

Peace and Stabilisation Programme
The Horn of Africa
2023-2026

Regional Peace and Stabilisation Programme for the Horn of Africa, 4th Phase 2023-2026

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List of Abbreviations

ACLED	Armed Conflict Location and Event Data Project
AMG	Aid Management Guidelines
AMISOM	The African Union Mission in Somalia
AML	Anti-Money Laundering
APP	Africa Programme for Peace
APPR	Annual Portfolio Performance Report
AS	Al-Shabaab
ATMIS	African Transition Mission in Somalia
AU	African Union
BPST	British Peace Support Team Africa
CFO	Chief Financial Officer
CMF	Combined Maritime Force
CSO	Civil Society Organisations
CTF	Counter Terrorist Financing
CT	Counter Terrorism
CVE	Countering Violent Extremism
DAC	Development Assistance Committee
DCD	Danish Defence Command Denmark
DCoC	Djibouti Code of Conduct
DDR	Disarmament, Demobilisation and Reintegration
DKK	Danish Kroner
DRC	Democratic Republic of Congo
EAC	East African Community
EASF	East African Standby Force
ELK	Office for evaluation, learning and quality
ENACT	Enhancing Africa's response to transnational organised crime
ENDF	Ethiopian National Defence Force
ERI	Early Recovery Initiatives in Newly Recovered Areas
EU	European Union
EUISS	The European Union Institute for Security Studies
FCDO	Foreign, Commonwealth & Development Office
FGM	Female Genital Mutilation
FGS	Federal Government of Somalia
FMS	Federal Member States
FOB	Forward Operating Bases
FoEASF	Friends of the Eastern Africa Standby Force
GMCP	UNODC's Global Maritime Crime Programme
HoA	Horn of Africa
ICEPCVE	IGAD Centre of Excellence for Preventing and Countering Violent Extremism
ICG	International Crisis Group
ICU	Islamic Court Union
IDP	Internally Displaced Person
IDDNP	International Department of the Danish National Police
IGAD	Intergovernmental Authority on Development
PSD	IGAD Peace and Security Division
IMO	International Maritime Organisation
IOM	International Organisation for Migration
IPSTC	International Peace Support Training Centre

IRC	International Rescue Committee
IS	Islamic State
MEAL	Monitoring, Evaluation, Accountability and Learning
MFA	Ministry of Foreign Affairs (Denmark)
MoD	Ministry of Defence (Denmark)
MoIS	Ministry of Internal Security (Somalia)
MTR	Mid-Term Review
NCTC	National Counter Terrorism Centre
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OLA	Oromo Liberation Army
PET	Danish Security and Intelligence Service
PSED	Peace and Stabilisation Engagement Document
PSF	Peace and Stabilisation Fund
PSP	Peace and Stabilisation Programme
PVE	Preventing Violent Extremism
RDE	Royal Danish Embassy
RF	Results Framework
SEAH	Programme-related violence
SGBV	Sexual and gender-based violence
SNA	Somali National Army
SSF	Somalia Stability Fund
STCW	Standards of Training, Certification and Watch Keeping
TBD	To be Determined
TGF	Transitional Federal Government
TPLF	Tigrayan People's Liberation Front
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
UNEP	United Nations Environment Programme
UNODC	United Nations Office on Drugs and Crime
UNSC	United Nations Security Council
US	United States of America
VE	Violent Extremism
VEO	Violent Extremist Organisations
WFP	World Food Program
WoG	Whole-of-Government
WPS	Women Peace and Security

1. Introduction

The present programme document outlines the background, rationale and justification, objectives and management arrangements for the fourth phase of Denmark's Regional Peace and Stabilisation Programme for the Horn of Africa 2023-2026 (hereafter the PSP HoA IV).

The programme document has been formulated on the basis of a thorough desk review of key literature; the Danish Foreign and Security Policy Strategy 2022 and the Strategy for Denmark's Development Cooperation and other relevant policy documents; the Mid-Term Review of the Regional Peace and Stabilisation Programme for the Horn of Africa 2018-2022; the evaluation of the Peace and Stabilisation Fund (PSF), including the case study of the Peace and Stabilisation Programme for the Horn of Africa; the PSP HoA Roundtable Conference Discussion held in Nairobi in February 2022; and the Programme Identification Note; as well as relevant additional research and mappings. This has been supplemented by discussions with relevant stakeholders, a formulation mission to all countries covered by the programme, and finally qualified by an external appraisal. It has been prepared in accordance with the Guidelines for the PSF 2020¹ and the Guidelines for Country Strategic Frameworks Programmes and Projects 2022².

The programme complements Denmark's Africa Programme for Peace (APP). Furthermore, Denmark's Country Policy Paper for Ethiopia, the Country Strategic Framework for Kenya, and the ongoing drafting of the Country Strategic Framework Somalia as well as the respective current country programmes have guided the formulation.

2. Context, rationale, strategic considerations, and justification

The PSP HoA IV aims to respond to the significant contextual challenges outlined below and to mitigate the risks of further deterioration of regional stability as outlined in the scenarios. The PSP HoA IV programme attempts through its Whole-of-Government (WoG) approach to balance the immediate needs of communities with long-term solutions to build peace and stabilisation across the region. The programme comprises engagements in Ethiopia, Kenya, and Somalia. The main country focus of the programme remains Somalia, because it is the most affected by instability with regional ramifications, but with increased attention directed towards Ethiopia given the increasing instability in the country, and the impact it can have on the region. Kenya has experienced relative stability amidst major internal and regional dynamics and continues to be a regional anchor of stability.

The HoA region – in this programme defined as Somalia, Kenya, and Ethiopia – faces many levels of instability and violent conflict and is perceived as being in its most insecure political state since the civil war erupted in Somalia in 1991. The region is currently facing a multitude of conflicts and interconnected issues including deep-rooted inequalities between genders, ethnic, and social groups, the impact of climate change, land degradation and severe drought, political strife, increased levels of violence and insecurity, particularly through the residence of one of the most lethal Violent Extremist Organisations (VEOs) in Africa – Al Shabaab (AS) – and a widespread humanitarian crisis. Whilst each of the three countries of focus in this programme face different national challenges, many of the issues

¹ 'Guidelines for the Peace and Stabilisation Fund'. October 2020

² 'Guidelines for Country Strategic Frameworks, Programmes and Projects'. Version February 2022.

faced are regional and cross-border in nature and have the potential to spill over into the neighbouring countries and further worsen regional stability.

Contributing to enhancing peace and stability in the region is a priority for Denmark and its allies. The analysis below provides an overview of the key regional conflict dynamics and trends, including the relation between conflict and poverty, and the response offered with the PSP HOA IV in its contribution to the enhancement of peace and stability, and, therefore, poverty reduction. The full context analysis can be found in Annex 1.

The key issues identified for the PSP HoA IV include: instability, violent conflict and a lack of political settlement; risks associated with the ATMIS drawdown; conflicts and instability in Ethiopia and its potential impact on the region; violent extremism; maritime and border insecurity, and transnational organised crime, including illicit trade; gender inequality; poverty; climate change and insecurity; vulnerability to external shocks, and weak community and state resilience; the sometimes inadequate and insufficient level of donor coordination and regional cooperation.

2.1 Context

Instability, violent conflict, and lack of political settlement in Somalia: Somalia remains the most unstable country in the region and one of the most poor and fragile in the world, remaining in protracted state and community level conflict contesting the state formation process on three distinct albeit interconnected levels: political conflict, communal conflict, and violent extremism.³ Due to the lack of political settlement, including the lack of agreement on key constitutional questions, political contestations over security architecture, resource and power sharing also exist between the Federal Government of Somalia (FGS) and the Federal Member States (FMS). This is compounded by the fact that a significant proportion of the Somali population, particularly women and minority groups, are consistently excluded from political decision-making processes, which intensifies intercommunal conflict, poverty, inequality and violent extremism. Stability in Somalia, and across the wider region, cannot be achieved without addressing the challenges concerning the lack of an inclusive political settlement, access to justice and an equitable distribution of resources. The PSP IV should therefore be seen as a complimentary portfolio together with the present and future Somalia Country Programmes (2019-23 and 2024-28 respectively).

AS controls expansive tracts of the countryside in central and southern Somalia and is able to carry out serious and frequent attacks within and outside Somalia. AS has grown in strength in recent years, mainly due to lack of military pressure or consolidated approach in tackling the group. AS has an effective coercive bureaucracy, including infiltration and tax extortion in all parts of Somalia. AS also shows signs of greater regional aspirations, being more active in both Kenya and recently in Ethiopia. The Somali security forces, namely the Somali National Army (SNA), are often incapable of holding territory and depend on the African Union Transition Mission in Somalia's (ATMIS) continued presence to hold forward operating bases (FOB). ATMIS and the previous AMISOM has not been an aggressive force leading offences in conjunction with the SNA, or other Somali security forces, over the past years, but it has been the main actor in maintaining control over critical infrastructure such as Mogadishu Airport and government buildings, and holding territory through FOBs. ATMIS supports Somalia both on land and at sea. In the maritime domain, Kenya is offering support to ATMIS in preventing and

³ Faleg 2019.

countering AS activity and other transnational organised crime along the southern part of the Somali coastline through the Kenyan Navy.

While there has been a resurgence in the military pressure on AS in recent months, driven by local militias with SNA and international support – and major political backing - the recent operations, initiated as a result of clan uprisings in central and southern Somalia have once again portrayed a lack of planning and coordination between security and stabilisation actors, as well as capacity challenges in the Somali security forces between the SNA, local forces, and police to consolidate the gains made in the newly recovered areas. Further, there has been criticism of little to no involvement of ATMIS in the operations. This poses challenges to the sustainability of counter-AS offensives. There are concerns that ATMIS will not be able to complete the planned transition and hand over the security responsibility to the Somali National Army by the intended deadline of December 2024. If ATMIS draws down, without an effective handover, it will have significant consequences, not only for Somalia, but for the region and furthermore for the presence of the international community in Somalia. It could mean a strengthened AS, who could more easily pursue activities cross-border, especially in Ethiopia and Kenya, but also a possible resurgence of significant inter-state and clan armed conflict within Somalia, which would further destabilise the region, further disrupt trade, and lead to increased flows of refugees to the region and beyond. At the same time, it is crucial to link the fight against AS militarily with a politically inclusive settlement process on the federal, state, and local level, in order to make sustainable achievements against AS. If there is no reconciliation and political settlement, AS will continue to exploit historical grievances to counter offensives against them and re-establish and reconsolidate themselves in areas with limited FGS reach and support. Without an integrated approach, stabilisation in Somalia is unlikely to be successful.

The situation in Ethiopia and its potential impact on the region: During phase three of the PSP HoA 2018-2022, the situation in Ethiopia has deteriorated drastically. Over this period, Ethiopia has faced significant internal political as well as armed conflicts on multiple fronts, after violence erupted in northern Ethiopia in 2020 between Ethiopian National Defence Force (ENDF) government forces together with allied militias and Eritrean Defence Forces on one side and the Tigray People's Liberation Front (TPLF) on the other. While the Agreement on Permanent Cessation of Hostilities signed 2 November 2022 between the Ethiopian government and TPLF marks an important step forward by effectively ending the conflict in northern Ethiopia, the continued implementation of the agreement will be key for sustained peace and stability in Ethiopia. As per March 2023, the government and TPLF has taken a number of positive steps in implementing the agreement, including upholding the cessation of hostilities, de-armament of TPLF combatants, increased humanitarian access to Tigray and increased delivery of some public services throughout the region, as well as appointing an interim regional administration in Tigray. The conflict led to largescale the displacement in the affected regions, with some displaced persons having returned to their region of origin by March 2023. During the conflict numerous grave human rights violations were reported, and the humanitarian crisis in Tigray, which was exacerbated due to denied access for humanitarian actors, caused large scale suffering and loss of life and led to widespread condemnation from international actors.⁴ The conflict, together with the consequences of the COVID-19 pandemic and the Russian invasion of Ukraine, has had a devastating impact on the Ethiopian economy, as a result of the destruction of infrastructure

⁴ Center for Preventive Action 2022.

and production facilities, decline in international investments, decrease in international donor financing and budget support.

Over the past two years, Oromia region has experienced increased instability, particularly in the western part of the region. The Oromia Liberation Army (OLA) militia has mobilised a large number of ethnic Oromos to join an armed insurgency against the federal and regional government, carrying out attacks on security forces, administration offices as well as civilian population. The conflict in western Oromia as well as armed clashes and assaults on civilians in other parts of the region has caused loss of life, increased humanitarian needs, disruption to government, UN and CSO service delivery, as well as increased instability in affected areas. The federal and regional governments have responded by deploying increased numbers of ENDF and regional forces to the affected areas to combat the OLA insurgency and ensure stability, so far with limited success, while adding further to the strain on ENDF capacity.

In other parts of the country, including Gambella and Benishangul-Gumuz regions, the government and ENDF accompanied by regional forces are also engaged in conflicts with other armed groups as well as insurgencies of varying scale, adding further pressure on federal and regional security forces in ensuring stability across the country. Instability in Ethiopia as a result of a convergence of factors, including from the conflict in Northern Ethiopia, has potential implications for both Somalia and Kenya. This includes potential spread of violence across the porous borders, widespread internal displacement, and risks of grievances potentially being exploited by criminal actors, violent extremist organisations and armed groups within the region. This has to some extent already happened with AS conducting attacks across the Somalia-Ethiopia border into the Somali region in July and August 2022⁵, and the attempt to infiltrate deeper into Ethiopian territory to, reportedly, establish a stronger foothold in Ethiopia. As a result of its proximity to Kenya and Somalia, Ethiopia's Somali region is a potential gateway for AS to increase instability across the region, should the security situation in Ethiopia deteriorate, and vice versa. The conflict(s) in Somalia and the interests of AS run the risk of converging in the Somali region if efforts are not made to address the root causes. AS has targeted this locality partly due to the porosity of the border, partly due to its proximity to Somalia but largely as fertile territory to exploit local level grievances between the Oromo, Somali and Amhara populations.

