

# **IMPROVING FOOD SECURITY POLICY DIALOGUE**

**A Review of Key Policy Issues &  
Establishing Policy Consensus Among Major Actors in  
Ethiopia**

**(Proceeding of USAID, EU, WFP & UNOCHA/EUE Food Security  
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## Abbreviations

<b>ADLI</b>	Agricultural Development Led Industrialisation
<b>ANRS</b>	Amhara National Regional State
<b>BOA</b>	Bureau of Agriculture
<b>DPPB</b>	Disaster Preparedness and Prevention Bureau
<b>DPPC</b>	Disaster Preparedness and Prevention Commission
<b>EU</b>	European Union
<b>FA</b>	Food Aid
<b>FS</b>	Food Security
<b>FSU</b>	Food Security Unit
<b>GoE</b>	Government of Ethiopia
<b>LFSU</b>	Local Food Security Unit (of the European Union)
<b>MOA</b>	Ministry of Agriculture
<b>NFSP</b>	National Food Security Program
<b>NFSS</b>	National Food Security Strategy
<b>PMO</b>	Prime Minister's Office (of the Government of Ethiopia)
<b>UNDP</b>	United Nations Development Program
<b>UNOCHA</b>	United Nations Office for the Co-ordination of Humanitarian Affairs
<b>WB</b>	World Bank
<b>WBCO</b>	World Bank Country Office
<b>WFP</b>	World Food Program

## **Executive Summary**

### **The Context**

This document contains the full range of subjects discussed in retreat in March 2001 between USAID, European Union (EU), World Food Program (WFP), UNOCHA, and EUE. The executive summary presented here is the final joint statement of recommendations of all participants and their respective organizations for submission to the Government of the Federal Democratic Republic of Ethiopia (GDFRE).

The joint statement is the merger of some of the original recommendations laid out in the main body of the text. Primarily, all recommendations concern the need to separate out acute and chronic food insecurity and respective responses.

### **Policy Recommendations**

#### **A. Food Aid & Food Security Co-ordination**

Several functional units at Federal and Regional level have mandates for food security and the implementation of food aid programmes. At the federal level these include Ministry for Economic Development and Cooperation (MEDAC), which mobilizes development resources that are then implemented by Ministry of Agriculture (MOA), and DPPC (relief distribution). Bureau of Planning and Economic Development (BOPED), DPPB, Bureau of Agriculture (BOA) and regional Food Security Units (FSUs) serve as regional counterparts with similar mandates. The present institutional arrangements and mandates make co-ordination regarding the access, use and control of food aid resources and food security assistance difficult.

Whilst food security is recognized as cutting across sectors, there is no one responsible focal point for discussions on food security policy development at the Federal level. This is further compounded by a limited capacity at all levels to effectively use the resources provided to ensure a focus on moving from relief and development (through EGS/FFW for example). Policy recommendations are:

- 1. Establish a Senior-Level Food Security Policy Steering Committee. In addition to wider policy dialogue on food security issues, this committee would work to identify appropriate and sustainable activities through FFW/EGS/CFW, and develop a coordinated approach to the use of food aid and food security assistance. The food security working group further believes that the committee should include appropriate regional representation.**
- 2. Focus DPPC's mandate on emergency functions (e.g., acute needs)**
- 3. Identify appropriate government institutions to mobilize and distribute resources for the chronically food insecure population. This is in line with the majority of**

**recommendations that assert the need to separate chronic and acute food insecurity in Ethiopia so that chronic needs are addressed through a development oriented approach.**

### **B. Managing Food Aid & Food Security Resources to Address Chronic and Acute Needs**

Food insecurity in Ethiopia is predominantly chronic in nature, with the exception of crisis years (e.g., 2000). Chronically food insecure households are those that cannot meet their food needs in any given year, regardless of climatic variables or other external shocks. Decades of food aid distribution have not improved the nutritional or economic status of this group, suggesting that a different approach is required. The chronically food insecure population's needs would ideally be addressed under a development umbrella, rather than through emergency aid as at present. This approach requires separating chronic and acute food insecurity, although in practice shifting vulnerability between food insecure groups makes the separation of chronic and acute needs complex. While such a distinction is vital in the long term (in order to systematically program food aid within a development framework), there is significant scope for improvement in the use of food aid in the short term. Policy recommendations:

- 4. Refine the current assessment methodology to distinguish between chronic and acute food insecurity.<sup>1</sup>**

In the interim period of redefining the methodology to distinguish between chronic and acute needs,

- 5. The GFDRE and FAO should conduct concurrent crop and food needs assessments, which synthesize availability and vulnerability data (e.g. supply and demand).**
- 6. Food aid should be made more productive for the chronically vulnerable through well-planned FFW/EGS/EBSN schemes. CFW alternatives should also be considered whenever appropriate and feasible, along with more flexible use of food aid to encourage development and technology adoption.**

### **C. Budgeting for Food Aid and Food Security**

Food aid and food security expenditures have been exempted from formal GFDRE budgeting. This prevents possibilities for advanced planning of activities/programs to be funded through food aid resources. That said, it would appear that the GoE does budget this assistance informally. For example, relief and development resources are often offset from capital subsidy transfers to the *woreda*, albeit on an informal and discretionary basis. As a result, food deficit *woredas* do not receive capital budget allocations for health, education, water and infrastructure development equivalent to that received by relatively better off *woredas*.

Moreover, food aid is presently provided to Ethiopia by the donor community in response to appeals, without any contribution by the GFDRE, except in very exceptional circumstances (e.g., 2000). It would be desirable that the GFDRE contributes a proportion of its own budgetary resources to DPPC appeals in acute crisis situations. Recommendations to improve the above are:

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<sup>1</sup> One way forward in this regard would be to work towards a more rigorous permanent information/surveillance system. This would require, in part, timely, reliable annual estimates of crop and livestock production. We propose that the National Agricultural Census, to be conducted this year, be used as the starting point for refining assessment methodology. Donors should also provide support to the CSA to refine the sampling frame, and increase sample size used for the annual estimates.

- 7. Food aid and food security expenditure should be included in the GoE Budget.<sup>2</sup>**
- 8. The GoE should not offset food aid and food security assistance capital subsidies at any level.**
- 9. The GoE should contribute its own budgetary resources to DPPC appeals.<sup>3</sup>**

#### **D. Agricultural-Related Sector Development Policies**

The national food security strategy was initially envisaged as an investment strategy, although this is not yet evident in practice. This is most notable in relation to the supply driven nature of Agricultural Development Led Industrialization (ADLI), which focuses on productivity in higher yielding areas while lacking investment prioritization in the chronically food insecure areas. The national fertilizer program and the extension system, neither of which have impacted positively in the chronically food deficit regions, are of particular concern.

