

## Quarterly Report: Alternative Livelihoods to Piracy – Phase III (Atlas ID: 00093044)

<b>Reporting Period</b>	01 April 2016 to 30 June 2016
<b>Government Counterpart</b>	Federal Level Ministry of Planning and International Cooperation (MOPIC) and Ministry of Labour and Social Affairs. Puntland Ministry of Planning and International Cooperation and Ministry of Labour, Youth and Sport (MOLYS)
<b>PSG</b>	PSG 4: Economic Foundations
<b>PSG priority</b>	Priority 1: Enhance the productivity of high productivity sectors and related value chains, including through rehabilitation and expansion of critical infrastructure for transport, market access, trade and energy Priority 2: Expand opportunities for youth employment through job creation and skills development
<b>Focus Locations:</b>	Alula and Bargal Districts in Puntland and Balanbale District in Galmudug
<b>AWP Budget</b>	1,094,020
<b>Available Funds for year</b>	1,069,630
<b>Expenditure to date</b>	839,578

**CONTRIBUTING DONORS:** 7 shipping COMPANIES: Shell, Maersk, Stena, BP, NYK, MOL and K-line



## ABBREVIATIONS AND ACRONYMS

ALTP	Alternative Livelihoods to Piracy project
AWP	Annual Work Plan
AS	Al-Shabaab
BP	British Petroleum Tanker Company
CS	Community Security Project
HIV/AIDS	Human immunodeficiency virus infection and acquired immune deficiency syndrome
HOPEL	Horn of Africa Organization for the Protection of Environment and Livelihoods
K-Line	Kawasaki Kisen Kaisha Ltd.
LOA	Letter of Agreement
MCG	Micro-Capital Grant
MCH	Mother and Child Health Center
M&E	Monitoring and Evaluation
MOL	Mitsui O.S.K Line Ltd.
MOLSA	Ministry of Labour and Social Affairs
MOLYS	Ministry of Labour, Youth and Sport.
MOPIC	Ministry of Planning and International Cooperation
MOPW	Ministry of Public Works
NGO	Non-Governmental Organization
NYK	Nippon Yusen Kaisha Shipping Company
PREP	Poverty Reduction and Environment Programme
PSGs	Peacebuilding and Statebuilding Goals
PPU	Partnership and Planning Unit
TOR	Terms of Reference
UNDP	United Nations Development Programme
USD	United States Dollar
Y-Peer	Youth Peer - Puntland



PHOTO 1: GRADUATION OF YOUTH TRAINEES

## SECTION 1 – KEY DEVELOPMENTS DURING THE REPORTING PERIOD

During the reporting period, remaining activities of Alternative Livelihoods to Piracy – Phase III continued including the social and economic reintegration of youth and community productive infrastructure in the three target districts in Puntland and Galmudug federal member states of Somalia.

Project staff together with local counterparts conducted field missions to Alula, Bargal and Balanbale to monitor the progress of the project activities. Although, most of the set project targets were achieved in 2015 and the first quarter of 2016, the focus for this quarter was to finalize remaining activities that were delayed as a result of security and access challenges which the team faced. The project made amendments to agreements with local counterparts to help complete on-going activities.

Overall, three productive community infrastructure (a feeder road, two Irish culverts) is completed during reporting period, Balanbale Mother and Child Health (MCH) facility construction was also finalized with solar system installations. Trainees have also completed the skills training and graduated in Alula and Bargal.

Some of the key developments during this quarter that directly or indirectly affected the project were:

- Since mid-March 2016, the militant group Al-Shabaab has targeted Puntland, moving some of their forces after being pushed out of strongholds farther south by an African Union force and the Somali National Army. Puntland forces conducted security operations after Al-Shabaab captured Gara'ad in the coast of Puntland and killed more than 60 and captures some Islamist militants and regained some territory in the counter-offensive against al Shabaab.
- A drought exacerbated by El Niño has directly affected the region with over a million people mainly in the northern parts of the country, leading to an increase in food insecurity and malnutrition. Nearly 4.7 million people, or 38 per cent of the population, are in need of humanitarian assistance in Somalia. Of these people, 1.7 million are in drought-affected Puntland and Somaliland. The recent Gu rains have decreased the drought somewhat in certain areas and created opportunities for recovery among affected people, but the crisis remains of serious concern given the cumulative impact of up to four failed rainy seasons in parts of the country.
- Somalia has marked a milestone in its development by taking steps to normalize relations with international financial institutions. A mission led Mr. Rogerio Zandamela; the IMF mission chief for Somalia met with Somali Government in Nairobi in the first week of April 5 to discuss a staff-monitored program that will focus on policies to improve governance and fiscal management and foster development in the financial sector. The staff-monitored programs are informal agreements between a government and the IMF to monitor the implementation of the country's economic program.
- This continues to disrupt movements within Puntland and particularly to the coastal towns for project staff due to increased security levels and monitoring on-going project activities in Alula and Bargale was postponed for a number of times causing further delays in implementation.

