in households in which a member is temporarily transitioning to direct support**

The following are two examples of how to apply the labour cap to households where a woman has temporarily transition to direct support:

Household 1: Comprised of a husband, wife and young child. The wife becomes pregnant with her second child and transitions to Direct Support. The husband continues to participate in public works to earn a safety net transfer for himself and child. This labour requirement is only 10 days, falling below the labour cap.

Household 2: Comprised of a husband, wife and three young children. The wife becomes pregnant with her fourth child and transitions to Direct Support. The husband continues to participate in public works to earn a safety net transfer for himself and two of his children as this is the maximum he can work under the labour cap. A payment is still received for the third child, but this becomes a temporary direct support payment.

8.4.4 ELIGIBLE CLIENTS INFORMED OF THEIR CO-RESPONSIBILITIES


Once eligible clients are identified, they should be referred to the appropriate services and informed of their co-responsibilities. The key co-responsibilities for different categories of temporary direct support clients are as follows:

Table 8.2: Co-responsibilities for Temporary Direct Support Clients

Category of Temporary Direct Support Client	Co-Responsibilities
Pregnant women	<ul style="list-style-type: none"> • Attendance of four ante-natal consultations • To participate in BCC sessions as informed by the HEW

Category of Temporary Direct Support Client	Co-Responsibilities
Lactating women with a child less than one year old	<ul style="list-style-type: none"> • Attendance at one post-partum health facility visit • Attendance at growth monitoring and promotion/behavioural change communication sessions as informed by the HEW • Uptake of routine immunisation on behalf the child as informed by the HEW
Primary care-giver of a malnourished child under five years old during treatment	<ul style="list-style-type: none"> • Monthly check up of the child at the closest health facility • Attendance at BCC sessions provided by HEWs or the health development army as informed by the HEW. • Participation in treatment (e.g. community management of acute malnutrition or targeted supplementary feeding) as advised

The above co-responsibilities all relate to services which are part of the health extension programme. The PSNP does not duplicate these services, but rather promotes the utilisation of the available services by temporary direct support clients.



What to do in areas where Health Extension Programme not fully functional

Households should only be requested to attend services which exist, and which are provided within a 5km distance from where they are staying. In areas where access to health services and the health extension programme are more limited households should be encouraged to attend any service that is available and nearby and/or a reduced number of ante-natal counselling consultations, regardless of whether provided by the government, an NGO or other partners.

At a minimum, behavioural change communication regarding Infant and Young Child Feeding (IYCF), which could be provided directly under the programme or by linking up with other existing networks, should be made available and temporary direct support clients should be requested to participate.

8.4.5 OPERATIONALIZING CO-RESPONSIBILITIES

This stage combines the final three stages outlined in the flow chart above:

- Clients and their care-givers take up the required services
- HEWs monitor adherence to co-responsibilities
- HEWs and DAs follow up with and counsel households who are not complying with co-responsibilities.

The implementation of these stages largely follows core Health Extension Programme processes, but with some additional monitoring and enhanced follow-up of households who do not comply with co-responsibilities.

The use of 'family folders' is core to the delivery of the Health Extension Programme and plays a key role in the monitoring of co-responsibilities for the PSNP. Services that a household is using and the regime of services they are expected to use are all laid out in the folder (which contains a separate, relevant card for each household member). Folders are complemented by health cards for individuals requiring a regime of services (family planning, antenatal care or vaccinations). These cards are filed using a 'tickler system' (cards are filed according to the date the next action is required), making it easy to schedule follow-up.

In order that this system be used to facilitate strengthened support to, and monitoring of, PSNP temporary direct support clients, the following steps are required:

Step 1: When a PSNP client is referred to temporary direct support (either because the client has attended her first ante-natal counselling session or because she has informed the DA that she has

reached her fourth month of pregnancy), the HEW should mark the family folder with a sticker or stamp indicating they are a temporary direct support client; and their names and serial numbers are added to the list of temporary direct support clients maintained in the health post. The same sticker or stamp should also be put on any associated health cards.

Figure 8.2: Sample List of PSNP Temporary Direct Support Clients

Sl. No.	Name	Household serial number given by health post	Household ID number provided by PSNP	Date entered into temporary direct support	Reason for entry (pregnant (P), lactating (L), caregiver (C), malnourished child (M))	Date entered into temporary direct support	Date to be exited from temporary direct support
1.							
2.							
3.							
4.							
5.							

Step 2: The HEW then creates a checklist of co-responsibilities to be met for the client and provide an appointment card to the temporary direct support client in order that she be aware of what is expected of her and the appointments that are due. The required appointments will vary depending on the reason why the household member was selected for temporary direct support (because of pregnancy of the mother, or malnutrition of a child), the stage of their pregnancy (or post-birth), and the services they have already completed (see Table 8.2 above for the proposed co-responsibilities)

Step 3: There is then normal use of the family folder and tickler system to register household use of services and to follow-up with households any missed appointments.

Step 4: At the end of each month, the HEW creates a list of any households who have missed appointments. This can be done by reviewing any cards marked with a sticker or stamp remaining in the tickler box for a specific month. The HEW visits any households that have missed appointments and counsels them in the importance of meeting these appointments, and reminds them of their commitment to do so when they transitioned to temporary direct support.

Step 5: At the end of each quarter, the HEW reviews compliance of each household against its co-responsibilities and produces a tracking reporting that details which co-responsibilities have been met and which have been missed and submits this report to the Woreda Health Office for their monitoring and for onward submission to the woreda Food Security Desk. The HEW flags to the DA any households that have missed multiple appointments to allow the DA to visit these households and further emphasise the importance of adhering to co-responsibilities.

Step 6: The FSD/P enters the uptake information into the relevant register and uses the information to complete the quarterly report on safety net activities. However, no payments will be deducted if the temporary DS clients have not adhered to these provisions.

8.5 Payment Procedures

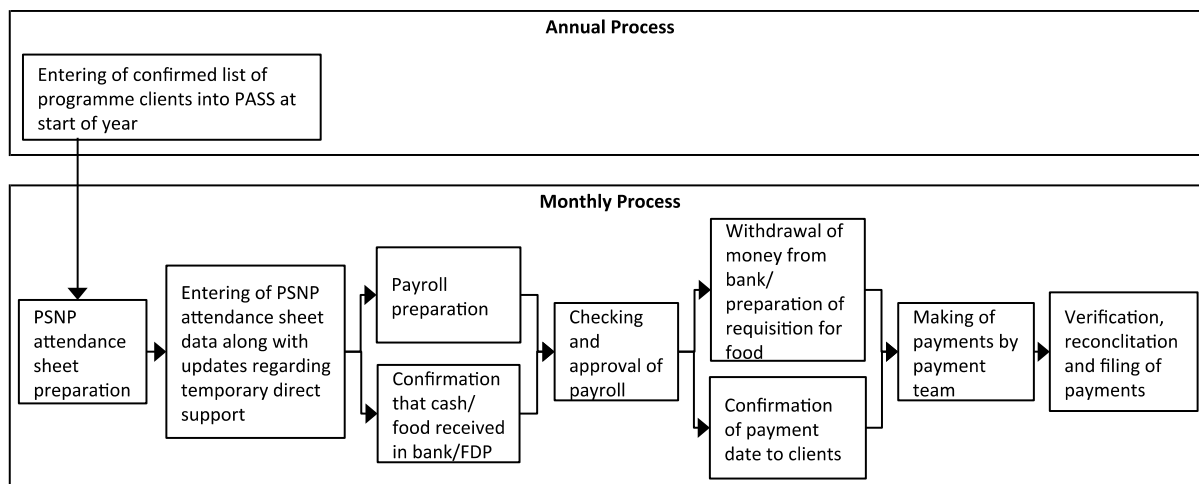
8.5.1 INTRODUCTION

Payments are made to clients of the Public Works and Links to Social Services Component on a monthly basis for six months of the year. These months may be consecutive (for example January to June) or in separate blocks (for example September to November and February to April). The transfer schedule was determined for each woreda at the launch of this phase of the programme as outlined in Part 2, Chapter 4 (Public Works and Transfer Schedule, Wage Rate and Mode of Transfer). The payment amount is set annually according to the process outlined in the same chapter.

A core principle of the PSNP is that payments to clients are timely and predictable. This means that all cash payments will be made to clients by the 20th of each month, and all food payments will be made by the 30th of each month.

The following flow chart indicates the main steps in the payment process for public works (and temporary direct support) clients:

Figure 8.3: Flow chart for payment process to social public works clients



These steps are spelt out further in the sections below.


8.5.1.1 Key roles in payment process

Food Security Desk/Process (FSD/P)	<ul style="list-style-type: none"> • In woredas where payments are made in cash, provide the Woreda Office of Finance with the list of public works clients at the beginning of each financial year. • Enter the data on attendance into the attendance sheet of PASS and records entitlements to temporary direct support transfers • In woredas where payments are made in food, prepare the payroll and submits to Early Warning and Response Desk • Communicate payment dates to Kebele Chair and KFSTF for onward communication to clients
Woreda Office of Finance (WOFED)	<p>In woredas where payments are made in cash:</p> <ul style="list-style-type: none"> • Confirm adequate resources in bank account • Prepare the payroll • Withdraw money from bank and ensure safe passage to payment points • Provide cashiers to execute cash payments
Early Warning and Response Desk/Process (EWRD/P)	<p>In woredas where payments are made in food:</p> <ul style="list-style-type: none"> • Prepare appropriate requisition documents for food distribution points • Provide distribution experts to execute food payments
DAs	<ul style="list-style-type: none"> • Collect the attendance sheet for each public works project and submits to the Woreda Food Security Desk.

Cashiers/ Distribution Experts	<ul style="list-style-type: none"> • Check client cards against payroll to ensure that payments are being made to correct households • Execute payments
Kebele Chair and KFSTF	<ul style="list-style-type: none"> • Communicate payment dates to clients • Support and oversee payment days
NGOs	<p>In woredas supported by NGOs:</p> <ul style="list-style-type: none"> • Prepare/check payroll • Prepare appropriate requisition documents for food distribution points • Provide distribution experts to execute food payments

8.5.2 ANNUAL UPDATE OF PASS

At the start of each financial year, following the annual recertification exercise and identification of programme graduates, the final list of enrolled public works clients is entered into the PASS software. In woredas where at least some of the payments are made in cash, this is done by WOFED. In woredas where payments are made in food this is done by the Woreda Food Security Desk. This list forms the basis of the monthly payroll.



Payroll and Attendance Software System (PASS):

Use of payment software – PASS – is mandatory in all PSNP woredas in Amhara, Oromiya, SNNP, Tigray, Dire Dawa and Harari. PASS will also increasingly be used in woredas of Somali and Afar regions where there is a functioning electricity supply. Once a woreda has the software installed and has received the required training they will be expected to make use of the software to generate payrolls.

Should the PASS malfunction, WOFED, in coordination with the WAO, will contact the IT Helpdesks at the regional level for assistance. However, payments to clients should not be delayed if these problems persist. In this case, attendance sheets and payrolls can be prepared in Excel for the affected month. The problem with the PASS should be then be rectified prior to the following month’s payment and any data entered into the excel sheet should be uploaded into PASS.

8.5.3 PSNP ATTENDANCE SHEET PREPARATION

The attendance sheet for each public works project is collected by the responsible DAs and submitted to the KFSTF. These are approved by the KFSTF and submitted to the Woreda Food Security Desk. Included in the attendance sheet is any participation in agreed financial literacy or basic literacy training as a substitute for public works, and attendance at scheduled BCC sessions. This attendance sheet is submitted alongside any notifications of household members transitioning to temporary direct support. At the same time, the KFSTF informs communities that the attendance sheets have been submitted for processing and that payments should be expected within 10 days.

8.5.4 CONFIRMATION THAT CASH/FOOD HAS BEEN RECEIVED

In woredas where payments are made in cash, WOFED monitors the receipt of funds and confirms that adequate funds have been received prior to payments being made. Further information on cash flow planning and funds flow can be found in Part 4, Chapter 12 (Financial Management).

In woredas where payments are made in food, EWRD/P confirms that adequate food stocks are held in the relevant Food Distribution Points (FDPs) prior to payments being made. Further information on food disbursement planning and logistics can be found in Part 4, Chapter 13 (Food Management).

8.5.5 PAYROLL PREPARATION AND VERIFICATION

The exact steps followed in payroll preparation vary depending on whether the woreda makes payments in cash or food. The sections below highlight these differences.

	Woredas with cash payments	Woredas with food payments
Attendance and direct support entitlement recorded in PASS	<p>The FSD/P enters the data on attendance into the attendance sheet of PASS. If problems with the attendance sheet are noted, the FSD/P requests clarification from the KFSTF.</p> <p>The FSD/P also records/confirms the entitlement for any temporary direct support transfers on the basis of information received from the DA on household members who are eligible for temporary direct support.</p>	<p>The FSD/P enters the data on attendance into the attendance sheet of PASS. If problems with the attendance sheet are noted, the FSD/P requests clarification from the KFSTF.</p> <p>The FSD/P also records/confirms the entitlement for any temporary direct support transfers on the basis of information received from the DA on household members who are eligible for temporary direct support.</p>
Payroll Preparation	<p>Towards the end of each month, WOFED, in discussion with the FSD/P, generates the monthly payroll using the PASS software. This payroll takes into account any lapses in attendance at public works and deducts payments according (no payment is deducted for lapses in attendance of health sessions by temporary direct support clients).</p>	<p>Towards the end of each month, FSD/P generates the monthly payroll using the PASS software. This payroll takes into account any lapses in attendance at public works and deducts payments according (no payment is deducted for lapses in attendance of health sessions by temporary direct support clients).</p>
Scheduling of Transfers	<p>WOFED then sets up the transfer schedule depending on when transport, security and staffing can be arranged. Priority should be given to ensure that the transfers are made as per the performance target. As such, transfers should adhere to the already agreed transfer schedule prepared during annual planning.</p>	<p>EWRD/P then sets up the transfer schedule depending on when transport and staffing can be arranged. Priority should be given to ensure that the transfers are made as per the performance target. As such, transfers should adhere to the already agreed transfer schedule prepared during annual planning.</p>
Communication	<p>WOFED then communicates to the kebeles (through the Kebele Chair and KFSTF) the date planned for cash payments. The aim is to minimise the amount of time clients will have to wait to receive their payment. If WOFED can, it should indicate the time at which payments will start in each payment site and the list of households that will be paid in the morning and then in the afternoon. This will allow the households to come in the morning or afternoon rather than waiting the whole day.</p>	<p>EWRD/P then communicates to the kebeles (through the Kebele Chair and KFSTF) the date planned for food payments. The aim is to minimise the amount of time clients will have to wait to receive their payment.</p>

In woredas where transfers are made in a combination of cash and food, WOFED operates PASS to generate the monthly payroll for all months regardless of whether payments are made in cash and food. In the months that payments are made in food, WOFED sends the payroll to EWRD/P, copied to the FSD/P, to allow them to schedule transfers and communicate with kebeles and clients.


If, for any reason, the date scheduled for making transfers is delayed by more than a week from the previously approved annual transfer schedule, the delay will be communicated to programme clients so that they know when they can expect their next safety net payment and can plan accordingly.

8.5.6 MAKING PAYMENTS

For **cash payments**, the WOFED cashier and accountants collect the cash from the bank to make the transfers and travel to the payment sites. Payment sites are as close to clients as possible, at least in the kebele centre and ideally in the communities. WOFED should mobilise sufficient cashiers and accountants (those working both on PSNP and the regular government programme can be mobilised) to make the payment process as fast as possible to meet the agreed performance target. For **food payments**, food resources are delivered to distribution points (see Part 4 Chapter 13 (Food Management) for further details) and clients are asked to assemble at these points. The actual payment process is the same for both cash and food payments, all that differs is whether the payments are being made by WOFED cashiers or EWRD/P distribution experts.

The key steps in the payment process are as follows:

Step 1: Identity Verification. All payments are made against the PASS payroll prepared by WOFED or the FSD/P. The cashier/distribution expert confirms that the Client Card ID Number matches the PASS ID number corresponding to the client's name. The cashier/distribution expert will also verify that the photo on the Client Card is a match to the person presenting the Card.



Client Cards

PSNP Client Cards provide the basis for all transfers to clients. They record the names of the people entitled to receive transfers, and the size of their entitlement (see Part 2: Chapter 3 (Programme Entry and Exit) for further details).

Clients will not receive their payments if they do not present their Client Card to the cashier. If a client does not have his or her card, the client and cashier will mutually agree if: (i) the client will travel to the woreda capital to collect the payment from WOFED, (ii) the cashier will return at a later day that month; or (iii) the payment will be made during the next payment cycle. The cashier should, to the extent possible, assist the client in receiving his or her payment as soon as possible. The cashier makes a note of the agreement reached with the client. If the card has been lost or stolen the client should be told to report it immediately to the Kebele Administration who will request an additional card from the woreda and re-issue a new card.

Step 2: Payment. After the identity of the client is verified, the cashier pays the clients the total payment due to his or her household.³⁷ The cashier asks the client to sign on the PASS payroll to indicate receipt of payment and notes the gender of the recipient on the payroll. Immediately afterwards, the cashier enters the PASS generated data onto the Client Card corresponding to:

- Transfer type and amount
- Date transfer is received

If a client is unable to collect his or her payment, for instance if he or she is sick, someone else may collect the payment on his or her behalf. This should be agreed with the Community Food Security Taskforce. The CFSTF, in writing, informs the KFSTF for approval for a person to collect the transfer from the cashier/distribution expert on behalf of the beneficiary.

If the client believes that he or she did not receive the correct payment, s/he should NOT sign the payroll and should instead ask the cashier/distribution expert to verify that the payment is correct. If this does not resolve the problem, the client can lodge a complaint with the Appeals Committee. The Appeal Committee then investigates within 5 days.

³⁷ As outlined in Part 2, Chapter 3 (Programme Entry and Exit), Section 3.4 - for the purposes of the PSNP each wife and her children within a polygamous family is considered a household with the husband only counted in one of the households.

Under NO circumstances should clients be asked to pay from their PSNP payment any costs associated with the payment process, such as having their identification verified, their Client Card checked or their name found on the PASS payroll. All payments to PSNP clients MUST be made in full, as stated in the PASS payroll.

Step 3: Closing the payment period. Once payments have been completed, copies of the completed and signed payrolls are filed appropriately, including data entry into PASS on whether payments were collected (or need to be carried over to the next month) and the gender of the recipient. All information regarding a particular payment cycle for public works and temporary direct support clients need to be entered into PASS and the payment period closed, before the following months payment cycle can be initiated. For cash payments, copies of the completed and signed payrolls should be filed at WOFED and for food payments a copy should be retained in the filing system of the FDP and a copy filed with the FSD/P at the woreda level.

8.6 Regional Variations

8.6.1 PUBLIC WORKS

The implementation of public works in lowland areas is guided by the Guidelines for PSNP – PW in Pastoral Areas. These guidelines highlight the following key differences in how public works should be implemented in lowland pastoral areas of Afar, Somali, Oromiya and SNNP regions.

Scheduling of public works: The timing of rainy seasons, the labour slack periods and the hungry seasons can vary significantly in pastoral areas when compared to highland areas. Furthermore, heat can become a serious problem at certain times of the year – making public works during that period will be inappropriate (and possibly even dangerous). This means that the scheduling of public works should be different in most pastoral areas and in highland implementation areas. Part 2, Chapter 4 (Public Works and Transfer Schedule, Mode of Transfer and Wage Rate) details how the scheduling of public works should vary.

Planning of public works: The expected planning unit for public works planning varies depending on livelihood system and population densities. Public works planning in lower population densities of pure pastoral areas should use a rangeland approach and kebeles as the lowest planning unit, whereas planning in higher density agro-pastoral or ex-pastoral areas can continue to use the watershed approach used in the highlands. Further details on this and other key differences in public works planning can be found in Section 6.10 Part 2, Chapter 6 (Annual Planning).

Types of public works. The most appropriate types of public works also vary according to livelihood and agro-ecological context. In sparsely populated pure pastoral areas soil and water conservation activities cannot reach an adequate density of intervention to have any demonstrable impact and rangeland management activities are likely to be preferred, while in ex-pastoral areas investments in market places, roads or social infrastructure are likely to be more important for communities and therefore selected through the community participatory planning process. The table in Section 6.10 in Part 2, Chapter 6 (Annual Planning) indicates some of the key types of appropriate public works that are commonly chosen in different lowland livelihoods.

Implementation of public works. Some key differences in public works implementation are required in lowland areas, in particular in relation to the organisation of work teams, greater use of hired skilled labour, work norms and labour rules:

- **Work teams:** Given the lower population densities, at times it may be necessary to reduce the size of work teams allocated to specific public works projects.

- **Greater use of hired skilled labour:** There is a greater scarcity of key skills amongst public works clients in lowland areas, which may necessitate the hiring of skilled labour (e.g. masons) to support public works implementation while skills are being developed.
- **Work norms:** Because of the harsh environment and high temperatures, the same work norms cannot apply in lowland areas. Adapted work norms are in place and are detailed in Chapter 5 of the Guidelines for PSNP – PW in Pastoral Areas.
- **Labour rules:** Given these harsh conditions, coupled with the shortage of drinking water, the effective working day in lowland areas lasts around five hours and finishes before noon to avoid the heat of the middle of the day and afternoon. Timetabling of public works needs to match this reality and start early in the morning and finish before midday.

8.6.2 LINKS TO SOCIAL SERVICES

Woredas where Health Extension Programme not fully operational. The extent of the roll-out of the Health Extension Programme may vary from region to region and woreda to woreda. This will affect the availability of some of the core services listed as key co-responsibilities. As already indicated in Section 1.4.4, woredas can amend co-responsibilities to match the services available (such as reducing the number of ante-natal counselling sessions expected or to attend services provided by NGOs or other partners). At a minimum, all woredas should aim to provide some behavioural change communication regarding Infant and Young Child Feeding either through the programme directly or by linking with other existing networks such as the Health Development Army and one-to-five networks.

Mobile communities and Mobile Health Units. For mobile pastoral communities, the DAs and HEWs should engage with the Mobile Health Units to ensure that these services are provided to the mobile pastoral clients. The HEW who accompanies the MHU can subsequently provide the DA with the necessary information related to adherence to health and nutrition services.

Woredas covered by a pilot for future MOLSA management of the Permanent Direct Support Component and engagement in soft conditionalities. During this phase of the PSNP, MOLSA is expected to begin to take on responsibility for clients of the permanent direct support component. In preparation for this, a pilot is underway to test some of the potential modalities of this involvement. The pilot is taking place in two woredas of Oromiya (Adami Tulu and Dodota) and two woredas of SNNP (Alaba and Shahego). Both the Permanent Direct Support Component and the Links to Social Services sub-component in these woredas will follow a different set of implementation modalities. Operations in these woredas will be guided by the “Manual of Operations for the Social Cash Transfer Pilot Programs for Direct Support Beneficiaries”.

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9.1 Introduction

The livelihoods component of the PSNP 4 seeks to strengthen the livelihoods of PSNP clients in order to build household assets, increase incomes, and strengthen resilience to shocks. Improved livelihoods and increased incomes and assets will lead some households to graduate from the PSNP. However, it is important that graduation be evidence-based, as outlined in Part 2, Chapter 3 (Programme Entry and Exit).

9.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER


The PSNP's Livelihoods Component is similar in many ways to HABP, but also differs in several important aspects, which will be outlined in greater detail throughout this chapter:

- **Roll-out of livelihoods activities to all safety net implementation areas.** The livelihoods component will now be implemented in all PSNP implementation areas, including in Somali and Afar.
- **Tailored support for each of the 3 livelihood pathways, with expansion of technical assistance providers.** The Livelihoods Component now provides strengthened technical assistance in each of the 3 livelihood pathways – crop and livestock, off-farm, and employment – by assigning institutional responsibility for each pathway according to technical capacity. Hence, the Extension Directorate/Core Process is responsible for the crop and livestock livelihoods pathway, with support from the Livestock Development Directorate/Core Process. The MSE Agency is responsible for the off-farm livelihoods pathway, and BOLSA is responsible for the employment pathway (with support from the MSE Agency where appropriate). Responsible agencies are brought together in the Livelihoods Implementation Unit (LIU) housed in the Extension Service at woreda, regional and federal levels. TVET is included as an implementing agency to provide technical training in the off-farm and employment pathways, and Cooperative Promotion also provides cross-cutting support in financial literacy training, savings promotion, and market linkages.
- **Introduction of free livelihoods transfer for the poorest households.** For the poorest PSNP households, female-headed households, households with landless youth (in the highlands)³⁸, and others for whom taking credit to implement a business plan is not an option (estimated at approximately 30% of the caseload), tailored support is needed according to their capacity. Therefore, these households will be targeted by the community to receive free livelihoods transfers (grants) as well as intensive coaching and mentoring in the implementation of their business plan. These transfers will be provided in cash following the completion of a livelihoods checklist (including participation in savings) and business plan, and do not need to be repaid.
- **Reorientation of livelihoods focus.** The previous livelihoods programme (HABP) had separate outputs related to credit provision, input supply and market linkages. Under the livelihoods component, the programme will not provide credit, but will continue to provide referrals to financial institutions. Input supply and market linkages will still be facilitated, but only within the context of broader follow-up support to households as they implement livelihoods activities.
- **New sequencing of activities.** Proper sequencing of livelihoods interventions is critical to their success. Section 9.3 below provides two flow charts illustrating the general sequencing of programme interventions. Some of these interventions (for instance, financial literacy and

³⁸ This criterion is primarily relevant to highland areas and riverine areas in the pastoral lowlands. Pastoral lowland areas that are not riverine may consider prioritising households with unemployed youth and/or pastoral drop-outs.

savings) will be common to all three livelihoods pathways; others (for instance, training) will be specific to each pathway.

A Livelihoods Guideline/Manual will be developed to reflect the new PIM guidance.

 <p>Roles for NGOs in the livelihoods component</p> <p>PSNP Development Partner-funded NGOs that align their activities and approaches with the PSNP livelihoods component and abide by the provisions of this PIM can play a role in supporting programme implementation. This role will vary from woreda to woreda, but may include support to VSLAs as well as other types of support as guided by this PIM and agreed with woreda government implementers.</p>
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9.1.2 KEY ROLES IN LIVELIHOODS IMPLEMENTATION

Extension	<ul style="list-style-type: none"> • Coordinate the implementation of all livelihoods activities • Serve as Chair of the Joint Livelihoods Technical Committee • Oversee the implementation of the crop and livestock pathway • House the Livelihoods Implementation Unit, which brings together all livelihoods implementing agencies
Woreda Subject Matter Specialists	<ul style="list-style-type: none"> • Advise clients on the requirements of different types of each livelihood during the client livelihood consultation • Support technical training in the crop and livestock pathway • Review business plans for feasibility and creditworthiness
DAs	<ul style="list-style-type: none"> • Provide technical assistance within the crop and livestock pathway • Support business plan development and finance referrals
MSE Agency	<ul style="list-style-type: none"> • Oversee the implementation of the off-farm livelihoods pathway • Certify training completion • Support business plan development and finance referrals
Labour and Social Affairs	<ul style="list-style-type: none"> • Oversee the implementation of the employment pathway
TVET	<ul style="list-style-type: none"> • Provide technical training to clients in the off-farm and employment pathways • Provide entrepreneurship training to clients in the off-farm pathway
Cooperative Promotion	<ul style="list-style-type: none"> • Provide training and follow-up support in financial literacy • Conduct savings promotion and provide follow-up support • Link clients to inputs and markets as needed
WOFED	<ul style="list-style-type: none"> • Disburse livelihoods transfer
Women and Youth Affairs Desk for WAO; Women, Youth and Children Affairs	<ul style="list-style-type: none"> • Mobilise community groups for participation in livelihoods activities • Ensure prioritisation of women and youth in livelihoods activities, and that location and timing enable women to attend • Implement activities to strengthen women’s confidence levels and negotiation skills

Livestock Development Sector	<ul style="list-style-type: none"> • Provide technical assistance to clients and DAs in livestock-related interventions • Serve as Co-Chair of the Livelihoods Technical Committee
Financial institutions (MFIs and RUSACCOs)	<ul style="list-style-type: none"> • Mobilise savings and disburse loans • Participate in credit committees to review business plans and ensure their financial viability
NGOs and other specialised service providers	<ul style="list-style-type: none"> • Provide training in financial literacy and support savings through VSLAs • Provide other livelihoods support as agreed with woreda government structures

9.2 Guiding Principles of Livelihoods Implementation

The following principles will guide the implementation of the livelihoods component:

1. **Tailored technical assistance with appropriate institutional ownership for each livelihood pathway.** Tailored technical assistance provision entails working through institutions that have existing skill set and mandate for the technical area. The Extension Service is responsible for the implementation of the crop and livestock pathway, while the MSE Development Agency is responsible for the off-farm pathway, and Labour and Social Affairs is responsible for the employment pathway. Each of these institutions is represented in the Livelihoods Implementation Unit.
2. **Tailored support to households and individuals according to their capacity.** The technical and financial support provided to each client along each livelihood pathway must be tailored according to each client's capacity and needs, while taking into account the capacity of government institutions and frontline workers to provide the necessary support. This entails the formation of groups and targeting of poorer individuals to receive livelihoods transfers as well as intensive coaching and mentoring.
3. **Market-oriented and demand-driven livelihoods support.** The implementation of the livelihoods component combines a demand-driven approach based on client interest in livelihoods with realities of product and service markets as well as financial markets and resource availability.
4. **Coordination and synergy with public works and other complementary initiatives.** Livelihoods activities are planned alongside public works activities in order to ensure maximum synergy between the two. At a higher level, the programme liaises with Agricultural Growth Programme (AGP) and the Agricultural Transformation Agency (ATA) to identify economic development investments that can benefit PSNP clients through greater access to inputs and/or markets. Discussion platforms with key stakeholders (including NGOs) help identify local economic opportunities.
5. **Careful sequencing and tracking of livelihoods interventions.** Clients receive a carefully sequenced combination of technical and financial support, beginning with receipt of safety net transfers and followed by savings participation, financial literacy, livelihoods training, and access to finance. A livelihoods checklist included in the Client Card supports tracking of client participation in each activity in order to ensure that s/he is ready for the next step and that significant capacity has been built before a business plan is developed.
6. **Dynamism of identified opportunities and technological innovations.** Programme technical assistance is continually upgraded with new information on recent market trends, local and more distant market opportunities, competition, and evolving supporting market services.

7. **Simplicity of business plans.** Business plans should be easily understandable, based on households technical capacity and opportunities.
8. **Centrality of financial literacy and savings.** Financial literacy and savings are cross-cutting for all pathways and are a cornerstone of livelihoods interventions.
9. **Harmonisation of livelihood interventions with other actors, including non-governmental actors.** The livelihoods component takes into account lessons learned from NGO activities and uses training materials developed by government as well as NGOs. In addition, PSNP Development Partner-funded NGOs that align their activities and approaches with the PSNP livelihoods component and abide by the provisions of this PIM play a role in supporting programme implementation.
10. **Strong focus on learning and knowledge management.** The livelihoods component promotes learning through exchange visits, for example to model FTCs, and sharing of lessons learned with key stakeholders (NGOs, private sector actors and government institutions). In addition, the programme promotes peer-to-peer learning and dialogue between clients through participation in livelihoods groups. New approaches are tested to inform implementation during scaling up/roll out. These activities link with knowledge management interventions for livelihoods, as described under Part 5, Chapter 17 (Monitoring and Evaluation).

9.3 Overview of the Livelihoods Component

9.3.1 PARTICIPANTS

Participation in the livelihoods component is voluntary. During the annual planning process, DAs and woreda Subject Matter Specialists initiate a community consultation process, which is supplemented by other community groups, including women's groups and youth groups. These consultations provide an opportunity for all PSNP clients in the community to learn about the livelihoods component and decide whether or not they want to participate. On the basis of this information, households self-select into the livelihoods component for that year. If interest is higher than implementation capacity to support them, Community Food Security Task Forces (CFSTFs) prioritise households for that year based on eligibility for the livelihoods transfer and readiness for participation in livelihoods activities. This process is described under Part 2, Chapter 6 (Annual Planning). However, if this process was not followed during the planning phase, it must be conducted prior to the start of implementation each year.

The livelihood component's focus on individual clients rather households as a whole is designed to increase participation of women and youth. All livelihoods data will be disaggregated by gender and by youth/adult status.

Women are expected to comprise at least 50% of livelihoods clients. The Women and Youth Affairs section of the Bureau/Office of Agriculture and MOWCYA work alongside other implementing agencies in each pathway to strengthen women's confidence in engaging in activities that may not be typically expected of them, and to ensure that women's confidence levels and negotiation skills are strengthened in order to develop sustainable livelihoods. Women and Youth Affairs representatives will work with other implementers to ensure that livelihoods training locations and timings enable women to attend. These actors also support mobilisation and increase awareness amongst PSNP clients and other community members that women and men alike have the capacity to build livelihoods and increase household incomes.

Youth also receive special attention under the livelihoods component, as many youth in PSNP households are landless and/or unemployed. Off-farm and employment pathways are likely to be

important pathways for youth. Crop and livestock-related livelihoods will also be relevant to youth, such as livestock fattening and the provision of services that contribute to crop and livestock pathways (e.g. input supply).

9.3.2 IMPLEMENTATION MODALITIES

The livelihoods component is implemented through two primary modalities:

- Direct training and technical assistance to clients. This entails the provision of technical trainings, business/marketing skills trainings, and employment skills-related trainings by appropriate institutions. Trainings may be provided at Farmer Training Centres (FTCs) or Pastoralist Training Centres (PTCs), TVET institutes, or other locations (including clients' farms), as appropriate.
- Conditional capacity building of grassroots institutions, which are expected to provide services to PSNP livelihoods clients. With programme support, these grassroots institutions and their contribution to the livelihoods component are as follows:
 - Farmer Training Centres (FTCs) and Pastoralist Training Centres (PTCs): these centres serve as hubs for demonstrations of new technologies and practices to clients and will enable learning-by-doing.
 - Rural Savings and Credit Cooperatives (RUSACCOs): these kebele-based financial institutions provide savings and lending services to PSNP clients.
 - Microfinance Institutions (MFIs): these institutions provide savings and lending services to PSNP clients.
 - Multipurpose Cooperatives: cooperatives provide marketing linkages, agro-processing, or other services to PSNP clients.

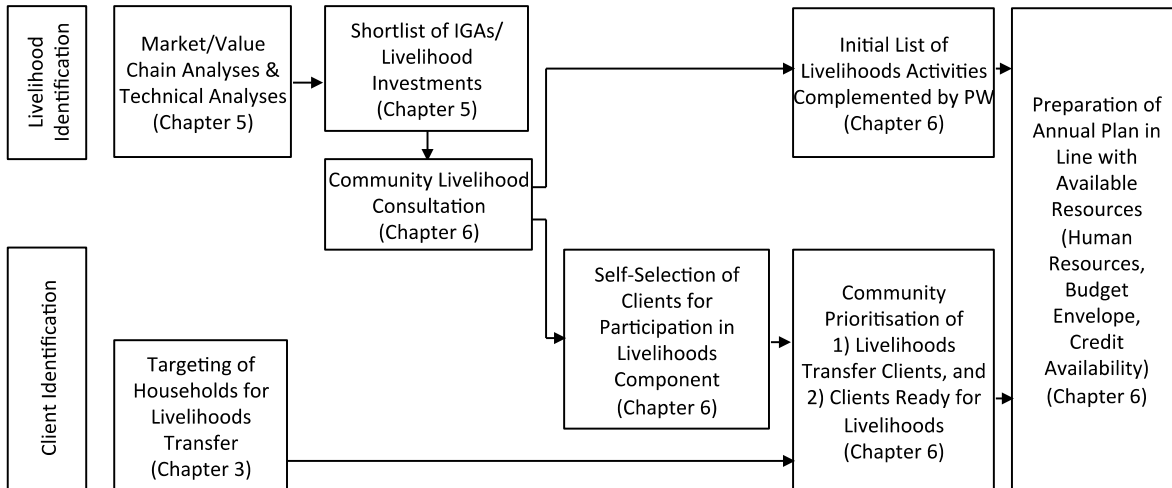
9.3.3 SEQUENCING AND TIMING OF LIVELIHOODS INTERVENTIONS

Initial phases. Figure 9.1 below illustrates the activities that take place prior to the implementation of livelihoods interventions. Two parallel processes occur during these initial phases: **livelihoods** identification across each of the three pathways, and **client** identification. These processes are as follows:

- **Livelihoods identification:** Livelihoods to be supported in each woreda are shortlisted based on market and value chain analyses, technical analyses, and labour market analyses. In addition, an assessment of environmental and social impacts is done to ensure that any potential negative impacts are mitigated. These activities are described in Part 2, Chapter 5 (Livelihoods Analyses). The shortlisted livelihoods and associated opportunities are then presented to clients during the community consultation process, which happens at the same time as public works planning, as outlined in Part 2, Chapter 6 (Annual Planning).
- **Client identification:** This happens at two levels.
 - **Identification of livelihoods transfer clients.** During the targeting/retargeting process, households that are very poor, female-headed, or have landless youth are targeted for a livelihoods transfer. This does not entitle them to receive a livelihoods transfer in that particular year, but it entitles them to receive a transfer during the year in which they participate in livelihoods interventions (after they successfully complete their livelihoods checklist and business plan), and it puts them on a priority list for participation in livelihoods (see next bullet below). These activities are described in Part 2, Chapter 3 (Programme Entry and Exit).
 - **Annual prioritisation of clients for participation in the livelihoods component.** Each year, clients are invited to self-select for participation in the livelihoods component by indicating their interest. If more clients are interested in participating

than the programme has resources to support, the Community Food Security Task Force (CFSTF) prioritises self-selected clients based on the following two criteria: a) eligibility for the livelihoods transfer, or b) readiness to participate in livelihoods activities. This process is described in Part 2, Chapter 6 (Annual Planning).

Figure 9.1: Livelihoods Activities Prior to Implementation



Following the annual community consultation and planning process, livelihoods interventions for self-selected/prioritised clients will follow the sequencing described below and illustrated in Figure 9.2.

Implementation Phase 1: Group formation. This is a key first step to enable consistent support to households and individual clients by DAs.

Implementation Phase 2: Initiation of financial literacy and savings promotion. Financial literacy training and savings participation will be a key initial element of livelihoods interventions, but will also continue as a cross-cutting activity throughout livelihoods implementation.

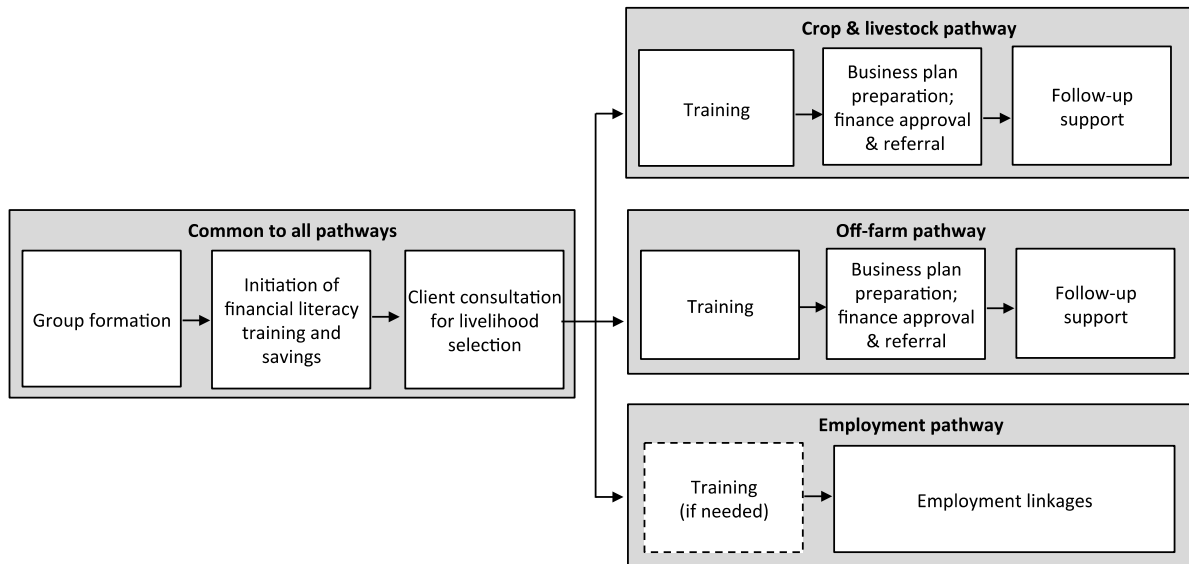
Implementation Phase 3: Client consultation for livelihood selection. Following a period of financial literacy training and participation in savings, DAs will present detailed information on livelihood options to clients and ask them to select a livelihood pathway and, within that pathway, a specific livelihood. Once a livelihood has been selected, a livelihood checklist will be developed.

Implementation Phase 4: Training. Training will be tailored to the pathway and livelihood, and, in the case of crop and livestock and off-farm pathways, is expected to include both technical and business/marketing skills. Employment-related training will be linked to employers wherever possible, and will be tied to specific job opportunities (although some employment linkages may not require training).

Implementation Phase 5: Business plan preparation and finance approval and referral. Following the completion of the livelihoods checklist, clients will be assisted in business plan preparation. Business plans will then be reviewed and forwarded to financial institutions for the provision of credit, or, in the case of clients targeted for livelihoods transfers, forwarded to WOFED for the provision of a livelihoods transfer. This step will be skipped for clients in the employment pathway.

Implementation Phase 6: Follow-up support. Follow-up support includes facilitation of access to inputs and linkages to markets as needed, and coaching and mentoring of clients. This support should continue on an intensive basis through the end of one year after the client has started participating in livelihoods interventions, or through the end of the second year for livelihoods transfer clients. For the employment pathway, this will be the employment linkages phase.

Figure 9.2: Livelihoods implementation flow chart



Although the planning and reporting calendar follows the Ethiopian Government fiscal year calendar, the implementation of livelihoods activities will follow a seasonally appropriate calendar, as crop and livestock livelihoods – as well as wage employment related to a large farms – will follow the agricultural season.

9.4 Common Livelihoods Support Prior to Business Plan

The activities described below apply to clients who have self-selected to participate in the livelihoods component, and whom the community has prioritised for that year.

9.4.1 CREATION OF PSNP LIVELIHOOD GROUPS

Clients who have been prioritised for participation in livelihoods interventions for a given year (as outlined in Part 3, Chapter 6 (Annual Planning)) will be formed into PSNP Livelihood Groups for the provision of training, mentoring and coaching. Groups may be adjusted at a later stage, once livelihoods have been selected, to allow for group-based technical training, but they will be formed at the start of livelihoods implementation in order to provide the basis for financial literacy training and initial savings activities.

As outlined above and in Part 2, Chapter 6 (Annual Planning), the ratio of livelihoods client households to DAs should not exceed 1 to 50, with the exception of clients participating in off-farm and employment pathways. Given that two clients per household may participate in livelihoods interventions, and estimating a membership of 20-25 members per group, each DA is expected to support 4-6 new livelihood groups each year (and provide follow-up support to these groups for an additional year). Also as outlined in Chapter 6, women are expected to comprise at least 50% of livelihoods clients, and therefore they should represent at least 50% of livelihood group members on average.



Why a 1-to-50 ratio for DAs to households?

Under PSNP 4, the livelihoods component will provide more intensive support to clients than it did in the past. Moreover, past programmes have found it is feasible for one person to provide intensive support to 50 households, particularly if these households are formed into groups. Past experience has also shown that a higher ratio (for example 100 households to one DA) would compromise the quality of technical assistance and mentoring support. This is particularly important given that DAs have a variety of other responsibilities (both PSNP-related and non-PSNP-related) in addition to implementing PSNP livelihoods activities. Given the average of 3 DAs per kebele, and the average number of client households per kebele, it should be possible for most kebeles to provide livelihoods support to all interested PSNP clients while keeping this ratio.

Livelihoods interventions will be included in the balanced score card of DAs.

Although many PSNP households are already part of development groups, these PSNP-specific livelihood groups – whose membership will only include a cohort of clients participating in livelihoods interventions during the same year – will be the primary group through which trainings are given under the livelihoods component of the PSNP.

9.4.2 FINANCIAL LITERACY TRAINING AND SAVINGS SUPPORT

9.4.2.1 Financial literacy training

All households that are interested in participating in livelihoods activities should participate in financial literacy training. Training for PSNP clients will be provided by a variety of service providers depending on the woreda: MFI agents, cooperative promoters and accountants, and other specialised service providers such as NGOs.

Training topics. Financial literacy trainings will use a toolkit adapted during the first year from the HABP and GRAD toolkits. Financial literacy trainings should cover the following topics:

- Cash and financial management
- Financial planning and budgeting
- Savings – the importance of savings, and how to save
- Understanding credit
- Calculating profits
- Risk management and insurance (tailored to locally available insurance types, e.g. credit life insurance)

Training location, timing and approach. Financial literacy trainings will be provided at FTCs and PTCs or other accessible locations within the village. Trainings must go through the whole toolkit, but can be done either intensively (e.g. for 2 hours per day, over the course of three weeks, for a total of 15 days), or in a more spaced out manner (e.g. for 2 hours every week, over the course of 15 weeks). Livelihoods clients will be consulted in the development of the schedule.

- If financial literacy training is provided on an intensive basis during the public works period, daily participation in financial literacy training for one week (2 hours x 5 days) will count as two days of public works in PASS.
- If a more spaced-out schedule is selected, technical trainings may be provided prior to the completion of financial literacy training, provided that a DA has engaged in a client consultation, as outlined in Section 9.4.3.1 below.

Regardless of the schedule selected, all trainings will be provided at a time of day that enables women to attend. If preferred, trainings may be provided separately for women, men and youth in

order to allow sufficient time for each client group to express questions related to their situation and obtain clarifications.

Trainings will be participatory and include role-playing, participation and discussion. Trainers should focus on ensuring that participants understand the material by using basic language and encouraging participants to ask questions and suggest answers.

Clients who successfully complete the initial financial literacy training course will receive a certificate of completion.

Follow-up financial literacy training will be given as clients begin investing in livelihoods. These trainings will be timed with clients' needs during their livelihood cycle—for example, a refresher training on credit management as a client receives credit for his or her business plan, etc.

9.4.2.2 Savings mobilisation and support

Participation in savings will be a strongly encouraged first step for participation in livelihoods interventions, as clients will be required to have savings in order to obtain financing from an MFI or RUSACCO, and the programme will require savings for livelihoods transfer clients. Clients may choose to save through one (or more) of three mechanisms depending on their preference and the availability of institutions within their locality:

- VSLAs
- RUSACCOs
- MFIs (through individual savings accounts)

The savings amount will vary depending on the client's capacity and interest as well as the requirements set by the financial institution. Savings will be strongly encouraged for all livelihoods clients, and mandatory for clients preparing to receive a livelihoods transfer.

The PSNP 4 will not avail credit to households or to financial institutions, but will provide (capacity development support to financial institutions (MFIs and RUSACCOs) to provide services, including training and credit from their own funds, to an agreed number of safety net clients.

Creation and capacity building of VSLAs. The programme will create VSLAs, using the newly created PSNP livelihood groups as a platform. Technical support for the start-up of VSLAs will be provided by specialised service providers such as NGOs and others, and DAs will follow up on VSLA progress as well as client savings through the livelihoods checklist. No seed capital will be provided to VSLAs by the programme.



Why support VSLAs?

VSLAs play an important role in enabling poor households to begin participating in savings in an environment of familiarity and trust. Moreover, VSLAs typically includes a social fund, which is easily accessible in case of emergency. This fund is an important risk mitigating measure for poor households. These VSLAs serve as stepping stone, an introduction to savings and credit, for these households. Once households are comfortable with the concepts of savings and lending, as they develop their livelihoods and require larger amounts of credit, they may seek to join a RUSACCO or take their business plan to an MFI.

Finally, as VSLAs are informal, they do not require auditing. Hence, the required level of government support is lower, and it is possible for several VSLAs to be created in one kebele.

Conditional capacity building of RUSACCOs. The programme will build on the success of the HABP in creating RUSACCOs, and will build the capacity of these RUSACCOs to encourage savings and provide services to their members.