More generally, only the Amhara, Oromiya, Tigray and Southern Nations, Nationalities and Peoples (SNNP) Regional States are presently covered by a food security program through their regional food security units. However, the programs of these regions appear to be uniformly imposed on other regions, regardless of a significant difference in livelihood systems (e.g., dry land areas, pastoralists etc). The major recommendations are:

- 10. ADLI should be analysed within the framework of a Poverty Reduction Strategy and through WB/multi-donor assisted evaluation of its impact on chronic food insecurity and poverty alleviation).**
- 11. National and Regional food security strategies need further development. In particular, the GoE should develop plans, with donor support, for those areas presently not covered by a food security program. This is especially important for the pastoral areas, which have been adversely affected by drought in recent years and generally neglected by development initiatives over the long term.**

#### **E. Other Food Security Related Concerns**

The group also discussed a number of issues relating to sector development, including population, gender, health and market liberalisation. Each, in their own right, was perceived by participants to be central issues constraining the pursuit of food security. However, in many cases the margin between what is a constraint to development and what is a policy issue is blurred. The working group thus prefers that these issues be addressed within the forum of the Development Action Group (DAG) comprising the wider donor community. As such, there are no specific recommendations in this regard arising from the retreat.

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<sup>2</sup> This is expected to be the case for EFY 2002, as the Ministry of Finance will include food aid expenditure in annex 4.1 of the budget.

<sup>3</sup> In the best case scenario whereby the chronically food insecure would be taken out of the DPPC appeal, this would mean that the GoE would contribute to acute needs arising in the case of emergency, as well as food security assistance within a development context.

## Introduction to the Issues and the Context to the Retreat

### **1.1 The Nature of and Response to Food Insecurity in Ethiopia**

In spite of high levels of food aid and development assistance to Ethiopia over the last decade, the number of people defined as food insecure in 2001 is approximately 6.2 million. This group includes the chronically food insecure, defined as those people who are incapable of meeting their annual food needs without food aid assistance under normal conditions. Ethiopia's chronically food insecure population has continued to increase as annual population growth of 2.7% outstrips the average annual 2.4% increase in agricultural production. Furthermore, these national figures do not reflect the fact that agricultural growth is mainly taking place in surplus production areas, and not in food deficit regions. Poor storage, marketing infrastructure, and transport compound the problem and constrain the movement of produce between surplus and deficit regions, which could otherwise help alleviate the conditions in food insecure areas. This agrarian crisis is further accompanied by a nutritional crisis, even among those that receive regular food aid.

Although food insecurity is recognized as predominantly chronic in nature, present response mechanisms focus on addressing acute needs. This focus is borne out by annual Disaster Prevention and Preparedness Commission (DPPC) appeals, which request emergency donor assistance (food aid) for what is essentially a development problem. There is a real potential for a large increase in the number of people requiring food assistance over the coming years because economic growth is too little, and because food aid cannot build household assets and create the opportunities that permit people to work themselves out of poverty. Many households simply remain long-term beneficiaries. Even where food aid has been used productively through Employment Generation Schemes (EGS), Food for Work (FFW) and Cash for Work (CFW) schemes, this has not created a continuum between relief and development. This is because such assistance is usually insufficient to sustain household asset and community asset creation without further inputs. Even then, the assets created have been relatively modest compared to what could have been achieved with proper planning and budgeting for the chronically food insecure, in a development framework.

Without a real reorientation of policy, the future looks bleak. Some estimates project a national requirement of 24 million metric tons (MT) of cereal by 2025, which would mean that Ethiopia would have to grow and/or import an additional 12 million MT beyond the estimated 2000 production of approximately 12 million MT. We should not assume that agricultural performance will remain the same, but since it has never exceeded population growth we can anticipate that the gap between food needs and availability will continue to widen, requiring additional food aid. Even if donors maintain the political will to provide food aid, the logistical limitations of operating such a large-scale relief effort could ultimately lead to widespread mortality reminiscent of the 1980s.

## **1.2 Background to this Policy Statement**

The dialogue on food security practice and policy slowed significantly in 1999, despite completion of the World Bank led multi-donor exercise to design a food security sector investment program. This was due in part to the Ethio-Eritrean conflict, which prevented donors from disbursing funds for development and confined new activities to emergency relief. Even where development funds were available, many donors began to pursue independent unilateral action to address food security, primarily at the regional level because of difficulties in keeping food security dialogue open with the Government of the Federal Democratic Republic of Ethiopia (GFDRE). In mid-2000 negotiations on the food security sector investment program formally ended when the World Bank (WB) withdrew its leadership to pursue its own food security program. This essentially interrupted food security policy dialogue between donors and the GFDRE.

The 2000 drought and subsequent emergency relief operation reopened debate on food security policy and dialogue, beginning with a series of high-level missions by the United Nations, European Union (EU), and United States (US). The visiting missions permitted donor representatives an audience with the Prime Minister's Office (PMO), thereby providing access to the decision-making level and re-opened a discussion on food security policy. This, combined with the cessation of conflict, has led to a renewed debate on the national food security strategy.

In partial response to this situation, United States Agency for International Development (USAID), World Food Program (WFP) and the EU began discussions on how to increase cooperation in the sphere of food security policy and practice, and improve dialogue with GFDRE in key areas of concern. This culminated in a two-day retreat for representatives of these organizations, which the further inclusion of UN Office for the Co-ordination of Humanitarian Affairs (OCHA) and UN Emergencies Unit for Ethiopia (UN-EUE).

The policy issues and recommendations presented in this brief paper are the result of intensive discussions held during the retreat. This paper does not include the full range of topics covered, but is restricted to key areas that focus on the need to distinguish chronic and acute food insecurity in Ethiopia with the aim of improving the efficiency of food aid and food security resources.

## The Co-ordination of Food Aid and Food Security

### 2.1. Introductory Summary

Food security co-ordination requires substantial improvement if development and emergency resources are to be utilized effectively to establish the linkage between relief and development in practice. This requires policy attention at:

- Federal level to establish a senior level food security co-ordination body.
- At federal and regional levels, in and between the different bureaus, to clarify existing mandates and responsibilities.
- At donor level to establish consensus on the use and conditions of food and development aid, and coherently engage in policy dialogue.