## SECTION 2 – PROGRESS AGAINST OUTPUTS & PLANNED ACTIVITIES IN ANNUAL WORK PLAN

### OUTPUT 1 – SOCIAL REHABILITATION OF VULNERABLE YOUTH WITHIN COMMUNITIES AFFECTED BY PIRACY PROMOTED

Narrative update on Progress towards Output			
The social rehabilitation of vulnerable youth within communities affected by piracy activities were completed in first quarter of 2016 and report.			
Output Indicators	Baseline	Annual Target	Progress to date
# of vulnerable youth of targeted communities are provided with Social rehabilitation training	Youth in target areas vulnerable to recruitment as pirates	60 vulnerable youth (at least 30% gender representation)	60 youth in Balanbale are provided and completed with social rehabilitation training in Q1 of 2016.
Planned Activities as per Annual Work Plan		Progress Against Activities	
Activity 1.1: 60 vulnerable youth (at least 30% gender representation) provided with social rehabilitation in one of the three target areas. <ul style="list-style-type: none"> <li>○ Finalize sensitization for 60 youth, carry out rehabilitation training and undertake mentorship and literacy and numeracy training</li> </ul>		<ul style="list-style-type: none"> <li>- 60 youth who were identified and registered in the last quarter of 2015, completed social rehabilitation component and were sensitized, mentored and provided with basic literacy and numeracy training</li> <li>- Certificates of completion were awarded to all the 60 beneficiaries.</li> </ul>	
Sources of Evidence for Results Progress and Achievements			
<ul style="list-style-type: none"> <li>• Detailed mission reports supported with pictures were prepared and shared with UNDP management, MOPIC and MOLYS.</li> <li>• Signed MCG with HOPEL to undertake the planned activities in Balanbale.</li> <li>• Signed daily attendance sheets of class participants endorsed by the local authority in the target district. Implementing partner.</li> </ul>			

PHOTO 2: CONSTRUCTION WORK OF CULVERT BETWEEN ALULA AND BARGALE AND THE REHABILITATION OF HABO IRISH CULVERT



## Output 2 – LONG TERM EMPLOYMENT FOSTERED THROUGH PROVISION OF EMPLOYABLE SKILLS AND LOCAL ECONOMIC GROWTH STIMULATED THROUGH GRANTS TO MICRO AND SMALL SCALE ENTERPRISES

### Narrative update on Progress towards Output

The Labour Market Survey on Employable skill sets identified and recommended five skill sets (electrical technician, beauty salon, mobile repairing, tailoring and entrepreneurship) for Alula and Bargal and similar survey identified another five skill sets (masonry, electrical technician, carpentry, tailoring and beauty salon) for Balanbale were carried out in all target districts through two training centers run by local NGOs (Y – Peer in Puntland and HOPEL in Galmudug) Training classes for 140 are now completed in Bargal and Alula districts of Puntland and 60 youth are graduating in August 2016 in Balanbale.

