

Meket Livelihood Development Project Evaluation Report

Save the Children UK



Prepared by: JaRco Consulting



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This page photo:
Top picture - farmer growing different types of vegetables for household consumption and sale using the shallow well constructed by the project in Akate PA.

Lower picture – a successful farmer who constructed (replicated) the shallow well by himself for producing vegetable and tree seedlings in Akat PA.

Executive Summary

The Meket Livelihood Development Project (MLDP) phase II of Save the Children UK ran from June 2004 to April 2008 in the Meket woreda of North Wollo, Amhara region. Declining farm sizes, environmental degradation, lack of essential services and successive natural disasters impacted the livelihood and food security of households over the last two decades. Investment in and diversification away from subsistence agriculture, on which the majority of the population depends, is difficult due to the lack of social, financial and physical assets. The MLDP aimed to alleviate these problems through encouraging experimentation and diversification of the rural economy. The MLDP employed activities surrounding cash distributions, targeted interventions and the diversification of livelihood options to diminish over-dependence on subsistence agriculture and improve the food security and livelihoods of poor households.

This report evaluates the successes and limitations of the MLDP to enable SCUK to gather lessons learned and inform policy makers of the achievements and shortcomings of varying aspects of the project to benefit future changes in the policy, funding, strategies, implementation and practice of linking relief with development. The evaluation took place in March 2008 with experts examining the project activities and conducting KIIs and FDGs with beneficiaries, non-beneficiaries, staff and implementing partners.

The evaluation highlighted a number of institutional, economic and environmental problems that limited the implementation and impact of project activities. Rainfall delay, PSNP rules, lack of skills and unfulfilled MLDP agreements held back sustained benefits of activities including asset creation at the household level, grain and seed banks and rural road construction. However, activities such as shallow well construction, skills training and school expansions enhanced beneficiary's livelihoods and are expected to have a sustained impact. With further inventions and a project extension many of the newer activities and some substandard ones could be developed into long-term livelihood improvement projects.

In the original MLDP proposal, it was noted that every effort would be made to ensure the smooth transition and hand over of activities to government or communities through a "seamless transition". However, in some cases this will not be the case. Most of the original activities planned were infrastructure development such as road construction and rehabilitation, construction of water harvesting structures, water shade catchments activities, etc... These types of activities are relatively easy to transfer or hand over to the government because they are part of the government strategy and regular plan. However, during the later stage of the program, the project began implementing new initiatives such as diversification of livelihood options activities. The program did not originally plan to implement these activities and a detailed strategy for hand over and integration into existing government programs was not put in place. Because of this, activities, such as silk production, grain and seed banks, etc. cannot be easily taken on by the government due to capacity and resource limitations. During the evaluation, similar concerns were raised by the government officials in the woreda. Similarly, due to the short time frame in which they were implemented (in some instances the activities are not yet completed), community members did not gain sufficient skills and knowledge to continue the activities long term. Because of this, sustainability will be significantly compromised and it will be less likely that these types of activities will be adopted by a wide range of farmers over time.

Though, the project highlighted that food insecurity at household level is caused by multi-faceted, deep-rooted factors. Long-term fundamental technological and cultural changes within the community are necessary to sustainably benefit livelihoods and alleviate food insecurity in the project area. Short-term projects such as the MLDP will have difficulty delivering results that significantly contribute to the resolution of complex food insecurities and livelihoods within target communities.

The evaluation demonstrates that the MLDP was partially successful in contributing to debates on how to improve the livelihoods of poor households. The short lifespan of the MLDP combined with the effect of PSNP regulations meant that MLDP activities could not be successfully implemented as a full scale research or experimentation project exploring all options, strategies and implementation modalities for improving the food security of households.

Acronym

ACSI	Amhara Credit and Saving Institute
CfW	Cash for Work
DAs	Development Agents
DPPB	Disaster Preparedness Planning Board
EOS	Enhanced Outreach Strategy for Child survival Initiatives
ESHE	Essential Services for Health Extension in Ethiopia
FfW	Food for Work
FGD	Focus Group Discussions
FGD	Focus Group Discussion
HEW	Health Extension Workers
HIV	Human Immunodeficiency Virus
IYCF	Infant Young Child Feeding
KII	Key Informant Interviews
MLDP	Meket Livelihood Development Project
MMFI	Micro Finance Institute
MoARD	Ministry of Agriculture and Rural Development
MoU	Memorandum of Understanding
MUAC	Middle Upper Arm Circumference
PA	Peasant Association
PSNP	Productive Safety Net Program
SCUK	Save the Children UK
TOR	Term of Reference
WATSAN	Water and Sanitation
WFP	World Food Program
WHB	Woreda Health Bureau
WOARD	Woreda office of Agricultural and Rural Development

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1. Background and Project Rational

The Meket Livelihood Development Project (MLDP) is a humanitarian cash-for-relief project, funded by the Dutch Government. The MLDP has an overarching objective of protecting and promoting the livelihoods of its beneficiaries, particularly with activities with specific benefits to children. The MLDP targeted the poorest sections of the population in the Meket woreda of North Wollo (Amhara Region). Meket woreda has a total population of 249,438 people, 123,446 male and 125,990 female. Three percent of the population live in small urban towns and 97 percent in rural areas. Children below four years old comprise 16 percent of the total population.

The overall aim of the project was to encourage experimentation and diversification of the rural economy against a backdrop of safety nets. It planned to achieve this by addressing the immediate food needs of 40,000 beneficiaries through cash distributions and targeted interventions which encourage economic growth (particularly in the non-farm and off-farm sectors). It also aimed to learn lessons and advocate changes in the policy, funding and practice of linking relief with development. The experience of the project will be used to inform policy makers about the advantages and disadvantages of its approaches toward improving the long-term livelihood potential of the beneficiaries, particularly in respect to child caring practices, asset protection and development.

Rural livelihoods in the Amhara region are in a chronic state of crisis due to declining farm sizes, environmental degradation, lack of essential services and successive natural disasters. An increasing proportion of the rural population is descending into poorer wealth categories; malnutrition is endemic and many people need food aid, even in years of good harvest. Lack of social, financial and physical assets means there is little scope for investment in - or diversification away from – subsistence agriculture, on which the majority of the population depends.

The Project used the Sustainable Livelihoods Approach to invest in integrated micro projects and activities. These activities included: seed banks; small enterprise development; household livelihood diversification; infrastructure development including road construction, water development, school and health facility expansion and rehabilitation; natural resource conservation; and market access.

The MLDP was first established as a formal pilot project in July 2003 (prior to this, there had been a series of pilots in many woredas, including in Somali region). After one pilot year, the Project was expanded into a second phase, with more resources and wider coverage using the lessons learned from the pilot phase.

The second phase officially began in June 2004 and was scheduled to run for three years. A number of start-up problems delayed the start of activities until March 2005. A no cost extension was approved by the donor extending the Project to 30th April 2008. Since 2004 the MLDP have implemented different development activities in 19 rural and two urban kebeles of Meket woreda. The remaining 25 kebeles of the woreda were supported by the Government Productive Safety Net Program (PSNP) through a Cash for Work strategy, which started in 2005.

2. Objective of the Evaluation

The overall objective of this terminal evaluation is to provide an overall view of the extent to which the project has achieved its objectives.

The evaluation will assess programme performance, changes brought about by the programme (especially for children), its strengths and weaknesses, and how the project was designed and implemented.

The evaluation will capture some of the policy and practice recommendations that flow from the project, in order to inform wider policy debates on Safety Net programmes, livelihood diversification issues and child-focused issues (especially relating to nutrition).

In addition, the study aims to derive lessons learned and formulate recommendations for future programmes to help improve programme implementation and strategies.

3. Evaluation Methodology

This report is based on field data collected by staff and associate staff of a local consulting firm called JaRco Consulting. The field work of this evaluation was possible with close collaboration of MLDP staff at the Save the Children office in Meket woreda. Data was collected during the period of 16th to 25th March, 2008.

The specific questions outlined in the Terms of Reference were the basis for designing the tools for data collection of this terminal evaluation. The evaluation primarily followed different qualitative data collection methods such as Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), activity assessments and case studies, which were employed to collect information on thematic areas of the evaluation. The data collection for this terminal evaluation was done in three ways to help triangulate data to ensure collection of reliable and accurate information. These included:

1. a literature review from progress reports of the project,
2. primary data collection from project stakeholders including implementing partners and
3. KIIS and FGDs with relevant Government officials, beneficiaries and non-beneficiaries differentiated by age, gender and beneficiary type.

In addition, cases studies were documented through in depth interviews with project participants. Data gathering and consensus building meetings with project staff were also conducted at project level during the debriefing of the evaluation results in Meket woreda. The study team conducted a total of 64 FGDs with men, women and children and 43 KIIs in nine of the 19 project implementation Pas (43%). Ten implementing staff and 29 Government officials and implementing partner staff were involved in the evaluation process. In total 556 people participated in the evaluation.

The strengths and weaknesses of the project were analyzed with all project stakeholders including project staff, beneficiaries and other stakeholders such as concerned Government

officials. This ensured a true participatory evaluation approach by involving programme stakeholders in both information provision and joint analysis and judgment of the results of the programme.

In order to review the changes brought about by the project intervention, to learn project implemented strategies and highlight lessons learned that will be used to develop recommendations for future programme implementation, the programme was evaluated using five specific evaluation criteria:

- Efficiency: The efficiency of the project through translating the cash and other resources into the desired level of output. This is the productivity of the implementation process.
- Effectiveness: The extent to which the project objective has been achieved through proposed implementation strategies. Plan versus achievement within given period.
- Impact: The impact on beneficiaries, institutions and communities: the positive and negative changes and effects caused by the intervention, including contributions towards fulfilment of achieving the project objectives.
- Relevance: The relevance of the project and its approaches to the needs of the target beneficiaries. In addition the relevance of the project in terms of the Government of Ethiopia and donor agency development priority agenda were assessed.
- Sustainability: The sustainability of the positive changes through institutional and organizational improvements which appear to have been achieved by the project and the mechanism in place to sustain these changes or improvements.

3.1 Challenges of the Study

The evaluation was conducted during a period of high levels of inflation and record high consumable goods prices (including staple food) across the world, including in Ethiopia and predominantly in the local markets where the project was implemented. Therefore, the beneficiaries' ability to isolate and judge the current situation compared to the previous years project performance and the effect of cash resources in the local market in addition to other benefits of cash resource transfer (including flexibility, bargaining, purchasing power of households and other social benefits) were affected. However, the current situation doesn't compromise the quality and the essence of this evaluation report.

In addition to high price of consumable goods, the *belg* rainfall (short rain period), in which it is possible to grow food crops, was delayed in the project area. These problems seriously affected the livelihoods of the target community during the evaluation period. By blaming local traders for high inflation, Government officials tried to control the activities of the traders in all market centres: fixing the prices at a lower rate, closing the traders' grain store, harassing and imprisoning them. As a result, there were few transactions in the food markets. The households suffered from a lack of adequate food supply, and were concerned about their future fate. As a result, participants of FGDs (beneficiaries, non-beneficiaries and local traders) discussed their worries about inflation and the delay of rainfall rather than expressing their experiences of the MLDP. Nevertheless, the researchers tried to explore the correct facts through systematic

inquiries and visual observations at each site. Therefore, regardless of these limitations and challenges, information included in this report adequately explains the performance, shortcomings and challenges of the MLDP during the project period.

3.2 Evaluation Team Composition

The evaluation team consisted of four experts from JaRco Consulting firm: the team leader, a senior development specialist with a water development background; a nutritionist, experienced in community-based health-care programmes; an agricultural economist with community-based programme assessment experience; and an economist with market development experience. In addition, implementing partners, MLDP staff and communities (beneficiaries and non beneficiaries, including children) fully participated in the evaluation process by providing information on the local context and in joint analysis and judgment of results of the programme.

4. Change in the Project Context (positive and negative – changes)

Since the project initiation, there have been a number of significant changes in the project context which affected the implementation process as well as the outcome of the project. The changes in the project context that affected the project both positively and negatively include:

- The regional policy that allows the distribution of the communal hillside to youth and landless people so that they can benefit from the sale of the grass through a cut and carry system.
- Changes in regional policy which eliminated the alternative education system and replaced it with the regular state education system.
- Introduction of the PSNP implementation rules and regulations (the PIM), especially the targeting criteria, private assets vs. community asset creation and the graduation of households from the programme.
- The creation of a Food Security Office,
- National Food Security framework which includes resettlement.
- The establishment of provisional guidelines by the zonal office to allow the grain and seed bank as cooperatives.
- The banning of the livestock trade route by the Government of Ethiopia.

It is obviously there has been a considerable positive impact on the sustainability of the activities undertaken by the project due to the enactment of the regional policy that allows the distribution of the communal hillside to youth and landless people and the establishment of provisional guidelines by the zone office to allow the grain and seed bank to operate as cooperatives. On the other hand, the banning the livestock tread route by the government of Ethiopia, the introduction of the PSNP implementation rules and regulations (the PIM), especially the targeting criteria, private assets vs. community asset creation and the graduation of households from the programme and the elimination of the alternative education system and replaced it with the regular state education system has seriously impacted the implementation of the project including the redirection of the strategies and activities. For example, originally the project has not planed to undertake the expansion and rehabilitation of regular schools, however due to the

new regional policy that eliminate the alternative education the project were forced to redirect its strategy and activity to the rehabilitation and expansion of the schools. In addition, due to the banning of the livestock tread rout one of the key project strategies (expansion of the market) were seriously impacted. Both the project and the beneficiaries were left with the only option, that is to sell or buy their livestock within their local livestock market, whereby local farmers are the suppliers and demanders, which creates inadequate and ineffective livestock demand and resulted in an impact on the value of the livestock. Similarly the introduction of the PSNP implementation rules and regulations (the PIM), especially the targeting criteria and private assets vs. community asset creation has delayed or over implemented some of the activities. For example the implementation of shallow well at the household level has been delayed due to the PSNP guidelines while the construction of pond has been over implemented due to the influence of the PSNP implementation strategy , which promote community assets in the form of pond and other community assets.

5. Findings

5.1 Type of services and achievements

The MLDP has been implemented in full scale since 2004 to gather lessons learned and inform policy makers of the advantages and disadvantages of different aspects of project strategies, approaches and interventions towards improving the long-term livelihood potential of the beneficiaries, particularly in respect to child caring practices, asset protection and development. In this regard the project has implemented a number of project components that directly contribute to the fulfilments of the project objectives. These components includes cash transfer in the form of Cash for Work and gratuities, market development activities, infrastructure development activities, grain and seed bank development, livelihood diversification options and child care and protection activities. The beneficiaries of these components various based on their economic status and the potential of the household to benefit effety from the program services. The majority MLDP beneficiaries, specially the cash resources transfer component of the project beneficiaries, were the poorest in society who were unable to support their family food requirements for a minimum of three months of the year. In addition the project targeted other segments of the community through different livelihood diversification activities based on the specific talent and potential of the beneficiaries. Fore example, those benefiting from grain and seed bank activities, silk production, highland fruit production and other skill development activities, were not always the poorest in the community. However, the poorest sections of the population were given priority to participate in the MLDP activities. The following section will discuss the achievements, effectiveness, impact and the change for the target beneficiaries brought about by each component.

5.1.1 Cash Transfer

The beneficiaries participated in Cash for Work activities were the poorest of the poor, whereby they were paid in cash when they participated, in most instances in community infrastructure development activities. The project also provided gratuitous support in the form of cash transfer to beneficiaries who were unable to participate in labour based public work activities due to their physical status (pregnant or lactating women, the elderly and disabled).

Since 2004 the MLDP reached on average 41,400 beneficiaries per year in 19¹ rural and two urban kebeles through different project activities including: provision of training; material support; cash support; construction of private and public structures; provision of technical assistance and formation of different community based committees; and groups to manage and maintain public and private structures.

Since 2004 the project has distributed 33,411,000 BIRR (3,022,740 BIRR to gratuitous beneficiaries and 30,388,260 BIRR to Cash for Work beneficiaries) to 165,600 beneficiaries (14,994 were gratuitous and 150, 606 were Cash for Work beneficiaries). Furthermore the

¹ The number of rural *kebeles* has been changed from year to year due to merging or splitting of one *kebele* into multiple *kebekels*. This number is the number of kebeles that the project is currently operating.

project distributed 670,000 BIRR in the form of credit (cash) through the woreda micro finance development office to 134 beneficiaries.

Modalities, the timeframe for making the transfer and duration of support was the same for both Gratuitous beneficiaries (Direct Support) and Cash for work (Labour Based Public Works). This approach does not cover the food requirement of the Gratuitous beneficiaries (Direct Support beneficiaries), as this is the only means of their income.

Targeting

Targeting occurred at three separate levels, which were often not well connected:

1. Woreda level;
2. Kebele level;
3. Community level.

Although the project primarily targeted the poorest in woreda, the actual targeting process and selection criteria for selecting the Cash for Work beneficiaries at the PA level varied greatly in each PA within the project site. This was mainly due to the woreda level quota system, in which the number beneficiaries for each PA were allocated at woreda level by the woreda Food Security Task Force and handed down to respective kebeles. The woreda level geographic targeting was decided before the kebele and community level Food Security Task Forces made any targeting processes. The number of beneficiaries per PA was allocated at the woreda level based on three criteria: the total number of population in the PA; the number of people on the emergency list in the previous year; and the number of people that leave the area in search of temporary employment.

Based on the result of FGDs, the quota system allocated by the woreda to each PA resulted in:

- a) the inclusion of beneficiaries who are not needy (the inclusion of the middle and the better off households while trying to avert social pressure, the so called ‘techehe lalebela’ - how can I eat alone without my neighbour).
- b) The exclusion of the most needy households or
- c) The reduction of family size to accommodate more households in the quota beneficiary list, which are not updated based on the local number of needy people - The targeting was static at one moment in time, rather than a responsive process).

FGDs (both beneficiaries and non-beneficiaries) in almost all kebeles visited highlighted the above mentioned irregularities exhibited during the targeting process

FGDs in almost all kebeles visited highlighted that both beneficiaries and non-benefices have confirmed irregularities exhibited during the targeting process. The kebele and community Food Security Task Forces employed a combination of different targeting criteria to select the Cash for Work beneficiaries in each kebele including family size, household asset holding (notably the number of animals owned), land holding size or landless, belg producers and non producers.

