

**THE EUROPEAN UNION EMERGENCY TRUST FUND FOR STABILITY AND
ADDRESSING THE ROOT CAUSES OF IRREGULAR MIGRATION AND
DISPLACED PERSONS IN AFRICA**

**Rider number 1 to Action Fiche for the implementation of the Horn of Africa
Window
EUTF05 – HoA – KE – 18**

Only text highlighted in grey or struck through is an amendment to the original action document. The rest of the text is exactly the same as the original action document

1. IDENTIFICATION

Title/Number	Conflict prevention, peace, and economic opportunities for the youth		
Total cost	Total estimated cost: EUR 14 000 000 (EUR 12 000 000 foreseen in initial action document + EUR 2 000 000 for this amendment) Total amount drawn from the Trust Fund: EUR 14 000 000 EUR 12 000 000 foreseen in initial action document + EUR 2 000 000 for this amendment)		
Aid method / Method of implementation	Direct management: direct grant with the Kenyan Red Cross; negotiated service contract with RUSI Indirect management: Delegated Agreement with GIZ Direct management: direct grant with the Slovak Agency for International Development Cooperation (for Specific Objective #4)		
DAC-code	150	Sector	Multi-sector

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

This project contributes to EU Trust Fund objectives (1) create greater economic and employment opportunities, especially for young people and women; **(2)** strengthening resilience of communities and in particular the most vulnerable; and **(4)** improved governance and conflict prevention. The project is also aligned with the **Valletta Action Plan priority domain (1)** on the development benefits of migration and addressing root causes of irregular migration and forced displacement.

The geographical scope of the project focuses on high risk areas, in particular the counties of Garissa, Mandera, Wajir and Isiolo in the North East; the counties of Kwale, Kilifi, Lamu, and Tana River in the Coast; as well as urban areas, in particular Mombasa and Nairobi. These locations are areas where the vulnerabilities and risks are significant, notably due to natural (drought prone areas) and man-made (conflicts, radicalisation and terrorism) causes. These are also areas highly vulnerable to climate change (e.g. increased intensity and recurrence of extreme weather events, coastal erosion, and reduced water availability).

The project will address underlying causes of conflict in particular areas of Kenya which are at risk of violent conflict and forced displacement. It will do so by addressing factors that have the potential to motivate youth to resort to violence, including grievances such as exclusion, lack of opportunities, inequality and poverty.

The intervention logic of the project is based on three main elements:

(1) If we can strengthen understanding of underlying causes of conflict and violence (including violent extremism), and sources of resilience, then we will be able to better able to adjust our interventions to address conflict risks.

(2) If young people are given inclusive access to better vocational educational opportunities which lead to decent jobs and livelihoods for target groups, then grievances will decline, and better economic opportunities will be created. This will contribute to reduced vulnerability, enhanced economic stability and positive peace.

(3) If key actors' attitudes change to favour peaceful and political solutions to grievances, and recognise the importance of working together to improve Kenya's security, then there will be a reduction in existing violence, and a reduced risk of future conflict.

(4) If smallholder farmers are empowered to access better market opportunities, by achieving Organic and Fair Trade certification in selected value chains (primarily cashew nuts, and secondarily sesame and potentially others to be identified), this will provide youth, women and men with the incentive to commit to agricultural production, and will as a consequence improve their economic stability and opportunities, and reduce their vulnerability and grievances.

The overall objective of the project is to contribute to increased peace, stability and inclusive economic opportunities for youth in marginalised areas in Kenya.

The specific objectives of the project are: (1) to enhance understanding of sources of conflict and exclusion, leading to informed policy and interventions which identify means of addressing development needs and grievances; (2) to provide youth with skills which can be used to improve employment and livelihoods prospects; (3) to strengthen capacity to manage and prevent conflict and improve trust between the state and communities and (4) to empower smallholder farmers by enhancing access to better market opportunities in selected value chains and enhancing the resilience of farming systems.

2.2. Context

2.2.1. Country context

Kenya is a lower-middle income country and among the fastest-growing economies in East Africa with a growth rate of 5.4% in 2015, and which the World Bank predicts to rise to more than 6% in 2016. Despite economic progress, poverty and inequality levels remain relatively high, particularly in rural areas (75% of the population), because of a number of factors including the high cost of living (disproportionately affecting the poor), high population growth rate, small landholdings, frequent droughts and large income disparities. Kenya's population stands at 41.6 million (based on 2011 figures), with 46% below the poverty line.

Kenya is faced with structural and governance challenges, as documented in reports such as that of the Truth, Justice and Reconciliation Commission (2013). The 2010 Constitution, includes a wide-ranging Bill of Rights, and guarantees the independence of the Judiciary. The transition to a new constitutional order includes devolution to 47 counties which were established after the 2013 elections.

Kenya has faced high levels of insecurity for many years as a result of competition for land, ethnic conflicts, armed civilians operating as bandits or criminal groups (including across borders), and a history of marginalisation of the country's periphery. It shares borders with five countries, two of which are experiencing serious conflicts (Somalia to the east and South-Sudan to the north-west). Economic inequality is most prevalent and visible in the large urban centres (i.e. Nairobi, Mombasa, Nakuru, Kisumu and Eldoret) while the North-East and Coastal counties have generally been excluded from the national development process. Against this backdrop, those counties are increasingly becoming transit points for irregular migration routes and/or breeding grounds for radicalised youth.

2.2.2. Sector context: policies and challenges

Since independence, the political and economic settlement has not been inclusive, however a new Constitution was developed in 2010 which enshrines minority rights. Some groups perceive that this has not translated into practice.