### 2.2. Institutional Constraints to Effective Co-ordination

#### **a) GoE Institutional Organization on Food Security**

The co-ordination of food security and food aid is undermined by unclear responsibilities and competing mandates between different bureaus at federal and sub-federal levels of the GoE. For example, whilst the DPPC has the overall authority to control and distribute relief resources (e.g., food aid), its capacity to fulfil its own mandate with regard to Food For Work (FFW) and Employment Generation Schemes (EGS) is limited. This manifests itself in a high percentage of gratuitous distributions (even for the chronically food deficit areas), and therefore insufficient use of relief resources for asset creation. At the same time (in Amhara in particular), the regional Food Security Units hold a mandate to implement regional food security programs, but lack the resources to do so because food aid is controlled by the DPPC/DPPB and non-food resources are scarce.<sup>4</sup>

Competing mandates and responsibilities are also played out at federal level between (amongst others) the DPPC, which has a mandate to control and distribute food aid, and MEDAC, which has the mandate to manage resources generally. ‘Emergency aid’<sup>5</sup> and ‘development aid’ is therefore separated between different institutions, which prevents systematic programming of available resources within the broader framework of the national food security strategy.

The lack of a senior level food security co-ordination body within the PMO in particular (the primary focus of decision-making) compounds the problem of poor co-ordination generally. Although there has been past Ministerial responsibility for food security in the PMO, this role fell

<sup>4</sup> This factor has led to an element of resource conflict between the DPPB and the FSU in Amhara Region in particular. By contrast, in Tigray, the DPPB and FSU, despite having the same institutional set up as Amhara appears to have less resource conflict and more cooperation. For example, the DPPB does not control all emergency food aid resources in the region, but permits the FSU to use such resources for EGS and FFW schemes.

<sup>5</sup> For the sake of clarification on this point, emergency aid is used to mean a separate input to that given in ways other than through the appeal, even if both might amount to food aid. However, this is recognized as somewhat of an artificial divide – a point returned to later in the text.

to MEDAC in mid-2000. Yet, as the PMO continues to make the important policy decisions, this means that donors presently lack access to the arena of decision-making and must rely on disparate institutions to negotiate food security assistance – essentially without opening up overall food security policy dialogue.<sup>6</sup>

## b) Food Security Policy Co-ordination Between Donors

Although donor co-ordination of food aid delivery is generally good, that concerning food security policy and activities is comparatively weak. Although co-ordination was initiated with and through the multi-donor team and subsequent report for a national food security strategy and program, there has been little progress in this regard since 1999.<sup>7</sup> Although donors agreed in principle the key areas of policy concern in the report, there is little collective policy advocacy work from the donor side.<sup>8</sup> Moreover, in reality (and although agreed in principle) the use of and approach to food aid in particular does not conform to best practice, as demonstrated through the varied approaches to food aid distribution amongst both donors and NGO implementing partners.<sup>9</sup>

## 2.3. Recommendations

The recommendations below aim to renew debate regarding present food security strategies, policies and initiatives by removing present institutional constraints. In this context, the recommendations aim to improve long-term food security planning of emergency food aid resources to establish the continuum between relief and development.

1. Establish a *Senior-Level Food Security Co-ordination Committee* that would have the mandate for policy dialogue with regard to emergency and development assistance and thereby stand above MEDAC and the DPPC. The PMO, as the primary arena of decision-making, is the preferred ‘home’ of the Committee.
2. Clarify responsibilities at regional and federal levels to reduce the present level of resource conflict that leads to poor food aid practice. Two alternatives are suggested:
  - Strengthen the capacity of DPPC to fulfil its own mandate with regard to EGS (e.g., 80% of all food aid should be distributed on EGS/FFW basis)
  - OR
  - Redirect DPPC’s mandate to strictly emergency functions (e.g., acute needs), permitting regional food security units to have the mandate for implementing EGS for the chronically vulnerable.

<sup>6</sup> A Food Security Steering Committee had been proposed in 1996 that would comprise political and technical sectors, although this never came to fruition.

<sup>7</sup> See Annex 1 for commentary on the multi-donor food security strategy.

<sup>8</sup> To clarify the point regarding poor donor co-ordination of food security it is worthwhile to consider some recent trends. Since the emergency of 2000, a number of new initiatives have been proposed as offering a long-term solution to food security in Ethiopia - The FAO Regional Initiative being one. This culminated in a lengthy report on the cause, nature and proposed solutions to food security in the Horn of Africa and a call for donor funding of approximately \$15 million to establish a new UN bureaucracy to begin implementation. The report, however, drew little from four years of the multi-donor team’s effort to establish a national food security program for Ethiopia, which culminated in a much more specific document for Ethiopia, and one to which the GoE fed into. Originally, the multi-donor team was led by the World Bank until its subsequent withdrawal in 2000 to pursue its own independent food security project with the GoE, now estimated at \$70 million. Moreover, in early 2001 the FAO initiative was revamped as a joint venture with the World Bank, each of which have contributed \$1 million. In sum, the present situation is that the multi-donor task force on food security and the proposed national program is not funded and policy dialogue has ceased, essentially because of WB withdrawal. In the meantime, donors are being asked to put funds into a whole new framework, which as a regional initiative is already dead on its feet in Somalia and Sudan, due to governmental instability, supposedly funded by the WB, which has its own food security program regardless.

<sup>9</sup> For example, some NGOs use EGS/FFW in one project site funded by one donor, and distribute gratuitously in another project site funded through a different donor.

## Managing Food Aid for Chronic and Acute Food Insecurity

### 3.1. Introductory Summary

The DPPC appeal does not differentiate between chronic and acute food insecurity, neither in terms of need nor response. However, considering that the position of the chronically food insecure has not improved despite decades of food aid assistance, then it is clear that chronic food insecurity requires a different long-term solution. Nonetheless, there is scope to improve the use of food aid in the short term. If managed more effectively and with more flexibility food aid could (at the minimum) be integrated into long-term development oriented inputs. This requires policy attention to:

- Improve present methodology systems so that they distinguish between chronic and acute food insecurity.
- Make food aid more productive and flexible to address the needs of the chronically food insecure.