Output Indicators	Baseline	Annual Target	Progress to date
- Number of new or strengthened livelihoods created through youth training and grants to set up micro enterprises	- high levels of unemployment in direct Project areas due to low skills and Modest investment	- 200 youth (ensuring at least 30% gender representation).	- Five different demand-driven skill sets identified in the labour market studies conducted in 2015 are being offered to the 200 youth and women in the three target districts and are on-going.
Planned Activities as per Annual Work Plan		Progress Against Activities	
2.1 activity result. A baseline survey with sex disaggregated data of employable skills required in each area established - conduct a rapid market survey in the three target areas under the project and use data as input for proposal development investment 2.2 activity result: employable skills for target youth (at least 30% gender representation) enhanced - issues on RFP and Contract Local NGO to provide training - address gender differences identified in baseline - develop selection Criteria , identify training facilities, procure equipment and carry out training 2.3 activity result: Micro grants or employment support to graduates provided (at least 30% female graduates) - identify potential employers and help target micro entrepreneurs to establish business plan, participate in micro-business management training and provide them with grants - Monitor the use of grants and the establishment of micro businesses		- 140 trainees have completed and graduated from skill training in Alula and Bargal districts of Puntland - The graduates received tool kits and commodities equivalent to \$500 as this serve long term employment for graduated trainees - 60 trainees are taking the final training classes and are graduating in August 2016 in Balanbale district in Galmudug State	
Sources of Evidence for Results Progress and Achievements			
<ul style="list-style-type: none"> <li>• TOR for the job market survey.</li> <li>• Copies of the signed LOAs and MCGs</li> <li>• Copies of the job market surveys reports with recommendations</li> <li>• List of trainees, participation lists, photos and reports of all locations</li> <li>• Training materials and progress reports.</li> <li>• Beneficiaries business plan for provision of grants after graduation from Skill training</li> </ul>			

## Output 3 – SOCIAL AND PRODUCTIVE INFRASTRUCTURES REHABILITATED

Narrative update on Progress towards Output			
<p>During the quarter, Balanbale Mother and Child Health (MCH) was at its final stage and it is completed. Solar Systems were installed in three completed productive infrastructures( MCH in Balanbale, Youth Center in Bargal and community Center Alula)</p>			
Output Indicators	Baseline	Annual Target	Progress to date
<p>- No. of Social and productive infrastructures identified and rehabilitated</p>	<p>- Social and Productive infrastructures in poor conditions and deteriorated further as result of recent cyclone in Puntland</p>	<p>- Six social and productive infrastructures</p>	<p>- All six target infrastructure are now completed – a feeder road, two Irish culverts in Alula and Bargal districts and a Youth Centre, Community Centre and a Mother and Child Health facility.</p>
Planned Activities as per Annual Work Plan		Progress Against Activities	
<p>3.1 Activity result: finalize the on-going rehabilitation of six social and productive infrastructures identified in consultation with relevant authorities and communities (including equal participation of girls and women in consultations)</p> <p>3 in Puntland are; - , 2 Irish culverts in Alula and 1 feeder road in Bargal. 1 in Galmudug is:- Mother and Child Health (MCH) facility in Balanbale</p>		<ul style="list-style-type: none"> <li>• Lafa-gorayo feeder road is rehabilitated, Alula and Habo Irish culverts construction completed and handed over to the municipality.</li> <li>• Balanbale MCH construction work is completed.</li> <li>• Solar systems of 2KVA for the Youth Center in Bargal was installed, same capacity of solar system was installed to the Community Center in Alula. And 3.4 KVA of solar systems was installed to Balanbale MCH in Balanbale district</li> </ul>	
Sources of Evidence for Results Progress and Achievements			
<ul style="list-style-type: none"> <li>• Videos and pictures of UNDP and PHA missions, approved BOQs and engineering designs of the identified priority facilities for rehabilitation and construction.</li> <li>• Signed LOAs and MCG with PHA, MoPW and HOPEL.</li> <li>• Photos, videos (before, during and after), progress reports and handover notes when the work completed.</li> </ul>			

## Output 4 – KNOWLEDGE OF LOCAL AUTHORITIES AND COMMUNITIES ON LOCAL LEVEL PLANNING, MONITORING AND COUNTER-PIRACY RELATED ISSUES INCREASED