PSNP capacity building support to RUSACCOs will include:

- Technical assistance, e.g. training of RUSACCO leadership and technical assistance on financial product development and linkages to MFIs as appropriate
- Matching funds (e.g. up to 25%) for building construction and safe boxes
- Matching funds for bookkeepers for 1-2 years.

In addition, the programme may provide matching funds for technology investments (e.g. a computer) for RUSACCO unions, if and when appropriate. However, the programme will not provide seed capital, nor will it pay for any operational costs besides those listed above.

PSNP capacity building support will be contingent on the RUSACCO meeting the following three conditions:

1. Inclusion of at least 30% of the kebele's PSNP households in the RUSACCO
2. Signing of an MOU agreeing to prioritise PSNP clients for loans
3. RUSACCO participation in savings promotion within the community.

RUSACCOs that received capacity building support under HABP are not eligible for physical capacity building support under PSNP 4. However, they may be eligible for technical assistance if needed, and/or, in some cases, an additional year of matching funds for a bookkeeper. In lowland areas, capacity building of RUSACCOs will be closely coordinated with PCDP, which is establishing and strengthening pastoral savings and credit cooperatives.

Conditional capacity building of MFIs. The programme will provide conditional capacity building of MFIs – including private MFIs – and encourage clients to open individual savings accounts at MFIs where available.

PSNP capacity building support will vary depending on the size and needs of the MFI, but may include:

- The development of financial products that are acceptable to Muslim clients (i.e. Sharia compliant)
- Staff training
- Programme support costs, e.g. for the provision of financial literacy training to PSNP clients and creation of linkages with RUSACCOs
- For MFIs that open a sub-branch in PSNP kebeles:
 - Transport
 - Matching funds for office furniture
 - Matching funds for hardware materials

The criteria for PSNP capacity building support will vary depending on the size of the MFI, but will include the following general criteria:

1. MFI willingness to accept PSNP clients as savers and borrowers, provided that they fulfil the MFI's criteria for creditworthiness
2. MFI willingness to create linkages with RUSACCOs, if appropriate (in the case of larger MFIs)
3. MFI availing of credit to PSNP clients based on approved business plans
4. MFI participation in financial literacy training and savings promotion within the community.

Regional governments will be involved in agreements on conditional capacity building with MFIs, as their allocation of credit and/or credit guarantees (outside of programme funding) to MFIs for on-lending to PSNP clients will be an important factor in the availability of credit for business plans. Other actors outside the programme will also be encouraged to set up credit guarantee funds to support lending to PSNP clients.

9.4.3 HOUSEHOLD/CLIENT LIVELIHOODS CONSULTATION AND LIVELIHOOD SELECTION

9.4.3.1 Client consultation for livelihood selection

Once clients have completed financial literacy training³⁹ and begun saving, DAs and subject matter specialists will present the various livelihood options available to clients with support from the programme. Representatives from different agencies, including the MSE Agency and TVET, will be brought in to the FTC/PTC to present options for each of the livelihood pathways and provide clients with a chance to ask questions about the specifics of each livelihood. Representatives from the Women and Youth Affairs Desk will also participate in this process to ensure that the specific needs of women and youth are taken into account. DAs will then follow up with each individual household and consult with clients regarding their livelihoods interests and ideas. These consultations should not be head of household consultations, but should include all household members who are members of PSNP livelihood groups and have participated in financial literacy training.

In order to guide clients in the selection of livelihoods that are appropriate to their capacity, client consultations will cover the following topics for each type of livelihood:

- Technical difficulty
- Income patterns
- Market opportunities
- Potential for diversification
- Investment requirements (including operating costs, such as feed purchases)
- Potential challenges

Individual household members will then each select their own livelihood pathway, which will be recorded on the livelihoods checklist.

9.4.3.2 Development of livelihood checklists

Following the client's livelihood selection, the DA will assist each client in preparing a livelihood checklist. Up to two members of the same household (for example, a husband and wife, or one adult and one youth, etc.) may be assisted in completing livelihoods checklists in a given year, provided that both members have completed financial literacy training. Therefore, household livelihoods checklist may comprise two individual client checklists, linked through the household's unique PSNP Client Number. One copy of the checklist is included in the Client Card (and therefore kept at the household level), while another copy is kept by the DA or the one-stop service center/MSE Agent for the off-farm pathway.

For some households, the checklist will reflect one pathway for all members, while for others, the checklist will reflect two pathways (one for both participating household members) and the required trainings for each.

³⁹ In communities where financial literacy training is being provided in a spaced-out manner, DAs may initiate client livelihoods consultations prior to the completion of financial literacy training.

Within the livelihood pathway, clients may opt for multiple livelihood *options/investments*. However, for ease of implementation, each individual client will be limited to one livelihood *pathway* in the household livelihoods checklist and business plan. Hence, a client may select to receive PSNP livelihoods technical support for poultry and goats (both of which are within the crop and livestock pathway), but not for poultry and job training/employment linkages (as these are in different pathways).

The checklist will outline the support to which each client is entitled – and which he or she must complete – prior to preparing a business plan. This checklist will comprise the following elements:

- Financial literacy training – in many cases, this should already be completed prior to the development of the checklist, as evidenced by trainer attendance sheets or the participant’s certificate of completion
- Participation in savings—the checklist should indicate whether the client is saving through a VSLA, a RUSACCO or an MFI, and the monthly amount of savings. Clients should be encouraged to be saving prior to the development of a livelihoods checklist.
- Technical training tailored to livelihood pathway
- Business skills/marketing training tailored to livelihood pathway
- Business plan development
- Referrals for financing



What is the livelihoods checklist for?

The livelihoods checklist serves two purposes:

- As an implementation and accountability tool, to ensure that clients receive all of the necessary trainings to fully understand the livelihood prior to developing a business plan and obtaining financing for their investment
- As an M&E tool, to help the DA (or other training provider) to know what trainings the client has completed and to track, and report on, their progress

9.5 Crop and Livestock Livelihoods Pathway

Implementation and monitoring of the Crop and Livestock Livelihoods Pathway will be the responsibility of the Extension Department.

9.5.1 TRAINING

9.5.1.1 Technical trainings

Training provision. DAs and Woreda Subject Matter Specialists will provide a series of technical trainings to clients on their selected livelihood. The programme will systematise some of the technical training protocols developed by the Extension Service and the Livestock Development Sector into a robust training course for participants. Lists of required trainings will be tailored to the product and the livelihood investment planned by the household, and will be included in the Livelihoods Guidelines/Manual.

Technical trainings will be substantial and will be provided at FTCs and/or at the homes of model farmers where possible in order to facilitate practical knowledge sharing and learning-by-doing. Linkages with research institutes will be promoted where feasible, in coordination with the Climate Smart Initiative (CSI). It is expected that technical trainings be provided for a total of at least 10-20 hours over the course of 4-12 weeks, depending on the livelihood. Following the completion of each training session, the DA will ask questions of the clients to ensure comprehension prior to placing a checkmark for completion by that session on their checklist. Crop-related trainings should be

provided sequentially in accordance with the season, while livestock trainings generally do not need to be completed sequentially (in the order they are listed in the livelihoods checklist).

Capacity building of FTCs and PTCs. In order for clients to learn effectively, FTCs must provide appropriate demonstrations of improved practices or technologies. The programme will build the capacity of FTCs and PTCs through the use of programme resources for:

- Construction of:
 - FTC training halls and other infrastructure, such as fencing and water harvesting structures (through PSNP public works)
 - Construction of demonstration technologies/accessory structures, such as watering troughs, poultry cages, water lifting technologies
- Purchase of seeds, fertiliser, improved seedlings and other inputs for crop demonstrations
- Purchase of demonstration technologies such as drip irrigation systems, beehives, etc.
- Training of FTC/PTC management

Where appropriate, improved construction materials can be used for livestock stalls and poultry houses, but a low-technology option (using local materials) should also be provided at FTCs in order to provide a demonstration that can be more easily replicated by individual PSNP clients.

FTCs and PTCs constructed through public works will be supported through the livelihoods component. For newly established FTCs and PTCs, the programme will provide training to management committees as well as material support, as outlined above. For existing FTCs and PTCs, support will be conditional on their having an established and well-functioning management structure in place. Woreda M&E Officers and livelihoods staff will be responsible for monitoring the performance of FTCs and PTCs (along with auditors) and determining whether they will be eligible to receive programme capacity building funds in subsequent years.

9.5.1.2 Business skills and marketing training

In addition to technical trainings, clients will receive a series of business skills and marketing trainings tailored to their selected livelihood. These trainings will be provided by Woreda Subject Matter Specialists, Cooperative Promotion Officers or Marketing Agency specialists. Topics may cover:

- Calculating input costs (building on initial training provided during the financial literacy sessions)
- Marketing and market facilitation topics, e.g.:
 - Where to find markets
 - Optimal marketing timing
 - The advantages and disadvantages of collective marketing (based on product)

9.5.2 BUSINESS PLAN DEVELOPMENT AND FINANCE APPROVAL AND REFERRAL

9.5.2.1 Business plan preparation

Following the successful completion of financial literacy training and all technical and business/marketing trainings on the livelihoods checklist, the DA Coordinator will certify that a client has successfully completed the livelihoods checklist. DAs will then assist clients in developing business plans. This business plan will follow the format provided in the Livelihoods Manual and will include the following sections:

- Names of participating clients within the household and profile
- Selected livelihood
- Certification of completed livelihoods checklist
- Labour utilisation plan

- Input and technology requirement
- Credit or livelihoods transfer requirement
- Production plan
- Marketing plan
- Planned financial flow
 - Expected revenue by month and quarter
 - Expected expenditures by month and quarter
- Financial feasibility statement
- Loan repayment plan (for credit referral clients only)
- Declaration, signed by each client

Business plans will be developed at the client level rather than the household level, but will be linked via the Household PSNP Client ID Number.



What is the business plan for?

The development of the business plan has two objectives:

- To guide clients towards profitable livelihood investments, by helping the client think through how he or she will earn an income, how he or she will manage his or her cash flow, and how he or she will repay his or her loan. Therefore, it is critical that clients be directly involved in the development of their business plan and that they understand all the information that it contains.
- To help the client obtain financing for a specific livelihood investment.

The business plan is not intended to limit the client to one livelihood, as clients are expected to have multiple sources of income throughout the year. Therefore, what DAs need to follow up closely on is not the strict implementation of the business plan per se, but rather the client's success in increasing his or her income and building a sustainable livelihood.

9.5.2.2 Finance approval and referral

Following the completion of the livelihoods checklist and business plans, credit committees – which include MFI representatives and Cooperative Promotion and/or RUSACCO representatives where possible – will appraise business plans for their viability. Clients will then amend business plans if needed and, once these are found viable, the credit committee will refer them either to a financial institution for credit provision or to WOFED for the provision of a livelihoods transfer through PASS, depending on how they have been targeted.

Referrals to financial institutions for credit. Clients will take their completed checklist and business plan to financial institutions, including MFIs (both regional and private) and RUSACCOs, in order to access loans. Where necessary, credit committees will provide financial institutions with lists of clients whose business plans are approved. DAs will also provide additional support to clients in approaching financial institutions with their business plans, as needed – particularly for clients who have little experience with credit but did not qualify for a livelihoods transfer. If one client finishes his or her checklist before another household member, that client can be referred for financing.

Where credit life insurance available, clients will also be referred to this service.

Credit availability from both MFIs and RUSACCOs will be gauged each year during the planning stage, as outlined in Part 2, Chapter 6 (Annual Planning); this will help to ensure adequate credit availability at the time of referral. MFIs and RUSACCOs will benefit from conditional capacity building under the programme, subject to the conditions outlined in Section 9.4.2.2 above. (However, if there is a credit constraint following the completion and referral of business plans, the programme may recommend

that women and youth be prioritised, subject to the review and approval processes of financial institutions.)

Referrals to WOFED for livelihoods transfer. DAs will prepare lists of clients who successfully completed their livelihoods checklists and business plans in the previous month and who are eligible for the livelihoods transfer, and submit them to the Woreda Extension Desk. The Extension Desk will then compile this list and provide it to the Woreda Food Security Desk on a monthly basis, which will forward it to WOFED monthly, together with the public works attendance sheet if during the public works period, or immediately if not during the public works period.

In woredas where payments are provided in cash, livelihoods transfers will be disbursed by PSNP cashiers during the regular transfer payments (which will occur year-round as permanent direct support clients are now eligible for 12 months of transfers). Livelihood transfers will be recorded in PASS using the Livelihoods Transfer budget line, which will be distinct from public works payments.

In woredas where payments are provided in food, livelihoods transfers will be provided by WOFED through a separate payment mechanism, and recorded in PASS using the Livelihoods Transfer budget line.

If clients are not ready to make a \$200 investment, they will be encouraged to make an appropriately sized investment and to save the remainder of their livelihoods transfer until they are ready to invest it.

9.5.3 FOLLOW-UP SUPPORT

Following the provision of credit or a livelihoods transfer, DAs will continue to provide follow-up support to clients as needed during the implementation of their business plan. This will include three kinds of support:

- Follow-up technical advice to all clients
- Intensive mentoring and coaching to livelihoods transfer clients
- Support in obtaining inputs or marketing, if and when necessary

9.5.3.1 Follow-up technical advice

DAs will check in with clients regularly, using PSNP livelihood groups as a platform, to provide technical advice. All visits or follow-up meetings will be recorded on the checklist tracker.

9.5.3.2 Intensive coaching and mentoring for livelihoods transfer clients

Intensive coaching and mentoring will follow a guideline to be developed during the first year of the programme (and included in the Livelihoods Guideline/Manual), but will include regular visits to households receiving livelihoods transfers, coaching on money management, problem solving assistance, and other support. The DA should interact with the client at least once every two weeks. Some of these interactions can take place during PSNP livelihood group meetings or at the FTC, but at least once a month the DA should travel to the client's home for a one-on-one conversation. Where possible, the DA will be supported in this task by the Social Worker and/or the Health Extension Worker, who will also visit these households. Representatives from the Women and Youth Affairs Desk will also support coaching and mentoring to build the confidence and skills of women.

This support should continue on an intensive basis through the end of one year after the client has started participating in livelihoods interventions, or through the end of the second year for livelihoods transfer clients.

9.5.3.3 Inputs and marketing facilitation

PSNP will support clients in obtaining difficult-to access inputs and/or marketing by facilitating linkages with government research institutes, private sector actors, and/or cooperatives, as appropriate. Multipurpose cooperatives that provide inputs, post-harvest technologies, and marketing services to PSNP clients will be eligible to receive conditional capacity building support (e.g. training and/or matching funds for computer purchase) from the programme. In addition, in this activity as well as others, the programme may link clients to NGOs working in similar interventions.

Input supply facilitation. It is expected that many of the local inputs needed by clients for the implementation of their business plans (for example, seeds, or sheep or oxen for fattening) will be available locally and will not require much additional support. Where distribution networks for specific inputs (such as good quality, low-cost chicken coops or beehives, veterinary drugs, or livestock feed) are poorly developed, the programme – through Cooperative Promotion and private sector actors where available – will help build the supply chain through the following activities:

- **Promotion of input supply and trading as a livelihood.** The programme will support clients who want to become agrodealers, traders or other providers of other inputs and services that will help build agricultural value chains that reach into chronically food insecure communities. Support for this activity will be provided through the crop and livestock pathway or the off-farm pathway, as appropriate.
- **Linkages to the private sector.** Where appropriate, kebele and woreda offices will support linkages to private sector suppliers of inputs by communicating demand for inputs by PSNP clients and referring clients as appropriate.

Marketing. The programme will provide marketing support where necessary, using guidance from the Extension Facilitation and Market Linkage Manual (2014) developed jointly by HABP and GRAD. For IGAs such as honey production, it may be profitable for clients to join or form cooperatives for joint marketing to more lucrative markets. Where support is required, kebele and woreda offices will provide referrals to suppliers to cooperatives or private sector actors who can support marketing and provide market information.

- **Creation of marketing groups.** For livelihoods that can benefit from collective marketing, households will be formed into marketing groups and will receive training in collective marketing approaches and strategies. Appropriate institutions (e.g. Cooperative Promotion Offices and/or Marketing Agencies, depending on the woreda) will be responsible for support to these groups, with supplemental support from the programme for the expansion of their mandate to groups below the cooperative level. When ready, groups may be formalised as cooperatives with support from Cooperative Promotion.
- **Capacity building of cooperatives.** Where appropriate, the programme will build the capacity of cooperatives to provide the input supply and marketing support needed by safety net clients in the implementation of their business plans. Capacity building support may include training and technical assistance, but will not include financial support, e.g. for operating costs.

9.6 Off-Farm Livelihoods Pathway

Implementation of the off-farm livelihoods pathway will be the responsibility of the MSE Agency. Monitoring will be conducted jointly by the MSE Agency and Extension. At the woreda level, the MSE Council, consisting of representatives from MSE Agency, an MFI, Women and Youth Affairs, and

others, will oversee the coordination and implementation of the off-farm livelihoods pathway. DAs will facilitate the grass root implementation of off farm interventions where appropriate.



What is the off-farm pathway?

The off-farm pathway includes non-agricultural activities as well as trade and processing of agricultural products. In the PSNP context, because responsibility for the off-farm pathway rests with the MSE Development Agency, “off-farm” livelihoods are defined as those that are within the mandate of the Agency to support. These include the following:

1. Manufacturing, e.g. textile, woodworking, metalwork, pottery, leather
2. Agro-processing
3. Construction, e.g. housing, road, cobblestone (ranging from government mega projects to small local governmental and non-governmental projects)
4. Trade (all types, including agricultural trade)
5. Services (related to tourism, food, transport, etc.)
6. Urban agriculture, e.g. cattle fattening, poultry (Note: in highland areas, urban agriculture is less relevant, but in lowland areas, PSNP clients in small towns may benefit from this type of training.)

The provision of skills training that could be used for self-employment as well as wage employment (e.g. cobblestone) will be considered part of the off-farm livelihoods pathway unless the training is associated with a specific job opportunity. In addition, higher-level agro-processing, trading, and value addition for agricultural products will be considered part of the off-farm pathway, while simpler off-farm income-generating activities (such as ox fattening or petty trading) that can be supported by the Extension Service and/or the Livestock Development Sector will be considered part of the crop and livestock pathway.

9.6.1 REFERRALS FROM DAS TO ONE-STOP SERVICE CENTRES/MSE AGENCIES

Following client livelihood consultations, DAs will create lists of clients that select off-farm income generation pathways. The DA will submit these lists to the Woreda Extension Desk/Process, which will aggregate them and submit them to the MSE Agency, via one-stop service centres, where available. If clients have selected simple off-farm livelihoods that can be supported by the Extension Service, there may be no need for this referral. During a tripartite meeting between the Woreda Extension Desk/Process, the MSE Agency and TVET, the three parties will agree on the number of trainees for each course, and the MSE Agency will transfer PSNP livelihood capacity building funds to TVET to cover training costs, including:

- Trainer fees
- Training materials
- Participant room and board

In addition, the programme will cover the participants’ transport costs to the TVET, where necessary.

9.6.2 TRAINING

9.6.2.1 Technical trainings

Clients who select the off-farm livelihoods pathway will select from a variety of livelihood options (see box above), depending on market potential in their locality.

Clients will be formed into trainee groups for easy coaching and follow-up. Training will be provided by TVET instructors and are expected to last from 7-12 days to approximately 2-4 months depending on the livelihood. Shorter trainings will be provided at FTCs where possible (in which instance the

programme will cover the cost of the trainer's transport, lodging, etc.), while longer trainings will be provided at TVET institutes.

9.6.2.2 Business skills and marketing training

In addition to technical training, TVET trainers will provide training on entrepreneurship and business skills, as appropriate to the livelihood.

9.6.3 BUSINESS PLAN DEVELOPMENT AND FINANCE REFERRAL AND APPROVAL

9.6.3.1 Business plan preparation

The MSE Agency will certify clients following the completion of their trainings. Following the successful completion of financial literacy training and all technical and business/marketing trainings on the livelihoods checklist, MSE agents will assist clients – either individually or in groups – in developing business plans. This business plan will follow the format provided in the Livelihoods Manual.

9.6.3.2 Finance approval and referral

Following the completion of the livelihoods checklist and business plans, the MFI Officer in the one-stop service centre will appraise business plans for their viability. Clients will amend business plans if needed and, once these are found viable, clients will be referred by an MFI officer to a financial institution for credit provision, or by the MSE agent to WOFED for the provision of a livelihoods transfer through PASS, depending on how they have been targeted.

Referrals to financial institutions for credit. Clients will take their completed checklist and business plan to financial institutions, including MFIs (both regional and private) and RUSACCOs, in order to access loans. Where necessary, the one-stop service centre or MSE agents will provide financial institutions with lists of clients whose business plans are approved. MSE agents will also provide additional support clients in approaching financial institutions with their business plans, as needed – particularly for clients who have little experience with credit but did not qualify for a livelihoods transfer.

If one client finishes his or her checklist before another household member, that client can be referred for financing.

Where credit life insurance available, clients will also be referred to this service.

Credit availability from both MFIs and RUSACCOs will be gauged each year during the planning stage, as outlined in Part 2, Chapter 6 (Annual Planning); this will help to ensure adequate credit availability at the time of referral. MFIs and RUSACCOs will benefit from conditional capacity building under the programme, subject to the conditions outlined in Section 9.4.2.2 above.

Referrals to WOFED for livelihoods transfer. MSE Agents will compile a list of clients who successfully completed their livelihoods checklists and businesses plans in the previous month and who are eligible for the livelihoods transfer. MSE Agents will provide this list to the Woreda Extension Desk on a monthly basis, and the Extension Desk will forward it to the Woreda Food Security Desk, which will forward it to WOFED.

In woredas where payments are provided in cash, livelihoods transfers will be disbursed by PSNP cashiers during the regular transfer payments (which will occur year-round as permanent direct support clients are now eligible for 12 months of transfers). Livelihood transfers will be recorded in PASS using the Livelihoods Transfer budget line, which will be distinct from public works payments.

In woredas where payments are provided in food, livelihoods transfers will be provided by WOFED through a separate payment mechanism, and recorded in PASS using the Livelihoods Transfer budget line.

If clients are not ready to make a \$200 investment, they will be encouraged to make an appropriately sized investment and to save the remainder of their livelihoods transfer until they are ready to invest it.

9.6.4 FOLLOW-UP SUPPORT

9.6.4.1 Follow-up technical advice

As clients start their enterprises, MSE agents and/or TVET industrial extension agents, as applicable, will visit their MSEs and advise them on marketing and business development skills.

9.6.4.2 Intensive coaching and mentoring for livelihoods transfer clients

Intensive coaching and mentoring for livelihoods transfer clients in the off-farm livelihood pathway will be provided by MSE agents and/or TVET industrial extension agents if clients have remained near the one-stop service centre, or by DAs if clients have returned to their communities. In the latter case, the MSE Agent must provide the client's livelihoods checklist to the DA for follow-up.

9.6.4.3 Inputs and marketing

MSE agents and/or TVET industrial extension agents will advise clients on sources of inputs and market outlets, and facilitate linkages, as appropriate.

9.7 Employment Pathway

The employment pathway seeks to link PSNP clients to sources of wage employment, for instance at medium to large-scale businesses such as horticultural farms, sugar plantations, construction companies, etc. Implementation of the Employment Livelihoods Pathway will be the responsibility of BOLSA. Monitoring will be conducted jointly by BOLSA and Extension. Employment potential will vary significantly from region to region and zone to zone, and the provision of support for the employment pathway will be adjusted accordingly, focusing on areas of strong labour demand.

9.7.1 REFERRALS FROM DAS TO WOLSAS

Following client livelihood consultations, DAs will create lists of clients that select employment pathways. The DA will submit these lists to the Woreda Extension Desk/Process, which will aggregate them and submit them to WOLSA (and/or to one-stop service centres, where available). These lists will be cross-checked against existing labour market demand for various types of employment opportunities, per information provided by BOLSA and TVET. Based on market demand, the Woreda Extension Desk/Process, WOLSA and TVET will agree on the number of trainees for each course, and WOLSA will transfer PSNP livelihood capacity building funds to TVET to cover training costs, including:

- Trainer fees
- Training materials
- Participant room and board

In addition, the programme will cover the participants' transport costs to the TVET.

9.7.2 TRAINING

Technical trainings are expected to last from 7-12 days to 2-4 months, and may take place at FTCs/PTCs for shorter-term trainings (in which case the programme will cover the trainer's transportation and lodging costs) or at TVET institutes for longer-term trainings. Trainings will be tailored to available employment opportunities, with the aim of allowing clients to compete for more secure and better-remunerated employment. Wherever possible, employers will be involved in the provision of training.

In some instances, employment opportunities will take the form of seasonal casual labour. In this instance, training requirements may be minimal.

9.7.3 EMPLOYMENT LINKAGES

Unlike the crop and livestock and off-farm livelihood pathways, the employment pathway does not have a business plan preparation stage or a finance approval and referral stage. Rather, following the completion of trainings, TVET agents will prepare a list of clients who have successfully completed training and provide this list to employers, with personal references and linkages wherever possible. Trainings will typically include a period of "placement" with potential employers, and agreements will be made ahead of time so that trainings culminate in a tangible employment opportunity.

Where employment opportunities are in the form of seasonal labour migration, the programme will facilitate clients' temporary migration to investment areas demanding labour (e.g. plantation areas, construction zones, and others), and will provide training on health risks (e.g. HIV/AIDS) along with other important topics, such as how to do a money transfer. The ESMF for the employment pathway will focus in particular on the social and environmental impacts of labour migration.

9.8 Regional Variations

Agro-ecological characteristics, livelihoods, access to markets, opportunities for employment, and institutional arrangements vary between and even within regions. Therefore, the implementation of the livelihoods component will be tailored in each region according to local characteristics.

9.8.1 PASTORAL LOWLAND REGIONS

The livelihoods pathways and general implementation activities outlined above are relevant to all PSNP implementation areas, including the pastoral lowlands. Livelihoods interventions will take into account the differing agro-ecological and sociocultural characteristics in pastoral lowlands, with livelihoods tailored to pastoral livelihoods, agro-pastoral livelihoods, riverine agriculture livelihoods, and ex-pastoral livelihoods. Pastoral and agro-pastoral livelihoods fall within the crop and livestock pathway, and will be supported through the extension service. Support provided to clients engaging in pastoral and agro-pastoral livelihoods will include technical advice on endogenous herd growth and drought cycle management, while support to those engaging in irrigated agriculture will focus on crop production and marketing. Off-farm livelihoods and employment pathways will be particularly important for ex-pastoralist clients and those living in small rural towns.

The table below lists possible livelihoods interventions in each of the livelihood areas.

Table 9.1: Tailoring of Livelihoods Interventions to Livelihoods Types in Pastoral Lowlands

Livelihood type	Illustrative livelihoods interventions
Pastoral livelihoods	<ul style="list-style-type: none"> • Training on animal husbandry, herd management, drought cycle management, building on public works where feasible • Training in livestock marketing
Agro-pastoral livelihoods	<ul style="list-style-type: none"> • Market assessments to ensure availability of markets for off-farm products and services • Training in crop production and marketing
Riverine agriculture livelihoods	<ul style="list-style-type: none"> • Training in irrigated crop production, • Training in marketing
Ex-pastoral livelihoods	<ul style="list-style-type: none"> • Market assessments to ensure availability of markets for off-farm products and services • Training in business skills and marketing for petty trade • Technical support to NRM-based income generating activities such as gum and incense collection and marketing • Adaptation of training curricula of TVETs, as needed • Linkages to commercial farms and other employment opportunities

In the pastoral lowlands, coordination with the PCDP will be critically important. The PCDP's innovation and research component can be used to identify promising technologies (such as camel milk processing or fruit and vegetable preservation) that can be scaled up through TVET and introduced through PSNP. Although PCDP no longer provides credit facilities, it has created RUSACCOs in pastoral areas that PSNP clients can join or replicate. PSNP and PCDP will coordinate in the development learning and knowledge management in order to promote replication of good practices. Finally, PSNP and PCDP will coordinate to minimise duplication between PSNP's livelihoods component and the rural livelihood opportunity identification and development component of the PCDP.

9.8.2 REGIONAL INSTITUTIONAL VARIATIONS

9.8.2.1 Use of one-stop service centres in some regions

In some regions, REMSEDAs operate one-stop service centres in rural towns, combining the services of REMSEDA, TVET, and an MFI. Where available, these centres will serve as the locus of interventions for off-farm livelihood pathway activities.

9.8.2.2 Support to the off-farm pathway

Coordination of the off-farm pathway will be the responsibility of FEMSEDA, with training provided by TVETs. However, in Amhara, REMSEDA and the TVET Agency have merged; therefore, support will be provided jointly in that region.

9.8.2.3 Support to the employment pathway

Support to the employment pathway will be the responsibility of the Employment Promotion Directorate under the Ministry of Labour and Social Affairs. However, in SNNPR, the Youth Employment Agency will take the lead on activities related to youth employment.

9.8.3 LIVELIHOOD PATHWAYS AND MARKET DEMAND

Livelihood pathways may be prioritised differently in different regions and woredas depending on market demand.

9.9 Start-Up and Scale-Up

9.9.1 ROLL-OUT TO ALL REGIONS IN YEAR 1

The livelihoods component will be rolled out to Somali and Afar beginning in Year 1, in close coordination with PCDP. Intensive preparatory work needs to be undertaken before launching the livelihoods component in these regions. The Pastoral Task Force will guide this process to ensure that PIM provisions are appropriate to the pastoral lowland contexts, and/or that they are adapted as needed prior to being rolled out.

The programme will prioritise new implementation areas with institutional capacity building funds, e.g. for the development of PTCs and other grassroots institutions that will support the implementation of the livelihoods component.

9.9.2 TESTING AND SCALING UP OF LIVELIHOODS TRANSFER IN YEAR 1

In order to generate lessons to guide programme implementation, the livelihoods transfer component will be implemented in a subset of woredas and kebeles in Year 1 prior to roll-out in Year 2. Woredas will be selected at the start of the programme based on the presence of lead institutions for livelihoods (Extension, MSE Agency [or one-stop service centre], WOLSA, TVETs and Cooperative Promotion).

At the end of Year 1, the programme will document lessons learned on the livelihoods transfer via an assessment, and, based on lessons learned, will adapt the methodology as needed for roll-out in Year 2. The livelihoods transfer will then be rolled out in Year 2 in other highland regions as well as lowland implementing areas.

During this test year, a recommendation will be made for whether group enterprises will be eligible for livelihoods transfers.

Annex 9.1: Livelihoods Checklist Template (DA Version)

Household and Client Information

Household PSNP ID Number	
Client Name	
Gender	
Age	

Livelihood Pathway

- Crop and Livestock
 Off-farm
 Employment

Livelihood Investment

Describe planned livelihood and investment in box below

--

Source of finance:

- Credit (Source: _____)
 Livelihoods Transfer
 Other (Source: _____)

Checklist

Step 1: Financial literacy training	Completion date		Signature of training provider	
Step 2: Participation in savings	Savings location (check type and write name)		Monthly savings amount	
	<input type="checkbox"/> VLSA _____ <input type="checkbox"/> RUSACCO _____ <input type="checkbox"/> MFI _____ <input type="checkbox"/> Other _____			
Step 3: Technical training [using codes]	Completion date		Name/title of training provider	
Step 4: Business/marketing skills [using codes]	Completion date		Name/title of training provider	
Step 5: Certification	We certify that _____ (name) has received and successfully completed all of the above trainings.			
	Signature (or fingerprint) of client		Signature of DA/MSE Agent	
Step 6: Business plan development	Completion date		Signature of DA/MSE Agent	
Step 7: Referral for financing	Date of referral	Institution		Financing provided
				ETB
Step 8: Follow-up support	Visit dates		Notes (progress, challenges, support provided)	

CHAPTER 10 SOCIAL ACCOUNTABILITY AND GRIEVANCE REDRESS MECHANISM

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10.1 Introduction

This chapter describes the means by which programme clients and other community members can express their views on how programme design or implementation can be improved. It also describes the means by which clients and community members can raise grievances with different aspects of programme implementation and get these grievances resolved.

As such, this chapter includes sections on the grievance redress mechanism and a system for social accountability. In order for clients and the wider community to effectively raise issues, there needs to be a good understanding of the programme, of who is expected to participate, and of their rights and responsibilities. This section therefore also includes guidance on how to improve awareness through communication activities.

10.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

- Social accountability will be included in the PIM for the first time in this edition, with guidance on what it is and how to implement it.
- Adjustment to the composition of the appeals committee to ensure its independence from Kebele and Community Food Security Taskforces

The next version of this chapter will include revisions to the grievance redress mechanisms and awareness raising; and an update to the design of the Social Accountability sub-component.

10.2 Awareness Raising

All stages of programme implementation will function better if communities and clients have a strong understanding of the programme's objectives and activities. This knowledge should include:

- Objectives of the programme
- Targeting criteria and methods
- Payment dates
- The amount of the cash or food transfer
- The purpose of the transfer and the importance of using it to meet the basic needs of the household
- The purpose of public works and how they are planned
- The purpose of livelihoods interventions and how a client can participate
- Gender provisions, such as light work
- Who is responsible for doing what in the programme, including the responsibilities of programme clients
- The importance of working towards graduation and the criteria for graduation
- The existence of mechanisms for grievance redress, and how to make use of them.

Woreda staff, kebele staff and Kebele and Community Food Security Task Forces should make use of all opportunities to share the above information, including the use of regular community meetings, such as:

- Community meetings during programme targeting
- Public works planning meetings
- Behavioural Change Communication sessions
- Community Livelihood Consultations
- Meetings to inform clients and communities of changes in programme design

The above is complemented by key printed materials. These include:

- **Client Cards.** All clients will be issued with a client card with their name, photograph, details regarding their entitlements, and space to record receipt of transfers. Further details regarding the client cards can be found in Part 2, Chapter 3 (Programme Entry and Exit) and a copy of a blank client card is included as Annex 3.1.
- **Posting of Client Lists.** Once the list of clients has been approved at woreda level, the list of clients is posted in public locations on the woreda and kebele centres. This will help ensure that clients and non-clients in PSNP areas are well informed of which households will participate in the PSNP for the coming year.
- **Charter of Rights and Responsibilities.** This will be posted next to the client list but will remain posted throughout the year. It is also included on Client Cards.
- **PSNP Programme Posters.** Posters describing specific aspects of programme implementation will also be available and put up in offices at woreda and community level

In addition, the Food Security Coordination Directorate has a communication strategy to support wider awareness raising and communications.

10.3 Grievance Redress Mechanism

10.3.1 ROLES AND RESPONSIBILITIES IN THE GRIEVANCE REDRESS MECHANISM

Food Security Desk/Process (FSD/P)	<ul style="list-style-type: none"> • Provide guidance to the formation of the Kebele Appeals Committees • Support awareness creation activities.
Woreda Council	<ul style="list-style-type: none"> • Assist in resolving unresolved appeals submitted to them by the kebele council and share the outcomes of these appeals cases with the WFSTF. • Work with kebele councils to ensure that up-to-date listings of clients are posted in public locations at woreda, kebele and community levels • Work with Kebele Councils to ensure that up-to-date listing of appeals and appeals resolutions are posted in public locations at woreda, kebele and community levels. • Approve the use of the woreda contingency budget (including for use to respond to successful targeting appeals)
Kebele Council	<ul style="list-style-type: none"> • Assist in establishing and ensuring effective operation of the Kebele Appeals Committee • Review unresolved appeals from the Kebele Appeals Committee and forward them to the Woreda Council and the WAO every quarter • Forward list of grievances, their resolutions and any unresolved cases to the Woreda Council for their resolution.
Kebele Appeals Committee	<ul style="list-style-type: none"> • Submit a complete listing of appeals cases by sex of appellant, appeals resolutions, and unresolved appeals to the Kebele Council each quarter • Convene within one month of the establishment of a new annual listing of clients to hear appeals submitted in their jurisdiction and to resolve a minimum of 95 percent of these cases within the month

- Provide the listing of the appeals and the associated resolutions to the Kebele Council no later than 2 months after the announcement of the clients listing

10.3.2 FORMATION OF A KEBELE APPEALS COMMITTEE

Kebele Appeals Committees have been established in almost all existing safety net kebeles. If a new kebele enters the programme, or a Kebele Appeals Committee (KAC) has stopped functioning, a new Kebele Appeals Committee should be formed as soon as possible. The Kebele Council (with support from the woreda) is responsible for establishing the KAC. The membership of the KAC is as follows:

- 1 elected Kebele Council member (not the Chairperson)
- A Development Agent
- 1-2 members of the community care coalition (if existing in the kebele)
- A Health Extension Worker or Volunteer Community Health Worker
- Social worker (if represented in the kebele)
- 2 elder representatives (1 female)



Independence of Kebele Appeals Committee:

It is important that the body that hears complaints be separate from the individuals and committees responsible for aspects of implementation about which people may wish to complain. For this reason, there should be no overlap of members between the Kebele Appeals Committee and the individuals involved in central roles in the implementation of the programme, particularly targeting. Therefore, no member of the KAC should also be a member of the KFSTF or the CFSTF.

The costs associated with establishing and running the KAC is financed from the woreda administrative budget in all PSNP woredas.

10.3.3 MAKING A COMPLAINT

Clients and communities may make a complaint about any aspect of programme implementation. Community members should submit their complaint to the Kebele Appeals Committee.

Grievances taken to other formal structures at community, kebele or woreda level, such as women raising grievances to the Women's Affairs Office, will be transmitted to the KAC for action and resolution.

The Kebele Council, CFSTF and Kebele Appeals Committee members will use every opportunity to inform PSNP clients and non-clients of the availability of the appeals mechanism, how it functions, and the timing of Kebele Appeals Committee meetings.

While it is expected that concerns about the client selection process (both targeting and graduation) may make up the majority of appeals, clients and non-clients can also make complaints about the management of public works, timeliness and completeness of transfers, prioritization of households for livelihoods interventions, and any other perceived abuses of the PSNP. A list of possible complaints has been included in the box below, although these should not be seen as exhaustive:

Box 10.1: Illustrative list of complaints to be addressed through grievance redress mechanism

Client selection-related complaints:

- Exclusion from PSNP participant list despite meeting criteria and being as poor as others included on participant list
- Exclusion from the PSNP participants list despite meeting the criteria because a household member suffers from HIV/AIDS

- Inclusion of non-poor community members on participant list
- Nepotism (e.g. CFSTF including friends and family members who do not meet the criteria possible at the cost of excluding other community members who do meet the criteria for inclusion.
- Failure to include all family members as PSNP clients (up to the cap of 5)
- Mis-categorisation of household as able to participate in public works despite lack of adult able-bodied labour.
- Failure to properly set labour cap to the actual level of adult able bodied labour available to participate in public works (no more that 15 days per able bodied adult).
- Mis-categorisation of household member as able bodied when she is pregnant, in first year of breastfeeding a child, or s/he is under 16, sick or disabled.
- Exclusion from list of livelihoods transfers recipients despite being poorer than other recipients
- Selection as a graduate when household is not yet food sufficient and does not meet the criteria for graduation.

Other possible complaints:

- Client rotated off programme after only two months of public works and transfers
- Transfers are delayed
- Transfers are incomplete
- Kebele or woreda officials are deducting money (for any reason) prior to transfer being distributed
- Transfers are deducted from clients for non-participation in soft conditionalities
- Public work hours are too long
- Public works are located too far from area of residence
- Livelihoods support is provided at places and times that do not enable women to attend
- Physical or verbal abuse by officials involved in PSNP implementation, particularly that directed to female participants

10.3.4 MANAGING AND RESOLVING COMPLAINTS

The Kebele Appeals Committee (KAC) meets quarterly. One of these meetings will be convened within one month of a new annual listing of PSNP participants being produced to hear appeals related to the client selection process. During these meetings, all individual complaints and appeals regarding PSNP matters will be heard, considered, and as much as possible resolved. The KAC is expected to resolve 95% of grievances within one month of the complaint being heard. Therefore, within two months of the new annual listing of PSNP participants being produced, the KAC will have provided a listing of the grievances and the associated resolutions to the Kebele Council, Woreda Council and Woreda Agriculture Office.

Following each meeting, the KAC will submit a complete listing of grievance cases, grievance resolutions and unresolved grievances to the Woreda Council and WAO (therefore such a submission will be made once a quarter).

The list of grievances heard and their outcome is posted regularly in public locations in both the woreda and kebele centres.

In the case of client selection appeals, if the KAC upholds the appeal and agrees that a household's exclusion was wrong, this is communicated to the Woreda Council and Woreda Agriculture Office in the quarterly list of appeals cases. Following confirmation by the Council, a request is submitted to the Food Security Desk that the successful appellant should be included in the programme as a contingency budget financed client (see Chapter 11 for further details).

10.4 Social Accountability

10.4.1 INTRODUCTION: WHAT IS SOCIAL ACCOUNTABILITY?

Social Accountability is a process by which ordinary citizens – who are the users of basic public services – voice their needs and demands, and create opportunities to hold policy makers and service providers accountable for their performance. The process aims to improve the quality of and access to public basic services.



Service Users and Service Providers

For the purpose of the PSNP, service users are PSNP clients and also other non-PSNP clients living in PSNP woredas. Service providers are the frontline service providers such as the Woreda Food Security Steering Committee, Woreda Food Security Task Force, Food Security Core Process, Natural Resource Core Process, Public Work Technical Committee, Kebele Cabinet, Development Agents, Kebele Food Security Task Force and Community Food Security Task Force. These service providers are responsible for the efficient and effective provision of the PSNP to clients.

10.4.2 SOCIAL ACCOUNTABILITY IN THE PSNP

Social accountability for the PSNP will be linked to the broader Government of Ethiopia Social Accountability Programme (ESAP).⁴⁰ This will help to avoid duplication but also ensure that social accountability is streamlined as part of an integrated woreda-level process.

10.4.3 HOW DOES ESAP WORK?

ESAP is implemented by an independent Management Agency on behalf of the Government of Ethiopia, supervised by a multi-stakeholder Steering Committee, chaired by MOFED. ESAP uses Civil Society Organizations (CSOs) that have strong relationships with communities to bring those responsible for providing services together with those who use the services so that together they can work out how services can be improved. CSOs apply to the Management Agency for grants to fund the use of a number of different approaches to bring users and those providing services together. CSOs can use any method they think will work, but most commonly used Social Accountability Tools (and most relevant for the PSNP) are the following:

- **Community Score Cards** allow both PSNP clients and providers to rate the quality of the services they receive or provide. Once the rating has been done, a meeting is set up which compares the views of those receiving the service and those providing them and allows them to discuss and agree a plan on how things can be improved in the future.
- **Citizen's Report Cards** survey the opinion of those using a particular service on how well that service is being provided in a particular woreda. As with the Community Score Card, the point is not just to highlight what is wrong but to agree how to fix any problems. This emphasis on solving problems, rather than just complaining, makes the discussions about what is wrong something everyone wants to hear.

10.4.4 ROLES AND RESPONSIBILITIES IN SOCIAL ACCOUNTABILITY

ESAP Steering Committee

Coordinate ESAP at the federal level. Representatives of the government, civil society and development partners. It is chaired by the MOFED State Minister. FSCD will be a member of this Steering Committee and responsible to oversee the PSNP related aspects of ESAP.

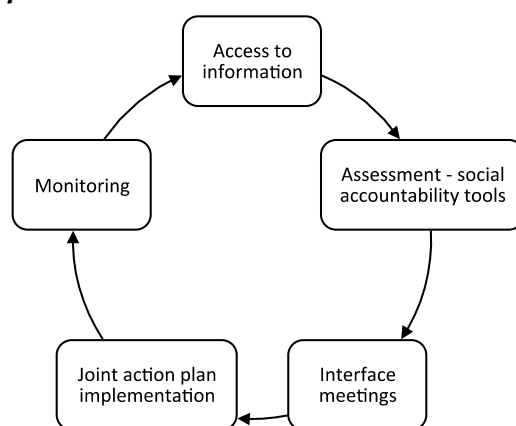
⁴⁰ ESAP is currently in its second phase (ESAP 2), which will run until mid-2016. It is expected that a follow on phase will be commissioned (ESAP 3). ESAP 2 is a component of the Protecting Basic Services Programme.

Management Agency (MA)	Ensure efficient implementation of ESAP. Responsibilities include overall program coordination, capacity development and training, technical guidance and support of the implementing civil society partners.
Social Accountability Implementing Partners (SAIPs)	These are CSOs that partner with the MA to implement ESAP. Responsibilities include facilitation of the implementation of ESAP at the kebele and woreda levels. They have a direct grant agreement with the MA and directly report to the MA.
Social Accountability Committee (SAC)	At woreda and kebele levels, both service users and providers are members. Working closely with the SAIPs, the SAC coordinates social accountability activities, and follows up the implementation of the Joint Action Plan. PSNP clients and PSNP service providers are elected as members on a rotating basis.
Woreda Council and Cabinet	Participate in SAC.
Financial Transparency and Accountability Team	Ensure that PSNP budgets and other PSNP information are posted.
Food Security Task Force	At woreda and kebele levels, participate in SAC and ensure overall accountability of PSNP performance.
Citizens and PSNP Service Users	Responsible for participating in interface meetings led by the SAC and SAIPs. PSNP service users may be elected to the SAC.

10.4.5 THE SOCIAL ACCOUNTABILITY PROCESS

The Social Accountability process follows 5 steps:

Figure 1: Social Accountability Process



Step 1: Access to information. The Social Accountability process starts with access to information about service standards, plan targets and budgets. CSOs make sure that citizens have the confidence and build the relationships that help them to ask for such information.

Step 2: Assessment with SA tools. CSOs enable the use Social Accountability tools, so that service users can assess the service situation from various perspectives.

Step 3: Interface meeting. When the assessment is complete, interface meetings are organised by CSOs to facilitate dialogue with providers about the service issues, and to identify and agree among all stakeholders on local solutions.

Step 4: Joint Action Plan Implementation. A Joint Action Plan is implemented as agreed between citizens, service providers and woreda officials during the kebele or woreda level interface meetings.

Step 5: Monitoring service improvements. Improvements are monitored and when required, the Social Accountability process starts again.

For further information on how to operationalize social accountability, please refer to a detailed module for implementation of the PSNP Social Accountability Programme.

10.5 Regional Variations

The composition of the appeals committee may vary from region to region to allow for the inclusion of clan leaders, religious leaders or other respected community members as appropriate.

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11.1 Introduction

The PSNP is designed to provide predictable support to households with predictable needs – those households that are chronically food insecure. However shocks – such as drought – can create food insecurity among people who in a normal year maintain their livelihoods without needing support from the PSNP or the emergency response system. These are known as transitory needs – or transitory food insecurity. If these households do not receive support in response to such transitory needs, their coping strategies may lead to a reduction in livelihoods assets. This increases the potential for these households to become chronically food insecure.

To avoid transitory needs turning into new chronic food insecurity, the PSNP includes: (i) a woreda contingency budget, and (ii) a federal contingency budget. The federal contingency budget works in harmony with the broader response systems for transitory needs. These three mechanisms together enable the PSNP to ‘scale up’ in response to transitory needs in PSNP implementation areas and to enable a rapid and effective response in non-PSNP implementation areas. These response systems can be used to cater for the following:

- To provide support to households whose children have been screened as malnourished so that the supplementary or therapeutic food provided for the child is not diluted because its family cannot afford to buy sufficient food⁴¹
- To ‘top-up’ the transfers of existing PSNP clients for whom the current level of transfers is unable to deal with the shock, and who therefore need additional support to maintain their food consumption and asset protection
- To provide support to non-PSNP clients who are ordinarily not in need of PSNP support but who need it on a temporary basis until the shock passes

In addition to the above, the woreda contingency budget can also be used to address exclusion error identified through successful appeals submitted through the grievance redress mechanism.

The aim is for an early and preventive response: the PSNP scales up and transitory responses become effective early, before the effects of the coming shock are felt, so that people will receive support when they need it and will have no need for destructive coping mechanisms. This aims to achieve the livelihood protection for poor households the PSNP was designed to provide, and to prevent new households from becoming chronically food insecure.

