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para la
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FINANCE COMMITTEE

Hundred and Forty-seventh Session

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**Annual Report on the Special Fund for
Emergency and Rehabilitation Activities**

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EXECUTIVE SUMMARY

- The SFERA enables FAO to take rapid and effective action in response to food and agricultural threats and emergencies. The Fund has three components: (i) a **working capital component** to advance funds, once a donor's commitment is secured, towards the immediate procurement of inputs to protect livelihoods, restart agricultural activities or contribute to the immediate response to a crisis; (ii) a **revolving fund component** to immediately support coordination and operations in the field, such as needs assessment, programme formulation and early establishment of an emergency and rehabilitation coordination unit (ERCU); and (iii) a **programme component**, which pools resources in support of a programme framework for large-scale emergencies.
- Since inception and up to 30 June 2012, SFERA had received USD 129.1 million. Of this total, USD 6.4 million was used to set up or reinforce ERCUs and implement needs assessment and programme formulation missions. Since inception, USD 208.2 million has been advanced to fund immediate emergency needs, of which USD 44.1 million over the reporting period. The advances, which were still outstanding as at 30 June 2012 total USD 7.6 million. The cash balance of SFERA at 30 June 2012 was USD 39.7 million.
- As per the Committee's request, the document provides an update on the status of implementation of recommendations made in the document FC143/16 *Progress Report on Implementation of the External Auditor's Recommendations* which have ultimately consolidated the governance and management of the SFERA.
- As a principal member of the IASC, FAO is committed to the Inter-Agency Standing Committee (IASC) Transformative Agenda. This interagency process aims at ensuring that IASC members and partners are prepared for timely and effective humanitarian assistance and protection in sudden-onset, large-scale disasters and crises that require a corporate response ("Level 3 emergencies"). Building upon SFERA's comparative advantage, a window under the SFERA Revolving Fund component is proposed to support Level 3 emergencies. This window would encompass: (i) preparedness activities to strengthen FAO capacities to better respond to Level 3 emergencies and (ii) FAO Level 3 emergency response in advance of donor support.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

- The Finance Committee is invited to take note of the information provided in the document, in particular regards to the establishment of a new window under the SFERA revolving fund component in order to support Level 3 emergencies.

Draft Advice

- **The Finance Committee notes the performance of the SFERA over the period 1 July 2011 - 30 June 2012 and appreciates the key role of the Fund in enabling FAO to respond rapidly in the critical early stages of an emergency, ensuring the protection and restoration of livelihoods. The Committee acknowledges the progress achieved on the implementation of the External Auditor's recommendations and the activities implemented to ensure that outstanding recommendations are carried out in a timely manner. The Committee supports the establishment of a new window under the SFERA revolving fund component to provide the Organization with the means to prepare for and respond to Level 3 emergencies.**

Background

1. The Finance Committee supported the creation of the Special Fund for Emergency and Rehabilitation Activities (SFERA) at its Hundred and Second Session in May 2003 with the purpose to “...enable the Organization to rapidly initiate emergency operations by participating in interagency needs assessment and coordination activities, establishing an emergency coordination unit (ECU), preparing a programme framework and projects, and providing advance funding for procurement of inputs when a donor’s commitment has been obtained.”¹ During its Hundred and Tenth Session in September 2005, the Finance Committee reviewed the use of the SFERA and requested regular reports on each year's activity.
2. At its Hundred and Forty-third Session in May 2012, the Committee took note of document FC143/16 - *Progress Report on Implementation of the External Auditor's Recommendations* - together with Addendum 1 on the Review and Assessment of the SFERA and requested that an update on the status of implementation of recommendations be included in the Progress Report to be presented at its next regular session.
3. As a principal member of the Inter-Agency Standing Committee (IASC), FAO is committed to the IASC Transformative Agenda. This interagency process aims to ensure that IASC members and partners are prepared for timely and effective humanitarian assistance and protection in sudden-onset, large-scale disasters and crises that require a corporate response (“Level 3 emergencies”). Given the full corporate support required for the management of Level 3 emergencies, FAO must ensure its preparedness on a global level and ensure adequate resources are in place for deployment of personnel in support of immediate response actions.
4. This annual report contains financial data both for the twelve-month period, ending 30 June 2012 and for the eight years since the Fund became operational. This report further includes detailed financial data on the activities implemented through the SFERA as well as a brief description of the major operations initiated with SFERA funds over the reporting period. This document also provides the Committee with an update on the implementation of the recommendations made on the Governance and Management of the fund. Finally, this report includes a proposal to expand the current SFERA revolving component to strengthen FAO Level 3 preparedness and response capacities.

