

# Assessing Enablers and Constrainers of Graduation: Evidence from the Food Security Programme, Ethiopia<sup>1</sup>

Rachel Sabates-Wheeler, Mulugeta Tefera and Girma Bekele

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## Background to the report

Food insecurity emerged as a key problem and development challenge in Ethiopia in the early 1970s and became pervasive in the subsequent decades (MoARD, 2007). More importantly, since the mid 1980s the images of severe drought and large-scale starvation have become inexorably linked to Ethiopia. Combinations of natural and man-made factors have resulted in this serious and growing food insecurity problem in many parts of the country. The immediate causes of food insecurity include frequently recurring droughts and erratic rainfall patterns. Ecosystems degradation, rapid population growth, poor rural infrastructure and legacies of the past policy constraints are also considered as basic causes of food insecurity and widespread poverty in the country (MoARD, 2007). Other factors contributing to food insecurity are the low levels of technology employed in agriculture and the resulting low productivity of the sector (MoARD, 2007; MoARD, 2004).

To curb this situation the Government of Ethiopia and its development partners launched the New Coalition for Food Security in 2003. The outcome of the New Coalition for Food Security consultation process was a Food Security Programme (FSP) for Ethiopia with the aim of supporting chronically food insecure households to reach a level of food security necessary to survive and thrive. This FSP was launched in March 2005 with three major components, including the Productive Safety Net Programme (PSNP), Other Food Security Programme (OFSP) and Voluntary Resettlement Programme (VRP).

As indicated in its programme implementation manual (PIM), the PSNP was designed to provide cash and food transfers to chronically food

insecure households to protect household asset depletion and create community level assets. The OFSP was put in place to complement the PSNP by supporting beneficiary households to build assets at household level and increase income levels, including a household credit, investment and technical support elements.

The PSNP is one of the largest (in terms of funding) social protection programmes in sub-Saharan Africa. The PSNP's final goal is to facilitate graduation of chronically food insecure households from food insecurity with support from OFSP and ongoing development works in rural areas.

The first phase of the FSP was completed in 2009 after five years of implementation. The second phase, from 2010 to 2014, is currently implemented with the long-term goal of making a substantial contribution to achieving food security for chronically and transitory food insecure households in rural Ethiopia. The programme aims to achieve improved food security for male and female members of food insecure households in chronically food insecure (CFI) woredas (districts). To achieve this the new Food Security Program includes four distinct components:

- Productive Safety Net Programme (PSNP), including a risk financing mechanism
- Household Asset Building Programme (HABP)
- Complementary Community Investment programme (CCI)
- Resettlement Programme

The second phase of the programme, detailed in the Food Security Programme document issued in August 2009, clearly links the programme objective with graduation.

Graduation entails the strengthening of livelihoods through: household asset stabilisation; asset accumulation; access to sufficient food all year round; graduation from the PSNP, and graduation from the FSP. In this way, graduation is formulated as an outcome of combined supports to households from PSNP, HABP, CCI and other regular development intervention.

### **Food Security through Increased Incomes, Assets and Protection from Grain Price Rises (FS-IAP) – a CARE and FARM Africa project**

Since December 2009, CARE and FARM Africa (FA) have been collaborating in the implementation of a Food Security - Increased Incomes, Assets and Protection from Grain Price Rises (FS-IAP) project - funded under the Food Facility programme of the European Union. The overall objective of the project is to contribute to sustained reduction in levels of food insecurity in the PSNP and other vulnerable households, thus ultimately contributing to the objectives of the PSNP and enabling sustainable graduation of PSNP households. To help understand the wider context and constraints affecting food insecure households, CARE commissioned this report to allow for early analysis of on going data collection and research that is being independently conducted by Institute of Development Studies (IDS), UK, and Dadimos, in Ethiopia with funding from the UK Department for International Development (DFID) through the Future Agriculture Consortium (FAC). This work is intended to help inform CARE and other actors in the planning and implementation of food security programmes and to further improve programming, monitoring and evaluation (M&E) concerning issues of graduation.

## **Purpose of this report**

The purpose of this report is to identify the main enablers and constrainers of resiliency and graduation from food and cash support provided through the Food Security Programme (FSP) in Ethiopia. Different groups of women and men were interviewed to explore and interrogate the gendered experiences of change in relation to social protection provisions.

The aim was to: identify different pathways to graduation for different participating households; identify indicators of graduation, resilience and sustainability that go beyond simple benchmarks or thresholds; and understand the enablers and constrainers to graduation. The larger objective of this work is to learn from the ways households strengthen their livelihoods in different PSNP scenarios in order to inform policy debates around assessing sustainable graduation from social protection programmes.

## **Section 1: Methodology and survey design**

The data used to inform this report is from a joint research project by IDS, and Dadimos on livelihoods profiles and graduation pathways in relation to the PSNP. The research covers eight communities from four woredas in Tigray and Oromia regions. These communities were identified as part of a research on contrasting situations that significantly affect graduation as an outcome of the Ethiopian Food Security Programme (FSP).

Given the diversity of the programme implementation area the study findings do not provide results that represent all the programme

woredas. However, they provide important insight to the programme implementation approaches within the two sample regions' community perceptions on graduation from the PSNP. Moreover, under the limited scope of the geographic coverage, the study provides empirical evidence on enablers and constraints of graduation which can be applied to other areas.