The combination of PSNP scale-up, emergency consumption-smoothing support (food or cash distributions), and other emergency interventions is known as the continuum of response

11.1.1 WHAT’S NEW IN THIS VERSION OF THIS CHAPTER

This phase of the programme seeks to ensure there is an improved continuum of response. This means improvements to those interventions financed by the PSNP, and better integration between interventions financed by the PSNP and the wider emergency response system. Key changes in this phase of the programme include:

- Revision of woreda contingency plans developed by the EWRD/P to include scaling-up of the safety net alongside other humanitarian interventions.

⁴¹ Sharing of supplementary or therapeutic food currently undermines the effectiveness of expenses specialist nutritional support.

- Revisions to the use of the woreda contingency budget to address the needs of households with children who have been assessed as in need of targeted supplementary feeding or therapeutic feeding.
- Reduction in the use of woreda contingency budgets to address exclusion error is expected to be more limited (because the review of client numbers will increase inclusion of chronically food insecure households in the core caseload). However, this function will remain in order to ensure that the appeals system (described in more detail in Part 3, Chapter 10) has the means to request that additional households be accommodated in the safety net in the event of a successful appeal.
- The phase out of the regional contingency budget.
- The redesign of the federal risk financing mechanism into a federal contingency budget harmonized with broader response systems for transitory needs (triggered by the same early warning information and coordinated through a joint response plan).
- There will be one clear decision making process and structure, with the DRM Technical Working Group and its relevant sub-committees and task forces supporting implementation of both the scale up of the PSNP and other humanitarian responses.
- The increased flexibility in the use of federal resources to allow scaling up of the PSNP in woredas with no core PSNP caseload (but still only focused on regions where the PSNP is operational).
- Strengthened coordination of analysis, decision-making and response process at woreda, regional and federal level.
- Better accountability for transitory resources, including the use of PASS to manage payments for clients paid for through the woreda or federal contingency budgets and broader humanitarian responses.
- Support to the early warning and needs assessment systems so that it better meets the needs of the PSNP programme (see Chapter 16, Systems and Capacity, for further details).

11.2 Overall Framework for Risk Management in the PSNP and the Continuum of Response


Table 11.1: Continuum of Response

Funding Source and Purpose	Trigger	Where Resources can be Used	Implementation Responsibility
Core Caseload			
<ul style="list-style-type: none"> • To address chronic needs of households living in targeted woredas and improve household and community food security. 	<ul style="list-style-type: none"> • Periodic targeting • Annual recertification 	In targeted kebeles of safety net woredas	<ul style="list-style-type: none"> • Food Security Desk/Process (FSD/P)
Woreda Contingency Budget			
<ul style="list-style-type: none"> • To address exclusion error identified through successful appeals submitted through grievance redress mechanism 	<ul style="list-style-type: none"> • Appeals • TSF screening/therapeutic feeding programme 	Anywhere within woreda where the safety net is implemented	<ul style="list-style-type: none"> • FSD/P

<ul style="list-style-type: none"> To provide support to households whose children have been screened as malnourished To address transitory needs⁴² for small scale shocks 	admissions <ul style="list-style-type: none"> Ongoing Early Warning⁴³ 		
Federal Contingency Budget			
<ul style="list-style-type: none"> To address transitory needs 	<ul style="list-style-type: none"> Joint Annual Needs Assessment and other hotspot assessments (real time early warning data) 	In regions where the safety net is implemented	<ul style="list-style-type: none"> In existing operational areas – FSD/P. In non-operational areas - EWRD/P and other humanitarian actors as appropriate
Humanitarian Response			
<ul style="list-style-type: none"> To address transitory needs 	<ul style="list-style-type: none"> Joint Annual Needs Assessment and other hotspot assessments 	Nationwide	<ul style="list-style-type: none"> All actors with operational capacity (FSD/P, EWRD/P, WFP and other UN actors NGOs etc.)

The operationalization of the above system follows some key principles, as outlined below:

- The order in which the risk management mechanisms are to be used are as follows: (i) woreda contingency budget, (ii) federal contingency and (iii) other humanitarian response. Each budget does not need to be physically utilised prior to requests to the next level, but, with regards to the federal contingency budget, the joint response plan should show that this budget is insufficient to meet food needs in PSNP regions and additional humanitarian resources are required.



Use of federal contingency budget versus humanitarian resources

The PSNP federal contingency budget will be the first line of financing for response to transitory food needs (in kind or in cash) in PSNP regions; this will enable an up-front response. Humanitarian resources will be used for food needs in PSNP regions if the federal contingency budget is insufficient to meet the anticipated needs. Non-food requirements will be covered entirely by humanitarian resources. As such, and for good planning purposes, it is likely that most, if not all, of the federal contingency budget will be programmed on release of the response plan after the Meher assessment.

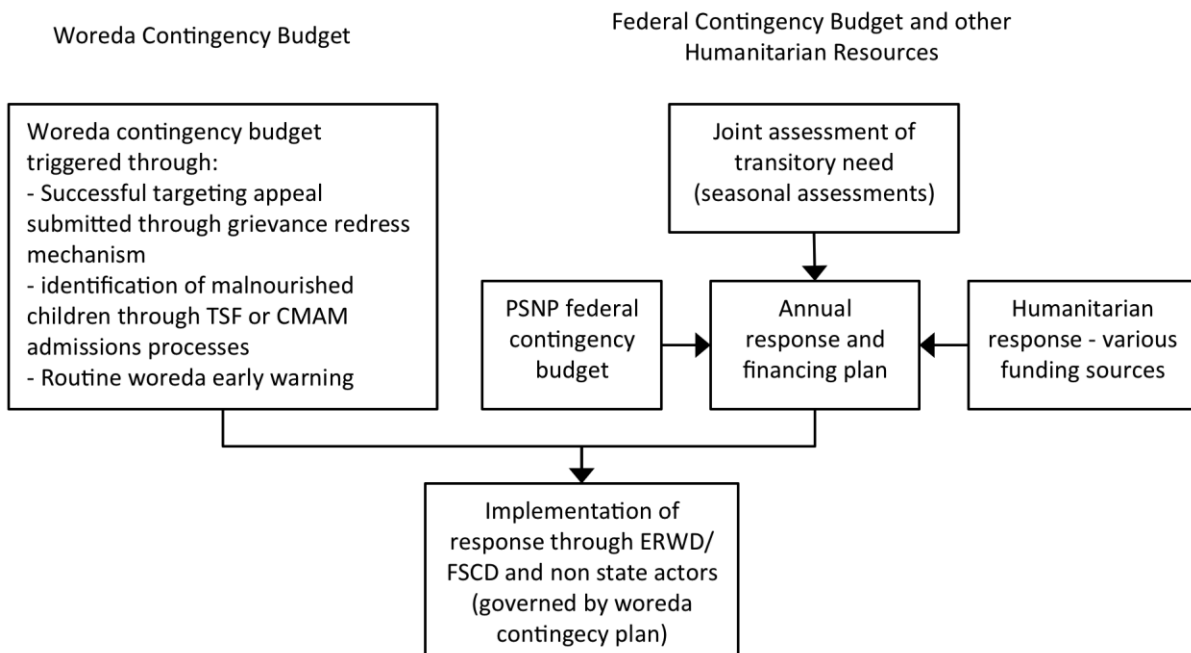
- The triggering of federal contingency budget and other humanitarian responses should be on the basis of one joint assessment of transitory need developed into one response plan with one overall financing plan (with the federal budget being just one source of funding) and using one decision making process.
- The primacy of transfers is as important a principle for transitory clients as it is for core PSNP caseload clients. Contained within this principle is the need to operationalize a rapid

⁴² This budget can both be used to respond to (i) transitory needs among safety net clients (by increasing the number of months of support); and (ii) transitory needs among non-safety net clients (by adding them temporarily to the programme payroll).

⁴³ It is expected that during the life of PSNP IV there will be improvements to the early warning system. These improvements will both focus on the simplification of the data needed to trigger response, but also the development at analytical capacity to use and make effective and rapid decisions on the basis of this data. This is in line with the DRM-SPIF's agenda of ensuring that early warning and risk assessment tools are harmonised into one system to allow effective decision-making.

response to crises and to ensure that administrative challenges (such as use of PASS, roll out of client cards or implementation of public works) do not result in delays in transfers.

Figure 11.1: Continuum of Response



11.2.1 CONTINGENCY BUDGET COMPONENTS

Woreda Contingency Budget: The woreda contingency budget only includes provision for transfers; while the costs for capital inputs and administrative inputs are expected to be covered by the existing woreda capital and administrative budgets.

Federal Contingency Budget: The federal contingency budget includes some provision for administration (up to a maximum of 5% of the total contingency budget). This allows for some additional administrative budget to be released to woredas which are experiencing a substantial scale up in intervention, and the provision of an administrative budget to woredas who do not have a core PSNP caseload.

11.3 Roles and Responsibilities in the Continuum of Response

11.3.1 WOREDA LEVEL

Food Security Desk/Process (FSD/P)	<ul style="list-style-type: none"> • Oversee the use of woreda and federal contingency budget resources at woreda level • Provide inputs into the woreda contingency plans in consultation with EWRD/P • Provide support to targeting of contingency budget transfers. • Ensure involvement of key sector offices when required (for scaling up of public works, for integration with health and nutrition activities etc.) • Ensure that payment processes are triggered and correctly followed • Report on the utilization of contingency resources as part of overall PSNP reporting
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Woreda Office of Finance (WOFED)	<ul style="list-style-type: none"> • Avail the woreda contingency budget • Manage any federal contingency budget deployed to woreda level • Prepare the payroll and make payments for contingency budget financed clients
Early Warning and Response Desk/Process (EWRD/P)	<ul style="list-style-type: none"> • Prepare/amend woreda contingency plans to include the scaling up of the PSNP • Ensure adequate linkages between contingency budget resourced activities and other actions related to humanitarian response • Supports the FSD/P and the concerned kebeles in managing the scaling-up of the PSNP system in case of use of contingency budgets in the woreda • Manage any contingency resources provided in food
Woreda Health Office	<ul style="list-style-type: none"> • When conducting screening for TSF referral or CMAM admissions, ensure that caregivers for children selected are asked whether they are safety net clients and record answers • Provide a list of all households that include a child in need of TSF or CMAM to FSD/P, along with information on whether they are PSNP clients or not • Continue implementing emergency activities as needed
NGOs	<p>In woredas supported by NGOs:</p> <ul style="list-style-type: none"> • Avail contingency budget resources as needed • Provide technical support to early warning and contingency planning preparation as needed • Ensure coordination of any emergency response activities

11.3.2 REGIONAL AND FEDERAL LEVEL

Food Security	<p>At federal level:</p> <ul style="list-style-type: none"> • Release federal contingency resources in response to triggers • Prioritize the use of these resources as necessary in discussion with EWRD and in liaison with Regional Food Security and Early Warning Process Owners <p>At regional level:</p> <ul style="list-style-type: none"> • Provide support to woredas in the event that programme scale up is required
Early Warning and Response	<p>At federal level:</p> <ul style="list-style-type: none"> • Ensure the full functioning of key systems such as early warning and needs assessment • Conduct needs assessments and trigger ad hoc assessments • Provide logistics support, particularly in relation to food movement • Ensure coordination between humanitarian interventions <p>At regional level:</p> <ul style="list-style-type: none"> • Transfer raw and analysed early warning data to the federal level on a monthly basis and participate in needs assessments • Provide logistics support, particularly in relation to food movement • Ensure coordination between humanitarian interventions

WFP

- Support TSF as planned
- Implement humanitarian responses as required
- Support food management as indicated in Part 4, Chapter 13 (Food Management)

Other Humanitarian Actors

- Ensure coordination between different risk management components including coordination with the PSNP
- Implement humanitarian responses as required

11.4 Routine Activities

There are a number of routine activities already in place to support the effective operationalization of risk management activities. These include the development of woreda contingency plans, the routine collection of early warning information and periodic needs assessments. These processes are subject to their own systems and procedures, but are summarized below.

11.4.1 WOREDA CONTINGENCY PLANS

The Early Warning and Response Directorate has established a system of contingency plans detailing how humanitarian interventions will be operationalized in each woreda. These contingency plans will be revised and updated to ensure they incorporate the ability to scale up safety net interventions in response to shocks. In doing so the plans will detail:

- How and in what conditions public works will scale up.
- Off-the shelf public works plans to allow rapid scale up.
- In which situations PSNP contingency transfers will be made unconditionally (without requiring participation in public works).
- The payment processes to be used.

In many woredas, PSNP-specific contingency plans were developed. These contingency plans are now being phased out, but may contain useful information which can be incorporated into the woreda contingency plans.

The Early Warning and Response Desk is responsible for compiling the contingency plans, but inputs related to the PSNP should be developed in close collaboration with the Food Security Desk.

Further information on how to conduct contingency planning can be found in “Contingency Planning Guidelines”

11.4.2 EARLY WARNING AND NEEDS ASSESSMENT

The Early Warning and Response Directorate has in place a system of routine early warning and needs assessment. These are complemented by other hotspot or ad hoc assessments. The PSNP programme makes use of these existing systems which are summarized below.

Routine Early Warning: Woredas collect monthly early warning information for use to inform decision making at the woreda level and for reporting to regional level. This information will be key to triggering woreda contingency budgets beyond the resources needed to respond to successful targeting appeals or include households of moderately malnourished children receiving targeted supplementary feeding and severely malnourished children treated under CMAM. Reports are also consolidated and analysed at regional level for further reporting to federal level and to allow trends in food security to be monitored.

Joint Needs Assessments: These assessments take place annually or biannually depending on the geographic area. They are multi-stakeholder assessments which assess both consumption smoothing (food) needs and non-food needs. Food needs are largely quantified (both in terms of beneficiary numbers and duration of assistance) using a livelihoods assessment and the Livelihoods Impact Analysis Spreadsheet (LIAS).

Response and Financing Plan: The results of the Meher seasonal assessment are fed into an overall response and financing plan. This response and financing plan details how the assessed needs will be addressed and how they will be financed. The plan is prepared annually in December and will subsequently be updated on the basis of the belt/gu assessment and/ or other early warning and hotspot analysis. The response and financing plan will detail how responses will be financed including what will be financed from the federal contingency budget and what will be financed from other humanitarian resources (whether already in place or additional resources which need to be sourced).

Screening for Targeted Supplementary Feeding and Community Management of Acute Malnutrition: Targeted Supplementary Feeding (TSF) takes place in hotspot woredas (usually priority one woredas) or selected 'Second Generation TSF woredas' in the seven regions where the programme operates.⁴⁴ Hotspot prioritization takes place in addition to the above seasonal needs assessments, and is done quarterly and uses a separate set of food security and nutritional criteria. The identification of children to be referred to TSF or Community Management of Acute Malnutrition (CMAM) takes place through: i) routine screening in Amhara, Oromiya, SNNP and Tigray and in Afar and Somali where the Health Extension Programme (HEP) is functional; ii) six-monthly screening in Afar and Somali where HEP is not functional and; iii) ad-hoc screening, in between the six-monthly screening, in Afar and Somali if the food security deteriorates. Screening is managed by the Woreda Health Office and implemented by health extension workers. These health staff measure the Mid-Upper Arm Circumference (MUAC) of children under five years and check for bilateral oedema (a symptom of severe malnutrition caused by excess fluid retention). This screening identifies children who are moderately or severely acutely malnourished.⁴⁵ See below for more details on how screening should be modified for PSNP operational areas.

Hotspot Assessments and Other Ad Hoc Assessments: When early warning information indicates a cause for concern the EWRD may launch periodic hotspot or other ad hoc assessments to confirm a deteriorating situation and inform the design of an appropriate response.

Further guidance on these approaches can be obtained from the Early Warning and Response Directorate.

Under this phase of the PSNP, the programme will support improvements to the overall early warning and needs assessment system. This support is further described in Part 2, Chapter 16 (Systems Building and Capacity). As these improvements are operationalized, new editions of this chapter will be released.

⁴⁴ In hot-spot priority one woredas three months of supplementary ration are provided to the moderately malnourished individuals, in second generation TSF woredas monthly TSF rations are provided by HEWs from health posts.

⁴⁵ Screening is also done for pregnant and lactating women, but this is not a trigger for the use of the PSNP woreda contingency budget.

11.5 Triggering a Response

11.5.1 TRIGGERING THE WOREDA CONTINGENCY BUDGET

The use of the woreda contingency budget is triggered through three instruments:

- 1) Successful targeting appeals submitted through the Grievance Redress Mechanism
- 2) The identification of malnourished children through screening for moderate acute malnutrition and referral to Targeted Supplementary Feeding or for severe acute malnutrition for admission in CMAM programme.
- 3) Routine woreda level early warning information.

The exact trigger mechanisms are detailed more below:

11.5.1.1 Successful Targeting Appeals

Under the PSNP Grievance Redress Mechanisms (described in more detail in Part 3, Chapter 10), households appealing their wrongful exclusion from the PSNP take their appeal to the Kebele Appeals Committee (KAC). If the KAC confirms their wrongful exclusion this is communicated to the Woreda Council and Woreda Agriculture Office in the monthly list of appeals cases. Following confirmation by the council, a request is submitted to the Food Security Desk that the successful appeal should be included in the programme as a contingency budget financed client.

This process can take place at any time during the year, but may most frequently take place shortly after the annual recertification exercise.

Once a request is approved, complainant households should be informed of the success of their appeal and of their rights and obligations with regards to the programme. This will be a similar set of rights and obligations to those provided for core clients (see Part 2, Chapter 3 (Programme Entry and Exit) for more details) and the case forwarded for enrolment (see section 11.6.1.1 below).

11.5.1.2 Screening for moderate acute malnutrition for referral to Targeted Supplementary Feeding and for severe acute malnutrition for admission in Community Management of Acute Malnutrition

The PSNP does not provide TSF and CMAM services, but rather is committed to complementing these services by ensuring the households of children receiving TSF or CMAM also receive a Woreda contingency budget transfer or a transitory transfer (see section 11.6.1.2 for further information). Linkages between the PSNP and TSF only apply to children receiving TSF or CMAM (and not pregnant women who also receive support from the TSF programme).



What is TSF and CMAM, and why should there be a link with transitory transfers?

Children who are **moderately** malnourished can benefit from easily produced supplementary food and fortified vegetable oil which has been nutritionally enriched to be higher in protein, fat and – in many cases – vitamins. This is what TSF provides. Children who are **severely** malnourished need more expensive, specially designed therapeutic food. The Community Management of Acute Malnutrition (CMAM) approach provides this support through a combination of community mobilisation and screening, outpatient care (often called Outreach Therapeutic Programme or OTP) and, for infants under 6 months of age or for severely malnourished children with medical complications, inpatient care (often through a stabilisation centre or SC).

This support is only provided to the malnourished child and, without additional resources being provided to the household, there is a risk that this support is shared between all household members diluting its effect. By also ensuring that households with a malnourished child benefit from a PSNP (or other transitory transfer) a quicker and more sustained impact on the at-risk child can be achieved.

In order to effectively coordinate Targeted Supplementary Feeding and CMAM with the PSNP, the screening and admissions process in safety net woredas needs to include additional data collection during the screening process. This will both help to ensure that households don't get registered twice for PSNP transfers, but also the appropriate application of temporary direct support as detailed in Part 3, Chapter 8 (Public Works and Links to Social Services Component).⁴⁶

The screening approach for acute malnutrition is outlined below, with the additional data collection required in PSNP woredas emphasized through the use of **bold text**:

Step 1: Screening of children under five using the Middle-Upper Arm Circumference (MUAC) measurement and checks for bilateral oedema.

Step 2: Children and women screened as moderately malnourished and eligible for TSF are registered in a book and given a TSF ration card. The registration book includes the serial number of the TSF distribution card. **When possible the household serial number given by the health post and noted on the family folder should also be documented.** Children screened as severely malnourished and eligible for CMAM are registered in the CMAM registration book.

Step 3: Households with a moderately or severely malnourished child aged 6-59 months are asked if they are also receiving a PSNP transfer and their response noted. If they are in receipt of a PSNP transfer, the name of the household head is requested as is the household ID number provided by PSNP

Step 4:

a) Households with a child eligible for TSF or CMAM and which are already PSNP households should be informed that the primary care-giver for the child will be transitioned to temporary direct support. They are informed that their information will be passed onto the DA so that this shift is documented, but are requested to confirm with the DA that this shift has taken place prior to the next public works day in which they might have been expected to participate.

or

b) Households with a child eligible for TSF or CMAM and which are not already PSNP households should be informed that they will be included in the programme for the remainder of the PSNP annual implementation period. They are requested to present their TSF ration card or Outreach Therapeutic Programme (OTP) card to the DA to allow him to collect the required information to enable their participation. They are also informed that they need to take with them their household serial number given by the health post.

Step 5: There are three carbon copies of the TSF registration book, one for the Food Distribution Agent (FDA), one for the Woreda Health Office and one for the EWRD/P. **The EWRD/P makes a further copy of its copy to provide to the FSD/P to allow them to follow-up on the inclusion of new clients and the switch to temporary direct support for the primary carers of existing client.**

Step 6: A representative of the households eligible for TSF and not already a PSNP client take their TSF ration card or OTP card and their household serial number to the DA. During this meeting the DA takes information concerning the household size and composition and informs the household

⁴⁶ This chapter states that the primary care-giver of a malnourished child should transition to temporary direct support so that they are better able to care for the child and also to attend the health post on a regular basis and attend behavioural change communication sessions. When a care-giver moves to temporary direct support no other household member is expected to work on his/her behalf and no household member should have to work beyond the 15 day per person per month cap.

representative of their rights and obligations with regards to the programme. The household representative is informed of the date they are likely to receive their first PSNP transfer. The DA then submits the relevant data to the FSD/P.

Box 11.1: Rights and Responsibilities of TSF and CMAM clients covered by the PSNP Contingency Budget

- Right to receive PSNP transfers for each household member (up to a maximum of five household members) until the end of the current PSNP annual season
- Right to receive their first PSNP transfer within 6 weeks of the date of the meeting with the DA
- Right to know the dates transfers will be provided, where they will be collected from and the amount they are entitled to receive.
- Right for one household member (usually the woman) to receive their transfer without public works participation, but that they need to register with the health post and to take the malnourished child for regular check-ups and to attend BCC sessions provided by HEWs or the health development army as informed by the HEW.
- Responsibility of other adult able-bodied household member(s) to participate in public works to earn transfers for the remaining household members, up to the labour cap of 15 days per adult able-bodied household member per month
- Right for other adult able-bodied household member(s) to know the date and location of the public works project in which they will be employed.



Making amendments to PASS for existing programme clients who are transitioning to temporary direct support because a child has been screened as malnourished.

In addition to registering new clients in the programme in PASS (see section 11.6.1.1 below), the FSD/P also makes changes to the status of households already in the programme to allow a care-giver in any existing PSNP households now covered by TSF to be transitioned to temporary direct support. This is done in the appropriate worksheet of PASS (see Part 3, Chapter 8 (Public Works and Links to Social Services Component), Section 8.5 for further details).

11.5.1.3 Routine early warning

The use of woreda contingency budget to address other shocks identified through routine early warning is applied in the following two situations:

- a) When the shock is of limited duration and extent, and the woreda Contingency Budget is adequate to cover the needs
- b) When an early response is needed while arrangements for a larger response are put in place.

In these situations, the following steps are taken:

Step 1:

a) The Kebele Food Security Task Force submits an urgent request for contingency funds to the EWRD/P along with an explanation of why resources are needed and the EWRD/P confirms the validity of this request (in consultation with the FSD/P and the Woreda Food Security Taskforce) and then submits a report to the Woreda Council.

or

b) The Woreda EWRD/P is concerned following their analysis of the Early Warning data and includes this assessment in their report to the Woreda Council. This should include an assessment of the number of people affected and the duration of support required. The EWTF should contact the FSD/P to determine how much of the woreda contingency fund remains unspent. This information should be included in the report to the Woreda Council.

Step 2: The Woreda Council verifies this assessment to determine the actual need in the woreda. The Council considers whether the woreda contingency budget needs to be allocated and if so how long it will last.


Step 3: The Woreda Council approves the request and authorises release of the appropriate quantity of funds from the woreda 5% Contingency Budget.

Step 4: If it is apparent that the scale of the emergency will exceed the woreda contingency budget, this should be urgently communicated to the region for onward communication to the federal level in order to support the prioritisation of any release of the federal contingency budget (see below).


11.5.1.4 Funds and food flow

Cash: The woreda contingency budget is released fully in the first quarter of each financial year to allow the woreda flexibility to respond to crises as they arise.

Food: In most woredas contingency resources will be held in cash, but where resources are held in food stocks – the equivalent of 10% of the monthly metric should be stocked and maintained for the first three quarters of the year. See the box below for an illustration of this in practice. As stocks are used they should be replenished back to 10% of the monthly metric tonnage through requests to federal level. In the final quarter of the financial year stocks should be allowed to fall to 5% of the monthly metric tonnage.⁴⁷

 **Illustration of how to apply the food contingency budget**

If a woreda expects to transfer 112.5 MT of cereal and 30MT of pulses in a month during the period safety net transfers are made, the a contingency of 11.25 MT of cereal and 3 MT of pulses (equivalent to 10%) should be established through funding provided by PSNP in the first quarter of the year. If some of this contingency is used, the EWRD/P reports on its use and requests a replenishment back up to the level of 11.25 MT of cereal and 3 MT pulses until the last quarter of the financial year. In the last quarter of the year, the contingency budget should be allowed to drop to 5% and therefore 5.65 MT of cereal and 1.5 MT of pulses.

 **Use of food contingency to address food losses**

As discussed further in Part 4, Chapter 13 (Food Management), any woreda contingency budgets in food may be used to meet the needs of core PSNP clients whose monthly transfer has been affected by food losses (either caused by problems in transportation or storage and handling). This will ensure that programme clients are not penalized for events outside of their control. This is not a substitute for conducting a full investigation into these losses, nor trying to claim losses back from those at fault. These efforts will continue to happen. Any losses due to the nature of the commodity caused by moisture and infestations will be initially borne by the programme, whilst any losses due to misappropriation and mismanagement (including losses in the course of transportation) will be initially be covered by the government, which will then reclaim the losses from defaulters.

11.5.2 TRIGGERING THE FEDERAL CONTINGENCY BUDGET AND OTHER HUMANITARIAN RESOURCES

As of EFY 2008 there will be a single harmonized process to determine the number of people with transitory needs⁴⁸ and a single plan to respond to those needs. This joint assessment⁴⁹ details the number of people needing consumption smoothing support, where they are located and the duration of assistance required. The response plan elaborates how the observed needs will be addressed and how this will be financed. The plan is prepared annually in December and will

⁴⁷ Food stocks should be managed on a first-in-first-out basis. This combined with monthly transfers for direct support clients should ensure that no food stock needs to be held for more than one month.

⁴⁸ This includes the transitory needs of chronically food insecure households.

⁴⁹ The joint assessment is a multi-agency assessment including the Early Warning and Response Directorate, Food Security Coordination Directorate, humanitarian and PSNP partners, and other relevant government agencies.

subsequently be updated on the basis of the belg/gu assessment and/or other early warning or hotspot analysis. This plan will be financed through the PSNP Federal Contingency Budget and the humanitarian resources as reflected in the Humanitarian Requirements Document.

The annual needs assessment and the preparation of the annual response plan will be overseen by the DRM Technical Working Group chaired by DRMFSS and consists of GoE representatives, humanitarian partners and PSNP development partners. As part of this process, the DRM Technical Committee chaired by State Minister of DRMFSS and comprised of FSCD, MOFED, EWRD and representatives from Development and Humanitarian Partners will meet, agree and approve the annual response plan and the use of Federal Contingency Budget resources as well as the annual Humanitarian Requirements Document (HRD). The woreda contingency budget is not considered as an input into the financing plan (as it can only accommodate responses to small shocks). During implementation should it become apparent that the federal level contingency budget in combination with the HRD resources will be insufficient to meet all the needs the utilization of the available resources will be prioritised using the hotspot classification approved by the DRM Technical Working Group.)

Consistent with the ambition of having an improved continuum of response, care will be taken to ensure coordination between interventions supported by PSNP contingency budgets and wider humanitarian resources. This will be discussed in detail in a continuum of response manual.

11.5.2.1 Federal Contingency Budget Funds Flow

The Federal Contingency Budget will largely be programmed in December/January on release of the annual needs assessment and corresponding response plan. However, flexibility remains to release it early if needed based on updates to the previous years response plan. When provided in cash it will follow the normal funds flow channel of the core PSNP budget. It is also possible that the federal contingency budget would include in-kind commitments from donor agencies to be released on approval of the DRM technical committee. In this case the food resources will be channelled using established food distribution practices. If the budget is to be used to procure food, then the normal practice of food procurement and taking loans from the EFSRA is employed and the delivery of food follows the normal practices (see Part 4, Chapter 13 (Food Management) for further details).

The flow of other humanitarian resources will follow the systems and procedures outlined in the relevant guidelines and agreements.

11.6 Implementation of the response

11.6.1 TARGETING AND ENROLLING HOUSEHOLDS FOR SUPPORT UNDER THE WOREDAS AND FEDERAL CONTINGENCY BUDGET

The process for targeting and enrolling clients will vary as to why contingency resources were triggered and whether they've been triggered for use in existing PSNP kebeles and woredas or in areas without the existing PSNP institutional arrangements. However the following key principles will remain:

- Use will be made of existing structures for targeting
- All clients will be registered in PASS prior to receiving payments
- There will be consistent approaches used for targeting of PSNP contingency resources and humanitarian resources.

11.6.1.1 Targeting appeals and links with Targeted Supplementary Feeding and CMAM interventions following triggering of woreda contingency budget

No further targeting is required in the event of resources being released in response to targeting appeals or links with existing TSF and CMAM interventions as specific households have already been identified. Instead all that is needed is for clients to be enrolled. As a result the following steps should be undertaken.

Step 1: Confirmation should be received that the household has been informed of their selection into the programme using the contingency budget and that they have been told their rights and responsibilities.

Step 2: The household details are entered into the contingency budget worksheet of the PASS software.

Step 3: Clients are issued with a transitory client card indicating the name of the household head, his or her spouse, their programme ID number and their entitlements under the programme (see Annex, 11.1 for more details). The client card will be issued to clients at the same time as the first payment is made (see Section 11.6.1.5 below on the management of transitory client cards at woreda level).

The household is now ready to begin meeting any conditions (e.g. public works) or co-responsibilities (e.g. uptake of health and nutrition services) as outlined in Sections 8.3 and 8.4 of Chapter 8 (Public Works and Links to Social Services Component) above.

11.6.1.2 Links with Targeted Supplementary Feeding and CMAM interventions in woredas where PSNP woreda contingency budget not triggered

In woredas where the woreda contingency budget has not been triggered, but nutrition screening has identified children in need of referral to targeted supplementary feeding or admission to CMAM, there is the same need to effectively coordinate Targeted Supplementary Feeding and CMAM with PSNP as outlined in Section 11.5.1.2 above. The same modification to any screening should be operationalized to allow households who have an acutely malnourished transfers to have access to a general transitory transfer.

11.6.1.3 Targeting for programme scale up as a result of early warning information or needs assessment in PSNP operational areas

The process for scaling up the programme as a result of early warning information is the same regardless of whether the resources are drawn from the woreda contingency budget or the federal contingency budget. The steps are as follows:

Step 1: As soon as approval is reached for the use of the woreda contingency budget or information has been received that the federal contingency budget is to be released, the Woreda Food Security Task Force meets and allocates resources to kebeles. This should be based on information provided by the EWRD/P.

Step 2: The KFSTF in collaboration with the Community Food Security Taskforce and the wider community conducts the targeting exercise, with client numbers that correspond to the number of clients geographically targeted to the woreda by the WFSTF. There are three objectives of this targeting:

- To identify the eligible households to be included in the PSNP (new transitory food insecure households)

- To identify those PSNP clients that are in need of additional support
- To identify those households that are eligible for direct support and those for public works

The KFSTF should be guided by the PSNP targeting guidelines as they complete this process (see Part 2, Chapter 3 for further details).

Step 3: Selected clients are categorised as either available for public works or qualifying for direct support as per the PSNP Targeting Guidelines.

Step 4: Following community verification, the list of transitory clients is submitted to FSD/P for entry into the contingency budget worksheet of PASS.

Step 5: Clients are issued with a transitory client card indicating the name of the household head, his or her spouse, their programme ID number and their entitlements under the programme (see Section 11.6.1.5 below and Annex 11.1 for more details). The client card will be issued to clients at the same time as the first payment is made.

11.6.1.4 Targeting transitory resources in non-PSNP operational woredas

Transitory resources (whether from PSNP Federal Contingency Budget or other humanitarian resources) will be targeted using the mechanisms outlined in National Guidelines on Targeting Relief Food Assistance published by DRM/FSS.

As with all other transitory resources, the list of transitory clients will be entered into PASS and all transitory clients will be issued with client cards.

PASS will be rolled out to non-PSNP operational areas to support the accountability of all transitory resources regardless of how financed. This roll-out is discussed in Part 4, Chapter 16 (Systems Building and Capacity).

11.6.1.5 Issuing of Client Cards

Once any targeting of transitory resources has been completed and the participant list approved by the WFSTF (and after subsequent approval from regional and federal levels), all PSNP clients should be issued with a Transitory Client Card. The costs associated with issuing a Client Card are covered by the woreda administrative and regional management budgets in all woredas. Under no circumstances will transitory clients be asked to pay for a Client Card.

Client cards are printed by the regions and sent to woredas for issue. Transitory Client Cards will be prepositioned at woreda level to allow rapid distribution following targeting of any transitory resources (whether financed through woreda contingency, federal contingency or other humanitarian resources). The steps for issuing the client cards are as follows:

Step 1: Household details are entered into the transitory client card by WOFED (in woredas where cash is the mode of transfer) or FSD/P (in woredas where food is the mode of transfer) (it should be noted that no photos are needed).

Step 2: When the first payment (food or cash) is scheduled, the woreda officials who are supporting the payment take the client cards for distribution along with the first payment. The client signs the card in the presence of the woreda official responsible for distribution.

Step 3: Kebele officials confirm that all transitory clients have received a card. If a household has not received a card, kebele officials should immediately take appropriate actions to ensure that a card is

assigned. If a card is lost, this loss should be reported immediately to the Kebele Administration who will request an additional card from the woreda and re-issue a new card.

11.6.2 WHEN TO WAIVE PUBLIC WORKS REQUIREMENTS

In most instances, a public works requirement will be a condition to receiving transfers provided by the PSNP contingency budget. The exceptions are as follows:

- 1) If the household is identified as meeting the criteria for direct support (they have no able-bodied adult labour).
- 2) Members of targeted households who are eligible for temporary direct support (however remaining household members should participate in public works up to the labour cap).
- 3) If the woreda lacks the capacity to rapidly operationalize a public works requirement without delaying payments.
- 4) If contingency budget payments (food or cash) are scheduled to take place during the peak agricultural season making public works inappropriate (public works should never compete with people working on their own land).
- 5) If the extent of the emergency is too great to make participation in public works an appropriate mechanism.
- 6) In the event of a fast onset emergency

The Woreda Food Security Task Force will make the decision whether or not to include a public works requirement, in accordance with the above.

11.6.3 MAKING PAYMENTS

11.6.3.1 Making payments in PSNP woredas

The procedure for making payments is the same for transitory resources (whether financed by the PSNP contingency budget or other humanitarian resources) as it is for core PSNP programme clients (see sections 7.3 and 8.5 of Chapters 7 and 8 for the procedures for direct support and public works clients respectively). The mode of payment (food or cash) will be defined by the resources available (which in turn will have been informed by earlier decision making on whether the woreda contingency budget will be provided in cash or food; and the transitory response and financing plan).



Use of PASS for transitory clients

The use of PASS to create the payroll for all transitory clients is mandatory in woredas where PASS is functional. PASS will be rolled out to all woredas who regularly receive transitory resources whether financed by the PSNP or other humanitarian resources (see Part 4, Chapter 16 (Systems Building and Capacity)).

The first payment financed through contingency resources for woreda contingency budget clients enrolled as a result of a successful targeting appeal should be within six weeks of the appeal being successful (if payments to core clients have been launched) or at the same time as the first payment to core clients (if the appeal is made and resolved prior to the start of core transfers).

The first payment financed through contingency resources for transitory clients enrolled as a result of TSF screening or early warning information should be released within six weeks of the screening event, approval by the Woreda Council (woreda contingency), or notification that the federal contingency budget or other contingency resources have been released.

If the six week benchmark is missed, the first payment to a transitory clients should be a double payment.

As discussed in Part 2, Chapter 5 (Public Works and Transfer Schedule, Wage Rate and Mode of Transfer) severe market food price fluctuations may require an amendment to the cash wage rate at intervals shorter than one year. In this situation, DRMFSS may provide additional transfers to areas that are severely affected or pay a double transfer in a given month to address this situation. In the event of an additional payment, PSNP clients should be informed in advance of the additional months of support. In the event of a double payment this should take place at the time scheduled for the core PSNP transfers. These additional payments will also be entered into PASS

11.6.3.2 Making payment in non-PSNP woredas

Payments in non-PSNP woredas using transitory resources (whether financed from the PSNP federal contingency budget or other humanitarian resources) will follow the same procedures as outline in section 11.6.3.1 above. This includes the use of PASS generated payrolls to ensure accountability of payments. The roll-out of PASS in non-PSNP operational areas is discussed in Part 4, Chapter 16 (Systems Building and Capacity).

11.7 Links to other emergency interventions

Sections 11.5 and 11.6 above focus on consumption smoothing support in the form of food and cash. The full response to shocks includes both consumption smoothing support and support to non-food needs. The annual response and financing plan described in sections 11.4.2 and 11.5.2 above will detail the non-food requirements and the woreda contingency plan should guide a coordinated response at woreda and community level.

11.8 Scaling Down the Response

Households should generally be informed of the number of months they can expect assistance when they are enrolled as a transitory client. Despite this it is important that households are reminded that support is coming to end prior to receiving their last transfer. This will better allow them to plan and transition from receiving assistance.

Households who have suffered significantly during a crisis and who live in PSNP operational areas should be considered in subsequent rounds of PSNP targeting to assess whether they should be considered core PSNP clients.

Furthermore, households who were enrolled into the programme using woreda contingency budget funding as a result of TSF screening should be assessed for continued support as part of the annual targeting recertification as discussed further in Section 3.5 of Part 2, Chapter 3 (Programme Entry and Exit).

Finally, following a large scale scale-up of PSNP support and the deployment of humanitarian resources, there should be a period of reflection and lessons learning to ensure that future response is enhanced. A transitory response assessment will take place in this event as described in Part 5 (Monitoring and Evaluation).

11.9 Regional Variations

There are no specific regional variations with regards to the risk management component. Risk management procedures will be operational in all PSNP supported regions. Variations in specific aspects of implementation – such as community targeting, public works implementation, the capacity to use PASS and food logistics – will also affect the same aspects of implementation when using contingency resources. These variations in implementation modalities can be found in the relevant chapters of the PIM.

PSNP IV Programme Implementation Manual

Part 4: Resource Management

Version 1.0

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12.1 Introduction

Strong financial management is critical for effective programme implementation and for ensuring programme accountability. Accurate budgeting and timely provision of funds support are key for programme implementation, particularly in a safety net programme where delays in transfers can undermine predictability and therefore the effectiveness of the programme. Robust financial management, good record keeping and a timely and accurate reporting system all contribute to an accountable and transparent system.

This chapter provides an overview of key elements of financial management in the PSNP. The Productive Safety Net Programme Financial Management Manual provides more detailed guidance and should be available in all Woreda Offices of Finance (WOFED) and Woreda Food Security Desks (FSD/P). Key elements of this guidance are summarised in this chapter, but the full guidelines should be consulted by implementers on a regular basis.

12.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

This chapter largely reflects the financial guidelines in previous versions of the PIM, but is updated to account for some of the differences in PSNP IV. Key changes include:

- Previous versions of the PIM talked about an 80/20 split between transfer budgets and capital and administration (or a base programme cost of transfers x 1.25). In reality, budgeting has moved away from this approach, and this PIM reflects the new budgeting modalities. Key changes include:
 - The mechanism for determining the administrative budget introduced in 2012 and revised in 2014
 - A new approach to calculating capital budgets
 - Application of the new contingency budget percentages
 - How to calculate regional and federal management costs in the light of these changes.
- The introduction of a separate accounting code in the chart of accounts for transfers financed through the federal and woreda contingency budgets.
- Involvement of regional and woreda level legislative oversight bodies in the implementation of the programme, through the establishment of an MOU between MOFED and the government of each implementing region.
- Integration of budgeting, utilisation and reporting for the livelihoods component within the overall PSNP including:
 - Introduction of the livelihoods transfer, with guidelines for budgeting at woreda level
 - New criteria for budgeting of livelihoods capacity building at woreda level.

Clarification on how the livelihoods component should be budgeted for at each level. While budget lines for implementation and support at woreda level remain distinct (livelihoods implementation and all associated administrative costs are covered from the Livelihoods Capacity Building Budget rather than the Woreda Administrative Budget), support to the livelihoods component from the regional and federal levels are now covered by the Regional Management Budget and the Federal Management Budget, respectively.

12.2 Key roles and responsibilities in financial management

Ministry of Finance and Economic Development (MOFED)

At federal level:

- MOFED is responsible for the overall financial management of the PSNP. Activities include, but are not limited to:
 - Manage the designated and pooled birr accounts
 - Transfer funds to BOFEDs, the FSCD and MOLSA
 - Manage financial reporting (quarterly and annual)
 - Facilitate the interim and annual financial audit of the project account
 - Ensure that all financial audit findings are acted upon in a timely manner
 - Ensure that acceptable financial management systems are in place and well documented in financial management manuals

At regional level:

- Ensure that a suitable accounting system covering both regional and woreda levels is established
- Transfer funds to WOFED, BOA, BOLSA, Cooperative Promotion Bureau and REMSEDA as needed
- Collect and aggregate all financial data and information from the BOLSA, BOA and woredas
- Review the effective use of accounting procedures by woredas and provide technical support and assistance to them
- Prepare quarterly and annual financial reports
- Be accountable for and managing the funds transferred to them for implementation

At woreda level:

- Ensure that budgets for PSNP are received in a timely manner
- Avail funds as required according to the annual plan
- Undertake timely cash transfers to client households
- Exercise the necessary fiduciary controls and prepare monthly and quarterly Interim Financial Reports on fund utilisation to regional BOFEDs

Food Security Coordination Directorate (FSCD)

At federal level:

- Support the oversight and coordination of the programme
- Submit the overall plan and budget for the programme
- Management of the funds transferred to it by MOFED
- Transfer funds to PWCU, EWRD, AED, FCA and FEMSEDA
- Prepare quarterly expenditure and cash requirement forecasts
- Provide resource transfer instructions to MOFED to the regions

At regional level:

- Consolidate annual implementation plans and budgets for the region
- Manage the funds transferred to it by BOFED on behalf of all Bureau of Agriculture implementers
- Convene an admin and capital budget allocation meeting with all regional level implementers to decide on allocations between implementing and supervising partners

At woreda level:

- Consolidate annual implementation plans and budgets for the woreda
- Convene an admin and capital budget allocation meeting with all woreda-level implementers and decide on the allocation
- Facilitate the timely preparation of attendance and payroll and timely transfer of resources to beneficiaries

Ministry of Labour and Social Affairs (MOLSA)	<p>At federal level:</p> <ul style="list-style-type: none"> • Provide input into the overall plan and budget for the programme • Manage the funds transferred to it by MOFED and report on these funds <p>At regional level:</p> <ul style="list-style-type: none"> • Manage the funds transferred to it by BOFED <p>At woreda level:</p> <ul style="list-style-type: none"> • Account for funds received
NRMD	<p>At federal level:</p> <ul style="list-style-type: none"> • Through the PWCU, report on the use of any resources advanced by FSCD <p>At regional level:</p> <ul style="list-style-type: none"> • Through the PWFU, report on the use of any resources advanced by Regional Food Security <p>At woreda level:</p> <ul style="list-style-type: none"> • Act as budget holder for the capital budget for public works and ensure that it is appropriately allocated to different sectors to reflect levels of effort
Agricultural Extension Directorate	<p>At federal level:</p> <ul style="list-style-type: none"> • Report on the use of any resources advanced by FSCD <p>At woreda level:</p> <ul style="list-style-type: none"> • Act as budget holder for the livelihoods transfer and livelihoods capacity building budgets and ensure that it is appropriately targeted to clients and allocated to different sectors to reflect levels of effort
Federal Cooperative Agency and FEMSEDA	<ul style="list-style-type: none"> • Report on the use of any resources advanced by FSCD
NGOs	<ul style="list-style-type: none"> • Avail the necessary resources • Prepare plans and budgets in accordance with PIM guidance • Report on and account for resources

12.3 Budget lines and allowable expenditures

The main budget lines for the overall programme are as follows:

- Permanent direct support transfers
- Public works and temporary direct support transfers
- Woreda administrative budget
- Capital budget for public works and temporary direct support
- Woreda contingency budget
- Federal contingency budget
- Livelihoods transfer
- Livelihoods capacity building
- Regional level management budget
- Federal level management budget
- Key instruments development
- Capacity building
- Evaluation and audit

These budget lines are consolidated into reports according the following reporting lines:

Table 12.1: PSNP Reporting Lines

Components	Budget Lines
Component 1: Systems Development	Key Instruments Development
	Capacity Building
Component 2: Productive Safety Nets and Support to Livelihoods Strengthening	Permanent direct support Transfers
	Public Works & Temporary Direct Support Transfers
	Woreda Capital Expenditure (for Public Works)
	Woreda Contingency
	Federal Contingency
	Livelihood Capacity Building
Component 3: Institutional and Management Development	Livelihood Transfer
	Woreda Administrative Budget
	Regional Management
	Federal Management
	Evaluation and Audits

The full chart of accounts can be found in the PSNP Financial Management Guidelines.


The sections below indicate the key budget lines available for implementers at different levels and how the budget ceilings for these headings are calculated.

12.3.1 WOREDA

12.3.1.1 Budget lines and ceilings

There are eight key budget lines available at woreda level. These are as follows:

- Permanent direct support transfers
- Public works and temporary direct support transfers
- Woreda administrative budget
- Capacity building budget
- Capital budget for public works and temporary direct support
- Woreda contingency budget
- Livelihoods transfer
- Livelihoods capacity building

 **Budgeting for the Livelihoods Component**

At woreda level, livelihoods activities (e.g. client trainings and conditional capacity building of grassroots institutions) and all associated costs (including staffing, transport, equipment, etc.) are covered by the Livelihoods Capacity Building line item.

At regional and federal levels, support to livelihoods implementation will be covered by the Regional Management Budget and the Federal Management Budget.

Hence the Livelihoods Capacity Building line item will be spent at the woreda level, with the exception of funds transferred to TVET from the regional levels.

These budget lines can then be divided into various sub-components as indicated in the chart of accounts (see PSNP Financial Management Guidelines).

The budget ceilings for these budget lines are calculated as follows:

Table 12.2: Calculating Budget Ceilings

Budget heading	Mechanism for calculating budget ceiling	
Permanent direct support transfers	Number of permanent direct support clients x wage rate x 12 months	
Public works and temporary direct support transfers	Number of public works and temporary direct support clients x wage rate x 6 months	
Administrative Budget	Principles	Categories
Salary	Based on the staffing requirements/positions of the programme, prevailing salary scale and the size of the implementing woredas classified in to three categories.	Small Medium Large
Non-salary items	Varies according to size of woreda caseload according to 7 categories. Actual budget levels are adjusted annually.	Less than 3,000 3,001-8,000 8,001 - 13,000 13001 - 20,000 20,001-30,000 30,001 – 50,000 > 50,000 ⁵⁰
Woreda Capacity Building Budget	Needs based ⁵¹	
Capital budget for public works and temporary direct support	For the first 30,000 clients woredas receive the ETB equivalent of US \$8.5 per public works and temporary direct support client per year	
	For all clients thereafter woredas receive the ETB equivalent of US \$6 per public works and temporary direct support client per year	
Woreda Contingency Budget	5% of transfers budget (both permanent direct support and public works and temporary direct support) plus capital budget plus administrative budget	
Livelihoods capacity building	Principles	Criteria
Livelihoods transfer	<p>The livelihoods transfer is budgeted at \$200 per household targeted for livelihoods transfers (estimated to be 30% of the PSNP 4 caseload).</p> <p>Varies according to the PSNP caseload in the woreda. In Year 1, the budget will be allocated to the woredas that are testing the livelihoods transfer; following Year 1, livelihoods transfers will be allocated proportionally to woredas (and adjusted for implementation capacity as needed).</p> <p>Woredas will be informed of their budget ceiling prior to launch of the planning process</p>	<ul style="list-style-type: none"> • PSNP caseload • Implementation capacity
Livelihoods capacity building	<p>Varies according to conditions in the woreda against four criteria.</p> <p>Woredas will be informed of their budget ceiling prior to launch of the planning process</p>	<ul style="list-style-type: none"> • PSNP caseload • Number of kebeles⁵² • Capacity gap of grassroots institutions FTCs/PTCs • After Year 1: implementation performance

⁵⁰ The annual non-salary admin budget will be adjusted for inflation and other major price movements.