Narrative update on Progress towards Output			
During the quarter, awareness raising sessions were conducted let by the MoLSA at federal level. Other sessions are on-going now.			
Output Indicators	Baseline	Annual Target	Progress to date
- Train at least 20 local authority and community members how to integrate counter piracy measures in local development plans undertaken	- Local authorities and communities knowledge on local level planning and monitoring is quite modest. In addition there is limited knowledge on counter-piracy measures and local laws	- 20 local authority and community members trained in each of the target district.	- In Balanbale, one training session on piracy awareness session on piracy has been conducted for 30 participants and other sessions are on-going in Balanbale.
Planned Activities as per Annual Work Plan		Progress Against Activities	
4.1 Activity result: training sessions on local development planning (including equal consideration of girls and women’s special needs) and monitoring in all target areas conducted and awareness campaigns on counter piracy measures carried out <ul style="list-style-type: none"> <li>- hire national consultant to undertake training at the three target towns</li> <li>- undertake training need assessment</li> <li>- carried out training sessions in relevant areas</li> <li>- produce counter piracy publicity materials</li> <li>- carry out awareness campaigns</li> </ul>		<ul style="list-style-type: none"> <li>- National consultant was hired under an agreement with the ministry and training needs was assessed for the district authority.</li> <li>- In Balanbale one training session on piracy has been conducted and other sessions is still pending for MoLSA at federal level to undertake.</li> <li>- One training session on piracy awareness has been conducted.</li> </ul>	
Sources of Evidence for Results Progress and Achievements			
<ul style="list-style-type: none"> <li>• Copies of the capacity building and awareness campaign materials</li> <li>• Samples of the awareness campaign materials when purchased</li> <li>• Videos and pictures of the events</li> <li>• Attendance sheets of trainees</li> <li>• Contracts of the facilitators.</li> </ul>			

### SECTION 3 – CROSS-CUTTING ISSUES (GENDER, PEACE AND CONFLICT, HUMAN RIGHTS)

- The project has managed to target over 49% (98 women out of 200) women direct beneficiaries on the social rehabilitation and economic rehabilitation components. One of the six community priority infrastructure are exclusively for women and children beneficiaries while the other four infrastructure will benefit both men and women. The project priority infrastructure that are completed include two Irish culverts, one feeder road, a youth center and a community center. The MCH in Balanbale will be used by exclusively by women and children.
- Two of the infrastructures will be exclusive for the usage of women and children. The MCH in Balanbale will benefited by mother and children in Balanbale district, the Habo Irish culvert was designed for the benefit of school children and women to cross to other side of the village.

### SECTION 4 – CHALLENGES / LESSONS LEARNT

- As a result of El-Nino Climate System, Somalia experience drought particularly in the northern parts including Puntland. Over one million people is affected by the drought in Somaliland and Puntland resulting the loss of livelihoods including livestock placing a great economic and social strain on the fragile communities in project target areas in Puntland; Alula and Bargale. These has put additional pressure on the already limited livelihoods.
- This disrupted movements within Puntland and particularly to the coastal towns for project staff due to increased security levels and monitoring on-going project activities in Alula and Bargale was postponed for a number of times causing further delays in implementation. Amendment for No-Cost extension was done for the partners to help complete on-going activities.



## SECTION 5 – RISK MANAGEMENT

Type of Risk <sup>1</sup>	Description of Risk	Mitigating Measures
<b>1. Operational Risk</b> <ul style="list-style-type: none"> <li>Access Difficulties</li> </ul>	The project areas are remote areas and the roads are very rough and inaccessible especially for heavy cars and in rainy seasons. This has impact on monitoring, security, cost efficiency and high cost of doing business.	some feeder roads were rehabilitated by PHA with the support of the project this led better access among the community in the region, for example rehabilitation of Lafaforaro road has resulted better accessibility and hugely reduced the traveling hours Before the intervention it was even very difficult for agencies to visit the area as access was difficulty, after rehabilitation of the infrastructures this has significantly the intervention of other agencies in the project area.
<ul style="list-style-type: none"> <li>Limited local capacities</li> </ul>	The area has suffered ignorance for long time. Therefore, the available local capacities are very limited and it is not easy to find potential local partners to work with.	<ul style="list-style-type: none"> <li>An LOA was signed with Puntland Highway Authority for implementation of feeder roads in Gardfu region, another LOA was signed with Ministry of Public works for implementation of community center and youth Centers.</li> <li>MCGs were signed with two experienced local NGOs (HOPEL and Y-PEER) for implementation of skill training components.</li> </ul>
<b>2. Financial Management</b>	Because of limited capacity of potential partners in the targeted areas and unavailability of bank branches and services in the main towns of the target district, financial management is a risk	<ul style="list-style-type: none"> <li>The project avoids the advance payments modality where possible and reasonable.</li> <li>Instead, the project pays directly to suppliers, vendors, service providers and workers. As a result, the project successfully and effectively managed financial resources and avoided and misuse and fraud.</li> </ul>
<b>3. Delivery</b>	As a result of operational difficulties including limited local capacities combined with insecurity in the target areas, delivery is expected to be slow down.	<ul style="list-style-type: none"> <li>The project tried to start the implementation process as early as possible.</li> <li>The donors of the project are fully aware on this problem and agreed to implementation of the project within 2016</li> </ul>
<b>4. Security</b>	The security situation in Puntland in specific and in Somalia in general has deteriorated. After the AS attack against UN in Garowe on 20 April, UN has changed the	<ul style="list-style-type: none"> <li>Programme criticality assessment has been conducted by UN.</li> <li>The project has engaged local experienced partners for the implementation of all project activities. Project National staff have</li> </ul>