The community level targeting process was initially done by the community Food Security Task Force including the kebele leaders. These committees prepared beneficiary lists in their

communities based on pre-set criteria and brought potential lists of targeted people to the community for appraisal. Although specific figures could not be obtained at the community level due to long time elapsed since the targeting was conducted, in almost all cases the number of targeted households identified by the community Food Security Task Force was greater than the number of beneficiaries allocated by the woreda for the particular PA.

FGDs showed that the kebele and community level Food Security Task Forces were forced to develop different selection criteria in order to fit the total number of beneficiaries within the allocated number in their respective kebeles. One of the main targeting criteria that was used to select a household for the cash for work beneficiary is household assets holding specially in the form of animals and family size. According to FGDs with beneficiaries and non beneficiaries, this process resulted in the exclusion of a number of poor households because they owned very limited assets such as an old cow or one sheep or not having children. FGDs also felt that some beneficiaries were kebele officials and their relatives who were not supposed to be included in the list. Social pressure, fear of community isolation and fear of repercussions from kebele officials meant that the grievances were not effective enough to weed out those who should not have been on the beneficiaries list. As it is shown in the above statement, the top down woreda Food Security Task Force quota system has affected the project targeting process and its effectiveness.

Lesson on Targeting

1. Having a uniform, targeting mechanism across woreda, kebele and community level will minimize inclusion and exclusion errors;
2. Quota systems undermine the spirit of the MLDP's objectives (as well as the spirit of the PSNP, which is targeting of the whole family members);
3. Quotas exclude those most in need;
4. Quotas include those less in need, as a means to alleviate social pressures on households to provide assistance to poorer households;
5. There needs to be a transparent, equitable targeting Appeals process in which people can submit appeals without fear of repercussions.
6. Targeting should be responsive to the local situation it should not be static, once at the start of the project.
7. The targeting criteria should be selected based on the level of income or production to support the family, with clear strategy not to create disincentive on the production by providing additional incentive for prompting production and productivity.
8. The Gratuitous beneficiaries (Direct support beneficiaries) should be provided year round, as these beneficiaries do not have any other means of income to supplement their food requirement, it is imperative to provide the year round support.

Wage rate and labour exchange issues

During the period of the MLDP there was a general increase in the wage rate in the community. The national price trend (partly because of inflation) and the employment effect of the Cash for Work programme impacted this. A large proportion of poor households were engaged in the Cash for Work programme, which resulted in a shortage of labour supply in the labour market. Consequently the wage rate significantly increased from an average of three to five birr per person per day, to an average of ten and birr in rural and urban areas respectively.

The wage rate for Cash for Work participants (set to six BIRR per person per day) was set in 2004 and was not changed until the end of the MLDP. Each person was expected to work five days in a given month, receiving 30 BIRR (approx \$3) per month. Six BIRR per person per day proved too low to buy the desired level of food (given the global trend in price increases). Based on discussions with the woreda Food Security Office, it was revealed that the PSNP adjusted the daily rate starting in January 2008 to eight BIRR per person per day for the remaining 25 PSNP PAs, however this adjustment remains inadequate to purchase sufficient foods for a family basket and below the current local wage rate (10 - 15 EBT per day).

To reduce the impact of the labour demand on agricultural activity, the duration of Cash for Work and farm activities were arranged in a way to ensure they did not overlap. As such farmers were free from Cash for Work activities to work on their own farm during peak agricultural periods (planting and harvesting). And payments were arranged in deficit months (usually April to September).

The woreda Food Security Task Force direction stated that each beneficiary was expected to work one day per month for free in the form of a community contribution, which makes the total number of working days per beneficiary per month to six. This arrangement is justified on the basis that, since any beneficiary who participates in the Cash for Work activity is expected to work only six days per month, they are therefore free for the remaining days to partake in other social and productive activities. However, the reality was quite different. FGDs demonstrated that household members, especially adults (mother and father) usually worked on Cash for Work activities for the full month throughout the year, except the agricultural peak season.

There are two reasons for this. Firstly, households were expected to cover the labour requirement of each member of the household who was on the beneficiary list, i.e. six days per month, per beneficiary (not per household). Therefore, a typical household with five children was expected to participate in the Cash for Work activities for a total of 42 days in one month. The situation was extremely difficult for households with children under age (children under 18 years old)² and pregnant and lactating women. Children under age were not allowed to participate in Cash for Work activities: as such their parents had to cover the required work days of their children. In a typical rural family, if the mother is pregnant or lactating, the father must cover all 36 days of the labour requirement of the family, (excluding the lactating mother labour requirement).

Secondly, although the Project Implementation Manual (PIM)³ clearly stated that Cash for Work beneficiaries were expected to work for a daily wage rate most of the Cash for Work activities (including water catchments, road construction and shallow well development) were implemented through a combination of output rate and daily rate. The Cash for Work beneficiaries were expected to accomplish a certain volume of work within a month; this volume was assigned to a group of Cash for Work beneficiaries and may have taken more than five days per person. Therefore the Cash for Work beneficiaries were forced to work more than five days per beneficiary per month in order to accomplish the assigned volume of work.

² Based on Save the Children child protection policy children under age of 18 years old are not allowed to participate in the Cash for Work activities.

³ The PIM is a guiding manual to implement the government productive safety net program, which MLDP is principally guided in implementing its cash work activities.

Lessons learned in relation to Wage Rates and work days

1. Wage rates fixed by federal Government remained static during the MLDP, despite sharp global rises in food and commodity prices;
2. Despite a small increase in the wage rates in early 2008, the CFW wage rate is only 66% of the open market rate, and undermines the intent of the project (and PSNP) to avoid labour migration;
3. Wage rates should be responsive to market variables, and increase in line with staple food increases.
4. The implementation of the cash for work activity through the combination of output and daily rate undermine the spirit of the PIM, which limit the total number of work days per person. And minimize the number of days a household could participate in other social and productive activities.
5. In order to maintain the total number of work days by the beneficiaries per month to a reasonable number of days as well as to make it equitable to the amount of payment, there should be a ceiling on the total number of days worked per person or per HH.

Assets Creation and Investments at the Household Level:

Farmers rationally allocated their income to different household needs and invested the remaining amount based on their local context. For lowlanders with larger land and better grass cover for housing and animal feed, asset creation was in terms of livestock. In contrast, highlanders who lack grass land to be used for house cover and animal feed, used their income partly for livestock purchase and partly for house construction using iron sheets. In highland areas covering houses with grass is almost as expensive as using iron sheets. Therefore having a house with corrugated iron sheets, especially in highland areas is not necessarily a determinant of household wealth status. In addition, households who have no farmland, regardless of their geographical location, had no where to graze their animals and could not create assets from the income obtained through Cash for Work activities. Therefore, their chance to build assets in the form of livestock was very limited. They rather invest in their house by converting the roof from grass to corrugated iron sheet or renovate the existing one.



Ato Destwo was trying to sell his ox, which he purchased from the saving he made while he was participated as cash for work beneficiaries.

Despite the low daily rate payment, the evaluation results showed that Cash for Work beneficiaries were able to support their families by covering their food shortages. Furthermore some were able to save and create assets. FGD results showed that Cash for Work beneficiaries

with a household size of less than three people spent almost all of the cash received on food and other household needs. However, those beneficiaries with a family size of four or more spent 60% to 75% of cash received on food and used the remaining cash for household asset creation. Saving and investing in assets was directly proportional to the family size: the larger the family size of household the more money they received from the Cash for Work programme and the more saved.

Case study cash for work beneficiaries

Ato Tefery Demese is 54 years old and has a family of eight. He is a resident of Dubeko PA and has 0.25 hectares of land but has no oxen or cows. Since 2004, Ato Tefery has been targeted by the MLDP as Cash for Work beneficiary. Due to the quota limitations, only five members of his family have been getting the Cash for Work benefits, this is because the number of beneficiaries allocated to his community did not match the number of needy people selected by the Community Food Security Committee. The task force told Ato Tefery that he and his family were only eligible for five people only on the Cash for Work programme to enable the inclusion of other needy households.

Ato Tefery was very happy with the support provided by the project because he is getting 150 BIRR per month and he and his family are working in an area beneficial to his community. Over the last three years he has saved some money from every payment and was able to purchase one ox and three sheep. Two of the sheep gave birth, giving them a total of one ox and five sheep.

The evaluation team met Ato Tefery whilst he was trying to sell the ox that he bought whilst he was working in the Cash for Work programme. He said he was selling the ox to purchase food for his family but that there were a lot of cattle and no real buyers at the market. He also added that most the people at the market were those working with him on the Cash for Work programme who had accumulated some assets in the form of livestock. That day, most of them were in the market to sell these animals to purchase food for their families.

The FGDs clearly demonstrated these findings. In lowland PAs, on average eight out of ten FGDs participants accumulated at least one or two oxen, one cow and one ox, or five to ten sheep. On the contrary few of the beneficiaries (one out of four) in the highland PAs, were able to create assets in the form of one ox or one cow or construct a house with corrugated iron sheets. The majority of highland PA households were able to cover household needs such as food and clothing and purchase inputs in the form of different varieties of vegetable and garlic seeds.

The project and national Government safety net programme encouraged project beneficiaries to create assets and protect assets from depletion, notably in the form of livestock with the aim of making the household resilient to shocks. The ultimate goal of PSNP is

“to support the graduation of chronically food insecure households from the food security program (by providing immediate needs, responding to shock and enhancing their capacity to respond to shocks as well as protecting the depleting of household assets and building community assets).”⁴

⁴ This definition is taken from the PSNP project implementation manual

Farmers were able to create assets from Cash for Work but any delay in rainfall or possible occurrence of drought and inflation forced farmers to sell off their livestock to purchase food. Hence farmers were unable to cope with even short delays of the rains or drought, and started to deplete their livestock. As such they will at some point return to their destitute lives. During FGDs at Debeko PA, it was revealed that out of the eight households who created assets in the form of livestock, six of them were in the market the day the interview was conducted, to sell their livestock to purchase food. Similarly, other beneficiaries particularly in the lowland areas (Boya and Hamusit PA) were deeply affected by the delay in the belg rain and lost a minimum of five to ten of the sheep that they had accumulated during the MLDP period. During drought seasons (when food is scarce) livestock sales increase so households can buy food crops and because livestock are at risk due to food and water shortages. Consequently, livestock prices fall, which deepens the impact of the already harsh problems. This demonstrates that asset creation is not an end in itself, and a that fundamental change in the farming systems to improve farm productivity through the modernization of the agricultural implements, introduction of drought tolerant varieties of food crops as well as through the diversification of household economy by introduction of viable off and/or on farm activities is needed.

Lessons Learned on Assets Creation and Investments at the Household Level:

1. Types of asset accumulation varies according to livelihood zone – using asset based benchmarks across different livelihood zones is unlikely to be appropriate;
2. During times of shock (i.e. poor rain performance) households sell their assets when terms of trade are weakest – therefore market based interventions, specially regional and global, may be most appropriate at this time, or an increase in cash/food transfers;
3. Asset creation is necessary but not sufficient for sustainable graduation
4. Changes in the farming system and introduction of new technologies (i.e. drought resistant crops) are necessary interventions alongside existing interventions.

Cash versus Food

Payments in terms of cash under the Cash for Work activities proved more suitable than food payment from Food for Work activities due to the greater flexibility for beneficiaries. They were able to use the cash for different household needs and social and administrative obligations. Additionally, the cash collection proved less time consuming and less costly for beneficiaries: cash payments were made once per month in their PA, in contrast to food payments for which beneficiaries had to travel to the nearest food distribution centre and stay one or two days to collect the food.

Lessons learned on Cash versus Food:

1. Effectiveness: Beneficiaries had greater flexibility with cash, than they did with food transfers;
2. Efficiency: Cash is more time efficient to transfer for both the recipient and the transferor.

Change in the Social Interaction between Different Segments of the Community

Number positive changes were observed among the beneficiaries in particular and within the communities at large due to their involvement in Cash for Work activities. The Cash for Work activities limited the number of people who migrated in search of temporary employment, meaning household members were able to stay with their family. Furthermore, beneficiaries

gained from changes in land labour transactions, share cropping dynamics, loan arrangements and local wage rates. In addition, households were able to send their children (female and male) to school and provide better food, clothing and stationary materials.

Changes in Household cohesion: In Meket woreda, migration of landless youth and the poor to towns, commercial farms and surplus producing zones was a common coping mechanism of poverty and food insecurity problems. As most poor households were targeted for the Cash for Work intervention and because of the increased wage rate in the locality, the FGDs revealed that migration in search of temporary employment had significantly decreased. The combined effect of increased income and the social benefits enjoyed by staying at home were the major factors for the reduction in forced seasonal or temporary migration of the family breadwinners.

Changes in social equity: Prior to the MLDP, in Meket woreda and particularly the project area, contractual agreements existed between wealth groups (between the rich and poor).

The most significant and stringent contractual agreement was the *siso*. In this agreement, poor households contributed land and resource rich households contributed seeds and cultivated the land with their own oxen. If the land fertility was low, the poor households participated in activities such as weeding, and harvesting. Ultimately the grain output was shared 1:3 for the poor (land owner) and the rich (resource owner) respectively, and the straw was always taken by the resource rich owner for their oxen. FGDs showed that there appeared to be a significant change in the rate of this type of contractual agreement. Poor households now contribute only land, regardless of the quality of land and all farm inputs (labour, oxen, and seeds) are undertaken by the resource rich household, who now also pay an additional 200 to 300 BIRR per half a hectare of land they use. The grain and sometimes the straw are shared equally between the partners. As a result land is more expensive and the poor land owners (poor households) are getting more bargaining power. This presumably because of the reduced need for crop sharing due to lack of resources (ox or seeds) and increased bargaining power of those taking part in the programme.

The *yekul* contractual agreement also changed during the project duration. In this agreement, all inputs (labour, seeds and oxen) were provided by the resource rich households and land by the resource poor. Total production was shared equally between both parties, with the exception of straw, which, unless the other party had participated in the agricultural activities, remained with the resource rich household. Results from KIIs and FGDs showed that sharecropping practices were greatly reduced due to the Cash for Work programme. Poor households (the majority of which were beneficiaries of the MLDP) sharing their land remarkably reduced because they gained the means to cultivate their land themselves through increased access to basic resources such as seeds and oxen from asset creation and credit services.

Another common agreement in the project area is *yegulbet*, an arrangement involving renting out one's labour for two days in exchange for the use of a pair of oxen for one day. Interestingly FGDs reported that this contractual arrangement did not changed dramatically during the MLDP.

Prior to the inception of the project, a loan agreement took place in the project areas whereby poor people worked for a resource rich person, free of charge for two days in exchange for a loan

of 20 to 25 kg of grain food which the poor household was expected to pay with interest. This loan agreement was abandoned due reduced need for loan and increased bargaining power of the poor households, which is caused by the involvement of the poor household in the Cash for Work programme.

Lessons learned:

1. Seasonal migratory labour can be reduced by stabilizing household income and generating social benefits for remaining in the community;
2. Improved equitable use of natural and human resources for the poor, has resulted in increased bargaining power between poor and better off households.

Recommendations

- The consistency is required on the type of contractual agreement between the beneficiaries and the project (daily rate or piece rate).
- Review and restrict the total number of days a household is expected to cover – cap the number family members days that can be cover within the family (specially by parents).
- Review and amend the targeting process and criteria based on the actual needs (three, six and nine month food gap).
- Review and amend the types of resources transfer (i.e. cash or food) based on the level of local and other surplus production area.
- Flexibility and regularly adjusting the wage rates and number of working days in the Cash for Work programme to ensure it reflects local conditions and dynamics in the food prices.

5.1.2 Infrastructure Development

The MLDP implemented a number of infrastructure activities both at household and community level. The infrastructure activities implemented by the project included: water development activities; water shade management; natural resources conservation and rehabilitation; sanitary facilities; elderly house reconstruction; rural road construction and rehabilitation; school and health rehabilitation and expansion; grain and seed bank construction; market shelter development; and silk production houses construction. These infrastructure development activities were designed and targeted to serve the community and most of them are a community assets investment. However some of the infrastructure activities were targeted at household level, with the aim of providing support and opportunities for diversification of household incomes and access to water sources for small scale household irrigation systems.

Water Development: Within the water development activities a number of different water structures were constructed, each activity was dependent on the specific purpose and local situation. These water structures included: spring and shallow well development; water harvesting structures, including ponds; small scale irrigation structures, such as irrigation canal development; and the introduction of small scale drip irrigation systems. In addition, these structures were designed based on local needs and took into consideration the local geographical features. The majority of the spring development and shallow well construction was implemented in the highland part of the project site where these structures were most effective and provided the greatest benefit to the beneficiaries throughout the year. One of the strategies that differentiated the MLDP to those of the PSNP was the creation of assets at household level through cash payment systems including the development of shallow wells for small scale irrigation purposes.

The main strategies the project utilized when constructing private shallow wells was organizing eight to ten households with similar interests and commitment to constructing the well on their land and for benefit of every member of the group. FGD results and project evaluator observations found this approach to be an innovative and effective means to mobilize communities with a common interest. Results of KIIs showed that that households using the shallow wells for irrigation purposes experienced dual benefit. These households now have year round water supply and are able to produce different vegetables for household consumption, providing a varied diet. Furthermore, households with private shallow wells were able to produce seedlings to sell, principally eucalyptus tree seeds which they grow in private tree nurseries and earn a relatively good income from, to support their families. These private nurseries supply tree seeds to the local community at a relatively cheap



Akate PA: Cabbage harvested for household consumption: In Ato Belge giving the cabbage harvest for his spouse, for dinner.

price which contributes to the community's supply of construction and fire wood and increased vegetation cover in the area.

Case study on shallow well beneficiaries

Ato Beleg Mberate is 38 years old with a family of five. He resides in the Akat PA. Ato Beleg is involved in shallow well construction for irrigation with a group of six of his neighbours who have similar interests. He was paid by the MLDP 6 BIRR per day while he was working in the construction of the well. He said he was very happy that he has his own water source that he uses for irrigation to produce different types of vegetables and tree seedlings in his very small plot of land (about 100m²).

Last year he produced different types of vegetables including cabbages, onions, and lettuce and tree seedlings. He said he had earned a total of 230 BIRR from the sale of the eucalyptus seedlings and vegetables. In addition, he added it was the first time his family had vegetables during the dry season.