SFERA Set-up

5. SFERA has three components: (i) a working capital component to advance funds to initiate project activities rapidly before donor funds on agreed projects are received, with the funds then being transferred back to SFERA upon receipt; (ii) a revolving fund component to support FAO's involvement in needs assessment, programme development and early establishment of emergency and rehabilitation coordination units (ERCUs); and (iii) a programme component to support work on specific large-scale emergency programmes.

Current SFERA components and windows		
Working capital component	Revolving fund component <ul style="list-style-type: none"> • <i>Emergency coordination window</i> • <i>Needs assessment and programme development window</i> 	Programme component <ul style="list-style-type: none"> • <i>Large-scale programme window (e.g. tsunami, AI, HoA)</i> • <i>Agricultural Inputs Response Capacity window</i>

¹ FC 102/14

6. **The working capital component** allows to initiate response activities rapidly and before donor funds are received. Rapid delivery of agricultural inputs not only enables families to restore food production and livelihoods, but also averts preventable losses at the peak time of vulnerability. Veterinary supplies and feed prevent the further loss of livestock, on which families depend. The SFERA allows to speed up the reaction time to emergencies and fosters earlier recovery.

7. **The revolving fund component** supports FAO's involvement in assessments, coordination, programme development, rapid deployment of experts and reinforcement of capacity of emergency country teams. A solid foundation for response lies in identifying the most critical needs of affected populations, securing sufficient capacity to respond and ensuring coordinated and technically sound action. SFERA funding enables FAO to lead coordination efforts for harmonized and effective response in the agriculture sector and contribute to the formulation of response programmes that address the priority needs of affected populations.

8. **The programme component** facilitates faster and more programmatic assistance that can be tailored to evolving needs on the ground. The SFERA's pooled funding approach provides the necessary flexibility to adjust activities to channel support to the geographical and thematic areas of greatest need. The programme approach provides the necessary flexibility to adapt operations to evolving situations and streamline procedures so as to ensure that the most appropriate assistance reaches affected populations sooner. The programme component of the SFERA also includes the Agricultural Inputs Response Capacity (AIRC) window, which channels pooled funds towards the immediate procurement and delivery of time-critical inputs.

SFERA Governance and Management

9. In its Addendum 1 on the Review and Assessment of the SFERA, presented to the Committee at its May 2012 session, the External Auditor noted that FAO has been conscientious in its management of the fund in support of projects and activities dealing with emergencies. The External Auditor noted that the guideline on the governance and management of SFERA has already been formulated but not yet issued. The External Auditor further noted the absence of logical frameworks for SFERA projects; the need to improve the reporting mechanism for the revolving fund component; the absence of information on planned specific products, services and activities under the Strategic Framework; and the declining trend in biennial receipts of donors' contribution for SFERA. To address these issues, the External Auditor made eight recommendations.

10. As per document FC 147/14, *Progress Report on Implementation of the External Auditor's Recommendations*, four recommendations made by the External Auditor have been completed. As per the External Auditor's request, i) a new reporting mechanism has been set up in order to permit a segregation of allocations per request under the revolving component of the fund; ii) SFERA funded allocations and programmes have been linked to the Strategic Framework as per existing FPMIS facilities, iii) additional interactions with donors have taken place and iv) new donors were sensitised to the value added of the fund, both later actions ensuring a significant increased of mobilised resources over the reporting period.

11. With regards to the remaining four outstanding recommendations (issuance of guidelines, formulation of a logical framework for SFERA projects, criteria related to the use of the fund and formulation of an RBM matrix for every project), the following actions are taken: i) the procedure on the Management of the SFERA has been revised in view of the proposals of the External Auditor and the on-going decentralisation process of emergency operations. The final document is planned to be released by end of 2012, ii) the procedure provides the frame within which the different windows of the fund can be used, stating a maximum amount for an advance, criteria for the allocation of funds under the revolving fund, prescribed period for reimbursement and criteria for defining emergency situations, iii) SFERA funded projects are closely monitored to ascertain that all projects have a logframe, including a standard and simple one for project under USD500,000, iv) the systematic use of a Results Based Management module for SFERA funded projects is planned to be effective by the end of 2012, as for all the other projects developed by the Organization.