The survey design followed a cascading approach whereby different levels of administration were represented, starting from the regional level, then to woreda and kebele, through to the community and household levels. The research also includes interviews with traders, price information and household level biographies. Table 1, shows the methods used and the different levels of research. At the regional, and woreda levels key informants interviews were conducted.

**Table 1: Data collection methods and informants**

Methods	Level / location					
	Federal	Regional	Zone	Woreda	Kebele	Household
Review of documents and secondary data	√	√	√	√		
Key informant interviews	√	√	√	√	√	
FSTF interviews				√	√	
Focus groups - Current PSNP beneficiaries - Graduated households					√	
HH case studies - Well performing PSNP beneficiary - Struggling PSNP beneficiary - Successful graduate households - Struggling graduate households						√
HH questionnaires						√

At kebele and woreda levels both key informant interviews (KIIs) and focus group discussions (FGDs) were conducted. FGDs were the main research method used at the village level. Finally, a household survey and household case studies were carried out at household level.

A total of 75 households were sampled and interviewed in each woreda using a structured survey. In total, 300 households were interviewed from the four sample communities. This included 15 graduate households, 15 non-beneficiary households and 40 PSNP public work households in each woreda. Female headed households comprised 22 per cent of the sample.

Total of surveys completed:

1. 300 households surveys.
2. 20 focus group discussions, including  
four improving male public work participants  
four improving female public work participants.  
Four stagnating or declining male public work participants.  
Four stagnating or declining female public work participants.  
Four graduated households (mixed males and females).
3. Eight key informant interviews, four at woreda and kebele level.

## Section 2: Pathways to graduation and resilience

### Graduation

The notion of graduation has been integral to thinking around the PSNP since its inception. Graduation describes a process whereby recipients of support move from a position of

depending on external assistance to a condition where they no longer need this support, and can therefore exit the programme. The MoARD (2007) 'Graduation Guidance Note' describes graduation from the PSNP as a transition from chronically food insecure to 'food sufficient', defined as follows.

'A household has graduated when, in the absence of receiving PSNP transfers, it can meet its food needs for all 12 months and is able to withstand modest shocks' (MoARD, 2007: 1).

While the PSNP is designed to protect existing assets and ensure a minimum level of food consumption, the Other Food Security Programme (OFSP), and more recently the Household Asset Building Programme (HABP), is designed to encourage households to increase incomes generated from agricultural activities and to build up assets so that they will be able to graduate from the programme. Furthermore, the newer Complementary Community Investments (CCI) programmes have been designed specifically for pastoralist regions to provide an environment conducive to widespread graduation. The diagram on the following page, taken from the PSNP 2010-2014 plan, illustrates the theory behind the two stages of graduation (Food Security Programme 2010-2014: Productive Safety Net Programme, MoARD, August 2009, p. 17). Starting at the lower left hand quadrant of the diagram, ultra poor and chronically food insecure households are targeted with PSNP transfers. Simultaneously, intensive support in the form of tailored products and financial literacy and savings facilities are encouraged and provided so that households can stabilise assets and overtime move out of poverty. As households become less poor, they are provided extensions services,

such as Complementary Community Investment (CCI) and business advice. And as households' economic base becomes stronger they reach the first threshold for graduation – the first red line in the diagram denoting graduation from the PSNP. These households are likely to need further support through extension and credit provision, provided under the government's Food Security Programme and other stakeholders' programmes, which will enable them to accumulate assets. Eventually the households will become strong enough to support themselves and will graduate from the FSP altogether (this is the second level of graduation).

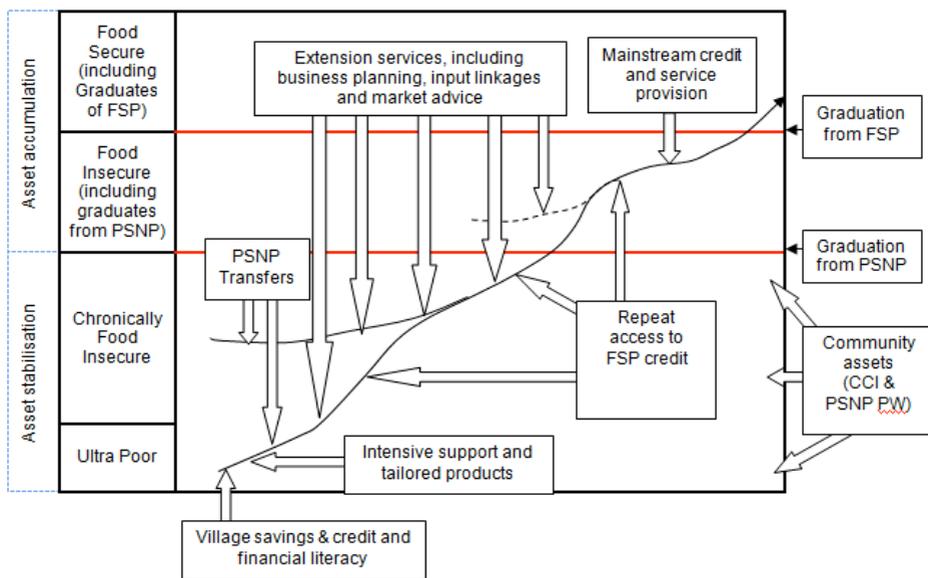
Graduation arises from the combined effect of FSP components and other development processes (for instance, from the activities and support of FS-IAP), not from the activities of the PSNP alone. Improvements in all of these contributors are required for graduation. Therefore, the success of the PSNP cannot be

judged by graduation rates. Whether this positive process of graduation actually occurs in practice is an empirical question. In this report we draw on our survey results (qualitative and quantitative) to provide a picture of the processes, constraints and experiences of graduation within the studied kebeles and woredas.