### 3.2. Addressing the Chronic through Food Aid: The Limitations

#### a) Food Aid and the Nature of Food Insecurity

Food insecurity in Ethiopia is mostly chronic in nature (with the exception of particular crisis years). Even in 'normal' years, households are unable to meet their annual food needs by their own means, and are reliant on food aid to cover deficits. Moreover, in spite of increased levels of food aid over the last decade, food security in both economic and nutritional terms has not improved (estimated at 6.2 million in 2001). A number of factors partially explain this:

- Food aid has not been effectively integrated into development agendas due to the widespread practice of gratuitous distributions.
- Food aid, even when distributed productively through FFW/EGS is insufficient as a sole means to attack the root causes of chronic food insecurity because present levels of remuneration do not generate the productive assets at the household level (e.g., oxen) required to escape poverty. Equally, FFW/EGS have not created assets at the community level that are sustainable without further food aid inputs.<sup>10</sup>
- Single commodity packages do not impact on nutrition because of difficulties with targeting, and because they do not address long-term effects of micro-nutrient deficiencies and malnutrition.

<sup>10</sup> This appears to be especially the case with regard to soil and water conservation practice. During field work carried out in Amhara region 2000 by the author, farmers repeatedly stated that they would not maintain/rehabilitate stone bunds because they were too labour intensive, used too

## **b) Addressing the Chronic within a Development Framework: The Constraints**

Ideally, the chronically food insecure population's needs would be better assisted under a development umbrella, rather than through emergency aid.<sup>11</sup> This would require that chronic and acute needs be differentiated by the needs assessment system. However, 'shifting vulnerability' between food insecure groups makes the separation of chronic and acute needs complex in practice as the margins of safety from climatically related shocks has been reduced significantly due to declining asset profiles of vulnerable households. Thus, it is not simply a case of certain groups been represented in the chronic sector and another in the acute sector. In recognition of this and the problems inherent in such a division, it was agreed **that in principle the two should be separated** but that in actuality, this requires improvements and support in a number of fields.

While the separation of chronic and acute food insecurity through institutional means is vital in the long term to enable the systematic programming of food aid within a development framework, there is scope for improvement in food aid practice in the interim period. Food aid is presently not managed in the context of development because capacity of the DPPC is limited, and because there is little sustainability of assets created.<sup>12</sup>

### **3.3. Recommendations**

In order to improve the management of food aid generally, and to work towards the goal of separating out chronic and acute needs, it is recommended that:

- 3. Food aid itself should be made more productive for the chronically vulnerable through well-planned FFW/EGS/EBSN schemes, but Cash for Work alternatives should be considered and tested where possible and appropriate.<sup>13</sup>**
- 4. Food aid should also be considered as a means to cover risk associated with new technology adoption, and to help build productive household assets (see annex 3 for a discussion on increasing the use of food aid in certain circumstances).**
- 5. The methodology used in the assessment process should be refined to distinguish between chronic and acute food insecurity. This requires a more rigorous permanent information/surveillance system that takes into consideration factors such as climatic fluctuations, nutritional indicators, crop and livestock prices, production data and pest outbreaks (localized and wide-spread), human and livestock disease outbreaks.<sup>14</sup> After improvements in this regard, there should be a drive towards formally separating the chronic from the acute.**

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much arable land and were destroyed by livestock, as most areas had free grazing. The exception seemed to be Konso Special Woreda in Southern Nations where the focus of EGS had been the construction of very large ponds, alongside canal diversions.

<sup>11</sup> For example, the annual appeal prevents advanced planning of activities to be funded through food aid, as *woredas* are unable to predict the extent or arrival time of food aid inputs, the latter of which may arrive too late in the season to undertake EGS/FFW schemes.

<sup>12</sup> The further down the system one goes, the less capacity there is. Thus, in most cases, *woreda* sectors have both staff shortages per se, and more specifically, a lack of experienced and skilled labour. Political factors compound the problem. Evidence suggests that in many cases, staff are chosen for party affiliation than for their skill profile. This creates problems of continuity in the civil service in particular. However, overall, the net effect low capacity at all levels is the reduced efficiency and effectiveness of resources flowing into the country, or resources raised in situ. Thus, there is little capacity for planning and budgeting of food aid and food security resources.

<sup>13</sup> This is subject to the availability of donor resources (e.g., USAID mostly has food as an input). Market access and intra-annual grain price fluctuations should also be considered.

<sup>14</sup> In turn, this would also require substantial changes in targeting practice, which were touched upon during the retreat but no clear consensus emerged on how to move forward on this specifically.

**6. The GoE and FAO should conduct joint food security assessments in the future for coherence and complementarity of resulting data.**

In addition to the reorientation of policy described above, certain operational recommendations can be followed to improve the present management and use of food aid.

These are:

- **Establish a Central *Relief-Development Action Group* between donors to identify appropriate and sustainable activities through FFW/EGS, and develop a co-ordinated approach to the use of food aid. The group should also have regional representation with the further participation of appropriate regional bureaus (e.g., DPPB, BoA, and FSUs), and NGOs.**
- **Increase and support institutional capacity building for long-term planning, especially in view of food security assistance.**
- **Food security programs should aim to have a measurable impact on nutrition. This requires assessment and the design of programs that will have a measurable impact in this regard (e.g., best practice).**
- **Donors and implementing partners should take advantage of larger groups of people (e.g., such as at food distribution sites,) to deliver desired messages on nutrition and health generally, and thereby help contain the spread of infectious diseases and harmful practices.<sup>15</sup>**

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<sup>15</sup> The general health profile of the rural Ethiopian population is poor overall. Early marriage for girls gives rise to a host of reproductive health problems (e.g., fistula) that lead to alienation, divorce, and pain. Complications at birth lead to infertility, infection and in all too many cases, unnecessary death. HIV/AIDS is assumed to be very high in the population at large (estimated at 12%) and awareness of the ways in which infection spreads, is low outside of urban areas. Thus, donors felt that all available opportunities should be used to encourage awareness of health issues.

## Budgeting Food Aid and Food Security Resources

### 4.1. Introductory Summary

Major donors regard the issue of food aid and food security budgeting as a key policy area to be addressed. The two major areas of concern are the fact:

- Food aid and food security expenditure is exempt from GoE budgeting.
- That the GoE receives aid, without having to allocate own resources to the appeal.

Of less policy significance, but nonetheless operationally important, is the fact that:

- Food aid is seemingly being offset from federal capital subsidy allocations to food deficit *woredas*.

