



EN

THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX III

of the Commission Implementing Decision on the financing of the annual action plan in favour of the Republic of Kenya for 2022

Action Document for ‘Building Opportunities for Refugee and Host Community Self-Reliance’

ANNUAL PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan in the sense of Article 23 of NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

| | |
|---|---|
| 1. Title CRIS/OPSYS business reference Basic Act | Building Opportunities for Refugee and Host Community Self-Reliance CRIS number: 2022/043-965 OPSYS number: ACT-60731 Financed under the Neighbourhood, Development and International Cooperation Instrument (<u>NDICI-Global Europe</u>) |
| 2. Team Europe Initiative | No |
| 3. Zone benefiting from the Action | The Action shall be carried out in Kenya, Turkana and Garissa Counties, Nairobi County |
| 4. Programming document | Republic of Kenya Multi-Annual Indicative Programme 2021-2027 |
| 5. Link with relevant MIP(s) objectives / expected results | Priority area 3 (Democratic Governance, Peace and Stability) / sector 3.3 Migration and Forced Displacement. Specific objective: Improved access to services and protection for communities affected by forced displacement Expected result 3.3.a: Kenya is supported in maintaining asylum space and providing inclusive national policies and legal frameworks. Expected result 3.3.b: Integrated approaches to forced displacement are strengthened, with a focus on the continued development of local solutions and livelihoods. |
| PRIORITY AREAS AND SECTOR INFORMATION | |
| 6. Priority Area(s), sectors | MIP Priority area 3 (Democratic Governance, Peace and Stability) / sector 3.3 Migration and Forced Displacement |
| 7. Sustainable Development Goals (SDGs) | Main SDG: 10 Other significant SDGs: 1, 4, 5 |
| 8 a) DAC code(s) | DAC code 72010 [Assistance to refugees and internally displaced people in developing countries] DAC code 11330 [Vocational Training] |

| | | | | |
|--|---|-------------------------------------|---|------------------------------|
| | DAC code 25030 [Business development services] DAC code 31120 [Agricultural development] | | | |
| 8 b) Main Delivery Channel | Channel 20000 NON-GOVERNMENTAL ORGANISATIONS (NGOs) AND CIVIL SOCIETY Channel 41000 United Nations agency, fund or commission (UN) | | | |
| 9. Involvement of multilateral partners | Yes UNHCR | | | |
| 10. Targets | <input checked="" type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance | | | |
| 11. Markers (from DAC form) | General policy objective | Not targeted | Significant objective | Principal objective |
| | Participation development/good governance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Aid to environment | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Gender equality and women's and girl's empowerment | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Trade development | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Reproductive, maternal, new-born and child health | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Disaster Risk Reduction | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Inclusion of persons with Disabilities | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Nutrition | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | RIO Convention markers | Not targeted | Significant objective | Principal objective |
| | Biological diversity | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Combat desertification | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change mitigation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change adaptation | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | 11. Internal markers and Tags: | Policy objectives | Not targeted | Significant objective |
| Digitalisation | | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| digital connectivity | | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> | / |
| digital governance | | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| digital entrepreneurship | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |

| | | | | |
|--|---|-------------------------------------|-------------------------------------|-------------------------------------|
| | digital skills/literacy | <input type="checkbox"/> | <input checked="" type="checkbox"/> | / |
| | digital services | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| | Connectivity | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | digital connectivity | YES | NO | / |
| | energy | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| | transport | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| | health | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| | education and research | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| | Migration (methodology for tagging under development) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | Reduction of Inequalities (methodology for marker and tagging under development) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Covid-19 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

BUDGET INFORMATION

| | |
|------------------------------|--|
| 13. Amounts concerned | <p>Budget line(s) (article, item): BGUE-B2022-14.020121-C1-INTPA</p> <p>Total estimated cost: EUR 12 900 000</p> <p>Total amount of EU budget contribution: EUR 12 000 000</p> <p>This Action is co-financed in joint co-financing by:</p> <p>- United Nations High Commissioner for Refugees for an amount of EUR 900 000; implementation of specific objective 1 and 2</p> |
|------------------------------|--|

MANAGEMENT AND IMPLEMENTATION

| | |
|------------------------------|---|
| 14. Type of financing | <p>Direct management through:</p> <p>- Grants</p> <p>Indirect management with UNHCR</p> |
|------------------------------|---|

1.2 Summary of the Action

This action builds on programmes previously funded under the EU Trust Fund for Africa – Horn of Africa window, supporting refugees and host communities in Kenya. As outlined in the multi-annual indicative programming for Kenya, support to the most vulnerable is key to unlocking the country’s full development potential. This sector falls under the MIP priority area 3: Democratic Governance, Peace and Stability – with the specific objective of ‘Improved access to services and protection for communities affected by forced displacement’. As Kenya has hosted people fleeing persecution in neighbouring countries for over three decades, the intervention is in line with international frameworks, such as the Comprehensive Refugee Response Framework (CRRF) and the Global Compact for Refugees (GCR), to ease pressure of hosting countries and provide more durable, long-term solutions to refugees. Cooperation on forced displacement has also been included in the newly launched Strategic Dialogue between Kenya and the EU, under pillar I: Peace, Security and Stability. Thus, it is aligned with EU priorities both from a bilateral as well as a sector perspective.

This EUR 12.9 million action, a majority implemented by UNHCR, has the Overall Objective (Impact) to contribute to an asylum space in which displacement affected communities (asylum seekers, refugees and the host community) participate in fostering their common socio-economic inclusion and self-reliance. The Specific(s) Objectives / Outcomes of this Action are:

- (i) *To improve national and regional policies and practice promoting a more inclusive approach for refugees*
- (ii) *To enhance displacement affected communities’ access to training and income-generating activities in the agricultural sector in Turkana County.*
- (iii) *To enhance displacement affected communities’ access to decent employment in Garissa County.*

While acknowledging that attaining full self-reliance is a long-term objective, previous EU Actions have contributed to this objective, including by being among the first international partners to fund the Kalobeyei Integrated Socio-economic Development Plan (KISEDIP), an integrated settlement with access to basic services for refugees and their hosts, and providing key capacity-building to national and regional authorities. This Action will build on lessons learnt from previous support, to ensure gains that have been attained in the past are sustained, while further promoting the concept of integrated settlements. Expected result from the Action include 10 000 people protected or assisted by the EU; 13 900 households are registered with National Health Insurance Fund; 2 500 people obtain user rights over agricultural land; prevalence of food insecurity reduced below 40%; 6 000 people are trained in agriculture production, in entrepreneurial skills or receive information on business registration or work permit; 1 000 people are (self)employed and integrated socio-economic development plans extended to wider Kakuma and Dadaab areas.