12. The implementation of the External Auditor's recommendations reinforces the effectiveness and efficiency of the governance and management of the SFERA, which ensure a strict adherence to FAO's rules and regulations and comply with good management and accountability practices, including annual oversight of SFERA activities by the Finance Committee.

A new SFERA window for Level 3 Emergency Preparedness and Response

13. Disasters and crises will continue to threaten agriculture, food and nutrition security and food scale at times on a large scale, overwhelming in situ response capacity of the affected populations, Member Nation(s), UN system and other partners. In recent years, FAO has assumed progressively higher profile leadership roles in efforts to mitigate and respond to the negative impacts of large-scale disasters and crises on food and agriculture systems. Building on decades of work in emergencies, FAO upholds its core commitment to enhancing the Organization's preparedness and response capacity.

14. The IASC Transformative Agenda has established a mechanism for activating a UN system-wide response to extreme sudden-onset crises, triggered by natural or human-induced disasters, including conflict. These contexts are referred to as Level 3 emergencies. Where major disasters and crises require system-wide responses, the IASC will declare a Level 3 emergency. Based on threats to agriculture and food security, FAO will determine if the Organization will activate its own corporate Level 3 response to address the extraordinary challenges of a Level 3 emergency. A Level 3 declaration by FAO will activate exceptional measures to focus the capabilities and responsibilities of relevant offices and departments in headquarters (HQ) and decentralized offices (DOs) for a coherent corporate-wide emergency response.

15. FAO is committed to a sustainable model of financing preparedness for Level 3 emergencies and ensuring that resources are available to support the initial stages of response actions. Building on SFERA's comparative advantage, a new window within SFERA to support Level 3 emergencies is proposed. Under the SFERA Revolving Fund component, this window would encompass: (i) preparedness activities to strengthen FAO capacities to better respond to Level 3 emergencies and (ii) FAO Level 3 emergency response in advance of donor support.

16. **Preparedness** - support to preparedness includes costs required to ensure the Organization's readiness to respond to Level 3 emergencies. This include support for: building and strengthening the Organization's preparedness, including costs for capacity assessment of decentralized offices; capacity building for contingency planning and emergency readiness; the development and maintenance of appropriate procedures and participation in interagency emergency training; certification in key competencies for emergencies for staff likely to be involved in Level 3 emergencies; and annual simulations to test emergency preparedness. The level of resources allocated under this sub-window is estimated at USD1.7 million. A portion of this allocation would be recovered from extra-budgetary resources mobilised for Level 3 emergency response projects and programmes.

17. **Response** - to facilitate initial responses to Level 3 emergencies, the new SFERA sub-window would support FAO's immediate response actions on a 'no-regrets' basis. 'No-regrets' is defined as the commitment of resources in the absence of precise details on exact needs and response plans, leaving open the option for response managers to decide at a later date to demobilise surplus resources, as relevant, and without negative repercussions for decision makers. All costs related to the immediate deployment of personnel are covered, for instance the deployment of an emergency management team, communication and IT equipment and logistical arrangements. The Organization should be prepared for three Level 3 emergencies per year. Based on USD 0.5 million per Level 3 emergency per year, the amount of resources allocated under this sub-window is planned at USD 1.5 million per annum. A portion of allocation would be recovered from extra-budgetary resources mobilised for Level 3 emergency response projects and programmes.

18. The endorsement of this new window would support FAO's capacity to respond to Level 3 emergencies and expand the current flexibility and effectiveness of the SFERA.

Proposed SFERA components and windows		
Working capital component	Revolving fund component <ul style="list-style-type: none"> • <i>Emergency coordination window</i> • <i>Needs assessment and programme development window</i> • <i>Level 3 Emergency preparedness and response</i> 	Programme component <ul style="list-style-type: none"> • <i>Large-scale programme window (e.g. tsunami, AI, HoA)</i> • <i>Agricultural Inputs Response Capacity window</i>

SFERA Resources

19. **Receipts** – SFERA has been operational since April 2004. Since then, the Fund has received USD 129.1 million. Of this amount, USD 82.8 million were provided by the member countries listed in the table below. Of these, USD 5.9 million was from donors² who decided to devolve balances of closed emergency projects to the SFERA. During the 12 months up to 30 June 2012, deposits to the SFERA amounted to USD 28.2 million.