### 4.2. Present Food Security Budgeting: The Constraints

#### a) Budgeting for Food Aid and Food Security at Federal Level

Advanced planning is critical to improve effective utilization of aid resources to link relief resources with development. In turn, this requires that food aid/security expenditure be regularly budgeted. Yet, at present, food aid and food security expenditures are exempt from inclusion in the annual Public Expenditure Review (PER) exercise, despite donor pressure.<sup>16</sup> This conceals the level of aid resources flowing into the country, arguably distorts GNP per capita figures, but more significantly, it prevents aid resources from being effectively managed through carefully planned EGS/EBSN programs.

#### b) GoE Lack of Commitment to Food Security

Food aid is presently provided to Ethiopia without the condition that the GoE be obligated to contribute its own resources to the annual DPPC appeal. Whilst the GoE rightly asserts that humanitarian assistance should stand outside of donor conditionality, donors argue that they are essentially responding with emergency assistance to what is predominantly a chronic development problem - and one to which the GoE should contribute, as in the case of other famine-prone countries.<sup>17</sup>

<sup>16</sup> Donor pressure for the inclusion of food aid and food security expenditure in the PER and GoE budgeting process generally has grown significantly since 2000 when approximately \$1.6 billion entered the country in response to the emergency appeal. Whilst 'disaster' expenditure cannot be regularly budgeted, the fact that the appeal included resources for approximately 6.5 million people categorized as chronically food insecure and always does shows the extent to which food insecurity in Ethiopia is a development problem more than a drought induced disaster.

<sup>17</sup> It is perhaps worth noting that donor pledging in 2000 increased dramatically and at a rapid rate, partially in response to the GoE's contribution of 100,000 MT of cereals to the appeal.

### c) GoE Offsetting of Relief & Development Resources

There is evidence that the GOE informally offsets relief and development resources at *woreda* level, albeit on an informal and discretionary basis.<sup>18</sup> Thus, in places where NGOs are operational, even if only with food aid, the capital allocation to the *woreda* appears to be substantially less than that flowing to more food-secure *woredas*. Thus, deficit *woredas* are not receiving an equal capital budget for the sectors of health, education, water and infrastructure development with that of relatively better off *woredas*. If this trend is indicative, then food insecure *woredas* are receiving less government services, and thus, logically, they are getting poorer because food aid cannot accommodate the needs that arise from annual population growth in the different sectors.

#### 4.3. Recommendations

In order to demonstrate its commitment to food security, the GoE should consider adoption of the two major policy recommendations laid out in the box below.

7. **Budget food aid and food security expenditure. These expenditures should therefore be taken into account in the annual PER exercise. As the World Bank leads this exercise, their cooperation in this policy dialogue is necessary.**
8. **The GoE should build on the example it set in 2000 by committing its own resources to the annual DPPC appeal. This could be undertaken on the basis of 2000, when the GoE provided approximately 10% (100,000 MT) of the food aid requested in the DPPC appeal.**

With regard to the process of informal offsetting, certain operational recommendations are made. As the offsets seem to be occurring at regional or more commonly, zonal level, and appear to be discretionary, it is less significant to raise this issue in policy dialogue at the federal level. It does, however, require the attention of regional and zonal administration. Thus, to increase the level of resources flowing to the *woreda* and thereby assist poorer, less well-endowed *woredas* to take a step up out of poverty it is suggested that:

#### **Box 4.1. Operational Recommendations**

- **The GoE guarantees that food aid and food security assistance is not offset from the GoE capital subsidy allocation to *woredas*, except in the usual circumstance where a donor provides block grant funding to the *woreda* and the offset is officially budgeted. Written agreement should be sought with the zone prior to the disbursement of aid and development resources which guarantees that there will be no offset from the capital budget allocations.**

<sup>18</sup> This usually occurs at zonal level and below because of the discretionary element in GoE subsidy transfers from zone to *woreda*.  
Joanne Raisin – policy final

## Agricultural Development Sector Policy Reforms

### **5.1. Introductory Summary**

A number of agriculture-related sector development policies are viewed as obstacles to enhancing the viability of agriculture and increasing productivity, either by omission and/or commission. In sum, these concern:

- Present land policy, which is presumed to undermine security of tenure, and thereby lead to low productivity.
- The supply driven nature of ADLI in itself, and its lack of attention to the food deficit areas.
- The input supply of the present extension system.
- Obstacles to private investment and off-farm employment opportunities.

### **5.2. Agricultural & Natural Resource Management: The Obstacles**

#### **a) The Supply Driven Nature of ADLI**

The national food security strategy was initially envisaged as an investment policy, even though the diverse strategies contained within and presently pursued by the GoE are not. This is most notable in relation to ADLI, which proposes agriculture as the engine of economic growth and the stimulus to industrialisation. However, this has not occurred because of a multitude of factors, of which the most notable is that ADLI is supply led, rather than demand driven. This has resulted in little increase in agricultural productivity, and insufficient growth to track that of population although the true impact of ADLI in the chronically food insecure areas particularly is unknown due to lack of study and evaluation.

#### **b) The Extension Program: Fertilizer & Soil and Water Conservation Practices**

Of further concern within the broader agricultural policy debate, are the sub-issues of the national fertilizer programme and the extension system generally. Whilst the provision of improved seeds and fertilizers may have benefited more food secure areas through raising productivity, its impact in the chronically food insecure areas in terms of raising production is unknown due to a lack of economic assessment. Moreover, there is substantial evidence (albeit it more anecdotal than through rigorous study and as shown in box 4.1 below) that:

- The GoE has used a quota system with regard to fertilizer use, which in turn raises the issue of whether its use has been altogether voluntary.