The focus areas have also been derived in consultations with Government authorities (Refugee Affairs Secretariat), the EU Humanitarian Aid and Civil Protection office (DG ECHO), EU Member States, who are active in the camps and UN agencies, such as UNHCR, FAO and WFP. An on-going mid-term evaluation of an EU programme will further inform the specific contracts. However, due to the current context in Kenya (e.g. election in 2022 that will lead to changes in central and county governments; recurring government efforts to close camps; implementation of 2021 refugee act), a level of flexibility is maintained.

Overall the main SDG targeted by the Action is Goal 10 ‘Reduced Inequalities’, target 10.7, with the aim of reducing inequalities faced by refugees, including those with disabilities. Goals 1 (no poverty), 4 (quality education) and 5 (gender equality) will be addressed, through vocational training and skills development, as well as specific targeting of female-led households and efforts to strengthen social cohesion including addressing forms of discrimination such as sexual and gender based violence (SGBV). Overall, both gender and disability sensitive approaches are considered as important and deliberate objectives. The Action is aligned with the Team Europe Initiative (TEI) on the Green Deal, since the apparent weather changes are already threatening the livelihood of host communities and impacting income-generating initiatives for refugees. Coordination on the TEI Digitalisation will look at digital skills trainings to targeted beneficiaries as well as enhancing connectivity of Turkana West and Dadaab. With respect to conflict sensitivity and the nexus approach, the Action is also strongly coordinated with DG ECHO and includes an output on social cohesion.

2 RATIONALE

2.1 Context

The number of forcibly displaced communities globally has been increasing over the past decade. As of 2020, more than 1% of the world's population is forcibly displaced: 1 in 95 people. With the Horn of Africa being one of the most affected areas, Kenya has been hosting refugees for over three decades, counting as one of the top ten host countries for refugees. In the early 1990s, refugees originated predominantly from Somalia, due to the geographic and cultural proximity as well as Kenya's role as an economic and transport hub. Numbers of Somali refugees fluctuated, yet significantly increased to almost half a million during the 2011/12 drought, which led to famine-like conditions in Somalia. In the past decade, the number of refugees from other neighbouring states increased as well, notably from South Sudan, DRC and Burundi. Today, according to most recent statistics, at least 540,068 refugees and asylum seekers are registered in Kenya. The distribution is as follows: 288,655 from Somalia, 135,352 from South Sudan, 48,284 from DRC, 30,367 from Ethiopia, 19,153 from Burundi, 9,979 from Sudan and from Uganda 3,086. The exact number is expected to be higher, since registration of new refugees has been halted in Dadaab. Due to the country's encampment policy, a majority of refugees live in the refugee camp complexes of Dadaab (Garissa County/236,254 refugees) and Kakuma-Kalobeyei (Turkana County/219,875 refugees). An additional approximate 83,939 refugees live in urban areas. Both Kakuma and Dadaab are divided into several camps, whereas Kalobeyei, established most recently, was designed as an integrated settlement. Due to the limitations in freedom of movement, delayed registration processes leading to lack of identification and the remoteness of the camps, refugees continue to be almost fully dependent on humanitarian assistance.

Responding to the global forced displacement crisis, this Action is aligned with the EU priority to play a leading role in supporting forcibly displaced populations. It also contributes to the realisation of multilateral agreements, such as the Comprehensive Refugee Response Framework (CRRF), the Global Compact on Refugees (GCR) and the Global Compact on Migration (GCM). The two compacts were adopted by the UN General Assembly in 2018 and represent a multilateral approach to finding more equitable solutions to migration and forced displacement. Faced with the reality that three quarters of refugees remain displaced for over 5 years, with a vast majority hosted in developing countries, the GCR recognises that both addressing the root causes, as well as longer-term approaches must be considered. To this end, four objectives were developed: (i) Ease the pressures on host countries; (ii) Enhance refugee self-reliance; (iii) Expand access to third-country solutions; and (iv) Support conditions in countries of origin for return in safety and dignity. The GCM and GCR are non-legally binding frameworks, yet the EU already implements several initiatives that are in line with the respective objectives and has re-affirmed its commitment to the GCR at the 2019 Global Refugee Forum.

Against this global context, Kenya has not only signed and ratified the key international legal instruments governing the treatment of refugees, but also led the way in several new global and regional initiatives such as the 2017 Nairobi Declaration and Plan of Action, the CRRF and the GCR. In the 2010s, Kenya has started exploring models for a development-oriented approach, the primary example of this is Kalobeyei settlement (KISED). Kalobeyei is an integrated settlement, where public services are available to refugees and their hosts. The model was designed in several phases lasting until 2030 and covering eight sectors. Phase I is set to conclude in 2022. EU financing has been key in establishing KISED in 2016 and helped to attract additional donors. In total, since 2016, the EU has been supporting refugee and host community programmes worth over EUR 50,000,000. In 2019, the County Government hosting Dadaab refugee camp started the development of a similar approach, the 'Garissa Integrated Socio-Economic Development Plan' (GISED). While the political launch has been postponed, the plan has re-focused attention on Dadaab and led to increased coordination among stakeholders.

At the same time, Kenya's domestic policy frameworks with regard to refugees and asylum seekers is among the more restrictive in the region. However as part of its CRRF commitments, Kenya pledged to enhance refugee self-reliance and inclusion, re-evaluate justified citizenship claims and support an inclusive education policy. Until the end of 2021, when the Kenya Refugee Act 2021 was signed into law, national law was enshrined in the Kenya Refugee Act 2006, which supported an encampment policy where refugees are restricted to residing in 'designated areas'. The 2021 legislation includes new provisions, for example, it (i) clearly affirms the rights of refugees to identification, access to services using that identification, and right to work; (ii) includes specific references for national government to coordinate with local governments and county representatives on refugee issues and (iii) provides clear administrative timetables for asylum application processing. In addition, the previously strict

encampment policy may be eased. Aside from the formal legal barriers that restrict prospects for refugee inclusion and self-reliance, there are also a number of informal barriers including administrative hurdles, stigma, and lack of awareness amongst refugees of their rights. Despite its long-standing effort as a host country, there have been several public announcements to close the camps, most recently in March 2021. However, in April 2022 the Government announced to development partners that instead of closing the camps, it intends to transform them into settlements and to improve the integration of refugees in national systems. To this end, it has launched a process to develop the so-called 'Marshall Plan for Refugee Management in Kenya', in whose technical committee meetings the EU participates. While sudden policy shifts are still seen as a risk, a significant number of refugees are likely to remain in Kenya. An intention survey conducted in Dadaab (2021) confirmed that only a small percentage of refugee households is planning to return to their countries of origin. In fact, considering the regional instability, with conflict in Ethiopia and political turmoil in Somalia and South Sudan, the number of people seeking protection in Kenya may further increase.