Terrorism and violent extremism: Violent extremism remains a major problem in the HoA and is contributing significantly to regional instability. The most prominent VEO is the Al Qaeda affiliated AS, who plays a key role in the political, social (including through their own form of justice provision) and economic system in Somalia, well beyond its areas of control. Whilst predominantly based in Somalia, AS has conducted numerous prominent attacks in Kenya over the past decade and carry out constant low-level attacks in the border counties between Kenya and Somalia.⁶

Historically the Ethiopian involvement in Somalia has been significant in relation to AS, since Ethiopia backed the Somali Transitional Federal Government (TGF) in 2006 to regain control over Mogadishu from the Islamic Court Union (ICU) and its radical military wing AS, which has since evolved into the AS, as known today. AS' interest in retaliation remains and it would be perceived by AS and its

⁵ [Al-Shabab Faces Pushback in Ethiopia's Somali Region \(voanews.com\)](https://voanews.com/story/al-shabab-faces-pushback-in-ethiopia-s-somali-region/2022-08-01)

⁶ [A New Phase in the Fight against al-Shabaab in the Horn of Africa - ICCT](https://www.icct.org/publications/a-new-phase-in-the-fight-against-al-shabaab-in-the-horn-of-africa/)

supporters as a very important victory to be able to establish and maintain a presence within Ethiopian territory, most likely the Somali region bordering Somalia.⁷ The risk has increased, as the group's ability to carry out attacks as well as its ambition to establish a presence is changing with the fluid and unstable political situation, and with significant military attention elsewhere, in particular the northern parts of the country.⁸ In July 2022 AS carried out a larger attack in the Somali region, leading to a response from the Ethiopian troops based in the region and counter attacks by AS⁹. The situation continues to be fragile and attacks like the ones seen in 2022 are likely to reoccur given developments in Somalia as well as the unstable situation in Ethiopia.

AS has a well-functioning propaganda apparatus and is increasing its global communication outreach to appeal for recruits and funding among its global audience. Moreover, recruitment of regional foreign fighters in particular from Kenya, Uganda, and Tanzania is well established¹⁰. The recruits are both based in their home countries operating from local cells and some travel to Somalia to become regional foreign fighters. There is focus internationally and regionally on disrupting international financial flows generated by AS, however, as documented by the UN Panel of Experts, the primary source of AS financing continues to be generated through local taxations at checkpoints as well as extortion of individuals and companies.¹¹

Islamic State (IS) in Somalia established itself in Puntland in 2015 and is situated in the Qandala mountains on the border with Somaliland.¹² IS in Somalia is led by Sheik Mumin, who defected from AS.¹³ ISS remains small in Somalia but is considered the regional headquarter for IS in East Africa and the coordinator and provider of financial support to other IS branches in the region. Their activities in Somalia are currently limited to carrying out sporadic attacks and intimidate local business owners in especially Mogadishu.

Regionally, analysts are concerned regarding the potential for AS, as well as IS, to further coordinate with associates from Somalia through Ethiopia to Democratic Republic of Congo (DRC) and further afield in Mozambique and parts of Kenya for attacks across the region.

Maritime and border insecurity and transnational organised crime: While piracy has significantly declined since its peak in 2011, transnational organised crime, including maritime crime, illegal unreported, and unregulated fishing and trafficking of humans, weapons, and wildlife in the region continues, with an observed increase in drug trade over the past two years.¹⁴¹⁵ At the same time, efforts to curb significant levels of piracy may have contributed to a blind spot with regards to transnational organised crime on land and the linkages to violent extremism. For example, East Africa

⁷ Harun Maruf & Dan Joseph, *Inside Al-Shabaab: The Secret History of Al-Qaeda's Most Powerful Ally* (Indiana: Indiana University Press, 2018), 48.

⁸ The group's ability to carry out physical attacks must be considered in relation to its recruitment appeal and strategies as well.

⁹ [Al-Shabab Faces Pushback in Ethiopia's Somali Region \(voanews.com\)](https://www.voanews.com/a/shabab-faces-pushback-in-ethiopia-s-somali-region/6012342.html)

¹⁰ ICG 2022, p. 22.

¹¹ [Letter dated 5 October 2021 from the Chair of the Security Council Committee pursuant to resolution 751 \(1992\) concerning Somalia addressed to the President of the Security Council: Final report of the Panel of Experts on Somalia \(S/2021/849\) \[EN/AR\] - Somalia | ReliefWeb](https://www.un.org/press/en/2021/scsmr20210901.shtml)

¹² [A Global Strategy to Address the Islamic State in Africa - ICCT](https://www.icct.org/publications/a-global-strategy-to-address-the-islamic-state-in-africa/)

¹³ [The Islamic State Threat in Somalia's Puntland State | Crisis Group](https://www.crisisgroup.org/africa/horn-of-africa/somalia/the-islamic-state-threat-in-somalia-s-puntland-state)

¹⁴ UNSC 2021; The Maritime Executive 2021.; Daghar 2022.

¹⁵ Briefing from Combined Maritime Forces. It must be noted that data from drugs trade of course is limited to shipments identified as opposed to actual trade.

was ranked as having the most significant levels of criminality across the whole of Africa between 2019-2021 by the ENACT Organised Crime Index.¹⁶ The porous borders between the countries in the region suffer from illegal trading of items such as narcotics, charcoal, sugar, and small arms and light weapons, human trafficking and smuggling, crimes against wildlife, and cattle rustling across and between all three countries. This has provided an enabling environment for VEOs and transnational organised crime networks to conduct illicit activities, causing instability along the borders as well as negatively contributing to fuelling existing conflicts and disabling licit trade.¹⁷

There is an urgent need for Kenya and Somalia to spearhead co-operation to curb illicit activities and promote a more inclusive and safer environment for licit trade to get established, and contribute positively to economic and social development in the much-deprived border areas.¹⁸ This would also allow for more unhindered access of humanitarian aid across the border, which continues to be a challenge. With Danish financial and technical support under previous phases of the PSP HoA, United Nations Office on Drugs and Crime (UNODC)'s Global Maritime Crime Programme (GMCP) has worked closely with the Government of Kenya to develop a tool to guide future efforts to combat illicit trade from which AS profits. GMCP has partnered with over 19 Kenyan government agencies to draft the Kenya Roadmap to Combating Illicit Trade and its effects along the Kenya Somalia border, which will be progressed during PSP HoA IV. A balance must be exercised between land and maritime interventions to avoid piracy re-emerging by diverting all resources to land based criminality. With the current limited maritime capabilities, there continues to be a need for strategic support to enhance the regional naval or coastguard presence and capabilities as well.

Gender inequality and lack of sustainable peace: Women and girls and marginalised groups are facing the greatest impact of the various political, security, environmental, and economic challenges currently facing the region.¹⁹ Across all three countries, there are significant but varying levels of gender inequality, prohibiting female involvement in decision-making, access to justice, finance, landownership, and opportunities, with women and girls at significant risk of violence and in particular sexual and gender-based violence (SGBV), particularly in areas with high levels of violence and conflict.²⁰ Denmark acknowledges that without gender equality at all layers of society in the region, there will remain significant obstacles to sustainable peace.

Somalia is ranked fourth lowest in the world for gender equality, with Female Genital Mutilation (FGM) for women and girls between 15-49 at 99.2%. The clan system in Somalia continues to be a barrier for the participation of women in many decision-making platforms. Women are directly impacted by cultural norms and the role of AS has limited female 'access to the public sphere', curtailment of women's rights, increased negative practices against women and forced marriages.²¹

In Ethiopia, the conflict in the north has disproportionately affected women and girls with reports of widespread use of rape and gender-based violence as a weapon of war by all parties to the conflict. Harmful and discriminating practices such as child marriage and FGM are also present in other regions of Ethiopia, including the Somali and Afar regions where e.g. exclusion and marginalisation are among

¹⁶ [Metekia 2022, East Africa could achieve better cooperation on criminal matters.](#)

¹⁷ *Ibid*, p. 5-6.

¹⁸ [A New Phase in the Fight against al-Shabaab in the Horn of Africa - ICCT](#)

¹⁹ Kurtzer et al. 2022, p. 1.

²⁰ Kurtzer et al. 2022, p. 1 ; United Nations 2022, p. 22-23.

²¹ ICG 2019.

key drivers of conflict and prevalence of SGBV, in particular for IDPs, are high. In Kenya, inter-communal violence and cattle raiding have both been driven by gender dynamics such as the need to pay a bride price, and affected women and girls who have experienced physical and sexual violence during raids and spouts of violence.

However, women and girls are not simply passive actors in the region. They have agency and play a key role in community resilience and improving stability in the region. Women are also reported to engage in violence and conflict. For example, women are known to play key roles within AS such as intelligence gathering, recruiting new members, duksi teachers leading religious and doctrine schools, as cooks or cleaners, as well as in some cases, conducting attacks. Due to cultural norms surrounding women in the PSP HoA region, they are often overlooked within stabilisation and Disarmament, Demobilisation and Reintegration (DDR) processes, despite being key conflict actors.

Climate change and insecurity: The HoA region, specifically areas of southern and eastern Ethiopia, northern Kenya and northern, central and southcentral Somalia, is currently facing its most severe drought in over 40 years. The La Niña weather phenomenon has caused the region to face its fifth unsuccessful rainy season, devastating harvests and leading to the deaths of over 7m livestock.²² This has put millions of people in grave humanitarian danger and acute food insecurity with rising malnutrition, and in no small part further deteriorated by the Ukraine war wheat shortage. Somalia is the most affected due to a lack of resources and resilience and severe land degradation leading to famine-like conditions, documented in eight regions of Somalia so far.²³ The crisis is contributing to and affected by conflict dynamics, particularly by intensifying internal displacement across all three countries and beyond.²⁴ There is also evidence of actors such as AS exploiting these dynamics by destroying, e.g., water infrastructure and controlling access to and taxing humanitarian aid in Somalia.²⁵ Further research is needed to understand the interrelationship between climate change, stability and conflict more broadly in the region and to gain sufficient evidence to inform programming adequately in the future e.g. to ensure a conflict sensitive approach to resource access and management.^{26,27,28}

Poverty, vulnerability to external shocks and poor resilience: In the HoA region, multi-dimensional poverty and conflict reinforce each other. The region is highly vulnerable to external shocks, which heighten insecurity and exacerbate existing conflict dynamics. This can be seen most recently through the war in Ukraine which has exacerbated acute food insecurity and prices of food items, which affect the poorest members of society, and make them more vulnerable to targeting by extremist groups or organised criminal gangs. Somalia, Kenya, and Ethiopia are collectively dependent on Russia and Ukraine for 90% of their imported wheat (rising as high as 92% for Somalia) – which represents 84% of the total wheat consumed in the region.²⁹ The war in Ukraine has led to the significant rise in the cost of food, fertilizer and fuel, directly impacting all three countries.³⁰

²² Kurtzer et al. 2022, p.1 ; Agenzia Fides 2022 ; IOM 2022.

²³ OCHA June 2022, p. 1 ; IOM 2022.

²⁴ Kurtzer et al. 2022, p.1.

²⁵ Kurtzer et al. 2022, p. 3.

²⁶ [5-How-to-Peacebuilding-and-Stabilisation \(1\).pdf](#)

²⁷ [3-How-to-Climate-adaptation-Nature-and-Environment.pdf](#)

²⁸ This will be particularly difficult in Somalia.

²⁹ IRC 2022, p. 2; Raghavan 2022; WFP 2022, p. 2.

³⁰ IRC 2022, p. 6; WFP 2022, p. 2; Oxfam Canada 2022.

The challenge of regional cooperation and donor coordination: The regional nature of the challenges are compounded by the relatively limited capabilities of the regional organisations to manage regional conflicts, and land or maritime insecurity. Further, in terms of inter-African coordination and regional and international cooperation, there are concerns regarding the inability of the region to respond to its own challenges. Key regional organisations such as the African Union (AU), Intergovernmental Authority on Development (IGAD), and East African Standby Force (EASF) are challenged by the regional and national politics as they all rely on Ethiopia, Kenya and to a lesser extent, Sudan, to play an enabling role. This has led to a lack of regional or member state response to the challenges of the region and contributed to actors seeking to identify new platforms for regional engagements and deployment of troops in regional conflicts such as the East African Community (EAC)³¹.

There are a range of key actors currently operating in the region. Of key international donors and actors, this includes the United States (US), United Kingdom (UK), the European Union (EU), Germany, France, Sweden, Japan, and the Netherlands. There has also been a rise of so-called non-traditional actors such as Egypt, China, and the continuing engagement of Turkey and several Gulf states such as the United Arab Emirates (UAE) and Qatar³². In recent years, the Horn – particularly Somalia - has provided an arena for tensions between the UAE and Saudi Arabia on one side, and Turkey and Qatar on the other.³³ Actors such as Turkey have deliberately attempted to position themselves as an alternative to western donors in the region and finally, there is evidence of Russia running pro-Kremlin information campaigns to build regional support, as found in Ethiopia.³⁴ This highlights the critical role that Denmark needs to play in protecting democratic values and the rules-based system, including making it a strategic priority to lead and coordinate with like-minded donors as well as having a coordinated strategy for how to engage with others.

The diversity of interests, resources, political priorities, and systems provide a challenging environment for donor coordination on peace and stability, representing an additional dynamic to the evolving threat to stability in the region. The changing role of international actors, particularly the decline in engagement by some key Western actors, as well as the increased involvement of certain non-traditional actors, has altered the balance and can undermine current interventions. Among like-minded donors, a key issue currently faced is a lack of strategic level coordination, leading to duplication, lack of coherent messaging, and a risk of undermining stabilisation activities. As a key 'bridge' between the US and UK on the one hand, and the EU and its member states on the other, Denmark is well placed to have political access and influence using its programmatic related to this. Denmark's 'opt out' to EU military cooperation no longer applies, which also provides potential for more secondments to EU missions.

2.2 Rationale

Scenarios and their implications

To inform the rationale of the programme this section describes the most likely scenarios if no interventions were to be implemented and sets the focus of the programme in terms of the problems it is set out to address. Consequentially, the scenarios provide the basis for the key assumptions used

³¹ [EAC leaders endorse deployment of troops to stabilise Congo - The East African](#)

³² Lanfranchi 2021; ACLED 2022.