- That the use of fertilizer has indebted farmers in the chronically food insecure areas without concurrent gains in productivity.<sup>19</sup>

### Box 5.1. Fertilizer Issues from the Field<sup>20</sup>

In the sedentary agricultural *woredas*, *Kebelle* made complaints against the MOA fertilizer programme. The failure of the MOA to grant debt relief (in many cases) during drought, the 'forced' sale of assets to meet debts, as well as the compound interest rate associated with the package, had led to bitter resentment in communities. This seemed to especially be the case in SNNP, where there is anecdotal evidence to suggest that households were selling a portion of rations received through FFW and other related activities in order to meet debts incurred through the fertilizer package, or risk imprisonment. Similar stories emerged from *Kebelles* in Konso Special *Woreda* (KSW). As told by one community informant:

*"We lost on the fertiliser package on the first time around. Now we are being forced to purchase again because we are told we will get bigger harvests and be able to repay our first loans. In the beginning it was okay because the MOA came to teach us about compost manufacturing and application but now they come with this package in the hope to raise the number of participants. People in this Kebelle are now reluctant to participate in the extension system at all and we are all now reverting to traditional practices."*

It would appear that present soil and water conservation practices are not having the environmental impact intended. This is because a primary focus on physical measures (e.g., stone terraces & bunds, the use of stone for gully control etc) undermines the sustainability of interventions. Physical measures require significant maintenance and rehabilitation, which appears not to happen in practice without further inputs of FFW in following seasons or through (questionable) voluntary labor under *Mengistawi Buden*<sup>21</sup>. Moreover, far from increasing productivity, there is evidence that stone terracing encourages pest invasion and leads to excessive pre/post harvest losses.<sup>22</sup> If this is the case, then a substantial proportion of donor resources are supporting inappropriate natural resource management activities that could otherwise be put to better use elsewhere.<sup>23</sup>

#### c) Mismatch of Livelihood Systems and GoE Service Delivery

More generally, only the four regions of Amhara, Oromiya, Tigray and Southern Nations, Nationalities and Peoples (SNNP) are presently covered by a food security strategy through their regional food security units. However, the strategies of aforementioned regions appear to be uniformly imposed on other regions, regardless of a significant difference in livelihood systems (e.g., dry land areas, pastoralists etc). This leads to bad practice, and in many cases, the misuse of scarce resources.

<sup>19</sup> In many areas, farmers lost a substantial proportion of their harvest due to drought, but were still required to repay fertilizer loans. Anecdotal evidence suggests that farmers were stripping productive assets such as oxen (which in turn would undermine their productive capacity in future years) to repay loans. Stories of imprisonment for non-payment of loans are widespread.

<sup>20</sup> This data was derived from direct contact with farmers in Amhara, Oromiya and SNNP between February – August 2000 by the author in preparation for both the World Bank *Woreda Studies* and the an internal World Bank Food Security Report.

<sup>21</sup> *Mengistu Buden* are work teams that perform public works. They comprise approximately 40 households. This practice is well entrenched in Amhara Region and dates from the Dergue era.

<sup>22</sup> Interviewed farmers from South Gondar stated that they lost up to 30% of their harvest because mandatory stone bunds were harbouring increasing numbers of pests (e.g., rats).

<sup>23</sup> For example, biological soil and water conservation measures have shown themselves to be more economical and sustainable than physical measures. In particular, GTZ has had substantial success with vetiver grass as a substitute to terracing.

### **5.3.Recommendations (ADLI)**

9. ADLI should be followed up within the framework of the PRSP and through a WB and multi-donor evaluation of impact. Moreover, to fit within the framework of the PRSP, the evaluation should be undertaken with a focus of its impact on chronic food insecurity and poverty alleviation generally. In particular, the WB should evaluate both socially and economically the impact of the fertilizer programme, in both surplus and deficit regions.
10. A re-evaluation of Watershed Management Practices (e.g., consideration of biological measures).
11. Donors should support/develop plans for the less productive and dry land areas, pastoralists, and those regions presently not covered by the FSS/FSP.<sup>24</sup>

### **5.4. Land, Resource Tenure, Administration and Management**

#### **a) Land Rights and Low Productivity – The Issues**

The Ethiopian Constitution grants households usufruct rights to land, but not to a specific plot of land.<sup>25</sup> The lack of private ownership, or secure rights over a specific plot, is presumed to lead to insecurity of tenure because of the potential for the regular reallocation of land to accommodate newly emerging households.<sup>26</sup> At the household level, this is presumed to lead to low investment, little diversification, bad land use practice, and ultimately low productivity, because farmers are reluctant to make investments on their land that they would lose in the event of redistribution.<sup>27</sup> At the general level, land policy is presumed to lead to the increased fragmentation of holdings, which in turn is presumed to prevent economies of scale in agriculture, increased levels of environmental degradation (on and off the farm) and poor agricultural performance. It is also thought to deter out-migration from rural areas and thereby lock rural households into unproductive agriculture. This is because households are prevented from relocating to urban centres because in order to access rural land, a person must be resident in that area, and because if people cannot sell their land, they have no means to financially support a change of livelihood. However, there have been some recent initiatives to address the shortcomings of the present land tenure system, albeit on a regional basis (see box 4.2.).

<sup>24</sup> In support of this, food security programs and strategies need to be more carefully screened against the EU-funded database to identify the gaps regarding food security development activities, as a means to improve food security co-ordination overall. In addition, and within this framework, the GoE should also be required to fill in their data on the FS database and examine its usefulness as a planning and monitoring tool.

<sup>25</sup> The EPRDF has essentially kept the same land policy introduced by the Dergue in 1975 (Land Reform Act) and refused to privatise tenure because it fears that private ownership may lead to mass sales, and consequent landlessness and increased impoverishment of the chronically vulnerable.

<sup>26</sup> In reality, land is not regularly redistributed.

<sup>27</sup> Whilst existing land use policy does state that farmers should be compensated for improvements to their land in the event of any redistribution that may occur, there is anecdotal evidence to suggest that local cadres are preventing households from planting trees and making a variety of other improvements to their land because this makes redistribution more difficult. In deed, the politicisation of land continues to be an enduring feature of the Ethiopian land tenure system.

### Box 5.2: ANRS Land Use and Administration Reform

Recent initiatives in the Amhara National Regional State (e.g., 2000 land use and land administration proclamations) attempt to address the issue of insecurity of tenure without reversing federal Ethiopian Constitutional Law. The new salient feature of these proclamations is the right to a specific plot of land, rather than the right to land per se. This is intended as an incentive to encourage farmers to input on their land without fear of redistribution.

There is also a further intention to grant farmers title cards to that specific plot of land, although this is not the title deed in the western sense.

However, as in the past, there is the enduring element of conditionality with regard to land use. For example, farmers must comply to manage their land appropriately and adopt appropriate soil and water conservation measures.

However, despite its limitations, it does show the extent to which the regional government of ANRS is taking the issue of land tenure rights seriously by attempting to put in a place a system that could increase tenure security.