Hence the proposed Action remains timely and relevant to the current context. As for the EU's agenda, this Action responds to GCR objective 1 and 2, thereby confirming the Commission's pledge to back-up the Compact with tangible support. The EU's continued support in this area will ensure EU commitment to international standards on migration and forced displacement are met. EU leadership will therefore remain recognised, while being able to foster closer links with key actors in the sector, including national authorities (Ministry of Interior/Department of Refugee Services) and the hosting Counties. This will help Kenya meet its own international commitments at a time the country seeks to play a more active regional and international role. Due to the political sensitivities around the issue, close coordination between key stakeholders and development partners is crucial. Starting in 2022, the Netherlands together with EU chair the monthly Refugee Donor Group. The most active participants include Netherlands, Germany, Sweden, Denmark, USA, UK, Switzerland, Canada, World Bank and IFC. The Action also draws upon the triple nexus approach (humanitarian, peace, development), through close partnership with DG ECHO, that has been supporting and ensuring access to food, water and basic services including in the health and education sectors to refugees. Acknowledging that development approaches require longer time-frames, such as the KISED model timeframe of 2030, the additional support will ensure that self-reliance gains achieved to this date can be sustained. Further support is also planned in second half of the MIP for 2025-2027.

2.2 Problem Analysis

The protracted nature of forced displacement in Kenya is concerning, with most refugees remaining dependant on humanitarian assistance. This means they are not able to self-sustain themselves and their families and thus not able to play a meaningful role within their communities, both socially and economically. The reasons therefore can be broadly divided into the following: (i) Refugee hosting areas are located at the periphery of the country in marginalised areas with poor connections to economic hubs and (ii) Policy frameworks are restrictive in designating 'hosting areas' and limiting access to identification and employment opportunities. As a result, socio-economic conditions of refugees remain poor. A multi-sectoral needs assessment carried out in 2020 found that across the two camp settings, the most reported source of income by households remains humanitarian assistance.¹ Recent data from Kakuma indicates that '78% of refugees are outside the labour force, compared with 35% of Turkana hosts and 26% of Kenyans overall'.² Plus, several specific sectors show alarming and emergency levels, including on food security, nutrition and education. More than 50% of refugees in Kakuma/Kalobeyei have poor food security scores, whereas this number is slightly higher for Dadaab. Due to competition over scarce natural resources, such as water and firewood, conflict between displacement affected communities occurs already and may intensify in the future. The impact of climate change and as a result the risk of desertification is omnipresent and might lead to onward movements or future new displacements. In addition, the proximity to Somalia has led to concerns about Al Shabaab presence in the camps, especially Dadaab, with the potential for recruitment among refugees who lack access to education and job opportunities. Lastly, the dependency on external assistance further fuels an image of refugees as a burden on hosting countries, even though a number of studies have highlighted the sizeable markets that exist in and around the camps and the significant potential for further economic

¹ Carried out by REACH Initiative in close collaboration with the Norwegian Refugee Council (NRC)

² World Bank/UNHCR, 2021

development.³ While there are an increasing number of initiatives that take a long-term, development-focused approach, it is crucial to maintain funding. The complex nature of displacement and mobility, require sustained investments for progress to materialise.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the Action:

Key stakeholders and rights-holders in this Action are refugees, asylum seekers and host communities, together to be referred to as displacement-affected communities. The refugee population is described in section 1.5. To further highlight, over three quarters of refugees in Kenya are women or children below the age of 18 (including unaccompanied minors), who tend to face additional vulnerabilities. Refugees with disabilities face particular protection risks, such as heightened risk of violence, exploitation and abuse, as well as high levels of stigma and numerous barriers to accessing basic services and opportunities. A significant number of refugees also remain unregistered. While Dadaab's refugees and asylum seekers have resided in the camps for longer, some since its establishment, most of the refugees in Kakuma/Kalobeyi arrived after 2007. Both refugee hosting areas in Turkana and Garissa counties also include a sizable hosting population of approximately 930,000 and 840,000 people respectively in each county. Yet, they faces similar constraints to refugees, for example when it comes to accessing clean water, specific government services and health care. In Kakuma, 68% of refugees and 72% of Turkana hosts are poor, while other development indicators are amongst the worst globally.⁴ Vulnerability factors will also be considered during the implementation of the Action. This is particularly relevant for women, children, the LGBTIQ community and people with disabilities to ensure the Action applies gender and disability sensitive approaches. Vulnerabilities may relate to specific protection needs, uncertainty about refugee status and statelessness, as well as sexual orientation.

UNHCR leads both camp operations, while the Kenyan Refugees Affairs Secretariat (RAS) under the Ministry of Interior provides registration and protection services to refugees. The 2006 Refugees Act established the Department of Refugee Affairs, which became RAS in 2016. The new Refugee Act foresees the formation of a Department for Refugee Services. Turkana and Garissa Counties play important roles at sub-national level, while the Ministry for Devolution and the State Department for ASALs (Arid and Semi-arid Lands), under the Ministry of Public Service, Gender, Senior Citizens Affairs and Special Programmes are also relevant national actors. The Counties will be involved at the level of the respective Governors, as well the relevant County ministries. Connections with the private sector will be made through the Kakuma Kalobeyi Challenge Fund, implemented by IFC, with an EU- contribution. Other stakeholders to be regularly consulted are donors (including EUMS NL, DE, SE, ECHO and as well as USA, UK, CH) and other implementing partners (this includes INGOs and local organisations).

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this Action is to contribute to an asylum space in which displacement affected communities (refugees, asylum seekers and the host community) participate in fostering their common socio-economic inclusion and self-reliance.

The Specific(s) Objectives / Outcomes of this Action are:

1. To improve national and regional policies and practice promoting a more inclusive approach for refugees.
2. To enhance displacement affected communities' access to training and income-generating activities in the agricultural sector in Turkana County.
3. To enhance displacement affected communities' access to decent employment in Garissa County.

The Outputs to be delivered by this Action contributing to the corresponding Specific Objectives (Outcomes) are

³ IFC, 'Kakuma as a marketplace', 2017 / ILO, 'Doing Business in Dadaab, Kenya'

⁴ World Bank/UNHCR, Understanding the Socio-economic Conditions of Refugees and Hosts in Kakuma, Kenya, 2021

- 1.1 contributing to Outcome 1 (or Specific Objective 1) Department of Refugee Services' capacities to fulfil its functions outlined in the 2021 Refugee Act on refugee and asylum management are strengthened;
- 1.2 contributing to Outcome 1 (or Specific Objective 1) Inclusion of refugees in sectoral practice supported, such as on education and health;
- 1.3 contributing to Outcome 1 (or Specific Objective 1) Turkana and Garissa County Governments' capacities to implement and coordinate area-based approaches and refugee inclusion are strengthened;
- 1.4 contributing to Outcome 1 (or Specific Objective 1) Social cohesion between and within refugee and host communities, especially those living in the most vulnerable situations, is promoted;

- 2.1 contributing to Outcome 2 (or Specific Objective 2) Increased income-generating opportunities for agricultural production and re-greening landscapes;
- 2.2 contributing to Outcome 2 (or Specific Objective 2) Improved access to skills development and capacity building for agribusiness entrepreneurship, with a focus on women and youth;

- 3.1 contributing to Outcome 3 (or Specific Objective 3) Improved access to skills development opportunities, with a focus on women and youth;
- 3.2 contributing to Outcome 3 (or Specific Objective 3) Market-driven entrepreneurship and business development culture in and around Dadaab are promoted.