### Understandings of graduation

Interviews with the Woreda and Kebele Food Security Task Forces (FSTFs) showed that there was a good understanding of the concept and process of graduation, with respondents stressing food security and household asset building as the main objectives to be achieved.

'The objectives of the PSNP are to ensure food security for food insecure households by providing support in the form of loans to build assets at the household level.' (OR-F/W-1)



‘Safety net in this kebele is being implemented to enable food insecure households to become self-sufficient in food for their family. It also has an objective to conserve the natural resources of the kebele.’ (OR-ZD/K-1)

‘The objectives of the safety net program are to enable food insecure households in this kebele to bridge their food gap and build assets by participating in public works.’ (TG-A/W-1)

As shown in the box 1, women and men tend to describe graduation in terms of

## BOX 1: The meaning of graduation

### Men’s focus group

‘Yes we all know about graduation. Graduation is taking place if a PSNP beneficiary has Birr 20,000 of wealth in the form of cattle, grain, ground net, katt, etc.’ (OR-F/FGD-3)

‘It is an improvement in PSNP beneficiaries living condition compared with when he/she started PSNP.’ (OR-ZD/FGD-3)

### Women’s focus group

‘If a household can feed its family and possess some assets -- that is graduation.’ (OR-ZD/FG-2)

‘Graduation is for those safety net households who are improving their lives and able to feed their family members and own cattle.’ (OR-F/FG-2)

‘As I understand it, graduation is when a household shows a positive change in his/her household assets base. It can be achieved by taking household package loan and engaging in different economic activities like farming and livestock production.’ (TG-S/FG-4)

‘Graduation is a situation in which a household has wealth through beekeeping with the help of modern beehive or earning good income by producing vegetables and fruits by irrigation farming or livestock production.’ (TG-A/FG-4)

### Graduate households

‘When I was targeted for the safety net programme I had nothing, but while participating in the programme I have improved my livelihood and managed to feed my family and save money. With the money I bought productive assets like hen, goats and sheep. Then I graduated from the programme.’ (OR-ZD/FG-5)

‘A household can graduate from safety net after s/he accumulates assets.’ (TG-S/FG-5)

asset accumulation and increased income. Women talk more often about food security and increased ability to feed their family. According to graduated household FGDs, graduation is perceived as accumulation of assets at the household level and livelihood improvement.

## The graduation process

The key source of guidance for graduation is the Graduation Guidance Note (2007). It identifies seven core principles for the introduction and use of benchmarks, as well as sixteen steps that regions, woredas, kebeles and communities should undertake in identifying graduates. It also outlines the key principles and responsibilities for conducting these steps. For a more detailed explanation of these and recent evidence on the application of the principles and steps see Sandford et al (2010). This report does not focus on the specific administrative steps for graduation, but reviews the understanding of the graduation process from the point of view of a region, woreda, kebele and community.

The main role of the woreda and kebele FSTFs is to prepare for the PSNP annual plan, coordinate the implementation of the programme and supervise and reporting of the performance of the programme. In this regard woreda FSTFs were asked to reflect on their experiences in planning and executing the PSNP graduation process. During the interviews the woreda and kebele FSTFs explained that they start planning the graduation process from the community level by engaging the community members.

'The planning process for graduation starts from the community. The woreda provides the kebeles an initial plan

to start with. Profile of graduating households is prepared and discussed by the community. After evaluating the households the community submits a draft plan to the kebele FSTF and the kebele then approves and submits to the woreda FSTF. '(OR-F/W-1)

'... Graduation plan is prepared by conducting an assessment of the asset base of each household at the kebele level. This assessment is an input to the graduation plan. The list of identified households for graduation is presented at a community meeting and comments are gathered from the community members. After passing this process, the list of beneficiaries (graduation plan) is submitted to the woreda cabinet and the cabinet reviews and sends it to the region for final approval. '(TG-A/W-1)

'We started planning the graduation by discussing the process with kebele and community administration along with development committees in each community. We have a beneficiary list and profile of individual households about their wealth status. This profile is updated periodically by conducting household assessments. We also try to identify other income from different sources. Based on this assessment we identify number of households that have the potential to graduate, and that will be our plan for graduation. '(TG-S/K-1)

FSTF respondents replied that they have introduced a change to the graduation process. Starting from 2012, prepared graduation plans will cover the duration of the programme until the end of the PSNP period in 2014. Under this

approach the plan is to graduate all beneficiaries by the end of the program. According to the official respondents, this approach helps beneficiaries know, in advance, when they will graduate.