#### b) Resettlement

In recognition of growing population density in situ of the chronically food deficit areas in particular, and consequent diminishing land holdings, resettlement has once again emerged as part of the land tenure debate.<sup>28</sup> This is based on the assumption that the chronically food insecure areas (and in particular, the *Belg* dependent areas) have exceeded their 'carrying capacity'. As such, only a movement of people from the overcrowded areas of the highlands to less populated lowland areas is often viewed as a solution to rural poverty, albeit temporarily.<sup>29</sup>

However, experience of resettlement has not been altogether positive, and there is evidence that the mid-1980s campaign achieved very little other than transfer the problems of the highlands to the lowlands, due to a lack of planning and investment in the new resettlement sites.<sup>30</sup> Nonetheless, resettlement is being proposed as a solution in the chronically food deficit areas, especially in Amhara, where the regional government has already requested donors to financially support such initiatives.<sup>31</sup>

#### 5.5. Recommendations (Land Related)

At the wider policy level, it is recommended to:

**12. Campaign at the federal level for the GoE to guarantee more concrete resource and land use rights. This should not be equated with a guarantee for the privatisation of land.**

<sup>28</sup> Resettlement has been a feature of the highlands for over one hundred years, although it is generally associated with the unpopular Dergue resettlement program.

<sup>29</sup> The view that an area can exceed its carrying capacity first originated in the work of Malthus in the eighteenth century. This view has often been discredited, not least because the carrying capacity of an area is not fixed, but subject to inputs. Those who are critical of Malthusian notions point to industrial agriculture to make their case.

<sup>30</sup> For example, a large proportion of people were taken from Amhara, and Wollo in particular. However, in the case of some woredas, where 12% of the population was resettled, it took only four years to bring the population back to its pre-resettlement level, whilst the resettled population grew in number in the new sites alongside environmental degradation, and with it low productivity. In fact, there were few resettlement sites that were not food aid dependent within three years of relocation.

<sup>31</sup> However, regionalization prevents a consideration of inter-regional resettlement unlike in the past, when highlanders from Tigray and Amhara were resettled in parts of Oromia and Southern Nations.

At an operational level, it is recommended to:

- **Provide support to activities that encourage the above at federal and regional levels such as ANRS' decision to grant rights to specific plots of land. (USAID is already active in this)**
- **Consider resettlement on an integrative basis, backed up by socio-economic assessment and financial support in advance of any resettlement initiative. This should include opportunities for urban resettlement, as a means to draw people from rural areas and encourage labour mobility.**

## Sector Development Concerns

### 6.1. Introductory Summary

Participants further discussed a variety of issues in retreat, which were viewed as constraints to the overall development process, even if there were no clear recommendations that the group wished to forward on the subjects in the near future. Although of significance and concern, it was concluded that the following discussion and recommendations be analysed in the framework of the Poverty Reduction Strategy (PRS), and through DAG. Areas of discussion concern:

- **Womens' status**
- **Private investment policy reform**
- **Population growth**

### 6.2. Women and Food Security

It is clear, as in many less developed countries, that women disproportionately bear the burden of poverty vis-à-vis men in Ethiopia, in spite of the last three decades of discourse on gender rights. Moreover, there is anecdotal evidence from the field to suggest that women's rights and status in rural areas is presently less positively defined than the Dergue period.<sup>32</sup>

In many cases, food security and food aid interventions do not fully support the predicament of women as best they could. For example, interventions aimed at improving productivity on farm often exclude women's participation because they do not consider the dynamics of the rural economy, and the way in which highland farming is undertaken.

In conclusion, the group recommended the following:

- **The status and condition of women needs to be analysed in the framework of the PRSP**
- **Donors should provide special support to women of the GoE staff in the framework of capacity building for food security so that women feed into key policy decisions**
- **Food security policy should take special cognisance of women headed households**
- **At the micro level, donors should provide special support to women to assist them to diversify agricultural production so that they do not lose out under present sharecropping arrangements (e.g., multiplication of Vetiver grass, private nursery development etc).**

<sup>32</sup> This assertion is based on discussions with women from 22 rural kebelles in Ethiopia in 2000. The research was undertaken by the author in preparation for the community dimension to the World Bank Led Woreda Level Decentralization Study (due for publication 2001).  
Joanne Raisin – policy final

### **6.3. Private Investment Policy Reform**

The liberalisation of the Ethiopian economy exists more in principle than in practice. Although there has been a noted trend towards privatisation of former government enterprises, present practice militates against both large foreign private investment and small-scale investment. There is also evidence that the EPRDF acts as regional monopolies in many cases (e.g., fertilizer).

In sum, the general economic climate discourages private investment and micro enterprise development, which in turn limit off-farm employment opportunities. This is especially true in relation to taxes imposed on commercial importation of grains. Recommendations and actions underway are:

- **Encourage the GoE to take more active and transparent steps towards privatisation and private investment (with WB involvement).**
- **USAID assessment/study of further opportunities for micro-finance/credit & savings schemes.**
- **EC Assessment and study of Off-farm employment opportunities.**
- **Assessment (EU & USAID) on the counterproductive nature of taxes imposed on commercial food.**

### **6.4. Population Growth**

Although the GoE does have a population policy, this has yet to impact on the present annual growth rate of approximately 2.8%. This growth rate is significant because economic growth in any sector in the Ethiopian economy, or in combination, (e.g., industry, manufacturing, tourism and agriculture) is too small to annually compensate for the additional numbers of people demanding services in health, education, and water. This means that ultimately, the quality of services provided by the GoE will decline.

High population growth may also lead to increased demand for food aid because, at the national level at least, population growth outstrips agriculture (2.4%) – a factor in the growing numbers of chronically food insecure people in Ethiopia (estimated presently at approximately 6.5 million). Some estimates of projected needs should cause concern for donors. For example, CRS mid-term evaluation (2000) suggests that if present trends in population growth continue, Ethiopia will require 24 million MT of food. Considering that agricultural production has never tracked population growth then a substantial proportion of this need would need to be met through commercial imports and food aid assistance.

The net effect of these processes is that present initiatives are being consumed annually by increased population figures, despite any increase in assistance. In sum, interventions that might otherwise have more effect with the use of family planning simply keep the vulnerable population's head above water. Recommendations are:

- **Renewed commitment to family planning and to integrate this element more fully into existing programs to help meet the demand for family planning services.**

## ANNEX 1

### External Factors Influencing Food Aid Practice – The Case of the Mass Media

The 2000 appeal demonstrated the extent to which the mass media plays an important role in defining donor responses to food insecurity in Ethiopia, albeit not always very helpful. Undoubtedly donor pledging in response to the 2000 appeal was somewhat slow, due to a combination of factors, including GoE reluctance to commit its own food resources to the appeal. While there was divided opinion on exact needs for 2000 (e.g., the extent and scale of the crisis), donors were effectively forced into action by their respective governments because of growing public pressure to respond to global mass media images showing emaciated people waiting listlessly for food aid. (Some high level missions even used to scenes from the feeding camps of the 1984/5 crisis to gather wider support). A desperate DPPC Commissioner publicly stating to the international press that donors had failed to pay their dues to the EFSR completed the picture of alleged donor inertia – a well-played political card guaranteed to draw international public sympathy and huge quantities of food aid.