³³ African Liberty 2022; ICG 2019, p. i.

³⁴ EUISS 2022, p. 66.

in the programme formulation, on the basis of which the theory of change and its supporting results framework is built.

Somalia 2023-2026

Political	↑
Economic	→
Security	↓
Social	↓

The context analysis points to the most likely scenario for the 2023-2026 PSP HoA IV in Somalia being that it maintains its protracted conflict, insecurity continues, poverty and inequality remain pervasive, and the management of and responses to the climate crisis remains inadequate. The structures of government will remain but will continue to be unstable as the root causes of conflict, including poverty, are unaddressed. Regardless of government-led offensives, AS will continue to seek to consolidate power across the country, attempt to position themselves as an alternative to the state – using strategic communications to further exacerbate social tensions.

The impact of the climate crisis will continue to worsen as frequency and severity of drought are predicted to increase over the next four years of the PSP IV, further increasing displacement and competition over land and resources. Should the current economic hardship continue, when combined with increasing inequality, this will also provide an opportunity for criminal actors and AS to further exploit ethnic, political, and social grievances; as well as adversely impact women, further entrenching gender inequality in the country, and violence, including sexual and gender-based violence, against women and girls. Whilst President Hassan Sheikh Mohamud has outlined some priorities such as tackling AS militarily, financially and ideologically, it is currently unclear to what extent international actors will support this policy to the scale required. There are also concerns that the current focus on security is diverting the needed investments in a political settlement process, which is a root cause to the current instability and fundamental to fighting AS. If there is no reconciliation and political settlement, AS will continue to be able to exploit grievances to counter offences against them and continue to re-establish a presence in the rural areas outside FGS reach.

The planned ATMIS drawdown – currently scheduled for December 2024 – also remains a critical concern with challenges both in terms of a smooth transition to FGS responsibility (both on land and at sea) as well as the challenges of doing this in a region that is much more unstable than when the commitments were made. However, there is still no agreed threat assessment between ATMIS, the Somali government, and donors, with no agreement on the nature of capabilities required by the Somali Security Forces to respond to it. Connected to this is ensuring that the Somali Federal and FMS forces are trained in a way that responds to the threat and are coordinated with wider political and civilian stabilisation efforts.

A fundamental problem in current stabilisation efforts in Somalia has been the widening gap between military-led stabilisation interventions and civilian responses. Without a coordinated and coherent means of engaging in newly recovered areas there is a great risk of wider AS retribution. AS have demonstrated that they are more effective at attack than defence, but equally without this issue being addressed, areas will just keep being transferred from AS to government and back again with the risk

of the population losing confidence in government efforts and suffering economically in the interim, and possibly the offensive losing support and momentum.

The current government led offensive and local support from and to clan militia has been gaining momentum, and leading to movement of AS forces, but are also unpredictable. This current situation requires engagement partners such as the Early Recovery Initiative (ERI) and the Somalia Stability Fund (SSF) to entrench various entry points in order to deepen efforts for stability. Similarly, the Climate Security Consortium will identify their locations based on overlapping criteria focusing on climate driven conflict, access and established presence most likely in Galmudug or Hirshabelle, which could be affected by the current dynamics and offences in Hiraan.

Economically, a number of urban centres – not least Mogadishu, Hargeisa and Berbera – have seen very significant growth with strong indications of continued growth opportunities in services, energy and even production. Given per capita growth has been stagnant, this supports other evidence that rural populations and livelihoods have gotten poorer. All indications are that rural-to-urban migration rates will remain high (and that present IDPs are 70-80% likely to remain in the urban areas they have come to). Looking ahead and given the main population scenarios estimate that Somalia's population will double in the next 24-25 years, there will be massive requirements to manage and plan land and urban expansion, as well as to ensure that the proceeds of growth are more equitably distributed.

In terms of social factors, rights, accountability and inclusion remain issues of critical importance to address: On the one hand, Somalia has a strong active citizenry, with high levels of attention to radio and social media platforms. On the other hand, Somalia is one of the most difficult places to live in terms of rights and not least for women and girls. Violations are frequent, legislation is not clear and socioeconomic mechanisms mean that abuses are often left unhandled. The recent election process was seen by the majority as less transparent and less inclusive than the 2016-17 process. Space for journalists and media has been shrinking and with a range of ad hoc and administrative tool being applied.

If current plans fail and the situation significantly deteriorates, one worst case scenario would be if AS attacks major government infrastructure, regains control of main strategic town and establishes a significantly stronger presence in Mogadishu, if ATMIS discontinues without a proper handover. Other scenarios that would hamper development includes that the country experiences serious interstate and clan conflict or that the current tensions between the FGS and FMS deteriorates into open conflict.

With Denmark's policy focus on coordination between humanitarian, development and peacebuilding actors (the HDP nexus) and its interest in enhancing sustainable peacebuilding and stabilisation, Denmark has a strategic role to play in contributing to avoiding Somalia spilling into these worst-case scenarios. The proposed engagements under the PSP HoA IV would play a role in attempting to mitigate the negative impacts of violence by proactively promoting local governance initiatives, political settlements and local level reconciliation. The present country programme has several interventions in this area as well – working to address root causes at national, regional and local levels; widening and deepening the political settlement as well as building local capacity to create dialogue and ideas on options and solutions.

Political	→
Economic	↓
Security	→
Social	↓

The most likely scenario for Ethiopia for the 2023-2026 PSP HoA IV is the continuation of a number of its internal conflicts, locally based discontent with the federal and regional governments, continued economic hardship affecting the population, and the intensification of the climate crisis. While the peace agreement between the government and TPLF effectively put an end to the conflict in northern Ethiopia, there is a massive post conflict follow up, especially in relation to humanitarian needs and accountability, and the conflict levels are likely to remain medium to high throughout the country. Tension in Oromia region risks escalating, as the government responds to the threat by OLA, which risk impacting the Somalia region and other regional border areas of Oromia. While the government of Ethiopia has established a National Dialogue Commission, it remains to be seen if the dialogue process foreseen to be launched in first half of 2023 will be effective in addressing some of the underlying issues for political instability, ethnic grievances and conflicts throughout the country. The northern regions (Tigray, Afar and Amhara regions) have enormous needs for reconstruction of basic infrastructure as well as support to reconciliation among local communities and the delivery of services such as justice to survivors of SGBV and human right violations.

Ethiopia in general still has huge needs for recovery efforts after COVID-19, including on education, economy, malnutrition, unemployment etc. The economy has been damaged significantly first by COVID, then by conflict, and will take a considerable amount of time and economic policy reforms to recover, as will ongoing social tensions created through misinformation and hate speech, also on social Media.

This focus on internal conflict and the preoccupation of federal and regional security forces in the North as well as in Oromia, particularly the Western part, might enable AS to draw advantage to stage attacks or increase their presence in areas with less security and intelligence service presence, particularly in eastern Somali region where they have already carried out attacks (in July 2022) and might wish to increase their foothold and use Ethiopia as a possible staging ground given the developments in Somalia. The incident in July 2022 has raised significant concerns regarding the security of Ethiopia's border with Somalia, which due to the conflict in the North was patrolled only by regional state forces.

Conflicts has intensified as resources become scarcer and livelihoods more precarious due to climate change induced crises such as drought, flooding, and environmental degradation. The past two years (2020-2022) saw the longest and most severe drought in the Horn of Africa on record, leading to widespread humanitarian needs due to loss of livelihoods across large parts of the country. Drought and high prices on food, seeds and fertilizer have undercut many people's ability to maintain their productive assets, including livestock and crops. The impact of the climate crisis is forecast to worsen, further contributing to the decline of the economy, the intensification of conflict and competition over resources, and intercommunal violence. This will also continue to worsen the situation for women in the country, already facing significant and disproportionate challenges, gender inequality and sexual and gender-based violence.

Ethiopia's re-involvement at FMS level in Somalia must also be closely monitored, whilst relations appear to have improved between Somalia and Ethiopia at a federal government level with the new administration, senior ENDF generals have visited several FMS in Somalia, including South West State, which could be interpreted as a reorientation of support.

Kenya 2023-2026

Political	↑
Economic	→
Security	→
Social	→

Kenya is the stable, long-standing partner in the region, and can act as both an anchor and a promoter of peace and stability. Kenya is expected to stay reasonably stable during the PSP HoA IV programme period. The country is anticipated to continue to face significant external pressures such as the effects of climate change, ongoing pressure from conflicts in its neighbouring countries, and the Ukraine war. With the incoming administrations focussed on improving the economic situation, this is likely to be a constant priority in all aspects including cross border trade and providing more fair access to markets for small traders. This very much 'goes with the grain' of the multi-dimensional poverty concept which Denmark advocates.

However, limited large scale changes are expected with regards to the stability of the country as the new administration is currently in the process of reconsolidating its partnerships with international partners supporting the security sector, but also with China in terms of financial and infrastructural support. Kenya is likely to continue or enhance its leadership in supporting regional interventions contributing to enhanced national and regional security on land and at sea. This is exemplified in the appointment of the former President Uhuru Kenyatta as Peace Envoy and his engagement in peace talks in Ethiopia and most recently the Democratic Republic of Congo. Another possible avenue to regional interventions may arise from Kenya's coming overtaking of the political and operational leadership in EASF.

Women are expected to continue to face inequalities, with limited decision-making roles, lacking access to education, and experiencing high levels of violence. Factors which could affect this could include the intensification of AS' presence or attacks in Kenya, as well as spill over violence from Somalia, due to the instability and proxy conflict of gulf states to play out. It will be important to keep a watching brief on social tensions that developed during the election campaign and monitor the extent to which the Government promotes inclusivity across the population.

2.3 Key strategy and policy considerations

The PSP HoA IV is informed by the Danish Foreign and Security Policy Strategy 2022-2025³⁵ and Denmark's Strategy for Development Cooperation, The World We Share 2021-2025³⁶ and the Danish National Action Plan on Women Peace and Security.³⁷ Based on the policy strategies, the programme is committed to a range of cross-cutting priorities including ensuring a human rights-based approach and gender considerations; aligning with the humanitarian-peace-development nexus and Doing

³⁵ <https://um.dk/en/foreign-policy/foreign-and-security-policy-strategy-2022>

³⁶ <https://um.dk/en/news/newsdisplaypage/?newsID=F401381F-A342-4D38-AA4F-B10A312A6287>

³⁷ <https://um.dk/~media/um/english-site/documents/denmarks%20national%20action%20plan%20on%20wps%2020202024.pdf?la=da>

Development Differently principles; focusing on WPS in line with UNSC resolution 1325; preventing/countering violent extremism; reducing poverty and responding to climate change.

The PSP HoA IV aims to act as a bridge between the current Kenya, Somalia and Ethiopia Country Programmes and Strategic Frameworks as well as the Africa Programme for Peace (APP) with the aim of creating an enabling environment for longer-term development engagements and working on cross-border challenges, which are not addressed in the Country Programmes and Frameworks. The PSP HoA IV also provides an important mechanism to integrate Danish domestic and international policy objectives into coherent programmatic responses. As part of this, the programme will be **adaptive and flexible** to respond to the changing context, which is more challenging for country programmes. It will utilise the ODA and non-ODA resources available to PSP programmes to develop civil-military Whole-of-Government responses to address the identified gap between security, stabilisation and political settlement activities. The PSP HoA IV will also emphasise linking political engagement with programming to maximise the effect of interventions.

Gender is identified as a cross-cutting priority in the PSP HoA IV. This follows the Danish national commitment to doing more to address the significant global gender imbalances. In HoA region, the dynamics of gender inequality are deeply ingrained in the social, economic and cultural systems, which means that addressing the deep-rooted problems will require extensive effort. No single solution will be possible. Therefore, all the engagements in this programme will have a constant attention to gender inequality, with the programme actively embedding indicators into all partner results frameworks to ensure adequate focus³⁸. Some engagements may have a greater focus on encouraging female leadership (such as the engagement with the Kenya Navy), others will ensure a focus on gendered radicalisation and recruitment (such as the engagement with PET and International Organisation for Migration (IOM)) and others again will have a greater focus on gender equality at community level (such as the Climate Security Consortium) and finally as an example the SSF and the ERI will have a greater focus on women's inclusion in political settlement processes at local, regional and national level in Somalia.

The Foreign and Security Policy and Denmark's Strategy for Development Cooperation both state the commitment to strengthen Danish engagement in the HoA. Key priorities include tackling **climate change**, as well as responding to and tackling irregular migration from the HoA. Under the PSP HoA IV, climate change will be a cross-cutting priority and is the multi-dimensional effects of climate change is understood as a root cause of irregular migration. The PSP HoA IV seeks to address this priority from a peace and stabilisation perspective with a focus on the interplay between climate change and security, especially on a local level. This decision will materialise first of all in a single engagement trying to take an innovative approach through a pilot project in partnership with IOM, United Nations Environment Programme (UNEP) and Berghof Foundation. There is general agreement among key donor partners and multilateral agencies operating in the region that further research and piloting is needed to understand the relationship between climate change, stability and conflict more broadly in the region and to gain sufficient evidence to inform programming adequately in the future. This is also to ensure a conflict sensitive approach to e.g. resource access and management, and how to comprehensively and sustainably address the key drivers of climate change, population growth and environmental degradation, including human made climate change. Other engagements that will

³⁸ [Guidance-Note-Women-Peace-Security-April-2021 \(1\).pdf](#)

include climate security aspects are the SSF, the ERI and civil society focused peacebuilding engagement in the Somali region in Ethiopia, but based on conclusions from further research under the programme on climate change and security, more opportunities may arise.

Poverty and inequality are both a cause and a consequence of fragility and conflict in the HoA region. As stressed in 'The World We Share', the multidimensional poverty concept is about creating hope and opportunities for people in e.g. fragile countries and regions affected by conflict. In the PSP HoA IV, the multidimensional poverty concept is addressed through incorporation of the dimension of improving personal safety and security in the objective of the programme and throughout all engagements. This applies concretely, for instance, to interventions that work on strengthening the capacity and incentive of states to deliver security and protection. It also applies to interventions that strive to address political settlement and reconciliation on a local, regional and national level in both Somalia and Ethiopia, and early stabilisation interventions that strive to address immediate personal security deficits in liberated areas. The programme also addresses the "Voice" dimension by trying to facilitate a stronger voice for marginalised groups (women, youth, more disadvantaged clans) and ultimately a more inclusive political settlement.