<sup>1</sup> Environmental; Financial; Operational; Organizational; Political; Regulatory; Security; Strategic; Other.

Type of Risk <sup>1</sup>	Description of Risk	Mitigating Measures
	<p>security Level in Puntland and Somaliland from medium to High Risk.</p> <p>The targeted areas were piracy hotspots, remote, almost inaccessible, police presence is very limited and under equipped</p>	<p>successfully supported implementation and monitored the project activities using low profile movement.</p> <ul style="list-style-type: none"> <li>• A third party independent monitoring has been done for the project.</li> </ul>
<b>5. Conflict creation</b>	<p>The needs are very high and diversified while the available resources are very limited and for specific activities. This could lead for competition over the benefit from the limited opportunities the project will provide. Competition could develop to conflict if doesn't managed properly.</p>	<ul style="list-style-type: none"> <li>• The local communities, elders and local authorities are fully involved in the selection process of the beneficiaries</li> <li>• Each subproject has Project Management Committee (PMC) to assure smooth implementation.</li> <li>• The Project management has provided updates to the project board on various issues and there has been no issue that causes conflict and required urgent actions.</li> </ul>
<b>6. Strategic</b>	<p>The target project areas are very remote, the resources are very limited and needs are very extensive.</p>	<ul style="list-style-type: none"> <li>• It is highly recommended to consider the project area for area based approach and to attract different organization to work there.</li> <li>• Other UN agencies have already started some works in the project area including UNICEF and WFP. Other international (Care International and Save the children) also are working in the project area now.</li> </ul>
<b>7. Political</b>	<p>The Government of Puntland has continuously changed its line ministry representatives giving rise to serious discontinuities in the sub-projects.</p>	<ul style="list-style-type: none"> <li>• It was clarified to the Government the impact of this delay on the project implementation and delivery.</li> <li>• The project was proactive and updated the new minister of labour and planning in Puntland and there has been a continuous engagement with the government at political and technical levels.</li> </ul>

## SECTION 6 – MONITORING AND OVERSIGHT ACTIVITIES

This section can be used to update or use the risk logs developed during the project development stage and provide any mitigation measures being undertaken by the project.

Monitoring Activity	Date	Description & Comments	Key Findings / Recommendations
Engineering Visit	9 <sup>th</sup> -15 <sup>th</sup> May 2016	Project technical monitoring by area engineer	All construction, rehabilitation activities were on track as per plan. Detailed mission report is available upon request
Joint monitoring mission by UNDP and PHA staff	21 <sup>st</sup> - 28 <sup>th</sup> May 2016	Joint monitoring for all project activities were carried out by UNDP/ALTP project Officer, UNDP engineer and Puntland highway authority colleagues	All project activities progressing well and on track as per the plan. Detailed mission report is available upon request

## SECTION 7 – FINANCIAL REPORT

Donor	Annual Work Plan	Available resources for the year	Contribution as % of AWP	Disbursed	Balance <sup>2</sup>	% Delivery	Comments
Shipping Companies	1,014,020	989,630	90%	839,578	150,052	77%	
TRAC	80,000	80,000	7%	0	80,000	0%	
<b>Total</b>	<b>1,094,020</b>	<b>1,069,630</b>	<b>98%</b>	<b>839,578</b>	<b>230,052</b>	<b>77%</b>	

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<sup>2</sup> Available resource for the year minus funds disbursed till now.