However, whilst the media has undoubtedly played a critical role in generous donor pledging over the decades, its depiction of famine and food insecurity does not assist donors to rethink or implement alternative responses to food insecurity. Nor does it present a very accurate picture of the nature of food insecurity in Ethiopia. What it does do, however, in addition to saving lives, is to permit the GoE to acquire food aid without any element of conditionality on its use, and the continued mismanagement of food aid resources.

Whilst this is not a particular policy, it does show the extent to which the extent of food aid can be politically manipulated by the GoE and mass media alike. Essentially this can be achieved because of international public ignorance regarding famine, un-helped by images that seek to equate famine with natural disaster.

Whilst it is recognized that this is always going to be a possibility, participants stated that;

- **Donors and INGOs should search for opportunities to make both food aid and food security assistance open and available so that public opinion is not distorted by media imagery.**

## ANNEX 2

### Linking Relief and Development Through Increasing the Flexibility of Food Aid as a Development Tool

Increasing the flexibility of food aid to use it as a development tool received some discussion. However, the contents of the table below are not recommendations arising from donor discussion. They are included as an example of flexible use, and are taken from the USAID pilot project proposed for implementation in 1-2 woredas in ANRS. (See also USAID: Beyond the Merry-Go-Round from Relief to Development, May 2001).

**Linking Relief and Development Through Food Aid**

Food Aid linked to FFW	Expected Outcomes
Food aid to be distributed through FFW schemes, whilst gratuitous distribution will apply only to those physically unable to work. <sup>33</sup>	<ul style="list-style-type: none"> <li>• The effective use of relief aid resources to develop infrastructure, the merits of which should be identifiable to the participants so that assets are maintained without further food aid inputs.</li> <li>• Will reduce opportunities for using aid as a political tool at <i>woreda</i> level, and reduce expectation.<sup>34</sup></li> </ul>
FFW Activities	
Integrate Food Aid into woreda focused development program in two main ways: <ul style="list-style-type: none"> <li>• Implementation of ANRS Watershed Management Scheme (AWMS)</li> <li>• On-farm Improvements are exempt from FFW funding.</li> <li>• FFW should be of benefit to the wider community.</li> <li>• Community Identified Projects</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of AWMS would link food security more substantively with natural resource management in a framework already approved and laid out (see box 3.3. below).</li> <li>• Reverse levels of environmental degradation &amp; Improve community access to fodder and thereby increase opportunity for asset building.</li> <li>• Community self identified projects (only available for wider community benefit) will lead to more sustainable community assets (e.g., drinking water, latrines, access roads).</li> </ul>
Increasing FFW Payments	
Remuneration for FFW to be set at a higher rate that more accurately reflects prevailing market wages. Moreover, the food package should contain mixed commodities, as opposed to wheat only.	<ul style="list-style-type: none"> <li>• Participant household food deficits are met</li> <li>• It would create a sufficient surplus for household asset building so that households can move out of poverty by improving their productive base in the best case, and strengthen household coping mechanisms for dealing with drought in the worst case.</li> <li>• Increase nutritional intake of participating households.</li> </ul>
FFW & Grain Banking	

<sup>33</sup> This is with the usual exceptions for the elderly, disabled, pregnant, and lactating women, where distribution will be gratuitous.

<sup>34</sup> There is anecdotal evidence to suggest that food aid is often used as a tool for political compliance. Gratuitous handouts are often associated with officials' purchasing political support.

<p>In order to negate the losses incurred through NGO past experience with monetization,</p> <ul style="list-style-type: none"> <li>• food is to be distributed as food.</li> </ul> <p>But in order to accommodate seasonal fluctuations in food prices</p> <ul style="list-style-type: none"> <li>• FFW should be provided in tandem with community grain banks.<sup>35</sup></li> </ul>	<ul style="list-style-type: none"> <li>• The value of food aid (and its cash equivalent) to the donor and beneficiary is not reduced through monetization.</li> <li>• Beneficiaries have the flexibility to choose whether to monetize food aid or not.</li> <li>• Grain banking reduces losses and provides storage so that food can be sold at a time in the agricultural calendar that will give its users the greatest returns.</li> <li>• It may ultimately stimulate more participation in the market in other spheres.</li> </ul>
<p style="text-align: center;"><b>Food Aid to Guarantee Risk</b></p>	<p style="text-align: center;"><b>Expected Outcome</b></p>
<ul style="list-style-type: none"> <li>• Food aid to be available for diversification projects</li> <li>• Food aid to be available to richer/poor households to guarantee the risks undertaken by early adopters of new technologies and crops to encourage take-off.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide an incentive and insurance to trial new technologies, crops and diversify livelihood systems of richer and poorer households.</li> <li>• Ultimately, it may provide the economic conditions for increased on farm productivity.</li> <li>• Diversify household income &amp; create conditions for privatized initiatives.</li> </ul>
<p style="text-align: center;"><b>Drought Contingency Planning</b></p>	<p style="text-align: center;"><b>Expected Outcome</b></p>
<ul style="list-style-type: none"> <li>• Prepare on-shelf plans for activities to be undertaken when a drought is recognized.</li> <li>• Drought projects are to be undertaken on the basis of FFW.</li> <li>• Participation in drought contingency activities should be open to all households, regardless of assets.</li> </ul>	<ul style="list-style-type: none"> <li>• It will prevent the decapitalization and asset depletion that may take place in richer households when drought manifests itself because it is open to all household types.</li> <li>• The same is true of poorer household types.</li> <li>• It will prevent any development initiatives been undermined in the advent of adverse climatic conditions.</li> <li>• Increase household/community assets.</li> <li>• Increase the margins of safety from climatically related shocks and thereby strengthen household coping mechanisms.</li> </ul>

<sup>35</sup> In July, ETB 4 has a significantly lower value compared to market food prices than in December (following the main harvests) and the provision of food aid may therefore be more appropriate at this time than cash. The inverse is true for the December-February period.  
 Joanne Raisin – policy final