Due to the immediate household level benefits, shallow well construction for small scale irrigation purposes was one of the project activities with highest adoption rate by beneficiaries. In Akat PA the project constructed seven privately owned shallow wells for small scale irrigation through the Cash for Work programme. Based on the benefits the wells had for their neighbours, five new individually owned shallow wells were constructed in the same PA. However, during field visit it was observed that farmers are replicating/constructing these shallow wells in their small plot of land regardless of the their proximity to one another, which will have an serious effect on availability of water due to drawdown effect⁵, especially during dry season when the water most needed.

Despite the high success rate and benefits of these structures at the household level, the achievement of the shallow well development activity was under implemented compared to the original plan. Out of 100 shallow wells planned for this year (2007) only 28 shallow wells were completed with a further 30 under construction. The main reason for the under achievement was the influence of the PSNP guidelines, which prohibit the construction of such structures at household level.



Akate PA: Shallow well constructed by the project for small scale irrigation purpose

⁵ Withdrawal of water from one shallow well results in dropping of the ground water level in the immediate vicinity of the well and affects the water supply level of other wells in the near vicinity. This lowering of the water table is known as *drawdown*, and may amount to many centimetres and affects seriously availability of water with certain radius of the well, especially the effect is serious on shallower wells and the ones which are constructed in higher ground relative to each other.

FGDs and project evaluator observations showed that most of the shallow wells provided the water quantity required for continuous small scale household irrigation use, including during dry season. The quality and the appropriateness of the water structures were found to be relevant to the specific local context. They were designed and constructed adequately based the Amhara regional Government Water Development Guidelines, which were used as minimum design standards for development of spring and shallow well activities.

The project also constructed spring developments which were designed and constructed to good quality standard. In addition, a Water and Sanitation (WATSAN) committee formed within the community to manage the developed springs. The WATSAN committees for spring development activities are very strong. The committee holds regular meetings and collects monthly water fees of one birr. The committee also performs basic maintenance on the system when necessary. It is too early to judge the functionality of the WATSAN committee and whether they are able to maintain the springs in case of a major breakdown of the system. However, there is a clear indication that the WATSAN committee is sustainable and will manage the system in the future. It is well organized and collects and manages collection fees for future maintenance.

One of the major water activities implemented was water harvesting structures, such as ponds. Pond construction was principally designed to provide water for animal consumption during dry seasons. This activity was over implemented by the project due to pressure from and the quota allocated by the woreda Food Security Task Force. The quality and serviceability of these structures were found to be below standard and the majority of the ponds were unable to provide the desired level of services due to design and site selection problems. KIIs with the project participants highlighted that the project primarily focused on the number of ponds constructed within a given period and implementing Government partners and development agents gave little attention to in the quality of the ponds.

Most water shade management activities were designed and constructed with the main objective of conserving and rehabilitating the natural resource. Using physical and biological control measures, dependent on the specific local context, water shade management activities primarily focused on soil erosion control measures in gullies and eroded hills. Given the tough topography of the project site, the needs of the communities and high potential for significant impact in the area, the implementation of natural resource conservation measures was undisputed. However, the quality of the some the structures was found to be below standard and it is expected that they will aggravate the degradation of the soil. It is clear that the durability of the structure is questionable. The hill side trace that was visited in Debeke kebele demonstrates this. It was constructed without following the basic principle of water



Gully treatment using check dams and Gabion in Hamusit PA

shade management – the hillside trace needs to be constructed across the hill following the contour of the topography with standard spacing between the traces based on the gradation of the hill. However, the project strategy and approaches used to sustain the benefit from the hillside proved to be innovative and sustainable.

The project, in collaboration with the woreda Land Use Management Office, treated hillsides with different types of soil erosion control measures and distributed them to groups of organized youth and landless people. It is anticipated that these groups of young people will protect the hills from further erosion and thereby benefit from both the sale of the grass that is grown on the hills and utilization of the land for other livelihood initiatives which do not further degrade the soil. To fulfil the aim of using the hillside for a non-soil degradation livelihood initiative, the project facilitated the provision of credit amounting to 2,500 BIRR from the woreda Agricultural Office for the purchase of modern beehives. FGDs with the hillside beneficiaries in Debeke PA reported that they have earned a total of 1,950 BIRR from the sale of honey and grass produced in the enclosed hillside, for which they have started to payback the credit. It is apparent that the approach used to sustain the benefits of this activity has already shown a clear indication that the beneficiaries will protect the land from animals and utilize the hillside sustainability



Constructed hillside tracing in Debeke PA

Market access and utilisation: Other activities implemented under the infrastructure components were rural road rehabilitation and construction and market shed construction. Market shed construction and road rehabilitation was aimed at creating market access for rural communities and enhancing market transactions, by providing shade to perishable goods, buyers and sellers. As both urban and rural economic activity is based on the trading of agricultural products (grains, pulses, vegetables) and consumable goods (salt, oil, kerosene), the economy is already dependent on a strong urban to rural linkage. The MLDP has strengthened this linkage through the construction and/or rehabilitation of rural roads. However, due to poor quality of the newly constructed roads, the construction or rehabilitation of the roads has had little effect in providing access to the nearest town or market centres using public vehicles or animal drawn carts. Most of the newly constructed or rehabilitated rural road networks leading to the nearest town or nearest main road are of very poor quality and have been constructed below standard, making it difficult for rural to urban exchanges using public transport facilities. In order to make the rural road serviceable to public transport and provide the desired objectives, the rural road network requires additional finishing work including compacting and surfacing of the top layer with necessary materials.

The reason for poor quality road construction activity, according to both project staff and the woreda rural road development authority is a lack of skilled manpower for the finishing work

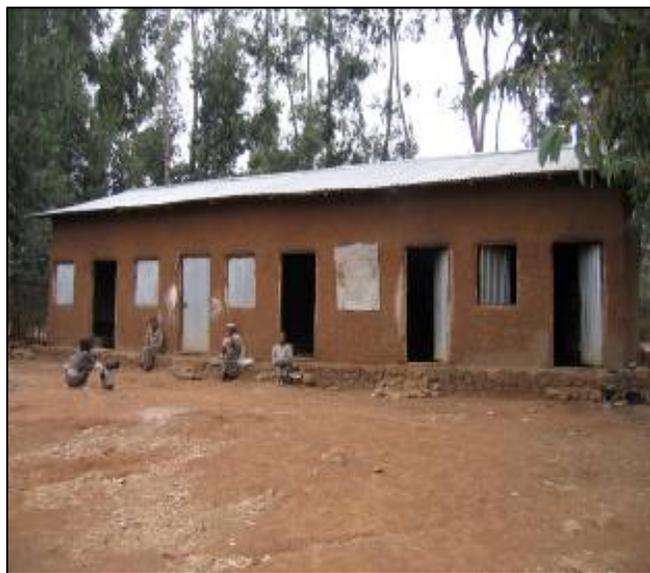
and monitoring of the activity, in addition to inadequate person days (PD) allocated to construct each Km of road. It was estimated that the total number of PD budgeted for each Km of rural road was about 4,000. This was insufficient to construct a road of the quality required for the rural roads set by the regional rural road development offices.

Schools rehabilitation: As part of the school rehabilitation and expansion programme Save the Children UK expanded three schools in Geragera, Taja and Woketa, with the aim of increasing education coverage and building the capacity of the schools in the woreda. In Geragera, the project with the community built one block with four rooms, in Taja PA, two blocks with eight rooms and two blocks with six rooms in Weketa PA. The project covered construction material costs including gravel, cement, doors, windows, nails and iron sheets and the community contributed locally available materials such as wood and stone. The project also provided the basic furniture and desks.

According to information obtained from the Meket woreda Education Office, the school expansion activities have benefited both the teachers and students by improving the teaching and learning environment. School rehabilitation and expansion activities are of good quality and reach the required standard. The project activities have also reduced the student per class ratio. Previously there were 70 to 80 students on average per classroom; however in schools where the project has added new classrooms, the number of students per class has reduced to a maximum of 50. In addition, the number of students travelling to their nearby town to attend middle-school has been reduced. This is because in the schools expansion activities in first cycle primary schools (1 - 4 grades) has upgraded them to second cycle primary schools (5 - 8 grades). Therefore young people can go to their neighbourhood school.

In order to create a sense of competition in academic performance and encourage students to better their performance, the MLDP initiated a competition for grade 4 students among 15 first cycle schools in the woreda. The winners had to compete again and the final winners and their schools were rewarded with a radio, dictionary and watch for the school. The winners at various levels were rewarded with educational materials such as exercise books, pens and pocket calculators.

Sanitary infrastructure: The construction of sanitary facilities, improvement of urban roads and construction of elderly houses were



A newly constructed town house at Felakit for

primarily implemented in urban areas (Felakit and Geregera). These activities were initiated with the main objective of providing Cash for Work opportunities to small town residents. For many of the poor urban residents, Cash for Work is considered a good opportunity for income

generation. It is perceived as meeting immediate family needs but is not considered a sustainable livelihood because it only considers one family member per household. These activities improve the town centres, which contain improvement and reconstruction of old private and kebele housing, town roads with poor drainage systems and lack of public sanitary facilities, which continue to degrade the town's situation. Therefore, with the intention of the improving the town centre, the MLDP reconstructed more than ten old town houses for elder and more than 500m of drainage canals in Felakit and Gergera and significantly helped alleviate the drainage problem. However, one of the road constructions in Felakit is unusable for vehicles because the drainage ditch was not been backfilled with the appropriate selected materials.

The lack of sanitation facilities and waste removal in the project site particularly in urban areas is clearly a problem for the towns, as it spreads disease and is a permanent health hazard. The poor sanitation conditions mean that the provision of sanitary facilities and awareness creation activities are essential in solving the towns' poor sanitary conditions. The MLDP therefore initiated sanitary enhancement activities to improve the sanitation conditions in Felakit and Geregera as well as in Debeko market area. The project has built a total of three public dry latrines. However, these latrines are not providing the envisaged services to the community due to poor management and unsanitary use.

General comments: All infrastructure activities implemented by the MLDP were designed and implemented with the intention of supporting or providing facilities to other components. These included: provision of market access and improvement of market transactions, through the construction of rural roads and market shades; improvement of the teaching and learning process through the rehabilitation and construction of school facilities; improvement of the urban health status through improved drainage systems and latrines; and the improvement of household income and dietary diversity through construction of small scale irrigation facilities.

Almost all activities implemented under the MLDP infrastructure development activities were relevant to the development needs of the community at large and to households, through the provision of basic services. With the exception of shallow wells, grain and seed banks, silk production houses and elderly house construction, all other structures were built with the intention of providing services at the community level across the project site and inline with the Government PSNP principle and guidelines.



Akate PA: Individual nursery for the production of eucalyptus seedlings and vegetables.

The impact of the infrastructure activities shows mixed results both in terms of output and impact on the beneficiaries. The construction of public latrines, for example, had little or no impact on the control and eradication of the town's poor sanitary conditions. Due the problems related to site selection and other technical issues, given

the enormity of the number of ponds constructed, it was expected that these ponds would be constructed with minimum standard and quality; however most of them did not provide adequate water for the community during dry season. In contrast, the construction of rural roads has significantly improved the accessibility of most rural PAs during rainy season; particularly roads constructed with rock, and provide a smooth ride for people on animal back and pedestrians. In addition, the roads provide access to Government and MLDP staff in terms of transporting construction materials.

The greatest impact was seen in saving time and improving access to services such as vaccination campaigns, transporting project inputs, transporting agricultural inputs and access between PAs. The various Ministries at the woreda level reported that the MLDP construction and rehabilitation of the rural roads has improved access to previously remote PAs, allowing for the provision of services using Government vehicles. However, due to the poor quality of the roads they are unused by public or private vehicles or animal drawn carts. Therefore, it is difficult to positively attribute the contribution made to the improvement in market access and rural-urban linkages, because it has had little or no impact on the availability of sustained public or private transport services on these rural roads.

The positive impact of shallow well construction at the household level has been considerable. The benefits are clear and measurable in terms of household income (as was seen in the case study above), increasing the availability of varied household diets and contribution to the improvement of vegetation cover in private land through providing affordable tree seedlings to the community by the shallow well holders.

Lessons learned:

1. Providing landless and youth with previously unusable (cleared) land, providing them with training and a means to diversify their income has dual effect:
 - a) They will protect the hillside from degradation by using activities that do not further expose the land for erosion.
 - b) These landless and youth now has a livelihood option that they will benefit from the sales of the grass and other activities they are engaged, such as beekeeping.
2. In order to assure the quality of infrastructure activities proper design, close monitoring and supplementing manual operations with machinery (when ever necessary) is crucial.
3. The construction of shallow well at the household level have a triple effects- household level benefit both in terms of additional income and provide varied diet to the household, benefit for the community (the availability of tree seedlings within in their vicinity at affordable price) and environmental benefit increase vegetation cover and availability of construction and fire wood.

The following table summarize impact and the reason for the achieved impact for major infrastructure activities.

Infrastructure scheme	Intended Purpose	Impact of scheme	Reason for impact
Roads	Improve market access	Low impact in terms of crating the urban rural market linkage	Poor road quality
Market shade	Improve perishability and conditions	Medium impact	Most of the perishable agricultural products are not in the shade.
Schools	Improve teaching and learning	High impact	Reduced the student per class ratio. Number of students travelling to their nearby town to attend middle-school has been reduced.
Sanitary facility	Improve health	No impact	Due to lack of management the sanitary facility are providing services.
Shallow well construction and small scale irrigation	Increase household income and dietary diversity	High impact	Improved household income and improved provide varied diet. Provide tree seedlings to the farmer at affordable price, there by increase vegetation.
Pond construction	Provision water	Low	Very few of them have provided expected services to the beneficiaries due to technical and site selection problem.

Recommendations

- Most of the road constructed or rehabilitated work has been done without environmental impact assessment. It is likely that these roads will have serious environmental consequence through time including crating gully, land slide, etc. Thus, it is recommended that environmental impact assessment should do before stating the construction of rural road.
- Proper design, close monitoring and supplementing manual operations with machinery during the construction and rehabilitation of the rural road is recommended, in order to achieve the desired level standard quality road and ultimately to provide the desired level of services.

- Farmers are constructing shallow well in close proximity to one another, which will have a serious effect on quantity of water supply due to drawdown effect, especially during dry season when the water most needed. Thus it is recommended that farmers should be provided appropriate advice on the minim distance between shallow wells to minimize the drawdown effects.
- Rural road construction by human labour only proved to be, time and aging, ineffective to way in achieving the desired level of quality. Thus it should be supplemented by machinery when ever it is feasible – or the number of person day per km road should adjust based on the current market value.
- The construction of public latrines in main town centres could contribute significantly in the improvement of sanitation condition of the town if properly managed. Thus, the construction public latrine should be accompanied by strong management that is responsible for maintenance and daily upkeep through services fee charge.

5.1.3 Market Development Activities

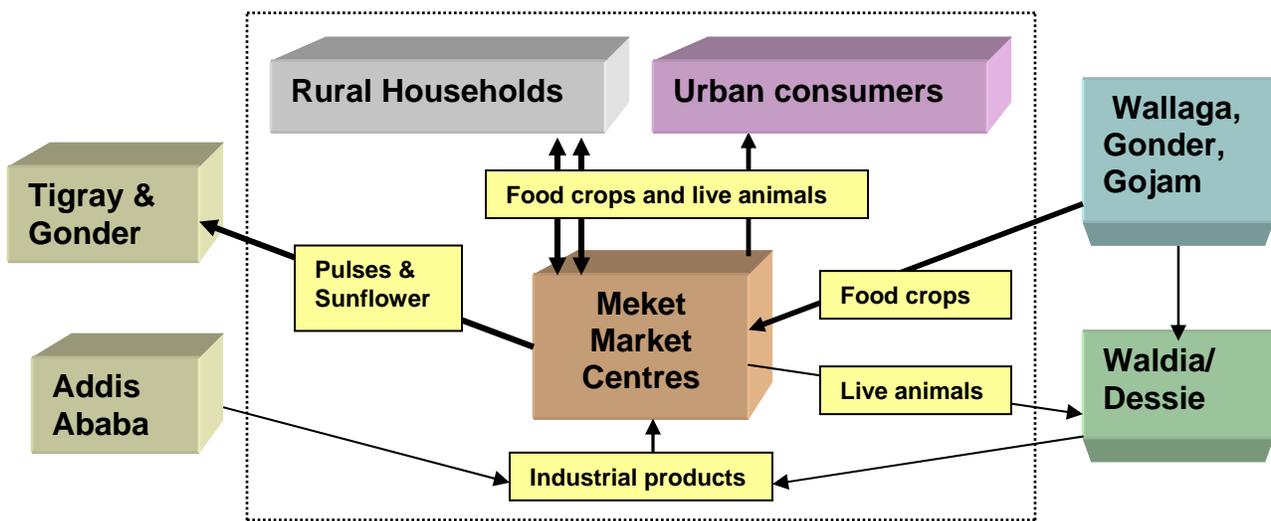
There are several market centres in the MLDP, mostly located along the main road running from Bahir Dar to Woldia and Lalibela. The major market centres include Geragera, Hamusit, Estayish, Agrit, Arbit, Tajja, Dibiko and Gashena. New small market places are also emerging. The importance of the markets does not necessarily coincide with the status of the PA in the administrative hierarchy. For example, while Filakit is the capital, Geregera has the largest market centre in the woreda, followed by Hamusit and Estayish.

These market centres function as a source of supply and demand for food grains, livestock, handicrafts and industrial products. Pulse crops such as faba bean, field pea, chickpea; sunflower and live animals (cattle, equines and sheep) are locally produced and supplied to the local markets. Pulses and sunflower are usually exported to Gonder and Tigray, and cattle to Woldia and Dessie. On the other hand, considerable staple food crops such as sorghum, wheat, maize and tef are largely channelled from the surplus producing zones of Wallaga, Gojam and Gonder (Figure 1) to the study area and the neighbouring food deficit zones.

From the mid-1990s until the past two years, when the Government of Ethiopia officially banned the trade route, considerable amounts of cattle were traded to Gonder and then to Sudan. To some degree this contributed to increased livestock prices in the MLDP areas. Presently, livestock are largely marketed within the locality and only few to Woldia and Dessie. The major suppliers and buyers are community farmers.