Multilateral partnerships are crucial in peace and stabilisation activities in the region and a key priority for Denmark.³⁹ This is based on the recognition that Denmark can have the greatest impact by having a seat at the table, can increase coherence across different engagements, and prohibits interventions from being duplicated or undermining other activities. This is particularly important given Danish aspiration for a seat on the United Nations Security Council for 2025-26 and therefore is a major focus of the PSP HoA Phase IV. Key interventions in the PSP involving either regional or multilateral peace and security institutions have so far included support to the EASF, IGAD's Regional Strategy for preventing and countering violent extremism, and engagements with UNODC and IOM. Engagements with these organisations will continue in PSP HoA IV, but with changes in the concrete interventions. Denmark's support to IGAD will be allocated to IGAD's Peace and Security Division (PSD) when the engagement is moved to the PSP HoA IV after the conclusion of the Africa Programme for Peace (APP) phase IV. Denmark's support to IGAD's Centre for Preventing and Countering Violent Extremism (ICEPCVE) will not be extended due to insufficient results and prove of concept.

The Danish engagement with Kenya Navy has already resulted in close ties to international and multinational maritime organisations like the International Maritime Organisation (IMO), Djibouti Code of Conduct (DCoC), and Combined Maritime Force (CMF), whereby adding to Denmark's maritime credibility in the region. A further example of where Denmark has influence is through the Nairobi-based Defence Attaché's role as Chairperson for the Friends of the Eastern Africa Standby Force (FoEASF) giving direct access to the 10 Member States' Defence/Security Ministers biannually and more infrequently to the Heads of State. The engagement with the International Peace Support Training Centre (IPSTC) aimed at training forces from across the continent to be deployed in peacekeeping operations is another example of how the PSP HoA IV will support promotion of regional and continental solutions to peace and security challenges.

The PSP HoA IV will also continue to work through strategic bilateral partnerships including with the UK Foreign, Commonwealth and Development Office in SSF and ERI, the British Peace Support Team

³⁹ How-to note for implementation of 'The World We Share': Peacebuilding and stabilisation.

Africa (BPST), and with the UK, Germany and the US to support a coherent approach to dealing with defectors from AS.

The PSP HoA IV will also put emphasis on the **localisation agenda**⁴⁰ and focus interventions on working at the local level, including working with civil society organisations. This will specifically result in the design of a new civil society engagement with a focus on the Somali region in Ethiopia (bordering Kenya and Somalia), which seeks to build community resilience and conflict management mechanisms to mitigate the effects of internal instability both in Ethiopia, as well as regional insecurity arising from Ethiopia itself. Engagement at the local level and working with local partners are also key components of the engagement with SSF, ERI and the climate consortium (IOM, UNEP and Berghof Foundation).

2.4 Justification

Results and lessons learned from previous support

The PSP HoA phase IV builds on past results and lessons learned from previous phases of the programme, including the Mid-Term Review of the Peace and Stabilisation Programme for the Horn of Africa 2018-2022 and the evaluation of the PSF, including the case study of the Peace and Stabilisation Programme for the Horn of Africa from 2014-2020. The following lessons learned have guided the programme formulation:

- The major lesson from the previous phase of the PSP is the need to **ensure a realistic objective of the programme**, which is not too ambitious and based on clear assumptions. PSP HoA IV will build on this lesson and has in the objective and outcomes strived to ensure that these are ambitious but achievable within the given timeframe and context. The outcomes and the assumptions will be assessed on a regular basis, including in connection with an annual inter-ministerial stocktaking exercise, to consider if they are achievable or whether any adjustments may be relevant.
- To better identify and articulate impact, the programme also aims to learn from the previous phases by **adopting a coherent and manageable results framework (RF)** that encourages ownership among both implementing partners and national counterparts. The PSP HoA IV will adopt an adaptive management approach to the results framework according to the Doing Development Differently principles. A concerted effort has been made to maximise partner ownership of results by including high-level outcomes within the PSP HoA IV results framework, while reflecting partners' own outcomes at interim or programme outcome level. This enables a clear 'line of sight' to be achieved between Danish foreign policy objectives and partners' interpretation of how to implement them in their operating contexts. Also, risk management and reporting will be streamlined to ensure that the programme can be adjusted in a timely manner and results can be examined throughout the duration of the programme. It is also acknowledged that in particular in the most complex problems such as WPS there will be limited progress if indicators are not integrated into the intermediary outcome indicators for the programme and therefore all partners.⁴¹ Consequently, crosscutting

⁴⁰ This implies paying attention to the various dimensions of local leadership, including the South partners' ownership, as well as coordination, capacity development and financial transfers to local partners. How-to note for implementation of 'The world we share': Danish support for civil society p. 9.

⁴¹ [Guidance-Note-Women-Peace-Security-April-2021 \(1\).pdf](#)

indicators focussing on WPS have been proposed at strategic level in the programme RF and all partners are required to have 2-3 indicators as part of their RFs.

- The PSP HoA IV will also ensure **stronger synergies across the programme**. A key recommendation brought forward has been the need for a more integrated approach, strengthening linkages between the engagements under one overarching theory of change and results framework. This enables a strengthening of the regional focus and a clearer articulation of how each engagement must contribute to the overall programme objective. It is acknowledged that the rapidly changing regional context necessitates a regional approach, as most of the drivers of conflict are regional or cross-border and cannot be addressed unilaterally. It was found in the previous phase that certain interventions operated in silos with very little interaction between the different implementing partners, also within Thematic Programmes. The PSP HoA IV will focus on the regional nature of the programme and how the outcomes of the specific interventions link to the wider intended regional outcomes of the PSP.⁴² This will be supported by programme management to enable systematic learning between different engagements to explore where different engagements can support one another.
- Another main lesson learned from the PSP HoA III was that **achievement of outcomes rested on the political will of all involved stakeholders**, rather than just their capacity. The PSP HoA IV acknowledges that as an example “the ambitions of EASF have been high and the assumption that technical capacity building is a direct stepping-stone to outcomes is over optimistic, given the necessity of political will”.⁴³ Careful thought has been given to the PSP HoA IV design phase as to whether to continue with support to especially EASF and IGAD Centre of Excellence for Preventing and Countering Violent Extremism (ICEPCVE), given previous challenges in meeting set objectives and showing impact of interventions. As a result, the support to IGAD ICEPCVE will not be continued. For EASF it was concluded that the strategic imperative need to develop sustainable regional peace and security capability outweighed the operational concerns. However, the performance deficits will be mitigated. The EASF continues to be considered and should be promoted as an important forum for 10 regional states to discuss issues of peace and security. The engagement with EASF will also continue due to the fact that it has been a long-term partnership, which poses opportunities for the promotion of Danish priorities and values, including human rights and the protection of women and girls in conflict settings. The support to EASF will be combined with support to the IPSTC to leverage the support to capacity building of regional states in the area of peace and security. The above reasoning will be reflected in a revised realistic outcome of continued support. A clear exit-strategy has also been put in place, if targets are not met. As such, continued support to EASF after the first two years will depend on a positive mid-term review with adequate evidence of performance against clear, mutually agreed, benchmarks. Another way to promote ownership and political will is the use of co-funding of initiatives. For example, the defectors programme implemented by IOM will be funded through a joint donor fund with a specific mandate to implement an exit strategy for donors and transfer of ownership and

⁴² Danish HoA Case Study Report, p.12.

⁴³ Danish HoA Case Study Report, p.12.

financing to the Somali Government over a two-year period. A similar approach will be used for the implementation of the Kenya Road Map to Combat Illicit Trade and its effects along the Kenya-Somalia border by UNODC.

- The PSP HoA IV acknowledges that “the support to regional peacekeeping capacity/conflict management capacity seems to be based on the unrealistic assumptions that regional peacekeeping forces can secure territories (newly liberated areas), and that these can be maintained through civilian engagements (development)”.⁴⁴ The PSP HoA IV will put **more emphasis on the area of early recovery, stabilisation and inclusive political settlements, rather than just military interventions**. Support to SSF and the Somali Dialogue Platform will seek to transform the current elite bargain in Somalia into an enhanced more, inclusive and cohesive political system in Somalia. This is carefully coordinated with the Country Programme where long-term state-building and policy capability efforts are front and centre of interventions.

Justification against OECD-DAC criteria

The PSP HoA IV is committed to ensuring that it follows to OECD-DAC criteria, including Do-No-Harm and OECD DAC Principles for Good International Engagement in Fragile States. The programme has been designed in accordance with the six DAC criteria; relevance, effectiveness, efficiency, coherence, sustainability and impact in terms of choice of partner, aid modalities, capacity building and technical assistance.

Relevance: Peace and Stabilisation are critical to all three countries in the region, with many of the issues remaining the same from the last programme design. New drivers of conflict and instability, particularly in Ethiopia, demonstrate the need to respond to the security challenges in the region. The HoA has been identified as a priority to address for Denmark, particularly in relation to climate insecurity and irregular migration. Furthermore, responding to violent extremism, strengthening the relevant security sectors in Somalia and Kenya, whilst supporting civil society in Ethiopia, and peacebuilding regionally are all critical to Danish priorities and protection of interests.

The PSP HoA has been formulated based on extensive conflict and context analysis to ensure that it responds to the continuing and new challenges faced in the region. Additional emphasis will be placed in PSP HoA IV in ensuring that the programme evolves and adapts during implementation in response to ongoing conflict and stability dynamics. Further, the specific interventions funded through the programme have been co-created wherever possible in close collaboration with the respective partners and/or have built upon prior engagements from the previous phase of the programme.

Effectiveness: The PSP HoA will build on the strong partnerships already developed with key organisations operating in the region. The partners that will be selected for PSP HoA IV have demonstrated strong credibility across all three countries and the ability to continue to operate within the environment. To maximise effectiveness, the programme will also remain able to adapt quickly when necessary to ensure that the programme responds to changes in the context. Key actors outlined as part of this include the SSF, UNODC and other UN partners. This will enable the new phase to deploy at pace following the formulation phase. In response to lessons identified from previous phases of PSP

⁴⁴ Danish HoA Case Study Report, p.12.

HoA, increased investments will be made in monitoring, evaluation, accountability, and learning (MEAL) to enable the programme to better assess effectiveness during implementation (rather than await the outcomes of Mid-Term or End-Term Reviews), and identify, share, and apply lessons and best practices across the investments made on a quarterly basis.

Efficiency: To maximise the efficiency of the PSP, the programme will ensure that the portfolio remains practicable through the adaptive engagement of different partners on the programme, as well as stronger project management capability. Building on lessons identified from previous phases of PSP HoA, greater emphasis will be placed on tracking project spend against forecasts, and over-programming and or reallocating resources from underspending projects more proactively. This may require additional resources to be allocated to project management. By working through international coalitions and multi-donor funding arrangements Denmark will seek to leverage the resources of other donors in support of Danish foreign policy objectives.

Coherence: The MTR revealed that the previous PSP was coherent with other Danish instruments in the region, as well as other donor initiatives. This remains the same for the new PSP HoA, with key areas of focus including stability, violent extremism, climate change and women peace and security. Within these sectors, Denmark is highly coherent with likeminded donors, and intends to remain so throughout this phase. This will be achieved to a degree through the choices of modalities – in large part working through international coalitions and multi-donor funding arrangements, which require a level of regular coordination on priorities. Coherence will also be achieved and maintained by aligning with the policies and strategies of regional, national, and local actors. Finally, maintaining some of the partnerships from previous phases of the programme will enable shared ways of thinking and working to be sustained throughout this fourth phase.

Sustainability: The impact of the programme is intended to be sustainable in the long term for the region. This includes providing support to regional actors such as IGAD, as well as national governments and civil society organisations. A clear lesson from previous phases is that all engagements should be implemented with an exit strategy in mind, as well as regular assessments to address any challenges with exit or with retaining the benefits of the intervention. Additional emphasis will be placed upon the development and monitoring of such exit strategies throughout implementation.

Impact: The programme builds on the progress made in the previous iterations of the PSP. Engagements where impact has been made are being continued such as support to the EASF, the SSF, and PET/NCTC. The programme also responds to areas where impact has been lower such as support to the previously named AMISOM, now ATMIS, which will subsequently not be extended under PSP HoA IV. Furthermore, to respond to the challenges faced by the previous phase, the PSP HoA IV has tighter objectives to link together the different engagements of the programme and enable greater adaptability. Additional MEAL resources will be invested in establishing more clearly what impact will look like, and how this will be measured and articulated at both the project and programme level. The enhanced focus on policy and political dialogue will be captured at outcome and impact level through influence related indicators as outlined in the Theory of Change. Being a stabilisation and peace enhancement programme, progress made in areas relating to political and policy dialogue are important to capture and track. Similarly, indicators along the key impact areas the programme is seeking to have with both government and civil society partners will include WPS specific measures.

3. Programme Objective

The overall objective of the PSP HoA IV is:

To contribute to addressing the root causes of insecurity and instability in the Horn of Africa region, and help mitigate the consequences in Somalia, Ethiopia and Kenya and their destabilising impact on each other in an effort to improve personal security, peace and stability in the region.

The PSP HoA IV will contribute to the first aim of objective 4 (i.e., “Denmark must deliver safety and security through peacebuilding and stabilisation”) of Denmark’s Strategy for Development Cooperation ‘The World We Share’:

*Fight the fundamental causes of fragility, instability, crises and conflict through systematically integrating prevention in our activities, supporting conflict prevention, peace and stabilisation, and incorporating marginalised groups, women, children, young people, climate and human rights in everything we do.*⁴⁵

The focus on fighting fundamental causes of fragility is in this programme understood as assisting the parties to a conflict in finding peaceful solutions to the root causes of their conflict and in moving towards a situation in which local institutions become capable of handling social tensions.

