

**The Federal Democratic
Republic of Ethiopia**

Food Security Strategy

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I. INTRODUCTION

1. Ethiopia's Food Security Strategy (FSS), issued in November 1996, highlighted Government plans to address causality and effect of food insecurity in Ethiopia. The regional food security programs and projects were subsequently designed on the basis of that strategy. This document updates the original 1996 FSS by sharpening the strategic element to address food insecurity based on lessons learned to date.
2. This updated strategy is targeted mainly to the chronically food insecure moisture deficit and pastoral areas. A clearer focus on environmental rehabilitation as a measure to reverse the level of degradation and also as a source of income generation for food insecure households through a focus on biological measures marks a deviation from the 1996 strategy. Water harvesting and the introduction of high value crops, livestock and agro-forestry development further inform its content. In recognition that the pursuit of food security is a long-term and multi-sector challenge, institutional strengthening and capacity building is included as a central element of the strategy. As in the past, however, the overall objective of the FSS is to ensure food security at the household level, while Agricultural Development Led Industrialization (ADLI) will focus on creating the conditions for national food self-sufficiency.
3. Agriculture is found to be the starting point for initiating the structural transformation of the economy, as result, ADLI is pursued as a major policy framework for development since 1991. ADLI forms the basis of the FSS, as it does with the Poverty Reduction Strategy (PRS) process and is viewed as the engine for poverty reduction in Ethiopia.
4. Given that Ethiopia is a predominantly agrarian society, ADLI focuses on the development of the rural sector. The adoption of ADLI presupposes productivity enhancement of smallholder agriculture and industrialization, based on utilization of domestic raw materials via adopting labor-intensive technology. The strategy also focuses on the development of large-scale private commercial farms. In ADLI, it is

generally believed that the development of agriculture helps expand market for domestic manufacture, implying increased incomes of small holders.

5. More specifically, the central elements of ADLI are enshrined in the Government's new Rural Development Strategy, completed in January 2002. The essential elements of this can be summarized in terms of the development and optimal use of both labor and land as a primary resource for economic development. Market-led agricultural development (demand as opposed to supply oriented) is integral to this goal.
6. High population growth rates continue to undermine Ethiopia's ability to be food secured and provide effective education, health and other essential social and economic services. The central elements of the policy focus on improving the database for family planning services, and expanding education, and a multi-sector approach. Full attention will be given to the attainment of these goals within the remit of the food security strategy and subsequent programs.
7. HIV/AIDS is a formidable challenge to the pursuit of food security in Ethiopia as it reduces and debilitates the productive population. In turn, this places a further burden on society as a whole. Therefore, the Government has put in place a national policy and countrywide program down to grass roots level to control and reduce the spread of the disease.
8. The gender dimension of food security is critical in Ethiopia as women contribute greatly to economic development. In addition to women's reproductive role, women also have a substantive productive role in the rural sector, including participation in livestock maintenance and management, crop production, and the marketing of rural produce. Building on the constitutionally granted democratic, economic and social rights of women, the National Policy on Ethiopian Women (1993) will further create an enabling environment for the empowerment of women through integration of gender perspectives in the design and implementation of economic and social policies, programs and projects.

9. Environmental sustainability is critical to the pursuit of food security and economic development generally. Development depends on appropriate and sustainable use of the environment and the management of natural resources. To enforce this, the Environmental Policy of Ethiopia was issued in April 1997. Given the high environmental degradation in drought prone and pastoral areas environmental rehabilitation i.e. soil and water conservation is an essential element. Emphasis is given to both environmental rehabilitation and conservation and to use of natural resources and the environment as a source of income generation through, for example, the planting of multi-purpose trees, and forage.

II. DIMENSIONS AND CAUSES OF FOOD INSECURITY

10. Food insecurity is divided into categories of the chronic and acute. Chronic food insecurity is commonly perceived as a result of overwhelming poverty indicated by a lack of assets. Acute food insecurity is viewed as more of a transitory phenomenon related to man made, and unusual shocks, such as drought. While the chronically food insecure population may experience food deficits relative to need in any given year, irrespective of the impact of shocks, the acutely food insecure are assumed to require short term assistance to help them cope with unusual circumstances that impact temporarily on their livelihoods.
11. While we may theoretically separate the two categories, there are linkages between the categories of acute and chronic. This is because unpredictable shocks do not suddenly lead to acute food insecurity unless people are already very poor, as is the case of the chronically food insecure. Thus, it tends to be the chronically food insecure who are also represented in the acute category. Perhaps, therefore, it is more correct to speak of predictable and unpredictable needs, rather than to attempt to define the profiles of food insecure households as in reality most of the food insecure featuring in the annual disaster appeal are chronically food insecure.

- 12 Both chronic and transitory problems of food insecurity are widespread and severe in Ethiopia.

Indicative category of food insecure households in Ethiopia

Chronic	Rural	Urban	Others
	<ul style="list-style-type: none"> • Resource poor households • land-less or land-scarce • oxen-less • poor pastoralists • female-headed households • elderly • disabled & sick • poor non-agricultural households • newly established settlers 	<ul style="list-style-type: none"> • Low income Households Employed in the Informal sector • Those outside the labor market, such as but not exclusive to: <ul style="list-style-type: none"> - Elderly - Disabled & sick - Some female-headed households - Street children 	<ul style="list-style-type: none"> • Refugees • Displaced people
Transitory	<ul style="list-style-type: none"> • Less resource poor households vulnerable to shocks, especially but not only drought • farmers and others in drought-prone areas • pastoralists • others vulnerable to economic shocks. e.g. in low potential areas 	<ul style="list-style-type: none"> • Urban poor vulnerable to economic shocks, especially those causing food price rises 	<ul style="list-style-type: none"> • Groups affected by temporary civil unrest

13. A combination of short-term and long-term causal factors can explain the trend towards the increasing food insecure caseload. Long-term factors, such as the interaction between environment, high population growth, diminishing land-holdings, and a lack of on-farm technological innovation have led to a significant decline in productivity per household. These trends have combined with the repeated effects of drought over the years, to substantially erode the productive assets of communities and households. A loss of community assets (e.g., pasture and forest) has led to increasing environmental degradation and increased the pressure on-farm, leading to declining investment in soil and water conservation practices. More importantly, households are less able to cope with shocks because they cannot accumulate savings (e.g., livestock holdings and food stores) even in good years.