During the study period the livestock market was experiencing a high disequilibrium with high supply but low demand. Therefore prices of all livestock significantly decreased (estimated at a 25% reduction) relative to the prices of two months prior to the study. Farmers greatly increased livestock supplies for two key reasons: (i) shortage of food due to low harvest from their own harvest in the last cropping season, and hence high staple food prices in the local market, and (ii) shortage of animal feed due to delay in the belg rainfall.

Figure 1: Market Channel for Food Grain, Industrial Product and Live Animals



In line with the economic policy of the Government, improving access to markets was one of the major components of the MLDP. This was to enhance asset building, improve food security and therefore enable households to lead independent livelihoods that are able to withstand reasonable shocks. One of the main objectives of the project was to stimulate local markets and the economy through cash distributions from cash-for-work intervention (a cash injection of approximately one million BIRR per month) and other specific related interventions

The hypothesis was that local markets would be stimulated by the cash injection (through large scale cash-for-relief) and that the markets could respond to increased demands, enabling access to enough food at reasonable prices. This section of the evaluation report reflects on the impact of the project on market performance.

Accordingly, the project financially and technically supported the following five major activities with the aim stimulating the market in the project site and surrounding woredas:

1. Construction and maintenance of feeder roads through Cash for Work;
2. Construction of market shelters;
3. Enhancing traders' participation in the market;
4. Promoting cart transport; and
5. Creating a market information network.

Construction and maintenance of feeder roads through Cash for Work: As stated above in the infrastructure development section of this report, during the MLDP a large number of new feeder roads were constructed and older roads were maintained using the Cash for Work programme. The roads connected rural communities to the main roads, market places and other kebeles for socio-economic interrelationships. To create a favourable environment for better market interaction, market shades were also constructed at three market centres; Dibiko, Estayish and Geregera.

Road construction was one of the most useful employment generation schemes in the Cash for Work activities, as it is a labour intensive project scheme. Rural people are generally, scattered, isolated and have little access to market and public services. The problems are worst in areas like Meket where the landscape is rugged and mountainous. Therefore, road construction is extremely vital for socio-economic and political reasons.

The greatest value in constructing and maintaining roads was noted as improved access to public services such as schools, health centres and administrative services and to transport food for school children and construction materials for the development of public goods (such as water, schools and clinics). It has also increased inter-kebele networking and provided a better life for the old, weak and blind to walk at ease to market centres. People can now easily transport their goods using pack animals from homes and farms to markets. The reduced time and comfort gained from road construction in rural areas has benefited people needing market access. The FGDs revealed that the construction of roads has reduced the length of time it takes to get to market centres by 15% to 25% depending of the topographic feature of the locality, therefore providing much improved access to markets. However, the roads constructed were generally of poor quality and only usable in the dry season and perhaps for only short periods of time. The

poor quality of the road coupled with weak economic status of the community, has hampered the use of public transport and delivery of marketable goods using vehicles on the new roads. Therefore, the role of the roads in improving the functioning of the market has not been significant.

Above all the injection of cash in the form of relief and implementation of the subcomponents of the project provided an opportunity to generate income for the poor to primarily secure food for beneficiaries in food deficit areas (provided that prices are stable and reasonable). Although cash injection was by design primarily meant to maintain subsistence, the argument here is to expect any significant market stimulation. In this respect, more income to poor households means an additional demand for food, clothing, education, and health care and asset development. Creation of new or additional demand is also a good opportunity for traders and surplus food producers. In conclusion, from the socio-economic aspects of Meket Woreda, the MLDP activities undertaken were found to be relevant to stimulating market development and improving the livelihoods of the people in the project area.

1. Construction of market shelters;

To create a favourable environment for better market interaction, market shades were also constructed at three market centres; Dibiko, Estayish and Geregera.

It is well known that almost all transactions in rural areas usually take place in open markets, which makes it difficult for traders to undertake proper marketing. High temperatures, fast blowing wind, rain, floods and dirt prove to be troublesome conditions in open markets. This reduces the efficiency of the market functioning effectively. The quality of the products in the



Market shade -constructed by the project at Debeke Market centre

market deteriorate due vulnerability to dust, dirt and direct sun light, this is particularly problematic for perishable agricultural products. Therefore, constructing market shade creates an improved environment for better and longer market transactions, comfort for buyers and sellers, protection of commercial goods from high heat, wind, rain, flood and dirt, and reduces the danger of loss of product quality. In addition to creating employment opportunities, the formation of traders' groups, introduction of horse drawn carts and provision of market information increase market competition, product supply and market functions.

It was observed that the market shades were quite small in size and few in number, therefore only serving a fraction of market traders. In addition the market shade were constructed with out proper protection of the supporting pillars from termites (the pillars has direct contact with the soil) and the flower is unfinished. Further more, the shades were occupied arbitrarily by local

retailers of industrial products, but sellers of agricultural products (which are generally larger in quantity and susceptible to damage) remained in the open air. Only sellers and buyers of industrial products were able to benefit from market shades. Furthermore, because the market shades were poorly constructed, their life span and serviceability would not have benefited market development. Improving the size and quality of the market shades is strongly encouraged. Partitioning and renting individual market shelters for beneficiaries (collecting service fees) would enhance efficient and sustainable use of the market shades on a larger scale.

2. Enhancing traders' participation in the market;

In order to stimulate market competition and stabilise market volatility the MLDP formed four groups of grain traders. Each group consisted of ten individuals (total of 40 beneficiaries) organized in Agrit, Arbit, Hamusit and Taja market centres. Group members were tasked with micro enterprise policy, saving and credit management systems and grain marketing. In addition, the project facilitated agricultural product procurement in surplus producing regions and access to price information at those localities. In addition, credit services were facilitated jointly with MLDP and the Meket Microfinance Institute as a start up capital amounting to 50,000 BIRR for each trader group. The groups of grain traders engaged in importing wheat and maize from Gojam, maize and sorghum from Wallaga and sorghum from Gonder. Taking into account the cost of transportation and a certain amount of profit, the group agreed the selling prices for each grain. Each member of the group was to participate in retailing the products, and failure to do so resulted in a penalty as set by their bylaw. Ultimately the group members equally shared the dividend.



Grain trader in Debeke Market centre

The formation of groups of grain traders contributed to increased supply of food grains in the deficit communities of Meket woreda. However, because of inflation in the economy across Ethiopia, the partial effect of the increase in supply, due to the entry of the new grain traders, on prices was inconsequential. The small number and size of traders relative to the severity of the inflation could not allow them to adequately supply grain food and stabilize the market. Nevertheless, members of the trader groups significantly benefited from grain trade which improved their livelihoods.

A case study on grain trader

Baye Demise lives in Hamusit village, Meket Woreda. He is 28 years old and married. He worked in micro enterprises (petty trade) to earn his income. In late 2004, Baye and his friends of similar livelihoods formed a group of 10 people to engage in grain retailing. Assisted by MLDP, the group developed a bylaw and in February 2006 was linked to Meket Micro Finance Institute. Borrowing 50,000 BIRR from the institute, Baye's group participated in bulk purchases of grains (particularly wheat, maize, and sorghum) from Gojam, Wallaga and Gonder. Since the establishment of their trader group, Baye and his friends have generated a total net profit of 41,760 BIRR. The group shared a dividend of 2,276 BIRR each and reinvested the remaining amount. Baye explained that he and his friends have improved their livelihoods and enjoy the business. However, a recent Government intervention to control prices has affected Bayes future plans.

4. Promoting cart transport:

In a further activity, five individuals, selected from different communities, were given one horse and cart each to offer transport services between rural communities and market centres. Their aim was to improve market access for their respective communities. The individuals were also trained in traffic rules and regulations. However, due to poor quality of the rural roads these animal drawn carts are only able to provide services on the main road. In addition, animal drawn carts were only recently introduced; therefore the effect on the livelihoods of individual beneficiaries and in the market development has not yet been realized. However, the introduction of horse and carts in small towns and market centres will have considerable potential for impacting market development and improving the livelihood of those individuals who provide the services.



Berhan Ayele providing transport services between Hamusit and Boya during market day with the cart provided by the project

5. Creating a market information network:

To provide timely based price information, notice boards were erected in five market centres: Hamusit, Dibiko, Agrit, Geregera and Estayish. The attempts by the MLDP to provided price information on market notice boards on selected food products in surplus producing regions was unsuccessful. Traders were removed the information boards from the market centres. This is primarily because local traders objected to price transparency for consumers, because it initiates bargaining.

A case study on animal drawn cart

Berihan Ayele was born in Hamusit village, Meket Woreda. He is 19 years old and single. He completed grade 9. He had no land or livestock and was unemployed. In consultation with community elders, SCUK selected Berihan and in February 2008 gave him a horse cart, and trained him traffic rules. Berihan said, "Now I am happy because I have a job. I am the first person to introduce animal drawn cart in the community." He provides transport service for rural and urban people in his community on market days. The busiest time for Berihan is on the market day at Hamusit, transporting people and grain between Boya and Hamusit, which are approximately 5 Km apart on the main graveled-road running from Bahir Dar to Woldia. His service has reduced the time it takes people to get from Boya to Hamusit on market days from 1 hour on foot to 20 minutes by transporting them with horse cart.

He also provides transport services to grain producers between these two villages. Berihan works only two full days, during the market days at Hamusit, and intermittently on the other days such as on the Gashena market day (12 Km from Hamusit). He earns a net income of 20 to 30 birr per week. He said, "This income is low due to high feed cost." During the survey, feed was critically scarce because of a delay in rainfall as such it was very expensive. Yet Berihan remarked that he was happy because the potential benefit from the cart service will be high in the near future. People are learning to use carts as transport service, and the demand is increasing every day. Berihan is planning to expand his service by increasing the number of horses from one to two or three if he gets access to a credit service.

Overview of cash as a stimulus to the market

In a period of 2004 to 2007 about 33,411,000 birr was injected into the project area and in the Meket woreda economy through the MLDP. On average 41,400 people were the sole recipients of the cash injections each year. Therefore each beneficiary received an average of 605 BIRR over four years (about 202 BIRR per year per beneficiaries). The market stimulating effect of the project was evaluated in terms of access to markets, changes in supply and demand and trends in prices of food products.

Results of the FGDs and KIIs strongly asserted that roads constructed by the Cash for Work programme have improved access to markets for beneficiaries and non-beneficiaries; shortened time spent getting to markets; improved inter-kebele networking and enhanced social capital such as labour and market information sharing. Through its direct impact on the income of beneficiaries, the cash injected considerably increased the effective demand for major food crops and livestock (for asset building). This provided a good opportunity for traders to enter and/or expand their operations. Traders reported that since 2004 50% of their grain trading was going to new additional entries in Meket woreda. As a result the volume of grain supply significantly increased, primarily by transporting from surplus producing regions.

Consequently, the interregional flows of food products and market integration grew considerably. Whilst it was difficult to obtain quantitative data on the economic benefits to the direct beneficiaries, traders and surplus producing farmers it is obvious that the benefits were enormous. However, physical and technical limitations meant access to markets did not have any noticeable effect on local farm productivity and agricultural supply. Indeed, few beneficiaries reported improved access to seeds, irrigation and increased productivity

(particularly vegetables) from improved water supply. Nevertheless, as they were few in number and small in scale of production they had little impact on market supply.

Lessons learned

1. Cash stimulates demand in the market;
2. Cash does not necessarily stimulate local production to meet the demand;
3. If injecting cash into a local market, interventions are also required to increase local production, to ensure local producers gain from this stimulate, as well as producers from outside of the region.

Controlling inflation

Inflation is usually a macroeconomic phenomena rather than a community level problem. Obviously, the community has the problem of food deficit since two decades ago and hence heavily dependent on food aid. As mentioned earlier, food imports from surplus producing zones has become increasing important after the project intervention (because of new income from cash-for-work). This stimulated market participation of traders and improved market integration of the local economy much stronger than ever before. Thus, any supply or demand shocks in other regions in the country can easily be transmitted to the community. Accordingly, the general inflation problem in the country should have a considerable impact on price shocks in the study area as well. Thus, the inflation prevailing in Ethiopia has had a considerable impact on price changes in all local economies. Therefore, it is theoretically and empirically difficult to assume inflation in Meket woreda was caused due to cash injections by the project only. On the other hand, the IMF/DFID study into inflation in 2007 indicated that cash injections were so relatively small, that they had no discernable impact on local inflation.

Sudden increases in cash income do not necessarily result in an immediate shift in the purchasing behaviour of people and inflation. However, if cash is constantly injected in an economy (much more than the real goods and services produced), then it inevitably induces inflation. As can be seen Table 1, since 2004 a total of 108.5 million Birr in cash was injected in Meket woreda through different sources and programmes, which was raised issues around the absorptive capacity of the market. The cumulative effect of the money injected over the last four years could have a significant contribution to inflation, and aggravate and disproportionately affect the demand and supply of goods in the District.

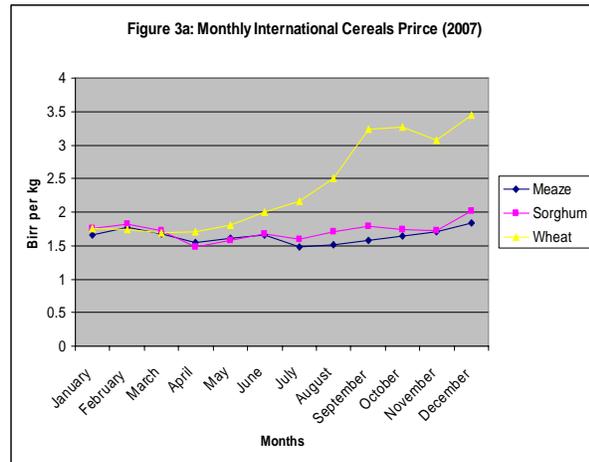
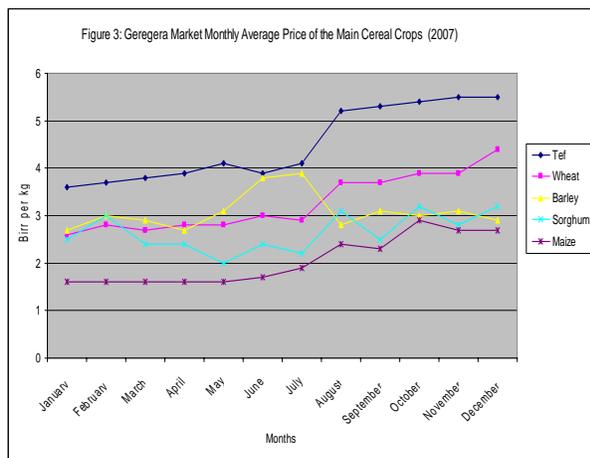
Table 1: Money injected associated to development projects in Meket Woreda over the last four years (in Millions of BIRR)⁶

Source	2004	2005	2006	2007	Total
MLDP	6.83	9.79	8.40	8.40	33.41
Woreda Safety Net Program	10.8	10.8	10.8	10.8	43.2
Loan Outstanding from MMFI*	1.31	1.48	2.17	2.18	7.14
Loan Outstanding from ACSI*	1.70	2.63	3.83	6.56	14.72
Federal Food Security Program	-	-	-	10.00	10.00
Total	20.64	24.7	25.2	37.94	108.47

⁶ Sources: Collected from respective offices of the institutions of Meket woreda

Grain prices in the major Meket markets showed an increasing trend, and the extent of the price rise was remarkably different from previous experiences. Although, it seems that the cash injection did contribute to sharp price hikes in grains. In Meket, except in livestock market (which is a relatively more competitive market); prices were fixed by sellers of the food grain and industrial consumable goods. Buyers or consumers generally do not have bargaining power and have no opportunity to negotiate. Figure 2 represents a bi-weekly trend in prices of the major food crops in 2007 at Geregera⁷. Figure 2 shows the price of food grains increased daily with considerable fluctuations. Interestingly, the price hit its highest point at interval periods which exactly coincided with the days on which the beneficiaries were paid their Cash for Work wages. Traders sell their products most often during the weeks of pay days of Cash for Work, and set prices relatively higher than on other days. As the beneficiaries were the poorest in the community, they had no bargaining power in price setting and were unable to search for lower prices in days other than the pay day. Consequently they suffered from high prices.

More informative evidence of inflation is illustrated in Table 2 and Figure 3. The price dynamics in the study area were striking; they dramatically increased (yearly and monthly) over the project period. Taking December 2004 to 2007 as reference points, prices of teff and wheat increased by 120 and 151 percent respectively, which is more than double. Similarly price in the world market⁸ also increases during 2007 specially stating July. Figure 3a and Table 3a exhibits the sharp increase in wheat price in the world market while sorghum and maize price increase modestly, 10.4%, 15% and 95.7% respectively.



An increase in prices of sorghum and maize were also considerably high, 88 and 68 percent respectively. Similar trends were observed in 2007; wheat prices doubled (103 percent), and *teff* and maize prices shot up by 53 and 69 percent respectively. Excluding barley⁹, all prices were persistently increasing, resulting in diminished purchasing power of households. Therefore, the cash earned from Cash for Work was too low to cover monthly food expenditure of poor households, particularly since early 2007.

⁷ Geregera is the biggest market centre in the woreda. Thus, for the purpose of illustration data from this market centre was represented price trends in the woreda as a whole.

⁸ FAO price index

⁹ Price for barely was relatively stable mainly because it has lower demand for consumption and also it one of the cereal grain that are produced commonly in the woreda.