The PSP HoA IV objective is also guided by the definition of ‘peacebuilding and stabilisation’ as defined in the ‘How-to-note on peacebuilding and stabilisation’⁴⁶:

*Peacebuilding and stabilisation interventions are engagements in unstable and conflict-affected areas whose objective is to support sustaining peace, understanding sustaining peace as a process towards the creation of a society that takes the needs of all population groups into account.*⁴⁷

In order to achieve its overall objective, the PSP HoA IV will be guided by three principles:

- Protecting the means of survival: Support efforts to address any immediate deficits to peacebuilding and peaceful political processes, including immediate security concerns.
- Promoting and supporting a political process to reduce violence: Stabilisation must work to support and foster political deals and bargains among key conflict elites and actors.
- Preparing a foundation for longer term stability: A transitory activity contributing to the wider goal of creating the conditions for long-term stability.

The first principle will help mitigate the immediate consequences of instability in the region, whereas the second and third principle will contribute addressing the causes of instability (for more details, see Section 11 on the envisaged interventions).

⁴⁵ The other (instrumental) aims of objective 4 of ‘The world we share’ strategy are: Contribute to rebuilding societies so as to enable people to create a life for themselves in their home countries; Support UN peace and stabilisation programmes and EU civilian missions in crisis areas; Support and strengthen multilateral cooperation in relation to fragility, conflict and violence; Cooperation with local, regional and international actors, including the African Union.

⁴⁶ How-to note for Peacebuilding and Stabilisation, p. 5.

⁴⁷ How-to note for Peacebuilding and Stabilisation, p. 5.

The programme entails two outcome areas. The first outcome focuses on promoting a political process and preparing the foundations for long-term stability, i.e. addressing the root causes of instability. The second outcome focuses on protecting the political spaces from spoilers and conflict drivers, i.e. helping to mitigate the consequences of instability.

Outcome 1: **Political Stability** - Political settlements in Somalia and Ethiopia, and targeted regional cross border areas are more inclusive and stable.

Outcome 2: **Preventing and countering violent extremism and transnational organised crime** – Violent Extremist Organisation's (VEOs) and transnational organised crime networks' influence and their means of gaining revenue and capabilities in the Horn of Africa on land and at sea are diminished through strengthened bilateral and regional capabilities.

The context section shows how conflict and instability in the HoA region is caused by violent political contestations, which have been fuelled by political, economic and social marginalisation, coupled with the absence of mechanisms to peacefully address grievances (this has been the case for Somalia for the last three decades).

At present, the centre of gravity of the programme remains in Somalia with a strong emphasis on an integrated approach bringing stabilisation, early recovery, defection and political settlement processes into the core of the programme. The programme will also seek to reduce the threat from AS from a regional perspective in terms of prevention of recruitment and radicalisation, countering financing and illegal trade, militarily on land and at sea as well as in terms of disengagement of fighters.

The increasing instability in Ethiopia, and its potential effect on the wider region, has been explored and considered as part of the formulation process. The programme includes an engagement in the Somali region of Ethiopia and its borderlands with the aim to enhance local political settlement, and prevent, mitigate and respond to conflicts and risks of recruitment and radicalisation by AS and affiliated groups as a result of a strengthened and resilient peace architecture that is more inclusive and responsive to cross-border dynamics and external shocks, such as climate change as well as presence and attacks by AS. Therefore, the programme will closely monitor and assess if opportunities for investment becomes available in relation to reducing the risk of instability in Ethiopia spilling over into the region.

Although an important driver of conflict, violent extremism is considered in the PSP HoA IV as the result of the violent political contestations, where certain groups, such as AS, have endorsed a violent extremist ideology to advance their own agendas, rather than the cause of instability (though a cause of insecurity). At the same time VEOs prosper on transnational organised crime of illicit and licit goods across porous and unguarded land and maritime borders. These symptoms of instability need to be addressed, given that the insecurity they bring hinders progress in peacebuilding and development. Thus, the focus is also on strengthening bilateral and regional capabilities to fighting the symptoms of instability and insecurity.

4. Theory of change and key assumptions

The programme theory of change posits that:

IF mechanisms to allocate power and distribute resources in an inclusive and fairer way are agreed among stakeholders, political elites and military actors, **AND IF** grievances of marginalised communities are addressed and rule-based enforcement mechanisms are in place, **THEN** people, communities, clans/tribes and political parties know and utilize means that do not have to resort to violent to have their grievances addressed, views heard, and priorities met, **AND THEN** instability in the HoA is reduced (Outcome 1),⁵¹

AND

IF PSP activities contribute to prevent and counter violent extremism in Kenya, Somalia and Ethiopia through the provision of peaceful alternatives and **IF** people, communities, clans/tribes and political parties realise that they do not have to resort to violence means to have their grievances addressed, views heard, and priorities met with enhanced state legitimacy (see Outcome 1), **THEN** VEO's influence, including AS, in the Horn of Africa is reduced **BECAUSE** VEO's will not be able to exploit community grievances to justify their existence and pursue their agenda (Outcome 2),

AND

IF PSP activities contribute to strengthening bilateral and regional stakeholders' efforts secure land and maritime boundaries in the HoA, **THEN** VEO's capacity to benefit from illicit trade and financing is reduced and **THEN** VEO's capabilities in the Horn of Africa are diminished (Outcome 2).

To achieve the two outcomes, the PSP HoA IV entails eight interrelated intermediate outcomes, including a cross-cutting intermediate outcome on gender and climate change.

Intermediate outcomes (under Outcome 1)

- Agreements or mechanisms to **allocate power and distribute resources** in an inclusive and fairer way are agreed and utilized
- **Grievances of marginalised communities** are heard and to some extent addressed peacefully
- **Rule-based enforcement mechanisms** are in place and utilized

Intermediate outcomes (under Outcome 2)

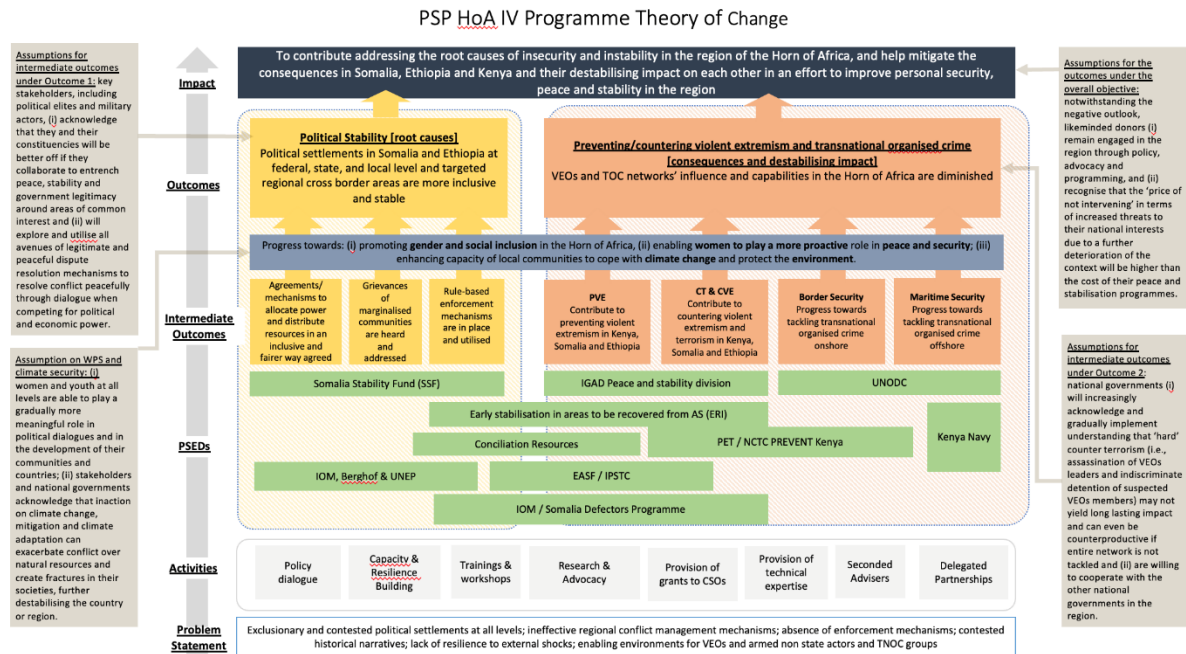
- Contribute to **preventing violent extremism** in Kenya, Somalia and Ethiopia
- Contribute to **countering violent extremism and terrorism** in Kenya, Somalia and Ethiopia
- Progress towards strengthening bilateral and regional stakeholders' capabilities to **enhance security and combating illicit trade** and its effects across **land borders** thus reducing transnational organised crime and capabilities of VEOs
- Progress towards strengthening bilateral and regional stakeholders' capabilities to **enhance security and combating illicit trade** and its effects across **maritime borders** thus reducing transnational organised crime and capabilities of VEOs

Cross-cutting intermediate outcome:

- (i) Promoting **gender and social inclusion and protection** in the Horn of Africa;
- (ii) Enabling **women to play a more proactive role in peace and security**;

(iii) Enhancing capacity of local communities to cope with **climate change** and protect the **environment**

The theory of change is underpinned by several assumptions, namely conditions that need to be in place for the programme to achieve its two outcomes and, ultimately, its overall objective.



Assumptions for intermediate outcomes under Outcome 1: key stakeholders, including political elites and military actors, (i) acknowledge that they and their constituencies will be better off if they collaborate to entrench peace, stability and government legitimacy around areas of common interest and (ii) will explore and utilise all avenues of legitimate and peaceful dispute resolution mechanisms to resolve conflict peacefully through dialogue when competing for political and economic power.

Assumptions for intermediate outcomes under Outcome 2: national governments (i) will increasingly acknowledge and gradually implement understanding that 'hard' counter terrorism (i.e., assassination of VEOs leaders and indiscriminate detention of suspected VEOs members) may not yield long lasting impact and can even be counterproductive if entire network is not tackled and (ii) are willing to cooperate with the other national governments in the region.

Assumption on WPS and climate security: (i) women and youth at all levels are able to play a gradually more meaningful role in political dialogues and in the development of their communities and countries; (ii) stakeholders and national governments acknowledge that inaction on climate change, mitigation and climate adaptation can exacerbate conflict over natural resources and create fractures in their societies, further destabilising the country or region.

Assumptions for the outcomes under the overall objective: notwithstanding the negative outlook, likeminded donors (i) remain engaged in the region through policy, advocacy and programming, and (ii) recognise that the 'price of not intervening' in terms of increased threats to their national interests due to a further deterioration of the context will be higher than the cost of their peace and stabilisation programmes.

These assumptions are complemented by programmatic assumptions (see Annex 3) and country-specific assumptions that underpin the interventions (found in all PSEDs). All engagements must identify key assumptions underpinning the intervention and monitor how they evolve as an integral part of the engagement Monitoring, evaluation, accountability and learning (MEAL) systems. For example, if political will changes and therefore an engagement requires adjustment in light of an evolving political dynamic.

5. Results framework

For results-based management, learning and reporting purposes, Denmark will base the actual support on progress attained in the implementation of the project/programme as described in the documentation. Progress will be measured through the PSP HoA IV 2023-2026 results framework and risk matrices.

The framework illustrates the logic of the programme and how the impact statement links to outcome statement again narrowed down and clustered in intermediary outcome areas finally linked to outcome statements for each of the engagements (1-2 per engagement). In Annex 3 the full framework is presented.

The cross-cutting indicators are of strategic importance to Denmark. Therefore, each partner will be required to assess, identify and suggest indicators under the proposed framework that they will focus and report on. Not all partners will be able to report on Climate Change and some partners will more meaningfully be able to focus on WPS than others. Each partner however will be expected to present their case against the indicators and identify the most relevant depending on what is most meaningful in their context.

Regarding Outcome and Output level indicators, these are presented as work in progress as the PSED engagements are being developed with each engagement partner.

The result framework for the Horn of Africa Peace and Stabilisation Programme Phase IV 2023-2026 is summarised below:

Programme	Regional Peace and Stabilisation Programme for the Horn of Africa 2023-2026
Programme Objective	To contribute to addressing the root causes of instability in the Horn of Africa region and help mitigate the consequences in Somalia, Ethiopia and Kenya and their destabilising impact on each other in an effort to improve personal security, peace and stability in the region.
Impact Indicator	<ol style="list-style-type: none"> 1. Acceptance and application of non-violent solutions to contested processes of political settlements (# of peace agreements signed on a local, state and federal government level supported by engagements under this programme) 2. Containment and limitation of VEOs, including Al Shabaab, capabilities (measured by # of defectors, attacks, volume of illicit trade) 3. Reduction in regional spill over (measured by successful regional inter-governmental cooperation and diplomacy)

Outcome 1	Political Stability - Political settlements in Somalia and Ethiopia, and targeted regional cross border areas are more inclusive and stable.
Intermediate outcomes	<ul style="list-style-type: none"> a) Mechanisms to allocate power and distribute resources in an inclusive and fairer way agreed (measured by mechanisms or agreement formalised) b) Grievances of marginalised communities addressed (measured by engaging communities through direct group discussions and town hall settings amongst the affected populations) c) Rule-based enforcement mechanisms in place and utilised (measured by evidence of agreed rules and utilization)
Outcome statements per engagement	<ul style="list-style-type: none"> • SSF: 1) A wider set of elites agree the structure of governance and power and resource-sharing at local and state levels and address key grievances over resource and power sharing settlements and reconciliation; 2) Public authorities at all levels are more accountable and are credibly and transparently appointed building trust between state and citizens, especially excluded and marginalised groups. • ERI: National and state governance enhanced by enabling local inclusive reconciliations and political negotiations leading to strengthened sub-national settlements • IOM: 1) Enhance peace and security by degrading the capacity of AS through increased defections of men and women associated with AS and to instil trust within communities that the government's National Programme is the best option for people associated with AS to return safely to their communities; 2) Successful staggered handover of the strategy and daily management of the programme to the FGS Ministry of Internal Security (MOIS). • Climate Change Consortium has raised awareness and documented ability, through a network of peacebuilders, to implement interventions enhancing inclusive community resilience in term of adaptation and mitigation measures of the impact of climate change and agreements and measures to address climate change related conflicts. • Engagement in Ethiopia's Somali Region through support to the INGO, Conciliation Resources: Has contributed to the reduction of violence and conflict in the Somali regions its borderlands towards Somalia through enhanced dialogue and local political settlements including support to communities to be able to solve internal differences non-violently, as well as collectively more resilience against external shocks including the risk of influence and attacks by AS.
Outcome 2	Preventing & countering violent extremism and transnational organized crime – Violent Extremist Organisation's (VEOs) and transnational organized crime networks' influence and their means of gaining revenue and capabilities in the Horn of Africa on land and at sea are diminished.