All sampled woredas and kebeles have a rolling future graduation plan. FSTF respondents stated that they believe that the graduation plan for the coming years is realistic and can be achieved. To achieve the goals of their graduation plan, the FSTF members hoped that the HABP would play an instrumental role in helping them to achieve the goals of their graduation.

‘Our future plan is to graduate all PSNP beneficiaries by the end of the programme. We prepared a long term plan covering the period until the end of the PSNP. It is formalized by the WFSTF. We are preparing a business plan for households. Our plan is to graduate 50 per cent, 25 per cent and 25 per cent of the PSNP beneficiaries for the coming three years respectively.’ (OR-F/W-1)

‘We are planning to graduate 20 per cent of the beneficiaries this year. This target is set by the region. The plan is to graduate all PSNP beneficiaries within five years. To meet this plan more than 80 per cent of the preparations work is done.’ (TG-A/W-1)

‘... We have submitted our graduation plan to the woreda. But we have not yet received the approved budget from the woreda.’ (R-ZD/K-1)

‘We have a plan to graduate all beneficiaries at the end of the programme. Our plan shows 25 per cent

beneficiaries graduating each year for the coming four years.’ (TG-S/K-1)

The FSTFs of the sampled woredas and kebeles in Oromia and Tigray were asked to evaluate the achievement of their graduation plan. The responses were mixed. For instance in our sampled woredas in Oromia only three waves of graduation had taken place so far and only one was reported to be successful. According to the respondents, the reason for the lack of success was due to the recurrent nature of drought that affected the woredas. Households could not withstand the shocks they experienced.

‘The graduation of 2001 (EC) was performed successfully, because all graduated households were above the benchmarks. But the graduated households rejoined the safety net programme since they could not withstand the shock they experienced due to drought. In 2003, today, most of them have not yet recovered from the shock.’ (OR-ZD/W-1)

‘We graduated PSNP households twice in this woreda. In our first graduation experience, all graduated households returned back to PSNP, while in the second phase graduated households did not.’ (OR-F/W-1)

Likewise, in the Tigray region, only two out of four woredas reporting graduation experiences, only two were considered successful.

‘Last year we planned for the graduation of 104, but we graduated only eight households. The graduation performance was very low compared to

the plan, because when the households' wealth statuses were assessed, it was found to be below the benchmarks, which was Birr 5600 per head in a family.' (TG-S/K-1)

The findings presented above illustrate that there is a tension between the quotas and timelines set for graduating beneficiaries and the inherent risk factors to do with climatic conditions that call into question the appropriateness of the graduation plans.

### **Knowledge and appropriateness of benchmarks**

As reported in the recent graduation report (Sanford et al, 2010), according to the Graduation Guidance Note the benchmark average asset values for the regions are:

- Oromiya: Birr 19,187 per HH.
- Tigray: Birr 5,600 per capita.

There are other benchmark values, as recommended by an IFPRI study and laid out in the regional guidance notes. According to FSTF members, in the sampled woredas of Oromia, the criteria used for identifying graduating households includes livestock, crop and income earned by a household. The benchmark is calculated at the household level. However in Tigray, while the criteria to identify graduating households is similar to Oromia (that is i.e. livestock, income, assets) the difference is how the benchmark value is calculated. In Tigray the benchmark calculation takes into account family size and benchmarks are set at the individual family member level.

#### *Oromia:*

'A total wealth of about Birr 19,200 was the benchmark for graduation.

Cattle and income from different sources (e.g. income from sell of Katt or income from rental of house) are the major criteria used for graduation in this woreda. Stock of grain (maize and sorghum) for consumption is not taken into consideration.' (OR-F/W-1)

'The graduation criteria includes: cattle, stock of grain and income from horse driven cart services, retailing business, selling vegetables from small irrigation and renting a house in town. Value of these assets is calculated based on the market price. The graduation benchmark is Birr 18,000 for a household in our woreda.' (Oromia OR-ZD/K-1)

#### *Tigray:*

'Livestock, income from different sources like rental income, income from fruits and vegetables, income from sell of eucalyptus trees, income from farming (irrigation, rain-fed) activities are the criteria used to identify graduating households.' (TG-S/W-1)

'The criteria for graduation are: livestock, crops, vegetables, saving/cash in hand and income from different sources. The benchmark for graduation is Birr 6000 per head in the household. It is calculated based on the annual income estimate a household earned.' (TG-A/K-1)

'The criteria we are using to identify graduating households are livestock, income from agricultural products and other sources. The benchmarks for a household to graduate is Birr 5600 per member of a family.' (TG-S/K-1)

The actual benchmark values which are, while easy enough to quote at the regional and even woreda levels, need to be translated into measurable indicators at the kebele and community levels. In the quantitative survey we asked about household knowledge of graduation. At the time of this survey (May to June 2011) the majority of current beneficiaries have heard about graduation and know graduated HHs within their community. More than 95 per cent of households in our sample have heard about graduation from different sources. Current beneficiary and graduated the households largely heard about graduation from the PSNP after 2007 due to the change in programme focus to promote graduation.

In Tigray, kebele administration and KFSTF are the first sources of information on graduation for communities. As indicated in Table 4, 55.8

per cent and 64.1 per cent of current beneficiary and graduated sample households, respectively, heard about graduation from the PSNP from these entities. In contrast, in Oromia, development agents (DAs) are the main source of information about graduation for about 65.4 percent of current beneficiaries and 79.5 per cent of graduated households.