14. The above causal factors are only true because past policy environment has failed to address these issues and create off-farm income opportunities. This is particularly true of agrarian policies of the 1970s and 1980s, which, when combined with civil conflict led to agricultural stagnation and increasing levels of poverty across the board.
15. As a consequence, for the last two decades in particular, Ethiopia has become increasingly reliant on food aid to meet national food deficits. In 1984-85, external food aid made up just over 26% of the total food availability in country. Over the last decade, this has declined to an average of 10% of the volume of national cereal production.
16. Food insecurity is one of the defining features of rural poverty, particularly in the moisture deficit northeast highland plateaus and some pastoral areas. The incidence of food poverty is higher, estimated at 50% of the population; 52% in the rural areas and 37% in the urban areas. This is shown in Tables, 1 and 2.

Table 1. Poverty by Region (population weighted) using poverty line based on basket of 2200 Kcal.

Region	Head Count	Poverty Gap	Poverty Severity
Tigray	0.56	0.17	0.07
Afar	0.33	0.1	0.04
Amhara	0.54	0.16	0.06
Oromiya	0.34	0.08	0.03
Somali	0.31	0.07	0.02
Bensh-Gumuz	0.47	0.13	0.05
SNNP	0.56	0.18	0.07
Gambella	0.34	0.09	0.03
Harari	0.22	0.05	0.02
Addis Ababa	0.30	0.09	0.04
Dire Dawa	0.29	0.07	0.02
National	0.45	0.13	0.05

Source: Stefan Dercon: calculated using HHICES 1995/96 data

Table 2. Poverty Measures: Rural-Urban Comparison by Region

Region	Poverty Levels		Poverty Gap		Severity P2	
	Rural	Urban	Rural	Urban	Rural	Urban
Tigray	0.58	0.46	0.18	0.13	0.07	0.05
Afar	0.52		0.16		0.06	
Amhara	0.57	0.37	0.17	0.12	0.07	0.06
Oromiya	0.35	0.28	0.08	0.09	0.03	0.03
Somali	0.35	0.02	0.08		0.03	
Bensh-Gumuz	0.48	0.35	0.14	0.04	0.05	0.01
SNNP	0.57	0.46	0.18	0.13	0.07	0.05
Gambella	0.42	0.24	0.12	0.05	0.05	0.01
Harari	0.13	0.29	0.02	0.07	0.04	0.03
Addis Ababa	0.40	0.30	0.11	0.09		0.04
Dire Dawa	0.37	0.25	0.09	0.06	0.03	0.02
National	0.47	0.33	0.13	0.10	0.05	0.04

Source: Stefan Dercon: Calculated using HHICES 1995/96 data

17. Because of the primary dependence on crop production in Ethiopia, harvest failure leads to household food deficits, which in the absence of off-farm income opportunities, and/or timely food aid assistance, leads to asset depletion and, increasing levels of destitution at the household level. The effect is mirrored at the national level, resulting in overall declining food availability and increased reliance on food aid imports to prevent widespread mortality, as in 2000. Over the last fifteen years this situation has resulted in Ethiopia importing an average of 700,000 metric tons (MT) food aid per annum to meet food needs, among others, demonstrating the scale of the problem in Ethiopia.
18. Indicative of, but not exclusive to food insecurity, is the high level of nutritional deprivation. According to the Central Statistics Authority the 2000 Demographic and Health Survey, among under fives, 52% are stunted, 47% are underweight, and 11% of children are also wasted.

19. While it is important to deepen and refine the general understanding of the nature, magnitude, trends and impact of poverty, and the coping mechanisms used by various groups, addressing the root causes of food insecurity is a more immediate requirement. Key to this is the need to increase agricultural production nationally and to build the resource base of chronic food deficit households, to increase employment and income in both rural and urban areas, and to provide targeted transfers to deficit households. The following section discusses how this is to be done by defining the overall and elements of the Food Security Strategy of Ethiopia.

III. The Food Security Strategy

A. Overview of the Strategy

20. The previous section has shown the depth of overall poverty and food insecurity, which the Government is committed to addressing through implementation of Food Security Strategy. This strategy addresses both the supply and the demand side of the food equation – that is, availability and entitlement respectively from both a national and household level perspective. Within this, particular attention is focused on the diversity of food production zones in Ethiopia (i.e. areas with adequate moisture, moisture deficit and pastoral) to tailor options and strategies accordingly.

Accordingly, the strategy adopted rests on these three basic pillars:

- To increase the availability of food through increased domestic production.
 - To ensure access to food for food deficit households; and
 - To strengthen emergency response capabilities.
21. Given the dominance of rain fed agriculture, domestic production will give priority to increase production in the areas of dependable rainfall i.e. areas with adequate moisture. The present subsistence farming has to transform into small-scale commercial agriculture. Rural credit, markets, infrastructure and farmers' skill all need to be

improved. A more consolidated agricultural extension programme by offering the farmers a choice from a menu of market-oriented packages will be in place.