Intermediate outcomes	<ul style="list-style-type: none"> a) Improved technical knowledge and capacity amongst regional and bilateral partners to contribute to countering AS and/or organised crime (measured in pre and post surveys of partners) b) Identifiable change of approach of partners in relation to addressing challenges in an inclusive and human rights based manner (measured by reporting, interviews with partners and external actors, internal reporting)
Outcome statements per engagement	<ul style="list-style-type: none"> • UNODC: Violent extremist organization's (VEOs) and transnational organized crime networks' influence and their means of gaining revenue and capabilities in the Horn of Africa on land and sea are diminished. • PET/NCTC: 1) National adaptation of the tools and guidelines co-created in trainings and regional exchanges; 2) Verification of application of the standards trained on. • IGAD Peace and Security Division: IGAD's capacity in preventive diplomacy, mediation and peace building to manage and resolve conflicts is enhanced. • EASF/IPSTC: EASF is used as a forum for discussion of peace and security challenges in the region, and capacity building under EASF and IPSTC with Danish expertise, follows Danish Whole-of-Government priorities and promotes a human-rights-based-approach and the Women, Peace and Security agenda. This engagement is coordinated with BPST. • Kenya Navy: 1) Enhanced international and interagency cooperation; 2) Enhanced capability and capacity building through donation and education and training in accordance with recognised requirements and standards (e.g. STCW)
Cross cutting indicators	<p>The cross-cutting indicators are a strategic tool to ensure cross cutting issues remain a high priority and are adequately reflected in all partner agreements.</p> <p>All engagements will be expected to identify 2-3 relevant indicators and adapt it to their engagement, provide a baseline upon initiation including a gender analysis, and subsequent annual reporting against the indicators.</p> <p>Women, Peace & Security</p> <p>1. Representation:</p> <ul style="list-style-type: none"> - Proportion of women in roles at all levels of programming from executive, management, design to implementation (measured by reporting) - Enabling environment: Extent to which engagements overcame the logistical barriers to women's personal participation (measured by interviews and community discussions). - Extent to which engagements collaborate with women in communities to ensure that their needs and concerns are

	<p>continuously reflected in the programmes (measured by interviews and community discussions).</p> <p>2. Prevention:</p> <ul style="list-style-type: none"> - Extent to which interventions address the violence that women and girls may have experienced during conflict, including as a result of association with AS or other armed forces and groups. - Extent to which programs provide training or capacity building around women's participation in justice mechanisms and justice reform and the support of survivors of GBV through the justice system. <p>3. Protection:</p> <p>Extent to which partners and programmes protect participants from programme-related violence (SEAH) (measured by number of SEAH-case, SEAH policies and procedures, interviews and community discussions with local stakeholder groups).</p> <p>Climate Security</p> <p>1. Analysis:</p> <ul style="list-style-type: none"> - Number of times partners conducted or relied on climate change analysis and joint action plans, and at which points in the programme (measured by reporting). <p>2. Action:</p> <ul style="list-style-type: none"> - Number of specific actions implemented to prevent, adapt to or mitigate the effects of climate change and enhance climate security (measured by reporting)
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6. Inputs and budget

The total budget for the PSP HoA IV is DKK 284.6M. This comprises DKK 250M Official Development Assistance (ODA) funds from the MFA, DKK 31M in non-ODA funds from the MoD, and 3.6M in non-ODA development assistance from the MFA. Engagements will be carefully assessed for ODA compliance before final commitments are made. The breakdown of ODA and non-ODA spend over the lifetime of the PSP HoA IV is outlined below.

PSP HoA IV 2023-2026 budget breakdown by ODA classification and year (DKK 1,000,000)

	2023	2024	2025	2026	Total
Total ODA	37.5	92.5	60.75	59.25	250
Total Non-ODA MFA		1.8	1.8		3.6
Total Non-ODA MoD	5.7	8.95	8.95	7.4	31
Total					284.6

For clarity, the budget presented below is organised by WoG Partner, PSED number, theory of change outcome area and responsible Embassy. More detailed budgetary breakdowns can be found in the PSED documents. Actual contributions per year are dependent on parliamentary budget approval in compliance with the Danish Finance Act.

PSP HoA IV 2023 – 2026 budget overview (DKK in 1,000,000)

						Annual Budget					
						ODA/Non-ODA/	Unallocated				
WoG	PSED No.	ToC	Embassy	Engagement	Project/Advisor or Breakdown	2023	2024	2025	2026	Total	
MFA	1	1	Somalia	Somalia Stability Fund (SSF)	Project	9	31	20	20	80	
	2	1	Somalia	Early Recovery Initiatives	Project	10	10	10	10	40	
	3	1&2	Somalia	Defectors Programme	Project	3	9	0	0	12	
	4	1&2	Ethiopia	Peacebuilding, resilience in Somali region	Project	1.5	6.5	4	4	16	
	5	1	Somalia	Community Resilience to Climate Change	Project	6	6	6	6	24	
	6	2	Regional	IGAD/PSD	Project	0	6.50	3.25	2.25	12	
	7	2	Regional (Somalia + Kenya)	UNODC Illicit Financing and Organised Crime	Project	3	3	3	3	18	
				Advisor (police)	1.5	1.5	1.5	1.5			
MOJ	8	2	Kenya	PET/NCTC	Project		1.8	1.8		3.6	
MOD	9&10	MoD	Regional	Kenya Navy	Project	1.4	3	3	1.9	14.95	
					Advisor	1.15	1.5	1.5	1.5		
				EASF/IPSTC Advisory Pool	Project (DA)	0.5	0.75	0.75	0.5	2.5	
					Project (CIVAD)	0.75	1	1	1		15
					Advisor (CIVAD)	0.75	1.5	1.5	1.5		
					Project (police)	0.75	0.75	0.75	0.75		
					Advisor (police)	0.75	0.75	0.75	0.75		
	N/A	MoD	Regional	Defence Attaché	DA cost	2.25	3	3	3	11.25	
					Project*	0	0	0	0		
N/A	Unallocated Funds (NON-ODA)					0.4	0.7	0.7	0.5	2.3	
MFA	N/A	Unallocated funds (ODA)				-	8	8	8	24	
	N/A	Planning, Research, Monitoring, Evaluation and Learning (MEAL)				0.5	4	2.5	2	9	
Total ODA						37.5	89.5	62.25	60.75	250	
Total Non-ODA MFA							1.8	1.8		3.6	
Total Non-ODA						5.7	8.95	8.95	7.4	31	
Commitment						37.5	89.5	62.25	60.75	250	
Disbursement						37.5	89.5	62.25	60.75	250	
Total										284.60	

* Zero as the budget has been allocated to specific projects (EASF/IPSTC and Kenya navy). The budget line remains to provide for flexibility.

Unallocated funding

The budget includes an amount of unallocated ODA funds (DKK 24M) and non-ODA funds (2.3M) within the 20% limit prescribed in the Guidelines for the PSF 2020. In a region where peace and stability dynamics are likely to remain fluid throughout implementation, these funds are intended to help adjust the programme to new circumstances. It is therefore anticipated that the majority of these funds should be allocated in the last three years of the implementation period. The programme will also readjust budgets based on well-performing engagements or if needs are found to be greater than initially anticipated. The use of the unallocated funds will be aligned with the objective and outcomes of the PSP HoA IV. Allocation of the unallocated funds could be in response to needs identified by the annual stocktaking exercise described later in this document, or in response to recommendations contained within the PSP HoA IV Mid-Term Review, which is expected to be finalised in year two or first quarter of year three.

Whilst it is not possible at this stage to predict where unallocated funds will be spent, it is anticipated that such funds could be used for the following four purposes:

- 1) To scale up successful pilot engagements, such as the IOM/Berghof/UNEP Community Resilience to Climate Change initiative, which is a new engagement for the PSP HoA. Potential additional support will also depend on priorities for the next phase of the Bilateral Country Program for Somalia (2024-2028) to ensure complementarity between the two;
- 2) To respond to evolving contexts or to the shifts in policy priorities. The most likely location for such responses over the implementation period is Ethiopia, where the situation will need to be monitored carefully to respond to both opportunities and mitigate threats. Potential additional support to Ethiopia from unallocated funds will subsequently depend on developments in the country as well as priorities for the next phase of the country programme to ensure complementarity by adding a regional dimension;
- 3) To consider further strengthening maritime border security activities within this area including relevant studies;
- 4) To accommodate adaptations within existing engagements, where additional needs may be identified, or new opportunities created by prior interventions. The ERI, the SSF and the Defectors programme all provide potential for such an approach.

Additionally, there is a DKK 2.3M of discretionary non-ODA funding under the Defence Attaché' budget line. These funds similarly to the 9.3M allocated for project activities with the Kenya Navy and 2.5M for activities with EASF/IPSTC are primarily designed for the use of the advisors but are held at the RDE Somalia level to ensure that the interventions proposed are i) agreed between the MoD and the MFA through the Defence Attaché and ii) in line with wider PSP HoA IV objectives. The mechanism and requirements for disbursements will be further specified in the individual PSED's.

Grants to implementing partners of the programme will be spent solely on activities leading to the expected outputs and outcomes as agreed between the parties in PSEDs or other funding agreements as relevant. The implementing partner is responsible for ensuring that the funds are spent in compliance with the agreement and with due consideration to economy, efficiency, and effectiveness in achieving the results intended.

7. Institutional and Management arrangements

Building upon what has worked well in previous phases of the programme, the institutional and management arrangements of the PSP HoA IV aim to maximise the programme's ability to deliver its outputs and contribute to its outcomes effectively and efficiently; be flexible and adaptive to the changing context; capture lessons, best practice, and evidence of impact to enhance programme level decision making on resource allocation; and facilitate clear synergies between policy dialogue and PSP HoA programming.

The PSP HoA IV sits within the Whole-of-Government PSF and the management arrangements are based on the Guidelines for the PSF. The Fund is guided by an Inter-Ministerial Steering Committee (IMSC) consisting of the Prime Minister's Office, the Ministry of Defence, the Ministry of Justice, and the Ministry of Foreign Affairs. A Whole-of-Government Secretariat staffed by the Ministries of Defence and Foreign Affairs supports the IMSC.

The overall programme coordination responsibility for the PSP HoA IV is with RDE Somalia in Nairobi. But the programme will be anchored at RDEs of Somalia, Kenya, and Ethiopia, who will all be responsible for the results achieved by the programme and the day-to-day interaction with engagement partners, other donors and stakeholders in the region, ongoing monitoring of the programme, and of developments in Somalia, Ethiopia, and Kenya.

The main management responsibility of the programme and adjacent engagements will be carried out by RDE Somalia and anchored with the **Programme Coordinator**. The Programme Coordinator reports to the RDE Somalia management. The Programme Coordinator is responsible for strategic coordination of the different embassies and Defence Attaché engaged in the PSP HoA IV programme implementation.

The Programme Coordinator will be supported by **Programme Managers**, who are based in the relevant embassies responsible for overseeing specific engagements. The Programme Managers will be responsible for operational programme implementation on a day-to-day basis, overseeing contracting, procurement, programmatic and financial reporting in accordance with established standards; ensuring appropriate monitoring and reporting by implementing partners of the effectiveness and impact of their engagements against the programme results framework; and ensuring that engagements adhere to Danish strategic policy direction and operational guidelines and performance; and uses learning and evidence to inform adaptations and future engagements.

The **Defence Attaché**, based at RDE Somalia and Kenya, with responsibility for Kenya, Somalia, and the African Union, represents the MoD and Defence Command Denmark (DCDA) in the region, and acts as the primary point of engagement for the non-ODA engagements funded using MoD resources. The Defence Attaché therefore acts according to directive and procurement given by MoD or DCDA and reports regularly.