Nearly 74.4 per cent and 76.9 per cent of current beneficiary and graduated HHs respectively reported that they know the kebele level graduation criteria in Tigray. Likewise, 71.8 per cent of current beneficiary households and 74.4 per cent of graduated households in Oromia acknowledge that they are aware of graduation criteria in their kebele. The data also shows that there is no significant difference between male-headed households (MHHs) and female-headed households (FHHs) in terms of awareness of graduation criteria applied in their kebeles. The sample household survey indicates that nearly a quarter of the beneficiary and graduated households are not well aware of the graduation criteria.

In the household survey we asked the sample households if they knew what specific graduation criteria are being applied in their kebeles. According to these respondents, kebeles are using a range of graduation criteria

**Table 2: Percentage of current beneficiary HHs reported hearing 'Graduation from PSNP'**

Region	Yes	No
Tigray	95.0	5.0
Oromia	96.2	3.8
Total	95.6	4.4

**Table 3: The year and percentage of households heard about graduation**

Year	Current beneficiaries				Graduated HHs			
	Tigray	Oromia	Total	Cumulative	Tigray	Oromia	Total	Cumulative
2005	3.8	0.0	1.9	1.9	2.7	2.6	2.6	2.6
2006	0.0	7.7	3.8	5.7	2.7	15.4	9.2	11.8
2007	10.3	47.4	28.8	34.5	5.4	41.0	23.7	35.5
2008	19.2	20.5	19.9	54.4	27.0	23.1	25.0	60.5
2009	38.5	21.8	30.1	84.5	43.2	15.4	28.9	89.4
2010	28.2	2.6	15.4	100.0	18.9	2.6	10.5	100.0

**Table 4: First source of information for HHs about graduation, % of HHs**

Sources of information	Current beneficiaries			Graduated HH		
	Tigray	Oromia	Total	Tigray	Oromia	Total
Development agents	16.9	65.4	41.3	10.3	79.5	44.9
Community meeting with kebele administration	55.8	21.8	38.7	64.1	10.3	37.2
Community meeting with woreda officials	3.9		1.9			
Informally from neighbours or the community	20.8	12.8	16.8	15.4	10.3	12.8
From radio				7.7		3.8
'I don't remember'				2.6		1.3

(Table 6 below). The five most important criteria mentioned by respondent households include annual food crop production, livestock ownership, cash crop production and size of woodlot. In Tigray 81.4 per cent, 52.5 per cent and 44.1 per cent of current beneficiary households reported annual food crop production, livestock ownership and annual cash crop production, respectively, as the three primary graduation criteria being applied in their kebeles. Likewise, in Oromia 100 per cent, 48.5 per cent and 21.2 per cent of graduate households stated livestock ownership, annual food production and size of woodlot as the three most used graduation criteria in their kebeles.

### Graduate experience

#### Orientation

Out of twenty FGDs (men, women and graduated households), 16 indicated that they had received formal orientation about graduation. Three received no orientation and one FGD did not respond. Out of the three groups that did not receive orientation, two were women's groups on the declining livelihood trajectory and one was a graduated household.

'They did not give us orientation on graduation, they simply graduated three households from our village and two of them returned to safety net since they were not able to survive.' (OR-ZD/FGD-4)

'It is the men who are attending meetings. So we do not know about orientations.' (OR-F/FGD-4)

**Table 5: Percentage of sample HHs reported to know official graduation criteria of their kebele**

	Tigray	Oromia	MHH	FHH	Total
Current beneficiary HHs	74.4	71.8	73.6	71.4	73.1
Graduated HHs	76.9	74.4	76.5	70.0	75.6

**Table 6: Graduation criteria applied by kebele, % HHs**

Criteria	Current Beneficiary HHs			Graduated HHs		
	Tigray	Oromia	Total	Tigray	Oromia	Total
Annual food crop production	81.4	86.7	84.0	93.5	48.5	70.3
Livestock asset owned	52.5	75.0	63.9	80.6	100.0	90.6
Annual cash crop production (vegetables, fruits, khat, coffee)	44.1	15.0	29.4	51.6	9.1	29.7
Household labour availability	15.3	0.0	7.6	9.7	3.0	6.3
Land quality	10.2	5.0	7.6	12.9	3.0	7.8
Land size	10.2	5.0	7.6	9.7	12.1	10.9
Size of woodlot	3.4	1.7	2.5	9.6	21.2	15.7
Engagement in trading activities	1.7	1.7	1.7	12.9	3.0	7.8
Number of beehives	3.4	0.0	1.7	6.5	0.0	3.1
Remittance and support from relatives	1.7	1.7	1.7	3.2	3.2	3.2
House rental income	0.0	1.7	0.8			
Land rental income				12.5	6.4	9.6

‘We did not get orientation, no one told us to prepare ourselves, they simply called us to woreda and gave us a four day per diem and told us as we have graduated.’ (TG-A/FGD-5)

### Readiness

During the interviews, the Food Security Task force members were asked to reflect on their views on the readiness of the graduated households at the time of their graduation. They believed that in the majority of the cases, graduated households had been ready to graduate, but they reported some difficulties in trying to identify which of these households had disincentives to graduate.