MEMBER COUNTRIES	12 months to 30 June 2012 (USD 000)	Since inception (USD 000)
Sweden		23 662
Norway	6 239	14 823
Belgium	6 986	11 580
United Kingdom		9 293
France	476	6 543
Finland	1 342	5 321
Switzerland		3 697
Italy	53	1 460
Saudi Arabia		1 375
Germany		1 304
Austria		1 125
Canada		814
China		500

² Australia, Belgium, Canada, Colombia, Ecuador, Finland, France, Greece, Ireland, Italy, Jordan, Laos, Luxembourg, Mexico, Netherlands, Norway, New Zealand, Peru, Saudi Arabia, South Africa, Spain, Sweden, United Kingdom, the World Bank and the private sector donor CONAD (Food retailer) have authorized transfers of unspent balances from their completed projects.

Spain	89	392
Ireland	177	317
Greece		227
South Africa	195	195
Jordan		60
Australia		59
Laos	14	14
Luxembourg		8
Netherlands	5	8
Other members	3	9
Total members	15 579	82 786
World Bank	1	18
OPEC fund	31	481
Others including from emergency project support costs reimbursements	12 628	45 843
Total received	28 239	129 128

As at 30 June 2012.

Source: compiled from subsidiary records and agreed to the general ledger.

20. Under the working capital component, USD 208,2 million were advanced to various projects after donors confirmed commitment to a project, but before receiving the cash contributions. Of this amount, USD 7,6 million remain outstanding, pending receipt of donor funds. Of the total USD 129.1 million contributed, USD 6.4 million, of which USD 3 million for the reporting period, were approved under the revolving fund component. Under the programme component, a total of USD 75.4 million, of which USD12.8 million for the reporting period, were allocated. The details of funds applied are given in the following table.

ADVANCES	12 months to 30 June 2012 (USD 000)	Since inception (USD 000)
Total advances made during the period	44 056	208 219
Refunds on advances paid during the period	44 506	200 677
Total advances outstanding		7 542

APPLICATIONS	12 months to 30 June 2012 (USD 000)	Since inception (USD 000)
For emergency coordination unit setup	1 677	3 251
For needs assessment missions	1 350	3 150
Subtotal revolving fund component	3 027	6 401
Agricultural Inputs Response Capacity (AIRC)	4 988	10 485
Horn of Africa Crisis	7 655	7 655
Avian Influenza campaign		45 928
Tsunami campaign		10 002
Initiative on Soaring Food Prices		1 168
Sahel Crisis	195	195
Subtotal programme component	12 838	75 433
Total Applications	15 865	81 834

As at 30 June 2012.

Source: compiled from subsidiary records and agreed to the general ledger.

21. The cash balance of SFERA at 30 June 2012 was USD 39.7 million³. The cash balance is calculated as: cumulative receipts of USD 129.1 million, less applications of USD 81.8 million, less outstanding advances of USD 7.6 million.

Use of the SFERA

22. **Advances** – over the reporting period, SFERA advances mainly benefited contributions from nine donors, which represent approximately 93 percent of advances between 1 July 2011 and 30 June 2012.

³ Including USD2.1 million recorded in a separate account established to facilitate control and reporting under the AIRC window.

DONORS BENEFITING FROM SFERA WORKING CAPITAL COMPONENT (ADVANCES/REFUNDS) (USD 000)		
12 months to 30 June 2012		
DONORS	ADVANCES	REFUND
United States of America	8 118	7 588
European community	7 930	7 410
United Kingdom	5 350	3 000
World Bank	5 262	5 262
Belgium	4 371	2 871
Sweden	3 500	3 000
Japan	2 800	7 000
UN – OCHA	2 250	4 200
Common Fund for Humanitarian Action in Sudan – CHF	1 550	1 550
Asian Development Bank		1 300
Other donors	2 925	1 325
GRAND TOTAL	44 056	44 506

23. On the beneficiary side, advances mainly supported ten major programmes, representing 93 percent of advances between 1 July 2011 and 30 June 2012.