⁵¹ Regions will be allocated a capacity budget based on 1% of the transfers budget (both permanent direct support and public works and temporary direct support) plus capital budget plus administrative budget. The will decide in consultation with woredas, and on the basis of need, how this budget should be distributed across woredas.

⁵² The number of kebeles is used as a proxy for the number of DAs, which fluctuates too often to be used as a criterion.



Specific provisions for NGO-supported woredas:

NGO resources are expected to support the following budget headings:

- Permanent direct support transfers
- Public works and temporary direct support transfers
- Woreda administrative budget
- Capital budget for public works and temporary direct support
- Contingency budget transfers

Budgets will comply with the above budget ceilings, with the administrative budget covering the NGO's administrative expenses.

Any resources provided by NGOs to support livelihood activities would be in addition to government resources for livelihoods transfers and livelihood capacity building.

In woredas supported by NGOs, NGOs will take a lead in executing food payments. However, the broad steps remain the same and the use of PASS remains mandatory.

12.3.1.2 Eligible expenditure items

The **permanent direct support transfer budget, public works and temporary direct support transfer budget** and **woreda contingency budget** may only be used to finance direct payments to programme clients.

Woreda Administrative Budget. The table below presents the eligible expenditures for the woreda administrative budget. This table applies to all PSNP costs with the exception of livelihoods-related costs (as these will come from a separate budget line item):

Table 12.3: Woreda Administrative Budget Eligible Expenditures

Expenditure category	Allowable expenditure
Human Resources	<ul style="list-style-type: none"> • Contractual or temporary staff such as cashiers or woreda level technical assistance
Equipment and Materials	<ul style="list-style-type: none"> • Office equipment and supplies required for running PSNP activities • Replacement of components and parts • Maintenance of existing vehicles and other equipment • Short-term or longer-term rental of equipment, such as vehicles and motorbikes <p>(Large-scale infrastructure development such as IT network installation is not allowable)</p>
Travel and Transport	<ul style="list-style-type: none"> • Fuel, maintenance, spare parts, per diem expenses, public transport and vehicle hire for any supervision or support visit including for targeting, transfers, public works, grievance redress mechanisms or awareness raising.
Training	<ul style="list-style-type: none"> • PSNP trainings organised by the woredas to train woreda staff and sub-woreda staff (e.g. DAs, Kebele Food Security Task Force) • On-the-job training for labourers • Orientation and critical on-the-job training for foremen/women and team leaders
Food Management	<ul style="list-style-type: none"> • Off-loading from trucks • Proper storage • Accounting, internal control, recording, reporting and distribution of food transfers to PSNP clients
Monitoring and Evaluation	<ul style="list-style-type: none"> • Woreda-level monitoring and evaluation, including sharing lessons and cross visits, per diems and transport for monitoring visits, woreda rapid response teams (RRTs) and social accountability activities
Communication	<ul style="list-style-type: none"> • Telephone and fax bills, email internet service provider (ISP) costs, etc.
Outsourcing services	<ul style="list-style-type: none"> • Any needed outsourced services, such as computer support services

Public works and temporary direct support capital budget. The table below presents the eligible expenditures for the public works and temporary direct support capital budget.

Table 12.4: Capital budget eligible expenditures

Expenditure category	Allowable expenditure
Skilled and Semi-Skilled Workers	<ul style="list-style-type: none"> • Temporary contract personnel with knowledge and experience needed for planning, implementation and supervision of public works • Individuals within the communities who can provide semi-skilled labour; these are masons, carpenters, foremen/ forewomen, etc. They are NOT paid through the PSNP transfer budget.
Hand Tools	<ul style="list-style-type: none"> • Spades, shovels, hoes, crow bars, sledge hammer, rakes, pick axes, and mattocks
Equipment and Materials	<ul style="list-style-type: none"> • Altimeters, compasses, inclinometers, pedometers, theodolites and other equipment can usually serve more than one site, and should be available at the level of the woreda. • Materials such as poles, cement, stones or sheeting which may be required at individual work sites • Duplication of behavioural change communication materials to support BCC at public works sites • Rental of excavators and other machinery. However, rental of machinery and the contracting out of other services must not exceed 40% of the total <u>capital budget of the woreda.</u>
Amenities at Work Sites	<ul style="list-style-type: none"> • First aid services • Tool repair and maintenance facilities • Childcare amenities (e.g. tents or other shelters). Labourers will undertake the management of these amenities with the assistance and close supervision of the implementing agency⁵³ • Facilities for the regular sharpening and minor repairs of hand tools
Transport Facilities	Transportation of tools and materials

Livelihoods Transfer. The livelihoods transfer budget line is limited to transfers to approved livelihood transfer clients in accordance with their business plan.

Livelihoods capacity building. Livelihoods capacity building refers to the training and support of programme clients, and conditional capacity building to key institutions involved in capacity building. These include:

- All costs associated with the provision of training and support to clients of the livelihoods component, such as financial literacy training, technical training, business/marketing skills training, and business plan development. Costs can include curriculum development or adaptation (including by TVETs), preparation of training materials, renting of facilities, trainer fees, per diems, and transport costs, incurred by Extension, the MSE Agency, Labour and Social Affairs, or TVETs. For trainings provided at TVET institutes, participant room and board will also be covered.
- Transport costs associated with intensive coaching and mentoring for livelihoods transfer clients
- Conditional capacity building of institutions such as FTCs, MFIs, RUSACCOs, and multi-purpose cooperatives, as outlined in the table below.

⁵³ Childcare support mechanisms must be available at each work site or in the village. Depending on the needs, each public works team should assign one or two workers to take care of young children, etc.

Table 12.5: Conditional Capacity Building of Grassroots Institutions - Conditions and Allowable Expenditures

Institution	Conditions	Allowable capacity building expenditure
FTCs and PTCs	For existing FTCs and PTCs: an established and well-functioning management structure in place. New FTCs and PTCs will be exempt from this requirement.	<ul style="list-style-type: none"> • Construction of demonstration technologies/accessory structures, such as watering troughs, poultry cages, water lifting technologies • Purchase of seeds, fertiliser, improved seedlings and other inputs for crop demonstrations • Purchase of demonstration technologies such as drip irrigation systems, beehives, etc. • Training of FTC/PTC management
RUSACCOs	<p>1) Inclusion of at least 30% of the kebele's PSNP households in the RUSACCO</p> <p>2) Signing of an MOU agreeing to prioritise PSNP clients for loans</p> <p>3) RUSACCO participation in savings promotion within the community.</p> <p>RUSACCOs that received capacity building support under HABP are not eligible for physical capacity building support under PSNP 4. However, they may be eligible for technical assistance if needed, and/or, in some cases, an additional year of matching funds for a bookkeeper.</p>	<ul style="list-style-type: none"> • Technical assistance, e.g. training of RUSACCO leadership and technical assistance on financial product development and linkages to MFIs as appropriate • Matching funds (e.g. up to 25%) for building construction and safe boxes • Matching funds for bookkeepers for 1-2 years. • Matching funds for technology (e.g. computer) for RUSACCO union, as appropriate
MFIs	<p>The criteria for PSNP capacity building support will vary depending on the size of the MFI, but will include the following general criteria:</p> <p>1) MFI willingness to accept PSNP clients as savers and borrowers, provided that they fulfil the MFI's criteria for creditworthiness</p> <p>2) MFI willingness to create linkages with RUSACCOs, if appropriate (in the case of larger MFIs)</p> <p>3) MFI availing of credit to PSNP clients based on approved business plans</p> <p>4) MFI participation in financial literacy training and savings promotion within the community.</p>	<p>PSNP capacity building support will vary depending on the size and needs of the MFI, but may include:</p> <ul style="list-style-type: none"> • Development of financial products that are acceptable to Muslim clients (i.e. Sharia compliant) • Staff training • Programme support costs, e.g. for the provision of financial literacy training to PSNP clients and creation of linkages with RUSACCOs • For MFIs that open a sub-branch in PSNP kebeles: <ul style="list-style-type: none"> ○ Transport ○ Matching funds for office furniture ○ Matching funds for hardware materials
Multipurpose Cooperatives	Provision of inputs, post-harvest technologies, and/or marketing services to PSNP clients	<ul style="list-style-type: none"> • Training, as appropriate • Matching funds for computer purchase, as appropriate

12.3.2 REGIONAL

12.3.2.1 Budget lines and ceilings

The main budget available at regional level is the regional level management budget. This is calculated on a per programme client basis equal to the ETB equivalent of \$1.25 per year per public works and permanent direct support client.⁵⁴ This reflects an increase in the absolute budget available at regional level in order to accommodate the inclusion of regional livelihoods related expenditure in the regional management budget. In large regions this budget will cover costs both of regional and zonal level implementers.

12.3.2.2 Eligible expenditure items

The following eligible expenditure items should support all components of the PSNP (social accountability, public works and links to social services and livelihoods). Eligible expenditures include:

- **Human Resources:** Regions may choose to employ temporary staff under this budget.
- **Equipment and Materials:** Small office equipment and supplies should be covered under this budget line. Replacement of component parts and minor computer purchases could be covered. The maintenance of existing vehicles and other equipment **can** be financed through this budget line and is actively encouraged. Equipment, such as vehicles and motorbikes, can also be rented on a short-term or 3 months per financial year. This is an efficient use of PSNP resources when it allows the timely, predictable delivery of transfers to PSNP clients and creation of quality public works. However, large-scale infrastructure development such as IT network installation would not be covered.
- **Travel and Transport:** Frequent staff travel to woredas is expected and the PSNP budget will cover a pro-rata based proportion of the total food security transport needs. Expenses should include fuel, maintenance, spare-parts etc. on a pro-rata basis. In addition this budget is available for subsistence & per diem expenses, public transport and vehicle hire. Staff travel to the woreda will include travel for awareness raising, training, supervision (including of public works) and lesson learning.
- **Livelihoods related analyses:** Any livelihoods related analysis conducted or commissioned by federal level as outlined in Part 2, Chapter 5 (Livelihoods Related Analyses) will be financed through this budget line. This may include the recruitment of local consultants.
- **Training and Awareness Creation/Orientation:** Any training (including materials and reproduction, facilities, per diems and training staff) undertaken at regional or zonal level related to PSNP implementation will be financed through this budget line. There needs to be both start-up and recurrent training on the PSNP (because of the staff turnover plus the need for refresher training). This item includes costs associated with preparing and disseminating current or amended PSNP guidance and procedures (e.g. summarised PIM information) for improved staff orientation and awareness.
- **Monitoring and Evaluation:** Unless included under specified line items, monitoring and evaluation by the region will be covered by this line item. This may include the recruitment of local consultants. Lesson learning events fall under this item (covering costs such as venue hire, documentation reproduction, etc.).
- **Other Costs:** All institutions involved in the implementation of the PSNP should prepare action plans and budgets for supervision, technical backstopping, monitoring and evaluation

⁵⁴ This figure will be reviewed on the basis of the first year's implementation experience.

activities, and these costs will be covered by the Regional Management budget line. The action plan and budget should be submitted to the Regional Food Security Office for incorporation in to the Regional Annual Plan and Budget of the PSNP, as outlined in Part 2, Chapter 4 (Annual Planning).

- **Rapid Response Mechanism (RRM):** Costs related to the operation of the regional RRM will be covered under this line item.
- **Communication:** It is expected that PSNP will cover a pro-rata based proportion of communication expenses (telephone and fax bills, email, ISP costs etc.).
- **Outsourcing services:** Any needed outsourced services, such as computer support services.

12.3.3 FEDERAL

12.3.3.1 Budget headings and ceilings

There are five key budget headings available at federal level. These are as follows:

- The federal level management budget
- The federal contingency budget
- Key instruments component
- Capacity development support
- Evaluation and audits

The federal level management budget is calculated on a per-client basis equal to the ETB equivalent of \$0.85 per year per client. This reflect an increase in the absolute budget available at federal level in order to accommodate the inclusion of federal livelihoods related expenditure in the federal management budget.

The federal contingency budget is a lump sum amount calculated at the start of the programme.

The remaining budget headings have a fixed lump sum budget.

In addition transfers made in food are procured at federal level.

12.3.3.2 Eligible expenditure items

Federal Level Management Budget: The following eligible expenditure items should support all components of the PSNP (social accountability, public works and links to social services and livelihoods). Eligible expenditures include:

- **Human Resources:** The federal-level management budget is used to hire contract staff, TAs or consultants, as needed, to meet any short-term gaps in human resources or to respond to specific needs of the PSNP. This includes the Information Centre staff, among others.
- **Bank Service Charge: This covers costs charged by banks for transactions including exchange and transfer of programme funds.**
- **Coordination:** Costs for extraordinary PSNP meetings with regional implementing agencies (Regional Food Security, BOFED, BOH, Extension Core Process, BOLSA, Regional Natural Resources etc. will be part of this budget.
- **Equipment and Materials:** Small office equipment and supplies should be covered under this budget line. The maintenance of existing vehicles and other equipment **can** be financed through this budget line and is actively encouraged. Equipment such as vehicles and motorbikes can also be rented on a short-term basis (up to 3 months per financial year) or

longer-term basis. This is an efficient use of PSNP resources when it allows the timely, predictable delivery of transfers to PSNP clients and creation of quality public works. While large-scale infrastructure development such as IT network installation would not be covered, replacement of component parts and minor computer purchases could be covered.

- **Travel and Transport:** Frequent staff travel to regions and woredas is expected and the management budget will cover a pro-rata based proportion of the total transport needs of federal level implementing agencies. Expenses should include fuel, maintenance, spare parts etc. on a pro-rata basis. In addition this budget is available for subsistence and per diem expenses, public transport and vehicle hire. Staff travel to the woreda will include travel for awareness raising, training, supervision (including of public works) and lesson learning.
- **Livelihoods related analyses:** Any livelihoods related analyses conducted or commissioned by federal level as outlined in Part 2, Chapter 5 (Livelihoods Related Analyses) will be financed through this budget line. This may include the recruitment of local consultants.
- **Training:** Any training undertaken at federal level along with some overall development of overall training programs and training materials will be financed through this budget line. There needs to be both start-up and recurrent training on the PSNP (because of the staff turnover plus the need for refresher training).
- **Monitoring and Evaluation:** Unless included under specified line items, monitoring and evaluation by the federal implementing agencies will be covered by this line item. This may include the recruitment of local consultants. Lesson learning events fall under this item (covering costs such as venue hire, documentation reproduction, etc.).
- **Rapid Response Mechanism:** Costs related to the operation of the federal RRM will be covered under this line item.
- **Communication:** A pro-rata based proportion of communication expenses (telephone and fax bills, email, ISP costs etc.) will be covered.

The federal contingency lump-sum budget allocation can be used to finance direct payments to programme clients and any associated capital and administrative costs (up to a maximum of 20%). Actual financing is triggered on an ad hoc basis as needed and at the point of release the budget will then be broken down into transfers and the associated capital and administrative budgets. Only the transfer costs will then be 'coded' as federal contingency budget, and budget allocations for administrative and capital costs will then be coded as administrative and capital costs accordingly (and these coded budgets entered into IBEX). Therefore, transfers are the only eligible expenditure against this line item once it reaches woreda level.

Key instruments component budget can be used to finance consulting services and technical assistance to support the development of key instruments such as the programme MIS, the poverty/food insecurity indices, the mapped public works data base and single registry. It can also be used to finance the systems' operating costs, the key equipment to operationalize them (computer, server, network infrastructure etc.), and other costs associated with their establishment.

Capacity Building budget can be used to finance any activities identified in the capacity development strategy, including national training and workshops, international training and workshops, equipment, furniture, the procurement and installation of rub-halls, vehicles and maintenance. Capacity development support is expected to be provided for all implementing agencies of the PSNP..

Evaluation and audits budget should be used to finance costs associated with the household survey and impact assessment, public works reviews and impact assessment, the GSD implementation


review, the annual programme audits and other key studies and reviews agreed between the Government and development partners.

12.4 Budgeting

Budgeting is structured around a two ways process:

1. A downstream process from the federal level down to the regions and then to the woredas which provides guidance to woredas on how to budget and any budget ceilings, and
2. An upstream process starting at the kebele and moving upwards to the woredas then to the regions and the federal level.

Annual planning and budgeting starts at woreda level, beginning with participatory community planning exercises. An overall woreda safety net plan and budget is prepared and submitted to regional the Regional Food Security Process Owner, as described in Part 2, Chapter 6 (Annual Planning).

**Provision of budget ceilings**

Prior to the launch of the planning process, which takes place in March of each year, it is critical that woredas be informed of key budget ceilings to enable them to plan accurately and within the resource envelope available.

Each region should then prepare a consolidated PSNP work plan and budget for all components for each budget year based on inputs from lower levels, and submit these to MOA for further review, updating and consolidation.

Finally, a consolidated budget will be submitted to MOFED. Budgets should not be prepared and reported on a lump sum basis. There must be a breakdown, with proper identification of each key budget heading indicated in Section 12.3 above.

The completed annual budget should include a quarterly breakdown of the budget to assist with cash flow forecasting (see below for further details)

The final approved annual budget will be proclaimed at federal level under the Ministry of Agriculture, but with detailed regional and sub-component breakdown of activities (as per the budget headings above).

The overall budgeting and budget approval process will follow the overall programme planning process and calendar as specified in Chapter 6 (Annual Planning).

12.5 Cash Flow Forecasting

Accurate cash flow forecasting is critical to achieving timely transfers and to ensuring quality programme implementation, by ensuring that resources are in place when they are needed. As indicated above, the annual programme budget should be broken into quarters to indicate the requirements for the programme in each quarter.

Key considerations in cash flow forecasting include:

- The need to frontload capital, woreda administrative and woreda contingency budgets
- The most appropriate timing of livelihood activities
- That transfers for permanent direct support clients will take place in all twelve months of the year

- That transfers for public works and links to social services clients may vary from region to region depending on the approved transfer cycle (see Part 2, Chapter 4 for further details).
- The timing of any major procurement items (e.g. food purchase)

The table below provides some guidance on how to implement this forecasting:

Table 12.6: Cash flow forecasting guidance


Budget Heading	July – Sept	Oct-Dec	Jan – March	April – June
Permanent direct support transfers		25%	25%	50%
Public works and temporary direct support transfers	Based on the varying transfer schedules			
Woreda administrative budget	50%	50%		
Capital budget for public works and temporary direct support	100%			
Woreda contingency budget	100%			
Federal contingency budget	Disbursed as required			
Livelihoods transfer	50%		50%	
Livelihoods capacity building	50%	50%		
Regional level management budget	40%	40%	20%	
Federal level management budget	40%	40%	20%	
Key instruments	As needed			
Capacity building	As needed			
Evaluation and Audit	As needed			

When preparing the above cash flow, implementers should take into consideration the dates that resources will be disbursed by MOFED to regions. These dates are as follows:

- Quarter 1: July 25
- Quarter 2: October 25
- Quarter 3: January 25
- Quarter 4: April 1

As soon as BOFED receives resources from MOFED, they should transfer the appropriate funds to woreda and regional implementing agencies within 3 working days.

However, cash transfers in subsequent periods may vary from the above transfer table depending on the utilisation performance of woredas and regions whereby instructions to use carryover balances for forthcoming resource requirements.



Ensuring timely transfers

Actual transfers to clients for any given quarter will be financed from monies transferred in the previous quarter. This means that funding for transfers to clients made in July, August or September should be part of the Quarter 4 allocation disbursed on March 1st.

In preparing cash requirement forecasts, FSCD should take in to account the carryover cash balances of each specific woreda and major budget categories in order to ensure that the programme will not be exposed to different risks caused such as excess or shortage of cash holdings.

12.6 Financial Flow

The key steps in the funds flow are as follows:

Step 1: Development partners deposit loans and grants into segregated designated foreign currency bank accounts at the National Bank of Ethiopia. These loans and grants are made according to the agreements signed with the Federal Government, and in line with agreed disbursement percentages. Development partners can only deposit loans and grants into the MOFED account after they have received PSNP IFRs from MOFED, as per the agreed format.

Step 2: MOFED transfers money from the segregated designated bank accounts and deposits the equivalent amount in Birr into the pooled Birr bank account for the PSNP as required. This ensures a continuous cash flow to the Programme.

Step 3: Once the PSNP Annual Federal Safety Net Plan has been approved in June, FSCD submits to MOFED an annual cash resource distribution plan by region and woreda, within 3 days of the approval of the Annual Plan. At the same time, FSCD sends this information to Regional Food Security offices. Within two days of receiving the Resource Distribution Plan, MOFED communicates the annual cash resource distribution plan to BOFEDs and MOLSA. This is completed by July 15 of each year.

If MOFED, MOLSA, Regional Food Security offices or BOFEDs note any discrepancies between the annual cash resource plan and the approved Annual Plan, these should be corrected immediately by FSCD and MOFED. Any corrections should be completed within 5 days.

Upon receipt of the annual cash resource plan from FSCD, Regional Food Security offices prepare a regional annual cash resource plan, which is communicated to BOFED and the zones and woredas within 3 days. BOFED communicates with the regional branches of the Commercial Bank of Ethiopia 2 days ahead of any planned cash transfer to woredas.

On a quarterly basis, FSCD prepares and submits an expenditure and cash requirement forecast to MoFED in line with the annual plan. This forecast will be part of the quarterly IFR, which will be submitted to the DPs within 60 days from end of each quarter for clearance and request for cash advances.

Step 4: FSCD requests MOFED to transfer the frontloading to regions, as per the annual cash distribution plan, by July 25. FSCD also informs MOFED if there are any changes in the annual cash resource allocation plan. This information is sent to Regional Food Security at the same time via fax.

Within 2 days of receiving this request, MOFED instructs the National Bank to transfer the cash resources to BOFED, to be deposited into PSNP specific bank accounts at regional level. This instruction is copied to BOFED via fax. The National Bank complies with this request within 2 days.

Step 5: Upon receipt of the copy from FSCD to MOFED requesting the transfer of cash resources to BOFED, Regional Food Security writes a letter to BOFED requesting the onward disbursement of resources to woreda bank accounts, and regional department accounts, as per the region's annual cash resource plan. A copy of this letter is sent by fax to woredas. This letter is prepared within 2 days of receipt of the communication from FSCD.

Upon receipt of the notification that MOFED has instructed the National Bank to transfer resources and the instruction from Regional Food Security, BOFED prepares a letter to the Commercial Bank

instructing the onward disbursement of resources to woreda accounts, and to regional department accounts. This letter is sent by fax to WOFED.

BOFED follows up with the Commercial Bank by telephone and in person to make sure that the money was received and sent to the woredas in a timely fashion. If there are delays, BOFED should communicate these to MOFED, which will follow up with the National Bank.

Step 6: WOFED follows up with the Commercial Bank to confirm receipt of the funds in their PSNP account. WOFED checks that the amount received in the PSNP account matches the amount expected as per the annual cash resource allocation plan. If there are any discrepancies, the WOFED communicates this discrepancy immediately to BOFED by telephone.

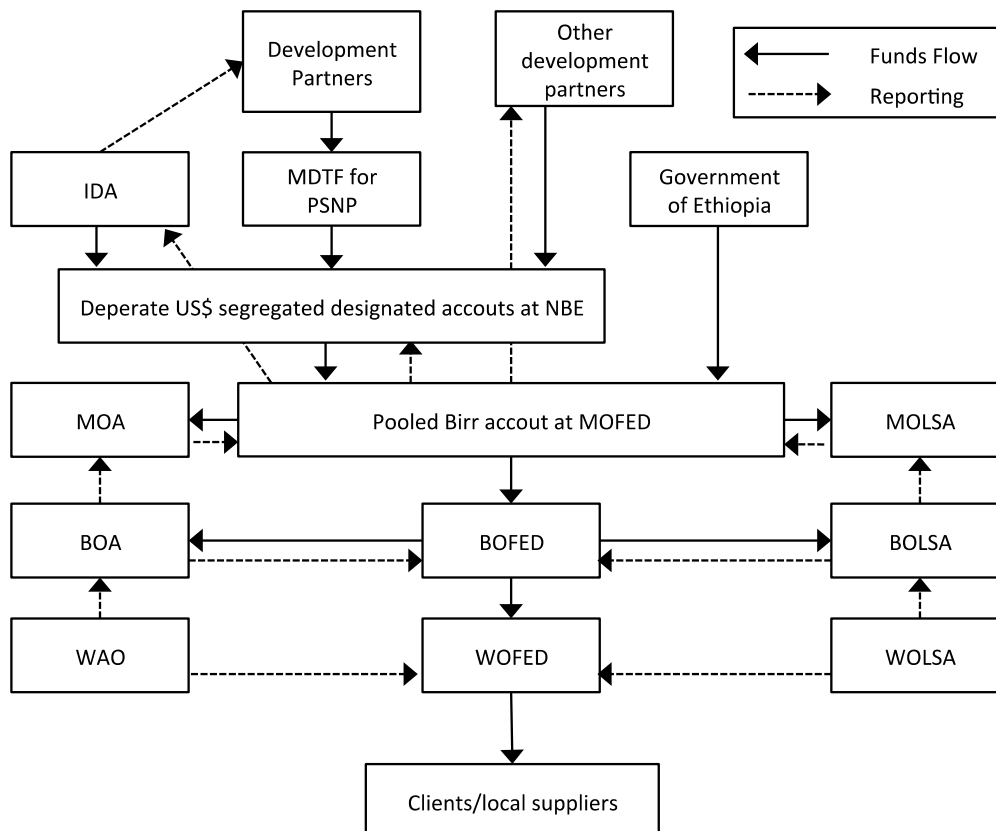
Step 7: The WOFED withdraws money and makes payments to clients, based on requests from the Woreda Food Security Desk and as per the PASS payroll and attendance sheet, as outlined in sections 7.5 and 8.5. WOFED also effects payment to different implementing sector offices as per the approved annual safety net plan and approved budget allocations. .

Step 8: WOFED maintains a record of the use of PSNP resources based on the agreed accounting procedures. BOFEDs (and zones) provide assistance to the WOFEDs on a regular basis to ensure that these procedures are carried out correctly.

Step 9: Any PSNP cash resources that are not used during the fiscal year are NOT returned to the federal account, and are instead rolled over for use during the next fiscal year.

The above steps are summarised in the diagramme below:

Figure 12.1: Flow of Funds



12.6.1 REPLENISHMENT OF PSNP POOLED ACCOUNT AT FEDERAL LEVEL

MOFED will submit the following to the World Bank and other Development Partners for replenishment of the PSNP account:

- Interim (un-audited) financial reports (IFRs), prepared for actual expenditures (within 60 days from the end of each quarter)
- Cash forecast for the next six months
- Withdrawal Application (as soon as the IFR is cleared by the Development Partners)

Any delays in the submission of these reports or the submission of low quality reports will result in delays in the replenishment of the PSNP pooled accounts, and will therefore affect delivery of transfers in ALL regions. In this way, all regions are accountable to other regions for the timely delivery and quality of their IFR.

12.7 Budget Utilisation

All expenditures must comply with the budget headings and eligible expenditures outlined in Section 12.3 above. Any expenditure contrary to these budget headings is considered ineligible and cannot be charged to the programme. If any such expenditures are identified, they will be reimbursed to the programme.

12.8 Financial Reporting

The timely submission of quality financial reports is critical to ensuring that cash resources flow to the PSNP as required by the Annual Plan. Financial reports trigger the replenishment of the PSNP pooled account at federal level by Development Partners and also determine whether or not deductions will be made to transfers from federal to regional level to account for carry-over balances. Because of this, it is vital that WOFEDs, BOFEDs, and MOFED work diligently to submit quality reports on time. If IFRs are not received on the due date and are of insufficient quality, disbursements from the Development Partners may be delayed until reports of adequate quality are received. This in turn could result in late transfers, undermining programme impact.

The process for financial reporting is described below.

Step 1: Each WOFED prepares a monthly financial statement and submits a quarterly procurement report, as specified in the Financial Management Manual, to the BOFED within 20 days after the quarter has ended. The financial reporting format will be as agreed between the Government and DPs and detailed in the Financial Management Manual.

WOFED submits a copy of the final report to the Woreda Food Security Desk, which reconciles the financial report with the physical progress reports (see section on M&E for more information on this). In regions where the zonal system is active, WOFEDs could send their quarterly financial reports to the ZOFED (the PSNP accountants) who will in turn submit them to BOFED.

Step 2: BOFED consolidates and analyses the financial report it receives from the woredas (via the zones), as well as reports coming from regional implementing agencies. BOFED reviews the quality of the reports, ensuring that they are complete and meet all expected standards. BOFED follows up with WOFED if there are discrepancies in the reports, any gaps or incomplete information. If required, BOFED staff travel to the woredas to work with WOFED staff to produce a complete report that meets the expected standards.

BOFED analyses its own records and discusses the findings with Regional Food Security on key aspects of the reports and balances, etc.

BOFED submits the final Regional Financial Report to the Regional Food Security (which analyses it together with the physical progress report), the regional agencies involved in the implementation of the PSNP and to MOFED, as per the agreed reporting format quarterly within 40 days after the end of the quarter. In addition, FSCD and MOLSA prepare and submit their quarterly financial reports to MOFED within 40 days from the end of the quarter. FSCD's quarterly financial report should include the six monthly expenditure and cash requirement forecast.



Regional review of financial reports

Financial reports are a key input to regional reviews of progress to date. In order to fully assess performance and understand whether implementing agencies need further support, all agencies represented at the regional level involved in PSNP implementation need to receive a copy of the regional financial report to review their own narrative reporting.

Step 3: MOFED reviews the reports it receives from the BOFEDs, FSCD and MOLSA to verify the quality and completeness of the information. MOFED then analyses the information it receives from regions and the accounts held at federal level.

It discusses this report with FSCD. The final consolidated interim financial report is then submitted to development partners within 60 days after the end of the quarter. A copy of the report is also submitted to FSCD. Delays in submission or issues related to quality may mean that future disbursements are compromised for the entire programme.

Step 4: As part of the quarterly IFRs, BOFEDs analyse the dates WOFEDs received the cash resources to determine if there are any delays in the system and, if so, how these can be fixed. This information is submitted to MOFED, which analyses the reports from all the BOFED and takes steps to address any delays.

Step 5: On an annual basis, MOFED prepares annual financial statements, which are submitted to external auditors.

The programme envisages to use the Government of Ethiopia's financial recording and reporting system, IBEX, for accounting and reporting on PSNP expenditure on a standalone basis. However, at regional and federal level, all BOFEDs and MOFED will use IBEX to consolidate and produce the financial reports and all PSNP expenditures should be entered into the system and reports are automatically generated. The existing chart of accounts of the IBEX for the PSNP has been customised to fit into specific features of the programme.



Financial Reporting for USAID financed NGO supported woredas

Reporting in woredas supported by USAID financed NGOs is the responsibility of NGOs. NGOs submit quarterly financial and narrative reports to USAID. USAID compiles the financial reporting for all NGOs and submits it to the FSCD. These reports are not included in the IFRs, but form part of the quarterly and annual narrative reporting.

12.9 Audit

This section provides a summary of the different types of audit to be conducted on the PSNP. These are internal audit, external audit (including interim and final audit), commodity audit and an annual independent procurement assessment.

Internal Audit: The Internal Audit is designed to help the public body accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Implementing woredas and regional bureaus should make sure that the Internal Auditors at WOFED cover the accounts of the PSNP in their annual plan and periodical audit exercise. The Internal Auditors should submit their findings to the head of the WOFED, WAO, BOFED and the Woreda Administrator.

Interim Financial Audit: The Interim Audit focuses on identifying and managing any risks to achieving the PSNP's objectives and ensuring that systems are in place and function to allow compliance with established policies and procedures and to ensure efficient and effective use of programme resources. The Interim Audit covers six months ending on January 7, and reports are submitted by MOFED to Development Partners within 90 days (April 7). The Interim Audit is not a separate exercise; instead, it is part of the annual audit process facilitating timely completion and coverage of programme implementation.

Annual Financial Audit: The annual programme financial statements are audited by the Office of the Federal Auditor General (OFAG) or an auditor assigned by OFAG. The objectives of the audit of the programme financial statements is to enable the auditor to express a professional opinion on the financial position of the project at the end of the fiscal year, and on funds received and expenditures incurred for the relevant accounting period. MOFED submits the annual audited programme accounts to the Development Partners six months after the end of each fiscal year, which ends on July 7.

Both the Interim and Annual Financial Audits will make sure that all programme woredas and implementing agencies are covered over the life of the programme and subsequent period audits include selected woredas which have been audited previously for follow-up.

Commodity Audit: The annual commodity audit reviews the commodity flow and status reports prepared by the government, with inputs from agencies including USAID and WFP, and assesses whether it reflects the true picture of commodity flows and at hand balanced. The audit also assesses internal controls and identifies any weakness in the system to ensure that the commodities are finally distributed to the intended clients. The MPA submits the annual commodity audit report within six months of the end of the fiscal year ending 7 July of each year.

Annual Independent Procurement Assessment: An independent procurement review of project procurements is conducted annually, covering 40 of the woredas and at least 30% of the contracts subject to post review. The woredas will be selected to ensure as wide a coverage of PSNP woreda over the life of this phase of the PSNP as possible. FSCD selects and appoints a procurement auditor, acceptable to the World Bank, to carry out an annual independent procurement audit of the project. The Government submits the report to World Bank annually sixty days after the end of the fiscal year.

CHAPTER 13 FOOD MANAGEMENT

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13.1 Introduction

As with financial management, a strong food management system is critical for effective programme implementation and for ensuring programme accountability. Implementation is dependent on it, because of the need for timely procurement and provision of resources; and accountability requires it because of the need for all resources to be effectively managed and reported upon.

This section mirrors the financial management section and describes the processes for calculating resource requirements and disbursement planning; it then describes the process by which food flows through the system, how it is utilised, and how it is accounted for.

13.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

Food management has been an aspect of programme implementation since the PSNP was launched, but repeated review missions and commodity audits have highlighted key deficiencies in the management of food and how resources are accounted for. Improving the food management system is therefore a key priority for this phase. Some of the specific new priorities for this phase are listed below:

- The establishment of clear ownership, accountability and reporting mechanisms for food resource management through the establishment of a Food Management Unit and regional Food Management Focal Points
- Improved systems for addressing commodity losses
- Improved communication regarding disbursements
- Stronger and clearer reporting systems
- Operationalizing the new transfer value, the flexible transfer schedule and the varying periods of assistance between public works and permanent direct support clients during the process of disbursement planning.

13.2 Key roles and responsibilities in food management

Food Security Coordination
Directorate

At National Level

- Calculate overall resource requirements
- Prepares the food resource plan
- Approve any changes to the food/cash split
- Timely procurement of (including borrowing from EFSRA) food stocks
- Ensure the timely completion of quarterly food utilisation report by Food Management Unit and submit to development partners
- Ensure that commodity audit findings are timely acted upon
- Within the DRMFS structure, oversee the establishment and operation of the FMU

At Regional Level

- Verify any requests for changes in the food/cash split
- Consolidate the quarterly woreda food utilization reports
- Dollow-up on timely closure of commodity audit findings

At Woreda Level

- Maintain adequate records of commodity movements
- Prepare monthly and quarterly food utilization reports
- Oversee the overall food management function at woreda level
- Provide EWRD/P with key data

<p>Early Warning and Response Directorate</p>	<ul style="list-style-type: none"> • Within the DRMFSS structure oversees the establishment and operation of the FMU • Work closely with the FMU on the distribution of the food resources • Timely dispatches of food stocks to FDPs • Oversee the proper allocation of the Commodity Allocation and Tracking System (CATS)
<p>Food Management Unit and focal points</p>	<p>At National Level</p> <ul style="list-style-type: none"> • Assist FSCD on the planning and budgeting for food resources • Supports the preparation of distribution plans • Notifying regions of dispatches • Receiving and consolidating reports • Prepare monthly food utilization reports to WFP to allow dispatch of subsequent rounds • Consolidate the quarterly food utilisation report using CATS (similar system) and submit to FSCD for submission to development partners • Hires the auditor for the commodity audit and submits the audit report to FSCD for submission to the DPs • Follow up of audit findings and ensure remedial actions are taken <p>At Regional Level</p> <ul style="list-style-type: none"> • To monitor food movements • To receive and consolidate reports from woredas and pass onto federal level on a monthly basis • To follow up on the implementation of key procedures as needed including storage and handling • To follow up on audit findings and implement corrective measures as they apply to their region. <p>At Woreda level:</p> <ul style="list-style-type: none"> • To confirm the arrival of food as per the dispatch notice • To ensure appropriate storage and handling of food • To report any losses to the appropriate authorities • To prepare and submit monthly food utilization reports
<p>WFP</p>	<ul style="list-style-type: none"> • Co-Chair the Hubs and Spokes committees in Somali Region • Contract local transport operations and dispatch food to FDPs as requested by FSCD • Confirm food delivery to FDPs • Closely monitor food storage and handling • Build capacity of local staff to manage food resources • Monitor food distributions and ensure proper distribution mechanisms employed in areas covered
<p>NGOs⁵⁵</p>	<ul style="list-style-type: none"> • Procure in a timely manner and ensure in-country receipt of food in operational areas • Prepare food distribution plans for operational areas • Arrange dispatch of food to appropriate FDPs • Ensure appropriate storage and handling of food

⁵⁵ USAID-funded Private Voluntary Organizations providing food aid do so through the U.S. Public Law 480, which authorises USAID to provide agricultural commodities for emergency and non-emergency food needs. Title II of Public Law 480, part 211 (commonly referred to as Reg 11), provides the standard terms and conditions applicable to title II programs. These standard terms and conditions apply to all facets of food aid provision, management, transport, and disposal and must be observed by USAID partners.

- Manage any losses in accordance with USAID Reg 11
- Prepare and submit reports on food utilisation

13.3 Calculating Resource Requirements

Calculating overall resource requirements is the responsibility of the federal Food Security Coordination Directorate. They do so on the basis of information received from woredas regarding preferences for cash or food, but also taking into consideration the cash first principle (outlined in Part 2 Chapter 4 (Public Works and Transfer Cycle, Mode of Transfer and Wage Rate)) and the resources available.

The overall formula for calculating the food resource requirements for the PSNP can be easily explained as:

$$\text{Food requirements} = \text{Number of beneficiaries} \times \text{ration rate} \times \text{duration of assistance}$$

However, actual calculation of resource is complicated by a number of factors:

- The duration of assistance varies between public works clients (including temporary direct support) and permanent direct support clients (previously known as permanent direct support). Public works clients will continue to receive 6 months of support, whereas support to permanent direct support clients has been extended to 12 months.
- A number of woredas may choose to use a combination of food and cash. For example, woredas may choose to provide transfers in cash during months when food is more readily available in the market and transfers in food during the months when food is more scarce and prices are higher.

As a result, calculating the overall resource requirements for the programme needs to consider permanent direct support clients and public works clients separately, and for each client group to factor in the number of months in which they expect to receive support in food or cash.

Once these overall resource requirements have been calculated, the federally approved PSNP annual plan needs to be disseminated to all PSNP woredas to allow them to begin the process of disbursement planning.

13.4 Disbursement planning

Disbursement planning starts at the woreda level but is consolidated at national level.

Further information on disbursement planning can also be found in the **Commodity Management Procedure Manual** produced by the Government of Ethiopia (FDRE, 2014).

13.4.1 WOREDA DISBURSEMENT PLANNING

There are two aspects of woreda level disbursement planning to be considered.

- 1) The month-by-month breakdown of food requirements for each woreda
- 2) The disbursement of these commodities by the Food Distribution Point.

Both of these aspects are best addressed through calculating requirements on a kebele-by-kebele basis.

In addition to the factors to be considered in Section 13.3 above, a third factor needs to be considered before identifying the month-by-month breakdown of food requirements.:

- The variation in transfer schedule (and public works schedule) in different woredas depending on needs. This provision is discussed further in Part 2, Chapter 5 (Livelihood-Related Analyses) but means that different woredas may choose to make public works transfers in different months based on when public works are completed and the periods when food needs are the greatest.

In order to address the two aspects of disbursement planning, the Woreda Early Warning and Response Desk/Process (EWRD/P), in consultation with the Food Security Desk/Process (FSD/P), should follow the following steps:

Step 1: Receive the following key data from the FSD/P:

- The number of public works clients and permanent direct support clients to be supported in each kebele
- The specific months of the year in which transfers are planned for public works clients
- In woredas where a combination of food and cash are anticipated, the specific months in public works clients and permanent direct support clients will receive food.

Step 2: Calculate for each month, the quantity of cereals and pulses required by kebele (ensuring that both public works and permanent direct support clients are covered and factoring which months transfers are to be provided in food, and in which months public works clients are to receive transfers). The following table may support this calculation:

Beneficiary Type	Key Questions	Cereal	Pulses
Public Works	<ul style="list-style-type: none"> • If a transfer is expected this month; Then • And if the transfers is to be in food 	Number of PW clients x 15 kg	Number of PW clients x 4 kg
Permanent Direct Support	<ul style="list-style-type: none"> • If the transfer is expected to be in food this month Then 	Number of SA clients x 15 kg	Number of SA clients x 4 kg
TOTAL		[total the above]	[total the above]

Step 2a: If the woreda has been informed that the contingency budget is to be included in food, then the contingency budget in food to be frontloaded into the first quarter of the financial year should also be calculated. See the box below for more details:

Box 13.1: Establishing a contingency budget in food

In most woredas, contingency resources will be held in cash, but where resources are held in food stocks, the equivalent of 10% of the monthly metric tonnage should be stocked and maintained for the first three quarters of the year. See the box below for an illustration of this in practice. As stocks are used they, should be replenished back to 5% of the monthly metric tonnage through requests to federal level. In the final quarter of the financial year, stocks should be allowed to fall to 5% of the monthly metric tonnage.

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Illustration of how to apply the food contingency budget

If a woreda expects to transfer 112.5 MT of cereal and 30MT of pulses in a month during the period safety net transfers are made, the a contingency of 11.25 MT of cereal and 3 MT of pulses (equivalent to 10%) should be established through funding provided by PSNP in the first quarter of the year. If some of this contingency is used, the EWRD/P reports on its use and requests a replenishment back up to the level of 11.25 MT of cereal and 3 MT pulses until the last quarter of the financial year. In the last quarter of the year, the contingency budget should be allowed to drop to 5% and therefore 5.65 MT of cereal and 1.5 MT of pulses.



Management of contingency stocks

While it is necessary to keep PSNP food and emergency food stocks separately, PSNP contingency food stocks and core transfer stocks do not need to be differentiated during storage. All PSNP resources should be managed on a 'first-in-first-out' basis to ensure that food is stored for a minimum amount of time. A 'first-in-first-out' approach combined with monthly transfers to permanent direct support clients should ensure that no food is stored for more than one month.

Step 3: On the basis of the location of programme clients, the location of food distribution points (FDPs) and the capacity of each FDP, identify which kebele will be served by which distribution point.

Step 4: Calculate for each month how much food should be supplied to each FDP point and submit to the Woreda Food Security Task Force for approval.

These disbursement plans should be submitted to the Regional Food Management Focal Point, who will consolidate all the woreda disbursement plans for submission to the Federal Food Management Unit. In all regions except Somali Region, this should be done by inputting data directly into the Commodity Allocations and Tracking System (CATS).⁵⁶ In Somali Region, data are entered in the three main hubs.



Specific provisions for NGO Woredas

In woredas supported by NGOs, NGOs will take a lead in ensuring accurate disbursement planning in liaison with the FSD/P and the EWRD. These disbursement plans will be forwarded to their regional and national offices as appropriate.

13.4.2 FEDERAL DISBURSEMENT PLANNING

The Food Management Unit will consolidate the woreda disbursement plans to create an annual food resource plan that outlines the amount of food to be delivered each month, by woreda FDP and by source of food (Government, NGO or WFP). The draft plan is submitted to the FSCD for approval and confirmation that the details conform with the anticipated food/cash split and that there are resources available to fulfil the plan.

The Food Management Unit uses this plan for two purposes:

- Procurement planning, including the need to borrow food resource from the EFSRA in the short term.
- Dispatch planning to inform the food logistics described in more detail below.

If loans are required from the EFSRA, the FMU will communicate with EFSRA the schedule of loans required and borrow the required amount of food from the EFSRA either against a guarantee of a donor in-kind contribution or any planned procurement. The FMU should copy the FSCD on all correspondence and request any required letters of guarantee from or through the FSCD.

Changes in the cash-food split can be considered during implementation but must be approved by FSCD. If a woreda suddenly faces a change in its situation that makes its decision to transfer cash to clients no longer realistic, the woreda may submit a request to the Regional Food Security to change transfers from cash to food, specifying the requested number of transfers to change and the reason why. Regional Food Security verifies this request and, if it is reasonable, submits it to FSCD. FSCD

⁵⁶ If for any reason CATS is not functional, the region should submit the data in an excel template and email to the FMU.

reviews the request and accepts it only if (i) it is reasonable, backed with sufficient evidence, and (ii) there are sufficient food resources available in the PSNP.

13.5 Food Logistics

Almost all PSNP food resources are allocated from the federal level direct to woredas. The exact process for this depends on the source of the food:

- When food is locally procured, the terms of the tender usually include the delivery of the agreed items to their final FDPs.
- When food is borrowed from the EFSRA, the EWRD organises the logistics to transport the food from the various EFSRA warehouses to the relevant FDPs.
- Food procured internationally or donated in kind is often imported to a central warehouse prior to the tendering of internal transport to the relevant FDPs.

In Somali Region, a system of Hubs and Spokes has been established to support the management and delivery of both PSNP and emergency food resources. There are four hubs in Somali Region and a further two hubs in other parts of the country supporting the dispatch of food to over 700 FDPs.

The EWRD through its Food Management Unit is responsible for managing these processes and ensuring that food stocks are available in the right amounts, at the right time and the right locations. Once the sources of food have been determined and the necessary procurement procedures completed, the FMU has the required information to allow woredas to prepare for the arrival of food. At this point, the following steps are followed:

Step 1: The FMU communicates to each woreda the planned dispatches for the following month. This communication includes what quantities of food are expected for delivery to which FDP and any deviations from the original approved Annual Food Resource Plan. This communication is also copied to the Regional Food Management Focal Point (this may be done by fax, or automatically through CATS where functional), who confirms that the woreda has received the information, and also notifies the Regional Food Security.

Step 2: The Woreda Food Management Focal Point follows up progress on the delivery with regional focal points and the federal FMU and coordinates with the EWRD/P head to ensure that woreda staff are assigned to meet the food delivery when it arrives and that the required staff, such as store keepers and managers, are present at the FDPs.

Step 3: When the transport company arrives at the distribution site, the woreda checks the amount of food delivered and its quality, and reports the date by which the full allotment arrived. Woreda warehouse operators verify that the amount received from the transporter matches their official allocation. If the correct allocation has been received, the transporter submits two receiving notes to the warehouse staff for approval and signing. If a woreda distribution site has not received the intended amount, losses are identified and immediately reported to the regional focal point, be this a Government-, WFP- or NGO-supported area.

If there are any shortfalls in the amount received, this is investigated immediately by the FMU, the Regional Focal Points and the FSCD. Section 13.5.1 details the processes for managing losses.