‘I think they were ready for graduation, but shortly after they had graduated, they started to complain [about it]. They

were in good living conditions at the time of graduation.’ (OR-ZD/W-1)

‘We observed that some of the households did not want to graduate. They attempted to hide their assets. On the other hand, some were ready to graduate. For example, out of the 12 graduated households three were ready, while the rest were indifferent and tended to stay in the programme. They considered the PSNP transfer as a monthly salary.’ (OR-ZD/K-1)

‘The graduated households have had mixed feelings about graduation: there were some who were ready to graduate and there were some who did not want to graduate even if their household assets reached the criteria/benchmark. There were also households who did not want to continue participating in public works and self graduated, even if they

did not reach the benchmarks.’  
(OR-F/K-1)

‘Yes they were ready to graduate, but among them there may be some who were not happy to graduate.’  
(TG-A/K-1)

In connection to readiness to graduate on the part of the beneficiaries, respondents (FSTF) were further asked to provide their views on the status of graduated households by comparing their livelihoods during and after graduation. Again the responses were mixed. In sampled woredas of Tigray, FSTF members explained that the status of graduated households has improved after graduating from the PSNP.

‘The graduated households’ livelihoods have improved a lot. At present up to 30,000 farmers in this woreda have access to irrigation facilities. Graduated households are involved in various development works. In our woreda there are investors who were PSNP beneficiaries. To support their efforts, graduated households were provided with technical assistance and credit to protect them from falling backwards. Graduated households have changed their houses’ roofs with corrugated iron sheets (CIS), they are using modern agricultural technologies, generators and they have engaged in improved dairy production.’(TG-A/W-1)

‘In the last two years the graduated households developed confidence in their own capacity and they are [now] busy in irrigation farming and improving their livelihoods.’(TG-A/K-1)

However, responses obtained from the sampled two woredas in Oromia, it was reported that graduated households are not showing a major change in their livelihoods. In other words, the ability to improve post-graduation livelihoods seemed to be related to the region in which the households were located.

‘For instance, out of the 12 graduated households in our kebele, eight lead the same livelihoods when they were in the PSNP, two households are showing an improvement and the remaining two are falling backwards. These two graduated households are showing a downward trajectory due to last year’s drought in the woreda.’(OR-ZD/K-1)

‘It is those households who had some household assets initially that improved and reached graduation. The poorest that do not have anything from the very beginning did not [see] any change. These households received credit and bought heifers, but the heifers died.’  
(OR-F/K-1)

### **Perspectives of graduated households**

In the quantitative survey, graduated households were asked if they had been ready to graduate during their time of graduation. Nearly half of the graduated households reported that they had not been ready to graduate at the time they were nominated for graduation. In Oromia 56.8 percent and in Tigray 42.5 per cent of graduated households said they had not been ready for graduation. This indicates that: 1) a household’s interest to receive the PSNP transfer for as long as possible (a dependency problem) usually and/or 2) pre-mature graduation due to the quota that requires household’s to graduate irrespective of their

readiness. When the data was disaggregated according to the gender of the head of the household, the study found that 67 per cent of FHH felt they were not ready to graduate compared to 47 per cent of MHH.

In response to these results, all of the sampled households were asked how confident they felt about not receiving PSNP support in the future (Table 7). Twenty-six per cent of respondents in Tigray and 33.3 percent in Oromia indicated that they have no confidence. This is likely due to dependence on rain fed agriculture and the associated vulnerability to droughts.

In the household survey, graduated households were asked to describe their food security situation after graduation from the PSNP. The responses summarised in Table 8 show that the majority of households reported

**Table 7: Confidence level of graduated households no longer requiring PSNP support**

	Tigray	Oromia	Total
Confident	26.5	26.7	26.6
Some confidence	32.4	23.3	28.1
Highly confident	14.7	16.7	15.6
Have no confidence at all	26.5	33.3	29.7

improvements in their food security situation. In Tigray about 47.5 per cent of the households reported some improvement in their food security after graduation, while 20.0 per cent reported much improvement. Similarly in Oromia about 61.5 per cent of the households considered their food security status to have improved to some extent and 20.5 per cent

**Table 8: Food security self description of graduated households after graduation, % of HHs**

	Tigray	Oromia	Total
Improved some	47.5	61.5	54.4
Improved a lot	20.0	20.5	20.3
No change	20.0	5.1	12.7
Declined a lot	5.0	7.7	6.3
Declined to some extent	7.5	5.1	6.3

reported a lot of improvement. Nonetheless, considerable proportions of households have had no change or a decline in their food security status after leaving PSNP. Approximately, 20 per cent of the sample households in Tigray woredas indicated no change in their food security situation after graduation, while 7.7 per cent in Oromia revealed major decline.

The graduated households in the sample were asked to indicate the factors that they felt made them better off in comparison to current beneficiary households in the area. Table 9 shows that about 46 per cent and 21.1 per cent households in Tigray and Oromia, respectively, reported that there is no significant difference between the graduated and the current beneficiary households.

In contrast, 26 per cent of the graduated households in Tigray and 50.5 per cent in Oromia reported to be better off than current beneficiaries in terms of meeting their household food needs. In Oromia about 15.5 per cent of graduated households indicated that they have more livestock compared to current beneficiaries.