COUNTRIES BENEFITING FROM SFERA WORKING CAPITAL COMPONENT (ADVANCES/REFUNDS) (USD 000)		
12 months to 30 June 2012		
COUNTRIES	ADVANCES	REFUND
Somalia	21 928	20 428
Pakistan	5 675	10 325
The Sudan and South Sudan	3 850	2 550
Afghanistan	2 400	0
Regional Africa	1 873	1 723
Democratic People's Republic of Korea	1 680	1 680
Sri Lanka	800	1 250
Gaza Strip And West Bank	751	271

Niger	630	130
Guatemala	550	550
Zimbabwe	500	500
Ethiopia	470	1 420
Regional Asia		1 300
Other countries	2 949	2 378
GRAND TOTAL	44 056	44 505

24. Support provided through the SFERA's working capital component was critical to ensure a smooth and quick implementation of the operations in the field.

25. In **Somalia**, SFERA advances contributed to immediately restore crop, livestock and fishery production of households severely affected by the drought in 2011. To achieve this, the advances fast-tracked inputs and provided cash-for-work schemes to rehabilitate key infrastructure and increase access to water for human and livestock populations. The schemes also provided a source of income to the most vulnerable, allowing them to meet their most immediate household needs. Livestock production packages provided animal feed, pasture seeds and veterinary services in order to safeguard the livelihood assets of agro-pastoral and pastoral communities in the country.

26. SFERA advances in **Pakistan** helped to launch farming operations of flood-affected households through rapid crop and livestock support. Household access to nutritious food was enhanced by improved nutrition practices, food centres and kitchen and health clinic gardens. Market linkages and value chains were developed, benefiting farmers and producer and market groups. To improve agriculture support services, farmer groups were established and training was provided to Government officers and farmer field school facilitators. The programme also promoted disaster risk reduction (DRR) practices in the affected area.

27. SFERA advances in **South Sudan** provided timely support to address the limited agriculture and livestock production of returnees, internally displaced persons (IDPs) and vulnerable host communities. This included fast-tracking seeds, tools, infrastructure and irrigation equipment to increase food production, enabling farmers to produce and sell throughout the year. Organized seed fairs increased seed access, allowing farmers to carry out seed multiplication and bulking activities. Female-headed households strengthened their skills through training and support from food processing and marketing groups. Livestock owners benefited from improved animal health services and inputs for poultry production.

28. In **the Sudan**, SFERA advances provided inputs and training to improve the crop, livestock and fishery production of returnees, IDPs and host communities affected by conflict, crop failure and flooding. Through the provision of seeds for staple crops, farmers were encouraged to produce their own seeds to avoid dependency on seed aid. The programme also enabled farmers to establish community forest and wood lots through the provision of tree seedlings. Training focused on environmental protection and promotion of income-generating skills to enhance livelihood opportunities and foster community integration. Efforts aimed at animal restocking and improved veterinary health services enhanced the productivity and health of livestock. Periodic food security and livelihood assessments in three Darfur states supported Food Security and Livelihood Cluster and the Returnee and Reintegration Working Groups members to improve coordination.

29. By providing quality seed, appropriate fertilizer and training, SFERA advances helped farming families affected by high food prices, conflict and natural disasters in **Afghanistan** to immediately resume wheat production. Farmer-to-farmer exchanges and sales increased the access of improved wheat seed for upcoming agricultural seasons. Activities also focused on strengthening the

country Food Security and Agriculture Cluster in order to increase the effectiveness and efficiency of future emergency responses.

30. Across **southern Africa**, SFERA advances provided advocacy, coordination and technical support to national governments and regional partners to improve preparedness for, prevention and mitigation of and effective response to food and agricultural threats and emergencies. Priority countries in **west and central Africa** benefited from strengthened country capacity to prevent and control high-risk transboundary diseases through the provision of technical assistance to veterinary laboratories. Regional support also provided veterinary vaccines and treatment to strengthen livestock production of vulnerable farming communities in **Mali** and **the Niger**.

31. The provision of agricultural inputs was crucial to increasing food production in the **Democratic People's Republic of Korea** in 2011. Across central and northern parts of the country, FAO distributed plastic sheets and fertilizer to improve rice and maize crop yields. Increased levels of locally produced food is expected to reduce dependency on food aid.