3.2 Indicative Activities

Activities related to Output 1.1: Provide trainings to new Department of Refugee Services and other relevant stakeholders on the 2021 Refugee Act; Support Department of Refugee Services in keeping register of refugees and asylum seekers; Support Department of Refugee Services in printing refugee IDs;

Activities related to Output 1.2: Support continued roll-out of the National Health Insurance Fund (NHIF) through household registration and household contributions to NHIF; enable further accreditation of health centres to NHIF; Contribution to education service delivery, aligning with national regulations and standards in refugee hosting areas [detailed activities to be decided but may include teacher payments, examination and assessment costs and other school running costs];

Activities related to Output 1.3: Provide trainings to Counties on mainstreaming refugee inclusion, as well as gender and disability sensitive approaches, such as in County Integrated Development Plans (CIDPs) and specific sectors like WASH and energy [measures to strengthen the County water policy, legal and institutional framework, including utility governance and management]; Implement recommendations on municipality-models, including those derived from the socio-economic spatial assessments; Hold regular coordination meetings on respective area-based approaches and specific sector meetings at technical level; Establish monitoring and review mechanisms (disaggregated minimum by sex) of area-based approaches;

Activities related to Output 1.4: Establish and or strengthen inclusive and accessible community awareness initiatives involving both refugees and host communities with a focus on gender; Support community-based protection systems through capacity building;

Activities related to Output 2.1: Maintain and re-furbish water/irrigation infrastructure in Kalobeyei; Train County on climate smart agricultural practice, provide adequate equipment and hand-over of facilities; Train farmer groups (special focus on women); Start tree-planting initiatives; Identify areas in Turkana West requiring restoration, carry out landscape restoration based on pre-identified models;

Activities related to Output 2.2: Offer training, including Disaster Risk Reduction (DRR) and follow-up counselling in the agricultural sectors and with links to TEIs, Provide business starter kits to farmers and Micro, small and medium-sized enterprises (MSMEs) (with attention to female-led businesses)⁵;

⁵ 2.2/3.2 Will take into account green value chains that can provide services to refugee and host communities to foster integration

Activities related to Output 3.1: Offer Technical and Vocational Education and Training (TVET) training, including life-skills and follow-up counselling based on market-needs surveys and with links to EU TEIs⁶; Link trainees with employers; Provide start-up kits to TVET graduates;

Activities related to Output 3.2: Provide start-up funding and training to MSMEs; Support County to review and implement business-friendly policies;

3.3 Mainstreaming

Environmental Protection & Climate Change

Both refugee hosting areas are also located in the north of Kenya, which is vulnerable to climate change. Unpredictable weather patterns, such as long periods of drought followed by heavy rainfall, are leading to less predictable conditions, including on food and water security. It is also recognised that the impact of large number of refugees within the camp settings has contributed to environmental degradation and de-forestation, due to fire wood being used as the main cooking fuel. Efforts have been made in the past by various stakeholders on rehabilitating areas in and around the camps. While not the main purpose of the Action, environmental protection and climate smart agriculture will feature in particular as part of component 2 in Turkana. Adaptability to climate change will be considered as part of the skills development components (outputs 2.1/3.1). Linking to conflict sensitivity, the described challenges have a particularly severe impact on the pastoralist host community and, representing a source of dispute. Not least, there will be coordination and exchange on lessons-learnt with the TEI on the Green Deal, such as on resilience and drought management.

Outcomes of the EIA (Environmental Impact Assessment) screening

The EIA (Environment Impact Assessment) screening classified the Action as Category B (not requiring an EIA, but for which environment aspects will be addressed during design).

Outcome of the CRA (Climate Risk Assessment) screening

The Climate Risk Assessment (CRA) screening concluded that this Action is at no or low risk (no need for further assessment).

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this Action is labelled as G1. This implies that gender equality is considered a deliberate objective throughout the Action, with all activities actively applying specific targeting and gender sensitive inclusion. The Action is also aligned with GAP III, notably area 3: 'towards a gender-equal world'. Outputs 1.4 will emphasise on the protection of persons living in the most vulnerable situations, such as women and girls, including those with disabilities. Overall, the Action will draw attention to female-headed households (this is relevant in both Kakuma/Kalobeyei and Dadaab) and women's empowerment through sustainable livelihoods interventions provided under specific objectives 2 and 3. Indicators will be disaggregated to the extent possible but at minimum by sex.

Human Rights

A human rights based approach is fundamental throughout the design of the Action and during the implementation by respecting the working principles (respect to all human rights, participation, non-discrimination, transparency and accountability). The 2021 Refugee Act foresees that refugees and asylum seekers shall be entitled to the rights and duties contained in the UN Convention, its protocol and OAU Convention, as well as all the laws in Kenya. The main SDG addressed is Goal 10 'Reduced Inequalities', target 10.7, with the aim of reducing inequalities faced by refugees. Through improved asylum management and more inclusive policies, rights holders are expected to gain significantly, due to a more transparent and accountable asylum process, while the Action aims to increase the capacity of duty bearers, notably the Department of Refugee Services. It is expected that the new Refugee Act will reduce the tome for certain procedures, such a Refugee Status Determination (RSD) and promises to improve access to identification cards. The rights-based approach will also be mainstreamed during components 2 and 3, ensuring equal and non-discriminatory access to training and other opportunities. Equally, it should be noted that despite the new Act, refugees and asylum seekers will continue to face certain limitations, including on the freedom of movement, where the existing encampment policy has not been completely revised.

Disability

⁶ 3.1 Will build on existent education projects funded by DG ECHO and other humanitarian partners, notably regarding coordination, sharing of responsibilities/activities, development of curricula, training of teachers, targeting of beneficiaries to maximise the impact of each actions

As per OECD Disability DAC codes identified in section 1.1, this Action is labelled as D1. This implies that persons with disabilities will be targeted throughout the Action, in line with the UNCRPD principles and the EU global commitments in the Strategy for the Rights of Persons with Disabilities 2021-2030. Acknowledging that refugees with disabilities are at higher risk of marginalisation, discrimination and abuse, the Action will aim to ensure that activities are inclusive and accessible to persons with disabilities. It will seek to challenge negative stereotypes about disability and to promote positive contributions of persons with disabilities to their communities. Equal access and participation will be sought notably under outputs 2.1 and 3.1, while outputs 1.2 and 1.4 will pay particular attention to the inclusion of persons with disabilities, for example when it comes to the inclusion in national systems and particular protection risks.