These feelings of political exclusion intersect with socioeconomic marginalisation. Economic development in Kenya's Muslim-majority areas – the North-East, the Coast and some of Nairobi's slums – lags behind many other areas of the country, where Kenya's growth rates exceed many other countries in Africa. According to UNDP data, in 2010 GDP per capita in Nairobi (\$3,673) was around twice that in Coastal Province (\$1,460) and 6 times higher than in North Eastern Province – the lowest in the country at just \$644. Trends in waged employment reinforce this pattern: the proportion of waged employees in Nairobi, at 25%, was well above that in the Coastal region (12%) and in the North East region – only 0.9%. Social development indicators also lag behind the country's average, with the lowest adult literacy rates found in the North East (24.8%) and Coastal (62.9%) regions, below Nairobi's 88%.

Irregular appropriation of land remains an explosive issue in many parts of the country, including the Coastal region, where it is a significant source of resentment.

Climate change is expected to further increase vulnerability of the population through e.g. increased frequency and intensity of extreme weather events and coastal erosion. Environmental degradation, primarily land degradation in arid and semi-arid areas, is also a factor of vulnerability and a source of conflict.

Marginalisation, exclusion and a lack of meaningful opportunities has led to grievances which are broadly viewed as a combustible precursor for violence and violent extremism. Responses focused on security only, which neglect positive interactions with concerned communities can contribute to grievances which ultimately drive conflict. This intervention aims to provide support to communities and government agencies in creating new opportunities which will result in a more peaceful and resilient society.

To date, the Government of Kenya has not yet put in place a formal strategy to better manage and address tensions generated by actual or perceived marginalisation of communities.

However, the Government of Kenya has taken positive steps to rebuild trust with its citizens by addressing their development needs and creating economic opportunities. The devolution of authority to the counties following the 2010 Constitution puts substantial responsibility for development to the counties. This intervention aims to directly support such efforts and generate new evidence, which will strengthen policy making and result in improved peace and development in marginalised regions.

Research and evidence commissioned through this intervention can specifically inform the Government of Kenya's national strategy on countering violent extremism (CVE) and will

promote a developmental approach which addresses socio-economic inequalities and grievances.

The sources of income of the target Coastal counties are agriculture and tourism. However, they are both experiencing decline as a result of poor policies, lack of support, increasingly negative effects of drought and climate change, unfavourable market conditions, the threat of insecurity from the actions of the terrorist group Al Shabaab, increased common crime and ethnic conflicts. Many sub-counties have recently been declared in a state of severe vegetation deficit by the National Drought Management Authority, and are experiencing very high poverty rates (60-70%) and income inequality.

Cashew nut production is one of the main sources of livelihood for around 60,000 smallholder farmers in Coastal Kenya, but production has dropped from 14,000 tonnes 10 years ago to 7,000 in 2014. Some of the causes are the dwindling yield and nut quality due to ageing trees and poor agronomic practices (5 Kg/tree against a potential of 30 Kg/tree), and a drop in price for producers (from 80 to less than 30 Ksh/Kg). These factors demotivate farmers and rural families, especially youth, and lead directly to low crop yields, neglected orchards and food insecurity.

2.3. Lessons learnt

It is widely assumed that access to jobs improves social cohesion (WB, 2013; ODI, 2013; Walton, 2010). This is because jobs can reduce tensions stemming from unemployment; improve people's economic condition; and enable different groups to interact (UN 2008; OECD, 2011; WB, 2013).

Evidence shows correlation between jobs and some outcomes typically associated with social cohesion, such as social well-being, but evidence of how individual experiences translate into interactions between groups is limited (Wietzke, 2014).

A 2011 study by MercyCorps on political violence in Kenya shows that if young people are employed, then they will be less likely to join violent movements for economic gain. The findings in the study confirm the existence of links between youth economic conditions and their propensity towards political violence in Kenya. Specifically, being employed and having the ability to satisfy basic needs are significant predictors of less accepting attitudes towards, and less involvement in, political violence, respectively.

Some evidence highlights the negative impact jobs can have on social cohesion – for example, when labour markets are divided along group lines (ODI, 2013; WB, 2013; Wietzke, 2014). Moreover, when skills development does not lead to meaningful employment it can have unintended negative effects and cause further frustration. This points to the need to look not simply at job creation (as in numbers of jobs or access to a job) but also at opportunities to access particular jobs; distribution of skills and jobs within society; labour policies/practices that exclude/include different groups; and job characteristics (e.g. if those empower people, or if there are opportunities for growth). It is therefore essential to ensure that analytical components of the project consider how vocational education can be market driven and lead to economic opportunities.

The ongoing youth dialogues undertaken by the Kenya Red Cross Society and the Government of Kenya have shown that youth are able to articulate the drivers of discontent, and propose solutions that, if implemented, will reduce the risk of violence.

Evidence demonstrates that peacebuilding is more sustainable and effective when women are involved in the peace-building process. Bringing women to the peace table improves the

quality of agreements reached and enhances the likelihood of implementation because of their unique skill sets and experiences.

Finally, a 2015 conflict analysis on Kenya conducted by the EU recommended a holistic approach to understanding and addressing root causes of conflict, and providing appropriate responses to public expectations through *inter alia* improved social and economic development, leading to improved social harmony.

Activities foreseen under Specific Objective 4 are a continuation of the ongoing action "Strengthening the Kenyan oilseed value chain: helping farmers with new products, new processing capacity and new markets" funded by the Slovak Agency for International Development Cooperation (SAIDC). An evaluation of this latter action provides additional data on possible correlations between commercialization of smallholder agriculture, market-driven interventions, youth employment and positive socioeconomic and environmental outcomes. Under this action, SAIDC has provided critically placed support both in farmer group mobilisation and processing, and in fair trade organic certification. This has led to more stable markets and prices, and also introduced a social premium payment that provided funds for the investment into local community development projects.