Step 4: Woreda warehouse staff write comments on the receiving note presented by the transporter. The transporter then submits the receiving note to the woreda. If the correct allocation is received by warehouse, the woreda EWRD/P stamps the receiving note submitted by the transporter.

One receiving note is kept by the woreda EWRD/P for their records while the other is returned to the transporter for submission to the EWRD logistics case team for payment.

Step 5: The FMU notifies FSCD when the transport company has completed the food delivery. NGOs notify FSCD when their food deliveries are complete. This includes information on the date the food arrived in the woreda distribution site and the total resources delivered. If any food has been misallocated, the FMU or NGOs notify FSCD of this and initiate an investigation. FSCD verifies this information with the Regional Food Security. If the information of the Regional Food Security differs from that of EWRD, FSCD requests Regional Food Security, the EWRD and NGOs to verify their information. If discrepancies remain, FSCD investigates.

Step 6: The transporter submits the receiving note to FMU and the EWRD logistics case team. EWRD releases the performance bond back to transport operator if the amount allocated and the amount received match. EWRD then pay the transporter only if the correct amount of food is delivered to woredas, as per the agreed schedule.

13.5.1 WHAT TO DO IN THE EVENT OF FOOD LOSSES

There can be a number of causes of food losses, such as loss during transportation, or loss because of poor handling and storage. In all cases of food loss, there is a need for a two-pronged approach:

- A process to investigate the loss, request restitution where possible and improve management to reduce the risks of loss in the future.
- Short-term efforts to make up any deficiencies to ensure that programme clients are not unfairly penalised for actions outside of their control.

The Food Management Unit (and their counterparts at regional and woreda level) is responsible for investigating any losses and for pursuing compensation from the party at fault (for example the transport company in the event of transport losses). However, the resolution of such cases can take significant time and therefore is not a suitable mechanism for making up shortfalls in the short term when resources are needed for payment.

The Food Security Coordination Directorate is responsible for ensuring that programme clients receive their entitlements. Therefore, they have the responsibility for identifying the available short-term efforts to make up deficiencies to ensure that programme clients are not unfairly penalised. If woreda contingency budgets in food are available, they may be used to cover these losses in the immediate term, with a dispatch of additional food from federal level replenishing this contingency and making up for these losses in the more medium term.



Costs of commodity losses

In order to better manage possible losses of commodity, it has been agreed that any losses due to the nature of the commodity caused by moisture and infestations will be borne by the programme, whilst any losses due to misappropriation and mismanagement (including losses in the course of transportation) will be initially be covered by the government, which will then reclaim the losses from defaulters.



Losses in woredas supported by USAID financed NGOs⁵⁷

Woredas supported by USAID NGOs have to comply with Title II, Regulation 11. This includes provisions for losses, damage or the improper use of commodities. Therefore, in woredas supported by NGOs, these regulations will be followed.

13.5.2 STORAGE AND MANAGEMENT OF FOOD

Food should be stored and managed as per the normal procedures outlined in the Commodity Management Procedure Manual. As part of this, all stores should be furnished with the following basic equipment.

Box 13.2: Basic FDP store Equipment⁵⁸

Stationary for documentation and record-keeping:	Equipment for managing commodities
<ul style="list-style-type: none"> • Filing shelf • Table and chair • Calculator • Stapler and staples • Paper hole puncher • Ruler • Box files • Pens 	<ul style="list-style-type: none"> • Sack barrow/cart • Plastic sheet • Repackaging equipment, e.g. sack needles and twine (or stitching machine), empty sacks, cartons, oil containers, adhesive tape • Sampling spears • Sieves • Weighing scales • Standard measure scoops
Equipment for cleaning and preparing the store:	Emergency equipment:
<ul style="list-style-type: none"> • Brooms • Ladder • Bucket • Rat trap • Shovels • Torch/Flashlight 	<ul style="list-style-type: none"> • First aid box • Fire extinguisher (if unavailable, ensure sufficient quantities of sand in case of fire)

These items may be procured using the PSNP administrative budget as discussed in Chapter 12 above.

13.6 Food Utilisation

Woredas normally expect to distribute food to clients within 7 days after food is delivered to woredas. The process for completing this is detailed in Part 3, Chapter 7 (Permanent Direct Support), Section 7.5, for permanent direct support clients, and Part 3, Chapter 8 (Public Works and Links to Social Services Component), Section 8.5, for public works clients.



Use of payrolls and Client Cards in food distributions

The same controls are in place for PSNP transfers regardless of whether payments are made in food or cash. This means that all payments (both cash and food) are made against a PASS-generated payroll with the cashier/distribution expert confirming that the ID number on the Client Card presented by the recipient matches the PASS ID number corresponding to the client's name and that the photo on the Client Card is a match to the person presenting the card.

⁵⁷ A full copy of "Reg 11" can be found at <http://www.usaid.gov/sites/default/files/documents/1866/Regulation%2011.pdf>.

⁵⁸ This is adapted from the Commodity Management Procedure Manual but also includes standard measure scoops for all FDPs to assist in the measuring out of the correct rations.

13.7 Reporting on Food Utilisation

Reporting on food utilisation is a key aspect of food management, with reports flowing from FDPs to woredas, from woredas to regions, and from region to federal level including Development Partners. These reporting responsibilities are outlined below:

FDPs. FDPs prepare a Monthly Commodity Receipts Report for each month when a delivery was received. This report confirms the quantities dispatched that were received at the FDP, any commodities that were lost while in the care of a specific truck driver, and any commodities that were damaged while in the care of a specific storekeeper. FDPs also prepare a food utilisation report.

Woredas. Based on FDP Monthly Stock Status Reports and monthly payrolls, the EWRD/P prepares the Woreda Monthly Stock and Distribution Report which, for each FDP, confirms the opening stock, the commodities received, commodities dispatched, commodities distributed, and any losses that have occurred.

Furthermore, if any of the food contingency budget has been used, a request for replenishment should be submitted as indicated in Box 13.1: Establishing a contingency budget in food, above.

Regions. The Food Management Focal Point creates an electronic version of the compiled Woreda monthly reports by entering the data in CATS (except in Somali region where data entry does not happen at regional level but in the three main hubs).

Federal. The Food Management Unit compiles this information and produces a quarterly consolidated commodity flow status report within 60 days of the end of each quarter. This report is shared with Development Partners for their review and comment. **The submission of this quarterly consolidated commodity flow status report is a legal covenant and has the same importance as the submission of quarterly IFRs.**



Monthly reporting on food utilisation in Somali region

The hubs and spokes operation requires monthly food utilisation reporting to WFP to enable them to dispatch subsequent months of food. The federal FMU prepares this report and submits it to WFP by the 8th of each month.



Reporting for woredas supported by USAID financed NGOs

Reporting in woredas supported by USAID-financed NGOs is the responsibility of NGOs. USAID-supported NGOs use the Quarterly Web Interface Commodity Reporting system (QWICR) to report on commodity receipts, handling, storage and distribution status. The use of QWICR is complemented by narrative reporting to USAID. USAID will compile a consolidated report for all NGO-supported woredas and submit to the Food Management Unit for inclusion in the overall commodity flow status report.

CHAPTER 14 PROCUREMENT

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14.1 Introduction

The implementation of the PSNP entails procurement of a variety of goods, works and services. The PSNP Procurement Manual provides guidance on procurement planning, implementation and reporting, and are the source of detailed guidance for PSNP procurement management. The guidelines are summarised in this chapter but should be consulted directly by implementers on a regular basis.

14.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

- Revisions to thresholds for different procurement mechanisms and prior review, including:
 - Raising of the International Competitive Bidding (ICB) threshold for works from \$5,000,000 to \$10,000,000 for federal implementing agencies, and for goods and non-consulting services from \$500,000 to \$1,000,000
 - Raising of the shopping threshold for works from \$50,000 to \$200,000, and for goods and non-consulting services from \$50,000 to \$100,000
 - Raising of prior review threshold for works to \$7,000,000 from \$5,000,000
 - Introduction of provisions allowing direct contracting up to \$5,000 with head of agency approval
 - Introduction of separate prior review threshold and maximum shortlisting value for engineering and construction supervision consultancy contracts
- Introduction of dedicated PSNP procurement staff within the Woreda Agriculture Office (WAO) at the woreda level
- Updating of procurement responsibilities to incorporate new implementing agencies and integrate livelihoods procurement into the overall PSNP procurement plan

14.2 Scope of Procurement

The implementation of the PSNP entails procurement of a variety of goods, works and services. These include:

- **Goods:** food grains and pulses, vehicles, office furniture and equipment, generators, IT equipment, construction materials for public works, agricultural inputs, etc.
- **Small works:** semi-skilled labour for the construction of farmer training centres, school rooms, road crossings, rural water supply facilities, etc.
- **Non-consulting services:** transport, etc.
- **Consulting services:** technical assistance, studies, reviews, project audits, impact evaluations, public work reviews, etc.
- **Training and workshops:** various trainings and workshops at different levels

14.3 The Procurement Plan

For each contract to be financed by IDA Credit, the different procurement methods or consultant selection methods, the need for pre-qualification, estimated costs, prior review requirements, and time frame, are agreed between the Implementing Agency and the World Bank in the Procurement Plan.

The procurement plan is a legal document used for timely initiation, monitoring and reporting of procurement activities at all levels. No procurement should be initiated prior to the approval of the procurement plan, nor should any items be procured that are not included in the approved procurement plan. The procurement plan must follow the standard format, which is mandatory to be used at federal and regional levels, while a simplified procurement planning format can be used at woreda levels. Procurement planning formats are provided in the Procurement Manual.

The Procurement Plan is updated at least annually, or as required to reflect actual programme implementation needs and improvements in institutional capacity. The federal and regional procurement plans and regular updates are reviewed and approved by the World Bank.

14.4 Principles of Good Procurement

Procurement under the PSNP must be carried out with due regard to economy, efficiency, effectiveness, transparency and the need to ensure fair competition.

IDA's Articles of Agreement set out the principles on which IDA's procurement requirements are based:

- That arrangements shall ensure that the proceeds of any financing under this project are used only for the purposes for which the financing was provided, with due attention to considerations of economy, efficiency and competitive international trade and without regard to political or other non-economic influences or considerations; and
- Funds provided under this project will be made available to the recipient only to meet expenses in connection with the PSNP as they are actually incurred.

Implementing agencies at all levels, as well as contractors, suppliers, and consultants, must observe the highest standards of ethics during procurement and execution of contracts financed under the PSNP.

14.5 Procurement Processes and Procedures

PSNP procurement procedures are designed to ensure transparency of the procurement process through a variety of methods depending on the size of the procurement and on what is being procured (works, goods, non-consulting services or consulting services). The table below provides ceiling amounts and procedures for shopping, National Competitive Bidding and International Competitive Bidding, and presents World Bank review requirements for bidding as well as direct contracting.

14.5.1 PROCUREMENT GUIDELINES

Procurement for PSNP 4, under the IDA credit as well as the pooled funds from DP contributions, will be carried out in accordance with the World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated January 2011; and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated January 2011, "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants, (the Anti-Corruption Guidelines)" dated October 15, 2006 and revised in January 2011, and the provisions stipulated in the Legal Agreement.

The PSNP Procurement Manual is based on the World Bank's Procurement and Consultant Guidelines.

14.5.2 PROCUREMENT OF GOODS, WORKS AND NON-CONSULTING SERVICES

PSNP procurement methods will vary depending on the nature and size of the procurement. The agreed methods of procurement for goods, works and non-consulting services are: International Competitive Bidding, National Competitive Bidding, shopping, limited international bidding, direct contracting, procurement from UN agencies, and community participation. The procurement of works and goods through ICB contracts, which is done only at the federal level, will use the World Bank's Standard Bidding Documents, while procurement for NCB contracts will follow standard

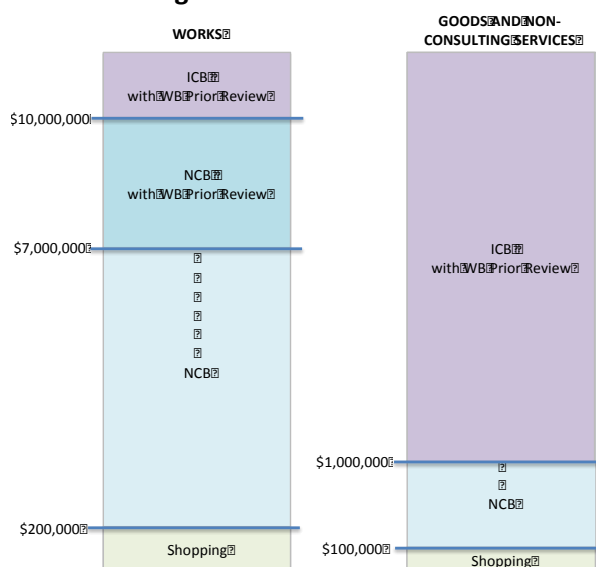
Government procedures and use Federal Standard Bidding Documents agreed with or satisfactory to the World Bank, with the few exceptions provided under Section 14.5.6.

Table 14.1: Procurement thresholds for works, goods and non-consulting services

Procurement method	Estimated value			Standard Bidding Documents
	Works	Goods	Non-consulting services	
ICB	\$10,000,000 and above	\$1,000,000 and above	\$1,000,000 and above	Use WB Standard Bidding document and prequalification document
Prior review threshold	\$7,000,000 and above	\$1,000,000 and above	\$1,000,000 and above	
NCB	Between \$200,000 and \$10,000,000 (with prior review above \$7,000,000)	Between \$100,000 and \$1,000,000	Between \$100,000 and \$1,000,000	Use Federal Government's Standard Bidding Document with few exceptions
Shopping	Below \$200,000	Below \$100,000	Below \$100,000	Use the RFQ Document provided in the Procurement Manual
Limited International Bidding	Can only be used on an exceptional basis, when there are only a limited number of known suppliers worldwide			
Direct Contracting	Under \$5,000: Internal Government Review (Heads of Agencies) \$5,000 and above: World Bank Prior Review			
Community Participation in Procurement	Procurement to be effected through participation of communities.			

- International Competitive Bidding:** Contract packages for works estimated to cost US\$10 million equivalent per contract and above, and contract packages for goods estimated to cost US\$1 million equivalent per contract and above will be procured through ICB procedures.
- National Competitive Bidding:** Works contracts estimated to cost less than US\$10 million equivalent per contract and goods contracts estimated to cost less than US\$1 million equivalent per contract would be procured through NCB procedures. Works contracts between US\$7 and 10 million will be subject to World Bank prior review.
- Shopping:** Small works contracts estimated to cost less than US\$200,000 per contract and goods contracts estimated to cost less than US\$100,000 per contract may be procured through Shopping procedures by comparing prices for quotations received from at least three (3) reliable contractors or suppliers. In such cases, request for quotations shall be made in writing and shall indicate the description, scope of the works, the time required for completion of the works and the payment terms. All quotations received shall be opened at the same time. As a general rule, a qualified supplier who offers

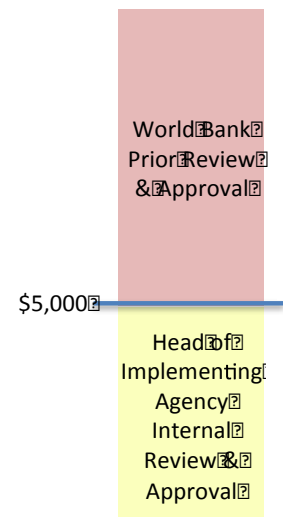
Figure 16: Thresholds for procurement methods of works and goods



goods or materials that meet the specifications at the lowest price shall be recommended for award of the contract.

- **Limited International Bidding (LIB)** for goods may exceptionally be used when there are only a limited number of known suppliers worldwide.
- **Direct contracting** can be used when it is considered beneficial to the programme. In PSNP there may be circumstances which justify direct contracting by implementing agencies, where there is only a single supplier, labour contractor or service provider for the provision of small value goods, works and services. For such contracts which fall below an estimated cost of US\$5,000, the implementing agencies can undertake direct contracting but have to provide detailed justifications underlying the selection of such a procurement method and have to obtain approval from the head of the implementing agencies at all levels as per the procedures provided in the Procurement Directives of the Federal Government and the respective Regions. Documentations of the justifications provided and the approval by the head of agencies shall be maintained for review by Bank staff or consultants during post procurement reviews and independent procurement audits. Direct contracting below US\$5,000 will require internal government review and approval, while US\$5,000 and above will require World Bank review and approval.

Figure 17: Direct Contracting Reviews



Procurement of food grain. Alternative methods of procurement, such as use of prequalified suppliers for a specified period or use of framework contracts, will be explored. Government will identify the best strategy to be adopted and agree with the Bank. Prequalification of suppliers if required will be completed before June 2015.

The Government can procure food grains from local markets through agreed procurement procedures and provided that there is food grain surplus and adequate capacity for the supply of food grain in the local market.

Procurement of agricultural inputs. Due to the structure of the agricultural inputs market in Ethiopia – where government-owned enterprises and farmer unions and cooperatives are often the only suppliers of improved seeds and fertilisers – procurement of improved seeds and fertilisers through a competitive process may not be feasible at the local level where it is needed under the project. Hence, the procurement of improved seeds and fertilisers under PSNP shall be carried out through direct contracting from cooperatives or unions, or through shopping procedure whenever possible.

Procurement of non-consulting services. Depending on the nature of the services, procurement of non-consulting services, such as transport, will follow procurement procedures similar to those stipulated for the procurement of goods. NCB procedures acceptable to the World Bank would be used for contracts above an estimated monetary amount of US\$100,000. Contracts valued at less than US\$100,000 equivalent shall use Shopping procedures in accordance with the provisions of paragraph 3.5 of the Bank’s Procurement Guidelines. For procurement of non-consulting services between US\$100,000 and \$1,000,000, the World Bank’s standard bidding documents shall be used. , Procurement of non-consulting services above \$1,000,000 shall follow World Bank Standard Bidding Documents for the procurement of non-consulting services.

14.5.3 SELECTION OF CONSULTANTS

The project will make use of consultant services for technical assistance, capacity building activities, studies, and annual financial, procurement, commodity and roving audits of project activities. World Bank prior review thresholds for consultants are indicated in Table 14.2 below.

Table 14.2: Prior Review Thresholds for Consultants

Type of consultant	Prior Review Threshold	National Shortlist Max Value
Consultants (firms)	\$200,000 and above	Below \$200,000
Consultants (engineering & works supervision)	\$300,000 and above	Below \$300,000
Consultants (individuals)	\$100,000 and above	N/A

All consultancy services for the selection and employment of procurement and legal consultants, regardless of the contract amount, shall be subject to World Bank's prior review. TORs for all contracts shall be cleared by the World Bank.

14.5.3.1 Selection of consultants (firms)

The agreed methods of procurement for consultants are:

- Contracts above US\$200,000 will be awarded through the use of the **Quality and Cost-Based Selection (QCBS)** method described under Section 2 of the World Bank Consultant Guidelines. Most consultancy contracts with firms will use this approach.
- Consulting Services for audit and other contracts of a standard or routine nature may be procured under the **Least Cost Selection method (LCS)** described under Section 3.6 of World Bank Consultant Guidelines.
- **Single Source Selection (SSS)** of consulting firms or individuals would be applied only in exceptional cases if it presents a clear advantage over competition when selection through a competitive process is not practicable or appropriate. SSS would be made on the basis of strong justifications and upon World Bank's concurrence to the grounds supporting such justification.
- Consulting services of small assignments may be procured through the **Selection Based on the Consultants' Qualifications (CQS)** method.
- For engineering & works supervision, shortlists of consultants for services estimated to cost less than US\$300,000 equivalent per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

14.5.3.2 Selection of individual consultants

Individual consultants will be selected on the basis of their qualifications by comparison of CVs of at least three candidates from those expressing interest in the assignment or those approached directly by the Implementing Agency in accordance with the provision of Section V of the Consultant Guidelines. The selection of individual consultants will normally be subject to post review. Prior review will be done in exceptional cases only, e.g., when hiring consultants for long-term technical assistance or advisory services for the duration of the project, and prior review of these contracts will be identified in the procurement plan.

14.5.4 OPERATING COSTS

Incremental operating costs include expenditures for maintaining equipment and vehicles; fuel; office supplies; utilities; consumables; workshop venues and materials; and per diems, travel costs, and accommodation for staff when travelling on duty during implementation of the PSNP, but excluding salaries of civil/public servants. These will be procured using the Government's administrative procedures, acceptable to the World Bank. Operating expenditures are neither

subject to the Procurement and Consultant Guidelines nor to prior or post reviews. Operating expenditures are verified by Task Team Leaders and Financial Management Specialists.

14.5.5 TRAINING AND WORKSHOPS

The PSNP will fund training activities, including capacity building. The PSNP training plan shall be organised at federal and regional levels and shall be approved by the World Bank. The training plans would include details on the following:

- Type of training to be provided
- Number of participants to be trained
- Duration of training, and estimated cost
- Institutions selected based on their expertise
- Expected learning outcomes

Training and workshops shall be prior reviewed as a part of the annual workplans of the programme.

14.5.6 STANDARD BIDDING DOCUMENTS

The World Bank's **Standard Bidding Documents (SBDs)** will be used for all tenders for procurement of goods and works under ICB. The World Bank's **Standard Request for Proposals (SRFP)** will be used for selection and employment of consultants under the project. In addition, the implementing agencies will use **Standard Bid Evaluation Form** for the procurement of goods and works for ICB contracts, and **Sample Form of Evaluation Report** for selection and employment of Consultants.

National/Standard Bidding Documents acceptable to the World Bank may be used for procurement of goods, works and non-consulting services under NCB procedures, subject to the exceptions indicated below. Alternatively, the World Bank's SBDs could be used with appropriate modifications. The implementing agency may use the World Bank's Sample Form of Evaluation Report for procurement of goods and works for NCB contracts.

Exceptions from the use of National Standard Bidding Documents for procurement of goods, works and non-consulting services are as follows:

- The introduction of requirements for bidders to sign an Anti-Bribery pledge and/or statement of undertaking to observe Ethiopian Law against fraud and corruption and other forms that ought to be completed and signed by him/her may be included in bidding documents if the arrangements governing such undertakings are acceptable to the Association.
- If pre-qualification is used, the World Bank's standard prequalification document shall be used.
- No margin of preference shall be granted in bid evaluation on the basis of bidder's nationality, origin of goods or services, and/or preferential programs such as but not limited to small and medium enterprises.
- Mandatory registration in a supplier list shall not be used to assess bidders' qualifications. A foreign bidder shall not be required to register as a condition for submitting its bid and if recommended for contract award shall be given a reasonable opportunity to register with the reasonable cooperation of the Government of Ethiopia, prior to contract signing. Invitations to bids shall be advertised in at least one newspaper of national circulation or the official gazette or on a widely used website or electronic portal with free national and international access.
- Bidders shall be given a minimum of thirty (30) days to submit bids from the date of availability of the bidding documents.
- All bidding for goods shall be carried out through a one-envelope procedure.

- Evaluation of bids shall be made in strict adherence to the evaluation criteria specified in the bidding documents. Evaluation criteria other than price shall be quantified in monetary terms. Merit points shall not be used, and no minimum point or percentage value shall be assigned to the significance of price, in bid evaluation.
- The results of evaluation and award of contract shall be made public. All bids shall not be rejected and the procurement process shall not be cancelled, a failure of bidding declared, or new bids shall not be solicited, without the Bank's prior written concurrence. No bids shall be rejected on the basis of comparison with the cost estimates without the Bank's prior written concurrence
- In accordance with para.1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (1) the bidders, suppliers, contractors and subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the World Bank, at its request, to inspect all accounts, records and documents relating to the bid submission and performance of the contract, and to have them audited by auditors appointed by the Association; and (2) Acts intended to materially impede the exercise of the World Bank's audit and inspection rights constitutes an obstructive practice as defined in paragraph 1.16 a (v) of the Procurement Guidelines.

14.5.7 MARGIN OF PREFERENCE FOR GOODS AND WORKS

In accordance with paragraphs 2.55 and 2.56 of the World Bank Procurement Guidelines, the Government of Ethiopia may grant a margin of preference of 15% in the evaluation of bids under ICB procedures to bids offering certain goods produced in Ethiopia when compared to bids offering such goods produced elsewhere. Similarly, the Government of Ethiopia may grant a margin of preference of 7.5% in the evaluation of bids under ICB procedure to domestic contractors.

14.6 Management of Procurement

Procurement will be required at all levels. Procurement will be carried out by WOFED at the woreda level, by BOAs or Food Security offices and line regional PSNP implementing agencies at the regional level, and by FSCD, NRMD, AED, MOFED, FEMSEDA, TVET, FCA and MOLSA at the federal level.

Planning and timely disbursement of funds are critical to successful procurement processes. Procurement plans should be submitted annually and updated as need arises. Funds for procurement activities should be released once at the beginning of the fiscal year.

14.6.1 PROCUREMENT AT WOREDA LEVEL

WOFED is responsible for procurement at the woreda level. Each woreda shall have a dedicated procurement staff member for PSNP within WAO who is responsible for PSNP procurement, including planning, initiation and preparation of procurement documents, follow-up of procurement requests, and keeping records.

Preparation of the Procurement Plan at woreda level, which is primarily the responsibility of WAO, is the crucial first step of the procurement process. All goods and services required for implementation of public works and livelihoods are identified by the DA and technical specialists as part of the technical appraisal of public works projects and livelihoods activities during the formulation of the Woreda Safety Net Plan in April. These procurement requirements are consolidated, along with any woreda level procurement requirements for the overall implementation of the PSNP, based on an analysis of capacity gaps, into the Woreda Safety Net procurement plan. These procurement plans (which include training plans approved by the WFSTF) shall be submitted annually and updated as need arises.

Woredas shall use the shopping method of procurement. This procurement is for 1) readily available off-the-shelf goods, 2) standard specification items of small value, or 3) simple civil works of small value, when more competitive methods are not justified on the basis of cost and efficiency in accordance with the provisions of paragraph 3.5 of the Procurement Guidelines.

Some products will be available at the woreda level, for instance small office equipment and supplies, and sundry items for public works and livelihoods. In many cases the quantities of goods and services required to implement public works across the woreda will not be available locally at a competitive price or in an adequate quality or quantity to meet woreda procurement requirements. In these cases, procurement requests will be passed to the Regional Bureau of Agriculture (BOA)/Regional Food Security for procurement on behalf of the woreda.

The table below outlines procurement processes and responsibilities for each step at the woreda level.

Table 14.3: Woreda Procurement Processes and Responsibilities

Step	Activity	Responsibility
1	Identification of items to be procured	Development Agents/other staff
2	Preparation of Procurement Plan	PSNP Procurement Expert (WAO)
3	Approval of Procurement Plan	WFSTF
4	Preparation of bidding documents/RFQ	PSNP Procurement Expert (WAO)
5	Approval of bidding documents/RFQ	Woreda Tender Committee
6	Bid/proposal opening & Evaluation	Woreda Tender Committee
7	Approval of evaluation reports/price comparison report	Head of WOFED/Process Owner*
8	Preparation of contract document	PSNP Procurement Expert (WAO)
9	Contract award/signature	Head of WOFED/Process Owner*

*Will vary by woreda depending on structure

14.6.2 PROCUREMENT AT REGIONAL LEVEL

The procurement section of the BOA is responsible for the compilation of the PSNP procurement plan at regional level, while responsibility for procurement itself rests within each implementing agency. As part of the planning process, the Food Security Core Process collects the procurement plans for all woredas in May, as well as any procurement requests from the regional departments implementing the PSNP, and reviews these requests, together with the justification provided. If properly justified, these requests are consolidated into a regional procurement plan, while details the procuring entity for each line item. The Food Security Core Process then prepares the regional procurement plan using the World Bank's standard planning format and submits it to the FSCD at the end of May.

The procurement section of each PSNP implementing agency at regional level is responsible for procurement of goods and services for its own activities. The Regional Procurement Officers provide technical assistance to the procurement planning process and supervise the procurement activities.

To ensure efficient procurement by the regional government, the BOA and other agencies consolidate procurement requests from different woredas into packages to allow competitive pricing through bulk supply.

Table 14.4: Regional Procurement Processes and Responsibilities

Step	Activity	Responsibility
1	Preparation of Procurement Plan	PSNP Procurement Coordinators (BOA)
2	Approval of Procurement Plan	Head/Process Owner
3	Preparation of bidding documents/RFPs	PSNP Procurement Coordinators (BOA)
4	Approval of bidding documents/RFPs	Tender Committee
5	Bid/proposal opening & Evaluation	Tender Committee
6	Approval of evaluation reports	Head/Process Owner of Implementing Agency
7	Preparation of contract document	PSNP Procurement Coordinators (BOA)
8	Contract award/signature	Head/Process Owner of Implementing Agency

14.6.3 PROCUREMENT AT FEDERAL LEVEL

Procurement at the federal level is based on the Federal PSNP Annual Plan. The FSCD is responsible for the preparation and consolidation of this plan, and the procurement itself is carried out by each PSNP implementing agency (unless FSCD is requested to carry out the procurement on their behalf).

FSCD develops a consolidated procurement plan based on an assessment of capacity building requirements at the federal level carried out by each implementing agency, as well as food procurement requirements. The procurement plan also includes items that the regions have requested that the federal level procure on their behalf. The FSCD then forwards this plan to the World Bank for approval in July.

Each implementing agency then procures the goods and services listed in the procurement plan in line with the procurement procedures detailed below. The steps of these processes are as follows:

Table 14.5: Federal Procurement Processes and Responsibilities

Step	Activity	Responsibility
1	Preparation of Procurement Plan	PSNP Procurement Coordinator (FSCD)
2	Approval of Procurement Plan	Director, FSCD
3	Preparation of bidding documents/RFPs	PSNP Procurement Coordinator (FSCD)
4	Approval of bidding documents/RFPs	Director, FSCD
5	Bid/proposal opening	Bid Opening Committee
6	Bid/proposal evaluation	Bid Evaluation Committee
7	Approval of evaluation reports	FSCD Director/DRMFSS State Minister/Heads of other implementing agencies
8	Preparation of contract document	PSNP Procurement Coordinator (FSCD)
9	Contract award/signature	FSCD Director/DRMFSS State Minister/Heads of other implementing agencies

14.6.4 RECORD KEEPING

The project coordination units at all levels are responsible for proper record keeping and filing of procurement records for ease of retrieval of procurement information. All implementing agencies at federal level, at regional level, and at woreda level are responsible for keeping procurement records in an organised manner and in a secure place. Other implementing agencies keep their own procurement records. The procurement units at all levels should be provided with required number of facilities for proper record-keeping.

Each contract shall have its own file and should contain all documents on the procurement process in accordance with the requirements and as described in the National Procurement Law. The mandatory lists of records to be kept are provided in the Procurement manual.

14.6.5 MONITORING AND EVALUATION OF PROCUREMENT PERFORMANCE

Federal and regional procurement coordinators are responsible for monitoring and supervising PSNP procurement. The FSCD consolidates and prepares the procurement performance report for regional and federal level activities and submits on quarterly basis to the World Bank, using the format provided in the Procurement Manual.

The Government shall select and appoint a procurement auditor, acceptable to the World Bank, to carry out an annual independent procurement audit of the project. The Government shall submit the report to World Bank annually sixty days after the end of the fiscal year for its consideration.

World Bank staff or consultants selected by the Bank carry out semi-annual supervision missions to conduct field visits, of which at least one mission will involve post review of procurement actions. During such missions, PSNP Procurement Coordinators/Experts are responsible for availing the procurement plan, contract register, all procurement documents, and the procurement implementation status report to the mission.

CHAPTER 15 PHYSICAL RESOURCE MANAGEMENT

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15.1 Introduction

Under the PSNP, physical resource management includes:

- Overall management of assets (procedures and rules)
- Management of vehicles and motorcycles, including pooling strategies and maintenance plans
- Management of drivers, including traffic safety management
- Management of office buildings and equipment, including IT equipment

15.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

This is a new chapter.

15.2 Oversight of Physical Resource Management

15.2.1 RESPONSIBLE INSTITUTIONS

At the woreda level, the institutions responsible for physical resource management coordination and system development are the Woreda administration, the WAO/Food Security, WOFED, and the Woreda Trade/Transport and Industry office.

Each PSNP implementing agency is responsible for managing its own physical resources.

15.2.2 POLICIES AND GUIDELINES

The GOE policies, directives and guidelines that govern physical resource management are the Government-Owned Fixed Asset Management Manual (GOFAMM), the MOFED Vehicle Utilisation and Management Directive, the Ethiopian Transport Authority, and this PSNP PIM.

15.3 Components of Physical Resource Management

15.3.1 OVERALL MANAGEMENT OF ASSETS

Proper asset management is critical in order to avoid damage to property. The main tasks related to asset management are as follows:

- Planning for vehicle/equipment/tool needs (covered under Part 2, Chapter 6 Annual Planning))
- Procurement and acquisition of vehicles and equipment (covered under Chapter 14 (Procurement))
- Effective operations and maintenance
- Assessment and revaluing of assets
- Disposal of vehicles and equipment
- Lifecycle management—follow up of assets from the date of procurement up to the final date of discarding and final auditing

The last four bullet points above are covered under this chapter.

The role of the unit responsible for property management in each agency is to:

- Make sure that ownership certificates are up to date
- Update the PSNP fixed assets register and subsidiary records
- Undertake PSNP annual physical count of fixed assets and reconcile
- Calculate depreciation on all fixed assets
- Prepare the Annual Summary Schedule of fixed assets and report
- Communicate with the government property administration

- Compile directives and techniques of valuation
- Ensure that all fixed assets in use by PSNP implementers are put to use through the fixed asset management system
- Ensure that the unit's staff members are receiving the appropriate training

15.3.2 ASSESSMENT AND VALUING OF ASSETS

15.3.2.1 Asset mapping

Asset mapping is the process of keeping; identifying; labeling; recording; separating new, used, damaged, discard-able items in a stock, outside of the warehouse (where it is damped), or on site; to enable resource management decisions.

15.3.2.2 Assessment and revaluing of assets

Valuing is restating the amount of value that an asset can have in the market if assumed to be sold or purchased at current market price. This process includes the following considerations, e.g. for a vehicle: amount paid to purchase it, Value Added Tax paid, amount paid to the supplier, custom duty paid, transportation of the vehicle from the supplier, title transfer cost paid to the Ministry of Transport, and other costs necessary to put the vehicle in to use. In addition, the engine can be capitalised (added to the current cost of the asset). Likewise, similar overhauls that either increase the asset's operating capacity or enable it to serve for a longer life than the original estimate are capitalised.

15.3.3 DISPOSAL OF VEHICLES AND ASSETS

The Government-Owned Fixed Asset Management Manual details the full procedures to be followed in the disposal of vehicles and other assets. Some of the key information is summarized below, but the full procedures should be read and followed when disposal is being considered.

Assets should be disposed of when:

- They have suffered extensive un-repairable damage, or need cost-prohibitive repairs
- The vehicle attains the stipulated mileage or years for disposal
- The vehicle is no longer economically sustainable
- The vehicle or other property is no longer required
- The property can no longer maintained
- The usability of the property decreases and becomes obsolete
- The property owner cannot be easily identified

There are three main methods for the disposal of assets:

- Through transferring to other government organizations
- Through an official bid announcement to the public
- Discarding the property if the property is assumed to be scrap and no longer useful

A committee should be formed to oversee any disposal of assets and particular attention needs to be paid to ensuring adequate record-keeping, the following of accounting procedures and the management of any income generated through disposal.

15.3.4 MANAGEMENT AND MAINTENANCE OF OFFICE AND IT EQUIPMENT

IT management is a critically important part of asset management. Installing and updating anti-virus software frequently is important.

15.3.5 VEHICLE AND DRIVER MANAGEMENT

Woredas are responsible for the following aspects of vehicle management: assigning, registering and renewing; maintenance/servicing; fuel supply; spare parts and tire supply; pooling; insurance coverage; and discarding and replacement.

In particular, supervisors are responsible for:

- Managing vehicles, including assigning vehicles, ensuring regular vehicle preventive maintenance, and making recommendations for disposal of vehicles.
- Ensuring that drivers know all rules and regulations
- Maintaining files, data and information about all vehicles and drivers
- Ensuring implementation of MOFED guideline

15.3.5.1 Driver management

Drivers must follow traffic safety procedures. Driver supervisors should enforce good driving through:

- Carrying out unexpected and random checking
- Enforcing seat belt policy
- Enforcing mobile phone policy
- Enforcing drug policy

15.3.5.2 Vehicle record-keeping

Vehicle utilisation information should include distances travelled, destinations reached, distance travelled by vehicle showing official mileage, fuel consumption per vehicle, repair and maintenance per vehicle, rate of consumption of spare parts, and servicing planned and completed. The vehicle logbook and mileage should be recorded every day.

An independent file should be kept for each vehicle that includes:

1. Vehicle/equipment description
2. Owner
3. Address Number
4. Unit Number
5. Serial Number: Serial Number is a required field depending on processing options.
6. Item Number: Inventory Item Number is a required field depending on processing options.
7. Product Model
8. Bin cards
9. User cards
10. Product Family
11. Parts List Number
12. Date Acquired
13. Contract Date: The system date is the default value for the date fields.
14. Vehicle/Equipment Status
15. Costs

15.3.5.3 Vehicle pooling system

The vehicle pooling system serves a variety of purposes:

- Helps to manage vehicles and equipment centrally, through one management system
- Minimises resource mis-utilisation
- Enables a central schedule, plan and control
- Creates vehicle access for all departments
- Enables a single driver and vehicle to serve multiple users

- Creates the possibility of keeping records centrally (information database of all vehicles).

Pooling of vehicles is required for all PSNP staff members, with the exception of senior management. However, PSNP vehicles and motorcycles should **not** be used by personnel who are not working on the PSNP.

15.3.5.4 Vehicle maintenance

Vehicle maintenance is critical to keeping PSNP vehicles and motorbikes road worthy and technically reliable, and to reduce running costs, so that they can serve the PSNP for a long time. Managers should maximise preventive/scheduled maintenance and minimise unscheduled maintenance to the extent possible. A wall chart shows annual/monthly or quarter schedule, along with schedule stickers posted on the side door of vehicle, should be used, and someone should be assigned responsibility for follow up.

PSNP IV Programme Implementation Manual

Part 5: Systems Building and Capacity

Version 1.0

December 2014

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CHAPTER 16 SYSTEMS BUILDING AND CAPACITY

16.1 Introduction

PSNP 4 will evolve from an independent programme to become a central part of broader system that delivers social protection, disaster risk management, nutrition and Climate-Resilient Green Economy policy objectives under the overall framework of the GTP.

At the heart of the PSNP 4 is the shift to a **systems approach**. A systems approach involves the use of common administrative mechanisms and tools to reduce policy, institutional and budgetary fragmentation. Under the social protection and DRM system, a minimum suite of services for vulnerable households will be developed with clear linkages and roles for multiple implementers under unified planning and coordination structures with clear roles and responsibilities.. Ultimately, those agencies serving the same clients should use a common set of tools, instruments and approaches to ensure maximum impact and cost effectiveness. The tools and instruments will be designed, tested and scaled up under six priority areas: Targeting; MIS; Disaster Risk Management; Planning, Coordination and Governance; Social Accountability; and Capacity Development.

In support of the overall systems building approach, a capacity development strategy has recently been commissioned, which will identify the key areas where capacity needs to be built and an elaboration of this capacity will be developed. Once the capacity development strategy has been developed, this chapter will detail some of the key minimum standards that are expected to support implementation of the PSNP and other relevant sections of the PIM will be updated. These include standards for staffing and equipment. It is anticipated that this strategy will build on the current MOLSA capacity needs assessment.

A clear and prioritized Capacity Action Plan is an early priority for the next phase. This action plan will form one key component in the overall systems development approach to be monitored at the highest levels of the institutional framework.

At present, this chapter includes placeholders for the systems and capacity development information along with highlighting the capacity development component. The capacity development section below describes briefly what the capacity development component entails and what is expected from the capacity development strategy currently being contracted.

16.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

- A brief overview of the tools and instruments under development to support system building
- A brief initial description of the new capacity development component.

16.2 Systems Development – Key Tools and Instruments

The systems approach is supported by the development of a number of tools and instruments as noted above. These include:

- 1) Targeting (programme entry and exit)
 - Develop and pilot a food insecurity/poverty index to add value to the primary community targeting mechanism

- 2) Management Information System/Single Registry/PASS
 - Design an integrated MIS that interfaces with other systems with a Unified Single Registry as a key component
 - PASS will be rolled out to Somali and Afar regions as well as non-PSNP woredas
- 3) Disaster Risk Management System
 - Support a single Continuum of Response with one process for assessment, planning and response to shocks including a harmonised EWS with clear triggers for action
- 4) Planning, coordination and governance
 - Harmonise planning and strengthen coordination amongst all service delivery Ministries
- 5) Social accountability
 - Implement strengthened social accountability and grievance redress mechanisms
- 6) Capacity development
 - Implement a comprehensive national Capacity Development Strategy and Action Plan explicitly linked the overall systems development approach and the accompanying tools

MOLSA has a key role in the development of the system tools and instruments and thus are also a priority for capacity development support. They will share primary oversight responsibilities with MoA on the development and implementation of the system tools with roles and responsibilities for each tool to be clearly spelt out during their further development.

16.3 Minimum Standards for Key Capacities

The capacity development strategy will set the key staffing standards and equipment needs of the programme. This section of the Programme Implementation Manual will be developed once this strategy has been prepared. Minimum standards for financial management have already been developed (see Annex 16.1).

16.4 Capacity Development Component

A new capacity development component of the PSNP is currently under development. The component will focus on the following three types of capacity development:

- **Individual:** technical and functional skills
- **Organisational:** staffing of implementing agencies and coordination units, physical resources to implement the programme (excluding public works tools), systems, processes and tools to manage and implement the programme, including roles, responsibilities and accountabilities of implementing agencies, and performance management and other motivational measures to reduce staff turnover
- **Enabling environment:** task forces, committees and engagement of stakeholders relevant to, but not directly implementing, the programme, and policies and strategies to enable the programme to operate

A National Capacity Development Support (Unit) Facility⁵⁹ will support the implementation of the capacity development strategy at federal, regional, zonal, woreda and kebele levels.

Existing Capacity Development Technical Advisory Committees (CDTACs) will be expanded from their current presence in Amhara, Tigray, Oromiya and SNNP to also cover Somali and Afar regions, with a

⁵⁹ This is a new facility which will be staffed with trained capacity development professionals specialised in adult learning methodologies, organisational management, and systems development.

mandate to hold all jurisdictions accountable and responsible for the effective use of capacity development budgets. In Harari and Dire Dawa capacity development taskforces will be established to fulfil this function. These bodies (CDTACs and Taskforces) will be developed with support from the Federal Capacity Development Support Facility. Regional champion facilitator resources will be maximised to effectively facilitate training programmes.

The CDTACs will help outline capacity development priorities in the Regional Capacity Development Action Plans. These priorities should address critical needs in a strategic manner and might vary from region to region. However, especially during the first years of program implementation, they are expected to include:

- **Capacity development of agencies implementing** the new activities at regional, woreda and kebele levels (e.g. food security; early warning; natural resources; extension services; labour and social affairs; finance; micro and small enterprise; cooperatives; women, children and youth affairs; livestock; TVETs and health sectors).
- **Capacity development to manage significant changes planned for the PSNP 4.** Changes that will require significant capacity development include gradual geographic expansion into new implementation areas, transition to a system of integrated service delivery, a shift in public works and transfer scheduling to better match local needs, etc.
- **Capacity development for strengthened monitoring and evaluation,** particularly for improved data collection and compilation at the kebele and woreda levels.
- **Capacity development for better implementation of gender provisions,** as outlined in the Gender Action Plan (see Appendix).
- **Capacity development in lowland areas.** Given the unique and often challenging environment in pastoral and lowland areas, special attention will be given to developing capacity development activities that are appropriate, participatory, and client-centred. This requires designing flexibility into the capacity development approach to adapt to the specific regional context and to support the tailoring of the PSNP 4 to lowland livelihood contexts.



Guiding Principles for Capacity Development

Although there is no blueprint for capacity development, certain principles of good practices by various institutions have emerged. These principles can be grouped into the following three categories: the **process**, the **methods**, and the **monitoring and evaluation** of capacity development.

The Process of Capacity Development

1. **Obtain leadership commitment and support.** Leaders and managers create a conducive institutional environment for continuous learning, and can help ensure that capacity development initiatives can be sustained by the organisations themselves after project completion.
2. **Enhance existing strengths.** Capacity development is not only about addressing gaps, but also about appreciating and enhancing inherent strengths to achieve the mission and programme goals.
3. **Clarify roles and responsibilities, and respect ownership.** Recipient organisations should take ownership of their capacity development initiatives. This means that those who understand the context and are engaged in the organisation should be responsible for its design, implementation and evaluation.
4. **Strengthen collaboration and coordination.** Capacity development requires open sharing of information, dialogue and discussion within organisations, and coordination between collaborating organisations.
5. **Ensure sensitivity to gender and social development** within capacity development activities
6. **Allocate dedicated resources to capacity development.** This will require the allocation of dedicated capacity development budgets as well as the human resources necessary to implement activities.

The Methods of Capacity Development

7. **Approach capacity development holistically.** This requires a focus on individual, organisational and

enabling environment capacity development needs at all levels of government (from woreda up to federal level).

8. **Apply flexible approaches and methods** to capacity development, customising the approach to the local context, culture and specific organisational needs based on local participation.
9. **Engage staff.** Participatory methodologies such as staff's active participation in assessing, planning, implementing, evaluating and improving capacity development approaches will enhance sustainability of capacity development, while engaging staff in dialogue about issues relevant to their jobs and encouraging new ideas will create a learning environment.

Monitoring and Evaluation of Capacity Development Interventions

10. **Build in monitoring and evaluation (M&E) at the outset of capacity development.** Developing a plan for M&E involves deciding which indicators to use to monitor the progress of a capacity development process. Capacity development programmes need realistic goals with timeframes and indicators.
11. **Develop outcome-level capacity development indicators** tailored to the project, integrated into the project during the design phase, and linked to performance. This can generate a body of evidence that can assist implementers, local counterparts and donors, in planning and prioritising capacity development interventions to improve performance and achieve greater impact.
12. **Emphasize measurability.** One of the persistent challenges in capacity development is the lack of evidence demonstrating measurable improvements in capacity and performance. This requires a baseline assessment, benchmarks, and progress and success indicators, without which it is impossible to judge either effectiveness or impact. Benchmarking must be repeated at different points in time to adapt the approach taken and to allow for accurate monitoring of outputs, the evaluation of outcomes, and the assessment of impacts achieved.

Annex 16.1 - Minimum standards for financial management

Staffing

Woreda Level

The minimum staffing capacity for effective PSNP implementation at woreda level is:

Staff position	Minimum standard
<ul style="list-style-type: none">• Cashiers	1:25,000 client
<ul style="list-style-type: none">• Accountants	1: 25,000 clients

Zone

Staff position	Minimum standard
<ul style="list-style-type: none">• Senior Accountant	1

Region

Staff position	Minimum standard
BoFED	
<ul style="list-style-type: none">• Senior Accountant	2
<ul style="list-style-type: none">• Senior Accountant	2
Food Security Office and other implementing agencies	
<ul style="list-style-type: none">• Senior Accountant	1

PSNP IV Programme Implementation Manual

Part 6: Monitoring and Evaluation

Version 1.0

December 2014

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CHAPTER 17 MONITORING AND EVALUATION

17.1 Introduction

The main purpose of monitoring and evaluation in the PSNP is for implementers to assess how the programme is doing against its objectives, whether it is working efficiently and effectively, and whether it is having impact – and, by analysing these factors, to learn how to do things better. M&E allows implementers at all levels (woreda, regional, and federal) and across all agencies to understand whether or not plans are working. It provides them with the evidence they need to:

- Improve management of the PSNP at all levels of implementation
- Improve transparency and accountability in order to ensure that programme resources are being used to meet the intended purposes
- Draw lessons from experience so as to improve the approach of one or more components of the programme
- Demonstrate efficient and effective use of resources.