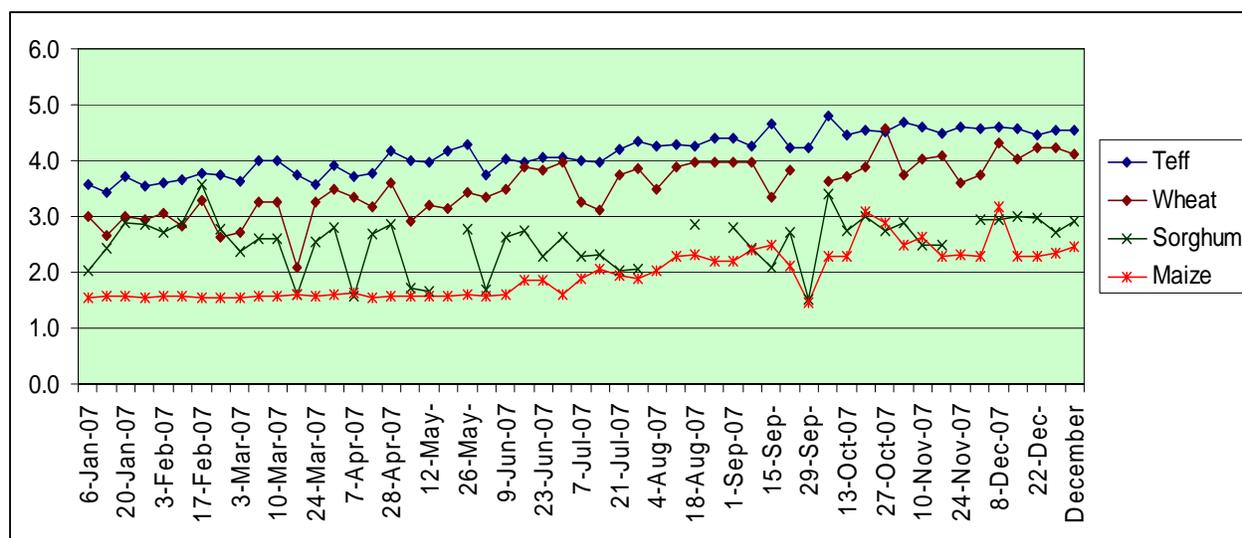
Table 2: Monthly Average Prices of Cereals at Geregera Market (Birr/kg)¹⁰ - 2007

Month	Tef	Wheat	Barley	Sorghum	Maize
Dec-2004	2.50	1.75	2.30	1.70	1.61
Jan-07	3.6	2.6	2.7	2.5	1.6
Feb-07	3.7	2.8	3.0	3.0	1.6
Ma-07	3.8	2.7	2.9	2.4	1.6
Apr-07	3.9	2.8	2.7	2.4	1.6
May-07	4.1	2.8	3.1	2.0	1.6
Jun-07	3.9	3.0	3.8	2.4	1.7
Jul-07	4.1	2.9	3.9	2.2	1.9
Aug-07	5.2	3.7	2.8	3.1	2.4
Sep-07	5.3	3.7	3.1	2.5	2.3
Oct-07	5.4	3.9	3.0	3.2	2.9
Nov-07	5.5	3.9	3.1	2.8	2.7
Dec-07	5.5	4.4	2.9	3.2	2.7
% Δ Jan-07 to Dec-07¹²	53	69	7.4	28	69
% Δ Dec-2004 to Dec-07¹³	120	151	26	88	68

Table 2a: Monthly average international price of cereals (Birr/Kg)¹¹ - 2007

Month	Meaze	Sorghum	Wheat
Dec-2004	0.96	0.96	1.60
Jan-07	1.66	1.75	1.76
Feb-07	1.77	1.82	1.74
Ma-07	1.68	1.73	1.70
Apr-07	1.54	1.48	1.71
May-07	1.61	1.58	1.80
Jun-07	1.65	1.68	2.00
Jul-07	1.49	1.59	2.17
Aug-07	1.51	1.70	2.50
Sep-07	1.58	1.79	3.23
Oct-07	1.65	1.74	3.27
Nov-07	1.71	1.72	3.08
Dec-07	1.83	2.01	3.45
%Δ Jan-07 to Dec-07	10.4	15	95.7
%Δ Dec-2004 to Dec-07	91.5	108.8	115.4

Figure 2: Trends in prices of Major Food Crops at Geregera Market Centre (Birr/Kg), 2007



Source: Computed based on MLDP Database

A beneficiary could earn at most 202 Birr per year. Based on the latest crop price (December 2007) a Cash for Work beneficiary could afford only 64 Kg of wheat or 78 Kg of sorghum or

10 Source: Computed based on MLDP database

11 USD converted to Birr at the rate of 1USD=10 Birr

12 Computed as $(\Delta P/P_0) \times 100$

13 Computed as $(\Delta P/P_0) \times 100$

100 Kg of maize with their annual total Cash for Work income. This is much lower than the recommended standard amount of cereals to be consumed (225 Kg per adult per year) to generate the required level of energy per day (2,100 KCal) (NFSS, 2002). The cash transfer is not meant to cover the entire requirement calories for health person rather it is a supplement. However, with the current cash transfer level the beneficiaries can only cover three to four months of requirement¹⁴. Consequently, during the study period, observations on market days at different market places indicated that the majority of beneficiaries were starting to sell off their sheep and cattle (assets created from participating in Cash for Work) to buy food products.

Injection of cash through Cash for Work is expected to stimulate market development from the demand side, assuming that there are no constraints from the supply side. As was observed in the study area, Cash for Work certainly stimulated demand particularly for food products and livestock. This is consistent with the theory of income elasticity of demand: at low level of income the elasticity of demand for food products is high as is the demand to build assets (in terms of livestock) to mitigate risks in all possible circumstances. However, it appeared that supply of food products was too short to meet the growing effective demand at reasonable prices. Unfortunately, due to environmental and technological limitations, such demand could not induce more production in local areas. Consequently, Cash for Work rather contributed to increasing the problem of inflation which in turn diminished the purchasing power of the poor. As noted above, the poor in the community are unable tolerate even a short periods of shocks and during such a period already started hastily depleting their livestock to buy food crops.

Cash for Work is unambiguously much easier and less costly to administer than Food for Work, and cash income can be more flexibly used by beneficiaries than income in kind. Cash injection coupled with road construction, supply of market shades and provision of market information showed a significant positive impact in market stimulation in the first two years of the project implementation period (2005 and 2006). However, during 2007 the poor performance of agricultural product in Meket woreda in particular and in the whole country in general coupled with the injection of cash has lead to diminished bargaining power of the households. Therefore it is very important to review and amend the types of resources transfer (i.e. cash or food) based on the level of local and other surplus production area.

Conclusion

One has to be very careful to decide when to use the Cash for Work strategy versus Food for Work. Cash for Work is a preferable strategy in a year when harvests are good and prices are low and stable at local and national level. In such cases, it creates effective demand and induces a better flow of food crops from surplus to deficit regions strengthening regional market interaction. In contrast, in low harvest years or in a situation when (food) prices are rising at an alarmingly rate, Cash for Work rather accelerates inflation, weakens the purchasing power of the consumers (most adversely affecting those in deficit areas), and eventually aggravates the food insecurity problem. The present phenomenon across Ethiopia and in the study area in particular is a good example of this. The cash obtained from Cash for Work was found to be too low to buy the food required by poor households; farmers were continuously selling and depleting their

¹⁴ Based on the 225 Kg per adult per year requirement to generate the required level of energy per day (2,100 KCal), using the current support the beneficiary would be supplemented at a minimum 3 month and maximum 5 months from the purchase food using cash support. Monthly requirement = 18.75 kg/person, thus minimum number of month supported by the project was 3, if they purchase only wheat. The maximum number of month supported is 5, if they purchase either maize or sorghum.

livestock that they had saved during their four years of Cash for Work in normal/good harvest years. This implies that asset creation is not an end by itself, and therefore, the gains from the project are not sustainable.

Recommendations

- Considering that agricultural products account for the largest market share, and that the products are easily perishable, prior arrangement should be given to agricultural traders to benefit from the market shelters.
- Improving the size and quality of the market shades is strongly recommended, because the current market shelter can easily deteriorate. In addition, partitioning, and renting market shelters to individual beneficiaries (collecting service fee) would enhance efficient and sustainable use of the market shades on larger scale.
- It should be clear that Food for Work and Cash for Work have opposite effects in on the economy; while the former has deflationary effects the latter has inflationary effects. Therefore, a mix of the strategy of Cash for Work or/and Food for Work should be used by carefully assessing and forecasting the trends of food production and prices at local, national and global levels. This can be done by regularly collecting market information (especially on stable food prices) and developing a manual that gives detailed guidance on when and how to use each of cash and food in different ways to take account of different conditions.
- During drought seasons (when food is severely in deficit), livestock sales (supply) increase to buy food crops and because livestock are at risk due to food and water shortages. Consequently, livestock prices fall, and the extent depends on the harshness of the problems. Radical change in agricultural and food production technology should be invested in to ensure sustainable food security and livelihood improvement to establish economically independent households.
- The Government should systematically stabilize the market (address price volatility) by developing storage facilities, providing genuine and transparent price information, increasing market competition and limiting the monopoly power of local traders including regulate the distribution of benefits along value chains.
- Learning from the success stories of crop marketing, promoting interregional market linkages for the livestock sub-sector will provide farmers with a good opportunity to sell their livestock at better prices during periods of food scarcity.

- Fundamental changes in the farming system to improve farm productivity and introduction of drought tolerant varieties of food crops and fodder crops are compulsory, while developing more divers rural economy (introduction of diversified livelihood option) for the sustainable improvement of community livelihoods.

5.1.4 Grain and Seed Bank Development

Grain and seed bank development are important in Meket woreda to bridge the food gap at both household and community level. Through the provision of food and seed credit during the lean seasons grain and seed banks mean that households do not have to sell their meagre assets to purchase food. They also serve as a disaster mitigation mechanism by providing buffers to households by protecting the depletion of assets and strengthening livelihood security. Grain and seed bank intervention originally planned to target poor households and use community-based organizations such as *kere* as an entry point. However, because they were based on the *kere*, all members of the *kere* benefited from the grain and seed bank activities.

Most of the communities in the project area were facing recurrent drought and had difficulty supporting their families with the Cash for Work earnings and at the same time cover the full cost of the grain and seed bank start up capital. Thus, it would have been impossible for the community to provide the full start up capital necessary for the banks. It was therefore proposed that the community contribute 50% of the start up capital and the project provide the remaining 50%. To date the MLDP has not provided its 50% to the banks, which would have helped to run the banks at full potential. However, it was reported that the project is currently preparing to transfer 150,000 BIRR to the 19 banks before the project completion. The reason given for not transferring the start up capital on time was, lack of detailed technical implementation modality (lack of strategies on who to transfer the start up capital and lack of clear organizational linkage and sustainable operation modality of the banks, specially at early stage of the project). In addition lack of viable supplier of grain or seed in the local market¹⁵. During FGDs beneficiaries expressed their concern that grain price increases would mean that the 50% startup capital given by protect would be insufficient.

The MLDP constructed 19 grain and seed banks in the project area, out which 17 are complete. Due to the importance of agro-ecological zones, banks established in lowland kebeles were intended to be seed banks, while banks constructed at the highland kebeles were supposed to serve as grain banks. However, beneficiaries highlighted the need for both in all kebeles and that the only functional difference between the two types of banks are that seeds need more care due to the quality of seeds used for planting as compared to grain that are meant for consumption. As such beneficiaries and project and line department staff indicated that both seeds used for planting and grains used for food can be distinctly handled within the same bank store by splitting the available space. Furthermore, woreda cooperative team staff confirmed that there are no proclamations preventing the possibility of handling both grain and seeds within the same entity.

In all cases Management Committees were established at the banks through a democratic and open election process with all beneficiaries. Committee members were given detailed information on the benefits and overall management of the banks and other legally registered cooperatives within the society. The committee together with the community decided between grain and seed banks based on their most pressing need. The FGD participants noted the

¹⁵ It was reported by the project management that once it was decided to transfer the start up capital in kind, the project were unable to find a reliable local grain and/or seed.

preference to handle both in the same bank however the draft MoU required communities to make this choice.

Initially the grain and seed bank activities were not implemented to their full potential. The need to develop detailed technical implementation modality, organizational linkage and sustainable operation of the banks after the phase-out of MLDP project impacted this. Grain and seed banks had been established in Meket woreda by SOS Sahel ten years prior to the MLDP. SOS Sahel constructed 139 seed and grain banks many of which are not operational due to technical and management issues. To establish the root causes of the problems experienced by the SOS Sahel banks, in 2006 the MLDP conducted an assessment of the banks. The objective was to enhance the implementation of the MLDP grain and seed banks. The major assessment findings were:

- banks established on the basis of *keres* were stronger than those that were not;
- lack of strong Management Committees;
- linkages with woreda Government line offices for technical support and backup were lacking;
- lack of an exit strategy and links to appropriate line Government offices during the phase-out period;
- lack of strong and functional bylaws for the groups; and
- lack of systems to screen group members to determine their real commitment to the grain seed banks.

Based on the assessment results the MLDP significantly changed its strategy and approaches for grain and seed bank activity implementation, focusing on improving the performance of the grain and seed bank activities. Other sustainable issues were implemented including: organizing groups through traditional associations such as *keres*; developing draft cooperative guidelines to disseminate to the woreda Cooperative Promotion Team for consultation; and agreement from the woreda WOARD on the formation of seed and grain bank cooperatives.

Subsequently the MLDP and woreda Cooperative Promotion Team held extensive discussions with relevant regional and zonal bodies to reach an agreement that grain and seed banks would be re-established as cooperative societies (Proclamation No. 147/1998). The mandate to provide registration certificates to cooperatives was given to the zonal authorities. Initially they did not have the knowledge on the objectives and operational modalities of the grain and seed banks. As such they approved an interim provision to allow the legalization of grain and seed banks as associations based on the feasibility of each grain and seed bank within their local context.

As part of the transformation of seed and grain bank groups into cooperative societies, the project facilitated the audit of the banks by the independent concerned office. This acted as the final stage in the legal registration of cooperative societies. Nine out of the 17 grain and seed bank audits have been completed.

In June 2007, a restructuring and reorganization process was conducted by the MLDP to make the management of the banks more effective by segregating interrelated responsibilities within the Management Committees. During this process six committee members were added and other sub committees were formed. This addition raised the total number of committee members to 13. Of the 13 members, seven have management roles: a Chairman, Secretary, Cashier and four

management committee members. The remaining six members make up the Control and Loan repayment Committees, each with three members.

The project in collaboration with WOARD initially provided three days of training to each of the Management Committee members in their respective kebeles. The training focused on cooperative management, food and cash accounting and the link between grain and seed banks and food security. No refresher training was provided during the June 2007 reorganization of the banks, however, all committee members of the 17 banks were provided two days of training. The training included newly developed cooperatives society guidelines and the use of accounting procedures and ledgers (vouchers). In May 2007, the groups were given weighing scales and accounting ledgers. However, none of the grain and seed banks visited by the evaluation team used the ledgers provided to them by the MLDP for dispatching and collecting goods from their members. The banks instead used plain paper or books to register the transactions that were not safely handled due to unavailability of office furniture and safes.

During the evaluation it was noted that most of the seed and grain bank groups have sound MoUs for food grain and seed disbursement and collection. The FGD discussants indicated that food grain and seed disbursement begins in the lean season and that members who have taken loan had to return it within a specified time. This repayment usually happened during harvesting, if the due date passed without payment a penalty was given; the penalty varied in each group, dependent on their agreed MoU.

Despite the start up capital challenges, out of the 17 MLDP grain and seed banks established, nine are fully operational at varying degrees of performance. The remaining six banks are not operational due to the start up capital problems and short time period since the bank's construction, most of which were completed in 2007. For example, the Boya kebele seed bank established in 2004, has not reached its full potential, however it has been operational through the contribution of wheat from its group members and has been providing loans to its members each year, using the original start up capital as a revolving fund. In contrast, the Taja kebele grain bank group was able to collect startup capital from its members and distribute it to its members but unable to collect back the grain from their members due to uncertainty and lack of confidence. Similarly, In Meqaut kebele most of the grain bank members were unable to pay back their outstanding loans due to the failure of 1999/2000 EC crop harvest. In Timtimat kebele the seed bank is not operational and the store constructed by the MLDP is temporarily being used as a church to keep the *Tabots*.

It is estimated that there are less than ten kebeles in the woreda that do not have seed or/and grain banks established by either SOS Sahel or MLDP. The desired operational scale of MLDP established grain and seed banks has been heavily hampered by the failure of the MLDP to fulfil the timely provision of its share of start up capital. This has resulted in a negative effect on group morale as well as deep suspicions of the project motives for not fulfilling its promise. In addition the significant positive changes that could be brought for beneficiaries as a result of the establishment of the grain and seed banks was also curtailed by the lack of enough initial capital. FGDs revealed that the Management Committees (mostly *kere* leaders) have been in dispute with members who were unable to secure start up funds from the project and that this negatively affected the leaders' ability to mobilize the community for other development initiatives.

Despite reduced scale of operations, among the group who are operational were effective in alleviating the shortage of seed and grain which was commonly faced by the members during lean periods. Furthermore, the presence of community managed grain and seed banks has contributed to changing the saving culture of the members. During FDGs beneficiaries indicated that the existence of the seed banks has provided an opportunity to retain selected seeds from the available grain production of households. Moreover, seeds and grains stored at homesteads instead of seed banks are subject to consumption by households to satisfy unmet food needs or sometimes wasted for unnecessary socio-cultural events.

Case study on grain and seed bank beneficiaries

Diaqoun Tesfaw Biset is a 25 year old farmer with a family of three. He attended school up to grade 6. He is a member of the Sardinay grain bank and in May 2007m when his family had a food shortage, he took a loan of 20 Kg of horse bean, 20 Kg wasera (mix of barley and wheat) and nine Kg of zebute (haricot bean). He fully paid back his loan from his production in March 2008. He stated that the main purpose of the bank is for saving and as a safeguard against fire.

Diaqoun Tesfaw indicated that members of the group mostly take loans for seeds in May and take loans for grain from July to September. He added that he usually gets a loan for amount he has already saved.

Diaqoun Tesfaw said that he is proud to be a member of the bank that is able to get food grain in the form loans when he and his family need it most. He also added that since the formation of the bank in his community he never goes out to the market to purchase food grain.

The establishment of the banks has reduced the incidence of poor households providing their land for crop sharing due to a lack of seeds. Similarly, the borrowing of seed and grain by beneficiary farmers from rich farmers was significantly reduced. In such arrangements the interest rate would have been 100% and paid immediately after harvest. A further arrangement has also changed during the project period: poor people previously worked for free for two days on rich farms to get a loan of 20 to 25 Kg of grain food which the household is expected to pay back with interest. This was totally abandoned due to Cash for Work and the bank provision of seeds and grain to its members.

It is evident that the grain and food bank activities are addressing the strategic needs of the communities, when assessing those beneficiaries in some of the kebeles contributed their part of start up capital and made the repayments of successive loans. In addition, it is clear that if the banks are properly managed and technically supported they will continue to address the needs of project beneficiaries. The relevance of the banks was demonstrated when a farmer said “if a bank dies it means that death itself has died”. It is meant to emphasise that death is eternal and so do banks.