22. Ensuring household access to food poses a formidable challenge in view of the fact that chronic food insecure households are predominantly located in drought prone moisture deficit areas and peripheral pastoral areas. These areas are chronically food insecure in several respects: they do not produce enough food to feed themselves, food production is highly variable, and there are many households with insufficient income to secure enough food through the market.
23. Accordingly, chronically food insecure areas require a more comprehensive and appropriate package of interventions to cater to their situation. Such package may include soil and water management, plant nutrient generation and recycling, drought and pest resistant crops, improved post harvest management. Diversity is key to managing risks and thus a move away from traditional crop mixes to specialized oil seeds, fruits and vegetables, and livestock are proposed to generate cash incomes and increase purchasing power in the market. Livestock, water harvesting and management, and agro-forestry would be the central elements of food security activities in moisture deficit and pastoral areas. However, opportunities for increased crop production will also be exploited to the maximum.
24. Diversity of agro-ecological zones in Ethiopia create opportunities to exploit and enhance diversification and specialization. Extension packages will therefore be designed to reflect the diversity of agricultural zones and encourage specialization where appropriate. This will assist in the diversification of the household economy and eventually realize the transformation from subsistence farming to commercialization (for exchange through the market).
25. Off-farm income generating activities also play an important supplementary role to enhance self-provisioning of households. Capacity building, agricultural research to

generate technology, agricultural marketing and credit as well as infrastructures are critical crosscutting aspects of the food security strategy.

26. The real possibility of closing the food gap at the national level and the persistence of food insecurity at the households level over the medium to long-term have implications for food assistance in cash and in kind. Overall, this implies the need to transfer resources to the vulnerable population, shifting assistance from in-kind to financial flows, and shifting procurement of food for relief distribution away from imports to domestic supply. This provides for a transition period within which food entitlements will be increasingly met by self-provisioning of food, and increased purchasing power of the food insecure themselves.

B. Essential Elements of the Strategy

B.1 Agricultural Production, Marketing and Credit

27. The Government has embarked on sets of actions to narrow substantially the food gap over the medium term. Closing the gap would imply production growth rate faster than what has ever been experienced.
28. To increase food production in areas of reliable rainfall as quickly as possible, the strategy focuses on the diffusion of simple technology packages, within smallholder agriculture through the national extension program. In these areas the technical opportunity for raising farm output are reasonably well understood and there are generally good yield responses to the use of improved seeds and fertilizers.
29. Increasing food security in the moisture deficit areas will come through the diversification of livelihood systems, and the farming system in particular. Where markets permit, the strategy will focus on optimum exploitation of traditional grain production to more labor intensive with a focus on higher value crop production. An increase in diversified livestock holdings shall complement this approach. Yield increases obtained through the extension programme will be intensified and extended to other

grains, legumes, and oil crops. Hence, more attention will be given to improve research in crop and livestock.

30. The Government believes that the development of irrigation is integral to the pursuit of food security in order to reduce dependency on rain-fed agricultural conditions and thereby increase the opportunities for year round agricultural production. The objectives are, in order of priority, to improve food security in drought -prone areas; increase the volume of production of high value crops, especially fruits and vegetables, open up agricultural land in marginal areas, and use irrigation as a method to increase productivity in areas of reliable rainfall. Effort will be made to identify and promote appropriate technology of household-based water harvesting and conservation based sound and efficient management. Conservation based agriculture is critical to both moisture deficit as well as reliable rainfall areas, while in the longer term, the Government will strive to reduce both the human and animal population in *situ*.
31. Where water resources exist to allow cost effective development in areas of reliable rainfall, the focus will be on creating conditions for year-round agricultural activity, and for diversifying into high value enterprises. In order to encourage commercial farming, the Government will streamline access to land, within the existing tenure system, and open up new areas for large-scale agricultural production. While the Government will participate in studies, design, and repairs beyond local capacity, water use planning and regulatory activities, private contractors will be encouraged for construction, and irrigation cooperatives for operation and maintenance.
32. Livestock development is an important component of the FSS. Emphasis on the output side fall into smallholder dairies to increase farm incomes. Moreover, meat production, hides and skin as well as leather products are areas of focus to earn foreign exchange through exports.
33. Interventions designed to achieve food security are different for the drought prone and moisture deficit areas and recognized as a long-term task. Primary agricultural attention

will be given to livestock development and agro-forestry and natural resource management. Livestock rearing like poultry, sheep and goats are important economic activities. Since soil and water conservation is very important, in these areas planting multi-purpose fruit, trees will have a number of benefits both as a source of income, livestock feed and managing the soil fertility. The introduction of improved crossbred cows, animal nutrition and health services are important, moreover; attention will be given to the development of apiculture. All of these combined will help to diversify and strengthen the economic base of the households. The potential of the fisheries sector to reduce food insecurity has not been fully realized to date. Where relevant geographically, and in relation to food security, the Government will develop this sector through regional food security programs following feasibility studies.

34. Disseminating appropriate technologies and products for dry land agriculture is also a focus of interventions in the moisture deficit areas. This will include early maturing drought resistant crops, and technologies for better water harvesting particularly at household level.
35. As a strategy of responding to the problems of highland degradation, population and small farm size, in moisture deficit areas, programs will be effected to resettle farmers in suitable, under-utilized areas. This is in partial recognition of a reality already occurring on the ground whereby people are spontaneously resettling to unsuitable areas.
36. The resettlement program will be carried out intra-regionally and voluntarily. Regional Governments will identify suitable under-utilized lands fit within their own regions. Government will provide minimum infrastructure including schools, health facilities, roads and water systems.
37. The resettlement program will have a positive effect on food security in that under-utilized land will be brought to economic use resulting in the improvement of the welfare of the resettled people, and contributing to economic growth. Moreover, the Government will continue to focus its efforts towards increasing the carry capacity of the land through

the adoption of appropriate technological practices agricultural and environmental development.

38. Communities should assume greater responsibility for safeguarding natural resources to accrue the benefits thereof. Government will establish the rights of communities to legally exploit the products of their surroundings when communities assume a role in resource management. Such products include fuel wood, bee products and medicinal plants and incense. Wildlife and the development of eco-tourism can also be a significant source of income.
39. The food security strategy, as a multi-sector strategy, will touch on many different policy areas including that of land tenure and land use, rural credit and marketing systems. With regard to land management, the Government will increase security of tenure through certification, and with community participatory land use planning, better manage the natural resources.
40. The Government will take several measures to strengthen the financial sector through ensuring credit availability to rural communities and reducing the costs of credit administration. Measures will be taken to strengthen and expand rural micro-finance institutions and to broaden services to include banking services to rural communities to encourage rural savings and investments in farming and non-farming activities. Micro finance institutions will also serve urban low-income groups to support employment and income generation activities.
41. The Government's overall policy in agricultural marketing and distribution is to encourage the participation of private sector to improve the efficiency of the system. In the sphere of marketing, parastatal enterprises will play significant roles in stabilizing prices as well as reaching farmers who are far from agricultural input markets. To benefit from all these policy agricultural price and market information systems will be in place. The Government will focus on measures for the creation of a conducive business environment through appropriate fiscal policies and incentives, streamlining of

bureaucratic procedures in licensing, and the promotion of appropriate technologies and provision of support services.