Cashew nut production in the Kenyan coastal region has been quite responsive to support initiatives (e.g. the introduction of better seedling, pruning and integrated pest management supported by a USAID-funded project in 2010-2012 contributed to a 60% boost in production within only two years). The projected impact of doubling cashew nut yield is achievable through an intensive programme of training addressing the current limiting factors.

However, as experienced by a 10th EDF project¹ which ended in June 2016, business management skills and financial literacy among farmer groups in the Kenyan coastal region are very low, and require an intense and at least medium-term effort by organisations with good community mobilisation capacity.

2.4. Complementary actions

The EU Trust Fund's Research and Evidence Facility will synthesise and produce new research to strengthen understanding of the causes of instability in the Horn of Africa. The project will engage with the Research and Evidence Facility and refine and adjust project implementation based on emerging evidence of contextual analysis and what works.

The EU's 10th EDF-funded drought management project in the arid and semi-arid areas of Kenya, and the forthcoming EU's 11th EDF-funded projects on rural roads, water supply and agricultural development, aim to strengthen food security, livelihoods and security, thereby addressing push factors leading communities to violent conflict.

The forthcoming EU's 11th EDF project for Legal Aid and Empowerment in Kenya (PLEAD) will contribute to greater equality of all citizens before the law especially in those areas where it is particularly challenged due to social inequalities and poverty (North-Eastern and Coastal provinces, and urban centres). The project will seek to reinforce the ability of the justice sector to address economic and political grievances in those areas, thus trying to strengthen the legitimacy of the rule of law and the Kenyan State.

The on-going EU-funded project STRIVE (Strengthening Resilience to Violent Extremism) is building the capacity of law-enforcement agencies to work with civil society in tackling extremism.

¹ "Re-Introduction and Commercialisation of cassava for improved livelihoods through whole value chain model", FED/2012/306-500

The activities under Specific Objective 4 will build on the project "Strengthening the Kenyan oilseed value chain: helping farmers with new products, new processing capacity and new markets", funded by the Slovak Agency for International Development Cooperation (SAIDC). It will do so by increasing the number of beneficiary smallholders, and diversifying the value chains targeted.

It is also highly complementary to the overall 10th and 11th EDF NIP strategy to better integrate smallholder farmers in their value chains and improve their access to market, as a way to support "productive climate resilient agriculture and community investments to safeguard productivity against climatic shocks"².

In particular, this project component will build up on the achievements in the same target areas of the 10th EDF "Kenya Rural Development Programme", and will be complementary to the 11th EDF "Kenya – (AgriFI) Support to productive, adapted and market integrated smallholder agriculture, including a contribution to the Africa Investment Facility".

Several other donors and project target the same communities in the area: the most relevant intervention is the project "Empowering Women Cashew Farmers" in Kilifi, implemented by the NGO Self-Help Africa and funded by the Wal-Mart Foundation. Furthermore, the project Agricultural Sector Development Support Programme (ASDSP), co-funded by the Swedish International Development Agency, the EU (11th EDF) and the Ministry of Agriculture, Livestock and Fisheries, is the main Government of Kenya programme supporting value chain development in all counties of Kenya, and it will be a natural stakeholder for this project component.

In order for this component to reach its full potential, it will be necessary to procure cashew and sesame oil processing equipment for the TSA factory in Kilifi, and to recruit and train its employees. Funding will be sought from investors and/or development finance institutions for this, and the International Finance Corporation (IFC) has already expressed an interest.

2.5. Donor co-ordination

Donor coordination in relation to conflict prevention and CVE in Kenya is led by the US and UK, with the EU also actively coordinating efforts in this area. The initial donor group was established in 2014, and has since grown to reflect rising interest and planned activities by other donors and international organisations. Denmark, Germany and the Netherlands have since joined, as well as Australia, Canada and Norway.

The STRIVE programme coordinates closely with other related programmes, such as the DfID-funded youth-employment project in Mombasa, the PET-implemented de-radicalisation programme, and the UK's community policing project.

On behalf of the German Ministry for Economic Cooperation and Development (BMZ), GIZ is currently implementing the Employment for Sustainable Development (E4D) programme in eight sub-Saharan African countries, including Kenya, with the aim to create employment for men, women and youth, in cooperation with the private sector, through labour market oriented skills development approaches. The UK and Norway Aid are co-funding the E4D programme.

The other main relevant donor coordination group to the project is the Agriculture and Rural Development (ARD) group, which is currently chaired by USAID, FAO and the Swedish International Development Agency.

² Result 2 of 11th EDF NIP "Focal Sector for Food Security and Resilience to climate shock in Arid and Semi-Arid Land areas"

3. DETAILED DESCRIPTION

3.1. Objectives

The **overall objective** of the programme and the **specific objectives** are as follows:

The overall objective of the project is to contribute to increased peace, stability and inclusive economic opportunities for youth in marginalised areas in Kenya.

The specific objectives of the project are:

- (1) To enhance understanding of sources of conflict and exclusion, leading to informed policy and interventions which identify means of addressing development needs and grievances;
- (2) To provide youth with skills which can be used to improve employment and livelihoods prospects;
- (3) To strengthen capacity to manage and prevent conflict and improve trust between the state and communities;
- (4) To empower smallholder farmers by enhancing access to better market opportunities and resilience of farming practices in selected value chains.