**Table 9: Factors that make graduate households feel better off than current PSNP beneficiaries**

	Tigray	Oromia	Total
No significant difference	46.03	21.08	33.66
Meeting household food needs	26.03	50.49	38.00
More livestock holding	0.32	15.20	7.57
Better working labour force	8.89	3.43	6.12
Productive asset ownership	6.03	6.37	6.12
Access to credit	3.17	3.43	3.22
Started irrigation practice	3.17		1.77
Engaged in trade activities	3.17		1.77
Use of agricultural extension services	3.17		1.77

In the sampled two woredas of Oromia both woreda and kebele FSTS members reported that some households returned back to the PSNP. These households returned to PSNP by the decisions of the respective food security task forces. The reasons given for their return were: recurrent drought, lack of rain, hailstorms, wild fire and flooding. These shocks caused the households to lose productive assets.

‘Yes there are some graduated households that returned back to PSNP. It is estimated to be about two per cent out of the graduated households. They returned to the programme because they lost their assets due to shocks like wild fire and flooding.’ (OR-ZD/W-1)

‘Yes, due to lack of rain, drought and hailstorms their livelihoods are affected. It is decided by FSTFs at the kebele and woreda levels.’ (OR-F/W-1)

‘Yes there are. The reason is that initially they graduated by fulfilling the

graduation criteria, but they lost their assets due to recurrent drought, [and] animal diseases. There are [also] those who lost seven to eight [of their] cattle at once; for those who have camels, [if] their camels die and they lose all the assets they have and become the poorest of the poor. At that time the individual appeals and by looking at his appeal it is decided to [whether he/she should] return to the safety net. It is the kebele food security task force [KFSTF] that makes the decision.’ (OR-F/K-1)

However, in the sampled two woredas and kebeles of Tigray key informants reported that there were no returnees to PSNP after graduation.

### **Appropriate graduation criteria**

*The most useful and appropriate benchmark criteria*

As well as asking about the actual graduation benchmark criteria, we asked respondents what

they thought would be the most useful criteria for identifying when households were ready to graduate. Responses from officials included lists of assets and source of income from different economic activities, showing no significant difference with the existing benchmark criteria.

‘Among the existing benchmarks it is very difficult to differentiate between the most useful and the less useful ones. Every asset is converted into money and the benchmark is [then] applied. But among the benchmark criteria, cattle, crops, [multiple yearly production due to irrigation are all] relatively useful criteria to identify households [for graduation].’ (OR-ZD/W-1)

‘The most useful benchmarks for identifying graduating households are the monetary value of cattle, ground nuts, onion and Khat. Sorghum and maize produced by the graduating household will be a criteria for graduation if the quantity exceed home consumption. The excess quantity is considered as an additional income.’ (OR-F-W-1)

‘Income from farming (irrigation farming and rain-fed).’ (TG-S/W-1)

‘The most useful criteria to consider when identifying graduating households are cattle, stock of grain and produces from irrigation. For example, when draught is occurring in this kebele, the households survive by selling their cattle and buying food.’ (OR-ZD/K-1)

‘Income from farming (rain-fed and irrigation) using compost, fertilizer and improved seeds are the most useful

criteria to consider when identifying graduating households. Additional criteria such as income from new breed cows, modern beekeeping, cattle fattening can be taken into account.’ (TG-A/K-1)

‘The most useful benchmarks are livestock, cash-in-hand and agricultural products from farming.’ (TG-S/K-1)

One KFSTF group believed that the benchmark should only concentrate on cash-in-hand (i.e. current liquidity), because assets such as livestock or crops are easily lost in sudden shocks.

‘It is better to not consider livestock and crop production when calculating benchmarks. The reason is that livestock and crop assets can be easily lost/eroded in unexpected/sudden shock. It is better to consider cash-in-hand, the benchmark can be Birr 20,000 to Birr 30,000, if we can consider money the household needs to resist/withstand the different shocks that could happen for two to three years.’ (OR-F/k-1)

The men and women’s focus groups were also asked to indicate the most appropriate and useful criteria to identify households for graduation. According to the responses, the appropriate criteria should be household assets (livestock and crops) and earned income.

When analysed in detail, the responses indicated that the benchmark criteria should be regionally specific and related to the major livelihood activities of the regions. The most useful benchmarks identified the Oromia region were the outputs of the households’ livelihood

**Table 10: Appropriate criteria for identifying graduate households**

Kebele	CIS roofing	Ox	Land	Live-stock	Tech-nology	Income stream	Crops	Farms	Total
<i>Oromia</i>									
Men improving	*		*	*	*	**	*	*	8
Men declining	*			*	*	*	**	*	7
Women improving		*		*		*	**		5
Women declining									-
Graduates	*	*		*		*	**		6
<i>Tigray</i>									
Men improving				*	*	**	*	*	6
Men declining						**			2
Women improving				**		**	**	*	7
Women declining			*	**		**	*	*	7
Graduates			*	**		*	**		6
<b>Grand</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>11</b>	<b>3</b>	<b>14</b>	<b>13</b>	<b>5</b>	<b>54</b>

Note: Technology refers to a water pump and modern beehive.

activities i.e. crop and livestock production. In the Tigray region, where small scale irrigation is more widely practiced compared to the Oromia region, the most useful benchmark criteria identified by the respondents was focusing on the outputs of farming produces from irrigation, beekeeping and livestock, which indicate more diversified livelihood activities.