Democracy

While not considered a significant aspect of the Action, support to national and county authorities on refugee and asylum management, as well as specific capacity building on the roll-out of the Refugee Act contributes to improving Kenya's democratic governance system.

Conflict sensitivity, peace and resilience

Conflict sensitivity and peace are crucial aspects of the Action, as reflected by output 1.4. While not classified as severe, conflict exists between refugee and host communities, as well as within each group. In addition, it is key to ensure all activities are presented and discussed with community leaders from both communities, to ensure no misconceptions arise, especially with regard to access to resources, considered as a key driver of conflict. Several activities under components two and three are also implemented jointly, such as trainings and workshops to bring refugee and host community individuals together. With the intended impact to contribute to self-reliance, the Action as a whole is designed to improve the socio-economic resilience of households targeted. The issue of potential radicalisation among youth will be considered during the respective specific project developments. A conflict analysis, as per NDICI-Global Europe Regulation, is currently being carried out at Delegation level and the findings, if relevant for this Action will be considered during the implementation stage. Last, the principles of the humanitarian-development-peace nexus will be applied, including involvement of DG ECHO and FPI.

Disaster Risk Reduction

DRR, with a focus on the impacts of climate change, is addressed under specific objective 2 in trainings to farmer groups, as well through training provided under specific objective 1. Overall, by empowering individuals in terms of trainings and education, as well as providing access to income-generating activities, it is implied that they would be better placed to respond to shocks.

Other considerations if relevant

n/a

3.4 Risks and Lessons Learnt

| Category | Risks | Likelihood (High/ Medium/ Low) | Impact (High/ Medium/ Low) | Mitigating measures |
|----------|---|---|-------------------------------------|---|
| 1 | Risk 1 Government of Kenya does not follow through with the policy shift to transform refugee camps into settlements. | Low | High | Engagement with the Refugee Donor Group and UNHCR to regularly assess and monitor the situation; if considered essential engage at diplomatic and policy dialogue level to ensure the announced policy shift will be implemented, while advocating for continued safe space for refugees and asylum seekers in Kenya; |
| 1 | Risk 2 Large fluctuations in refugee numbers in | Low | Medium | As above, monitor situation, in coordination with UNHCR, Government and donors, both humanitarian and other development partners, |

| | | | | |
|-----|---|---------------|---------------|--|
| | Kenya, either influx or reduction | | | in case of influx provide basic humanitarian services; If needed adapt activities to extent possible. |
| 4 | Risk 3 Government (national/county) does not continue commitment on durable solutions / change of policies after 2022 General Elections | Low | Medium | Integrating positive elements of GCR into the EU's political and policy dialogue with the GoK as well as include in advocacy points of Refugee Donor Group; at county level, the risk is seen as less immediate, since there is more awareness of the value of refugee integration, yet regular engagement with new administrations is foreseen; in case of lack of public support, continue advocacy at closed-door meetings and engagements, increased engagement with private sector. |
| 1/3 | Risk 4 Deteriorating security situation, either due to external impact or conflict between refugees and host communities | Low | Medium | Work with government to ensure security is provided, both logistical and security personnel support and engage with security and counter-terrorism experts to follow-up on potential threats. On communal security, ensure output 1.4 is implemented well, apply conflict sensitivity in implementing economic and social development initiative; if required, leverage on other projects focusing on peaceful coexistence. |
| 3 | Risk 5 Low capacity of national and local authorities to engage in the proposed activities. | Medium | Low | Support to the government at national and county level with capacity building and technical assistance is integrated into the Action; while capacity is low, EU support has been well received in previous programmes. |
| 1 | Risk 6 Intensified effects of climate change leading to lack of water and desertification in Turkana and Garissa counties | High | Medium | The programme will include activities on re-greening and landscape restoration. |

Lessons Learnt:

The EU has been supporting development-focused programmes in the refugee camps since 2016. Multiple studies have been highlighting the positive contributions of refugees towards local economies, with a potential for further development. On the implementations side, this type of programming is novel in Kenya and the Delegation has prioritised learning and documentation. The Action is also aligned with programmes funded by other development partners, notably Germany, Netherlands, Denmark and Switzerland. Following one monitoring mission, a mid-term and an ex-post evaluation for phase I, as well as a mid-term evaluation for phase II of EU support, the following key lessons learnt can be summarised:

- **Policy dialogue:** There has been no regular policy dialogue on forced displacement and migration issues with the Government in the past. However, this is now included in the newly formed Strategic Dialogue, as well as through the proposed steering committee of this Action.
- **Coordination:** It is important for involved stakeholders to coordinate on their respective roles and activities, especially with leadership from the lead implementing partner. Improved coordination was put in place during phase II, with quarterly meetings between implementing UN agencies and the Delegation. However, higher-level engagements, such as through a steering committee has not been implemented yet. Through the refugee donor group, complementarity with other Actions will be addressed, notably programmes funded by Germany, Denmark and the Netherlands.

- **Government buy-in and ownership:** Interventions require government buy-in and ownership, to ensure both refugees and host communities can benefit equally. Over the past two interventions, implementing partners dedicated significant efforts to involve authorities during the development and implementation of activities as well as specifically to support institution building. It will be crucial to continue this level of engagement, also to mitigate the risk of low capacity by Government to be involved in the Action.
- **Ensure humanitarian funding meets basic needs:** Both camps have seen a steady reduction in humanitarian funds over the past decade. As emphasised by several reviews, basic humanitarian needs must be fulfilled in order to successful launch and implement medium- to long-term solutions with a focus on development approaches. Increased engagement with humanitarian partners is crucial, based on the nexus principle.
- **Engage with women and mainstream gender analyses:** Both evaluations highlighted the importance of engagement of women and thorough gender analyses. Already implemented in phase II of the EU Trust Fund funded programme, additional focus will be put on ensuring gender-responsive programming and implementation.

3.5 The Intervention Logic

The underlying intervention logic for this Action is twofold. First, the policy environment and capacity of national and regional stakeholders is addressed. While Kenya remains among the countries in the region with a more restrictive policy framework, the national Government, but especially the refugee hosting counties (local government) have shown initiative and taken several steps into pragmatically supporting a more enabling environment for refugees. In line with these developments, the Action, under output 1.1, foresees continued support to the new Department of Refugee Services, including on capacity-building and aligning the department according to the new provisions of the 2021 Refugee Act. Activities may contribute to enhanced refugee status determination (RSD), issuance of identification cards and linking refugees to the huduma namba system. Output 1.2 incorporates national policies, plans and practice, with the aim of better integration of refugees. Specific sectors to be targeted may include education through contributing to aligning the sector to national government regulations and health through continued expansion of the national health insurance fund (NHIF) in refugee hosting areas. At sub-national level (output 1.3), it is planned to enable counties to lead on the model of area-based approaches (municipalities). Counties will be supported to develop inclusive policies, notably relating to specific sectors such as water and energy, as well as to better manage, further develop and monitor area-based approaches (such as KISEDPA) and implement recommendations from previously developed spatial assessments. The support at policy development and management level is crucial to ensure refugee issues are not excluded from policy making and as a result mainstreamed in various Government levels and sectors. This is a pre-requisite to attain the desired impact: a policy environment in which refugees are not discriminated against and self-reliance is feasible.