3.2. Expected results and main activities

Result 1: Enhanced understanding of the causes of conflict

This result will be carried out through analyses of the underlying drivers of conflict, the effects on youth of grievances and needs, or the socio-economic composition of marginalised groups; the conduction of market research on livelihood options, market demand and access to particular jobs; the dissemination of evidence generated, collated and analysed to stakeholders such as public authorities, civil society, community leaders and other stakeholders to inform policy and interventions.

Result 2: greater number of youth enter the job market as a result of being provided with market-oriented skills and counselling.

Result 2.1: a total of 6,500 young people in marginalised areas will be provided with opportunities to learn vocational skills that better enable them to access economic opportunities. This will be achieved through demand and practically-oriented trainings in selected technical and vocational training areas, awareness and orientation in career guidance and counselling to increase the employability of youth. Support will be provided for self-employment opportunities, by integrating enterprise development in the training context.

Result 2.2: improved skills will enable young people trained to be involved in new income generating activities, including new jobs. The project will contribute to this result by providing training on entrepreneurship, start-ups or access to finance; micro-financing will be provided, and linkages created to other sources of funding with a view to establishing businesses; establishing youth co-operative societies for farming communities; or creating and strengthening relations with the private sector.

Result 3: conflict management and prevention strengthened

Result 3.1: a total of 4,000 youth in marginalised areas will benefit from opportunities to learn conflict management skills and will be better equipped to address and deal with frustration and grievances. Youth will be assisted in exploring options around civic engagement with their government. Networks will be established that contribute to enhancing identities to build around non-violent strategies. Focus will be placed on options available to the youth in engagement with key stakeholders and continuous support will be provided in the form of guidance and livelihoods support.

Result 3.2: individuals identified as 'at risk' of being drawn to conflict and violence will benefit from personal mentoring through a series of group and individual mentorship meetings led by selected mentors (men and women) from the vulnerable communities (such as religious leaders and local role models). The topics for the engagement will be identified in close dialogue with the vulnerable youth. Law enforcement agencies and civil society will be engaged in recognising and dealing with signs of violent extremism and on acting as mentors

Result 3.3: women in locations in which there are risks of violence and conflict will be trained and enabled to recognise primary signs of discontent in family members and to act as facilitators of possible engagement. This will be achieved through awareness-raising meetings with female members of the community, led by female mentors.

The expected results and activities will be designed and implemented in such a way that the crosscutting issues will be harmonised and will strive to complement each other. The three implementing agencies will work to synergise their interventions, reduce duplication and make use of comparative advantages.

Result 4: Access to better market opportunities for smallholder farmers enhanced, and their resilience strengthened

Result 4.1: Economic and employment opportunities strengthened in coastal Kenya, particularly for women and young people, through increased production and marketing of cashew, sesame and potentially other identified value chains to be identified.

This will be achieved by enhancing climate resilience, increasing yield (due to access to better planting material and agronomic practices) and by a price premium offered by fair trade companies (in the last harvest, this premium was on average 20%), which will in turn encourage smallholder farmers to dedicate themselves to good tree husbandry practices.

It is expected that 15,000 farmers will be certified as producers of organic cashews through training and introduction of new technologies and methods. This will include the establishment of 3 cashew seedling nurseries; training in good and climate resilient agricultural practices for cashew and sesame (planting and husbandry), distribution of seedlings and seeds of improved varieties of cashew and sesame as well as in in whole farm management, postharvest storage of food crops, and nutrition behaviour; as well as the establishment of linkages with other actors of the value chain, e.g. service providers, buyers/processors such as TSA, financial institutions for credit.

Activity 4.1.5: Support to increased access to food crops and dietary diversity as a result of training.

Result 4.2: Beneficiary communities, especially young members, are economically and socially empowered through self-help group approaches.

Activities will support the formation of community self-help groups, and will provide training on group dynamics, collective management, conflict prevention and resolution. They will also contribute to the establishment or strengthening of 20 village savings and loan associations, as well as to support 1,000 young people and women (members of self-help groups) to start specialized/skilled service provision businesses within the cashew and sesame value chains (i.e. tree pruning, biological spraying), including by linking them with financial service providers to access micro-enterprise seed funding.

3.3. Risks and assumptions

The main risks are:

(1) The security situation in some of the intervention areas, in particular in North-Eastern province, may deteriorate to a point where it becomes impossible to implement activities;

- (2) The political situation, e.g. the national elections scheduled in 2017, could create uncertainties adversely impacting progress in implementation;
- (3) Communities could be stigmatised if programmes appear to target them specifically;
- (4) Key stakeholders' political agendas derail the programme through a variety of means;
- (5) Economic empowerment and skills interventions may not lead to employment. The programme needs to ensure that it does not inadvertently contribute to grievances and frustration, and that employment creation activities are market-demand driven;
- (6) There is a risk that there will be no balanced representation of beneficiaries, thereby contributing to further grievances through exclusion.
- (7) Low rate of adoption of good agricultural practices and organic systems by smallholder farmers due to their perceived higher costs; lack of capacities and motivation of smallholder farmers.

The assumptions for the success of the project and its implementation include:

- (1) Key stakeholders retain an interest in supporting the programme;
- (2) The various elements of the programme (such as socio-economic activities and vocational training) contribute to the stated overall and specific objectives in an effective and efficient manner;
- (3) Support from the Government of Kenya will continue.
- (4) World market demand and prices for cashew and sesame will continue on current trends. Preliminary outcomes of a value chain analysis contracted during project identification indicate an increase in global demand for organic and fair trade cashew nuts and sesame seed and oil for the foreseeable future, which is not fulfilled by the current supply.