32. In **Sri Lanka**, SFERA advances helped to immediately restore agricultural production to flood-affected families who could not cultivate during the Yala 2011 agricultural season. This was done by increasing access to agricultural inputs and training for the production of rice, vegetables and other field crops.

33. **Emergency coordination** - this window of the SFERA's revolving fund component permits the rapid deployment of emergency coordinators, the reinforcement of the existing teams to face a sudden increase in activities or to fill funding gaps over a short period of time. During the past year, support was provided to the Horn of Africa and Sahel crises, Africa and America sub-regions and, in the Democratic Republic of Congo, South Sudan, Ethiopia, Central Africa Republic, Libya and Iraq. The following table briefly presents the allotments made.

COUNTRY/ REGION	Date of approval	Allotment (USD 000)
Horn of Africa	<i>Global</i> July 2011	38
	<i>Global</i> December 2011	179
	<i>Sub-regional component</i> March 2012	45
Democratic Republic of Congo	August 2011	56
Central America	January 2012	60
	June 2012	60
South Sudan	January 2012	40
	March 2012	105
Sahel	<i>Global</i>	197
	<i>Mali</i> March 2012	26
	<i>Mauritania</i>	34
West and East Africa	March 2012	21
Libya	April 2012	22
	May 2012	45
Ethiopia	June 2012	17
Iraq	May 2012	139

South America	May 2012	160
South Africa	June 2012	81
Central African Republic	June 2012	60
Total Allotment		1 385

34. **Needs assessment and programme development** – this window of the revolving fund component finances needs assessment missions at the onset of a crisis to ensure that the Organization and its partners obtain appropriate information essential to formulate their response programme. Over the reporting period, needs assessment and programme formulation missions were deployed to Madagascar, Vietnam, Mozambique, Somalia, Sahel, The Sudan, Liberia, South Sudan and Comoros. The following table briefly presents the allotments made.

COUNTRY/ REGION	Date of approval	Allotment (USD 000)
Madagascar	July 2011	27
	March 2012	20
Vietnam	July 2011	5
Mozambique	October 2011	8
Somalia	January 2012	32
Sahel	<i>Global</i> January 2012	43
	<i>Regional</i> March 2012	68
	<i>Regional</i> June 2012	9
Sudan	April 2012	9
Liberia	May 2012	15
South Sudan	May 2012	50
Comoros	May 2012	23
Total Allotment		310

35. Under the SFERA programme component, USD 12.8 million were allocated, nearly USD5 million under the AIRC window, USD7.6 million under the Horn of Africa window and USD0.2 million under the Sahel window.

36. Under the **AIRC window**, USD5 million were allocated to 17 interventions in order to support the provision of time-critical agricultural support in emergency contexts, while fostering a more programmatic response to crises.

COUNTRY/REGION	INTERVENTION	AIRC allotment (USD 000)
West Bank and Gaza Strip	Emergency food production support to poor families in the Gaza Strip (Phase 2)	400
Pakistan	Emergency assistance for immediate protection of livelihoods and food security through provision of critical livestock inputs in flood affected district of Umerkot in Sindh Province, Pakistan	350
Djibouti	Emergency provision of agricultural inputs for the Djibouti Drought Response	300
Niger	Improvement of household food security by strengthening the coping capacity of vulnerable herders and agro-pastoralists	300
Mali	Strengthening the coping strategies of vulnerable households in the Ségou region to deal with the Sahel agro-pastoral crisis of 2011-2012	300
Madagascar	Rapid reinforcement of livelihoods of vulnerable populations directly affected by cyclones in the region of the South-East of Madagascar through emergency support to revive production and enhanced disaster preparedness	330
Mauritania	Contribution to the food and nutrition security of vulnerable populations in the South of Mauritania by safeguarding and strengthening their agricultural livelihoods	300
Burkina Faso	Support to vulnerable households facing difficulties feeding their herds in the 2012 dry season	300
Philippines	Restoration of the agri-based livelihood and food security of flood-affected farmers in Region III Philippines by Typhoon Nesat and Nalgae	300
Lao Peoples' Democratic Republic	Emergency assistance to restore the livelihoods of vulnerable farming families affected by the floods in Khammouan, Savannkhet and Champassack Provinces in Lao People`s Democratic Republic	300
Cambodia	Emergency assistance to restore the livelihoods of vulnerable farming families affected by the floods in the Districts of Pea Rang and Sithor Kandal of Prey Veng Province in Cambodia	300
Guatemala	Immediate support to restore food production systems of the most vulnerable farmers affected by Tropical Depression 12E in five municipalities in the Southern Region of Guatemala	308
Nicaragua	Immediate assistance to restore food production of maize and beans for the families affected by the Tropical Depression 12E, ensuring their food security and livelihoods	300
Bangladesh	Emergency support for immediate rehabilitation for the most vulnerable households in five Upazilas of the Satkhira District of southwestern Bangladesh	200
Chad	Emergency assistance to vulnerable herder and agro-pastoral families in the region of Bahr El Gazal	300