Output 1.4 is derived from key lessons learnt in the past and integrates both conflict sensitivity and gender equality. Social cohesion among the targeted beneficiaries is necessary to reach the desired specific objectives and overall objective. Attention will be drawn to potential conflict between and within refugee and host communities, SGBV and other forms of discrimination against those living in the most vulnerable situations. The latter may include women, children, members of the LGBTIQ community and persons with disability.

Second, sector-specific interventions are foreseen in the components targeting Turkana and Garissa Counties. Based on previous programmes, the selected outputs under 2.1/2.2 and 3.1/3.2 focus on education (vocational skills) and follow-up mentorship, agri-business, business development and entrepreneurship. While previous EU-funded interventions were broader in scope, this Action is more targeted, building on infrastructure already developed (e.g. roads, markets, water pans, irrigation schemes in Kalobeyei). In Turkana, key activities will include maintenance and handing-over of infrastructure to authorities, continue support to farmer groups and support to the County on developing selected agricultural value-chains. In Dadaab, similarly, it is proposed to continue the currently implemented approach, including both elements of education and support to the business environment. The intervention logic implies that if the activities are undertaken, access to education and skills development as well as support to MSMEs, including in agribusiness is improved, assuming that assumptions hold true. At an impact level, it is expected that the outputs can contribute to a higher percentage of refugees and host communities being engaged in the labour market (formal and informal employment). Therefore it is expected that with increased access to self-reliance opportunities, refugees and hosts will be able to sustain themselves with little to no dependence on humanitarian assistance, thereby fostering their common socio-economic inclusion.

The Action is aligned with the TEI on the Green Deal (supported a.o. by DE, DK, EE, FI, FR, IE, IT, NL, PT, SE, SK, SI, EIB) and the TEI on Digitalisation (supported a.o. by BE, DE, EE, FR, IE, NL, SE, SK, EIB). With the impacts of climate changing already threatening the livelihood of host communities and impacting income-generating initiatives for refugees, capacity building on DRR will be supported as well as closer links established with Kenya's National Drought Management Authority, also supported by the EU. Digital skills trainings will feature as part of output 3.1 and additional connections to the Digitalisation TEI will be developed during the implementation stage.

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the Action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the Action depending on the different implementation modalities of this Action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the Action, no amendment being required to the Financing Decision.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

| Results | Results chain (a): Main expected results (maximum 10) | Indicators (a): (at least one indicator per expected result) | Baselines (values and years) | Targets (values and years) | Sources of data | Assumptions |
|------------------|---|---|--|---|---|---|
| Impact | To contribute to an asylum space in which displacement affected communities (refugees and the host community) participate in fostering their common socio-economic inclusion and self-reliance. | <p>1 Percentage of households reporting humanitarian assistance as main household income</p> <p>2 Number of migrants, refugees and IDPs or individuals from host communities protected or assisted with EU support (disaggregated by sex and age) [GERF indicator 21 and MIP Kenya indicator]</p> <p>3 Number of national officials with EU support trained on improved policy implementation aligned with the CRRF and the GCM and GCR (disaggregated by sex) [MIP Kenya indicator]</p> | <p>1 Kakuma & Kalobeyei 61% / Dadaab 52 % (2020)</p> <p>2 0</p> <p>3 0</p> | <p>1 Below 50% across refugee hosting areas (2026)</p> <p>2 10000 (50% women, 30% children/ youth)</p> <p>3 200 (2026, 40% women)</p> | <p>1 MSNA assessment (2021) / final evaluation</p> <p>2 Endline evaluation</p> <p>3 Endline evaluation</p> | <i>Not applicable</i> |
| Outcome 1 | 1 To improve national and regional policies and practice promoting a more inclusive approach for refugees. | <p>1.1 Extent to which area-based approaches are in operation</p> <p>1.2 Percentage of the target population (disaggregated by sex/refugee/host) who report that they feel safe walking outside alone in the evening, disaggregated by sex and age group</p> | <p>1.1 1/Kalobeyei-KISED P 2018-2030, with regular coordination meetings, GISED P stalled (2022)</p> <p>1.2 tbc (2022)</p> | <p>1.1 KISED P further developed, incl. plan for wider Kakuma area, re-launch of plan for Garissa (2026)</p> <p>1.2 above 80% (2026, 40% women)</p> | <p>1.1 UNHCR/ Government statistics</p> <p>1.2 Baseline survey / final project evaluation</p> | <p>Government of Kenya Counties engage on the Action</p> <p>No significant conflict in/around refugee hosting areas</p> |
| Outcome 2 | 2 To enhance displacement affected communities' access to training and income generating activities in the agricultural sector in Turkana County. | 2.1 Number of agricultural target population with use rights over agricultural land, disaggregated by sex, migration status, age group (disaggregated by sex/refugee/host) | <p>2.1 0 (tbc)</p> <p>2.2 50% (2021)</p> | <p>2.1 2500 (2026, 40% women / 60% refugees)</p> <p>2.2 below 40% (2026, incl. not more than</p> | <p>2.1 Mid-term evaluation EUTF / final project evaluation</p> | <p>Refugees/host participate in the Action;</p> <p>Stable economic development in</p> |

