

# BUILDING RESILIENCE OF CROSS-BORDER COMMUNITIES THROUGH DIVERSIFIED LIVELIHOODS

# **TECHNICAL BRIEF 1**

March 2020

## **BACKGROUND**

More than 350,000 people living in the Mandera triangle (Liban and Afder zones in the Somali Region of Ethiopia, Gedo in Somalia and Mandera in Kenya) face widespread poverty in an area with primarily pastoralist livelihoods. Fluctuations in weather patterns that swing from drought to floods with relatively short periods of stable pasture and agricultural harvests drives up to 80 per cent of households into debt during dry seasons. Livestock are also increasingly susceptible to disease and mortality, partly as a result of weather conditions. Many people migrate across borders in search of pasture while those who farm along the riverbanks are also displaced during periods of heavy rains.

This fragile region is characterized by low levels of literacy, poor agricultural extension services, traditional technologies, low levels of access to skills development and credit, and high levels of animal disease. All these factors contribute to low incomes. The mean monthly income of households in 2018 in the BORESHA project areas was USD 41.80 in Kenya, USD 37.39 in Ethiopia, and USD26.27 in Somalia – all of them below the poverty line. The incomes of the households were largely from livestock keeping, farming, trading, salaried employment and wage labour. BORESHA targets this region with socioeconomic and resilience interventions. Trade between the cross-border areas is important to most livelihoods. However, frequent border closure affects the region's income generating potential. Insecurity due to terrorist activity and inter-clan conflict caused by resource scarcity remains a challenge.

# **JUSTIFICATION**

The close social and cultural ties between communities in the tri-border area and common economic activities is a strong base to develop greater productivity and incomes. This requires interventions that support various aspects of productivity, value addition and cross-border trade. A large part of the cross-border trade is currently informal, and includes consumer goods imported through Mogadishu into Kenya; cattle trade from Lower and Middle Juba regions of southern Somalia into Kenya; camel trade from northern Kenya into Somalia

and Ethiopia, often for export to the Gulf states; and, the overland trade of Miraa (Khat) from Kenya and Ethiopia into Somalia. BORESHA is also paying attention to rural livelihoods diversification and an understanding of rural – urban linkages. This is central to risk mitigation strategies in this region. Traditional patterns of pastoralism are not sustainable given the effects of climate change, frequent border closures, and curtailed movement (in search of water and pasture).

# **About BORESHA & DDG**

Building Opportunities for Resilience in the Horn of Africa (BORESHA) is a 3-year (2018-2020) cross border project implemented by a consortium of the Danish Refugee Council, World Vision, WYG and CARE International with funding from European Union Trust Fund for Africa. BORESHA works with local communities and public authorities to establish transformative processes to enhance the cross border socio-economic integration and support resilience in the fragile and underdeveloped borderland areas between Kenya, Ethiopia and Somalia.

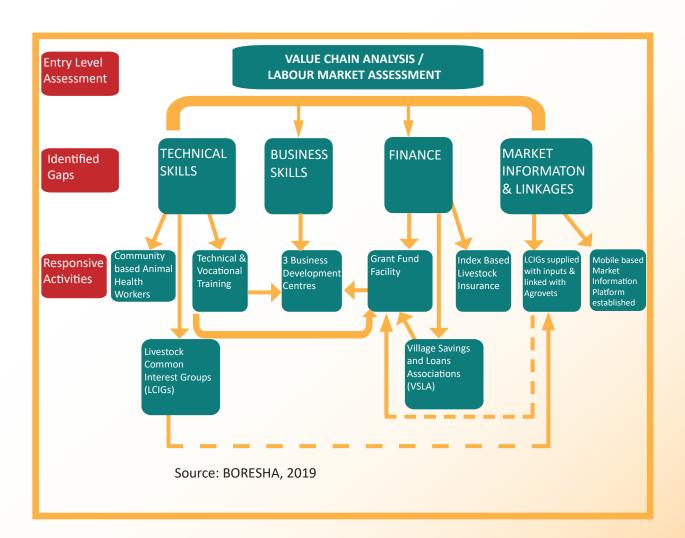
This technical brief was produced through a collaborative workshop between BORESHA and the Danish Demining Group (DDG), a Humanitarian Mine Action and Armed Violence Reduction Unit within the Danish Refugee Council (DRC).

# **TECHNICAL APPROACH**

BORESHA conducted two studies, a Value Chain Analysis and a Labour Market Assessment, to identify key areas of cross-border livelihoods and their challenges and potential. It then designed interventions to address value chain and labour market constraints such as low or no access to technical services for farmers and pastoralists, and little or no access to inputs, skills and finance. The studies also identified a gap in market information and linkages.



BORESHA consortium partners complement each other in strengths of intervention and collaborated with the local administration to improve livelihoods in the area. The diagram below illustrates interventions and their response to the identified gaps.