The PSNP has a variety of M&E tools designed to provide information on the performance of each aspect of the programme. These tools range from monitoring reports, which provide regular information on day-to-day implementation at the local level, to resource management audits, to regular reviews of the efficacy of public works planning and implementation, to biannual assessments of programme impact directly on households. Together, they aim to provide a full picture of the programme's implementation and success in achieving outputs and outcomes.

- **Regular programme monitoring** is based on a combination of narrative and financial reporting, and will increasingly be able to make use of data stored in a computerised management information system
- **Periodic process assessments** of key aspects of the programme, which allows for the verification of monitoring information and complements this information with other data to assess progress towards achieving outputs
- **Periodic household surveys and impact assessments** to assess the PSNP's progress towards achieving its stated outcome and the contribution of the PSNP to its higher-level goal.

This PIM provides some guidance on regular programme reporting and an overview of key tools/elements of the M&E system. Further detail is provided in the M&E Manual.

17.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

The PSNP 4 entails a shift towards integration and systems building, and this M&E chapter reflects the beginning of this shift. It will be updated as new elements of the system – and particularly the programme MIS – become operational.

- The monitoring and reporting tools and processes described in this chapter reflect:
 - The common logframe that integrates the livelihoods component (formerly HABP) into the PSNP, and the integrated reporting that will track indicators within this logframe. Performance monitoring and evaluation will be done against this logframe.
 - The new permanent direct support component
 - Monitoring of food management in a manner similar to financial management
- This chapter introduces of a new kind of monitoring: tracking of client participation. For some programme components, the tracking of activities (disbursement of transfers,

completion of public works) is sufficient and appropriate to provide an understanding of the programme's performance. However, for other components – soft conditionalities and livelihoods in particular – what is most useful for programme implementers and decision-makers to know is not how many trainings were given, but rather, in which activities each client has participated. Hence, this version introduces tracking of client participation. This also entails revisions to reporting templates, as detailed in the M&E Manual.

- Several M&E tools have been revised in order to improve their effectiveness in delivering timely information on programme performance and impact. For example, the Grievance Redress Review replaces the roving appeals audit.
- Mechanisms for monitoring of gender provision implementation have been clarified, along with the strengthening of gender-sensitive M&E mechanisms. New or modified gender provisions include:
 - Extension of women's transition to temporary direct support from the 4th month of pregnancy or confirmation of pregnancy (whichever is earlier) to 1 year postpartum
 - Priority targeting of female-headed households for livelihoods transfers
 - 50% workload for women in public works
 - Accessibility of livelihoods interventions – livelihoods activities (financial literacy training, technical training, and business skills/marketing training) should be at times and in locations accessible to women whenever possible

This phase of the programme also entails the development of an integrated programme MIS, which will be designed and implemented in stages. Three elements of the new MIS – the mapped public works database, the mapped watershed database, and the public works M&E system – will enable more effective tracking, monitoring and evaluation of public works. The National Household Registry and the mapped public works database will be priority modules of this MIS. This M&E chapter will be revised and updated once these systems are operational.

Future versions of this chapter will also include guidelines for a strengthened performance management system that includes key targets with indicators and incentives.

Given the increased complexity of this phase over previous phases, capacity development for M&E is crucial in this phase.

17.2 PSNP Outputs

The PSNP's logical framework (provided in Annex 17.1) outlines the programme's goal, outcome, outputs and activities and sets out the indicators designed to measure their achievement. In addition to these indicators, a set of monitoring indicators tracks the regular implementation of programme activities. Taken together, this logframe and set of monitoring indicators serve as the basis for monitoring programme efficiency and effectiveness and provide regular information to implementers and decision-makers on programme performance. Additional detail on monitoring indicators and processes will be provided in an updated Monitoring and Evaluation Manual.

The PSNP logframe is organised according to the following five outputs:

- **Output 1:** Prioritised instruments and tools in place to support an effective system for Social Protection and Disaster Risk Management
- **Output 2:** Appropriate, timely and accessible transfers received by male and female clients
- **Output 3:** Sustainable community assets built up and access to social services enhanced
- **Output 4:** Clients' livelihood opportunities facilitated through three pathways: crop and livestock, off-farm income generation, and employment

- **Output 5:** Effective management and operational processes in place to manage the programme

Accordingly, PSNP monitoring and reporting assess the progress of the programme towards these outputs. The table below provides an overview of the PSNP’s outputs and highlights which programme components contribute to them.

Table 17.1: PSNP Outputs and Key Components

Outputs	Key Components
Output 1: Prioritised instruments and tools in place to support an effective system for Social Protection and Disaster Risk Management	<ul style="list-style-type: none"> • Targeting (programme entry and exit) • Management information systems (MIS) • National household registry • Disaster risk management system • Planning, coordination and governance • Social accountability and grievance redress mechanism • Capacity development
Output 2: Appropriate, timely and accessible transfers received by male and female clients	<ul style="list-style-type: none"> • Provision of transfers (food and cash) for public works and temporary direct support clients, and permanent direct support clients • Operationalisation of risk management tools which allow safety net transfers to be scaled up in response to shocks
Output 3: Sustainable community assets built up and access to social services enhanced	<ul style="list-style-type: none"> • Planning and construction of public works that contribute to livelihoods, nutrition and other social services, climate resilience and DRM • Expansion of public works to include participation in BCC (with exemptions for literacy and financial literacy) • Soft conditionalities which link temporary direct support clients to existing health and nutrition services
Output 4: Clients’ livelihood opportunities facilitated through three pathways: crop and livestock, off-farm income generation, and employment	<ul style="list-style-type: none"> • Basic training and technical support (e.g. financial literacy and savings) • Tailored technical support to three livelihood pathways • Referral of households to credit service providers • Provision of livelihoods transfer
Output 5: Effective management and operational processes in place to manage the programme	<ul style="list-style-type: none"> • Human resource management • Accountable programme management systems with strengthened monitoring and evaluation function • Accountable budgeting and financial management • Accountable food management systems • Accountable procurement systems • Accountable asset management systems

The implementation of the Gender Action Plan is monitored as part of the results framework on a regular basis, as outlined in Section 17.3.8 below.

17.3 Regular Monitoring and Reporting on Implementation (Outputs 2, 3, 4)


The regular monitoring system, which includes kebele and woreda monthly and quarterly monitoring reports, regional and federal quarterly reports, and interim financial reports, is aligned with the institutional implementation responsibility for the PSNP. Hence primary responsibility for compiling information and reporting is assigned to the following agencies:

- Transfers: Food Security (with input on food transfers from Early Warning and input on cash transfers from WOFED)

- Case management of permanent direct support clients: Labour and Social Affairs (once capacity is built)
- Public Works: Natural Resources
- Soft conditionalities: Health (via FSCD)
- Livelihoods: Extension (with input from MSE Agency and Labour and Social Affairs)

In addition, MOFED is responsible for monitoring of financial management, while the Food Management Unit is responsible for monitoring of food management.

FSCD is responsible for monitoring capacity building activities and transfer rates. Food Security line agencies are also responsible for data review and analysis as well as consolidation of all streams of information to generate a complete understanding of programme implementation. These consolidated reports are shared with all implementing bodies at each level.



Reporting for woredas supported by USAID-financed NGOs

Reporting in woredas supported by USAID-financed NGOs is the responsibility of NGOs, but follows the lines of reporting outlined above. In these woredas, NGOs coordinate with the woreda to prepare a monthly progress report that is submitted to the region by the agreed deadline. This information is consolidated together with reports from all other PSNP woredas and submitted to the federal level. For commodity reports, NGOs report through the QWICR system, as described under Part 4, Chapter 13, and USAID submits a consolidated report to the Food Management Unit for inclusion in the overall commodity flow status report.

Within this overall structure, M&E staff at federal, regional and zonal levels in each of the responsible agencies provide technical backstopping to lower-level staff along with regular feedback on the quality of reports.

Regular monitoring takes two forms: monitoring of programme activities, which is particularly important for the disbursement of transfers and the completion of public works, and tracking of client participation, which is particularly important for the livelihoods component and links to social services (although these aspects also have regular monitoring of programme activities). Tracking of client participation entails technical monitoring of the full suite of services from a household perspective, and is facilitated by the Client Card.

17.3.1 REPORTING SCHEDULE

Reporting follows the government fiscal year, which begins on July 8 (Hamle 1) and ends on July 7 (Sene 30). Annual plans for the PSNP will be completed by Sene 30, and used as the basis for quarterly achievement reports of the following fiscal year. The following table presents the dates for submission of quarterly reports at different administrative levels.

Table 2. Quarterly Reporting Schedule

Quarter	Period Covered	Woreda reports submitted	Regional reports submitted	Federal reports submitted
Q1	Jul 8 – Oct 10 (Hamle 1 – Meskerem 30)	Oct 15 (Tikimt 5)	Oct 25 (Tikimt 15)	Oct 30 (Tikimt 20)
Q2	Oct 11 – Jan 8 (Tikimt 1 – Tahisas 30)	Jan 13 (Tir 5)	Jan 23 (Tir 15)	Jan 28 (Tir 20)
Q3	Jan 9 – Apr 8 (Tir 1 – Megabit 30)	Apr 13 (Miazia 5)	Apr 23 (Miazia 15)	April 28 (Miazia 20)
Q4	Apr 9 – July 7 Miazia 1– Sene 30)	July 12 (Hamle 5)	July 10 (Hamle 15)	July 27 (Hamle 20)

All monitoring reports include as a minimum the following four categories of information:

1. Physical measures of outputs provided by project activity
2. Monetary measures of expenditures on inputs by project activity
3. Number of clients reached by programme, broken down into category of household and/or individual client. Households will be categorised into male-headed and female-headed, and individual clients will be disaggregated by gender.
4. Problems encountered and corrective measures taken

17.3.2 DETAILED MONITORING AND REPORTING ROLES AND RESPONSIBILITIES

The sections below describe the flow of information to programme implementers for their analysis and use, the consolidation of information at each level (to ensure sharing of information, maximisation of synergies, and an overall view of the programme at each level), and the vertical reporting to higher levels. In addition to each of these steps, line departments at each level will share consolidated reports with lower levels to ensure that lower levels receive feedback and benefit from information sharing.

17.3.2.1 Kebele monitoring and reporting

DAs are responsible for the majority of kebele-level monitoring and reporting for the PSNP.

Targeting and appeals. Following the targeting and annual retargeting processes, KFSTFs provide lists of PSNP clients to the Woreda Food Security Desk. A list of permanent direct support clients should also be provided to WOLSA where available.

Output 2/Transfers. Transfers are not monitored at the kebele level, but rather at the woreda level.

Output 3/Public works. DAs compile information on public works implementation – the number of sub-projects underway and completed – and submit it to the Natural Resources Desk on a monthly basis. DAs also provide public works attendance sheets to the Woreda Food Security Desk. Once the mapped public works database is operational, data will be available on each individual public works sub-project. As a result, reporting formats for DAs will be updated to report on progress of individual sub-projects and enable more detailed analysis of progress.

Output 3/Links to social services. Health Extension Workers report on soft conditionality participation to the DA on a quarterly basis. Reporting on soft conditionalities participation differs from other components and sub-components of the programme because it is tied to the client level. Therefore, Health Extension Workers need to keep track of (and therefore report on) not how many ANC visits happened during a given month or quarter, nor many nutrition BCC sessions were organised, but rather the number of pregnant and lactating women participating in soft conditionalities, and the number of antenatal care visits and BCC sessions in which each woman participated. HEWs submit tracking forms for clients to the DA on a quarterly basis.

Output 4/Livelihoods. Similarly to soft conditionalities, livelihoods monitoring must track the participation of each individual client (tied to his or her household) in programme activities. DAs compile information on each client's participation in livelihoods activities via the Livelihoods Checklist Tracker (see Annex 9.2) and submit it to the Woreda Extension Desk/Process on a quarterly basis.

17.3.3 WOREDA MONITORING AND REPORTING

Output 2/Transfers: The Woreda Food Security Desk provides attendance sheets to WOFED, which are entered into PASS and used for disbursement of transfers. PASS monitors which household

member (male or female) receives the transfer, in order to provide woreda-level implementers with information on transfer receipt (and its correlation with public works participation). This enables implementers to pilot approaches to ensure that women equally benefit from transfers. It also enables the compilation of knowledge on intra-household dynamics regarding transfers and PWs.

Following transfer disbursement, the Early Warning Desk provides food transfer information and WOFED provides cash transfer information to the Food Security Desk at woreda level on a monthly basis. Once the management of permanent direct support clients has been handed over to MOLSA, they will provide information on transfers to permanent direct support clients to WOLSA on a monthly basis.

Output 3/Public works: The Natural Resources desk compiles public works-related information from various line agencies (water, education, roads, health, etc.) at the woreda level, including quantity and quality, and analyses it. Once the mapped public works database is operational, this analysis can include data on each individual public works sub-project. Reports are submitted to the Regional Public Works Focal Unit on a monthly basis. The public works report includes a checklist on implementation of gender provisions.

Once operational, the mapped public works database will use GIS to map the location of public works projects along with other information (year of implementation, etc.), while the mapped watershed database will use GIS and satellite imagery to identify and track the physical condition of the watersheds, including land use, land cover, and woody biomass, and monitor changes over time. To support effective public works planning, monitoring and impact, the MIS will have a spatial component (using GIS) composed of a mapped public works database and a mapped watershed database, which will complement the public works M&E system.

Output 3/Links to social services: The Woreda Food Security Desk collects information on client soft conditionality participation from DAs. This information is also copied to the Woreda Health Office, which then communicates with Health Extension Workers if it appears that a certain number of temporary direct support clients are not regularly participating in soft conditionalities. Through this process, constraints to clients' participation are identified so that they can be effectively addressed. Participation in community BCC as a public work is also reviewed. WOLSA also contributes to this report to include information on case management of permanent direct support clients, and shares this information with BOLSA.

The Woreda Food Security Desk/Process then compiles this information and include it in reports to the regional level on a quarterly basis.

Output 4/Livelihoods: On a quarterly basis, the Woreda Extension Desk/Process, through the Livelihoods Implementation Unit, compiles all livelihoods information available at woreda level, which includes client participation in financial literacy training, savings activities, and the completion of livelihood checklists for crop and livestock pathways. This enables woreda-level implementers to ensure that livelihoods clients are making progress in the completion of livelihoods checklists, and that they are receiving the appropriate trainings. Livelihood pathway information may be limited to crop and livestock livelihood information, or may include off-farm and/or employment livelihoods if the MSE Agency has a one-stop service centre in the woreda, or if WOLSA is present. After review by the Woreda Technical Committee, the Woreda Extension Desk/Process submits the report to the Woreda Food Security Desk/Process for compilation into the overall reports. The report is also submitted to the Regional Extension Core Process for compilation with information from TVET and MSE and review by the Livelihoods Technical Committee.

Consolidation and analysis: The Food Security Desk receives data on outputs 2-4 and consolidates it into a report, which is reviewed by WFSTF. The WFSTF then analyses the information to identify implementation challenges and recommend programme adjustments, if necessary. This process strengthens synergy between programme components and enables a woreda-level view of the entire programme. This consolidated report is then submitted to zonal and/or regional level.

17.3.4 ZONAL MONITORING AND REPORTING

In many regions, zones play an important role in monitoring and reporting to ensure the time and accurate consolidation of woreda-level reports. Zonal offices compile woreda-level reports and analyse information. Depending on the need, these zones may have M&E experts assigned to lead this process.

17.3.5 REGIONAL MONITORING AND REPORTING

Output 2/Transfers: Regional Food Security compiles transfer reports from Woreda Food Security Desks. Timeliness of transfers is monitored through Regional Information Centres on a weekly basis (as described in Section 17.5.1.1 below) in order to identify bottlenecks in the disbursement of cash and food transfers. If bottlenecks are identified, Regional Food Security works with Early Warning and Response and BOFED/WOFEDs to resolve them as rapidly as possible.

Output 3/Public works: The Regional Natural Resource Management Core Process compiles woreda reports and reviews them to identify any implementation challenges. NRMCP then prepares a consolidated regional report. The Public Works Focal Unit exchanges information and shares reports with SLMP on a quarterly basis in order to improve coordination between the programmes. Consolidated regional reports on public works are reviewed by the regional Public Works Technical Committee and submitted to Regional Food Security and to the Federal NRMD on a quarterly basis.

Output 3/Links to social services: Regional Food Security compiles woreda reports on links to social services into a regional report. The Bureau of Health shares information received from Woreda Health Offices on the implementation of soft conditionalities with Regional Food Security in order to cross-check information and ensure that adequate support is being provided by the regional level, as needed. BOLSA also contributes to this report to include information on case management of permanent direct support clients.

The Bureau of Health and BOLSA also share information on links to social services with the Federal Ministry of Health and MOLSA, respectively.

Output 4/Livelihoods: The Regional Extension Core Process compiles reports from each woreda as well as each livelihoods implementing agency (REMSEDA, BOLSA, TVET and the Livestock Development Core Process) at the regional level. Where MSE Agencies are not present at the woreda level and WOLSAs do not exist, data on the three livelihood pathways will be aggregated at the regional level rather than the woreda level. The Livelihoods Technical Committee reviews the compiled report to identify any implementation challenges and to ensure that adequate support is being provided by the regional level for woreda-level implementation. The Regional Extension Core Process then submits a consolidated livelihoods report, reviewed by the Regional Livelihoods Technical Committee, to Regional Food Security Core Process and the Agricultural Extension Directorate on a quarterly basis.

Consolidation and analysis: Regional Food Security compiles reports from outputs 2, 3 and 4 into an overall PSNP regional report. This consolidation process allows the analysis of the information to identify implementation challenges and recommend programme adjustments, if necessary. It also

strengthens synergy between programme components and enables a regional-level view of the entire programme.

The consolidated PSNP regional report is submitted by the Food Security Core Process to the FSCD on a quarterly basis.

17.3.6 FEDERAL MONITORING AND REPORTING

Output 2/Transfers: The Food Security Coordination Directorate aggregates reports from the region into a federal level report. Additionally, in line with the Memorandum of Understanding, USAID and WFP, and other development partners, submit to FSCD on a quarterly basis information on food resources, specifically: opening balances, receipts, distribution, transfers to clients, and ending balances. For WFP, this information will be provided on receipts and distributions to the main hubs only. For in-kind resources channelled through NGOs, NGOs will report on these resources to FSCD.

Output 3/Public works: FSCD analyses regional public works reports and compile them into a federal level report, verifying data with NRMD, which, through a separate process, consolidates regional public works reports in order to allow for accurate cross-checking of information with FSCD. Public works reports are reviewed by the Public Works Technical Committee.

Output 3/Links to social services: FSCD compiles regional reports on links to social services. The Federal Ministry of Health and MOLSA review this report and contribute any additional information.

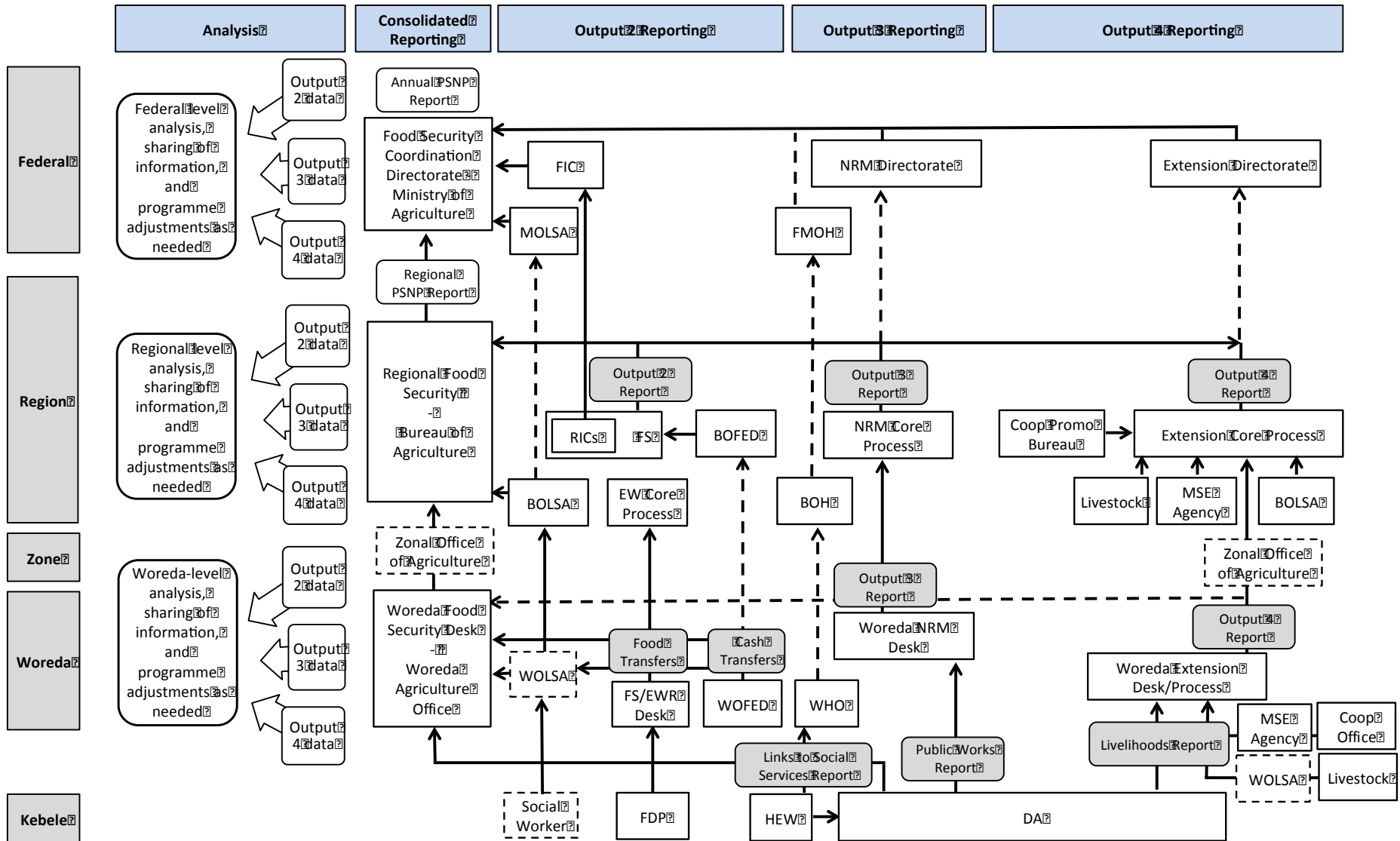
Output 4/Livelihoods: FSCD analyses livelihoods reports from the region and aggregates them into a federal level report, verifying data with the Extension Directorate. Through a separate process, the Extension Directorate consolidates regional livelihoods reports in order to allow for accurate cross-checking of information with FSCD. Livelihoods reports are reviewed by the Livelihoods Technical Committee.

Consolidation and analysis: On a quarterly basis, FSCD analyses data on outputs 2, 3 and 4 (above) as well as data on systems development (Output 1) and Management (Output 5), including financial management data from MOFED and food management data from the Food Management Unit. The FSCD shall compile this information into reports on a quarterly basis, and provide these reports to the Donor Coordination Team and the State Minister, and is shared with other ministries implementing the PSNP.

17.3.7 CONSOLIDATION, ANALYSIS AND REPORTING RELATIONSHIPS AT KEBELE, WOREDA, REGIONAL AND FEDERAL LEVELS

The diagramme below illustrates the consolidation of information across agencies, and analysis of information at each level of implementation, and reporting relationships between different agencies and different levels of implementation for outputs 2, 3 and 4.

Figure 17.1: Consolidation, Analysis and Reporting Relationships for Outputs 2-4



17.3.8 MONITORING OF GENDER AND SOCIAL DEVELOPMENT PROVISIONS

The PSNP Gender and Social Development Provisions are found throughout this PIM and summarised in the text box below. This phase of the programme extends women's participation in temporary direct support from the 4th month of pregnancy or confirmation of pregnancy (whichever is earlier) through the first year postpartum, and introduces new gender provision: priority targeting of female household heads for livelihoods transfers, and ensuring that women have access to livelihoods interventions. In addition, women's 50% workload for public works, already implemented but not spelled out in the last PIM, is included.

For further information on the Gender and Social Development Provisions, please see the Gender Action Plan in the Appendix.

The Women and Youth Affairs Directorate is responsible for overseeing and coordinating the implementation of PIM gender provisions, but their actual implementation is the responsibility of each implementing agency.

Table 17.2: PSNP Gender and Social Development Provisions

GSD Provision	Entity Responsible for Implementation	Entity Responsible for Monitoring	
Transition of pregnant women to temporary direct support after first ANC visit (or in the absence of such a visit the fourth month of pregnancy)	DA	WFSTF	
Continuation of women's participation in temporary direct support through 1 year postpartum			
Targeting priority for female-headed households for programme inclusion	CFSTFs and KFSTFs		
Targeting priority PLWHA			
Targeting priority for women in polygamous households			
Targeting priority for divorced women (during programme implementation)			
Targeting priority for disabled people			
Targeting priority for female household heads for livelihoods transfer	WOLSA		
Permanent direct support for elders			
Permanent direct support for physically disabled people	KFSTFs		
Joint client card entitlement for husband and wife			
Labour support for eligible labour-scarce households	PWFU		
Careful consideration of the needs of men and women and other vulnerable groups in annual public works planning	KFSTFs		DAs monitor during PW planning
PW projects shall reduce women's regular work burden			
Construction of childcare centres at PW sites			
Lighter tasks for women	Public Works Foreman/ woman, DA, Natural Resources Desk	WFSTF	
Protection for children under 16 years from participating in PW			
PW team composition should be balanced with men and women; women-only teams for certain projects			
Women's participation in PSNP decision making structure			
Women as team leaders in PW			
Women's 50% workload for PW			
Women's late arrival and early departure for public works			
Travel distance to PW - PW site should not be far from village			

GSD Provision	Entity Responsible for Implementation	Entity Responsible for Monitoring
Accessibility of livelihoods interventions – livelihoods activities (financial literacy training, technical training, and business skills/marketing training) should be at times and in locations accessible to women whenever possible	DA	
Resource distribution distance – distribution site should be not more than 3 hours' walking distance from village	Early Warning Desk	

Simple gender analysis and reporting tools will be used at all levels, with specific emphasis at woreda and kebele, namely:

- A simplified gender analysis monitoring-to-planning tool for public works, to be used by DA and Woreda FSD/P.
- A checklist to monitor the implementation of PIM gender provisions to be used by the Woreda Food Security Desk (with support by the Bureau of Women's Affairs and gender focal points) during public works reviews or monthly reviews

The impact assessment and other surveys will provide sex disaggregated data throughout for all client-level indicators, and data disaggregated by household head for household-level indicators, as outlined in the logframe (Annex 17.1).

17.4 Monitoring and Reporting on Outputs 1 and 5

17.4.1 MONITORING AND REPORTING ON SYSTEMS DEVELOPMENT

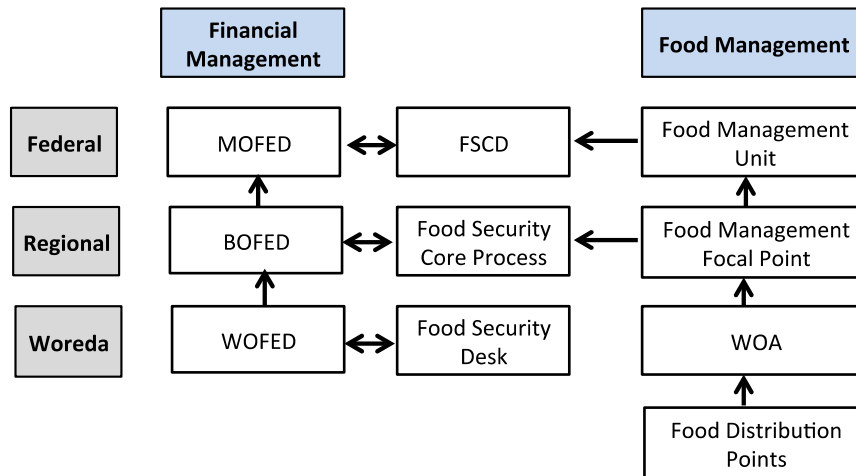
Systems Development monitoring and reporting is important and occurs at the federal level. This section will be completed once the Systems Development component is further designed (see Part 4, Chapter 16 (Systems Building and Capacity)).

17.4.2 RESOURCE MONITORING AND REPORTING

The PSNP closely monitors the management of financial resources, food resources and physical assets in the programme. Financial management reports are provided by WOFED, BOFED and MOFED through interim financial reports (IFRs). Food management reports are the responsibility of Food Management Focal Points at regional level and the Food Management Unit at federal level. Procurement and asset management reports are managed by each implementing agency.

The diagramme below shows reporting relationships for financial and food management.

Figure 17.2: Financial and Food Management Reporting



17.5 Other Monitoring and Management Tools

Aside from regular monitoring reports, the PSNP employs a variety of M&E tools to obtain a real-time picture of programme performance, to respond to problems as they arise, and to provide incentives for improved performance.

17.5.1 INFORMATION CENTRES

17.5.1.1 Regional Information Centres

Regional Information Centres generate quality and real time data on selected areas of programme performance to guide decision-making processes at regional and federal levels, and to ensure quality and effectiveness of PSNP service delivery. RICs collect data on the following topics:

- Transfer disbursement and timeliness
- Cereal prices

A new RIC will be established in Afar.

17.5.1.2 Federal Information Centre

The FIC, within the FSCD, collects RIC data and supplements it with bi-weekly collection of similar data from a sample of woredas to provide rapid real-time information at a federal level and to verify accuracy of RIC reporting. Hence, the FIC provides quality control and data auditing, while providing program-wide analysis on program performance.

In the event that a RIC does not provide the necessary data in a timeline manner, the FIC will be responsible for collecting the missing data until the problem is resolved at the regional level.

17.5.2 RAPID RESPONSE MECHANISM

The Rapid Response Mechanism (RRM) addresses critical implementation problems as they occur. This mechanism detects problems that warrant immediate attention and responds rapidly to resolve the problems, thus reducing any potentially serious risk. Rapid Response

Teams (RRTs) are regularly deployed to kebele, woreda, and regional levels to monitor implementation progress. They may be sent out in response to identified problems related to transfers timeliness, public works implementation, livelihoods implementation, and capacity issues, among others. This is done through focus group discussions with implementers, beneficiaries, and non-beneficiaries and a review of records. Teams also follow up to solve any problems and ensure that consistent follow-up is provided.

Rapid Response Teams can be sent out from the federal, regional and woreda level, and are comprised of representatives of relevant line departments as well as interested donors (federal) and NGOs (woreda).

17.5.3 JOINT REVIEW AND IMPLEMENTATION SUPERVISION (JRIS) MISSIONS

Twice per year, Government and Development Partners undertake a two-week Joint Review and Implementation Supervision Mission. For one week, federal delegations travel to the regions to meet with regional stakeholders and review regional programme implementation and progress towards achieving the programme outputs and outcomes. The second week takes place at federal level, with participation of both regional and federal level stakeholders, to review overall programme progress, monitor the implementation of the MOU and agree on solutions to address constraints. Development Partners participate in both parts of the JRIS mission. The outcome of the mission is an Aide Memoire which documents the discussion and agreements reached between the stakeholders both at regional and federal levels.

17.5.4 PERFORMANCE MANAGEMENT SYSTEM

The PMS is currently being designed and a new version of this module of the manual will be released once it is ready for implementation.

The purpose of the performance management system is to:

- Motivate improvements in performance against the key performance targets through the use of incentives
- Provide continuous, tailored support and capacity building to implementers that are not meeting the minimum standards
- Enable management at all levels to make decisions and allocate resources in a way that leads to improvements in performance across the PSNP

The performance management system thus requires a continuous stream of quality data that provides timely information on programme performance in all woredas. This information will be provided through regular monitoring as well as the Information Centre data.

The PMS will be both institutional and individual, tracking minimum staffing and programme performance standards for programme implementation at all levels. The PMS includes performance benchmarking, regular dissemination of performance results, and incentives for improving performance. The PMS will be informed by a study to determine:

- Which performance metrics should be included. These may include the timeliness and quality of financial reports as well the implementation of gender provisions. It will be critical to carefully consider which metrics should be included in order to incentivise quality in addition to quantity.

- How to set performance targets (e.g. set incentives based on achieving targets rather than competing to be the top performer)
- Programme incentives as well as individual incentives. E.g. incorporate programme-related into BSC so that individuals obtain recognition for performing programme-related tasks well.

Consistency in providing the promised incentives is critical to the success of the PMS.

17.5.5 SUMMARY OF PSNP MONITORING TOOLS AND RESPONSIBILITIES

The table below summarises the various monitoring tools used by the PSNP and the responsibility and frequency for each one.

Table 17.3: Summary of Monitoring and Management Tools

Types of reports	Information provided	Responsible Parties	Frequency	Examples of indicators
Monitoring Reports	Regular collection of information at the activity and output levels	<ul style="list-style-type: none"> • DAs collect and compile activity information and client tracking information at kebele level • Health Extension Workers monitor client participation in soft conditionalities and other nutrition BCC. • Early Warning monitors food transfer • WOFED monitors cash transfer • WOLSA, where present, monitors assistance provided to permanent direct support clients. • The NR Desk compiles public works-related information from various line agencies (water, education, roads, health, etc.) • The Extension Desk/Process consolidates monitoring reports on livelihoods activities from MSE and Labour and Social Affairs. • Food Security analyses and consolidates reports 	<p>Monthly (for activities) or quarterly (for client tracking) from woreda to regional level for activities</p> <p>Quarterly from regional to federal level</p>	<ul style="list-style-type: none"> • Number of public works completed • Volume of transfers delivered • Number of clients completing livelihood checklists in the crop & livestock and off-farm livelihood pathways
IFRs	Quarterly and annual financial reports provide information on budget expended according to agreed line items	<p>Woreda level</p> <ul style="list-style-type: none"> • WOFED submits the interim financial report to the Woreda Food Security Desk and to BOFED on a monthly basis. • The Woreda Food Security Desk shares relevant line item information with Technical Committee chairs for Livelihoods, Public Works and Transfers & Resource Management. <p>Regional level</p> <ul style="list-style-type: none"> • BOFED consolidates woreda reports and provides the regional interim financial report to the Food Security Core Process and to MOFED on a quarterly basis. • The Food Security Core Process shares relevant line item information with Technical Committee chairs for Systems Building, Livelihoods, Public Works and Transfers & Resource Management. <p>Federal level</p> <ul style="list-style-type: none"> • MOFED consolidates reports from regions and submits the federal 	<p>Monthly at woreda level and from woreda to region?</p> <p>Quarterly at regional level, from regional to federal, and at federal level.</p>	<ul style="list-style-type: none"> • Amount spent by budget line item

Types of reports	Information provided	Responsible Parties	Frequency	Examples of indicators
		interim financial report to the Donor Chair and FSCD. <ul style="list-style-type: none"> FSCD shares relevant line item information with the four Technical Committee chairs. 		
Information Centre Reports	Information collection from woredas on timeliness of transfers and price data for key staples.	<ul style="list-style-type: none"> Woreda Food Security Desk collects information on timeliness of transfers and consolidates existing information on market prices for key commodities, then submits information to the Regional Information Centre (RIC) on a biweekly basis. The RIC, within the Food Security Core Process, collects information from all PSNP woredas and submits it to the Federal Information Centre (FIC) on a biweekly basis. The FIC, within the FSCD, collects RIC data and supplements it with bi-weekly collection of similar data from 81 woredas to provide rapid real-time information at a federal level and to verify accuracy of RIC reporting. 	Every two weeks	<ul style="list-style-type: none"> Date and amount of transfers to woredas and clients Average cereal prices
Rapid Response Mechanism Report	Regular assessments of implementation at kebele, woreda and regional levels to address critical problems related to transfers, public works, capacity issues and others.	Rapid Response Teams (RRTs) at federal, regional and woreda level, comprised of representatives of relevant line departments as well as interested donors (federal) and NGOs (woreda), conduct regular assessments to address implementation issues.	Every two months from federal (regularly from regional and below)	<ul style="list-style-type: none"> Number of households targeted Beneficiary satisfaction with PSNP
Performance Management System	Performance targets are a means of improving and assessing programme implementation.	<ul style="list-style-type: none"> All implementers at all levels play a role in monitoring progress towards achieving targets and addressing constraints. The Regional and Federal Information Centres play a key role in measuring performance against standards. The FSCD makes decisions concerning the release of incentives for those who achieve targets. 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Timeliness and predictability of transfers Other indicators to be added

17.6 Assessments and Evaluations

The PSNP has a series of assessments and evaluations to dig deeper into the outcomes and impact of the programme on households as well as communities (e.g. through public works), and to ensure accountable resource management.

In evaluations, high-level outcome indicators will be analysed to allow comparisons between PSNP clients, a control group (or counterfactual) and those who have exited the programme (graduates). This will allow an assessment of the impact of the programme on households participating in the programme, and the contribution of the programme to achieving sustainable livelihood security. Furthermore, data will be disaggregated to assess the differing impacts by gender of household head and gender of the household member participating in livelihood enhancing activities (whether credit or livelihood transfer).

These assessments are summarised in the table below.

Table 17.4: Summary of Evaluation Tools

Types of reports	Information provided	Responsible Parties	Frequency	Examples of indicators
Annual Assessments	PW Reviews: <ul style="list-style-type: none"> • Planning review to assess the adequacy of PSNP public works plans • Technical review to review the quality and sustainability of PSNP PW 	NRMD takes the lead in coordination with Regional PWFU to organise these twice-yearly reviews (first on planning, second on sub-project implementation). FSCD, donors and NGOs participate.	Annual	<ul style="list-style-type: none"> • Proportion of PW Plans integrated with woreda development plans • Proportion of PW sub-projects meeting technical standards
	Grievance Redress Mechanism Review to assess the functioning of the appeals and complaints system	The FSCD commissions this independent review, which looks at whether proper procedures are followed and records kept in the appeal system.	Annual	<ul style="list-style-type: none"> • Number and performance of Appeals Committees established
	Livelihoods Review <ul style="list-style-type: none"> • Planning review to assess the adequacy of livelihoods plans • Technical review to review the quality of livelihoods implementation 	The Extension Directorate takes the lead in coordinating with FEMSEDA, MOLSA, TVET and Cooperative Promotion in these twice-yearly reviews (first on planning, second on implementation). FSCD, donors and NGOs participate.	Annual	<ul style="list-style-type: none"> • Number of clients successfully linked to employment

Types of reports	Information provided	Responsible Parties	Frequency	Examples of indicators
	Annual Independent Procurement Assessment to review procurement processes at woreda level	FSCD selects and appoints a procurement auditor, acceptable to the World Bank, to carry out an annual independent procurement audit of the project. The Government submits the report to World Bank annually sixty days after the end of the fiscal year.	Annual	<ul style="list-style-type: none"> Volume of goods procured
Audits	The Financial Audit includes an audit of accounts; systems audit; and review of transactions to beneficiaries to ensure that funds were used for purposes intended.	MOFED commissions the general audit and the roving audit to ensure the completeness and veracity of financial information included in the above financial report. The audit must be compliant with World Bank audit requirements.	Six-monthly (interim audit), rolling, annual	<ul style="list-style-type: none"> Percent of households receiving full payment
	The Commodity Audit review to ensure in-kind resources are used for the purpose intended	FSCD commissions this audit, which must be compliant with World Bank audit requirements.	Annual	<ul style="list-style-type: none"> Quality of food stock records
Evaluations	Biannual Impact Evaluation , a regionally representative household survey, to assess outcomes and impacts of all program components	Conducted by CSA with technical support and analysis by an internationally recognised institution, the household survey assesses outcomes and impacts of the PSNP. It includes both quantitative and qualitative information.	Every two years	<ul style="list-style-type: none"> Change in household food gap
	Public Works Impact Assessment to determine if the objective of the PSNP PW were met	NRMD commissions this assessment of the impact of PSNP public works in a sample of watershed. It looks at both discernible and potential impacts of public works.	Every two years	<ul style="list-style-type: none"> Benefit:cost ratio of public works sub-projects
	Social Assessment to confirm the effectiveness of program targeting and assess relevant social issues	The Social Development Task Force is responsible for commissioning this assessment.	Once	<ul style="list-style-type: none"> Qualitative review of targeting
	Transitory Response Assessment to determine if objectives were met	FSCD commissions this impact assessment.	As needed	<ul style="list-style-type: none">
Ad hoc studies	Ad hoc studies provide decision makers with detailed information on specific areas of concern.	FSCD and other implementers commission studies as needed with inputs from donors	As needed	<ul style="list-style-type: none">

17.7 MIS and Mapped Public Works Database

The MIS is currently being designed and will comprise the National Household Registry mentioned in Part 2, Chapter 3 (Programme Entry and Exit) and the Mapped Public Works Database. A new version of this chapter of the manual will be released once these elements have been designed and tested and are ready for implementation.

Annex 17.1: PSNP Logframe

Hierarchy of Objectives	Objectively Verifiable Indicators ⁶⁰	Means of Verification
Policy Objectives		
GTP: To contribute to the achievement of GTP objectives through contributions to four key government policies, strategies and programmes	• Number of clients raised above poverty line ⁶¹	Government of Ethiopia poverty surveys
	• Total poverty-oriented expenditure as % of GDP ⁶²	Government of Ethiopia poverty surveys
Social protection: To see all Ethiopians enjoy social and economic well-being, security and social justice ⁶³	• Number of safety net clients expressed as a percentage of people living below poverty line	Programme monitoring and core Government of Ethiopia data
	• Number of safety net clients benefiting from fee waivers and nutrition-related conditionalities	Programme monitoring
DRM: To reduce risks and impact of disasters ⁶⁴	• Value of distress sales of assets by safety net clients as compared to previous similar disasters in operational areas	Annual analysis of crop and livestock losses from monthly EW reporting.
	• Number of children in operational areas affected by severe malnutrition ⁶⁵	Demographic and Health Survey (DHS)
CRGE: To achieve the GTP goal of building Ethiopia into a middle-income country by 2025 in a way that is both resilient to the negative impacts of climate change and does not result in a rise in greenhouse gas emissions ⁶⁶	• % of land covered by improved watershed and rangeland management structures and practices	Public Works MIS
	• Mt CO ² e sequestered in public works supported watersheds ⁶⁷	Public Works Impact Assessment
Nutrition: Improve nutritional status of women and children ⁶⁸	• % stunting in children under 5 in operational areas ⁶⁹	Biannual Household Survey

⁶⁰ Where possible, client-level indicators will be disaggregated by sex of participant or respondent, and household-level indicators will be disaggregated by sex of household head or respondent, as appropriate.

⁶¹ The PSNP 4's contribution to the GTP indicator "Decrease in # of people living below the poverty line"

⁶² GTP Indicators

⁶³ Social Protection Policy

⁶⁴ Shortened version of overall objective of DRM Policy

⁶⁵ PSNP 4's contribution to the DRM SPIF indicators: "the reduction in the number of lives lost as compared to previous similar disasters, the reduction in the value of economic losses incurred as compared to previous similar disasters and the reduction in the number of people and children affected by severe malnutrition"

⁶⁶ Paraphrased from the CRGE Strategy Vision

⁶⁷ PSNP 4's contribution to CRGE Strategy Indicator "Annual CO² emissions remain at 150 Mt CO²e"

⁶⁸ Impact Objective of the National Nutrition Programme

⁶⁹ PSNP 4's contribution to NNP indicator "% height for age"

Goal indicators

The PSNP 4 has the following goal: “Resilience to shocks and livelihoods enhanced, and food security and nutrition improved, for rural households vulnerable to food insecurity.”

Goal indicators									
Indicator		Baseline	Target					Means of verification	
			2016	2017	2018	2019	2020	Frequency	Source
1	Percentage of children 6-23 months of age who receive a minimum acceptable diet [Nutrition] – disaggregated by sex	No PSNP related data. DHS 2011 is 4% ;		x		x		Every 2 years	Household impact survey
2	Household dietary diversity [Nutrition] – disaggregated by sex	2012: 3.4 food groups (0.46 increase in # of food groups consumed by PW clients and 0.60 increase by DS clients)		+0.5		+1		Every 2 years	Household impact survey
3	Average value of asset holdings [Livelihoods] - disaggregated by sex			+15%		+25%	+30%	Every 2 years	Household impact survey
4	Number of different income sources [Livelihoods/resilience] - disaggregated by sex			x		x		Every 2 years	Household impact survey

Outcome indicators

The PSNP 4's outcome is as follows: "Enhanced participation in improved rural safety net, livelihood and nutrition services by food insecure female/male headed households".