| | | | | | | |
|--------------------------------------|---|--|--|---|---|---|
| | | 2.2 Prevalence of moderate or severe food insecurity in the population, (disaggregated by sex) | | 50% for women) | 2.2 Final project evaluation | Kenya, incl. camp areas No major influx of refugees Humanitarian assistance is maintained |
| Outcome 3 | 3 To enhance displacement affected communities' access to decent employment in Garissa County. | 3.1 Average income of the target population / EUR 3.2 Number of beneficiaries (self-employed at the end of the project (disaggregated by sex/refugee/host) | 3.1 tbc (2022) 3.2 0 (2022) | 3.1 >500 EUR (2026) 3.2 1000 (2026 40% women / 60% refugees) | 3.1 Mid-term evaluation EUTF project / final project evaluation 3.2 Final project evaluation | Refugees/host participate in the Action; Positive economic development in camp areas No major influx of refugees Humanitarian assistance is maintained |
| Output 1 related to Outcome 1 | 1.1 Department of Refugee Services' capacities to fulfil its functions outlined in the 2021 Refugee Act on refugee and asylum management are strengthened. | 1.1.1 Number of trainings/workshops provided to the Department of Refugee Services 1.1.2 Number of targeted beneficiaries with access to documentation (IDs) as of 2021 Refugee Act (disaggregated by sex, type of identification document) | 1.1.1 0 (2022) 1.1.2 0 (2022) | 1.1.1 10 (2026) 1.1.2 300000 (2026, 50% women, refugee card/huduma namba card) | 1.1.1 UNHCR project reports 1.1.2 UNHCR/ Government statistics | Subsidiary regulations to Refugee Act passed |
| Output 2 related to Outcome 1 | 1.2 Inclusion of refugees in sectoral practice supported, such as on education and health. | 1.2.1 Extent to which national policies and plans reflecting integration of refugees are implemented on education and health 1.2.2 Number of refugees/host community households registered with NHIF (disaggregated by sex/female led households) | 1.2.1 Inclusive education policy developed, NHIF at early stages of roll-out in Kalobeyi (2022) | 1.2.1 Education service delivery aligned with national standards / NHIF extended | 1.2.1 UNHCR project reports 1.2.2 UNHCR project reports | Effective participation by Government to continue working with UNHCR on inclusion of refugees |

| | | | | | | |
|--|---|--|---|--|---|---|
| | | | 1.2.2 0 (2022) | to Kakuma and Dadaab (2026) | | |
| | | | | 1.2.2 13900 (2026, 50% female-led households) | | |
| Output 3 related to Outcome 1 | 1.3 Turkana and Garissa County Governments' capacities to implement and coordinate area-based approaches and refugee inclusion are strengthened. | 1.3.1 Number of County officials trained with increased knowledge and/or skills on refugee integration (disaggregated by sex) 1.3.2 Number of local steering-committee coordination meetings on area-based approaches | 1.3.1 0 (2022) 1.3.2 0 (2022) | 1.3.1 60 (2026, 30 women) 1.3.2 6 (2026) | 1.3.1 UNHCR project reports 1.3.2 UNHCR and County reporting | New county administrations take ownership of previous area-based approach models |
| Output 4 related to Outcome 1 | 1.4 Social cohesion between and within refugee and host communities, especially those living in the most vulnerable situations. | 1.4.1 Number of people reached through inter-communal dialogues with EU support aiming to promote social cohesion and conflict prevention between host communities (disaggregated by sex/refugee/host) 1.4.2 Number of conflicts resolved between and among displacement affected communities | 1.4.1 0 (2022) 1.4.2 0 (2022) | 1.4.1 10 000 (2026, 50% women, 60% refugees) 1.4.2 60 (2026) | 1.4.1 Project reports 1.4.2 Project reports | Refugees/hosts participate in activities No significant conflict in/around refugee hosting areas |
| Output 1 related to Outcome 2 | 2.1 Increased income-generating opportunities for agricultural production and re-greening landscapes. | 2.1.1 Number of persons participating in agricultural production and agribusiness approaches with EU support (disaggregated by sex/refugee/host/protection status) 2.1.2 Number of sites re-greened | 2.1.1 1000 (2022, disaggregation tbc) 2.1.2 0 (2022) | 2.1.1 2000 (2026, 50% women, 60% refugees) 2.1.2 6 (2026) | 2.1.1 Project reports 2.1.2 Project reports | Stable weather patterns Continued engagement of county authorities |
| Output 2 related to Outcome 2 | 2.2 Improved access to skills development and capacity building for agribusiness entrepreneurship, with a focus on women and youth. | 2.2.1 Number of people participating in trainings and/or skills development on agricultural production and/or value-chain addition (disaggregated by sex/refugee/host) | 2.2.1 0 (2022) 2.2.2 0 (2022) | 2.2.1 1500 (2026, 50% women, 60% refugees) 2.2.2 150 (2026, 40% | 2.2.1 Project reports 2.2.2 Project reports | Students willing and able to take-up learning opportunities |

| | | | | | | |
|--------------------------------------|---|---|--|--|---|--|
| | | 2.2.2 Number of start-up kits provided to entrepreneurs (disaggregated by sex/refugee/host) | | women, 60% refugees) | | Capacity of existing centres to expand |
| Output 1 related to Outcome 3 | 3.1 Improved access to skills development opportunities, with a focus on youth and women. | <p>3.1.1 Number of beneficiaries receiving technical vocational education and training (TVET) or entrepreneurial training (disaggregated by sex/refugee/host/disability)</p> <p>3.1.2 Number of graduates receiving mentorship with EU support (disaggregated by sex/refugee/host/protection status)</p> | <p>3.1.1 578/ (2021, 393M,185F, 25% host community)</p> <p>3.1.2 74 (2021, 54M, 20F, 16% host community)</p> | <p>3.1.1 2000 (2026, 50% women, 60% refugees, 5% people with disabilities)</p> <p>3.1.2 500 (2026, 50% women, 60% refugees, 5% people with disabilities)</p> | <p>3.1.1 Database of training participants pre-and post-training tests</p> <p>3.1.2 Database of training participants pre-and post-training tests</p> | <p>Students willing and able to take-up learning opportunities</p> <p>Capacity of existing centres to expand</p> |
| Output 2 related to Outcome 3 | 3.2 Market-driven entrepreneurship and business development culture in and around Dadaab are promoted. | <p>3.2.1 Number of individuals provided with business support and/or mentorship (disaggregated by sex/ refugee/host)</p> <p>3.2.2 Number of beneficiaries who receive information, counselling and legal assistance on business registration, groups formation, freedom of movement and work permit (disaggregated by sex and refugee/host and topic)</p> | <p>3.2.1 0 (2022)</p> <p>3.2.2 0 (2022)</p> | <p>3.2.1 300 (2026, 30% women, 60% refugees)</p> <p>3.2.2 2500 (2026, 40% women, 60% refugees)</p> | <p>3.2.1 Project reports</p> <p>3.2.2 Project reports</p> | <p>Business / trade environment open to allow for new market linkages</p> <p>Willingness of county, external actors and private sector to engage</p> |

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner country.

4.2 Indicative Implementation Period

The indicative operational implementation period of this Action, during which the activities described in section 3.1 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation of the Budget Support

N/A

4.4 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the Action with EU restrictive measures.

4.4.1 Direct Management (Grants)

Grants: (direct management)

(a) Purpose of the grant(s)

Implementation of specific objective 3 is foreseen through direct management / grant. This is justified by the fact that a number of NGOs are active in the camps, with the capacity to implement the proposed actions (ensuring the quality, expected impact and sustainability of the action, and its cost-effectiveness). It is expected that a call for proposals will result in more competitive proposals. The contracting authority will select proposals that will comply with its objectives and priorities and that will maximise the overall effectiveness of the call for proposals and guarantee the visibility of the European Union financing.