# **RESULTS**

Over the two years of implementation, BORESHA has facilitated an integrated response to the constraints to livelihoods, addressing animal health and productivity, animal feed availability, skills, and financial deficits and market development through linkages and information.

This has yielded some early results.

#### Animal health and feeds

In the cross-border context, animal health is central to livelihoods. Through 20 Livestock Common Interest Groups (LCIGs), better animal husbandry is being promoted and fodder production has been scaled up. BORE-SHA has engaged government Livestock Officers in all areas to facilitate vaccination/treatment for 845,603 animals. Better animal health means low mortality and improved livelihoods. LCIGs are also engaged in fodder production after being trained. Community Animal Health Workers/Community Disease Reporters trained and equipped through BORESHA are enhancing the outreach and quality of animal health services and agro vets.

# Community groups commercialize fodder production

Thousands of animals die during drought when pasture or fodder is unavailable. Dollo Ado and Dollo Bay areas in Ethiopia are particularly hit during dry seasons. BORESHA provided LCIGs with fast-growing forage seeds, motor pump generator, and farm tools. They were also trained on growing Sudan grass which effectively responds to feed crisis.

Three LCIGs growing Sudan grass have in their first harvest sold 125,000 ETB (USD 3,888) worth of fodder in the markets of Dollo Ado, Dollo Bay and Mandera. BORESHA has supported the communities to construct fodder storage facilities to sustain supply even during dry seasons.

Abdulahi, an agro-pastoralist in Fikow, Dollo Ado Woreda, grows fodder and is a member of this group. "At the end of the day, we will sell the fodder, and have enough for our livestock, getting double benefit," he says. He hopes to switch to irrigation-based fodder production to significantly improve the output of his animals as well as household income. "We are expecting three times more production in our next harvest. We plan to be one of the best fodder-producing cooperatives in the area," he adds.

#### **Innovative Financial Mechanisms**

Index based Livestock Insurance (IBLI) has been introduced in Kenya to counter the vagaries of climate unpredictability. In 2019, BORESHA in collaboration with ILRI (International Livestock Research Institute) supported the insurance company Takaful to enter the Mandera County market and sell the livestock insurance product. In its first year of support, 816 households in Mandera bought the livestock insurance. Of these, 226 have already claimed and obtained insured amounts against the diminishing vegetation cover.

There are 190 Village Savings and Loans Associations (VSLAs) groups with nearly 4,500 members, many of them women, pooling together their savings and offering loans. In Somalia, 70 percent of the members have taken at least one loan and almost all have used this money to either start or expand businesses hence increasing household income.

In January 2019, a Grant Fund Facility was launched with 608,800 Euros. The Facility invited applications for grants from micro, small and medium sized enterprises in the project sites and received 2,212 business proposals with budgets ranging from US Dollar (USD) 2,500 to USD 12,000. A rigorous assessment and due diligence process resulted in 51 awards for a range of businesses in agriculture, manufacturing, construction, and water and waste management services. Women-owned businesses represented 30 per cent of the award winners. The awards presented innovations such as women groups in Ethiopia making furniture, and another in Somalia producing sesame oil. Youth businesses are providing waste collection and recycling while others are engaged in active farming in Mandera.

In 2018, BORESHA established three Business Development Service Centres (BDSCs) in Mandera, Dollow and Dollo Ado to offer training in financial and business skills and support market information and linkage. Training targeted all grantees and Technical and Vocational Education and Training (TVET) graduates. To expand reach, BORESHA offered training of trainers (TOT) in Business Skills curricula. Forty-three men and women from borderland communities underwent the TOT and 14 trainers were certified.

Those certified are now training entrepreneurs in rural areas distant from the BDSCs. Another 500 persons will be trained at the BDSCs in the year 2020 in business and entrepreneurship skills.

BORESHA supported 399 youth (men and women) to join TVET institutions with 342 graduating. Of these, 65 per cent received start up kits in Somalia and have set up business. Those running beauty salons are making between USD 150 – 180 per month. Others who took professional driving course are gainfully employed.

BORESHA has designed a mobile based platform to offer daily prices on the most frequently traded commodities across the three regions. BORESHA worked with the local administration, the government trade departments, national phone companies, and the traders themselves. The three BDSCs will manage the platform for sustainability.



## The Young Brothers Farmers' Group

Young Brothers Farmers' Group does vegetable farming on the bank of Dawa River in Rhamu, Mandera North. In May 2019, they received a BORESHA grant. "After we secured first instalment of BORESHA grant we cultivated an additional one acre of the farm and planted vegetables. We also employed 3 youth to work on the farm. This will promote our dream of self-sustenance," says Mr. Ali Bashir one of the group members.