The grain and seed banks have been established with members’ full willingness and made *keres* a nucleus point for their establishment. This benefits the group because members of *keres* are people who live in local areas and heavily interact with each other at socio-economic, cultural, political and religious events. Members know each other well behaviourally because they are limited in number and are mostly related to one another.

During FGDs the farmers noted that they have improved the saving culture of their local seeds. Relying on local seeds is good practice for them because it is sustainable and minimizes the risk of using of undesirable seeds from external sources.

In conclusion, although their operation is limited due to lack of adequate start up capital, most seed and grain banks stayed operational and are effective in addressing the needs of the beneficiaries by providing services to their members. In addition, these grain and seed banks were established on the real needs of the beneficiaries and communities and used locally available materials for the construction of the banks. The sustainability of the seed and grain banks is seen to be strong due to the banks' dependence solely on members' contributions to accomplish its operations and the use of *keres* as organizational foundations.

Lessons learned:

1. Grain and seed banks are a cost-effective method of alleviating grain/seed shortages during lean periods – they act as a form of community-based safety nets.
2. Grain banks introduce a positive savings culture that runs contrary to existing cultural norms to resist savings;
3. Grain banks have reduced inequitable negotiating balances of power between poor and better off households.

Recommendations

- The operational scale of seed and grain banks is constrained by the lack of working capital. Currently the banks operate with limited contributions made by beneficiaries. To boost the operational sale of the grain and seed banks, the project should provide its share of 50% start up capital as promised to the beneficiaries before the MLDP is phased-out. This will have a considerable positive affect on dedication of beneficiaries to work together towards successful operations, increasing the volume of transactions, strengthening the operational capital and enhancing sustainability.
- The limited operational scale of the seed and grain banks was compounded by the limited refresher training of the Management Committee and beneficiaries. To increase the morale and capacity of the banks it is advisable to carrying out full refresher training to the beneficiaries and committees before providing the startup capital.
- The length of time creating a common understanding and agreement for organizing the seed and grain banks as cooperative societies was extremely lengthy. As part of the final step an audit of group's accounts is underway. The project should provide close oversight of the handover process and exit strategy to a relevant Government body to ensure smooth transition.
- Despite the fact that farmers were given a choice between grain and seed banks, no functional differences were observed between the two. Both seed and grain banking can be handled separately within the same bank. Attention should be given to offer farmers wider options and ensure their choices are respected during the course of legal registration.

- There is deep desire by all seed and grain bank beneficiaries to be engaged in grain trading and other services provided by the banks. However, there is fear that this desire may be hampered by the proclamation that prohibits the duplication of cooperative services providing the same type of services in the same locality. To allay these fears, the woreda Government has decided seed and grain banks are allowed to engage in grain trade for a one year probation period. The probationary period will look into whether any conflicts appear between seed and grain banks and already existing service cooperatives. Therefore, rules and regulations that may affect the involvement of seed and grain banks into grain trade should be resolved through continuous discussions and dialogue with beneficiaries and officials at woreda, zonal and regional levels.
- Regardless of the number of beneficiaries, all seed and grain bank stores were built the same size. The stores should be constructed with consideration to the number of beneficiaries and amount of grain that will be transacted. In addition, the design of the stores needs to take into account of future expansion of its members.
- In order to make efficient use of the available space, beneficiaries should be trained in food store management including proper stacking of grains.
- The grain and seed banks are not using the provided vouchers to record received and dispatched grains and seeds. They use plain paper or books to register the transactions that are not safely handled due to unavailability of office furniture. Groups should be encouraged to use appropriate ledgers and vouchers. In addition, the offices should be furnished with desks and a safe for safe and proper handling of documents.

5.1.5. Livelihood Diversification Options

The majority of the MLDP livelihood diversification activities started recently or was in infant stages, with the exception of the community tourism initiative. The introduction of silk production, highland fruits, sugar cane, weaving and animal drawn cart activities began in late 2006. It is therefore too early to determine the contribution or the sustainable impact these activities have had in improving the food security situation at household level. However, some of the activities such as masonry and carpentry skills training that were provided to the landless and youth have already had an impressive impact on the livelihoods of participating families. It is obvious that households, particularly the poor and landless, in Meket need diversified livelihood strategies both within and outside their current livelihoods. As such the MLDP promotion of small scale economic activities are commendable strategies that will potentially impact the project participant's livelihood positively.

The following interventions were found to be innovative and have potential in diversifying the livelihoods of the project beneficiaries:

Silk production: The MLDP introduced silk production as an alternative income source, primarily for households with no land or oxen in the Meket area. 130 household heads were identified and trained on silk production management. To date the project has constructed 115 silk production houses. The project has organized a group of four people to form as one producer group and each house is constructed for these four people.

To ensure sustainable alternative income from silk production, the MLDP organized expos to link the producers to silk processing companies in Addis Ababa. Silk purchases were arranged by the MLDP at a pre-determined non-negotiable price to provide raw material for weavers who were other MLDP activity participants. The project underlined the need for the formation of a Silk Producers Cooperative to enhance large scale production, better bargaining power and to create a market channel. However, a market channel for silk has yet to be identified. FGDs revealed that the producers and participants had little confidence that their products could be marketed at a reasonable price. They complained that the pre-set price was too low compared to the labour cost it demanded to produce the products. In this regard analysis showed that a minimum producer's price should be approximately 42 birr per Kg (see the following box for details).

The Silk Producers Association formed three months prior to the project evaluation and the issue was brought to the department responsible for the promotion of cooperatives at the zonal



Beneficiaries who are participated in silk production activity

level. As the silk production initiatives were new to the region the department suggested undertaking a socio-economic study on the feasibility of the activity before giving the license and the official formation of the Silk Producers Association.

Case study on silk production

Destaw Sisay lives in kebele 025 in Meket Woreda. He is 28 years, married and has two children. He completed grade 4. Destaw has a small plot of land (a total of 400 m²) in his homestead and has no oxen. Recognising his problems, the MLDP and local leaders gave him an opportunity to engage in the silk production business. In 2005, the MLDP supported Destaw and 23 other people through ten day silk production and silk worm management training in Awasha Melkassa. He then trained another four people from his neighbourhood. Destaw said that the training was practical and interesting.

Destaw became the first person to try silk production in the project area. He was a model silk producer in the locality. Destaw provided practical training to the community and distributed silk worm and seeds to other farmers. He trained his wife, who actively participated in the silk production. So far he has produced 13 Kg of silk, 8 Kg of which he sold for 240 BIRR (30 BIRR per Kg) and is waiting to sell the remaining 5 Kg. In total Destaw will have earned 390 BIRR within four months. Destaw explained that the income was significant to him and has improved his livelihood in a short period of time.

Although Destaw was impressed with the benefits he obtained from silk production, he had limited potential to expand the business. He had only a small plot of land from which to grow the *Gulo* plant that feeds silk worms. Furthermore *Gulo* is sensitive to drought which may make silk production is very difficult in the dry season. Destaw was also worried that the market for silk may not fully develop.

The project conducted feasibility studies in all seven kebeles where the silk production activity was implemented. The results showed the viability of the silk production in the project area, principally in the lowland PAs. Based on the feasibility study results the project secured approval from the zonal office to establish Silk Producer Cooperatives. Currently, the MLDP has drafted the bylaw for the silk groups in all seven kebeles.

Cost benefit analysis between the production of silk and the traditional farming (barely)

Based on Destaw's (a participant) plot of land which was used for *Gulo* cultivation (feed for silk worms) and the amount of silk produced, a simple cost benefit analysis of silk production was made with the participation of community members to estimate the minimum acceptable producer's price. An opportunity cost of the land (in terms of output of barely forgone per year) was estimated at 160, BIRR and labour cost at 60 BIRR per month. According, a total cost of 400 BIRR would be required to produce 13 kg of silk in four months. The unit cost of production becomes about 30.75 BIRR (400/13). Therefore, the producers price for silk should be at least equivalent to the unit cost of production plus a 20% mark up (i.e. 42 BIRR per kg) to encourage new entries and further expansion of production.

According to the draft bylaw the Silk Producer Associations will be formed at the woreda level with representatives of producers from each of the seven kebeles. Two people from each PA



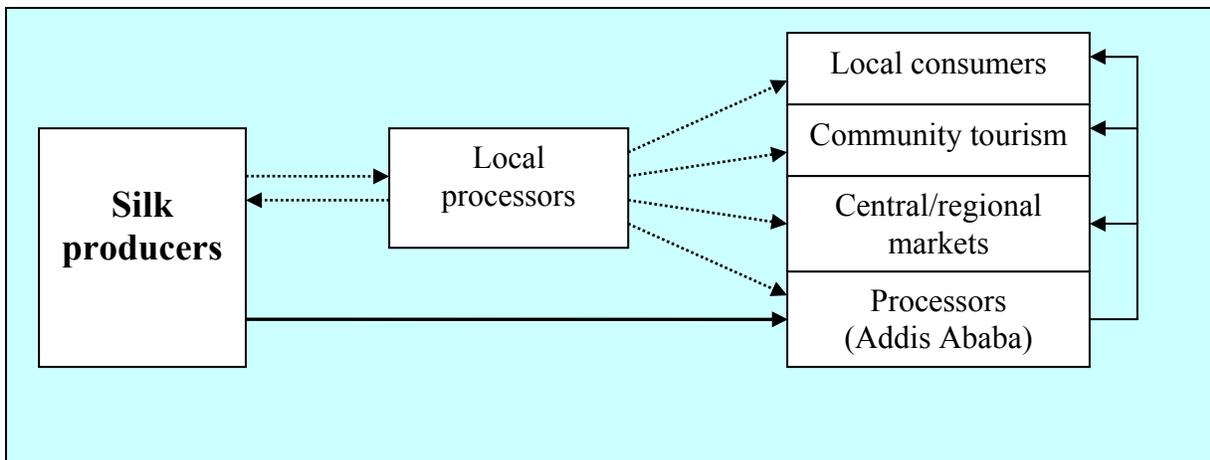
Silk produced ready for market

will be elected to represent their kebele., creating an association of elected 14 representatives. It is clear that most of the activities crucial to the sustainability of silk production activities, such as well defined market linkages, continuous technical support after MLDP is phased out and the formation and legalization of a Silk Producers Association are not fully developed and operational, which makes sustainability of this activity questionable.

As it mentioned earlier, the market for silk produce has not been well developed. Presently there is only one market chain: producers directly sell to Saba-Har Company in Addis Ababa, which was

once initiated by the MLDP. The problem in this market chain is that the price is determined by the company that is not negotiable, and because the total silk produce in the community is so small it could not create reliable supply to attract the company. Hence, this market chain may not be sustainable.

Figure 4: Potential Market Chain for Silk Produce



Note: Broken arrows indicate only potential chain which has not been realized, but the solid arrow shows that currently existing.

On the other hand, a potential value chain could be explored from the survey. MLDP has already trained some local weavers on improved weaving practices. There was also an attempt to train women (wives) of the beneficiary households. This will have a good prospect to add values to the product for the producers and/or to create local processors of silk. The product of the local processors could be marketed locally to the local people or transitory. Regional or central towns are also potentials to create market for locally processed silk products. More importantly, visitors of the community tourism sites could create a good market opportunity and may form a good

channel to popularize the silk products to international markets. In case the local processors produce unfinished (semi-processed or intermediate) silk products, the heavy processing industries at Addis Ababa could be still benefited for further final processing, and sell to the different market segments in the country (see Figure 4 above).

Therefore, it should be remarked that enhancing local processing would primarily benefit women to add values and hence better sales income for the beneficiaries in addition to supporting livelihood diversification. Therefore, the role of the government to create enabling environment and to encourage the involvement of stake holders is critically important.

Highland fruit production and drip irrigation: Amongst the livelihood diversification initiatives introduced late during the MLDP were highland fruit and drip irrigation activities. Nine out of the 19 kebeles where the MLDP operated were targeted by the highland fruit intervention. The selection of individual farmers to participate in the initiative was based on the availability of adequate water sources, family labour, farmland and previous experience.

In an effort to introduce highland fruit production, principally apples, the project sent 40 farmers to Holleta research centers to get practical experience and training on apple production and management. On completing the training each farmer was given seedlings of different varieties of apples. In 2007, an additional 256 farmers were selected and trained by the previously trained farmers. The newly trained farmers were provided with ten seedlings each after the training. The project also trained ten woreda experts and DAs on highland fruit management and production at the Holetta research centre. The MLDP also supported eight schools in an effort to establish and strengthen environmental school clubs by providing 50 apple seedlings for each school.

In July 2007 16 farmers organized an Apple Root Stock Producers Group who acted as the main supplier of highland fruit root stock in the project site and neighboring woredas. As start up capital, the project provided the group with 500 root stocks and approximately 100 seedlings of different apple varieties. The group is currently operating on a plot rented from a school, the cost of which will be calculated as a percentage of revenue generated. The concept behind renting the farm plot from the school is to invest part of the dividend in public services such as the improvement and expansion of schools. In addition, in March 2008 the project organized a new group of apple root stock producers comprising of 40 members (30 women and 10 men). These farmers received training in the management and production of apples and were supplied with ten root stock each. The project expects the first group of root stock producers to sell approximately 5,000 apple root stock by the end of July 2008¹⁶.

The project also plans to construct an office and stores for the groups to temporarily preserve the apples before sending them to the market. However, due to short time period left before the MLDP is phased out this activity has been suspended.

¹⁶ Each root was expected to produce ten root stocks per year and the project is expects to see (10x500) 5000 by the end of mid-July 2008. However, due to the shortage of the *belg* rain the total number of expected root stock was reduced to 3,000. Source: MLDP staffs.

Skills Training: The project has provided skills based training in weaving, carpentry and masonry, to different groups of beneficiaries such as youth, landless and other community members based on their individual talents and previous experience. The MLDP also provided skill-upgrading training to individuals who are already involved in other project initiatives. In collaboration with the Meket woreda Micro and Small Scale Enterprises Office, the MLDP trained 20 experienced male traditional weavers in modern weaving in an effort to upgrade and modernize their skills. The weavers were trained in two groups of ten people (one rural and one urban group) for three months. In addition, the project provided a number of skill trainings to selected beneficiaries including trainings on wood working for 12 men, training on tailoring for 16 beneficiaries (12men and 4 women) and provided start up capital including sawing machine and small scale business management training to 114 men and 36 women.

FDGs with beneficiaries indicated that the training built skills and was completely practical, which meant that the beneficiaries felt they had acquired the skills to perform independently. However, two of the groups have not yet started working as modern weavers due to the delay in start up capital that was supposed to be provided by the project. The MLDP management stated that the start up capital will be provided before the project is phased out. Nevertheless it is too late to monitor and follow up the performance of these two trained groups.

Masonry and carpentry skills based training was also provided by the project. The project provided 20 days of training to a total of 44 men beneficiaries. The beneficiaries were given the necessary tools and equipment to begin their new jobs immediately after graduation. Results of

Case Study on the skills training programme

Ato Tesfay Almaw is 30 years old. He is married and has a two year old child. Ato Tesfay completed 4th grade. He has no land or agricultural productive assets such as oxen or cows.

Before being targeted by the project as a skills training beneficiary he would temporarily migrate to other areas such Humera in search of work. He also worked for other farms in his PA as daily labourer during peak agricultural seasons.

When the MLDP started the skills training (masonry and carpentry) program in his PA, Ato Tesfay was selected by the community to be trained as a masonry/carpenter to make his living. Ato Tesfay was very grateful to the project because his 25 day training was very relevant and effective enough to get him job immediately after graduation. He is also grateful to the project for providing him with the necessary tools and equipment to begin his new career. Since his graduation about nine months ago, he has been making 30 Birr per day. His full-time work as a masonry earns him on average 750 Birr per month. He also said that he has saved a good amount of money and has constructed a house with corrugated iron sheets.

the FDGs showed that the training provided was practical and allowed them to acquire the necessary skills to perform as masonries or carpenters. One focus group discussant added that out of the 24 training participants who graduated with him, 21 of them are full-time masons, and two dropped out and trying to make their livelihoods as small traders in their area. The FGD participants unanimously agreed that their and their family's lives improved greatly in terms of better food, clothing and housing conditions due to the money they made working as masonries.

Conclusion: Therefore the provision of skills training to individuals based on their talents and past experiences were found to be the most effective way of diversifying or providing alternative livelihood options that impact the household in a short time period.

Community Tourism: This activity was built on the experiences of SOS Sahel, with Dutch Government funding, which supported communities with grants to develop sites for community tourism. The community tourism activities were managed and implemented in partnership with local NGO called TESFA. The communities participated in the construction of campsite facilities with locally available materials. The MLDP



Skill training participant as mason with their hand tool

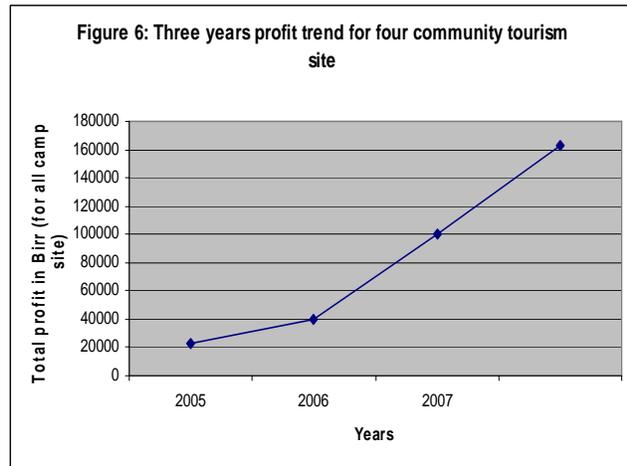
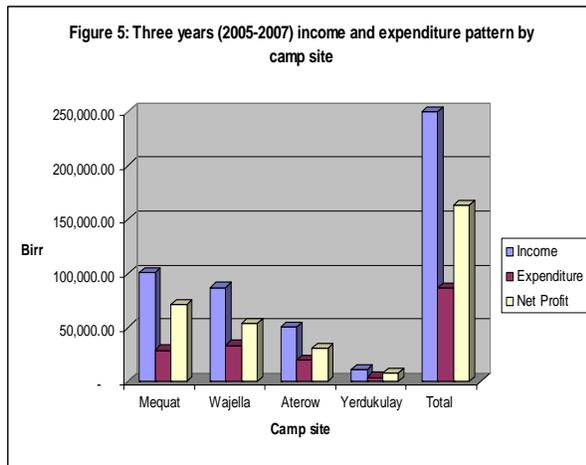
covered the construction costs through the Cash for Work programme and provided materials which could not be sourced locally. TESFA provided capacity building and trained groups selected from the community to work as cooks, guards, campsite managers and local guides.