(b) Type of applicants targeted

The foreseen applicants include NGOs, both local and international, international organisations and economic operators such as SMEs. In the guidelines for applicants the default scope may be narrowed down in terms of nationality, geographical location or nature of the applicant where it is required on account of the specific nature and the objectives of the Action and where it is necessary for its effective implementation (Article 28(9) NDICI-Global Europe Regulation).

4.4.2 Indirect Management with a pillar assessed entity

A part of this action may be implemented in indirect management with United Nations High Commissioner for Refugees (UNHCR). This implementation entails carrying out specific objective 1 and specific objective 2. The envisaged entity has been selected using the following criteria:

- An internationally recognised organisation with distinct competencies in the operationalisation of programmes in Kenya’s refugee camps.
- Strategic partner to the EU as part of its multilateral engagement.
- Long-standing experience and developed expertise in development-focused approaches in forced displacement settings.
- Previous experience as implementing partner of EU-funding.
- Added value if the organisation has a good working relationship with Government.

If negotiations with the above-mentioned entity fail, that part of this action may be implemented in indirect management with World Food Programme (WFP). The implementation by this alternative entity would be justified because of the following criteria:

- A UN agency operating in the refugee camps, responsible for providing food assistance.
- Maintain offices in Nairobi and field offices in Kakuma and Dadaab and contribute to the implementation of EU Trust Fund programmes.
- A key partner of the European Union in areas of common interest such as climate change, building peace and investing in sustainable economies.

If negotiations with the above-mentioned entity and the replacement entity fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in section 4.4.1.

4.4.3 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

As alternative implementation modes, and in case of exceptional circumstances, the following options are proposed:

- Should the award of a grant not be feasible for specific objective 3, this component will be implemented under indirect management with UNHCR, or as outlined in section 4.4.2 with WFP.
- In case output 1 and 2 cannot be implemented in indirect management for reasons outside of the Commissions control, this action may be implemented entirely through direct management in accordance with the implementation modalities identified in section 4.4.1.

4.5 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission’s authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.6 Indicative Budget

| Indicative Budget components | EU contribution (amount in EUR) | Third-party contribution (amount in EUR) |
|--|------------------------------------|--|
| Implementation modalities – cf. section 4.4 | | |
| Objective 1 ‘National and regional authorities have improved capacity on refugee and asylum management’ composed of | | |

| | | |
|--|------------------------------------|----------------|
| Indirect management with UNHCR – cf. section 4.4.2 | 3 000 000 | 400 000 |
| Objective 2 ‘Displacement affected communities have enhanced access to self-reliance opportunities in Turkana County’ composed of | | |
| Indirect management with UNHCR – cf. section 4.4.2 | 5 500 000 | 500 000 |
| Objective 3 ‘Displacement affected communities have enhanced access to self-reliance opportunities in Garissa County’ composed of | | |
| Grants (direct management) – cf. section 4.4.1 | 3 500 000 | |
| Grants – total envelope under section 4.4.1 | 3 500 000 | |
| Evaluation – cf. section 5.2 Audit – cf. section 5.3 | may be covered by another Decision | |
| Totals | 12 000 000 | 900 000 |

4.7 Organisational Set-up and Responsibilities

Due to its previous engagement and mandate, UNHCR will oversee the implementation of specific objectives 1 and 2, while the partner(s) on objective 3 will be selected, through a call for proposals. As such, the implementing partners (UNHCR as well as the yet to be selected beneficiary for specific objective 3) will bear the responsibility to engage with rights holders such as youth, women organizations and organizations representing vulnerable and marginalized groups. The Commission will coordinate the overall implementation, while ensuring the steering committee meets as outlined below.

In terms of organisational set-up, the Action is foreseen to have the following organisational set-up:

- i. The setting-up of a steering committee is envisioned to support the implementation of the entire Action, if necessary to take strategic decisions and ensure regular policy exchange with Government representatives on forced displacement. It is foreseen that the committee meets on an annual basis, is organised by UNHCR and is made-up of Government of Kenya representatives (Department of Refugee Services / representatives from sector specific Ministries), sub-national authorities, the implementing partners of each component, as well as the EU Delegation to Kenya. It will be co-chaired between Government and the Commission. DG ECHO in Kenya, as well as other relevant stakeholders including rights-holders will be invited to join as observers.
- ii. The Commission will meet with implementing partner(s) per each component as divided among the specific objectives on a quarterly basis. In addition to the formal reporting requirements, this will allow for a regular exchange of information, to update on implementation progress, clarify contractual questions and to prepare for the steering committee meetings.

The Commission, where possible, will also participate in other meetings organised by UNHCR, Government and the Refugee Donor Group, such as on the implementation of the area-based approaches.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the Action.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this Action will be a continuous process, and part of the implementing partner’s responsibilities. To this aim, the selected beneficiaries (UNHCR

and yet to be selected beneficiary for component 3) shall establish a permanent internal, technical and financial monitoring system for the Action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the Action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform Action plan list (for budget support). Indicators shall be disaggregated at least by sex. All monitoring and reporting shall assess how the Action is taking into account the human rights-based approach and gender equality.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The Action is enabled through a through M&E system. Monitoring and reporting will be completed by the respective implementing partners on a bi-annual basis. This is to ensure regular follow-up and review of data collection, since the implementing areas are hard to monitor by the Commission due to the remoteness of the location. Depending on further discussions with final implementing partners, a baseline survey may be carried, in order to correctly frame results in the logframe. In addition, the inception period will allow for an adaptation of outputs/activities of the respective components, if considered necessary. The final report, narrative and financial, will cover the entire period of the Action implementation. The Commission will also work with beneficiaries to complete data in the logframe, to be obtained either from UNHCR, the Department of Refugee Services or other donors and/or stakeholders. Beneficiaries are expected to contract and conduct respective baseline and endline surveys to complete the logframes.

5.2 Evaluation

Having regard to the nature of the action, a final evaluation may be carried out for this action or its components via independent consultants.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that this will be phase II in EU support to refugees and host communities. Hence, the learning aspect in case of future support is essential.

All evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least 3 months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external Actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the Actions concerned. This obligation will continue to apply equally, regardless of whether the Actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, Action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility Actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure Action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy Actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

An Intervention (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

The present Action identifies as Single Action;

| | | |
|-------------------------------------|-------------------|--|
| Action level | | |
| <input checked="" type="checkbox"/> | Single Action | Present Action: all contracts in the present Action |
| Group of Actions level | | |
| <input type="checkbox"/> | Group of Actions | Actions reference (OPSYS#): ACT-60731 |
| Contract level | | |
| <input checked="" type="checkbox"/> | Single Contract 1 | Contribution agreement with UNHCR (possibly multi-partner) |
| <input checked="" type="checkbox"/> | Single Contract 2 | Grant agreement following a call for proposals |