42. Appropriate decision-making by farmers depend on access to accurate and timely market information by: -
 - Encouraging grain flows from relatively surplus to relatively deficit areas.
 - Promoting a more competitive marketing system, which will benefit both producers and consumers.

43. Substantial improvement in the provision of market information will be sought in order to increase integration of markets, with further reduction of costs. The Government will improve the legal and regulatory framework for agricultural marketing, with a view to promoting and maintaining competition, and reducing transaction costs for all agricultural products. The latter will include establishing and enforcing a standard grain classification system, and moving towards a system of standard, enforceable grain trading contracts in that these are a pre-requisite for reducing transaction costs by moving towards bulk handling of grain. Towards this end, measures will be taken to put in place a National Commodity Exchange System that facilitates market based interaction between farmer's service cooperatives, private traders and state trading enterprises.

44. Strengthening farmers' cooperatives are important elements of rural development in Ethiopia. Service cooperatives play a key role in improving the rural marketing and credit system. Existing service cooperatives are being strengthened while new ones are organized in areas where they do not exist. Support will focus on providing training to cooperative members, particularly, the leadership in the field of operation and management of cooperatives.

45. Improved livestock marketing facilities are also an essential step in increasing the off-take from herds to redress the balance between stock numbers and the range resources. Animal health measures, the collection and dissemination of market information and improved market infrastructure, such as the establishment and refurbishment of national

and trans boundary stock routes, associated water points, holding areas and improved grazing land will facilitate domestic and export marketing of livestock in food insecure areas. The link between primary markets and terminal markets, promotion of private investment in export and domestic processing, slaughter facilities, and transportation are crucial. Privatization of tanning plants, coupled with intensive efforts to increase value added through training of operators and introduction of improved grading schemes will improve the system.

46. Demand for dairy products is highest in urban areas whereas production takes place mainly in rural areas. Improved marketing of dairy products will increase food insecure households' cash income. To create links between the rural producer and the urban consumer, the private sector will be encouraged to invest in processing schemes to handle additional production.
47. Since 1993 fertilizer import, distribution and marketing has also seen a major transition from one of the state monopoly to a situation where the private sector plays an increasing role in the import, distributing and trading of fertilizers. Effort will continue in line with the fertilizer policy to further develop a competitive fertilizer importing and marketing system. This will be combined with the management of transition to ensure a smooth and timely supply of fertilizer to the farmers which avoids a supply gap in the transition to a more competitive market. Co-operatives and private fertilizer dealers would be encouraged to offer better services. To safe guard the interest of farmers and fertilizer trade the enforcement of fertilizer quality and packaging standards in line with the Fertilizer Law is crucial.
48. With respect to improved seeds, the existing private and public sectors are interested in multiplying seeds of high yielding crop varieties suitable for reliable rainfall areas so as to earn good profit from business. Both private and public seed companies will be encouraged to give services to food insecure areas. In the short term, efforts will be made to promote farmer seed production and marketing schemes until the demand for seed is increased sufficiently to interest the private sector.

49. For the majority of the Ethiopian farmers, traction and improved agricultural hand tools and implements are critical for agricultural production. Strengthening indigenous knowledge and practices, new areas of research and adaptation of improved farm implements as well as rural production capacity of the rural technology promotion centers and other related organizations would be promoted. To this purpose, the rural and urban private sector will be encouraged to play a role.
50. Focused attention will be give by Federal and Regional Agricultural Research Organization to expand the research network into agro-ecological zones so far not covered adequately, especially to the more drought-prone environments. It will also initiate biotechnology research phase by phase.
51. Because of the limitation on the availability of suitable agricultural technologies especially for the dry land and food insecure areas, the importation of agricultural technologies from other countries having similar climatic conditions is part of the Food Security Strategy. These technologies will further be utilized after conducting verification in multi-locational trial sites across the country. In addition, attention will be given to utilize the conserved bio-diversity resources.
52. For the majority of the Ethiopian farmers, the availability of improved animal drawn equipment as well as improved agricultural hand tools and implements are critical for agricultural production. With this regard, there is a need to strengthen research in the development or adoption of improved tools and implements. In addition, it will be necessary to increase the productive capacity of the rural technology promotion centers and other related organizations. Production and promotion of improved tools must be strengthened. The involvement of private enterprises in the manufacture and sale of agricultural tools and implements would be encouraged. Emphasis should also begin to local blacksmiths to play a significant role in the manufacturing and improving traditional tools and implements used by farmers.

53. To reduce marketing costs, and improve distribution of food, the strategy will include extensive construction of new roads, and rehabilitation of existing roads, in rural areas. The use of labor-based construction and maintenance will be further intensified, especially on the regional road network.
54. The improvement of infrastructure will be combined with promotion of competition in the transportation, trade, processing and distribution of food, as well as marketing of inputs. One of the focal areas of the roads sector development program is the improvement of rural travel and transport services. This program is already in the process of implementation where, significant level of community participation is also envisaged. Barriers to food and agricultural input distribution within and between regions will be reduced. Measures will be adopted to increase the numbers of traders, and to enhance their efficiency, management skills, and financial capabilities. Considering the limitations of rural roads coverage and the volume of commodity moved in various parts of the rural community, attention will also be focused on pack animals.