The campsites are located along the ridges of the Ethiopian highland running from Lalibela to Meket. They provide spectacular views to the visitors wishing to walk through the Ethiopian highlands and gain an insight into the culture and living conditions of Ethiopian people.

Since 2004 the MLDP and TESFA have established community tourism sites at Mequat, Wajella, Aterow, Yedukulay and Boya. With exception of Boya, where the construction of the campsite was recently completed, all sites are hosting visitors from across the world. The balance sheet records show that they are highly profitable and are the most viable income generating activity for the communities (see figure 5 and 6).

Currently TESFA is serving as get keeper - running the management and handing of visitors and the overall financial and administrative issues of the campsites. When the management of these community tourism sites is fully transferred to the communities it will be managed by groups of local associations, *keres*, comprising of community members. FGDs with people from the community tourism sites in Mequat PA demonstrated that communities were involved in the entire process, from initial awareness raising to campsite selection, construction and the implementation of the activities. As part of exist strategy, TESFA has developed a draft bylaw for the management of the campsites and the dividend sharing procedures. In addition, with the aim of smooth transition from TESFA to the community and to a viable private partnership (who especially in charge of visitor booking and handing – connecting the tourist to the community), TESFA has been exploring different option including formation of Community Guide Enterprise (who are in charge of providing local guides and handling visitors at Lali bela) and Community Tourism Union and linking with the international similar endeavour. However, all of these

sustainability issues are still under early stage and are not yet fully laid out. These will have serious impact on the sustainability of community tourism, as support provided by the MLDP ends due to the phase out of MLDP. Thus, it is imperative to find other sources of funding to fully implement the exist strategy for seamless transition of the community tourism from TESFA to the community.



The community groups are well organised with different roles and responsibility including an Executive Committee (Chairperson, Secretary, Cashier and two members) and a General Assembly (the entire community within one particular *kere*). The focus group discussants noted that the Executive Committee has been in place for too long compared the draft bylaw and verbal agreement among the community groups. The bylaw and verbal agreement states that the Executive Committee should serve for two years, however the current committee has been running for over three years without community consent.

The dividend sharing mechanism based on the draft bylaw was found to be innovative and it plans to invest dividends in public facilities which provide benefits to the entire community. These public facilities include grain bank construction, the establishment of a grain mill and provision of credit services to the communities. However, during FGD members from community groups noted that the investment of the dividends has taken longer than they anticipated. Furthermore discussants added that the communities are yet to see any tangible benefits from the dividends, except the one time land tax fee covered on behalf of the community.

Recommendations

- The introduction of silk production as a new intervention addresses the problems of the poorest members of society. However, whisl't many efforts have been made, farmers' awareness remains low, and the market for the product is unreliable. Therefore, continuous awareness creation, and further work to enhance production and market linkages with reliable companies or intermediaries are critically important for sustainable silk production as a viable alternative livelihood important strategies.

- The MLDP phase out is occurring at the point when farmers are just beginning to adopt the diversified livelihoods approaches and will result in a situation in which farmers may not see the positive end results of the interventions. This may impact them in the future as they will be less likely to try such innovative approaches again.
- Most of the initiatives are not inline with regular Government programmes, therefore the woreda Government office have neither the capacity nor the budget to take on the running of the activities. Therefore, the project needs to redesign its phase out strategy to ensure a smooth transition and handover of the activities to respective line Ministries.
- In order to transfer the community tourism to the community the exist strategy that has been explored by the project has to be implemented and test for its viability to replace TESFA.
- It very important both for TESFA and the SCUK to find other sources of funding to implement the exist strategy that will lay a foundation for smooth transition of the community tourism to the community.

5.1.6. Childcare and Protection

The MLDP childcare and protection activities did not intervene or provide specific services directly to children or their caregivers through a parallel system but rather supported, activities, particularly health extension messages that are implemented through an existing Government health extension programme by Health Extension Workers (HEWs) under the Woreda Health Office (WHO). Using existing Government health systems ensured sustainability of activities even when the project phased out. It also reduced the duplication of efforts and resources through the coordinated implementation strategy. It was envisaged that the activities, which increased the cash income of households, would contribute to improved child caring and feeding practices.

Health and Nutrition education: In order to strengthen the capacity of HEWs, the MLDP provided nutrition, hygiene and sanitation refresher training for HEWs. The project trained 67 HEWs (male /female) and their supervisors, upgrading their knowledge on childcare practices including, infant and young child feeding, hygiene practices, health seeking behaviours and care for women. The HEWs were trained in two rounds and they in turn trained beneficiary and non-beneficiary women on childcare practices. As part of continuous knowledge and skills enhancement for the HEWs in relation to childcare practices, the project provided financial resources covering per diem to support the HEWs to attend a series of Essential Services for Health Extension in Ethiopia (ESHE) training.

Based on the new Government health extension package, each community in the project site formed a Community Hygiene Task Force to deal with their community's sanitation and hygiene issues. These Community Hygiene Task Forces were selected from within the community and trained by HEWs. Each task force was expected to disseminate the sanitation and hygiene information they had been given within the community. Whilst the MLDP trained HEWs in varying aspects of childcare and protection issues there was no systematic close monitoring and follow-up of the activities of HEWs and the task forces. The HEWs do not also monitor whether the women in the community put the health and nutrition messages into practice.

HEWs and other health professionals at the PA level taught sanitation and hygiene issues to women and all community members, encouraging households to construct and use pit latrine facilities. They also taught the side effects of harmful cultural practices in the woreda such as scratching the face during mourning, early marriage, gum pulling, female circumcision and tonsillectomy. The project tried to mainstream HIV activities through awareness creation among the community. HIV awareness activities such as drama shows and poems using culturally appropriate means, took place in town centres and on Cash for Work payment days, however the implementation of this was limited.

FGDs, with mothers confirmed that HEWs visit their homes and gave them advice on child caring practices and other related health information including sanitation and hygiene practices. Furthermore, the FGDs noted that health and nutrition messages were disseminated for both women and men on Cash for Work payment days and at Cash for Work areas.

The results of FGDs indicated that most mothers wash children's clothes and bath them every three days. Although some households dug pit latrines their usage was minimal. This is an area that needs continuous awareness creation to bring about behavioural change. Although, mothers repeatedly said that they had been educated on hygiene and sanitation, the general hygiene and sanitation conditions of their children and households were less than optimal. As children dirty their clothes and body while playing in the dust, they need to be bathed and change clothes daily to maintain optimal sanitation. Water sources varied, from piped water in some PAs to protected springs or a mixture of the two.

As part of their routine activities, the HEWs taught the women on how to use shelves, fuel saving stoves, pit latrine facilities and personal and environmental hygiene. To reinforce the implementation of these activities they made frequent home visits and gave advice, as confirmed in FGDs with women.

In addition to educating women, HEW home visits were made to ensure that education on health and nutrition was translated into action, mainly observing changes in infant and young child feeding practices. Focus group discussants said that when they were benefiting from cash income, they were preparing special food for their infants and young children. In order to know whether the cash injection combined with health extension messages resulted in improved child feeding practices, the project collected data on household expenditure (food items, health, clothing and agricultural inputs) and young child dietary information in 18 households in each of the selected three kebeles every month.

Infant and young child feeding practices: HEWs extended messages of exclusive breast-feeding up to the recommended age of six months and introduction of complementary foods thereafter to both Cash for Work and non-Cash for Work beneficiary women. During KIIs, HEWs reiterated that there is an increasing trend in the rate of exclusive breast-feeding. However, FGDs within the women groups having children 6-24 months of age illustrated that most mothers interviewed did not exclusively breast-feed, demonstrating that the adoption of these practices is minimal.

In some PAs, such as Hana Mequat, the majority of focus group discussant mothers did not exclusively breast-feed their children up to the recommended age of six months. While Focus group discussants were fully aware of the need to exclusively breast-feed for the first six months, whilst a limited number of women had the misconception that their breast milk would dry up and may not be sufficient to satisfy the baby and as such introduced complementary food as early as two months. This shows that there is still a need to reassure mothers that breast milk is enough for the first six months unless the mother is severely malnourished. Using the positive deviant model mothers from the same community would be able to communicate this message rigorously and would be a good mechanism to build trust and win the confidence of the misconceived mothers.

Variable results were obtained with regards to Infant Young Child Feeding (IYCF). In Dibiko, Tajia and Hana Mequat PAs, HEWs noted that mothers rarely prepared special food for young children. However, HEWs in Timimat PA and Boya PA reported that even during the economically unstable time, the majority of the women prepared complementary food for their

children. FGDs with HEWs in Dibiko and Tajia confirmed that mothers of children between six and 24 months made specific food for them, however, focus group discussant mothers mentioned that, infants and young children during the unstable economic period they were fed from the family diet.

Child monitoring data has been collected continuously since January 2006 on 18 households each in three PAs. The purpose of such monitoring data should have been to help take action based on the results for improvement of the project delivery. However, the data has not been analyzed so far¹⁷. Based on the 2006 child monitoring data, mothers used varying food products as part of their child's diet after six months. 95.7 percent used cereal-based food to constitute part of their child's diet and 92 percent used legumes as a component. The data highlighted that 27 percent used vegetables, whilst the use of eggs and fruit was minimal with 3 and 2 percent respectively. None of the mothers used meat as part of their child's diet. Furthermore, only 20 percent added oil to their child's food, whilst mineral and vitamin supplements were rarely used. The FGD participants knew that milk, eggs and other varied foods were essential for children's diets but that this was impossible due to limited resources and a preference to purchase grain crops, sorghum and pea flour 'shiro' to feed the whole family. Mothers of infants and young children said, they sometimes gave children sorghum gruel. Sorghum gruel is not nutritionally sound unless mixed with other cereals, legumes, fruits and vegetables and the dilution will even make it more nutritionally poor.

Other project activities such as shallow well development had a positive impact on the dietary pattern of the households. Most households with shallow wells started to produce and consume vegetables such as potatoes, cabbages, tomatoes and green peppers. However, preparing these vegetables, as complementary food for infants and young children needs to be demonstrated to mothers. In some PAs such as Hana Mequat, focus group discussants said that they only consume vegetables or fruits during winter where the whole family consumes green cabbage and green peppers. Households who do not have shallow wells grow and consume cabbage and green peppers only during the winter.

Feeding patterns among children aged 14 - 18 varied according to fasting periods. During periods of Orthodox Christian fasting the children ate twice per day and three times per day at other times. Whilst all of the children experienced hunger during their lifetime, they noted a great deal of improvement with the introduction of the MLDP as food gaps have been filled with the cash provisions. In all the PAs visited, DPPB in collaboration with WFP ran school-feeding programmes. All children were provided with one lunch of Famix porridge, 150 gm per child per day.

Mothers of young children were asked about the signs, symptoms and causes of malnutrition. The results showed that almost all mothers interviewed were fully aware of malnutrition symptoms. They ranked food shortages as the number one cause of malnutrition, followed by lack of caring practices and healthcare. FGDs showed that decisions about feeding within the household were made by the mother and young children were prioritised.

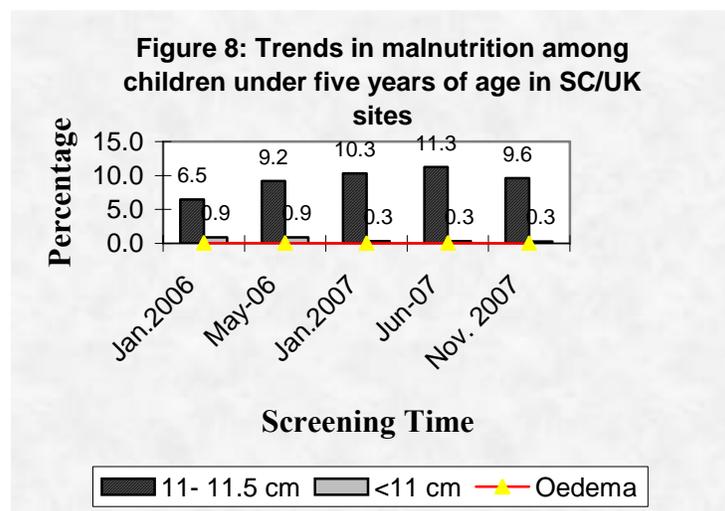
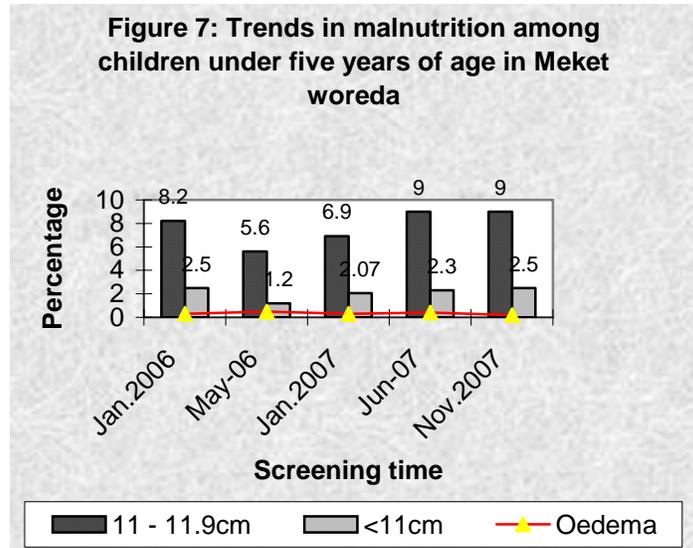
¹⁷ The project is an experimentation of selecting the best-fit strategy for delivering interventions that will ultimately contribute to better caring practices. However, the monitoring data collected was not analyzed and action taken accordingly. This is a missed opportunity for the project.

Health improvements: Several improvements were recorded in the woreda with regards to health during the lifespan of the project; these may be partially attributed to some of the MLDP activities such as road construction. DPT₃ and polio vaccination coverage increased from 93 percent in 2004 to 97 percent in 2007. This statistics supported the views of the focus group discussant women who reported increases in vaccination coverage. During FGDs, women noted improvements in their and their family's health status during the period of the project, principally that of children. The focus group discussants said this is due to improved vaccination coverage. The percentage of women who use family planning methods increased from 37 percent in 2004 to 61 percent in 2007¹⁸. However, the discussants added that health services remain inadequate, as most essential drugs are unavailable in their local Government health centers. In PAs such as Dibiko, diarrhea and malnutrition were reported as the most common health problems for children, while those in Taja described coughs and respiratory tract infections as common.

Nutritional status of children: The FDG discussants also mentioned that the nutritional status of their children has improved over the project period. Analysis of secondary data on the Enhanced Outreach Strategy for Child survival Initiatives (EOS) on under five years old children showed that the rate of moderate malnutrition (MUAC = 11-11.9cm) showed a slight decline in Meket woreda from January 2006 to January 2007, but starts to increase from January 2007 onwards (Figure 7). However severe malnutrition (MUAC<11cm showed no change. The lack of significant improvement in the nutritional status of the children might be due to increase in grain prices, which makes life difficult for families to feed their children properly and hence predisposed children to malnutrition.

The rate of moderate malnutrition among under five children found in SC/UK sites showed an increasing trend over the years. One has then to remember that MUAC is a simple and fast measurement, due to its direct reading; it is good predictor of immediate mortality risk and can be used to measure acute malnutrition from 6-59 months of age. MUAC is almost stable from 6 to 59 months, as it is sensitive to detect young children in particular with the highest mortality risk. MUAC measurement is also a good indicator for identifying severely malnourished children. Overall, the rate of severe malnutrition has continuously decreased in SC/UK sites by about 20 percent compared to the whole woreda (Figure 8). Although, interventions such as EOS and TSF has a great role to play in bringing about this improvement, this could also be partially attributed to the nutrition and health education given on child caring practices and the cash injection that enabled mothers to buy complementary foods for infants and young children. This has confirmed the view of focus group discussants that reiterated that the project benefited young children more than anybody else.

¹⁸ Sources - Secondary data obtained from the Meket Woreda Health Office



Based on the result of FGDs, both pregnant and lactating women eat little if any supplementary food other than the family diet. This is mainly due to scarcity of resources and the cultural practice of not eating an additional diet during pregnancy. During KIIs with HEWs, it was stated that although women were advised to eat more during pregnancy and lactation, the practice is non-existent. However, the women reiterated that there is a difference in meal patterns compared to before the project. The meal frequency has increased from twice per day before the MLDP to three times per day during the project period. In addition, most of the beneficiaries said the cash income allowed them to be more flexible and buy what they needed most. However, at present due to increasing grain prices, most of focus group discussants said that they were unable to purchase the amount and variety of food they bought two years ago.

Maternal Time Expenditure: The maternity leave for mothers varies according to the availability of labour within the household and support provided from relatives or neighbours.

Some mothers rest for approximately 40 days between birth and beginning household chores, while others who have no support rest only for 15 days. Most women in the project area, whether they have infants or young children, work for 8 - 10 hours during the busy agricultural times, July – August. During the agricultural period, 40 days after delivery women begin fieldwork. They carry the very young ones on their back and breast-feed while they are in the field. Older siblings, neighbours or grandmothers usually care for young children at home. During this busy agricultural period, hardly any mothers stay at home to care for their children. Before the start of the project, during non-busy times they spent most of their time at home caring for their children, except for fetching water or going to the market. Women in poor households, who were targeted in the Cash for Work activities, worked in the Cash for Work activities during slack agricultural seasons. However, pregnant women are exempted from public works from six months of pregnancy onwards. Lactating mothers were also exempt from public works until the child was ten months old. This gave them the opportunity to care for their new born and other young children.

The allowances for pregnant and lactating mothers were implemented in most cases and greatly benefited women and their children. However, in some instances women were forced to work on public works until they give birth and returned soon after. Focus group discussions revealed that the public work attendant enforced pressure on them. The PA leaders and Community Food Security Task Forces seemed unaware of the situation on the ground. This highlights the need for monitoring of implementation of the project objectives pertaining to women and children at every level.

When mothers participated in public work places they usually carried their young children on their back, therefore exposing them to the heat of the day. Sometimes young children were left in the care of older siblings. If mothers had to go to distant places in the Cash for Work activity, they would often not go home for lunch, meaning that children remaining at home suffered from lack of care.