Mitigating measures have been considered, including:

- (1) The three implementing agencies recognise the risks and the need to be flexible in terms of both geography and implementation activities;
- (2) The three implementing agencies recognise possible reputational risks and will take measures to engage stakeholders on ways to reduce them. The three implementing agencies will develop a risk management plan;
- (3) The role of RUSI and GIZ will be to ensure an overall focus on addressing the needs of marginalised and youth at risk;
- (4) A Steering Group will be set up to oversee project implementation, bringing together the implementers (Kenya Red Cross Society, RUSI and GIZ) with relevant stakeholders to discuss issues and problems.
- (5) The Steering Group will be sensitive to expectations of individual youth participating in vocational training activities with respect to actual future employment.
- (6) Smallholder farmers will be provided with training and social and financial incentives, as well as with appropriate advice from the inception to showcase the viability of the crops. They will also be sensitised about the benefits of establishing long-term loyal commercial partnerships.

3.4. Cross-cutting issues

The proposed Action involves working with a range of actors. Meanwhile, it is vital that the project prioritises vulnerable groups from a conflict management perspective. Communication

is another cross-cutting priority aimed at ensuring strong co-ordination between key stakeholders and government, and ensuring that perceptions are managed in vulnerable communities. Finally, women will be carefully considered as a key specific group to prevent violent conflict, including violent extremism. There are a number of commonly-cited arguments in favour of gender-specific programming, including (a) that mothers may often have elevated influence over 'at risk' children, (b) that women may be more attuned to notice behavioural changes amongst other family members, and (c) that women may also be involved in the creation of conflict (although generally in far reduced numbers). As indicated in the results section above, this programme will aim to ensure that women have become better enabled to recognise any disturbing signs in family members and to act as mentors. However, the role of women is still poorly understood, and thus the programme will also conduct research to better understand this theme.

Climate change adaptation will also be prioritised through the promotion of climate resilience farming practices, including soil and water conservation.

3.5. Stakeholders

Marginalised communities in target regions; the private sector, which will benefit from better skilled potential employees; the Kenyan Government, at central and local levels, including the Office of the President, Security Services, the Department of Justice, the County Governments, as well as religious institutions. Stakeholders will be involved in the programme through the activities of the proposed steering group which will bring together members of the three implementing agencies (Kenya Red Cross Society, GIZ and RUSI), the European Commission, public authorities and other stakeholders such as professional and research organisations, farmers federations and other non-governmental organisations.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

It is not foreseen to conclude a financing agreement with the partner country, referred to in Article 17 of Annex IV to the ACP-EU Partnership Agreement.

4.2. Indicative operational implementation period

The implementation period will be 72 months (48 months foreseen in initial action document + 24 months added with this amendment), whilst the overall execution period (including a closure phase of no more than 12 months) will not exceed 84 months (60 months foreseen in initial action document + 24 months added with this amendment) from the date of approval of the first version of the Action Document by the Operational Committee of the EU Trust Fund.

4.3. Implementation components and modules

The project will be implemented in **direct management** regarding result 1, part of result 2.1, and results 2.2 and 3.1, to be implemented by the Kenya Red Cross Society (KRCS) through the direct award of a grant, as well as results 3.2 and 3.3, to be implemented by the Royal United Services Institute (RUSI), through the conclusion of a service contract via negotiated procedure.

Part of result 2.1. to be implemented by the Gesellschaft für Internationale Zusammenarbeit (GIZ), will be conducted in indirect management via the conclusion of a PAGODA Delegation Agreement, Indirect management with a member state agency. A part of this action may be implemented in indirect management with Gesellschaft für Internationale Zusammenarbeit (GIZ) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012.

The recourse to the award of a grant without a call for proposals is justified because the Kenya Red Cross Society is the only non-state organisation trusted by the Government of Kenya to implement the project in such a sensitive area. In this sense, the organisation enjoys a *de-facto* monopoly.

A service contract via negotiated procedure with RUSI is justified, as this organisation has been implementing in a satisfactory manner the STRIVE (the first Commission-funded action in the area of combatting violent extremism in Kenya. Based on the experience of implementing STRIVE, RUSI has proven expertise in the area of prevention of violent extremism and undertaking related research, and the project will build on the results achieved by STRIVE.

The conclusion of a PAGODA Delegation Agreement is justified as the GIZ enjoys a recognised reputation and expertise in the area of vocational education and training, and is already active in the geographical areas to be prioritised by the project.

The entrusted entity would carry out the following budget-implementation tasks: acting as contracting authority concluding, monitoring and managing contracts, carrying out payments, and recovering moneys due; management of procurement procedures for hiring staff, purchasing goods, hiring consulting services, and any other relevant transactions.

A steering group, chaired by the EU and composed of the proposed implementing agencies, representatives of the Government of Kenya, and other stakeholders will ensure strategic coordination of activities. Expert(s) from the EU Trust Fund's Research and Evidence Facility will guide the steering group on the use of research and evidence.

The GIZ will work primarily on vocational training activities in selected counties of the Kenya Coast. The Kenyan Red Cross will focus its envisaged vocational training in areas where GIZ is not active, including the North-Eastern province. The project steering group will ensure coordination and avoidance of overlapping and duplication of activities.

Specific Objective 4 of this Action will be implemented in direct management by the Slovak Agency for International Development Cooperation (SAIDC), through the direct award of a grant contract, in line with the declaration of crisis situation and the related flexible procedures granted for the execution of projects under the EUTF. To implement the action, SAIDC will inter alia provide financial contributions to other organisations.