B.2 Pastoral Areas

55. The Five-year (2000-2004) Development Plan recognizes the knowledge gap that exists in pastoral development. Whilst pastoralists share a set of issues distinct to those of sedentary farmers, they are not a uniform group. The situation is complex where problems and opportunities vary across different pastoralist communities in Ethiopia.
56. Pastoral Communities in Ethiopia basically depend on livestock for their livelihood. This part of the country is semi-arid and arid with low and erratic rainfall. Any threat to the livestock economy strikes at the heart of pastoral communities, such is, their basic reliance on livestock for consumption or trade. During droughts, not only do large numbers of the livestock die, but also the terms of trade between livestock and cereals deteriorate quite substantially. High cereal prices relative to livestock then mean pastoralists need to sell off more livestock in order to survive.

57. Increases in human and livestock populations have put pressure on rangeland resources resulting in soil erosion, deforestation and bush encroachment, thus increasing the vulnerability of pastoral communities. Improving livestock development and diversification outside pastoralism or directing to agro-pastoralism will strengthen their economic base and reduce their food insecurity.
58. The goals of agricultural activities in pastoral areas are: increasing livestock farm productivity and improving the welfare of the people through voluntary and non-coercive settlement in consultation with local communities. This necessitates integrated intervention programs and setting up a culturally acceptable mechanism to oversee the utilization and management of resources.
59. Relating settlement schemes to environmental protection, planting grass and cattle feed in designated grazing areas, provision of sufficient drinking water for people and livestock, preventing overgrazing and soil erosion are some of the main activities to be considered. Moreover improvement of the cattle breeding skills and provision of animal health services to increase productivity and income will also be given due attention.
60. Strengthening livestock marketing is an important part of the food security strategy of pastoral areas that will benefit the local people by having their livestock and livestock derivatives secure better price hence improved cattle market centers and cattle routes will be established. Efforts will be directed towards setting up abattoirs with the active participation of the private sector, and in places where the private sector cannot do so; combined effort of the local people and the government will be initiated.
61. Though livestock is a primary focus for pastoral communities, diversification into sedentary agriculture and off-farm activities is necessary for sustainable livelihoods. Thus due consideration will be given to mobilize local communities to develop small-scale irrigation schemes in order to create a sedentary life and engage them in crop farming and hence ensure that the area is conducive enough to encourage settlement.

62. Long-term options for pastoral area development range from strengthening traditional systems to enabling voluntary settlement based on close consultation with communities. Hence, given the complex and diverse nature of pastoral situations, the following measures will also be taken to improve food security situation:
- a) Strengthening an early warning system that addresses the special characteristics of pastoral systems, triggering responses that build on traditional coping strategies;
 - b) Encouragement of carefully researched diversification in local economic system, including the introduction of forage legumes adopted to arid areas;
 - c) Identification and development of appropriate technology selection as well as the introduction of adopted forage legumes and research priorities on pastoral areas;
 - d) Encouragement and support of large scale commercial ranches; and
 - e) Encouragement of carefully researched diversification of the local economic systems where appropriate, and after close consultation with pastoral communities.

B.3 Micro and Small Scale Enterprises

63. The improved growth of agriculture based on technological advancement leads to a large increase to lead to large indirect growth in non-farm incomes and employment. The linkage of agriculture with other sectors will work partly through the increased use of farm inputs, partly through the processing, marketing and transport services. The successive induced growth springing from the agricultural growth impetus will be maintained through goods and services produced in small labor-intensive enterprises.
64. Growth linkages of agriculture occur in both rural and urban areas. The multiplier effects from agricultural growth will generally be made higher than those from other sectors, by establishing a conducive policy environment, and investing in productive infrastructure related to market access, adequate transport, improved schemes of competitiveness and product quality.

65. The three main areas of public policy, which will influence the patterns of growth, are: provision of infrastructure, encouragement of competitive marketing of input and output, and taxation of selective commodities to shift the consumption patterns. These government interventions will assist the growth of industries dominated by agro-processing. Moreover, emphasis will be given to address the constraints in the areas of education, credit, research and extension, risk and uncertainty.
66. To promote micro and small-scale enterprises the government will initiate and strengthen industrial extension services. Towards this end, micro and small-scale enterprises development agencies have been established at both federal and regional levels. The capacities of these agencies will be increased and strengthened.

B.4 Agricultural Exports and Diversification

67. The natural resource base of the country provides ample opportunities for diversification of horticulture, oilseeds, and pulses, which contribute to some degree of exports. The potential of exports in some other commodities like canned meat, leather products and garment needs further exploration. In line with this, attentions will be given to the problems of product quality, processing, transportation and etc.
68. Substantial investment is envisaged in agricultural research and other areas. Over the next decades main emphasis will be given to increase the yields of the major crop and livestock products with export potential. The infrastructure investment program, will be directed to wards supporting efficiency in the production and marketing of both food and export commodities.
69. Increasing the production of export commodities is equally important as that of food production. It is the intention of the Government to move in the direction of decreasing food aid receipt except in emergency situations. In line with its export strategy the commodities like coffee, hide and skin will continue to dominate the sector and efforts

will be made to reduce wastage and increase production, other agricultural products (especially horticulture, pulses and oilseeds), are also expected to increase substantially.

70. Emphasis will be placed on the textile and leather industries in the medium term to compete in international markets. Actions will be taken to increase competitiveness. With respect to textile industry, clothing offers good opportunity for increasing exports. This will be done through increased domestic investment and contractual agreement with international firms as well as technical management agreements. The leather industries will be encouraged in processing hides and skin that will result in value added commodity to the livestock sector. Further exploration of markets needs to be done for leather goods as well as garments. The main levers to be done will be privatizing major productive entities in the tanning industry, and maintaining conducive climate to private sector development. Steps will also be taken to make use of market access opportunities opened to least developed countries through strengthening exporters. The Export Promotion Agency will efficiently work to provide and coordinate support to the export sector.