The Programme Managers for each intervention are listed in the table below:

Overview of engagement management responsibilities:

Engagement	Engagement Owner	Programme Manager
Somalia Stability Fund (SSF)	RDE Somalia	PSP HoA Programme Manager

Early Recovery Initiative (FCDO)	RDE Somalia	PSP HoA Programme Manager
Defectors Programme (IoM)	RDE Somalia	PSP HoA Programme Manager
Conciliation Resources	RDE Ethiopia	Ethiopia PSP Programme Manager
Community Resilience to Climate Change	RDE Somalia	PSP HoA Programme Manager
Regional IGAD PSD	RDE Ethiopia	Ethiopia PSP Programme Manager
UNODC Transnational Organised Crime Programme	RDE Somalia	PSP HoA Programme Manager
PET/NCTC Prevent Initiative	RDE Kenya	Kenya PSP Programme Manager
Kenya Navy	Defence Command Denmark	Defence Attaché
EASF/IPSTC Pool	RDE Somalia	Defence Attaché
MEAL and Research facility	RDE Somalia	PSP HoA Programme Manager
Communication	RDE Somalia, Ethiopia and Kenya	Public Diplomacy Officer, PSP Programme Coordinators and Managers and Defence Attaché

In addition to the engagements outlined above, PSP HoA IV will continue to have of a number of advisory positions. The civilian advisor to director EASF is ODA funded and has a coordinating responsibility towards IPSTC. An overview of advisors, the projects they support, their locations, and their primary points of contact within each Embassy are outlined in the table below:

Position	Project	Location	Point of Contact
Senior Law Enforcement Advisor (Danish Police Seconded)	UNODC	Nairobi	PSP HoA Programme Coordinator
Civilian Advisor (Danida advisor funded with ODA funding)	EASF/IPSTC	Karen, Nairobi	PSP HoA Programme Coordinator/ Defence Attaché
Senior Law Enforcement Advisor (Danish Police Seconded)	EASF/IPSTC	Karen, Nairobi	PSP HoA Programme Coordinator/ Defence Attaché
Naval liaison officer (Danish MoD Seconded)	Regional Maritime Security and capacity building	Mombasa	Defence Attaché

A complex Whole-of-Government regional programme of this nature involving multiple programmatic engagements will require careful coordination. Particular emphasis will be given during the implementation of PSP HoA IV to ensure that the political access and influence generated by programmatic engagements is maximised in support of wider Danish strategic objectives. In this regard, the following governance arrangements are proposed:

PSP HoA IV programme governance mechanisms:

Governance Mechanism	Membership	Meeting Frequency	Role and purpose
Engagement Management Meetings	Programme Manager, Implementing Partner	Regular basis based on need and PSED reporting requirements	<p>Manage engagement implementation</p> <p>Monitor progress, effectiveness and impact</p> <p>Ensure reporting is timely and aligns with PSP HoA IV objectives</p>
Programme Progress Meetings	Programme Coordinator, Programme Managers, Defence Attaché, CFO's, RDE MEAL expert and other relevant participants.	Regularly. At least once a year the meeting will be physical ahead of the annual inter-ministerial stocktaking exercise	<p>Review progress, risks budget and financial status of all engagements</p> <p>Collate and share key lessons and best practices across PSP HoA IV programme</p> <p>Identify opportunities for synergy between PSP HoA IV engagements and wider Danish diplomatic, defence, and development activity</p>
Annual inter-ministerial stocktaking	As per PSF guidelines	Annually (usually 6 months apart from the Programme Progress meetings – see above)	<p>Principle decision making body of the PSF.</p> <p>Responsible for ensuring the coherence of policies and strategies affecting the Danish peace and stabilisation agenda</p> <p>Receives annual updates on PSP HoA IV progress</p>

7.1 Reporting and Monitoring

The PSP HoA IV reporting system follows the Guidelines for the PSF. Where Denmark is the only donor, as will be the case for at least five of the engagements, the standard PSED reporting format will be applied. However, for engagements that are funded by multiple partners, the partners reporting format will be accepted. The exact reporting formats and frequency for the individual engagements, will be assessed during the capacity assessment that will be carried out before the first disbursement. A summary of reporting formats by PSED engagement can be found below:

Reporting format by Engagement

PSP HoA IV Engagement	Reporting Format
Somalia Stability Fund	FCDO reporting format
Early Recovery Initiative	FCDO reporting format
IOM Defectors Programme	IOM reporting format
Conciliation Resources	PSED reporting format
Community Resilience to Climate Change	PSED reporting format
IGAD Peace and Stability Division	PSED reporting format
UNODC AML and CTF	UNODC reporting format ⁴⁸
PET NCTC PREVENT	PSED reporting format
Kenya Navy	PSED reporting format
EASF/IPSTC pool	PSED reporting format

The precise reporting requirements for each engagement will be stipulated in the PSED, but generally bi-annual progress reports and annual progress and financial reporting, including audit, will be expected from all implementing partners and programme managers. For the MoD-led engagement, the Defence Attaché and/or naval liaison officer Kenya Navy will forward relevant reports to MOD International Department via Defence Command Denmark and ensure that reports are shared with the Programme Coordinator and other Programme Managers in Nairobi, facilitating a discussion with advisors to answer any questions that may arise.

The PSP HoA IV Results Framework (Annex 3) is the main tool for monitoring and documenting results from the programme. It is based on the theory of change and builds on selected outcomes, outputs, and indicators from partners. All partners will, based on monitoring and regular contact with actors on the ground in Somalia, Ethiopia, and Kenya, provide the Royal Danish Embassy (either directly or via the delegated cooperation partners) with quarterly, biannual and/or annual written narrative and financial reporting. The narrative reporting will include reporting against the results frameworks set out in the PSEDs and their project documents. As described in section 6 these will include a set of strategic indicators focussing on the crosscutting outcomes on WPS and climate change.

⁴⁸ Subject to approval from RDE Kenya's MEAL expert and ELK

This information will feed into the annual report compiled by the Programme Coordinator and Manager, based on inputs from the Engagement Managers, the Defence Attaché, the RDE Nairobi MEAL expert and advisors. These annual reports will inform discussions with both the PSP HoA programme committee and the annual inter-ministerial stocktaking as outlined in the preceding section.

At the end of implementation, it is expected that each implementing partner will produce a final report outlining progress achieved, and lessons and best practices identified. At the end of the programme, the Programme Coordinator will also oversee the production of a Final Results Report.

Additional Monitoring, Evaluation and Learning Resources:

A key lesson to emerge from previous phases of PSP HoA programming was that robust monitoring, evaluation, and learning is critical to the effectiveness of the PSP. During appraisal and inception, it will be explored how best to ensure robust monitoring that will support adaptive management. The RDE MEAL expert will monitor results, assess best practices and lessons learned, and make recommendations for adaptations where necessary⁴⁹. The MEAL expert will also assist in the commissioning of research through PSP HoA IV, as well provide technical inputs into either individual engagements or the programme.

Third Party Monitoring to enhance oversight

The MFA is not physically represented with staff in Somalia. The opportunities for direct Danish monitoring of programme activities and results outside the capitals are therefore limited, and the PSP HoA IV will rely heavily on monitoring and reporting from engagement partners including their third-party monitoring arrangements. The ability of engagement partners to provide robust monitoring of progress and risks has therefore been an important factor when selecting engagements. To the extent where it is deemed necessary, an additional MEAL set-up can be commissioned to undertake selected third-party monitoring.

Reviews

A mid-term review (MTR) will be undertaken after 24 months of implementation, this therefore will be scheduled for the third quarter of 2024 or the first quarter of 2025. The MTR will gauge overall performance of the programme including progress towards expected results as well as developments in risk factors. It will also be expected to provide guidance for programme adjustments including allocation of unallocated funds. As and when needed additional reviews, evaluations and audits will be commissioned by the programme.

It will be important to enable the MTR to accurately assess progress that attention is given to ensuring that implementing partners are able to provide baseline information within their PSEDs or other reporting formats at the outset of implementation or within a possible implementation phase in cooperation with ELK and the implementing partners.

An inception review is planned for August 2023. This review will focus on the overall coherence of the programme including the budget allocations, and in particular assess the Somali Region project (4.4.), the pilot project on Community Resilience to Climate Change (4.5.) and appraise the Danish Security and Intelligence Service (PET) partnership with the National Counter Terrorism Centre in Kenya (if

⁴⁹ PSP HoA MTR, July 2021, p.24.

formulated at that point), Somalia Stability Fund (SSF), as well as the support to the IGAD Peace and Security Division.

It is also anticipated that an end-line review will also be undertaken in the second quarter of 2026 in order to inform any follow-on phases of programming that may be undertaken from the first quarter of 2027. Resources for both reviews have been allocated within the budget line for management, research, monitoring and evaluation.

Learning

A key lesson to emerge from previous phases of programming was that regular and robust monitoring, evaluation, and learning (MEL) is critical to the effectiveness and potential flexibility of the PSP. The MFA's "Doing Development Differently" approach advocated for programmes to apply an adaptive approach focusing on results, continuous learning and decision-making, and local ownership. A prerequisite for this however is having sufficient time for the RDE Somalia, Kenya, and Ethiopia to consult, listen and discuss with each other, as well as with engagement partners and other donor and regional stakeholders and to learn from these discussions and programme successes and challenges.

Given the fluid nature of the operating environment, the number of new interventions proposed and the fact that the programme contains unallocated funding, in preparation of the annual inter-ministerial stocktaking the RDEs, along with the Defence Attaché, will undertake a stock-taking of programme and risk matrix that enables them to assess the context, review the effectiveness of the existing engagements, and identify opportunities and adaptations that might make the PSP HoA IV more impactful. This will build regional and inter-departmental coherence and provide opportunities to align political dialogue with programmatic engagements. It will also help the PSP HoA management team to understand the fluid environment and changing scenarios; access new evidence, information, and lessons learned; and enable them to make decisions about adjustments to programme implementation on a well-informed basis.

Research

To support learning and adaptive management the PSP HoA IV will, when relevant, commission external research, studies, technical-reviews, and evaluations within the aforementioned MEAL contract. The PSP HoA IV will also commit to producing summaries of all key lessons identified throughout implementation by the end of the programme. Any research commissioned will also be funded through the Monitoring and Evaluation budget line. Some key research areas identified during the formulation mission include a) greater understanding of the possible correlation between climate change and conflict, b) continued threat assessment of VE in the region, c) continued investment in gender dynamics of conflicts in the region addressed by the PSP and d) based on lessons from the success of managing the threat from piracy and the support to legal finish in third countries a legal assessment of opportunities to conduct legal finish of maritime based illicit trade of drugs should be carried out with a focus on Kenya (with the naval liaison advisor in the Kenya Navy and the DA as key stakeholders in a steering committee for this study).

8. Financial Management, planning and reporting

The financial management of the PSP HoA IV will be undertaken in accordance with the MFA's regulations for financial management including the *Guidelines for the PSF (2020)*, *Guidelines for Country Strategic Frameworks Programmes and Projects (Feb 2022)*, *General Guidelines for Financial*

Management (2019) and the General Guidelines for Accounting and Auditing of Grants channelled through Multilateral Organisations (2012).

In conflict and fragile institutional contexts, where risks of corruption and fraud are significant and where monitoring on the ground is limited, solid financial management systems are particularly important. All parties of the PSP HoA IV will strive for full alignment of the Danish support to the engagement partner rules and procedures, while respecting sound international principles for financial management and reporting. Financial management capacity assessments will be carried out for the engagement partners in accordance with the General Guidelines for Financial Management. This will guide the final financial management and reporting arrangements.

All PSEDs and grant agreements will stress that engagement partners must implement strict measures to minimise the risk of **corruption or misappropriation of funds** and must immediately report to MFA any suspected case of corruption or misappropriation of funds related to the programme. When selecting engagement partners, their track record of sound financial management has been a factor for consideration. Most agreements are with UN agencies or like-minded partners, which limits the risk to Danish funds as these organisations have robust systems in place for financial management. When funding CSOs emphasis will be placed on demonstrating proven adequate financial management systems.

Engagement partners will submit biannual **financial reports and annual audit reports** following reporting schedules set out in the individual PSEDs and grant agreements. These reports will guide the financial reporting within annual programme progress reports. No later than six months after the end of the implementation period the engagement partner will submit final audited financials and narrative reports which will guide the Final Results Report and closure of the engagement.

There are substantial however mitigated **financial and fiduciary risks** in the PSP HoA IV and as described in the programme risk matrix the fruition of these will trigger consideration of steps such as extraordinary audits, reclaiming funds or adjusting work-plans with partners.

In accordance with the Financial Management Guidelines the CFOs at RDE Somalia/Kenya and Ethiopia in close collaboration with the programme managers will carry out **inspection visits** to ensure insight into the quality of the financial administration and capacity of the projects. For multi-donor programmes, the PSP HoA IV will only carry out physical inspections to the extent agreed with these partners according to general practice under agreements with such organisations. The frequency will be determined by a risk and relevance assessment that will be updated at least annually.

Time and procedure for **disbursement of funds** to engagement partners will be described in each PSED or grant agreement and will be in accordance with the Financial Management Guidelines in most cases it is expected that grants will be disbursed on a semi-annual basis based on satisfactory implementation and management of previous disbursement. Some engagements may be shorter and framed as pilot initiatives. Upon conclusion of pilots, it will be assessed if initiatives can be meaningfully scaled up or should be disregarded for future funding. They will be assessed in terms of their strategic value and fit with the theory of change as well as other criteria like the ones discussed in the section on possible engagements in the report.

Reporting on the implementation of the PSP HoA IV will happen in accordance with the New Guidelines for the Peace and Stabilisation Fund (2023).

9. Risk Management

The PSP HoA IV Programme is conscious of the high risks involved in any peace and stabilisation engagement, not least in a fragile, conflict-affected context as the Horn of Africa. Escalation of conflict and/or political instability is a key concern in all of the engagement areas, and whilst in previous phases it has been Somalia that has been most prone to active violent conflict, this now cannot be ruled out in Ethiopia also. The contextual, programmatic and institutional risks the Programme faces range from minor to significant across the various proposed engagements. The identified risks that may counteract the successful implementation of engagements and expected results are many and some are assessed to potentially have major impact on the programmatic environment.

Engagements will need to be informed by regular contextual analysis and scenario planning, as outlined above. The risks posed to PSP HoA IV will be mitigated through active and continuous risk management, which includes a detailed risk matrix with defined risk mitigating measures (Annex 4). The updating of risks, and their management and/or mitigation measures will be delivered via the annual stocktaking exercise outlined earlier in the document.

The programme is designed by defining programme objectives and identifying potential risks and scenarios in a manner to avoid making changes in the objectives when changes in scenarios and risks occur. However, there may be a need for other changes such as changing the partner, geographical area, level of engagement, budgeting, timelines etc. Programme managers will be required to actively manage risk within the overall programme, and it is recommended that, risks are discussed as part of quarterly meetings and in regular meetings with partners, with a view to either reconfirming or adjusting their risk matrix.

10. Closure

Phasing out considerations are included in each PSED, and each partner is required to develop a clear exit strategy, with accompanying milestones to aid monitoring of progress. The purpose of these will be to articulate upfront how the partners plan exit from the engagement and enhance focus on handover of capacities to programme beneficiaries or responsible institutions. Understandably, conditions differ across engagements given the diverse nature as well as the fluid contexts in which they are being implemented. It is highly unlikely that sufficient progress will be made in the Somalia or Ethiopia focused engagements to enable PSP HoA IV to phase out of either context entirely. However, all partners are expected to have a clear focus on sustainability from the outset of the intervention. One key component of sustainability includes a focus on capacity building. All partners are expected to measure enhancement in capacity and the most mature partners will be focussing on capacity while also enhancing support to more strategic levels as capacity must be expected to have been built in previous periods of intervention.

Some engagements have more pressing needs to develop exit strategies. These are the more mature engagements such as the support to the EASF, the IOM-implemented defectors programme, the PET/NCTC PREVENT engagement and the support being provided to Kenya Navy. This is reflected in the PSEDs for these engagements, with the budget for the IOM defectors programme and PET/NCTC PREVENT initiative only receiving funding for an initial two-year period.