A direct grant to SAIDC is justified because this organisation has been implementing in a satisfactory manner the project "Strengthening the Kenyan oilseed value chain: helping farmers with new products, new processing capacity and new markets". The proposed action is to be seen as a continuation of the work undertaken by this project. Based on the experience of implementing the above-mentioned project, SAIDC has acquired proven expertise in the area of supporting integration of smallholder farmers within their value chain in the geographical locations concerned, and the action will build on the results achieved.

4.4. Indicative budget

Component / Result Areas	Amount in EUR	Addendum	Total amount after addendum
1. Result 1, 2.1, 2.2 and 3.1	5 920 000	0	5 920 000
Direct management - Direct grant to the Kenya Red Cross Society	5 920 000	0	5 920 000
2. Result 2.1	2 920 000	0	2 920 000

Indirect management with GIZ	2 920 000	0	2 920 000
3. Result 3.2 and 3.3	2 920 000	0	2 920 000
Service contract to RUSI	2 920 000	0	2 920 000
Grant to Slovak Agency for International Development Cooperation		1 900 000	1 900 000
Monitoring, Evaluation and Audit	240 000	100 000	340 000
Total	12 000 000	2 000 000	14 000 000

4.5. Monitoring, evaluation and audit

It is important to establish monitoring and evaluation arrangements that can measure progress towards the intended results in a consistent and regular manner. Efforts will be made to set up a single monitoring & evaluation and lessons learned framework for all EUTF-funded projects in the Horn of Africa. Each of the projects in the Horn of Africa will pool resources by setting aside 1.5-2% of their EU Trust Fund allocations to establish a single monitoring and evaluation framework with a dedicated team of experts. The single M&E framework will help ensure consistency in progress reporting by using the project baselines and undertaking regular monitoring, evaluation and reviews of on-going projects in the region. It will also serve as a tool for compiling documentation and sharing experience in a structured manner.

Ad hoc audits or expenditure verification assignments could be contracted by the European Commission. Audits and expenditure verification assignments will be carried out in conformity with the risk analysis in the frame of the yearly Audit Plan exercise conducted by the European Commission. Evaluation and audit assignments will be implemented through service contracts; making use of one of the Commission's dedicated framework contracts or alternatively through the competitive negotiated procedure or the single tender procedure.

4.6. Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action. Appropriate contractual obligations shall be included in the procurement and grant contracts. The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan and the appropriate contractual obligations.

A logical framework is attached.

EU Trust Fund Strategy	Valletta Action Plan	United Nations Sustainable Development Goals
Four main areas of intervention	Five priority domains, and 16 initiatives	17 goals
<p>1) Greater economic and employment opportunities</p> <p>2) Strengthening resilience of communities and in particular the most vulnerable, as well as refugees and displaced people</p> <p>3) Improved migration management in countries of origin and transit</p> <p>4) Improved governance and conflict prevention, and reduction of forced displacement and irregular migration</p>	<p>1) Development benefits of migration and addressing root causes of irregular migration and forced displacement</p> <ol style="list-style-type: none"> 1. enhance employment opportunities and revenue-generating activities 2. link relief, rehabilitation and development in peripheral and most vulnerable areas 3. operationalise the African Institute on Remittances 4. facilitate responsible private investment and boost trade <p>2) Legal migration and mobility</p> <ol style="list-style-type: none"> 5. double the number of Erasmus scholarships 6. pool offers for legal migration 7. organise workshops on visa facilitation <p>3) Protection and asylum</p> <ol style="list-style-type: none"> 8. Regional Development and Protection Programmes 9. improve the quality of the asylum process 10. improve resilience, safety and self-reliance of refugees in camps and host communities <p>4) Prevention of and fight against irregular migration, migrant smuggling and trafficking of human beings</p> <ol style="list-style-type: none"> 11. national and regional anti-smuggling and anti-trafficking legislation, policies and action plans 12. strengthen institutional capacity to fight smuggling and trafficking 13. pilot project in Niger 14. information campaigns <p>5) Return, readmission and reintegration</p> <ol style="list-style-type: none"> 15. strengthen capacity of countries of origin to respond to readmission applications 16. support reintegration of returnees into their communities 	<ol style="list-style-type: none"> 1) End poverty in all its forms everywhere 2) End hunger, achieve food security and improved nutrition and promote sustainable agriculture 3) Ensure healthy lives and promote well-being for all at all ages 4) Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 5) Achieve gender equality and empower all women and girls 6) Ensure availability and sustainable management of water and sanitation for all 7) Ensure access to affordable, reliable, sustainable and modern energy for all 8) Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 9) Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation 10) Reduce inequality within and among countries 11) Make cities and human settlements inclusive, safe, resilient and sustainable 12) Ensure sustainable consumption and production patterns 13) Take urgent action to combat climate change and its impacts 14) Conserve and sustainably use the oceans, seas and marine resources for sustainable development 15) Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss 16) Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels 17) Strengthen the means of implementation and revitalise the global partnership for sustainable development

APPENDIX 1: LOGFRAME MATRIX OF THE PROJECT

Performance and progress monitoring will be an integral component of the project design. The indicators specified in the logical framework will serve as a starting point for performance measurement. They will be adapted and further elaborated during the inception phase.

Indicator 1: Reduced incidents of violent extremism (VE) in intervention areas

Indicator 2: % of targeted youth in intervention areas with increased livelihoods opportunities.