The community perceives that working hard during busy agricultural periods for both pregnant and lactating women is normal. They do not realize the need for time to rest during pregnancy and lactation in order to save energy and care for the child. When women participate in public works during the period of the project, they spend 8- 10 hrs. They hardly have time for rest. During FGD women mentioned that they even get up as early as 4:00a.m in the morning to attend to the household chores since they have to go out to work.

During FGD with beneficiary women their time expenditure during busy and non-busy times was depicted as follows:

Type of Activity	Busy time July - August	Non- Busy time September-June	During cash for work programme
Fetching water	30 min. - 1 hour	30 min. - 1 hour	30 min. - 1 hour
Cleaning the house & Attending household chores	1 hour - 2 hours	2 hrs -3 hrs	1 hour - 2 hours
Agricultural activities	8 hours - 10 hours	1 hour*	-

Rest and other activities like swing, weaving, etc.	None	7 hrs - 8 hours	None
Public works			6hrs – 7 hrs

** To take lunch to the household head during farming.*

Note: This time table does not apply to women headed households who also work in the

Benefits of cash income to the children: The focus group discussants, both women and children mentioned that the project has benefited children more than any other section of society. Mothers with children between six and 24 months reiterated that if they did not get cash income from the MLDP would have difficulty feeding their children.

In addition, the FGD results with 14 - 18 year old children showed that majority of the children reported that they did not take part in the initial planning process of the project. However, children from cash relief beneficiary families said they participated in the household decision making processes with their parents on how to spend the money. The most significant change observed by the children was that they stopped going to school hungry and that most of the children from Cash for Work beneficiary households now attend schools. The 14 – 18 year old children reported that beneficiary families no longer ‘rent’ their first born child, at seven years old, to richer families to serve as a shepherd in exchange of token money. Some families have already removed their first born child from this arrangement.

Information obtained from School Directors on children from Cash for Work beneficiary families indicated that they do not drop out of school and have a high attendance rates compared to children from non-beneficiary families. With the expansion of school blocks by the MLDP, the number of students attending elementary school has increased in the project area. These results were also collaborated by non-beneficiary children who noted the difference between them and Cash for Work beneficiary’s children, who able to attend school, dressed better and have school materials such as exercise books, pens and pencils.

The woreda Education Office and school directors highlighted that the number of girl students is increasing. This may be due to the fact that the Government of Ethiopia focusing support on female education. Previously girls were married as early as 12 years; the Government has reinforced the law to take parents who agreed to give their children to an early marriage to court. This measure has encouraged girls to go to school and continue their education. Those girls and women who could not go school are attending adolescent literacy classes in their locality.

One of the direct benefits of the Cash for Work activities for children under one year is that pregnant and lactating mothers were able to spend more time with their children to provide adequate care. Pregnant women were exempt from public works beyond six months of pregnancy and during ten months of lactating after the birth of their children.

The other direct benefit of the project, as described by the beneficiaries was that it provided employment opportunities within their PA and enabled them to feed their children and care for them by staying with them. However, FGD participants reiterated that the project should have been flexible in the type of resource provision, Food for Work and Cash for Work. Food for

Work should have been based on local production and the market situation, whilst Cash for Work should have been adjusted the daily wage rate based on the local wage market price.

Bayeh Fetene is a boy belonging to a family of seven in Hana Mequat PA. His mother said she had to give him to a better-off farmer in the neighboring PA to work as a shepherd at the age of seven. In return the family was getting 70 BIRR per year as a salary for the child's labour. Bayeh's mother explained why she has given her child away "We were starving and I didn't want my child to starve to death, I thought it is better to save his life by sending [him] off to a well to do family and serve as a shepherd."

Bayeh served the better-off family as a shepherd, doing activities such as weeding and collecting firewood for seven years. His mother brought him back home when she was enrolled in the project as a beneficiary and started to get cash income. Currently, Bayeh is attending an adolescent literacy programme three days per week in his village. It has been three years since he joined his family. He said he is happy living with his family. The mother said it is due to the project that she was able to bring her son home and they are all very happy. However, she said if the cash income is discontinued and the family has exhausted its resources she might send Baye away again.

Skills based training for women: Most of the women were not involved in skills training except some who were trained on silk and highland fruit production. Although, women are not given skills training throughout the project they were involved in alternative livelihood options to improve their lives. Most of these alternative livelihood activities were selling local beverages such as 'Tella' and 'Koreiffe'. Some women were members of cotton-weaving groups organized by local women's associations to generate income. FGDs with beneficiary women revealed that women's access to credit was limited by the fact that they were resource poor. The micro credit scheme in the PAs required borrowers to have to have either cattle or a house for collateral. Most women headed households do not have these assets, therefore, could not benefit from this scheme. This has limited women's capacity to establish other livelihood options and be self-reliant.

Child labour: Although the project made an effort to create awareness among the community regarding child labour and that all community members knew that children under age should not have participated in Cash for Work activities, children of 14 to 15 were involved in public works. This often occurred when children were replacing their parents when they were absent or to relieve them from long working hours. Most of them worked in the afternoon after school at least four days per week. This is partly due to community beliefs that children aged 14 and 15 years are old enough to work. The main reason behind this is that the household head was required to work longer hours to cover child labour days. It is therefore important to create a limit of how many child labour days the household head should to work.

Recommendations

- Cash grants to mothers have a measurable impact on the quality of care that mothers provide to their infant children.

- Practical demonstrations on how to prepare complementary foods for infants and young children will have a greater impact for the mother to retain the knowledge gained. Practical demonstrations of varied diet for children will help mothers to replicate the practice and encourage them to prepare special food meant only for the infants and young children. Use of watery gruels should be discouraged and be replaced by soft porridge made from a mixture of cereals and legumes.
- People at all levels of MLDP implementation should have a clear understanding that pregnant women need to rest after the first six months of pregnancy and up to ten months during lactation to give ample care to their children.
- There should be close follow-up and monitoring of the work done by HEWs, who should be given assistance when need arises.
- There should be other options to care for infants and young children while the mother participates in public works, such as nurseries run by a group beneficiary mothers.
- Intensive awareness raising and sensitization is needed on sanitation and hygiene practices since there are a large number of households who do not use the facilities even after having constructed them. Access to proper sanitation will mitigate major diseases, such as diarrhea, worms, eye infections, cholera, typhoid, etc. especially in children.
- The recruitment and training of community based positive deviant model mothers is essential. These women, formed as a Breast-feeding Support Group, would train their peer group on exclusive breast-feeding and complementary food preparation to reinforce and assist the work of HEWs. Food distribution agents already trained by WFP could also do this.
- Provision of skills based training to women and women household heads to diversify their livelihood options are of crucial importance to improve child caring practices. It has been demonstrated that maternal income has enabled them to introduce a varied diet for their children.
- Special considerations must be given to resource poor women and women headed households to obtain micro credit. One option is to organise these women in groups, help them design a repayment scheme and act a group guarantor for each other.
- Increasing community awareness on the consequences of child labour is of crucial importance. Children are allowed to work starting from the age of seven years as shepherds and also involve in labour-intensive agricultural work from 14 years. The community has taken this as a norm.

6. Exit Strategy

In the original MLDP proposal, it was noted that every effort would be made to ensure the smooth transition and handover of activities to the Government or communities through a “seamless transition”. However, in some instances this will not be the case. Most of the original activities planned were EGSs, such as road construction and rehabilitation, construction of water harvesting structures, and water shade catchments activities. This type of activity is relatively easy to handover to the Government because they are part of the wider Government strategy.

During the third year and fourth year of the project, SCUK began implementing very different types of activities, known as ‘diversification of livelihood options’. The MLDP did not originally plan to implement these activities and a detailed strategy for the handover and integration of these into existing Government programmes was not put in place. As such, these activities cannot be easily taken on by the Government because of capacity and resource limitations. During the evaluation, woreda Government officials specifically noted that these activities could not be taken on smoothly by the government after the project. Similarly, due to the short time frame in which they were implemented, community members have not gained sufficient skills to continue the activities in the long-term. Sustainability will be significantly compromised and it will be less likely that this type of activity will be adopted by a wide range of farmers in the future. This was found to be a considerable issue in the design and implementation of the MLDP. Although some livelihood activities were innovative and could, within the right environment, provide opportunities for target beneficiaries, the late initiation of these activities mean they are unlikely to be adopted by farmers in the long-term.

7. Lessons Learned

For the improvement of future programmes and emphasising wider, cross-cutting issues, the following lessons were drawn from this evaluation.

- Payments in terms of cash are advantageous because they can be used flexibly to purchase different consumption needs of households and to pay for social and administrative obligations.
- Cash for Work creates an effective demand for food crops and enhanced regional market integration, but when supply is constrained its cumulative and long-term effects contributed to inflation.
- In rural areas, where the vast majority of households are poor, local food production is stagnant and inter-regional livestock trade is very weak, asset development strategies in the form of animal can help to bridge the food gap in short run, but it is not the solution to sustainably improve the food security situation at the household level.
- Communities and Government structures at the kebele level strongly prefer Cash for Work during good harvest years and Food for Work in drought or national inflation

years. It cannot be generalized that Cash for Work contributes more strongly than Food for Work; the relative importance of the approach depends on the dynamics in production and prices of food products.

- Neither Cash for Work nor Food for Work is solutions to improve food security and the livelihood of households in food deficit zones on their own. Therefore, a one-size-fits policy does not work. A flexible and mix of strategies should be used. It needs sufficient planning and careful forecasting of production and price trends at local, national and global level. The experience of the PSNP in Meket is being a good example. Before 2007 only Cash for Work was implemented, however, appreciating the increasing problem of inflation, a mix of Cash for Work (80%) and Food for Work (20%) was introduced in 2007, and in 2008 a balanced proportion of 50% was applied.
- Farmers rationally allocate their income depending on their opportunities. Lowlanders have larger land plots and better grass cover for housing and animal feed. As such asset creation is more in terms of livestock. In contrast, highlanders lack grassland and therefore use their income partly for livestock purchase and partly for house construction using iron sheets.
- Households that have no farmland and had nowhere to graze animals could not create assets from the income obtained through Cash for Work. Therefore, their ability to build assets in the form of livestock was limited. Households with low family sizes (less than three) usually earn a low income (at most 90 BIRR per month) from the Cash for Work programme. This is barely enough for the household food supply and certainly not enough for asset creation.
- Farmers can create assets from Cash for Work but a delay in rainfall or possible occurrence of drought and inflation forces farmers to sell the livestock to purchase food. Farmers have been unable to tolerate drought or even short delays of rains and started depleting their livestock. If the problems continue for one year, it will result in a return to destitute lives. This implies, asset creation is not an end by itself, and hence a fundamental change in the farming system to improve farm productivity and the introduction of drought tolerant varieties of food crops including the introduction of viable on or/and off farm livelihood option at the household level is crucial.
- Construction of roads using only manual labour is cheaper than using machinery, but was found to be low in quality. Supplementing human labour with machinery where it is feasible could make the road provide the services it was designed for.

- Careful selection of model farmers and close monitoring is crucial for the successful introduction and adoption of new interventions.
- To provide price information specially for consumer on market notice boards on selected food products in surplus producing regions was proved to be unsuccessful. Thus, other Medias such as radios are more accessible across community and their usage should be developed.
- The formation of the seed and grain banks and community tourism on the basis of *keres* provides a strong foundation for the sustainability of the activities. However, membership to any seed or grain bank formed on a *kere* is open only to members of the *kere* and this limits the chance of including members outside of a given area.
- Most of the seed and grain banks were constructed on the compounds of volunteer beneficiaries. In some instances it was observed that when a volunteer had disputes with the group members he/she may block access to the bank. It is therefore advisable to sign a legally binding contract with the plot providers. In addition, depending on the specific local condition, communal land should be considered for the construction of grain and seed banks to avoid such issues.

Best practices

- Using the existing Government health system ensures ownership and continuity of the activities leading to sustainability.
- The introduction of silk production and marketing to local people on market days using expos and attempting to link farmers with processing companies was regarded as best practice.
- Participation of women as beneficiaries and giving them equal opportunities was found to be successful.
- Experience sharing visits by the farmers and community health workers within the woreda has helped change the outlook of the people especially on hygiene and sanitation issues.
- Stakeholder coordination between the MoARD, the Food Security Desk, Microfinance and administration and the participation of beneficiaries in the planning, processing and implementation of activities significantly reduced corruption and served as a sufficient form of checks and balances.

- Awareness creation on HIV/AIDS implemented by organizing farmers themselves to participate in drama shows, proved to be a successful means of creating awareness.
- Providing start up capital, as in the carpentry and masonry activities encouraged trainees to quickly engage in the activity they were trained in.
- The introduction of silk and highland fruit made through the careful selection of model farmers to act as trainers and extension agents with close MLDP follow up greatly enhanced adoption of the new practices.
- The use of traditional institutional systems, such as *keres*, in the development of community tourism and grain and seed banks was useful for gaining the motivation and interest of the community.
- Using the training of trainer (ToT) methods, in which trained farmers, train other farmers proved to be successful. The training was directly focused on farmers in a way that they could easily understand and cascade the training to other farmers in their community. It also minimized the gap that would have been created with the turnover of Government officials and DAs.

8. Conclusion and Recommendations

Detailed information on activities, programme components and implementation strategies, including specific recommendations have been addressed under each component in Chapter Five. This section highlights the overarching issues and recommendations based on the findings of this evaluation.

As it is clearly stated in the project document, the overall aim of the MLDP was to encourage experimentation and diversification of the rural economy and thereby improve the food security and livelihoods of poor households. The project planned to achieve this by addressing the immediate food needs of 40,000 beneficiaries through cash distributions and targeted interventions to encourage economic growth (particularly in the non-farm and off-farm sectors). The other objective was to diversify livelihood options, diminishing over-dependence on subsistence agriculture.

Households were encouraged to create assets so they would be able to withstand shocks. It is clear that the most important assets for rural households (for both social and economic reasons) are livestock. Similarly to food crops, livestock production is dependent on land productivity (for animal feed) and water (rainfall). The land caring capacity and the productivity of livestock production in drought prone and food deficit areas such as Meket woreda is very limited. These factors restrict the expansion of the livestock asset building concept. The evaluation found that asset creation in the form of livestock still depends on traditional farming systems. Farmers bought live animals such as sheep and oxen and some constructed houses with iron sheets from the income eared through Cash for Work activities. Livestock dependency on the availability of feed and water means that their productivity and survival depends on rainfall conditions.

In the project area, recurrent drought, animal feed shortages and poor agricultural productivity are critical problems. In this regard, a delay in rainfall or the occurrence of drought would wipe out the livestock assets and the crops altogether. It was also observed that the moment drought occurs, and prices of food crops rise, the supply of livestock to the market sharply increases and their price falls. Unfortunately, the livestock market in Meket is largely within the community, whereby local farmers are the suppliers and demanders, therefore there is an inadequate and ineffective livestock demand during rainfall delay and drought periods. Consequently, asset creation and the potential of escaping or absorbing the shocks are limited. Therefore, the project outcomes will be sustainable only if there is fundamental change in the technology of agricultural production and supplementing with non-farm livelihood options. In addition, the introduction of drought resistant animal fodder and crops within the community would be critically important for sustainable livestock development.

In conclusion, Cash for Work has had a significant impact in stimulating the market and there by contributing to improving the food security situation of the target communities. The impact would be more sustainable if Cash for Work is regulated based on local food production levels to control inflation and high grain food prices.

Under-nutrition and micronutrient deficiencies may result in a range of conditions, which adversely affect the health and well being of individuals. In severe cases, they can be life threatening. Whether

in mild or severe form, the consequence of poor health and nutrition, results in a decrease in overall quality of life and reduces levels of human development potential. In addition, poor health related to malnutrition reduces the resource and earning capacity of already poor households increasing their socio-economic problems.

Food, health and care are essential for good nutrition. Good infant feeding practices and nutrition are dependent on the availability and access to food, health practices and care in the home. These aspects are interrelated and actions affecting one area may have significant consequences on another. Poverty, however, is the root cause of acute and chronic under-nutrition. The MLDP has increased households' capacity to earn cash income through involvement in public works and introduction of skills training as a means of alternative livelihoods. This has increased the economic capacity of the households, which has been reflected in improved child caring practices. Although some advances have been made, improvements are still necessary, particularly the need to increase knowledge of mothers on the preparation of a varied diet for the benefit children.

Care itself is an essential element of good nutrition and health. Malnutrition can occur even when a household has access to adequate amounts and types of food as well as access to appropriate sanitation and healthcare services. The knowledge, attitudes and practice of household members, particularly household heads, mothers and the primary care-providers, largely determine the nutritional status of the households. Consequently there is a strong need for both strengthening nutrition and health education for mothers, who are the primary care givers in addition to diversifying their livelihood options for sustainable income.

The project has launched many innovative activities at a late stage in the project life. Most of the livelihood diversification components are at infant stages and the results will not be seen within the life of the MLDP. Due to the fact that target beneficiaries for these interventions have not been able to sustain their livelihoods independently, it is premature to conclude that these initiatives can, over time, contribute to the alleviation of food insecurity at household level in a sustainable manner.

It is clear that the causes of food insecurity at household level are multi-faceted and deep-rooted. Rugged and broken terrain, land degradation, severe land shortages and high incidence of drought remain serious challenges to food security. This demands long-term and fundamental technological and cultural changes within the community in order to sustainably alleviate the current food insecurity situation in the project area. It is, therefore, unlikely that a short-term project such as the MLDP will elude results that significantly contribute to the resolution of the complex food insecurity situation within target communities.

It is clear from the evaluation that work to sustainably improve the food security of the project participants requires long-term engagement, linked with Government strategies, and strategically complementing other initiatives in the target area in a holistic manner. This approach should include: preventing depletion of assets from recurrent droughts; improving agricultural productivity (both crop and animal production) through improved technologies; improvement in health conditions of the community; provision of alternative livelihood options (both on-farm and off-farm); and improvement in markets through urban-rural linkages. It is through a multi-faceted targeted approach that the lives of people can be improved significantly.

The MLDP was partially successful in contributing to the dialogue on how to improve the livelihoods of poor households. However, the short life span of the MLDP coupled with the influence of PSNP regulations in target, implementation strategies and approaches, etc... - meant that the MLDP was unable to be successfully implemented as a full scale research or experimentation project exploring all options, strategies and implementation modalities for improving the food security of households.