They have plans to move from small-scale to large scale farming, and install solar powered drip irrigation to improve production of tomatoes, kales, spinach, coriander, capsicum, pepper etc. which are all in great demand in Mandera and beyond. The youth group confesses to lack of technical expertise, and have requested BORESHA to support their capacity development. BORESHA has linked them to the Business Development Services Centres (BDSCs).

## Driving out of poverty in 40 days!

Abdi Hussein Diriye, a father of 9 children, is one the beneficiaries of BORESHA TVET skills training. Before taking the driving course, Abdi earned Kes. 500 (USD 5) daily as a conductor in one of the mini buses (matatu) plying the Mandera-Burabur route. After completing the course in February 2019, and obtaining a driving license, he was promoted to assistant driver earning daily wage of Kes. 800 (USD 8). He then got a job as a truck driver transporting stones from quarries earning him Kes. 1,000 (USD 10).

"I am grateful for the opportunity to pursue the driving course. I am now respected and trusted driver with driving license like the rest. My income has increased enabling me to take care of my children well. They go to school and I don't worry over fees payment. We take three meals a day and I meet the family's medical expenses. Because of this training, my life has changed for the better. I am now a respected member of the community and contribute towards communal projects," Abdi said.

### **CHALLENGES**

There are not enough relevant technical courses, or accessible training venues in the project area. In addition, the area settlements are dispersed. BORESHA initiated enterprise-based training in Mandera while stipends were offered in Somalia and Ethiopia to allow students from far afield to attend college and take the courses. However, women were most disadvantaged as they could not stay away from homes for extended periods and travel far distances to acquire new skills. Women also enrolled to study the usual "female" occupations - beauty care, hairdressing, catering and tailoring. All these restrict them into the relatively lower income "traditionally female" service sector.

Low levels of literacy and the lack of business records were a persistent challenge through the skills training. During application for grants, one of the criteria for selection was the provision of such records.

Poor infrastructure is a major impediment in meeting the potential of cross-border trade. The roads get damaged during the rainy season leading to high transportation costs and wastage. The lack of proper storage facilities and markets also contribute to trade inefficiencies. There are no value additions to the fruit, meat and milk that are abundant at particular seasons, and supply of agricultural produce does not go beyond the local markets.

#### **LESSONS LEARNED AND RECOMMENDATIONS**

Transparency and community sensitization to get stakeholder buy-in at the start of the BORESHA programme has sustained cooperation throughout the implementation. Public authorities, communities, and project staff all agreed and respected the project accountability mechanisms including complaints and feedback mechanisms. There has been great interest both from the local administrations and the private sector in all three sites in interventions related to skills and the grants. These interventions should show visible positive results over the third year so that the market can pick up where the project leaves off.

BORESHA innovatively used enterprise-based TVET structure in Mandera to bridge the shortage of established institutions. This can be made more efficient and supported with the right equipment, and certification to harmonize this training with other TVET colleges.

In Somalia, World Vision identified a different approach to reach rural youth and overcome the distance and the cost associated with attending the existing TVET centers. Three Community structures were set up in 3 villages and linked up with the existing institutions in Dollow and Belet Hawa to provide qualified trainers to deliver training directly in the communities.

Innovative financial products such as IBLI and VSLA have taken root in the community. These should be scaled up, and the role of country based financial institutions to support both initiatives explored.

Partnerships with governments and public institutions have, for the most part, been supportive, but the perspective of communities tends still to be entrenched in relief-oriented approaches. BORESHA's entry is an opportunity to encourage a business approach to agriculture and urban livelihoods so that planning and strategic positioning contributes to sustainable markets.

The lack of and poor flow of information causes mistrust and impedes progress. Future programmes should integrate mechanisms that reinforce new knowledge and skills and progressively channels information among key stakeholders.

BORESHA - led studies reveal lack of cross-border trade policy and enforcement of regulations at the local level. This creates a thriving environment for prohibitive customs procedures that encourage smuggling and informality in business exchanges. Healthy private sector development requires predictability and considerable support by public authorities — this should be a component in future work. Business support services should be taken up by commercial providers and the transition from subsidized services to market-based transactions is essential to market development and a vibrant private sector. This too needs planning at project design phase.

#### **CONCLUSION**

The work on VSLA, LCIG, natural resource management and disaster risk reduction provides a basis for moving communities towards sustainable and diversified livelihoods and building the foundation for community resilience. The Grant Fund Facility, the work of the BDSCs and TVET training process has provided insights into the status and potential of the private sector.

There has been innovation at the enterprise and community level that would benefit from exchange visits among the three border communities. Shifting them towards a longer perspective of resilient approaches is the pervasive challenge in a context of short-term relief-based interventions. BORESHA is progressively establishing transformative processes albeit at micro levels to enhance the cross-border socio-economic integration and support resilience in the fragile and underdeveloped borderland areas between Kenya, Ethiopia and Somalia It is important that these gains are sustained and lessons learnt shared at policy dialogue levels to enable resource mobilization for the continuation of such work.

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