	Intervention logic	Indicators	Baseline (incl. Ref. year)	Targets (incl. ref. year)	Sources and means of verification	Assumptions
Overall objective:	To contribute to increased peace and stability and inclusive economic opportunities for youth in marginalized areas in Kenya	<ul style="list-style-type: none"> Reduced incidents of violent deaths in intervention areas % of targeted youth in intervention areas with increased livelihoods opportunities % of respondents who feel safe in intervention areas 			National statistics Baseline survey Perception survey	<ul style="list-style-type: none"> Key stakeholders retain an interest in supporting the programme The security context continues to allow for the intervention to occur The political and/or social and/or economic and/or environmental conditions permit the achievement of the intended impact
	Specific objective 1: Research conducted leads to informed policy and interventions which have identified vulnerabilities and means of addressing development needs.	<ul style="list-style-type: none"> No of Kenyan government interventions that have acted on evidence produced to provide peacebuilding and economic opportunities Evidence that this intervention has adjusted objectives as a result of research to improve effectiveness 			Project survey reports	
	Specific objective 2: To provide youth with skills which can be used to improve employment and livelihoods prospects	<ul style="list-style-type: none"> Number of youth provided with market relevant skills Number of additional youth in sustainable jobs out of which 			Project survey reports Income data survey	<ul style="list-style-type: none"> Employment and business opportunities in potential economic sectors catalyse a broader inclusive economic development

	Intervention logic	Indicators	Baseline (incl. Ref. year)	Targets (incl. ref. year)	Sources and means of verification	Assumptions
		collaborating on issues related to violent conflict including violent extremism				
	Specific objective 4: To empower smallholder farmers by enhancing access to better market opportunities in selected value chains	<ul style="list-style-type: none"> Household income from organic cashew and sesame for 15,000 smallholders in 3 Counties in Kenya Coastal region increased by 25% by 2020 (Ksh/month, average for the 3 target Counties) 	2015: 49% <10,000 75% <25,000 96% < 50,000	12/2020: increase by 50%	Farmer records, project reports	
	RESULTS					
	<p>Result 1 Enhanced understanding of underlying causes of conflict, socio economic composition of marginalised groups; research into market demand and access to particular jobs.</p>	<ul style="list-style-type: none"> papers produced on drivers of conflict and violent extremism within target geographical areas (north-east region, coast region, and urban centres) and on role of women Increased uptake by government of conflict analysis to inform policy and interventions Numbers of youth with access to key information on employment opportunities and appropriate livelihood options. Number of stakeholder organisations receiving research reports % of partner implementing organisations claiming that their programmes have benefited as a result of insights from this research 		4 articles published 4 papers produces	Project survey reports	<ul style="list-style-type: none"> Stakeholders are motivated to receive research findings Implementing organisations are able to adapt programmes in light of research findings (i.e. overcoming political considerations, donor requirements, etc)

	Intervention logic	Indicators	Baseline (incl. Ref. year)	Targets (incl. ref. year)	Sources and means of verification	Assumptions
	Result 2.1) A total of 6,500 young people in marginalised areas have been provided opportunities to learn vocational skills that better enable them to access economic opportunities.	<ul style="list-style-type: none"> • Number of youth in marginalised areas participating in vocational training • Number of youth in marginalised areas in sustainable jobs • Number of partnerships with the private sector in support of skills and business development 			Tracer studies of vocational training institutes	<ul style="list-style-type: none"> • Private sector willingness to cooperate and contribute to the initiative • Vocational/ Technical training is demanded on the labour market
	Result 2.2) Improved skills will enable the majority of the young people trained to be involved in new income generating activities, including new jobs	<ul style="list-style-type: none"> • % of youth in employment or engaging in alternative livelihood • % of youth that have been supported to establish income generating activities 			Project survey reports Enterprise survey	<ul style="list-style-type: none"> • Employment & business opportunities in potential economic sectors catalyse a broader inclusive economic development • Business enabling environment (e.g. financing) is suitable for business start-ups • The industry sector offers opportunities for local start-ups/ SMEs
	Result 3.1) A total of 4,000 youth in marginalised areas have benefited from opportunities to strengthen conflict management skills and will be better equipped to address and deal with frustration and grievances.	<ul style="list-style-type: none"> • No of youth trained in conflict management skills • No of dialogue forums conducted 			National and County Ministry of Health reports	
	Result 3.2) Individuals identified as 'at risk' of being drawn to conflict and violence have benefited from personal mentoring through a series of group	<ul style="list-style-type: none"> • Number of officials trained • Number of activities undertaken together with partners from civil society 		400 law enforcement officials completed training session	Project survey reports	<ul style="list-style-type: none"> • Agencies are interested to engage on prevention activities • Political will exists to

	Intervention logic	Indicators	Baseline (incl. Ref. year)	Targets (incl. ref. year)	Sources and means of verification	Assumptions
	and individual mentorship meetings led by selected mentors (men and women) from the vulnerable communities (such as religious leaders, local role models.	<ul style="list-style-type: none"> • Number of mentors from areas in which violent extremism is prominent, that are identified and trained 				<p>improve strategy</p> <ul style="list-style-type: none"> • Mentors are interested in participating in CVE programme • Mentors identified as ‘at risk’ youth engage in mentorship process • Community members are willing and able to receive (i.e. read, listen to, etc.) messages.
	Result 3.3) Women in locations in which there are risks of violence and conflict have been enabled to recognise primary signs of discontent in family members and to act as facilitators of possible engagement	<ul style="list-style-type: none"> • Number of women receiving training to recognise signs of violent conflict including violent extremism • Number of women receiving training to act as mentors 			Project survey reports	<ul style="list-style-type: none"> • Women are willing to attend Countering Violent Extremism training
	Result 4.1: Economic and employment opportunities strengthened in coastal Kenya, particularly women and young people, through increased production and marketing of cashew, sesame and eventual other identified value chains	<p>Average organic cashew nut yield for 15,000 beneficiary farmers (kg/tree/season)</p> <p>Total volume of organic and fair trade certified cashew nut production sold to TSA (MT/year)</p> <p># smallholders obtaining fair trade and organic certification</p> <p># new cashew nut trees planted</p>	<p>5 (2015)</p> <p>135 (2016)</p> <p>4,500 (2016)</p> <p>0 (01/2017)</p>	<p>10 (12/2020)</p> <p>270 (12/2020)</p> <p>19,500 (12/2020)</p> <p>450,000 (12/2020)</p>	Farmer records, project reports TSA financial records, fair trade and organic audits of TSA production	Farmers willing to adopt and pay for improved agronomic practices
	Result 4.2: To increase social, political and economic empowerment of participating communities,	<p># self-help groups established and trained</p> <p># youth supported by the project engaged in service provision in</p>	<p>0 (01/2017)</p> <p>0 (01/2017)</p>	<p>20 (12/2020)</p> <p>1,000 (12/2020)</p>	Project reports	Willingness of beneficiaries to work in self help groups Micro-finance institutions and/or