11. Short summary of projects

This section outlines the engagements planned as contributions to delivering the outcomes and outputs described in the results framework. The engagements are listed by outcome area.

The PSP HoA III portfolio is providing the baseline for the selection of engagements for PSP HoA IV. However, in line with significant contextual changes in the region, findings from evaluations and reviews as well as adjusted political priorities, the programme has undergone substantial changes as part of the formulation process. This has resulted in conclusion of some engagements and inclusion of new engagements, such as the engagement on building community resilience to climate change and a civil society engagement in Ethiopia, but also adjustments of budget and focus within engagements that will be continued.

Outcome 1: Political Stability - Political settlements in Somalia and Ethiopia, and targeted regional cross border areas are more inclusive and stable.

There are *five engagements* specifically designed to support the first outcome. The *first* is the **Somalia Stability Fund (SSF)**. The SSF is a multi-donor fund supporting a more peaceful, secure and stable Somalia. The fund hosts the Somalia Dialogue Platform, and it offers Somali stakeholders a source of multi-year funding that can respond to locally identified needs and opportunities. The Fund works with both communities and government actors at local, FMS and FGS levels providing sustained support to long-term local efforts toward a political settlement and building stability in Somalia.

The SSF is about to enter its third phase of delivery with the overarching objective of: *‘Improved stability in Somalia, enabled by progress on increasingly inclusive resolution of key issues of contestation (power, resources, historical human rights violations), and greater responsiveness and accountability of political actors to citizens’*. It will deliver against two broad outcomes: 1) *A wider set of elites agree the structure of governance and power and resource sharing*, and 2) *Public authorities at all levels are more credibly and transparently appointed building trust and cooperation between state and citizens, especially excluded and marginalised groups*.

SSF will aim to make an important contribution towards negotiation, agreement and implementation of an effective federal model that is codified in an adopted constitution and characterised by increasing FGS and FMS cooperation and the resolution of key long-standing political conflicts within states (specifically Galmudug, Jubaland and Hirshabelle). This will be underpinned by new political agreements on power and resource sharing, democratisation and mechanisms to address the legacies of violent conflict and disputes over land. The intent is that with firm political foundations in place, targeted institutions will be incentivised and supported to become more accountable and responsive to the needs of citizens, with citizens themselves responsibly supported to find voice. Together, this will make an important contribution towards building state legitimacy and wider stability in Somalia.

These aims are in line with the overall objective of the PSP HoA IV and can report directly to the impact indicators. The engagement is managed by the UK’s FCDO but has increasingly become the vehicle for like-minded stabilisation donors to coordinate interventions. So far, Sweden, Netherlands, Norway, the European Union, US, and Germany have provided funds as well as Denmark and the UK. Importantly, the next phase of funding will see the US joining the Fund, which provides an important opportunity for leveraging influence.

The *second* engagement under this objective is the **Early Recovery Initiatives in Newly Recovered Areas (ERI)** project, which is also managed by the UK FCDO. The objective of the ERI is to expand and consolidate the reach of legitimate government authority by working with FGS, FMSs and local communities, and other partners and donors. Whereas the SSF largely focuses on developing and maintaining stability, the ERI focuses on stabilisation efforts mainly in newly recovered areas and with communities, government and security forces in areas where other actors have not yet started to work, have not adequately addressed underlying community instability, or have ineffective links with Government. The aim of ERI therefore is to extend national and state governance by enabling local inclusive reconciliations and political negotiations leading to strengthened sub-national settlements. The scope of work covered by ERI is ODA-funded and designed to support inclusive governance and peacebuilding initiatives by providing the foundations for local political settlement and longer-term stability by supporting inclusive community grassroots reconciliation and civil dialogue interventions. In this regard the project serves as a useful complement to an SSF investment, enabling Denmark to engage not only in more stable areas of Somalia but also in newly recovered areas. Importantly in support of PSP HoA's cross-cutting objectives on gender, the ERI project includes a WPS-component on enhancing the role of women in local peace, reconciliation and political settlements and improvement of community security and work on reducing the scope of targeted violence and abuse towards women and girls.

The *third* engagement cuts across both outcomes and is the IOM led **Enhancing Peace and Community Stabilisation by Supporting Men and Women Formerly Associated with Al-Shabaab** (otherwise known as the **Defectors programme**). This is intended to be a multi-donor investment, with careful coordination taking place between Denmark, Germany, the US and the UK during the proposal development phase, with Sweden as a potential donor in the next phase. The new multi-donor phase is an integration of the UK/Denmark supported Serendi-project in Mogadishu and a similar project funded by Germany in Kismayo and Bidoa.

The overall objective of the project is to promote peace and stability and contribute to stabilization efforts in Somalia through successful implementation of the National Programme for the Treatment and Handling of Disengaged Combatants (the National Programme) in Somalia. The National Programme's goal is to support peace and security efforts by degrading the capacity of Al-Shabaab (AS) through increased defections of men and women associated with AS and to instil trust within communities that the government's National Programme is the best option for people associated with AS to return safely to their communities. During PSP HoA IV the aim of the engagement will be to hand over the management of the programme to be fully led and financed by the Somali government. The engagement therefore has a clear focus on exit and sustainability and is focused on the political and technical process of agreeing to a plan with the Ministry of Internal Security (MoIS) for a complete handover.

This engagement acts as a complement to the work supported by both SSF and ERI on promoting peacebuilding and stabilisation. As well as building stability through such processes, there is a need to encourage and sustain defection and disengagement of AS fighters as a means to ensure a transition to a more stable Somalia. Such support reduces the capacity of AS to instigate organised violence, and thus reduces the impact of one of the primary obstacles to the achievement of an enduring political settlement. Importantly, this initiative also delivers a disproportionate benefit to youth, as they are a significant proportion of AS defectors, and women, with support to three female centres for defectors.

The *fourth* engagement is focused on **Community Resilience to Climate Change**. This is a new engagement and seeks to build upon previous work undertaken by the Berghof Foundation, IOM and UNEP. It is hoped that by bringing the three implementers together, the engagement can not only raise awareness on the nexus between climate change and conflict (possibly specifically in Hirshabelle and Galmudug State), but will be able to support a network of peacebuilders to develop and implement community level interventions designed to build resilience and adapt and mitigate the impacts of climate change and related conflict impacts, and thus building stability at a local level through the process. The engagement will have a focus on gender inclusion in activities as well both at community and regional level to reduce the risk of climate change adversely negatively impacting women in the communities.

The *fifth* engagement is also new and cuts across both outcomes. Led by RDE Ethiopia and implemented by the INGO, Conciliation Resources, the project aims to promote **Community Resilience to Conflict and Promote Peacebuilding** in the Somali region of Ethiopia and its borderlands towards Somalia. Importantly for the purposes of PSP HoA IV, this work will include supporting immediate peace and dialogue interventions to the local intra-ethnic or clan conflicts related to political settlement issues, such as equal representation, boundaries, grazing rights and access and control of local government resources. Given the recent AS incursions into the Somali-region of Ethiopia, and the continued internal challenges faced, the project will support efforts to ensure that communities are capable of resolving their differences non-violently, as well as being collectively more resilient to external shocks. The project contributes to the regional aspect of the PSP HoA by focusing on the Somalia-Ethiopia border region and cross-border engagements to reduce tensions and conflicts in porous regions where local conflict may lead to larger and more national crises.

The project will support the cross cutting outcome related to gender and social inclusion by emphasising gender, social inclusion and promotion of women's full, equal and meaningful participation in peace and security throughout its intervention, and by supporting specific and targeted activities aimed at promoting inclusion of excluded and marginalised groups in peace and dialogue processes. Moreover, the project will support the cross cutting outcome on climate change and instability by supporting collaboration between peace and climate change stakeholders including line ministries and bureaus such as land, water, pastoralism and disaster management on climate and conflict issues, as well as by supporting joint action plans developed by peace and climate change actors in response to the impact of climate change on conflicts.

In line with the WoG-approach the project complements and has synergies with the Ethiopia country programme's engagements in the Somali region. The main addition to the country programme is the support to local peacebuilding organisations and networks with political buy in from the regional leadership in the Somali region. While the country programme and humanitarian engagements mainly works on the HDP-nexus approach with either humanitarian or development engagements as starting point, this project has the 'soft peace'-element as outset but works on knowledge sharing with other partners working on e.g. climate change and resilience in the region. Through the 'Africa Programme for Peace' (APP) which is currently in its fourth phase, Denmark has a longstanding cooperation with the African Union Commission in providing support to the efforts of the AU to promote peace and security as well as good governance and democracy across Africa. While on a more localised level, the engagement in Somali region also underpins and complements the continental level support to the AU Commission through the Danish APP programme.

Conciliation Resources has extensive experience of working in the Somali region of Ethiopia and seen as credible and legitimate by the Regional Government as well as other actors in the region. Conciliation Resources has been operating in the Somali region since 2012 as adviser and partner towards a negotiated peaceful settlement in the Somali region. In line with the 'Doing Development Differently' approach, they reflect and learn continuously and adapt their engagement as required in the very volatile context. They have built strong relations with both the local leadership, including religious leaders, communities and civil society in the line with the Whole-of-Government approach. Through their permanent presence and strong local footprint and partnerships, they are able to ensure durability and sustainability of their work and results.

Outcome 2: Preventing & countering violent extremism and transnational organised crime – Violent Extremist Organisation's (VEOs) and transnational organised crime networks' influence and their means of gaining revenue and capabilities in the Horn of Africa on land and at sea are diminished.

There are also five engagements supporting this outcome, which use both ODA and non-ODA resources to deliver their objectives.

The *first* engagement is the continuation of support to the **IGAD Peace and Security Division (IGAD PSD)** from 2024⁵⁰. The support to IGAD PSD will be moved from the APP to the PSP HoA IV after the conclusion of the current phase of the APP in December 2023. The support to IGAD PSD is well placed as part of the PSP HoA given IGAD's role as a regional organisation. IGAD PSD has four main priority areas: 1) Conflict Prevention, Management and Resolution, 2) Prevention and Management of Transnational Security Threats, 3) Governance, Democracy, Rule of Law and Human Rights, and 4) Post Conflict Reconstruction and Development and Humanitarian Affairs. During the formulation and appraisal phase, the focus for the Danish support to IGAD PSD under PSP HoA will need to be decided. During the formulation phase in 2023, it will be assessed how the Danish funds will best enable IGAD to deliver results in support of the PSP HoA priorities, including crosscutting priorities focused on gender/WPS and fostering human-rights based peace and stabilisation in the region.

The *second* engagement under outcome two is the strategic engagement with **PET and Kenya's National Counter Terrorism Centre (NCTC)**. The partnership has been funded under the previous phase of the PSP HoA. For PSP HoA IV the partnership will be expected to 1) support Kenya to roll out disengagement systematically in the prison sector in Kenya; and 2) support NCTC and PET to engage regional governments to promote the successes of the partnership and the multiagency approach to disengagement in countering violent extremism and terrorism.

The *third* engagement under this outcome is the **UNODC's Countering Transnational Organised Crime within the Global Maritime Crime Programme**. This engagement builds upon prior work undertaken in PSP HoA III and previous phases and includes work on the UNSC Sanctions regime, which is relevant for Denmark's Security Council candidature. However, whereas the previous phase of programming sought to balance funding between maritime borders, land borders and prisons, the focus of the fourth phase will be on land related transnational crime with support for the aforementioned Kenya Roadmap being a key priority. Stronger emphasis will be put on enhancing synergies between the support to maritime security actors in Somalia and Kenya under UNODC and the engagement with the

⁵⁰ This engagement is to be formulated throughout 2023 and start in 2024. The IGAD PSD engagement will be appraised when a project document has been drafted.

Kenya Navy (see below). Prisons work will be phased out, though support via UNODC to ensure adherence to Danish prison monitoring obligations of pirates, will remain throughout this phase of programming. The engagement will continue to be supported by a Transboundary Organised Crime and Trafficking Police Expert (on assignment from the International Department of the Danish National Police, IDDNP), but with an aim to integrate the adviser more actively at RDE Somalia to ensure coherence with the PSP HoA IV objectives and outcomes. This will be written more clearly into the Terms of Reference of the adviser, and to this aim, there will also be established an advisor desk at RDE Somalia, which advisers will be encouraged to use frequently.

The *fourth* engagement will focus on the promotion of legitimate authority at sea in order to **contribute to improved regional maritime security within the Horn of Africa through the Kenya Navy**. This engagement builds upon the success of previous phases of programming and will seek to consolidate and sustain capacity built within the Kenyan Navy to address the ongoing maritime security challenges that remain. This engagement will support that Kenya Navy gets further engaged in international maritime security cooperation, by permanent membership of Combined Maritime Forces and it will continue to be overseen by the naval liaison officer to the Kenyan Navy, who will coordinate all bilateral naval and maritime activities. In the spirit of coherence, it is recommended however that the naval liaison officer is more actively integrated into the wider cluster of projects supporting this outcome, with a view to create greater synergies between this engagement and the engagement implemented by UNODC. Such an approach will develop a more holistic approach to countering transnational crime at land and sea in this phase. Efforts should be made to improve cooperation between maritime agencies, particularly in Kenya, given its more developed status, as well as promote regional adherence to the DCoC.

The *fifth and final* engagement seeks to combine previous standalone support to **the EASF and the IPSTC**, in coordination with BPST, with the aim of supporting the institutions build the collective civilian and military capability of East African regional and bilateral entities to engage in the planning and delivery of regional peace support operations based on priority and demand. As the institutions are based on the same site in Karen, just outside of Nairobi, such an approach involving a Civilian Adviser with experience of working closely with the military and a Senior Law Enforcement Adviser (on assignment from the International Department of the Danish National Police, IDDNP) with wider peace support experience, will enable the resources to be deployed where they are most needed rather than having to manage the risks of being under-utilised within one of the three institutions. These advisory positions would be complemented by a small resource pool for short-term technical assistance, which would be held by the Defence Attaché and deployed in agreement with the Programme Coordinator and RDE Somalia management.