Lesotho	Emergency assistance to improve nutrition of food insecure households in the flood affected areas of Lesotho	300
Egypt, Libya, Tunisia	Food security information collection, analysis, dissemination and early warning	100
TOTAL		4 988

37. Thanks to AIRC assistance, conflict-affected households in **the Gaza Strip** had greater access to nutritious food and training on improved farming practices to boost household food security and incomes. Focusing on female-headed households, training and inputs were provided for backyard and rooftop agricultural and livestock production, and aquaculture.

38. Heavy rains in August 2011 caused devastating flooding across **Pakistan's** Sindh and Baluchistan provinces. With AIRC support, FAO responded quickly by providing flood-affected families with animal feed to ensure the survival, health and productivity of their livestock, and prevent the distress sale of animals. The availability of draught animals enabled farmers to resume agricultural production immediately, while the sale of livestock products allowed them to buy other types of food to improve their diets.

39. AIRC assistance helped drought-affected agro-pastoral communities rebuild their livelihoods, ease the burden of high food prices and improve food and nutrition security in rural and peri-urban areas of **Djibouti**. The assistance established cash-for-work schemes, providing income to vulnerable farmers for food and other essentials while rehabilitating micro-gardens and key water points for the next planting season. Farmers also received inputs, including drought-tolerant seeds, fertilizer and small-scale irrigation equipment, to boost fodder and vegetable production.

40. Poor rainfall distribution in **Burkina Faso** resulted in low pasture and fodder production, reduced reservoir levels and high feed prices. Vulnerable households were supported in improving livestock productivity through the provision of animal feed, veterinary products and related training. In **Mali**, quality inputs and training for garden production helped increase the nutritional intake of vulnerable families. The distribution of animal feed sustained safeguard livestock assets of farmers in the country. In **Mauritania**, in addition to providing inputs for fodder production, was introduced a range of crop seeds to generate household income and diversify diets. In **Niger** and **Chad**, women gardening associations received training and equipment to fully benefit from the new types of crops provided through the project.

41. Cyclone-affected populations in southeast **Madagascar** received emergency assistance and support for disaster preparedness in 2011. In the most affected districts, smallholder farmers received improved varieties of yam, bean, vegetable and cereal seeds to harvest during the lean season (September – November), as well as training to increase yields. Pre-positioned seed stocks helped farming households in cyclone-prone areas to be better prepared. Additional disaster prevention and preparedness mechanisms are being promoted at regional and national level.

42. In flood-affected areas of the **Kingdom of Lesotho**, FAO is improving access to inputs and farming practices. Farming families are receiving vouchers to purchase improved inputs at farmer-led input trade fairs, and training to increase the production of winter crops and vegetables – a good source of nutritious food.

43. In the **Philippines**, the AIRC support increased household food and nutrition security of typhoon-affected farmers by providing cereal and vegetable production packages and training on income-generating activities. Women groups in particular benefited from backyard vegetable gardening. Cereal and vegetable production packages were also provided to poor households in **Cambodia** affected by heavy rains and flooding in 2011. The packages distributed improved the limited productivity and low profitability of the country's smallholder farmers, who cultivate on less than one hectare of land.

44. With AIRC funding, typhoon-affected households in **Lao People's Democratic Republic** received training and inputs, including vaccinated chickens and fingerlings of an improved variety, to increase livestock and fish production. Extension workers enhanced their knowledge on disaster risk reduction and preparedness in the agriculture sector.