	Intervention logic	Indicators	Baseline (incl. Ref. year)	Targets (incl. ref. year)	Sources and means of verification	Assumptions
	especially youth, through a self-help group approach	cashew nut and sesame VC Savings by VSLA supported by the project(Ksh)	0 (01/2017)	5,000,000 (12/2020)		TSA willing to provide complementary seed funding
INDICATIVE ACTIVITIES FOR RESULT 1 – RESEARCH AND COMMUNICATION						
	Activity 1.1.1 Analyse underlying drivers of conflict and effects on youth grievances and needs	<ul style="list-style-type: none"> # of documentation on the drivers of conflict 			Progress reports , Publications	
	Activity 1.1.2:Conduct market research on skills required and livelihood options	<ul style="list-style-type: none"> # of market research conducted 			Routine project reports, Market research report	
	Activity 1.1.3: Carry out dissemination of issues identified to stakeholders and action partners.	<ul style="list-style-type: none"> # of dissemination forums undertaken 			Routine project reports	
INDICATIVE ACTIVITIES FOR RESULT 2 – PROVIDE SKILLS & ECONOMIC OPPORTUNITIES						
	Activity 2.1.1. Conduct skills assessment and mapping of SME's	<ul style="list-style-type: none"> Skills assessment and mapping conducted 			Skills assessment report	
	Activity 2.1.2: Deliver vocational skills development as supported by Market Research in collaboration with the private sector	<ul style="list-style-type: none"> # of trainings conducted # of youth trained 			Progress reports , training reports	
	Activity 2.2.3; Development of structures to support livelihoods	<ul style="list-style-type: none"> # of structures established 			Progress reports , Field mission reports	

	Intervention logic	Indicators	Baseline (incl. Ref. year)	Targets (incl. ref. year)	Sources and means of verification	Assumptions
	Activity 2.2.4. Establishment of youth co-operative societies for farming communities.	<ul style="list-style-type: none"> # of youth co-operative societies formed and supported 			Progress reports , certificate of registration	
	Activity 2.2.5. Provision of micro-financing and linkages to other sources of funding with a view to establishing businesses.	<ul style="list-style-type: none"> # of youth groups established and provided with seed capital. # and type of businesses established by youth co-operative societies 			Progress reports	
INDICATIVE ACTIVITIES FOR RESULT 3 – MANANGE AND PREVENT CONFLICT						
	Activity 3.1.1. Conduct training for mentors, youth and security services on conflict management skills	<ul style="list-style-type: none"> # of youth trained 			Progress report, Training report	
	Activity 3.1.1 Facilitate formation/strengthening of youth forums to engage with stakeholders	<ul style="list-style-type: none"> # of youth forums formed, number of youth engaged 			Routine project reports	
	Activity 3.1.2; Conduct youth dialogue sessions with government and other actors	<ul style="list-style-type: none"> # of dialogue sessions conducted 			Progress report , meeting minutes	
	Activity 3.1.3 Conduct roll of out of complaints and feedback mechanisms	<ul style="list-style-type: none"> # of communities with a complaints and feedback mechanism established 			Routine project reports	
INDICATIVE ACTIVITIES FOR RESULT 4 –						
	Activity 4.1.1. Certification of 15,000 farmers as producers of organic cashew through training and introduction of new technologies;					

	Intervention logic	Indicators	Baseline (incl. Ref. year)	Targets (incl. ref. year)	Sources and means of verification	Assumptions
	Activity 4.1.2 Establishment of 3 cashew seedling nurseries					
	Activity 4.1.3 Support increase in income for 15,000 farmers through training in good agricultural practices for cashew and sesame (planting and husbandry), distribution of seedlings and seeds of improved varieties of cashew and sesame					
	Activity 4.1.4 Linkage of 15,000 smallholder farmers to other links of the value chain: service providers, buyers/processors such as TSA, financial institutions for credit					
	Activity 4.1.5 Support to increased access to food crops and dietary diversity as a result of training in whole farm management, postharvest storage of food crops, and nutrition behaviour					
	Activity 4.2.1 Support to the formation of community self-help groups, provision of training on group dynamics, collective management, conflict prevention and resolution					

	Intervention logic	Indicators	Baseline (incl. Ref. year)	Targets (incl. ref. year)	Sources and means of verification	Assumptions
	Activity 4.2.2 Support to establishment or strengthening of 20 village savings and loan associations					
	Activity 4.2.3 Support to 1,000 young people and women (members of self-help groups) to start specialized/skilled service provision businesses within the cashew and sesame value chains (i.e.: tree pruning, biological spraying), including linkage with financial service providers to access micro-enterprise seed funding					