Outcome indicators ⁷⁰									
Indicator		Baseline	Target					Means of verification	
			2016	2017	2018	2019	2020	Frequency	Source
1	Number of months of self-reported food insecurity (including safety net transfer) for PSNP - disaggregated by PSNP 3 beneficiaries and all beneficiaries	PSNP 3 beneficiaries		1.5		1		Every 2 years	Household impact survey
		All Beneficiaries		2.9		2.3			
2	Average non-food expenditure of PSNP PW clients (2012 constant birr per adult equivalent per month) - disaggregated by sex	212 (2012)		300		360		Every 2 years	Household impact survey
3	Percentage of clients reporting that they can provide adequate meals for their family for 12 months a year - disaggregated by sex	0	10	20	30	40	50	Every 2 years	Household impact survey
4	Percentage of households reporting improvements in self-reported well-being - disaggregated by sex			20		40		Every 2 years	Household impact survey
5	Percentage of clients reporting that asset depletion is prevented as a result of transfers - disaggregated by sex	40%?		45%		55%		Every 2 years	Household impact survey
6	Number of clients covered by the programme (chronic caseload)- disaggregated by sex	7.2 million	7.2 million	7.8 million	8.3 million	8.3 million	8.3 million	Annual	Progress reports/MIS

⁷⁰ Legend for baseline data sources: *2012 impact assessment; **Public works review; ***Programme monitoring data (IC or other), most recent available

Outcome indicators ⁷⁰									
Indicator		Baseline	Target					Means of verification	
			2016	2017	2018	2019	2020	Frequency	Source
7	Average number of consecutive years that highland client households have received safety net transfers (survey year and preceding year) - disaggregated by sex	None		x		x		Every 2 years	Household impact survey (then MIS)
8	Percentage of safety net clients reporting that their livelihood has benefited from public work created assets - disaggregated by sex of respondent and type of public work			30%		50%		Every 2 years	Household impact survey
9	Percentage of safety net clients reporting that they have benefited from public work created social infrastructure - disaggregated by sex and type of public work			70%		80%		Every 2 years	Household impact survey
10	Percentage of client households with adequate Knowledge, Attitude and Practices (KAP) of nutrition-related behaviours - disaggregated by sex	None		x		x		Every 2 years	Household impact survey
11	Percentage of safety net clients reporting new income sources - disaggregated by sex	0	0	5	10	20	30	Every 2 years	Household impact survey
12	Percentage of safety net households with business plans reporting that their business plans reflect their priorities, needs and capabilities (disaggregated by sex of respondent)	46% (HABP CUs Qualitative survey report)		65%		75%		Every 2 years	Household impact survey

Output 1 indicators

Output 1: Prioritised instruments and tools in place to support an effective system for Social Protection and Disaster Risk Management

Output 1 indicators ⁷¹										
Indicator		Previous Indicator/ Target	Baseline	Target					Means of verification	
				2016	2017	2018	2019	2020	Frequency	Source
1	Percentage of safety net woredas where MIS and single registry are operational	N.A.	Single Registry	0% (Core modules ready for data entry in pilot woredas)	0%	25%	50%	75%	Every 6 months	Programme Monitoring/Annual Report
			MIS		0%	25%	50%	75%		
2	Percentage of kebeles where poverty index is used to complement community targeting	No equivalent		Food insecurity/poverty indices developed	25%	40%	55%	75%		Programme Monitoring
3	Percentage of clients and non-clients in safety net woredas reporting that targeting and graduation processes are fair - disaggregated by sex	Clients: 78% (2012 impact assessment data)		50%		75%			Every 2 years	Household impact survey
		Non-clients: 51% (2012 impact assessment data)		40%		60%				
4	Percentage of households graduating in the previous year who report they were given at least 12 months' notice- disaggregated by sex	20%	20%		75%		85%		Every 2 years	
5	Percentage of graduate households that report full (12 month) food security - disaggregated by sex of HH head				80%		90%		Every 2 years	Household impact survey

⁷¹ **Legend for baseline data sources:** *2012 impact assessment; **Public works review; ***Programme monitoring data (IC or other), most recent available

Output 1 indicators ⁷¹										
Indicator		Previous Indicator/ Target	Baseline	Target					Means of verification	
				2016	2017	2018	2019	2020	Frequency	Source
6	Number of woredas having contingency plan and DRR plan		112	160	210	260	310	360		DRM Coordination Office reporting
7	Percentage of woredas providing regular (12 months / year) EW monitoring data to the regions		c. 40% (50-60% in highlands, 0% in lowlands)	50%	60%	70%	80%	90%		DRM Coordination Office reporting
8	Percentage of woreda annual safety net plans fully incorporated in woreda development plan with a rating of good or above - disaggregate by highland and lowland	90% of PSNP plans fully incorporated in woreda development plans by December 2010	Highland: 83% have good or above (2012)**	90%	95%	95%	95%	95%	Annual	Public Works Review
			Lowland: 25% have good or above (2012)**	40%	50%	60%	75%	90%		
9	Percentage of clients and non-clients who are aware of programme objectives and entitlements (disaggregate by sex , and by permanent DS and other clients)	No equivalent	Overall clients: 62% (2012 impact assessment data)		65%		75%		Every 2 years	Household impact survey
			Clients -- male-headed households: 66%		67%		77%			
			Clients -- female-headed households: 55%		63%		73%			
			Public works clients: 68%		70%		75%			
			Direct support clients: 44%		60%		70%			

Output 1 indicators⁷¹

Indicator	Previous Indicator/ Target	Baseline	Target					Means of verification	
			2016	2017	2018	2019	2020	Frequency	Source
		Non-clients: 64% (2012 impact assessment)		65%		75%			
10	Percentage of grievances registered related to delivery of PSNP that are addressed	No equivalent	70%	70%	75%	80%	80%	80%	Annual (cross-checked every two years) Programme Monitoring/MIS (cross-checked by every 2 years Household impact survey)
11	Number of safety net kebeles implementing social accountability tools	No equivalent	4	30	60	90	120	130	Programme Monitoring
12	Capacity development indicators which are expected to be developed after the development of CD strategy			100%	100%	100%	100%	100%	Annual Progress reports/MIS
13	Number of woredas implementing CSI recommendations		24	24	60	130	250	400	annual Programme monitoring / administrative data
14	Number of woredas covered by the programme		319	340	360	411	411	411	Annual Progress reports/MIS

Output 2 indicators

Output 2: Appropriate, timely and accessible transfers received by male and female clients

Output 2 indicators ⁷²									
Indicator		Baseline	Target					Means of verification	
			2016	2017	2018	2019	2020	Frequency	Source
1	Percentage of clients paid within the agreed timeframe (20 days for cash and 30 days for food)	Highlands: 2013 data varied between 44 and 77% with an average for year of 48% of cash woredas -- but for 45 days rather than 20.*** Lowlands: No data available for food because of lack of functioning IC	60%	70%	80%	90%	90%	Reported on annually, but data collected monthly	IC/MIS
2	Percentage of clients reporting that they receive cash or food transfers at a place less than 3 hours walking from their home - disaggregated by sex	84% in highland area* Varies between 90% (Somali) and 20% (Oromiya) in lowland areas*		90%		90%		Every 2 years	Household impact survey
3	% transfers received that have a value of at least 15 kg of cereals and 4 kg of pulses per person per month		50%	55%	60%	65%	70%	Annual	Program monitoring and Household impact survey
4	Percentage of households reporting that use of transfers is decided jointly by wives and husbands - disaggregated by sex	No data		x		x		Every 2 years	Household impact survey
5	Percentage of clients receiving woreda contingency resources within 60 days of threshold being reached	No data	65%	70%	75%	75%	75%	Reported on annually, but data collected monthly	IC/MIS

⁷² For all indicators, disaggregation by sex of household head or by sex of respondent will be provided if data sources allow disaggregation. ;

Legend for baseline data sources: *2012 impact assessment; **Public works review; ***Programme monitoring data (IC or other), most recent available

Output 2 indicators ⁷²									
Indicator		Baseline	Target					Means of verification	
			2016	2017	2018	2019	2020	Frequency	Source
6	Percentage of clients receiving federal contingency budget resources within 60 days of identification of needs	No data	50%	60%	70%	80%	80%	Reported on annually, but data collected monthly	IC/MIS

Output 3 indicators

Output 3: Sustainable community assets built up and access to social services enhanced

Output 3 indicators ⁷³										
Indicator		Previous Indicator/ Target	Baseline	Target					Means of verification	
				2016	2017	2018	2019	2020	Frequency	Source
1	Percentage of public works planned and implemented following the GoE's CBPWD Guidelines or Rangeland Management Guidelines integrated with DRR/Adaptation and mitigation plan – disaggregated by highland and lowland	100% of PW plans developed following community planning guidelines by December 2010	Highland: 72%**	75%	80%	85%	90%	90%	Annual	PW Review
			Lowland: 43%**	50%	60%	65%	70%	70%		
2	Percentage of public works projects constructed according to technical standards in info-techs – disaggregated by highland and lowland	90% of public works reaching satisfactory standards and sustainability ratings by December 2010	Highland: 89%**	90%	91%	93%	94%	95%	Annual	PW Review
			Lowland: 81%**	82%	83%	86%	87%	88%	Annual	PW Review
3	Percentage of public works projects screened in accordance with ESMF – disaggregated by highland and lowland	100% of PW projects screened in accordance with ESMF by December 2010	Highland 90%**	90%	100%	100%	100%	100%	Annual	PW Review
			Lowland: mixed results	50%	60%	70%	80%	80%		

⁷³ Legend for baseline data sources: *2012 impact assessment; **Public works review; ***Programme monitoring data (IC or other), most recent available

Output 3 indicators ⁷³										
Indicator		Previous Indicator/ Target	Baseline	Target					Means of verification	
				2016	2017	2018	2019	2020	Frequency	Source
4	Total closed area subject to enhanced management for climate adaptation		zero	37,500 ha	94,000 ha	172,000 ha	297,000 ha	500,000 ha	Annual	
5	Percentage of clients that feel PW sub-projects reflect their needs - disaggregated by sex		75	82	84	86	88	90	Annual	Household impact survey/ Social Accountability tool and PW reviews
6	Percentage of public works projects for which planned mitigating measures have been implemented	None	Voluntary asset very high - but not full range of measures	50%	60%	70%	80%	80%	Annual	PW Review
7	Percentage of public works projects for which arrangements for community engagement and/or operation and maintenance are established – disaggregated by highland/lowland		Highland: 75%	80%	85%	90%	95%	95%	Annual	PW Review/MIS
			Lowland: 64%	70%	75%	80%	85%	90%		
8	Percentage of PW plans prepared following GSD considerations – disaggregated by highland/lowland		Highland: 74% 74%	76%	80%	85%	90%	93%	Annual	PW review/MIS
			Lowland : 64%	65%	68%	73%	77%	80%	Annual	PW Review/MIS
9	Percentage of female clients who report PW are implemented following		Highlands: 81%		88%		93%		Every 2 years	Household impact surveys

Output 3 indicators ⁷³										
Indicator		Previous Indicator/ Target	Baseline	Target					Means of verification	
				2016	2017	2018	2019	2020	Frequency	Source
	GSD considerations – disaggregated by highland/lowland		lowlands: 59%		65%		72%		Every 2 years	Household impact surveys
10	Percentage of PLWs (pregnant or with children <2) in safety net client households participating in Community Based Nutrition activities (disaggregated by specific services provided to respectively pregnant women and lactating women)	None	PSNP Pregnant women: Nutrition counselling sessions - no baseline		x		x		Every 2 yearsly (HH survey) and annually (PW MIS)	Household impact survey/MIS
		None	Lactating women with children under 2 attending GMP (disaggregated by <1 year and 13-23 months) - no baseline		x		x		Every 2 yearsly (HH survey) and annually (PW MIS)	Household impact survey/MIS
11	Percentage of clients who receive community-based nutrition counseling services		40	50	60	70	80	80	Annual	MIS/progress reports
12	Percentage of adult household members whose members attend at least three BCC sessions annually (disaggregated by sex of participant and by public works/direct support)	N.A.	Public work Clients (No baseline)		x		x		Every 2 yearly (HH survey) and annually (PW MIS)	Household impact survey/MIS
		N.A.	Direct Support clients (no baseline)		x		x		Every 2 yearly (HH survey) and annually (PW MIS)	Household impact survey/MIS

Output 3 indicators ⁷³										
Indicator		Previous Indicator/ Target	Baseline	Target					Means of verification	
				2016	2017	2018	2019	2020	Frequency	Source
13	Percentage of pregnant women transitioning to temporary direct support before 4 months on the basis of health facility referral [amongst women who reach the 4th month of pregnancy during the public works period]	None	No baseline		x		x		Every 2 yearly (HH survey) and annually (PW MIS)	Household impact survey/MIS

Output 4 indicators

Output 4: Clients' livelihood opportunities facilitated through three pathways: crop and livestock, off-farm income generation, and employment

Output 4 indicators ⁷⁴										
Indicator	Previous Indicator/ Target	Baseline	Target					Means of verification		
			2016	2017	2018	2019	2020	Frequency	Source	
1	Percentage of safety net households who report saving regularly (in development groups/VSLAs, RUSACCOs, MFIs, banks, etc.) - disaggregated by sex of household member who saved	No equivalent indicator		25	30	35	40	50	Every 2 years	Household impact survey
2	Percentage of safety net households who received the complete livelihood training package (disaggregated by sex of household head)		0%	30%	55%	75%	85%	90%	Checklist, Reported on annually, but data collected monthly	
3	Percentage of safety net households reporting that the programme has enabled them to access on-farm and/or off-farm livelihood opportunities and/or labour/wage employment opportunities (disaggregated by sex)		On-farm: 45%		65%		80%		Every 2 years	Household impact survey
			Off-farm: 20%		30%		40%		Every 2 years	Household impact survey
			Labour/wage employment : 0%		5%		15%		Every 2 years	Household impact survey
4	Percentage of safety net households receiving credit for their business plan after completion of checklist -	90% of HABP clients have access to financial	45%	50%	55%	60%	65%	70%	Reported on annually, but data collected monthly	Financial institutions

⁷⁴ Legend for baseline data sources: *2012 impact assessment; **Public works review; ***Programme monitoring data (IC or other), most recent available

	disaggregated by sex)	services attributable to HABP by December 2012								
5	Percentage of ultra-poor safety net households receiving livelihoods transfers [after completion of checklist] - disaggregated by sex	No equivalent indicator	0%	30%	60%	75%	85%	90%	Reported on annually, but data collected monthly	Programme reports
6	Percentage of clients with business plans developed - disaggregated by sex		0	40	55	75	85	90	annual	MIS and progress reports
7	Percentage of ultra-poor safety net households who received livelihoods transfers reporting at least every month visits/meetings by DAs - disaggregated by sex	No equivalent indicator	0	30%	60%	75%	85%	90%	Annually (if surveys) or every two years (if IFPRI impact assessment)	Household impact survey
8	Percentage of clients with business plans reporting that the plans reflect their priorities, needs and capabilities - disaggregated by sex		18	60	65	70	75	80	Every 2 years	Impact evaluation
9	Percentage of clients receiving employment related skills training - disaggregated by sex)		0	10	15	20	25	30	Annual	Progress reports

Output 5 indicators

Output 5: Effective management and operational processes in place to manage the programme

Output 5 indicators ⁷⁵									
Indicator		Baseline	Target					Means of verification	
			2016	2017	2018	2019	2020	Frequency	Source
1	Percentage of safety net woredas/regions meeting minimum safety net staffing standards – disaggregated by highland/lowland and new woredas	Highland (80%)	82%	84%	86%	88%	90%	Annual	Progress reports/MIS
		Lowland	x	x	x	x	x	Annual	Progress reports/MIS
		New Woredas	x	x	x	x	x	Annual	Progress reports/MIS
2	Percentage of woredas that adopt and meet key performance standards for planning, implementing and reporting (including finance, procurement, commodity and fixed asset status)- disaggregated by highland/lowland and new woredas	Highland	82%	84%	86%	88%	90%	Annual	Progress reports/MIS
		Lowland	x	x	x	x	x	Annual	Progress reports/MIS
		New Woredas	x	x	x	x	x	Annual	Progress reports/MIS
3	Percentage of agreed Joint Steering and Oversight Committee (JSOC) meetings held as planned		75%	75%	75%	75%	100%	Annual	Progress reports/MIS
4	Incidence of recurrent audit findings (financial, commodity and procurement) on resources at woreda, regional and federal levels	Financial management -- Year 1 audit as baseline	x	x	x	x	x	Annual	Audit reports
		Procurement -- Year 1 audit as baseline	x	x	x	x	x		
		Commodity audit -- Year 1 audit as baseline	x	x	x	x	x		

⁷⁵ Legend for baseline data sources: *2012 impact assessment; **Public works review; ***Programme monitoring data (IC or other), most recent available

Output 5 indicators ⁷⁵									
Indicator		Baseline	Target					Means of verification	
			2016	2017	2018	2019	2020	Frequency	Source
5	Percentage of woredas submitting Woreda Monthly Stock & Distribution (Utilisation) Reports to the zone (where active) or regional government (where zones are not active) on a quarterly basis		60%	70%	80%	90%	100%	Annual	Progress reports/MIS
6	Percentage of permanent direct support caseload under MOLSA management			30% in selected highland woredas	50%	70%	100%	Annual	Progress reports/MIS
7	Level of implementation of the gender action plan	NA	x	x	x	x	x	x	Targets for every year: A min of 80% of gender action plan activities, included in the PSNP annual plan, implemented

PSNP IV Programme Implementation Manual

Part 7: Institutional Arrangements

Version 1.0

December 2014

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CHAPTER 18 INSTITUTIONAL ARRANGEMENTS

18.1 Introduction

The PSNP has ambitious but achievable objectives. However, achieving these objectives will not be possible with only the involvement of one department or one ministry. It requires many actors to work together in a coordinated way so that together they can improve rural households' food security and nutrition, strengthen their livelihoods, and enhance their resilience to shocks.

Many of the interventions that are required to achieve these objectives are not new; rather, they are core elements of mainstream service delivery of identified agencies. However, the clients of the PSNP are often less able to take advantage of these services or are not yet benefiting from them in a coordinated way. This programme does not aim to duplicate these services, but rather to ensure that the poorest households in Ethiopia are benefiting from them and that by ensuring an appropriate combination of services impacts are greater. As such, health workers will only be expected to provide support in accordance with the health extension programme, but to ensure that PSNP clients benefit from this support, social workers will link permanent direct support clients to services per their mandate, TVET trainers will provide training in off-farm and employment skills per their mandate, etc. The Food Security line agencies at every level of Government will play a key role in coordination of interventions and be accountable for oversight.

These arrangements are cemented in a Memorandum of Understanding between different agencies of Government and between Government and development partners. The roles and responsibilities of implementing partners at each level are detailed below.

18.1.1 WHAT'S NEW IN THIS VERSION OF THIS CHAPTER

This version reflects the transition to a systems approach and greater coordination within the PSNP and with other programmes. Hence, this chapter provides updated management structures and responsibilities based on the additional sectors and ministries involved in the programme as well as on the merging of livelihoods institutional arrangements into the overall PSNP institutional framework. Changes include:

- Description of the roles of additional implementing agencies at each level, particularly for livelihoods, health and nutrition linkages, and permanent direct support
- Introduction of a Coordination and Management Committee at the federal level
- Expansion of joint technical committees to four: Systems Development, Transfers and Resource Management, Public Works, and Livelihoods
- Introduction of a secretariat to support MOLSA

18.2 Overview of Responsibilities

18.2.1 COMMUNITY

Planning and implementation of the PSNP starts at the community level. The Community Food Security Task Force is responsible for targeting of PSNP clients, while clients themselves have an important set of rights and responsibilities related to programme implementation and accountability, as outlined in the PSNP charter.

18.2.2 KEBELE

At the kebele level, the PSNP is managed by the Kebele Food Security Task Force, under the oversight of the Kebele Cabinet and the Kebele Council. The Kebele Appeals Committee plays an important role in ensuring local-level accountability. The Kebele Development Committee oversees development activities in the kebele more broadly, and supports coordination between the PSNP and other development interventions. Programme implementation is primarily the responsibility of development agents, who implement livelihoods activities and oversee public works, with some support from health extension workers for the implementation of soft conditionalities.

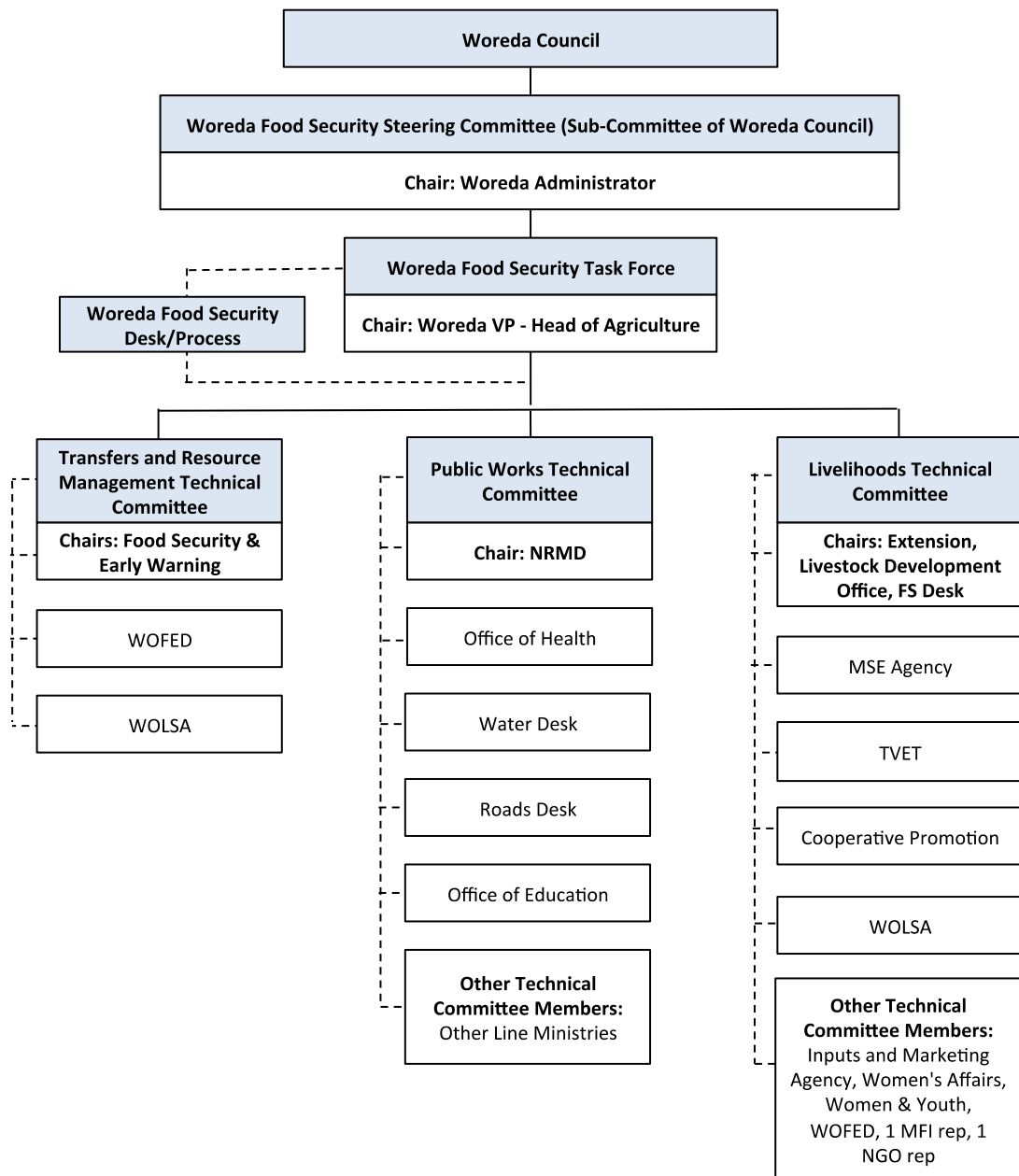
18.2.3 WOREDA

The woreda is the key level of government that determines needs, undertakes planning and implements the PSNP. The Woreda Food Security Task Force and Food Security Desk/Process manage and coordinate PSNP implementation, under the oversight of the Woreda Council through the Woreda Food Security Steering Committee.

The Woreda Offices and Desks/Processes for Early Warning, Finance and Economic Development, Natural Resources, and Extension manage programme activities for food transfers, cash transfers, public works, and livelihoods, respectively. Other line agencies provide implementation and coordination support according to their mandate. In addition, WOFED supports procurement and financial management, while NGOs provide support in the implementation of a variety of programme interventions, depending on the woreda. Joint Technical Committees for transfers and resource management, public works, and livelihoods, facilitate joint planning, coordination, monitoring and reporting.

The diagramme below illustrates management, coordination and implementation structures at the woreda level.

Figure 18.1: Woreda PSNP Management, Coordination and Implementation Structures



18.2.4 ZONAL

In Amhara, Oromiya, and SNNP, zones play a key role as a bridge between regional and woreda levels. For the purposes of this programme, zones act as a means of outreach by regional bodies and have been delegated and authorised by their respective regions. Zones collect and communicate information, and support training and capacity building efforts. This is particularly true for Zonal Food Security Offices, Zonal Natural Resources Offices and Zonal Extension Departments. For each of these agencies, zonal offices play the following key roles:

- Disseminating information and instructions which come from the regional level
- Collating, analysing and summarising woreda plans and reports for onward transmission to regions
- Cascading training from region to woreda level

- Providing general oversight and support through regular field visits
- Performing a monitoring and evaluation function including the bi-annual and annual performance review of woredas

In SNNP Region, zonal administrations have more autonomy, with the existence of zonal councils. In reflection of this, the above zonal offices also need to submit compiled annual plans to the Zonal Council for approval.

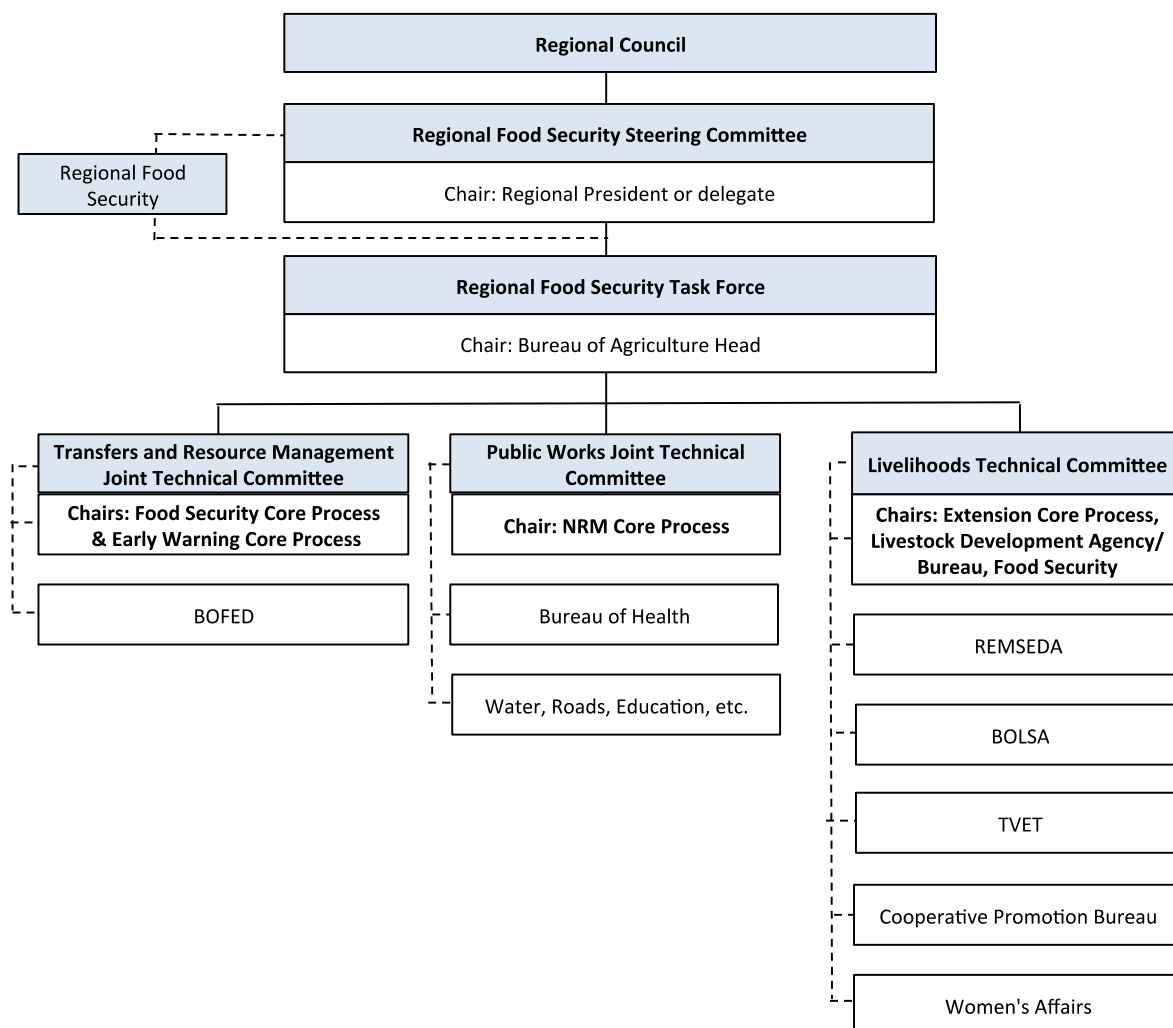
18.2.5 REGIONAL

At regional level, the Regional Cabinet approves the PSNP annual plans and budgets. The Regional Food Security Steering Committee, chaired by the Regional President or his delegate, oversees implementation of the programme, while the Head of BOA is responsible for the management of PSNP and chairs the Regional Food Security Task Force (RFSTF). Three Technical Committees (Transfers & Resource Management, Public Works, and Livelihoods) report to the RFSTF. Regional Food Security is responsible for day-to-day coordination of the programme, including the timely delivery of resources to clients.

Regional offices and core processes play a key role in programme oversight and monitoring as well as supporting the development of adequate implementation capacity at woreda level. They also ensure that PSNP plans and budgets are consistent with and effectively integrated into regional development plans. They provide sector-specific support to woreda-level offices as well as coordination for programme components. As Chair of the Public Works Technical Committee, the Natural Resources Management Core Process supports Woreda Natural Resources Desks/Processes and provides quality control and oversight of public works. As Chair of the Livelihoods Technical Committee, the Regional Extension Core Process supports technical aspects of livelihoods implementation in the crop and livestock pathway, but also plays an important role in consolidating the planning, management, and M&E of overall livelihoods interventions. The Early Warning and Response Core Process is responsible for the collection and analysis of early warning data.

The diagramme below illustrates management, coordination and implementation structures at the regional level.

Figure 18.2: Regional PSNP Coordination and Management Structures



18.2.6 FEDERAL

At the federal level, the MOA, in close partnership with MOLSA, is responsible for the management and coordination of the programme, with overall coordination vested in the DRMFSS. FSCD – now with new technical specialists, including a programme management advisor and a food management specialist – coordinates all other aspects of the program and appoints focal points for Systems Development, Livelihoods, Public Works, Financial Management and Food Management. FSCD organises monthly management meetings with all key implementing partners, prior to the monthly joint Coordination and Management Committee (CMC) meetings.

MOFED is responsible for financial management and reporting, and for channelling resources to regions, while FSCD ensures the timely transfer of resources to clients and releases resources to implementing partners in a timely manner based on their approved annual plans and budgets.

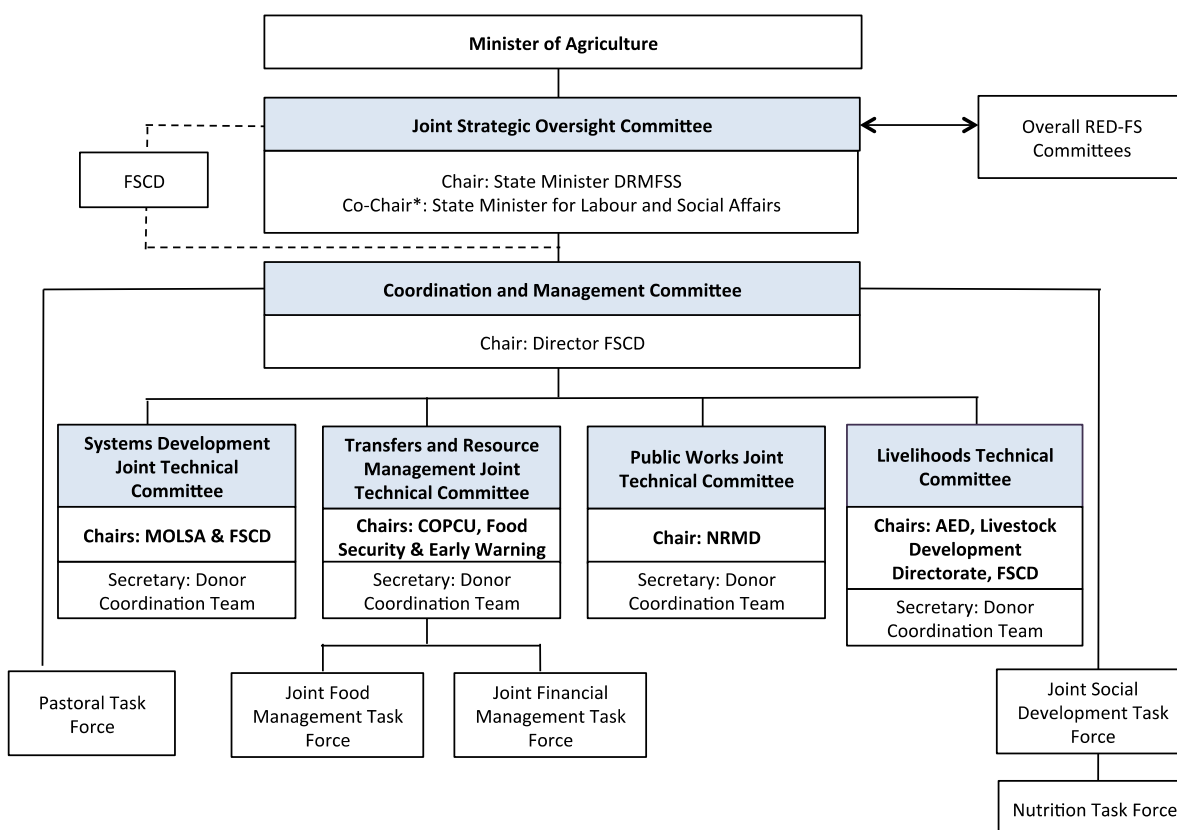
EWRD manages the early warning system, including triggering of a response that informs the use of contingency budgets, and, through its Food Management Unit, manages the storage, handling, dispatch, delivery and monitoring of in-kind resources.

NRMD through its Public Works Coordination Unit provides implementation support, technical coordination and oversight of PSNP public works. A Public Works Focal Point in FSCD provides overall coordination.

The Livelihoods Implementation Unit in the Agricultural Extension Directorate and the Livelihoods Focal Point in FSCD coordinate and oversee livelihoods interventions. Depending on the livelihood pathway, the Livelihoods Implementation Unit and the Livelihoods Focal Point work together with a range of different actors. Key partners in the delivery of these services are the Livestock Resource Development Sector, FEMSEDA, TVETs, FCA, MoWCYA, MOLSA and MFIs. All these key partners appoint PSNP Focal Points. FCA oversees and supports capacity building to RUSACCOs and the creation and strengthening of agricultural cooperatives.

The diagramme below presents the PSNP coordination and management arrangements at the federal level.

Figure 18.3: Federal PSNP Coordination and Management Structures



18.3 Detailed Responsibilities

18.3.1 COMMUNITY

Community Food Security Task Force (CFSTF)
Main Role
The main role of the CFSTF is to identify PSNP clients and to support the mobilisation of the community for participatory public works planning.
Membership
<ul style="list-style-type: none"> • Representatives from the Kebele Food Security Task Force (see below) • A Development Agent • A Health Extension Worker or Volunteer Community Health Worker • A CCC representative • Two or three elected female representatives • Two or three elected male representatives • An elected youth representative • An elected representative of the elders

Responsibilities
<ul style="list-style-type: none"> • Mobilise the community for participatory planning exercises • Undertake a needs assessment identifying those households which can participate in public works and those without sufficient labour or other support who will need direct support • Identify households that are poorer, female-headed, landless, or otherwise unable to take credit, and target them to receive livelihood transfers and intensive coaching and mentoring • Once PSNP clients have indicated their interest in participating in livelihoods interventions, prioritise clients on an annual basis, beginning with poorer clients • Mobilise the community jointly with DAs for participatory public works planning • Submit community public works plans to the KFSTF • Organise a public meeting to discuss the proposed list of PSNP clients, encourage comments from people attending the meeting and amendments to the list, as required, to reach overall agreement among the community on the list of PSNP clients to be submitted to the KFSTF, while ensuring that there is no stigma against the inclusion of eligible People Living with HIV • Finalise the list of participants and submit it to the KFSTF for verification and action and ensure that an updated list of clients is posted in public locations every 6 months and that these updated listings are read out at a community meeting held every 6 months • Monitor the implementation of public works and livelihoods activities • Participate in the regular review of safety net clients • Inform community members at the community meeting every 6 months of the appeals process, that appeals should be taken to the Kebele Appeals Committee which will resolve the appeals or forwards difficult cases to the Woreda Council for resolution • Ensure that an updated listing of appeals cases, appeals resolutions, and outstanding appeals resolutions forwarded by the Kebele Council to the Woreda Council is posted in public locations and read out to community members at the community meetings every 6 months.

Clients
Main Role
Client play an important role in programme participation, through public works, co-responsibilities and livelihoods activities, while both clients and non-clients both play a key role in holding implementers to account through public meetings and social accountability mechanisms.
Responsibilities
<ul style="list-style-type: none"> • Client and non-client households participate in public meetings on PSNP to target PSNP clients and determine multi-year annual plans • Community members work with DAs on an annual basis to determine priority public works • Clients participate in public works or direct support • Temporary direct support clients participate in soft conditionalities • Clients self-select into livelihood pathways and participate in livelihoods activities • Clients and communities provide feedback on the programme through the citizen report card and the community score card and other social accountability mechanisms • Clients should refer to the Charter of Client Rights and Responsibilities found on the back of their Client Cards for information on their rights and responsibilities.

18.3.2 KEBELE

18.3.2.1 Oversight/Management and Coordination

Kebele Council
Main Role
The main role of the Kebele Council is to oversee Kebele Cabinet. In the PSNP, the Kebele Council plays a role in overseeing the Kebele Appeals Committee to ensure the proper functioning of the appeals system.
Responsibilities
<ul style="list-style-type: none"> • Review and approve the Cabinet's proposals, notably in relation to the Kebele Annual Safety Net Plan and its integration within the broader kebele plan • Link with the Woreda Council to ensure the functioning of the appeal system

- Assist in establishing and ensuring effective operation of the Kebele Appeals Committee
- Organise a general public meeting at kebele level every 6 months so residents can comment on the proposed list of PSNP clients, learn about the operation of the Kebele Appeals Committee, and be informed of appeals submitted and of resolutions to those appeals
- Ensure that updated lists of PSNP clients, and of appeals resolutions, are posted in public locations at the kebele and community levels.

Kebele Cabinet
Main Role
The Kebele Cabinet, which the highest political decision making body in the kebele, oversees the Kebele Food Security Task Force and ensures integration of PSNP activities with the overall Kebele Development Plan.
Responsibilities
<ul style="list-style-type: none"> • Approve kebele PSNP clients based on the recommendations of the Community Food Security Task Force • Oversee the KFSTF in identifying activities for PSNP purposes • Oversee the KFSTF in preparing the Kebele Annual Safety Net Plan • Ensure that the PSNP is linked, and consistent with, other food security interventions, and that PSNP activities and priorities, in particular in relation to public works, are integrated in the broader development plan of the kebele • Maintain records on the status of client households • Report monthly to the woreda • Oversee food security activities in the kebele • Participate in the monitoring and evaluation system • Ensure that lists of clients, appeals heard and resolved, along with programme plans and budgets, are posted in public locations

Kebele Food Security Task Force
Main Role
The KFSTF is a decision-making body that oversees all planning and implementation of safety net activities on behalf of the Kebele Cabinet.
Membership
<ul style="list-style-type: none"> • Kebele Administrator • Kebele Manager • Development Agents • Health Extension Workers and/or Volunteer Community Health Workers • Social workers • Teachers • Community members such as Youth and Women’s Associations
Responsibilities
<ul style="list-style-type: none"> • Review community public works plans and consolidate into kebele public works plan • Support DAs in planning work with identified communities following participatory watershed planning guidelines and Line Bureaus specific proposals • Target clients for public works and direct support as well as livelihoods transfers based on community targeting exercises • Prepare Kebele Safety Net Plan in consultation with woreda sectoral offices • Maintain minutes of KFSTF meetings on Safety Net issues, Kebele Safety Net activities, list of participants and progress reports • Establish and train the Community Food Security Task Force • Participate in monitoring and evaluation of safety net activities, including the Rapid Response Mechanism • Manage client cards at the kebele level, and calls clients to fill out card and affix photo. • Ensure that the interests of women and vulnerable groups are properly integrated in public work plan

Kebele Appeals Committee
Main Role
The main role of the KAC is to hear and resolve appeals regarding Safety Net matters in a timely manner. The Committee meets quarterly under the auspices of the Kebele Council.
Membership
<ul style="list-style-type: none"> • 1 elected Kebele Council member (not the Chairperson) • A Development Agent • 1-2 members of the community care coalition (if existing in the kebele) • A Health Extension Worker or Volunteer Community Health Workers • A CCC representative • Social worker (if represented in the kebele) • 2 elder representatives (1 female)
Responsibilities
<ul style="list-style-type: none"> • Hear and resolve complaints, claims and appeals from kebele residents on the targeting process and other implementation issues in a timely manner • Submit a complete listing of appeals cases by sex of appellant, appeals resolutions, and unresolved appeals each quarter to the Kebele Council, which reviews them and forwards them to the Woreda Council and the WAO every quarter • Convene within one month of the establishment of a new annual listing of clients to hear appeals submitted in their jurisdiction and to resolve a minimum of 95 percent of these cases within the month • Provide the listing of the appeals and the associated resolutions to the Kebele Council no later than 2 months after the announcement of the clients listing • Maintain records of grievances and decisions of the committee

Kebele Development Committee
Main Role
The main role of the Kebele Development Committee, where it exists, is to oversee the planning and implementation of development activities in the kebele. In the PSNP, the Kebele Development Committee will assist in coordinating PSNP livelihoods activities with other development interventions in the kebele.
Membership
<ul style="list-style-type: none"> • Kebele Chairperson • Development Agent • Education focal person (e.g. School Director) • Health Post Head or Health Extension Worker • Representative of local women's organisation

18.3.2.2 Frontline Implementers

Development Agents
Main Role
DAs work to facilitate PSNP implementation at the community and kebele levels.
Responsibilities
<ul style="list-style-type: none"> • Serve as member of the KFSTF and CFSTF • Support the CFSTF in prioritising community needs and preparing annual PSNP plans (including public works as well as livelihoods) • Design public works with support from kebele/woreda staff as required • Support Woreda NR/Environment experts in implementing ESMF procedures • Oversee the implementation of public works • Prepare PSNP attendance/payments list for submission to FSD/P and the Office of Finance • Coordinate livelihoods interventions at the kebele level • Provide training, technical assistance and mentoring to clients in the crop and livestock livelihoods pathway • Conduct awareness raising with public works clients on the improved GSD provisions in coordination with HEWs

- Support clients in business plan development for the crop and livestock livelihoods pathway
- Provide intensive mentoring and coaching to clients who receive livelihood transfers

Health Extension Workers
Main Role
Health Extension Workers provide links to health and nutrition services in communities.
Responsibilities
<ul style="list-style-type: none"> • Serve as member of the KFSTF and CFSTF including participation in targeting, and the graduation process • Identifies which households of malnourished children should be referred to PSNP for temporary direct support • Maps out C-BCC interventions available at community level • Plans implementation of C-BCC in collaboration with DA and volunteer groups • Provide training, awareness raising and behaviour change communication on nutrition, hygiene, and sanitation, as well as other modules of the Health Extension Programme, to PSNP clients (as well as non-clients) • Conduct awareness raising with public works clients on the improved GSD provisions in coordination with DAs • Where CBN is operational, organizes the Community Conversations on Nutrition prior to the start of the PNSP planning process at community level • Track attendance of PSNP temporary direct support clients at health centres and participation in nutrition BCC • Support the DA in tracking participation in nutrition related C-BCC

18.3.3 WOREDA

18.3.3.1 Oversight/Management and Coordination Entities

Woreda Council
Main Role
As part of its role for the oversight of activities in the woreda, the Woreda Council has ultimate responsibility for overseeing the implementation of the PSNP.
Responsibilities
<ul style="list-style-type: none"> • Allocate PSNP resources to kebeles and woreda sector offices, based on the recommendations of the Woreda Food Security Task Force, as part of its responsibility for woreda plans and budgets. • Guide and oversee the integration of the planning and implementation for the PSNP in the woreda integrated plan. • Guide the collaboration and linkages between PSNP and other sectoral bureaus • Assist in resolving unresolved appeals submitted to them by the Kebele Council and sharing the outcomes of these appeals cases with the WFSTF. • Work with Kebele Councils to ensure that up-to-date listings of clients are posted in public locations at woreda, kebele and community levels • Work with Kebele Councils to ensure that up-to-date listing of appeals and appeals resolutions are posted in public locations at woreda, kebele and community levels. • Approve the use of the woreda contingency budget • Approve action plans of each institutions involved in the implementation of the PSNP • Review the performance of each institution involved in the implementation of the PSNP • Monitors the findings of the commodity and financial audit findings in the woreda

Woreda Cabinet
Main Role
The main role of Cabinet is to ensure accountability for programme performance in the woreda.
Responsibilities
<ul style="list-style-type: none"> • Approve PSNP resources to kebeles and woreda sectoral offices, based on the recommendations of the

<p>Woreda Food Security Task Force and with a view to ensuring that budget follows responsibility</p> <ul style="list-style-type: none"> • Guide and oversee the integration of the planning and implementation of the PSNP in the woreda integrated plan. • Approve action plans of each institution involved in the implementation of the PSNP • Review the performance of each institution involved in the implementation of the PSNP

Woreda Food Security Steering Committee
Main Role
The main role of the Woreda Food Security Steering Committee is to ensure accountability for programme performance in the woreda.
Membership
<ul style="list-style-type: none"> • Woreda Administrator – Chair • WAO Head or Food Security Desk/Process Head – Secretary • Relevant Line Offices Heads: WOFED, Roads, Water/Irrigation, MSE Development, Cooperative Promotion, Labour & Social Affairs, Health, and Women, Children & Youth.
Responsibilities
The Food Security Steering Committee functions as a sub-committee of the Woreda Council. It provides strategic oversight of the PSNP and monitors progress in programme implementation.

18.3.3.2 Woreda Implementing Agencies

Woreda Agriculture Office (WAO)
Main Role
The main role of WAO is to manage the Safety Net at woreda level. With the support of the Woreda Steering Committee, the WFSTF and three specialised Technical Committees, it oversees the implementation and management of the PSNP in addition to the integration of the PSNP activities into the woreda rural development strategy.
Responsibilities
<ul style="list-style-type: none"> • Maintain an accurate record of appeals and appeals resolutions • Ensure that posters are effectively disseminated to ensure broad awareness of rights and responsibilities under the programme.

Woreda Food Security Task Force (WFSTF)
Main Role
The WFSTF oversees and coordinates programme implementation among all implementing institutions at woreda level, and works directly under the guidance of the Woreda Food Security Steering Committee.
Membership
<ul style="list-style-type: none"> • Head of WAO – Chair • Food Security Desk/Process – Secretary • Woreda Office of Finance and Economic Development • Natural Resource Management Desk/Process • Women and Youth Affairs Directorate • WOLSA • Extension Desk/Process • Livestock Development Office • MSE Agency • Health Office • Other relevant line departments • NGOs where operational

Responsibilities
<p>The WFSTF establishes three specialised Technical Committees: Transfers and Resource Management, Public Works, and Livelihoods. Through these Technical Committees, the Task Force has the following responsibilities:</p> <ul style="list-style-type: none"> • Review and recommend Kebele Annual Safety Net Plans for approval • Consolidate Woreda Annual Safety Net Plans and budget and ensure their integration within the overall woreda plan • Ensure that all woreda offices integrate PSNP activities into their annual work plan • Ensure close collaboration with and regular reporting to the Region • Ensure adequate information to the Woreda Cabinet, and that the Cabinet’s decisions are acted upon • Ensures that all sector offices integrate PSNP into their annual work plans • Participate in monitoring and evaluation of PSNP activities • Identifies issues in collaboration between sectors and ensure that all sectors remain involved. • Provide assistance to kebeles in establishing and training KFSTFs • Hold quarterly progress review meeting on PSNP activities • Review monthly progress reports on PSNP activities

Woreda Food Security Desk/Process (FSD/P)
Main Role
The main role of the FSD/P is to coordinate PSNP activities. The FSD/P is technically accountable to the Regional Food Security.
Responsibilities
<ul style="list-style-type: none"> • Ensure the preparation of pipeline of projects for PSNP in consultation with the Kebele Food Security Task Force • Mobilise technical assistance as needed • Ensure that PSNP contingency plans are prepared and implemented correctly • Oversee the use of woreda and federal contingency budget resources at woreda level • Undertake monitoring and evaluation in coordination with woreda sectoral offices • Hold quarterly technical review meetings with implementing agencies • Facilitate collaboration with other sectors • Submit progress reports to the WAO • Maintain accurate records of kebele Safety Net activities and list of clients • Provide information on target areas and selected clients to sectoral offices and other agencies involved in planning and implementing Safety Net activities. • Manage client cards, including facilitating availability of photograph services for clients for client cards • Every FSD/P will contain at least one Social Development Expert. This expert will support the implementation of the GSD and facilitate the linkages between the PSNP and the health sector

Early Warning and Response Desk/Process (EWRD/P)
Main Role
The Early Warning and Response Desk/Process manages the delivery of food transfers in woredas where food is provided, facilitates the continuum of response, and co-chairs the woreda Technical Committee on transfers with the Woreda Food Security Desk/Process.
Responsibilities
<ul style="list-style-type: none"> • Coordinate with Food Security Desk/Process to ensure the timely delivery of food transfers • Report on food deliveries, stocks and payments to FS Desk/Process on a regular basis • Provide accurate and timely early warning information • Prepare/amend woreda contingency plans to include the scaling up of the PSNP • Ensure adequate linkages between contingency budget resourced activities and other actions related to humanitarian response • Support the FSD/P and the concerned kebeles in managing the scaling-up of the PSNP system in case of activation of the federal contingency budget in the woreda.

Natural Resource Management Desk/Process
Main Role
The Natural Resource Management Desk/Process manages PSNP public works, with support of the FS Desk/Process. WNRMD chairs the Woreda Technical Committee on Public Works.
Responsibilities
<ul style="list-style-type: none"> • Review public works plans in coordination with other woreda offices to ensure that they contribute to livelihoods, nutrition, climate resilience and DRM • Consolidate public works plans and budgets developed in the kebeles • Ensure integration of community watershed plans into woreda plans and more broadly, integration of the PSNP public works in the overall woreda plan • Provide assistance to DAs and communities in the planning process • Implement the ESMF for public works and ensure the implementation of ESMF compliance • Together with FS Desk/Process, supervise public works and provide technical backstopping • Support the M&E system, especially on the Public Works Review • Facilitate experience sharing among kebeles • Through the woreda Public Works Technical Committee, coordinate the interaction and involvement of the relevant line offices/desks and other PSNP actors in the public works programme as required based on woreda interventions.