C. Additional Entitlement/Access and Targeted Programs

71. Increase in agricultural production, economic growth and employment will add to food availability and increase income (and therefore entitlements) over the medium term. However, these factors are not enough by themselves to ensure sufficient food for everyone. The short-term objective of programmes that aim to ensure food entitlement is avoidance of death by starvation, while the longer-term aim is building the capacity of households, both rural and urban, to attain food security on their own. The focus throughout the programs is to increase food entitlement will be on the most vulnerable groups and households.
72. Under entitlement, there are three major components:
- i) Employment/income support schemes

- ii) Targeted programs
- iii) Nutrition intervention.

Implementation of these programs will be through (sub-) regional administrations, NGOs, the private sector and communities. The overall aim is the transfer of resources to the vulnerable population, following three important principles: (i) resource transfers will be designed as much as possible to enhance the capacities of the recipients for self provisioning in the longer term; (ii) targeting will be through self-selection, wherever possible; and (iii) a distinction will be made between those in the vulnerable groups who are likely to be able to provide themselves in the short to medium term, and those who are a long way from being able to support themselves.

C.1 Supplementary Employment and Income Schemes

73. These schemes will be supplementary to the employment and income generation arising from economic growth, because of the fact that growth is not likely to evenly distribute resources to the most vulnerable population. The schemes will be linked with priorities for rural areas, in that they will contribute to the construction of roads, small-scale irrigation schemes, water supply and sanitation needed to increase food production, reduce real food prices, and improve health. They will also address environmental rehabilitation and protection through soil conservation. In urban areas, the program would focus on the rehabilitation of roads, construction of public facilities, building of flood control walls, and implementation of similar activities, some of which would be aimed at helping the private sector to improve their business earnings.
74. Linking relief with development is not a new concept in Ethiopia. It has been widely discussed, and incorporated in The National Policy for Disaster Prevention and preparedness. The underlying idea is to direct relief resources towards reducing vulnerability and enhancing long-term development.

75. Community training in execution and maintenance of infrastructure would entail a significant degree of empowerment. This will ensure the long-term survivals of such programs.

C.2 Targeted Programs

76. These programs will be designed to transfer resources both to develop capacity for self-provisioning, and to support vulnerable groups who will not be capable of self-provisioning in the short to medium term. Provision of inputs such as seeds and fertilizers to resource-poor farmers and loans to destitute women will assist both groups to develop sustainable livelihoods. Provision of cash transfers to orphans, aged and handicapped is also important.
77. There are two common themes which should govern the types of programs undertaken: (a) to the extent possible, these programs will aim at transferring purchasing power to the poor by increasing employment opportunities and capacity to generate income, while avoiding market distortions, and (b) the programs will aim at providing the poor with more, opportunities and choices i.e. to the extent possible the poor themselves should be able to decide what to purchase and what to produce. The targeted programs should be developed with careful attention to their compatibility with macro-economic and social goals, the likelihood that the programs will actually reach vulnerable groups, ease of implementation, cost effectiveness, sustainability and administrative feasibility.
78. This targeting program will continue over the coming years, unlike the original 1993/94 programs. It would be implemented by regional bureaus responsible for programs aimed at particular sets of target recipients. The emphasis of this program would be on small loans of flexible vouchers to targeted recipient households selected by the peasant association or kebele. The zonal and wereda administrations would be involved in the actual program implementation and loan repayment.

79. The loans would be extended for similar-purposes to those of the original Safety_Net Program (SNP) to increase productivity by small farm households, assist the urban unemployed by providing job opportunities in regional and woreda administrative centers or other towns, and to provide loans to both urban and rural households to start small enterprises or family businesses. The program would be implemented and assessed in the context of development of the financial sector, especially in rural areas.
80. Selected small towns in the most food insecure areas would be targeted for investment in micro-enterprise activities to increase sustainable growth amongst small town households. The objective would be to begin the process of increasing purchasing power among the households of these towns, which would increase effective demand. At the beginning, a survey of a number of candidate small towns should be undertaken to determine what the opportunities would be for small enterprises in each of the towns. A pilot program would be tested with two or three different approaches. The activities might include tailoring, restaurants, petty trading, small-scale grain milling, bakeries, blacksmithing and retailing.

C.3 Nutrition and Health interventions

81. In addition to the income generating and price support initiatives indicated above targeted nutrition and health interventions are envisaged with the objective of reducing the serious levels of under nutrition observed in the country. This is an important intervention envisaged in the on going Health Sector Development program. Actions include, among other things, the followings.
- i) Minimization of children diarrhea, promotion of family planning service and targeted nutrition initiatives through hospitals and clinics (including growth monitoring and promotion, nutrition education, and distribution of the special weaning food, like Faffa);
 - ii) Promotion of proper weaning practices through developing a nutritional formulation using local materials, seeking ways to reduce costs of local production, expanding the

educational campaign on weaning practices through the mass media will also be promoted;

- iii) Developing community-based nutrition and health interventions based on lessons learned;
 - iv) Support for micronutrient programs, especially vitamin A, Iodine and Iron; Developing the institutional capacity of the Ethiopian Health and Nutrition Research Institute in collaboration with DPPC and other organizations concerned with nutrition; and
 - v) Increase investments in environmental sanitation-sewerage and water supply through labor based public works programs.
82. The highest priority area here is addressing the needs of those with both the highest risks and the most serious consequences of malnutrition: children under five, and pregnant and lactating mothers. The targeted nutrition program would be administrated by the Public Health Institutions with widespread community outreach and participation. The program would be integrated at the primary level, and its main focus would be preventive with some rehabilitation and feeding components.
83. The training of health care and community works in integrated primary health care delivery would include training on basic nutrition. Over the medium term, the institutional capacity of the ministry of Health to deliver integrated maternal and child health services (immunization, diarrhea control, and nutrition) would be very important. The extension package addresses primary health care as one of its important components. The linkages between better nutrition and improved domestic water supply and sanitation in both rural and urban areas would be emphasized.
84. Significant proportion of the poorer households in both rural and urban areas are headed by women, whose reproductive and work burdens are well-known. Special efforts are needed to assist them in finding labor saving ways to prepare food, secure firewood and water, and as well as ensure that they receive priority in income generation programs, and

access to child care initiatives where feasible. Nutrition education, better feeding and health care are also envisaged.