45. In **Bangladesh**, an ongoing AIRC project is restoring the livelihoods of vulnerable farming households severely affected by flooding and waterlogging in 2011. The provision of rice and vegetable production packages (seed, fertilizer and hand tools), animal feed, small ruminants (goats and sheep) and other essential supplies for fish and shrimp farming has allowed farmers to resume activities quickly.

46. In **Nicaragua**, AIRC assistance is helping to revive staple food production systems of subsistence farming families affected by Tropical Depression 12E. Drought tolerant and short-cycle seeds of maize and beans – the country's staple crops – were rushed to the smallholder farmers before the planting season. The provision of metallic silos will guarantee the availability of a portion of the seeds for the next production cycle. Support was also provided to small-scale farming households affected by Tropical Depression 12E in **Guatemala** to kick-start food production activities.

47. Under the SFERA programme component for the **Horn of Africa**, USD 7.6 million was allocated in support of countries affected by the 2011 drought to strengthen multi-stakeholder emergency response and recovery during the drought period.

COUNTRY/REGION	INTERVENTION	SFERA HoA allotment (USD 000)
Regional Africa	Regional Emergency Drought Response Coordination for the Horn of Africa	667
Somalia	Emergency Response Programme to the Humanitarian Crisis in Somalia (2012)	4 567
Republic of Kenya	Emergency and early recovery support to protect, restore and improve Host Communities food security and livelihoods around Dadaab refugee camps -	470
Ethiopia	Drought Response Coordination for the Horn of Africa: activities in Ethiopia	1 951
TOTAL		7 655

48. In **Somalia**, SFERA supported life-saving support to improve food and nutrition security and restore livelihoods of famine-affected populations. Cash-for-work schemes provided the most vulnerable populations with sufficient cash to improve food access, while building drought resilience through the rehabilitation of key infrastructure. The programme also supported agricultural inputs distribution to restore crop production, including vegetable production packages to enhance household income and dietary diversity. Efforts to safeguard remaining livestock assets focused on providing animal feed, improving access to water, rebuilding herds and preventing drought-related livestock diseases. To improve fishery production, riverine and coastal communities received fishing equipment and post-harvest processing sets.

49. In **Kenya**, SFERA assisted in improving the food and nutrition security of drought-affected host-communities. Improved animal health services, the rehabilitation of water infrastructure and support to marketing livestock products helped to strengthen pastoral livelihoods and improve their

resilience to future shocks. The provision of training and relevant equipment for income-generating activities aimed to diversify the livelihoods of mainly female-headed households. Training provided through the funding also focused on gender, HIV, nutrition and conflict management. In order to improve fruit, vegetables, rice and fodder production, host-communities benefited from the provision of seeds, tools and support to irrigation schemes. Funding was also used to set up community village banks and encourage farmers to process and market their goods, helping to strengthen trading linkages between riverine and host communities, as well as with camp residents.

50. In **Ethiopia**, SFERA intervention provided support to pastoralist, agro-pastoralists and peri-urban communities affected by the drought. The promotion of efficient water harvesting and conservation technologies for human and livestock populations, the management of invasive plant species that undermine health and productivity of rangelands and the strengthening of customary institutions for sustainable natural resources are expected to improve rangeland management and productivity of pastoral livestock production systems. The funding also helped to strengthen animal health services and link rural and peri-urban households to market opportunities for livestock products.

51. Under the SFERA programme component for the **Sahel**, USD195,000 was allocated over the reporting period to support regional coordination and food and nutrition security information collection analysis.

COUNTRY/REGION	INTERVENTION	SFERA SAHEL allotment (USD 000)
Regional Africa	Support to the regional coordination for the 2012 Sahel crisis	195
TOTAL		195

52. SFERA funded activities aimed at improving food and nutrition security, vulnerability analysis and consensus building for coherent and coordinated response and to strengthen the coordination among food security, nutrition and disaster risk management and DRR stakeholders.

Conclusions

53. SFERA continues to prove to be a very valuable tool to enable FAO to improve its performance in the humanitarian response. The implementation of the audit recommendations have strengthened the governance and management of the Fund and further enhanced its effectiveness. Within the context of the IASC Transformative Agenda, the establishment of a new window under the SFERA revolving fund component to prepare for and respond to Level 3 emergencies will provide FAO with the means to be equipped and have adequate resources for deployment of personnel in support of immediate response actions.