Extension Desk/Process
Main Role
The main role of the Extension Desk/Process is to manage the coordination of livelihoods activities and the implementation of livelihoods technical assistance to the crop and livestock pathway through its woreda level Livelihoods Implementation Unit. The Extension Desk/Process co-chairs the Woreda Livelihoods Technical Committee with the Livestock Development Office and the Woreda Food Security Desk/Process.
Responsibility
<p>With and through the Livelihoods Technical Committee, the Extension Desk/Process do the following:</p> <ul style="list-style-type: none"> • Consolidate livelihoods plans and budgets developed in the kebeles • Ensure integration of livelihoods plans into the overall woreda plan • Provide assistance to DAs and communities in the planning process • Implement the ESMF for livelihoods • Support the M&E system, especially on the Livelihoods Review • Facilitate experience sharing among kebeles • Analyse the degree of women and youth participation based on an analysis of both the overall enabling environment, the barriers to participation, and the capacity needs of gender and youth • Through the Woreda Livelihoods Technical Committee, the Extension Desk/Process holds quarterly progress review meetings on livelihoods activities and coordinates the interaction and involvement of the relevant line offices/desks and other PSNP actors in the livelihoods programme as required based on woreda interventions.

Woreda Office of Labour and Social Affairs
Main Role
WOLSA's mandate includes linking vulnerable people to services and ensuring sound labour practices. Under the PSNP, WOLSA has responsibility for the provision of services to permanent direct support clients as well as linkages to labour markets for the employment livelihoods pathway.
Responsibility (In woredas where WOLSA has a presence)
<ul style="list-style-type: none"> • Support the Food Security Desk in its activities related to the permanent direct support clients (including taking on responsibility of these actions if delegated) • Review needs of permanent direct support clients and refer them to any available services. • Manage programme support to permanent direct support clients and link them to complementary services according to their needs • Coordinate with the Extension Desk/Process and TVET to link PSNP clients to employment-related skills training and to employment opportunities

Woreda MSE Development Agency
Main Role
The main role of the Woreda MSE Development Agency—where it exists at this level (sometimes through one-stop service centres)—is to support unemployed persons in accessing the services they need to engage in self-employment or wage employment. Under the PSNP, the MSE Agency will manage and implement activities in the off-farm livelihoods pathway.
Responsibility
<ul style="list-style-type: none"> • Coordinate with the Extension Desk/Process and TVET to link PSNP clients to off-farm skills training and to employment opportunities • Provide entrepreneurship training, certify clients who have completed TVET trainings, and support the development of business plans for off-farm activities

Technical and Vocational Training (TVET) Institutes
Main Role
The main role of the TVETs, where they exist, is to provide technical training to clients in off-farm and employment related skills.
Responsibility
<ul style="list-style-type: none"> • Assess local market for off-farm products and services as well as labour opportunities • Provide training to clients in off-farm skills and employment-related skills

Livestock Development Desk
Main Role
The Livestock Development Desk co-chairs the Livelihoods Technical Committee and provides technical assistance for livestock-related livelihoods.
Responsibilities
<ul style="list-style-type: none"> • Provide training to DAs and programme clients in livestock-related livelihoods • Report livestock technical assistance to PSNP clients to the Woreda Extension Office

Woreda Cooperative Promotion Office
Main Role
The main role of the Woreda Cooperative Promotion Office is to support financial literacy training and savings promotion, and to support PSNP clients in obtaining access to markets and inputs, primarily in the crop and livestock livelihoods pathway.
Responsibility
<ul style="list-style-type: none"> • Provide financial literacy training • Support savings • Coordinate with the Extension Desk/Process to link PSNP clients to inputs and markets as needed

Woreda Health Office
Main Role
The main role of WHO is to provide health services (care and extension services) to woreda residents.
Responsibility
<ul style="list-style-type: none"> • Facilitate the provision of services to PSNP clients within the context of the soft conditionalities (both for caretakers of malnourished children and for pregnant and lactating women who have transitioned to temporary direct support) • Ensure that the Community Nutrition conversations are carried out (in CBN woredas) in all PSNP kebeles prior to the PSNP planning process • Provide nutrition BCC at public works sites and other locations • Support and oversee health extension worker and health development army provision of C-BCC for public

works clients
<ul style="list-style-type: none"> • Provide technical backstopping to NRD/P ensure quality implementation of nutrition sensitive public works • Review the adherence trends to the soft conditionalities of PSNP clients within the woreda • Track participation of PSNP clients in nutrition BCC and antenatal care review monthly progress reports on PSNP activities and ensure that HEWs report regularly on their involvement in PSNP

Other Woreda Sector Offices
Main Role
Other woreda sector offices (e.g. Education; Water; and Women, Children and Youth Affairs) will ensure that their specific roles in PSNP planning, implementation, monitoring and reporting are conducted effectively and efficiently so that PSNP achieves its objectives
Responsibility
<ul style="list-style-type: none"> • Consolidate proposals of the Kebele Food Security Task Force for incorporation in the woreda PSNP plans • Incorporate PSNP activities in their yearly programme/action plans, based on the woreda integrated plan including PSNP plans • Prepare activity implementation plans and request budget for implementation • Implement PSNP activities at kebele and community levels • Provide technical assistance and training to technical personnel and kebele staff • Undertake project screening in accordance with the ESMF • Conduct monitoring and evaluation of activities in collaboration with other relevant woreda level stakeholders • Prepare quarterly progress and financial reports

Woreda Office of Finance and Economic Development (WOFED)
Main Role
The main role of WOFED is to oversee the financial management of the programme.
Responsibility
<ul style="list-style-type: none"> • Ensure that the budget for the PSNP is received in a timely manner at the woreda level to guarantee smooth implementation of approved plans and activities • Undertake timely PSNP payments for client households, supervising personnel, and the purchase of relevant equipment and materials • Exercise necessary fiduciary controls and report on fund utilisation to Regional BOFEDs.

NGOs
Main Role
NGOs play a role in PSNP implementation. In some woredas, they provide transfers and oversee public works. In others, they implement or support livelihoods activities.
Responsibility
<ul style="list-style-type: none"> • Participate as members of the Woreda Food Security Task Force • Participate, through one representative per woreda, in the Livelihoods Technical Committee • In addition, NGOs may also, with additional financing, contribute their capacity and expertise to the programme through the provision of transfers, oversight of public works, and support to livelihoods implementation, in close coordination with government structures. • In doing so, NGOs work with government structures and abide by the Programme Implementation Manual.

18.3.4 ZONAL

In Amhara, Oromiya, and SNNP, zones play a key role as a bridge between regional and woreda levels. For the purposes of this programme, zones act as a means of outreach by regional bodies and have been delegated and authorised by their respective regions. Zones collect and communicate information, and support training and capacity building efforts. This is particularly true for Zonal

Food Security Offices, Zonal Natural Resources Offices and Zonal Extension Departments. For each of these agencies, zonal offices play the following key roles:

- Disseminating information and instructions which come from the regional level
- Collating, analysing and summarising woreda plans and reports for onward transmission to regions
- Cascading training from region to woreda level
- Providing general oversight and support through regular field visits
- Performing a monitoring and evaluation function including the bi-annual and annual performance review of woredas

In SNNP Region, zonal administrations have more autonomy, with the existence of zonal councils. In reflection of this, the above zonal offices also need to submit compiled annual plans to the Zonal Council for approval.

18.3.5 REGIONAL

18.3.5.1 Oversight and Management Entities

Regional Council
Main Role
The Regional Council is responsible for overall PSNP implementation in the region.
Responsibilities
<ul style="list-style-type: none"> • Regularly review progress in PSNP implementation and progress towards the PSNP’s objectives • Regularly review the involvement of all sectors in the regional implementation of the programme • Hold programme implementers to account for the quality of programme implementation

Regional Cabinet
Main Role
Chaired by the Regional President, the Regional Cabinet makes decisions on issues arising from BOA regarding PSNP implementation and ensures that the broad regional development priorities are reflected in the Regional PSNP plans.
Responsibilities
<ul style="list-style-type: none"> • Review and approve food security, PSNP annual plans and budgets submitted by woredas and consolidated regional PSNP work plans and budgets by the Regional Bureau of Agriculture • Review and approve the annual and biannual progress reports on implementation of the regional PSNP and budget utilisation.

Regional Food Security Steering Committee (RFSSC)
Main Role
The main role of the RFSSC is to give strategic direction to ensure the proper implementation of food security strategies and programmes at the regional level based on the recommendations of the Regional Food Security Task Force chaired by the Head of BOA.
Membership
<ul style="list-style-type: none"> • Regional President or his/her delegate, Chair • Regional Food Security • Regional Early Warning and Response • NRMCP • Extension Core Process • BOLSA • BOFED • BOH • Bureau of Women, Children and Youth Affairs • REMSEDA

Responsibilities
<ul style="list-style-type: none"> • Ensure the effective integration of the Regional PSNP into the Regional development plan, • Participate in monitoring and evaluation of Programme activities and • Analyse the consolidated FSP work plan and budget proposal submission to the Regional Cabinet • Approve the use of the Regional contingency budget

Technical Committees		
Main Role		
At the regional level, three technical committees coordinate the planning and monitoring of transfers/resource management, public works, and livelihoods, respectively.		
Membership		
Transfers & Resource Management <ul style="list-style-type: none"> • Regional Food Security Coordination Office • Early Warning and Response Core Process • BOFED 	Public Works <ul style="list-style-type: none"> • NRMCP • Relevant line bureaus • Irrigation Development Authority 	Livelihoods <ul style="list-style-type: none"> • Extension Core Process • Livestock Development Agency/Bureau • Food Security Core Process • BOLSA • REMSEDA • TVET • Cooperative Promotion • Women’s Affairs
Responsibilities		
<ul style="list-style-type: none"> • The responsibilities of these technical committees at regional level is similar to the roles played by their counterparts at the federal level, which is outlined in greater detail under Section 0 below. 		

Bureau of Finance and Economic Development (BOFED)
Main Role
BOFED is responsible for the overall financial management of regional PSNP budget.
Responsibilities
<ul style="list-style-type: none"> • Conduct financial reporting • Provide technical support to woreda (either directly or through Zonal Departments of Finance and Economic Development) • Disburse PSNP resources to woredas and line departments in line with requests submitted by the Regional Food Security.

18.3.5.2 Regional Implementing Agencies

Regional Bureau of Agriculture (BOA)
Main Role
The main role of BOA is to manage the PSNP and oversee the integration of the PSNP into the Growth and Transformation Plan.
Responsibilities
<ul style="list-style-type: none"> • Provide overall guidance to the Regional Food Security Coordination Office and line bureaus to ensure coordination on planning and implementation of the Regional PSNP • Ensure efficient procurement where applicable • Review and provide feedback on reports submitted by Regional Food Security Coordination Offices/Core Process on implementation of safety net interventions

Regional Food Security Coordination Office/Core Process
Main Role
The main role of the Regional Food Security Coordination Office/Core Process is to manage and coordinate the PSNP as a whole and directly manage the PSNP transfer component of the EWR Core Process. Regional Food Security reports to BOA and is also technically accountable to the FSCD.

Responsibilities
<ul style="list-style-type: none"> • Consolidate annual implementation plans and budgets for the region in line with proposals from woredas and line bureaus, for submission to BOA and decision on resource allocation by the Regional Cabinet as noted above • Review woreda public works plans to ensure that they contribute to livelihoods, nutrition, climate resilience and DRM • Mobilise technical assistance as needed • Identify and monitor capacity to implement PSNP activities at regional, woreda and kebele levels • Support the NR Department in overseeing and supporting the implementation of PSNP public works in the Region (including ensuring implementation of the ESMF) • Support the Health sector for the implementation of the PW C-BCC • Hold review meetings with government and non-governmental agencies involved in implementation of the PSNP every two months • Approve NGO plans of PSNP activities • Coordinate monitoring and evaluation activities, including the analysis of sex-disaggregated data • Prepare progress reports • Establish and implement the Regional Rapid Response Mechanism • Collect and review progress reports from woredas, line bureaus and other agencies engaged in safety net interventions, and provide feedback to those organisations • Prepare quarterly and annual progress reports, including sex-disaggregated data, on implementation of the PSNP for submission to Regional BOA, as well as FSCD • With the assistance of the Social Development Specialist, provide oversight for the management, implementation, and coordination of direct support activities to promote gender equity and mainstream HIV and AIDS, including technical back stopping support and facilitate coordination of direct support activities with relevant sector bureaus as may be required. • Manage the design, translation and printing and distribution of PSNP client cards to woredas

Regional Early Warning and Response Core Process
Main Role
The Regional Early Warning and Response Core Process collects, analyses and reports on early warning data from the woreda and zone levels.
Responsibilities
<ul style="list-style-type: none"> • Perform a detailed analysis of the data and send on analysed data and reports to the EWRD. • Support the Regional Food Security Coordination Office/Core Process and concerned woredas in managing the scale-up of the PSNP system when the federal contingency budget is activated. • Support the transport and management of food resources for the PSNP. • Ensure that the food resources are distributed to PSNP clients.

Natural Resource Management Core Process (NRMCP)
Main Role
The NRMCP manages the planning, capacity building, implementation, monitoring and performance of the public works component of the PSNP. The mandate for conducting the necessary tasks is assigned to a Public Works Focal Unit within the NRMCP.
Responsibilities
<ul style="list-style-type: none"> • Implement the public works M&E system, including regular reporting to the federal PWCU on the activities, outcomes, quality and effectiveness of the public works programme, and participation in Public Works Reviews and Impact Assessments as required • Ensure implementation of the ESMF through integration of the ESMF in the planning procedures and training for the public works programme • Consolidate public works plans and budgets developed in the woredas • Oversee woreda supervision of the public works, and provide technical backstopping as required • Plan and deliver annual public works training programmes • Assess the effectiveness of training, undertaking training needs assessments

- Review community level public works planning procedures and formats in conjunction with woreda staff
- Oversee integration of community watershed plans into woreda plans
- Liaise between public works planning and non-labour inputs procurement to ensure that materials and expertise are available as required for public works implementation
- Manage knowledge including identifying and disseminating best practices, reviewing standards and work norms, disseminating technical standards, and identifying new technologies to enhance the quality, sustainability and impact of public works
- Liaise with PWCU, FSCD and other PSNP partner institutions on coordination and management of the public works, and participation in PSNP management forums
- Support contingency planning at woreda level

Extension Core Process

Main Role

The Extension Core Process manages the planning, oversight coordination of livelihoods activities at the regional level through its regional level Livelihoods Implementation Unit.

Responsibilities

- Chair the Livelihoods Technical Committee at the regional level
- Consolidate livelihoods plans across all three livelihood pathways
- Implement the ESMF for livelihoods
- Monitor performance of livelihoods activities within the woredas

BOLSA

Main Role

BOLSA oversees the provision of services to permanent direct support clients in line with the Social Protection Strategy, and supports the implementation of employment linkage support (in some regions).

Responsibilities

- Plan and monitor programme support to permanent direct support clients
- Identify employment opportunities within and outside of the region
- Manage the social aspects of ESMF provisions in the employment pathway
- Plan and monitor employment linkage and protection interventions with TVET, REMSEDA and the Extension Core Process

Regional Micro and Small Enterprise Development Agency (REMSEDA)

Main Role

REMSEDA manages activities in the off-farm livelihoods pathway. In many regions, REMSEDA manages one-stop service centres that offer technical assistance as well as employment and finance linkages. REMSEDA will expand the outreach of these centres to PSNP clients.

Responsibilities

- Coordinate with TVET and BOLSA to develop annual plans for supporting clients in the off-farm (and, in some regions, employment) livelihoods pathway
- Monitor the performance of MSE agents and one-stop service centres more broadly as they provide entrepreneurship training, certify clients who have completed TVET trainings, and support the development of business plans for off-farm activities

TVET

Main Role

The TVET [Office?] analyses demand for off-farm products and services, and plans and manages TVET resources accordingly. The TVET [Office?] oversees TVET institutes within the region.

Responsibilities

- Conduct market assessments for off-farm products and services as well as labour opportunities
- Allocate TVET resources to ensure availability of training service to PSNP clients.

Livestock Development Agency/Bureau
Main Role
The Livestock Development Agency/Bureau co-chairs the Livelihoods Technical Committee with the Extension Core Process and the Regional Food Security Core Process/Office, and oversees the provision of technical assistance for livestock-related livelihoods.
Responsibilities
<ul style="list-style-type: none"> • Conduct market assessments for livestock products • Develop and/or update training curricula as needed, and provide training to woreda-level staff

Cooperative Promotion Bureau
Main Role
The Cooperative Promotion Bureau oversees the provision of financial literacy training and savings promotion activities, and provides support in market access, as needed.
Responsibilities
<ul style="list-style-type: none"> • Provide training to financial literacy trainers and oversee their work • Allocate resources for support to RUSACCOs • Monitor the provision of support for input supply and marketing

Bureau of Health
Main Role
The Bureau of Health oversees the provision of health and nutrition services within the region.
Responsibilities
<ul style="list-style-type: none"> • Ensure the development of region specific C-BCC materials for PW sites • Monitor the implementation of all interventions carried out by the health sector within the context of PNSP in the region, including: <ul style="list-style-type: none"> • The provision of antenatal care services • The components of the health extension programme relevant to PSNP including the provision of nutrition BCC, the delivery of HEP services for pregnant and lactating women as well as their children, services linked to the soft conditionalities such as antenatal care services, community based nutrition services, vaccination of children, and the regular health check up of malnourished children. Monitor • The provision of nutrition community BCC provided within the context of the PSNP • The uptake of health services by PSNP temporary direct support participants • The participation of the health sector at kebele and woreda level in all levels of the PNSP planning process, during targeting and graduation processes and during the implementation of the soft conditionalities and the PW – community BCC.

18.3.6 FEDERAL

18.3.6.1 Oversight, Coordination and Management Mechanisms

Oversight

Joint Strategic Oversight Committee (JSOC)
Main Role
The main responsibility of the JSOC is to ensure dialogue and joint oversight of programme implementation at a strategic level. Regions will attend alternative JSOC meetings.
Membership
<ul style="list-style-type: none"> • State Minister for DRMFSS (delegated to other MoA State Ministers as required) – Chair • Director, FSCD • Director, EWRD • Director, NRMD • Director, MOFED - COPCU

<ul style="list-style-type: none"> • Director, AED • Director, FCA • Director, FEMSEDA • Director, MOLSA • Director, MOCYA • Regional BOA Heads • Development Partner Representatives
<p>Responsibilities</p> <ul style="list-style-type: none"> • Make decisions based on the analysis of the Technical Committees (see below) on the appropriate responses to issues emerging during the implementation of the programmes. • Make decisions on strategic issues concerning programme implementation, linkages with emergency interventions, other food security interventions and agricultural growth programmes, and related policies, and on overall systems development with a focus on the interface with the four main policy level initiatives (Social Protection, Disaster Risk Management, CRGE, Nutrition) • Responsible to oversee the linkages to social services • Engage in policy and strategy dialogue on issues that are of direct relevance to the PSNP. • Monitor the MoU agreements between Ministries and between Federal and Regional levels to ensure that agreed roles and responsibilities are being implemented as agreed; ensure Balanced Score Cards reflect PSNP roles and responsibilities

Coordination and Management Committee

The Coordination and Management Technical Committee meets on a monthly basis to strengthen coordination and management of the PSNP. The Social Development Task Force reports directly to the CMC. The CMC may establish additional task forces for specific tasks and functions as and when required.

Coordination and Management Committee
<p>Main Role</p> <p>The main role of the Coordination and Management Committee is to strengthen coordination, to monitor general management and M&E issues in PSNP implementation, and to serve as the liaison between the PSNP Joint Strategic Oversight Committee and the four Joint Technical Committees. The Social Development Task Force reports directly to the CMC.</p>
<p>Membership</p> <ul style="list-style-type: none"> • Chaired by the Director of FSCD; co-chaired by the Donor Chair of the PSNP Donor Working Group • Director of MOA • Director of MOLSA • Director of MOH • Director of MOFED - COPCU • Director of FEMSEDA • All members of the Donor Working Group, including the Donor Coordinator of the Donor Coordination Team
<p>Responsibilities</p> <p>General Management</p> <ul style="list-style-type: none"> • Compile and report to the JSOC recommendations for the four Joint Technical Committees on a monthly basis • Make decisions and refer to the JSOC questions involving wider programme issues as required • Ensure that key programme principles and commitments laid out in the MoU are adhered to by Government, development partners and stakeholders • Regularly review the systems building agenda including linkages with other DRM, Social Protection, Nutrition and CRGE operational initiatives, food security programmes, agricultural growth initiatives and emergency interventions, and provide recommendations for strengthening coordination • Conduct regular analysis of trends with regard to achieving programme objectives (including graduation of clients, and cash wage rate adjustments) and make appropriate policy recommendations. • Initiate discussions on PIM revision and approve amendments as necessary, in consultation with the Capacity Development Facility

- Oversee the development of manuals and guidelines on the implementation of the programme, primarily by the Capacity Development Facility
- Organise senior level discussion forums on critical policy issues relevant for PSNP.
- Organise consultation forums as necessary with regional implementing bodies including Regional Food Security, BOFED, NRMCP/BOA, etc.
- Serve as an information-sharing network on experiences and best practices on social protection, safety nets and broader food security programming.
- Provide guidance on linkages between PSNP and other food security programmes on the one hand and between PSNP and emergency interventions on the other hand
- Undertake any other tasks as members see fit

Monitoring & Evaluation

- Make decisions and refer to the JSOC questions involving wider programme issues as required
- Organise joint programme review missions and agree on issues to be assessed.
- Undertake regular monitoring of progress against the annual plan and agreed action plans based on the findings of the review missions.
- Plan and coordinate studies and issue-specific assessments
- Initiate the organisation and field RRTs, review findings and agree on recommended actions.
- Establish technical taskforces as necessary and review their progress.
- Oversee major M&E related activities including baseline surveys, annual reviews mid-term and terminal evaluations.
- Review progress reports.

Social Development

- Make decisions and refer to the JSOC questions involving wider programme issues as required
- Provide guidance and technical support to addressing Gender Equality concerns in PSNP planning and implementation.
- Periodically review progress towards the mainstreaming of HIV/AIDS in PSNP
- Guide the progress review of the implementation of the Gender Action Plan

Joint Technical Committees

Four joint technical committees – Systems Development, Transfers and Resource Management, Public Works, and Livelihoods – provide day-to day implementation support and ongoing supervision to the PSNP. Each committee is chaired by the responsible directorate head and has a membership composed of development partners and relevant line agencies and stakeholders. These committees meet monthly and report through the Coordination and Management Committee (CMC) to the JSOC. The primary responsibility of the joint technical committees is to advise the JSOC on technical and strategic issues, including:

- Assessing performance and progress toward achievement of agreed benchmarks
- Establishing/promoting linkages with other DRM, Social Protection, Nutrition and CRGE operational initiatives, food security programmes, agricultural growth initiatives and emergency interventions
- Managing and overseeing measures to support regional or federal authorities to implement specific aspects of the programmes

The Financial Management (chaired by MOFED) and Food Management (co-chaired by FSCD and EWRD) PSNP task forces report to the Transfer and Resource Management Technical Committee. The technical committees may establish additional task forces for specific tasks and functions as and when required.

Further details on the specific responsibilities of each technical committee are outlined in the tables below.

Systems Development Joint Technical Committee
Main Role
The Systems Development Joint Technical Committee guides and monitors progress towards building systems, and addresses policy and operational issues as they arise.
Membership
<ul style="list-style-type: none"> • Co-chaired by FSCD and MOLSA, with DCT as Secretary • Other representatives [to be determined] • PSNP development partners
Responsibilities
<ul style="list-style-type: none"> • [To be completed once the systems activities are underway]

Transfers and Resource Management Joint Technical Committee
Main Role
The Resource Management and Transfers Joint Technical Committee provides ongoing support to the programme on strategic issues related to the implementation and newly emerging issues affecting the programme. Two Task Forces – the Joint Financial Management Task Force and the Joint Food Management Task Force – report to the Resource Management and Transfers Joint Technical Committee.
Membership
<ul style="list-style-type: none"> • Co-chaired by the Channel One Project Coordination Unit (COPCU), the Early Warning and Response Directorate (EWRD), and the Food Security Coordination Directorate (FSCD) • Natural Resource Management Directorate (NRMD)/Public Works Coordination Unit (PWCU) • Ministry of Labour and Social Affairs (MOLSA) • Ministry of Health (when necessary) • Ministry of Education (when necessary) • Women and Youth Affairs Directorate in MOA • Other federal and/or regional implementing bodies as required • PSNP development partners
Responsibilities
<p>Financial Management</p> <ul style="list-style-type: none"> • Make decisions and refer to the JSOC questions involving wider programme issues as required • Provide support to resource mobilisation efforts of GOE for PSNP • Review PSNP financial reports and provide feedback to relevant government bodies. • Ensure that adequate programme resources are available to meet the food/ cash need of the programme. <p>Contingency Budget</p> <ul style="list-style-type: none"> • Make decisions and refer to the JSOC questions involving wider programme issues as required • Monitor implementation of guidelines for the implementation of the contingency budget <p>Cash and Food Transfers</p> <ul style="list-style-type: none"> • Make decisions and refer to the JSOC questions involving wider programme issues as required • Follow up on the timeliness and adequacy of transfers to PSNP clients. • Identify and analyse strategic issues affecting the timeliness, predictability and adequacy of transfers and programme sustainability. Provide recommendation for corrective measures as appropriate.

Public Works Joint Technical Committee
Main Role
The main role of the Public Works Joint Technical Committee is to guide and monitor the progress towards delivery of PSNP public works outcomes and outputs, and address policy and operational issues as they arise.
Membership
<ul style="list-style-type: none"> • Co-chaired by NRMD Director and Representative of Development partners • Natural Resource Management Directorate (NRMD)/PWCU • One representative each from: <ul style="list-style-type: none"> • Environmental Protection Authority (EPA) • Ministry of Education

<ul style="list-style-type: none"> • Ministry of Energy, Water Resources and Irrigation • Ethiopia Roads Authority • Ministry of Health • Women and Youth Affairs Directorate of MoA • Food Security Coordination Directorate • PSNP development partners
<p>Responsibilities</p> <ul style="list-style-type: none"> • Review and assess the performance and progress of public works towards the achievement of agreed benchmarks • Make decisions on strategic issues affecting public works implementation • Discuss strategic issues arising from the implementation of public works which affect the broader PSNP and develop and propose recommendations to JSOC • Promote linkages with other public works-related programs and organisations as appropriate, such as Sustainable Land Management (SLM), MERET), etc. • Review standards, quality and compliance of public works with agreed norms, and identify the need for technical assistance and other forms of potential donor support for attention by the PWSG • Liaise with the Livelihoods Technical Committee as appropriate to ensure that public works are contributing to livelihoods.

<p>Livelihoods Joint Technical Committee</p>
<p>Main Role</p> <p>The main role of the Livelihoods Joint Technical Committee is to guide and monitor the progress towards delivery of PSNP livelihoods outcomes and outputs, and address policy and operational issues as they arise. Each member of the technical committee, including FSCD, will appoint a Livelihoods Focal Person.</p>
<p>Membership</p> <ul style="list-style-type: none"> • Chaired by Extension Director • Co-chaired by FSCD • FEMSEDA • BOLSA • TVET • Federal Cooperative Agency • Women and Youth Affairs Directorate of MOA • MOLSA • PSNP development partners
<p>Responsibilities</p> <ul style="list-style-type: none"> • Review and approve regional livelihoods plans, including activity/training plans and financial plans • Approve the livelihoods component of the monitoring and evaluation system • Review and approve quarterly and annual performance reports of the livelihoods component • Advise and support regional Livelihoods Technical Committees in planning and implementing regional workshops, conducting sensitisation activities, and documenting and sharing good practices and lessons learned • Resolve problems in the fulfilment of the livelihoods strategy that cannot be resolved at technical level • Sign off the livelihoods technical guidance notes/manuals • Review and assess the performance and progress of livelihoods interventions towards the achievement of agreed benchmarks, including reviewing monitoring and evaluation reports • Make decisions on strategic issues affecting livelihoods implementation • Discuss strategic issues arising from the implementation of livelihoods which affect the broader PSNP and develop and propose recommendations to JSOC • Approve market assessments and other research as necessary for the improvement of the livelihoods component • Promote linkages with other livelihoods and economic development programs and organisations as appropriate, such as PCDP, AGP, etc. • Liaise with the Public Works Technical Committee as appropriate to ensure complementarity between public works and livelihoods interventions.

Task Forces and Support Groups

Task forces
<ul style="list-style-type: none"> • DRM Task Force: Oversee the operationalization of the Federal Contingency Budget as well as the operationalization of the wider issues around the continuum of response, including the links to the humanitarian sector. • Monitoring & Evaluation Task Team: Assist the FSCD in monitoring the implementation of the FSP M&E Action Plan, notably to ensure that the system has a high degree of credibility, and is producing and analysing sex-disaggregated data. This team supports the development of the MIS system and Single Registry. • Food Management Task Force: Provide support to DRMFSS for the implementation of timely food transfers for the PSNP and emergency responses. The Food Management Task Force (co-chaired by FSCD and EWRD) reports to the Transfers and Resource Management Technical Committee. • Pastoral Task Force: Provide advice and support for the implementation of PSNP to regions with pastoral communities and to PSNP Technical Committees. Provide oversight to operationalize and roll out the PIM in pastoral areas including the identification of technical gaps, oversight of general technical support to the process, and general monitoring/follow-up. Initially, this Task Force will focus on overseeing tasks required to roll out the PIM. • Public Works/Access to Services Support Group (PWSG): Provide guidance and support to implementation of Output 3, which includes overall advice, monitoring and follow-up. • Social Development Task Force: Provide guidance and support to the implementation of the Gender and HIV and AIDS activities, ensure links to social services, and oversee the implementation of the Gender Action Plan. The Social Development Task Force reports directly to the CMC. • Nutrition Task Force: Provide guidance on nutrition issues and the linkages with the NNP. This task force operates as a subgroup of the SDTF. • Communications Task Force: Provide guidance and support to the implementation of the Communications Strategy as well as the Knowledge Management Strategy. • Systems and Capacity Development Task Force: Provide guidance and suggestions for ensuring systems development is properly analysed, overseen and implemented. Provide clear direction, roles and responsibilities in steering the implementation of the capacity development strategy of the programme. This task force works closely with the Capacity Development Support Facility and the full range of implementing partners to ensure that capacity development covers all relevant actors and has a direct link to overall systems development. • Financial Management Task Force: Support the strengthening of the financial management systems of the PSNP. The Financial Management Task Force (chaired by MOFED) reports to the Transfers and Resource Management Technical Committee.

Donor Coordination Entities

PSNP Donor Working Group (DWG)
<p>Main Role</p> <p>The primary purpose of the DWG is to support and ensure donor harmonisation as it relates to the implementation of the PSNP.</p>
<p>Responsibilities</p> <p>Specific responsibilities include the management of implementation support missions, agreement on common reporting requirements, development of a mechanism to reduce transaction costs on Government and development partners for programme implementation, coordination of the response to emerging issues related to humanitarian risks, response to requests for support of the Rapid Response Mechanism and sharing information on specific agency information requirements during the implementation. The Chair of the Donor Working Group rotates every six months. The responsibilities of the Chair include the coordination and management of regular donor meetings and the supervision missions. In addition, support is provided to the Chair of the JSOC.</p>

Donor Coordination Team (DCT)
Main Role
The DCT coordinates the activities of the Donor Working Group for PSNP and Government-development partner processes.
Responsibilities
<ul style="list-style-type: none"> • Coordinate activities to support donor coordination and harmonise with Government, including facilitating planning of the JRIS Missions, supporting regular coordination meetings, and preparing RRT visits. • Facilitate studies, consultancies and workshops, as agreed between the DWG and Government • Facilitate programme adjustments, based on agreement reached during the JRIS Mission.

18.3.6.2 Implementing Agencies

Ministry of Agriculture (MOA)
Main Role
The MOA oversees the management and coordination of the PSNP.
Responsibilities
<ul style="list-style-type: none"> • Provide technical support for the planning and implementation of the PSNP as necessary and assist in setting the policy direction to which the PSNP contributes. • Provide technical support for the overall systems development of the PSNP including the interface with other related policy initiatives and systems • Joint oversight with MoA of the development, roll out, and implementation of the systems tools and instruments including MIS and the Unified Registry • The MOA management meetings, attended by the State Ministers of MoA and chaired by the Minister, advise the Minister on all key decisions, including programme resource allocation to the various implementers, based on the consolidated proposals prepared by the FSCD.

Ministry of Finance and Economic Development (MOFED)
Main Role
MOFED is accountable for the overall financial management of the programme, including management of the special and pooled Birr accounts and reporting on the PSNP and federal contingency budget.
Responsibilities
<ul style="list-style-type: none"> • Disburse safety net resources to ministries at federal level and to regions in line with requests submitted by FSCD. • Assume the usual financial responsibilities (including reporting on and auditing of PSNP resources) under the normal government financial system.

Disaster Risk Management and Food Security Sector (DRMFSS)
Main Role
The DRMFSS coordinates the PSNP and is directly answerable to the Minister of Agriculture for the performance of the PSNP.
Responsibilities
<p>The State Minister for DRMFSS:</p> <ul style="list-style-type: none"> • Chairs the High Level Consultative Group (which is composed of State Ministers of MOA, MOFED, MOLSA, MOH, FEMSEDA, MOWCYA, MOFA, General Director FCA, Deputy Bureau of Agriculture Heads and Development Partner Heads of Agency, and Humanitarian Coordinator), as necessary, which identifies and resolves key implementation issues. • Chairs the Joint Strategic Oversight Committee (JSOC) to be held every two months • Chairs the twice monthly FSCD and EWRD planning and monitoring meetings for the PSNP federal contingency budget.

Food Security Coordination Directorate (FSCD)
Main Role
The FSCD facilitates the day-to-day general management and coordination of the PSNP. It has direct responsibility shared with the Early Warning and Response Directorate (EWRD) for the food transfer components (including federal contingency budgets). With EWRD, FSCD co-chairs the Technical Committee on PSNP transfers. FSCD also supports the public works and livelihoods components, and co-chairs the Livelihoods Technical Committee with the Agricultural Extension Directorate.
Responsibilities
<ul style="list-style-type: none"> • Provide support to coordination and oversight of the PSNP • Provide support to ensuring appropriate linkages of the PSNP with other FSP and development interventions • Consolidate PSNP annual work plans and budget proposals from the Regions, make resource allocation proposals for decision by the Minister through the State Minister for DRM/FSS • On this basis, allocate PSNP resources to the regions • Provide technical support to regional food security offices • Monitor overall capacity to implement the PSNP • Monitor and evaluate the efficiency, effectiveness and impact of the PSNP • Provide procurement support to PSNP in accordance with PSNP procurement procedures • Review and provide feedback on reports submitted by regional food security offices on the implementation of regional Safety Net Programmes, with attention to the mainstreaming aspects of both gender and HIV and AIDS in the programme • Facilitate information exchange and document experiences and lessons learned across regions • Submit periodic progress reports on implementation of the PSNP to the MOA and Development Partners including analysis of sex-disaggregated data. • Allocate PSNP resources to regions, and ensure that they are properly utilised • Implement the Rapid Response Mechanism • Monitor and evaluate adherence to PSNP procedures and guidelines, effectiveness of utilisation of resources, and programme impact • Responsible for overall communication within the programme including communication strategies/campaigns to promote gender equity, HIV and AIDS vulnerabilities, and a communications campaign to raise the awareness on rights and entitlements as well as available grievance redress mechanisms • Update PSNP guidelines and operational mechanisms in response to M&E findings, RRM and emerging issues and disseminate as necessary

Early Warning and Response Directorate (EWRD)
Main Role
EWRD plays a critical role in PSNP contingency budget planning and use by providing both accurate and timely early warning information as well as adequate linkages between PSNP federal contingency budget resources activities and other activities related to humanitarian response. EWRD also co-chairs the Technical Committee on PSNP Transfers. Through its Food Management Unit, EWRD oversees PSNP food management.
Responsibilities
<ul style="list-style-type: none"> • Collect and analyse early warning data from regions and analyse federal-level triggers • Supervise [the DRM Technical Committee] in developing a consensual early warning statement on a monthly basis and ensures that early warning system and structures function at each level • Oversee the procurement, transport and management of in-kind commodities for the PSNP. • Participate, when conducted, in Food Security Needs Assessment for the PSNP • Assist in logistic issues for food resources when needed. The logistics responsibility of the EWRD includes warehousing, tendering, awarding, contracting transporters and effecting payments. • Participate in annual reviews conducted by FSCD to identify areas where coordination needs to be improved. • Coordinate with FSCD to ensure no gaps emerge between the PSNP and emergency assistance • Manage contingency planning development and updates

Natural Resource Management Directorate (NRMD)
Main Role
The NRMD, through its Federal Public Works Coordination Unit (PWCU), coordinates and oversees the Public Works component of the PSNP.
Responsibilities
<ul style="list-style-type: none"> • Support Regional Public Works Focal Units (PWFU) and awareness creation • Oversee and support M&E of public works, including the conduct of Public Works Reviews and Impact Assessments • Ensure satisfactory implementation of the ESMF and review of ESMF design as required • Capacity building for public works, including development of appropriate training materials and conduct of capacity needs analysis • Provide technical support and quality assurance to public works as required, concerning planning, design, operations and maintenance to ensure sustainable public works, as well as the development and potential use of GIS in these functions • Oversee and support the integration of non-Natural Resources sectors into the planning, design and implementation of public works • Liaise with FSCD and other PSNP partner institutions on coordination and management of public works, and participation in PSNP design and management forums, including policy issues, the roll out of the pastoral PSNP and in the development of exit strategies • Manage M&E of public works including the analysis of PW reports • Coordinate with SLM and MERET and other relevant projects and initiatives.

Agricultural Extension Directorate
Main Role
The AED, through its Livelihoods Implementation Unit, manages the planning, oversight and coordination of livelihoods activities at the federal, regional and woreda levels.
Responsibilities
<ul style="list-style-type: none"> • Co-chair the Livelihoods Technical Committee at the federal level together with the Food Security Coordination Directorate • Consolidate livelihoods plans across all three livelihood pathways • Monitor the performance of livelihoods activities • Ensure satisfactory implementation of the ESMF and review of ESMF design as required • Liaise with FSCD and other PSNP partner institutions on coordination and management of livelihoods, and participation in PSNP design and management forums, including policy issues • Coordinate with PCDP in the roll-out of livelihoods interventions in pastoral areas • Manage monitoring and evaluation of crop and livestock livelihood pathways, and consolidate M&E of other livelihood pathways • Coordinate with the Agricultural Growth Programme

MOLSA
Main Role
MOLSA ensures the integration of the permanent direct support component with the overall Social Protection Strategy, and oversees activities in the employment pathway. MOLSA will have a Secretariat to coordinate and oversee support to permanent direct support clients.
Responsibilities
<ul style="list-style-type: none"> • Plan and monitor programme support to permanent direct support clients • Liaise with FSCD and other PSNP partner institutions on coordination and management of permanent direct support interventions, and participation in PSNP design and management forums, including policy issues • Responsible for linkages to social services/soft conditionalities at the federal level under the oversight of the JSOC • Joint oversight with MOA of the development, roll out, and implementation of the systems tools and instruments including MIS and the Unified Registry • Coordinate with PCDP in the roll-out of livelihoods interventions in pastoral areas

- Ensure the social aspects of ESMF provisions in the employment pathway are properly implemented
- Plan and monitor employment linkage and protection interventions with TVET, REMSEDA and the Extension Core Process

Federal Micro and Small Enterprise Development Agency (FEMSEDA)

Main Role

FEMSEDA oversees activities in the off-farm livelihoods pathway and, according with its mandate, expands the outreach of one-stop service centres to rural areas.

Responsibilities

- Coordinate with TVET and MOLSA to review annual plans for supporting clients in the off-farm (and employment) livelihoods pathway
- Expand and oversee the one-stop service centres in rural areas to help facilitate the preparation of annual plans, create awareness, and support business plan development
- Monitor the performance of interventions to support off-farm (and employment) pathway

TVET

Main Role

The TVET Agency oversees the activities of TVET institutes in supporting demand driven technical and business management training for off-farm and employment pathways.

Responsibilities

- Oversee market assessments for off-farm products and services as well as labour opportunities
- Develop and/or update training curricula as needed
- Oversee TVET resources to ensure availability of training services to PSNP clients.

Livestock Development Directorate

Main Role

The Livestock Development Directorate of the Livestock Development Sector co-chairs the Livelihoods Technical Committee with the Agricultural Extension Directorate and the Food Security Coordination Directorate, and oversees the provision of technical assistance for livestock-related livelihoods.

Responsibilities

- Oversee market assessments for livestock products
- Develop and/or update training curricula as needed

Federal Cooperative Agency

Main Role

The Federal Cooperative Agency oversees the provision of financial literacy training and savings promotion activities, and complementary support in market access, as needed.

Responsibilities

- Monitor the provision of support to RUSACCOs
- Monitor the provision of support for input supply and marketing

Federal Ministry of Health

Main Role

The Federal Ministry of Health ensures the integration of the links to social services sub-component with the National Nutrition Programme and the Health Extension Programme

Responsibilities

- Liaise with FSCD and other PSNP partner institutions on coordination and management of health and nutrition activities, and participation in PSNP design and management forums, including policy issues

Appendix 1: Gender Action Plan

PROGRAMME COMPONENTS	ACTION	RESPONSIBLE BODY
TARGETING	Prioritize registration of PLW, women from MHHs, polygamous HH as FHH, FHH	FSCD, Regional FS
PLANNING	Strengthen planning template to better capture gender issues and PIM provisions	FSCD
	Include Gender Analysis and ensure women's participation in annual PW planning process (consult women and men separately, if necessary)	FSCD, Regional and Woreda FSBs
ACCOUNTABILITY	Raise awareness and implement Social Accountability tools that measure the satisfaction of women	FSCD, Regional FS
	Include module on complaints process related to GSD PIM provisions and use of household transfer in Grievance Redress Manual and monitor on gender disaggregated way	FSCD
CAPACITY BUILDING, KNOWLEDGE MANAGEMENT	Introduce experience sharing and establish networks among implementers and women's groups at all levels	FSCD, Regional FS
	Increase effective participation among women in committees, leadership positions, etc.	FSCD, Regional FS ,
	Include gender in Capacity Building Strategy and prioritize gender mainstreaming in workplan of National Capacity Building Facility (including continuous skills oriented training on gender mainstreaming and equity for implementers including PW site supervisors, awareness raising on gender sensitivity, childcare centres, etc. for watershed committee, woreda agriculture office, communities, etc.)	FSCD
	Develop knowledge and evidence-base regarding implementation of gender PIM provisions in lowland areas and assess and address needs of women in lowland areas and develop lowland specific gender provisions (if necessary)	FSCD, Regional FS
	Develop and implement Communications Plan (i.e. activities on awareness creation for communities, production and distribution of IEC materials, etc. with focus on GSD PIM provisions, mainstreaming and equality). Ensure information accessible and communicated in a way that is appropriate for women to ensure that they are reached.	FSCD
M&E	Strengthen sex and gender disaggregated data by reinforcing use of simple sex-disaggregated and gender disaggregated formats for data collection and include quantitative and qualitative analysis in reporting	FSCD/FIC, Regional FSBs/RIC
	Include gender sensitive monitoring indicators representative of key gender priorities of each region in logframe	FSCD
	Monitor implementation of GSD PIM provisions	FSCD, Regional FS
	Follow-up gender mainstreaming progress with clear instructions for each working group during JRIS Missions	FSCD, DCT
	Make better use of sex disaggregated (quantitative) and gender (qualitative) data to make adjustments for local contexts and prioritize activities, as necessary	FSCD/FIC, Regional FS/RIC
TRANSFERS	Pilot approaches to ensure that women equally benefit from transfers and compile knowledge on intra-household dynamics regarding transfers and PWs	FSCD, DCT
	Develop community conversation manual /guidelines to promote household and community awareness regarding use of transfer for household food security	FSCD, Regional FS

	Sensitize communities and KACs (Grievance Redress Manual to include module on Transfers) to address issue of inappropriate use of transfers	Regional FS
PUBLIC WORKS	Clarify women's 50% workload reduction, 'light works', and subprojects that reduce women's time burden and ensure plans reflect these provisions.	PWCU, SDTF
	Disaggregate activities on PW annual plan by sex	PWCU,PWTC,SDTF
	Revise PIM provisions to extend temporary DS for pregnant and lactating women to as early as first anti-natal check to 12 months post-delivery	FSCD, SDTF and PWCU
	Awareness raising and guidelines (budget, staffing requirements, etc.) for mobile/permanent childcare centres	Federal PWCU, PWTC
	Develop Public Health & Safety Guideline and cascade training to community level (incl. childcare center awareness)	Federal PWCU, PWTC, SDTF
	Prioritize targets for women as foreperson /forewoman and leadership positions in PW sites to increase women's representation in PW supervisory roles and address stereotypes re. traditional roles	Federal PWCU
	Enhance women's equal and active participation in watershed planning committee	Regional and woreda PWFUs
HUMAN CAPITAL	Include GSD issues in BCC activities and work with MoH to develop specific BCC tools to encourage safety net clients to optimize use of both local and transferred resources for improved nutrition of children >2 and PLW	FSCD, SDTF, R FSBs
	Pilot approaches in which female clients receive training to deliver BCC activities and/or fill service gaps	FSC, SDTF, Regional FSBs, HEW
	Women involved in leadership positions and in decision-making structures mentor other women interested in participating in leadership positions and encourage women to express themselves in meetings	Regional & woreda FS Bureaus and FSTFs, DAs
	PLW transitioned to temporary DS to participation in a combination of ante-natal counselling sessions, post-partum health facility visits, Community Based Nutrition Programme, growth monitoring and promotion sessions, BCC sessions	Regional & woreda FS Bureaus and FSTFs, DAs, HEWs
	Mothers in vulnerable households affected by nutrition emergencies to be counted as temporary DS to enable them to care for their malnourished children and benefit from soft conditionalities	Regional & woreda FS Bureaus and FSTFs, DAs, HEWs
	Female PW clients to participate in literacy/financial literacy and other forms of skills training activities which are counted toward their PW requirement	Regional & woreda FS and FSTFs, DAs, HEWs
ACCESS TO LIVELIHOODS SERVICES AND OPPORTUNITIES	Review and assess strengths and weaknesses of existing extension services/credit experiences and allow for flexibilities through gender lens	FSCD/SDTF, AED, FCA
	Ensure eligibility of women from MHH and FHH	Regional & woreda FS and FSTFs, SMEs/cooperative, DAs
	Implement gender sensitive and demand-driven economic opportunities for women and facilitate linkages with markets and business opportunities	Regional & woreda FS & Extension Bureaus, MSEs/cooperative, DAs
	Appropriate technical support (including coaching and mentoring) for female clients in business skills (women from both MHH and FHH)	FSCD, AED,Regional & woreda FS, MSEs/FCA, FSTFs, DAs

	Develop and implement appropriate training and communication materials	FSCD/SDTF, AED, Regional and woreda FS and FSTFs, DAs
	Develop understanding of success factors to successful group VSLA for women from MHH and FHH	FSCD/SDTF, AED
	Include women friendly off-farm activities and facilitate relevant knowledge and skill transfer	FSCD, Cooperative
	Promote improved technologies to increase productivity on-farm and off-farm for women	FSCD,AED,
	Assess feasibility of livelihood interventions in lowland areas taking into account differences in situations (i.e. MHH, FHH, polygamous HHs)	FSCD/SDTF, AED, FCA, SME
INSTITUTIONAL MANAGEMENT	Earmark budget resources to strengthen capacity on gender features	FSCD,DCT
	Hire gender and social development experts at F, R and W levels	FSCD, regional FS
	Encourage female staffing targets	FSCD
	Closer engagement with MoWA and linkages with agencies with gender empowerment goals	FSCD, MWYCA
	Ensure representation of sectors mandated promote social development in PSNP decision making structures	FSCD
	Develop incentives to implement PIM provisions	FSCD
	Include performance targets for implementation of PIM GSD provisions in PMS	FSCD



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UK Department for International Development
United Nations Children's Fund
United States Agency for International Development
World Bank
World Food Programme