D. Emergency Capabilities

85. The Government will continue to strengthen its emergency response capabilities, including the monitoring, surveillance, and early warning arrangements, the capacity for food and relief distribution, strategic reserves of food grains, and its analysis of the international food trade and aid situation. At the same time, the methods used to judge the onset of food insecurity will further be fine tuned and develop the capacity to better able to assess the risk of an occurrence of event, which will affect food security, the likelihood of adverse effects, and the levels of vulnerability of households.
86. Given that resource constraints will almost certainly prevent massive infusions of development resources into the food insecure areas of Ethiopia, the need for constantly improving targeting mechanisms will be undiminished well into the future. Regular monitoring and evaluation will be essential elements for improving targeting mechanisms and for determining its impact. Periodic household surveys and rapid appraisals of both targeted and non-targeted households will be carried out to determine whether the infusion of resources under a renewed Safety Net Program is reaching the correct target groups. To determine the availability of food, income and nutrition effects of the program, inducing management effectiveness of the implementing organizations is also important in decreasing the incidence of food insecurity.
87. The strategy for strengthening emergency response capability would be built on the successful experience of 1993/94 Safety Net Program.
88. The purpose of the Emergency Strategic Food Reserve (ESFR) is to cover emergency requirements of food for about four month until food aid deliveries can be made available from abroad. The reserve level will be built up in accordance to the requirement. The

level of the stock of ESFR is determined by the proportion of vulnerable population. Loans will be extended to non-Governmental organization to recycle the stock.

89. The purpose and size of the strategic reserve under favorable conditions needs to be re-assessed, depending on the cost of holding stock, and the possibility of exports. From this vantage point, it would be logical to presume that as the magnitude of surplus production increases, more emphasis should be placed on exports and establishment of a foreign exchange fund as an integral part of the strategic arrangements.
90. At the micro level, the Government will focus on decreasing significant pre- and post harvest losses through different technologies.

E. Institutional Strengthening, Networking and Capacity Building

91. The democratization and devolution process in Ethiopia has created conducive environment for inclusive and participatory development Regional Governments have constitutionally defined powers and functions that focus on provision of basic needs for the people. Hence the capacity of regional Government in general and woreda/kebele administration in particular needs to be developed.
92. When this capacity of the regions particularly the woredas and kebeles is developed and strengthened, regional Governments can mobilize their communities for development, provide support to development projects and programs. Create conducive environment for private entrepreneurs to contribute to the development of the regions, and competently provide economic and social services to communities. Because of this, capacity development strategy of bottom up approach would be enhanced.
93. A number of bottlenecks, and weaknesses are bound to emerge in the process of actual operation and functioning of various institutions/organs and would indeed call for appropriate modifications and adjustments to streamline the organizational setup, improve inter-organizational relationship and refine coordination mechanisms. The

system being presently evolved and under implementation will need a careful monitoring and study of its actual operation and performance.

94. Institutional capacity building focuses on short and long-term training. More focus is given on the technical vocational training in order to produce skilled and competent staff at the grass root level who can do the job that would create wealth. Added to this, training institutes tailored to technical vocational training needs and farmers training centers are established while existing ones are strengthened.
95. The Technical Vocational Training aims at rural transformation by improving access to relevant and practical training of young people in agriculture and non-agriculture areas. These would be engaged in profit-centered commercial farms, and non-agricultural enterprises, among others, for the ultimate benefit of the community and the nation at large.

The three areas of emphasis in realizing this program are:

- Middle and junior level school level training: The objective is capacity building by creating farmers who would have completed the eighth grade through the provision of the required knowledge and skills to meet the immediate and short term requirement of the agricultural sector.
- Staff and program development: Here emphasis is given to staff training, curriculum development, teaching aids development, development of trainees recruitment criteria, certification and accreditation, strengthening apprenticeship, assessment of training needs, establishment of national standards and cost sharing mechanism, the creation of linkages between TVET and higher learning institutions to enhance the quality and standard of the agricultural Technical Vocational Education Training.
- Provision of credit in the form of revolving fund where trainees after completing the skill training will be provided with the required finance in order to create jobs of their own. Moreover, they could be used as trainers to the surrounding community where they will be residing.

96. The importance of grass-root level rural institution Peasant Associations (PAs) and service cooperatives (SCs) in carrying out coordinated and comprehensive development efforts can not be ignored. This is especially true in Ethiopia where farm holdings are small, application of modern technology is very low, and production is mainly of subsistence nature with low marketable surplus. Thus strengthening the organizational base of farmers will be given high emphasis. In line with the cooperatives law many of the service cooperatives need to be rehabilitated, strengthened, and public organization in the field of rural credit, marketing and supply of inputs.
97. An effective agricultural technology development and delivery, amongst others things, needs good linkage strategies particularity between agricultural research and extension services. The strategy for forging links with the research-extension system would be looked at institutional level linkage as well as grassroots. The institutional framework envisages bringing all stakeholders engage in technology development and transfer under the umbrella of one institutional set up/administration.
98. The establishment of legalized councils, which should take different forms, is the central point of this framework. This linkage arrangement is therefore addressed by establishing research-extension advisory council to be established at three levels namely: at federal, regional and research center based. These advisory councils will have legal status with duties and obligations. The functional framework of research-extension-farmer linkage underlines grassroots or field level linkage where researchers, extension workers and farmers converge in the field no matter under which administrative control they may fall, it basically refers to the day to day activities that operationally link field level practitioners.
99. Agricultural research and extension service provided to food insecure areas is inadequate in terms of coverage and quality. Thus program based special support tailored to the needs of these areas will be given on priority basis

100. The involvement of private entrepreneurs in market based economy is essential for Ethiopian agricultural development, thus private investors will be encouraged to play significant roles in agricultural input and outputs marketing, agro-processing and creating linkages with small farmers to serve as out-growers through partnership arrangement.

Food Security Assistance

101. Until 1994/95, the bulk of food security assistance was food aid in kind. This had to contend with perennial arguments concerning the possible negative consequences for domestic prices and production. Presently, due to the conjuncture of several factors within the donor community and world trade in food crops, the emphasis is shifting towards assistance in cash, which may be tantamount to balance-of-payments support. At the same time, Ethiopia is making progress towards closing the food gap through domestic production. This creates a fortunate coincidence of interest in the progressive switch of food security assistance towards cash. Cash assistance has the obvious advantage of shutting outward the demand for food. Which helps to keep producer prices from falling precipitately due to the lack of effective demand, thus providing implicit producer price support. This is not incompatible with further reductions in real food prices at the consumer level achieved through a combination of technological change in food production and reducing marketing costs through increased competition. Of course, food aid in kind will also be needed, as the primary purpose of food entitlement.
102. The Government envisages not only a gradual reduction in the magnitude of external food assistance but also a shift from in kind to cash. This shift has to be dictated by objective conditions in the country so as to avoid unnecessary disruptions of food aid-supported programs. Reliable information on market situations and marketable surpluses will be needed to implement such program. The gradual reduction in food aid needs would be achieved by increasing more food domestically, refining need assessment techniques, improving targeting of beneficiaries, and achieving steady and broad-based economic growth.

103. In addition, regular budgeted and multi-annually assisted Employment Generation Scheme (EGS) /Employment Based Safety Net (EBSN) can respond to the huge chronically vulnerable populations' needs and therefore reduce emergencies to what they are normally and internationally defined as. EGS/EBSN should be cash-based wherever the situation would allow. This would require a broad-based promotion of cash for work and cash for relief programs. Cash assistance will assist to minimize/ avoid producer prices falling due to the increase of effective demand.

104. The country's financial capacity to purchase food from either local or intentional markets will be limited in the short and medium term. Therefore intentional assistance will continue to be sought to fill critical gaps, especially for supporting development projects focusing on water and soil conservation, terraces, check dams small-scale irrigation, micro dams, access roads, clinics, schools and so on.

Annex 1

Production By Region in 2000(000`Qts)

Region	Cereals	Pulses	Others	Total
Tigray	5657.46	453.83	115.99	6227.28
Afar	237.1	---	1.17	245.93
Amhara	23285.97	4691.7	829.48	28807.11
Oromia	39288.57	3605.3	825.87	43719.76
Somali	219.08	---	---	225.21
Benishangul-Gumuz	1688.45	45.03	112.03	1845.51
Snnpr	6619.89	762.6	5.08	7387.57
Gambela	245.78	---	---	249.07
Harari	49.83	0.19	8.13	58.15
Addis Ababa	60.7	21.7	0.6	83
Dire Dawa	59.8	1.55	---	61.35
All Regions	77,412.63	9,581.9	1,893.35	88,909.94

Source: - CSA Sample Survey Report for 2000 Meher Season

AREA Planted By Region (in 2000), 000' Hectares

Region	Cereals	Pulses	Others	Total
Tigray	489.49	43.15	28.25	560.89
Afar	17.70	1.02	0.27	18.99
Amhara	2368.69	504.13	201.5	3074.32
Oromia	3060.54	387.24	165.43	3613.21
Somali	46.17	1.00	0.41	47.58
Benishangul-Gumuz	141.28	6.90	24.5	172.68
SNNPR	593.33	99.63	2.57	695.53
Gambela	12.49	NA	0.26	12.79
Harari	5.56	0.02	0.98	6.56
Addis Ababa	6.30	1.65	0.09	8.04
Dire Dawa	5.91	0.19	0.01	6.11
All Regions	6747.47	1044.97	425.26	8216.70

Source: - CSA Sample Survey Report for 2000 Meher Season

NA:- Data not available

Drought/Disaster Affected Population in Ethiopia, 1981 - 2001

Year	Total Population (Million)	Disaster/Drought Affected Population (Million)	Proportion Affected %
1981	36.67	2.82	7.7
1982	37.77	3.70	9.8
1983	38.90	3.30	8.5
1984	40.07	4.21	10.5
1985	41.21	6.99	17.0
1986	42.39	6.14	14.5
1987	43.40	2.53	5.8
1988	44.84	4.16	9.3
1989	46.12	5.35	11.6
1990	47.44	3.21	6.8
1991	48.79	7.22	14.8
1992	50.18	7.85	15.6
1993	51.61	4.97	9.6
1994	53.09	6.70	12.6
1995	54.65	3.99	7.3
1996	56.37	2.78	4.9
1997	58.12	3.36	5.8
1998	59.88	4.10	6.8
1999	61.67	7.19	11.7
2000	63.50	10.56	16.6
2001	65.34	6.24	9.6
Average	52.10	5.37	10.3

Source: - Affected Population from Disaster Prevention and Preparedness Commission (DPPC) and Total Population from Projections of National Office of Population

Annex 4

Food Aid Vs Production, 1985 -2000

Year	Food Aid 000' Mts	Food Grain Production 000' MTs	Food Aid as Proportion Production (%)
1985	1272.00	4855.00	26.2
1986	926.00	5404.00	17.1
1987	277.00	6684.00	4.1
1988	1096.00	6902.00	15.9
1989	461.00	6676.00	6.9
1990	657.00	6579.00	10.0
1991	925.00	7078.00	13.1
1992	840.00	7055.00	11.9
1993	519.00	7619.00	6.8
1994	980.00	6945.00	14.1
1995	683.00	7492.00	9.1
1996	150.19	10328.00	1.5
1997	205.47	10217.10	2.0
1998	417.31	8102.70	5.2
1999	511.03	8867.0	5.8
2000	979.56	9404.5	10.4
Average 1985 - 2000	726.64	7513.0	9.7

Source: - Food Aid From WFP and National DPPC and Food Grain Production Form CSA

Note: - Food Aid Equals to Food Grain Delivered.