### The appeals process

The majority of the respondents at the community level said that they knew about an

appeal mechanism, in respect to early graduation.

‘There are responsible bodies that hear the complaint of the community at different levels. However, the community does not want to appeal, they fear to appeal.’(OR-ZD/FGD-1)

‘Yes it is there. A beneficiary can present his/her complaint to the kebele chair.’(OR-F/FGD-3)

'Yes an appeal mechanism is known for households who disagree with the decision made. The [appealing] process can start from the community [then] go [to] the woreda through the kebele.' (TG-A/FGD-4)

Out of 20 FGDs, four replied that they did not know that an appeal mechanism existed.

'We do not know that there is an appeal mechanism. I could have been the first person to appeal, if I knew this type of mechanism existed. They simply told me to graduate, but in my opinion, I do not qualify for graduation.' (OR-ZD/FGD-5)

'After participating in the PSNP for three years they unfairly made me graduate. It was not discussed, [and the community was not] consulted. They made me graduate with hatred. There is no appeal committee; it is only in name. It is only in name. It is the administrator who decides. If we appeal there is a fear that the administrator will retaliate, so people do not appeal. I [am dissatisfied of] how [the] graduation process is underway. Otherwise, me, my wife and children are working, I had now problem being out of the PSNP.' (TG-A/FGD-5)

Of the 16 groups that were aware of the mechanism, respondents revealed that households hesitate to appeal, because they do not believe that the system would deliver the right decision.

'Our community [is afraid] to appeal, if they say 'you are graduated and out from the programme' individuals do not appeal, they simply leave the programme.

There are responsible bodies that hear the complaints [from] the community. However, the community does not want to appeal, they fear to appeal.' (OR-ZD/FGD-1)

'If the government says enough, the only option is to leave it.' (OR-F/FGD-1)

'We did not complain since it is the kebele that selected us. If we want to appeal we go to the kebele itself and no one listens to you; the same [happens] if we go to woreda.' (TG-S/FGD-5)

### **Views of current PSNP beneficiaries on their future graduation**

Given the current programme practices, current beneficiary households were asked about their level of confidence regarding their ability to graduate from the PSNP according to the criteria applied in their kebeles. Although the responses could be influenced by cultural factors and expected risk factors such as drought and individuals interest to remain in the programme indefinitely, the majority of the households reported great confidence on their graduation prospects: about 16.5 per cent and 9.6 per cent of households in Tigray and Oromia, respectively. In contrast, 34.2 per cent of current beneficiary households in Tigray and 8.2 per cent in Oromia stated that they have no confidence at all in their future graduation. Similarly, 32.9 per cent of the sampled households in Tigray and 46.6 per cent in Oromia said they have little confidence. The data also shows that a higher proportion of female headed households (FHHs) have no confidence in their ability to graduate compared to male headed households: 39 per cent compared to 16 per cent. These households could have more

**Table 11: Confidence level of current beneficiaries to graduate from PSNP**

	Tigray	Oromia	MHHs	FHHs	Total
Have no confidence at all	34.2	8.2	16.4	38.9	21.7
Highly confident	16.5	9.6	13.8	11.1	13.2
Confident	16.5	35.6	29.3	13.9	25.7
Low confident	32.9	46.6	40.5	36.1	39.5

confidence, if they could access credit, extension support, irrigation facilities and skills training.

Current beneficiary households were also asked how long they expected their graduation to take, as per the existing graduation criteria used in their kebeles. The majority of the respondents (36.3 per cent in Tigray and 60.8 per cent in Oromia) said they would require more than three years. About 27.4 per cent in Tigray and 10.8 per cent in Oromia reported that they were unsure about their graduation time. Nearly 40.5 per cent of FHHs indicated that they do not know how long it will take them, compared to only 13% of MHHs reporting the same.

## Summary

Woreda and kebele FSTF members reflected on some key lessons learned through the PSNP implementation process.

‘PSNP has changed [attitudes] towards food aid. The PSNP beneficiaries used to have a dependency mentality for a long period of time. At present the beneficiaries have learned that if they work hard they can be able to feed themselves and change their livelihoods for the better. We believe that it is a paradigm shift from dependency to self reliance.’ (TG-A/W-1)

‘We have learned that applying water technology is key to promoting graduation. Those households who have a capacity to harvest water do not want to participate in PSNP. So we learned that water technology is critical

**Table 12: Households estimation of graduation time, % of current beneficiary households**

	Tigray	Oromia	Male	Female	Total
More than three years	36.3	60.8	54.0	29.0	48.2
One and half to two years	22.2	20.3	22.4	17.6	21.3
Within one year	6.8	6.8	7.0	6.2	6.8
Within six months or less	3.0	1.4	1.9	3.3	2.2
When ordered by the government	4.3		1.9	3.3	2.2
I do not know/not sure	27.4	10.8	13.0	40.5	19.3

for graduation when supported with access to loans.(TG-S/W-1)

‘PSNP paved the way to organise our community for developmental activities. It showed how an organised community makes a difference in changing its degraded hillsides to a productive environment by engaging in water and soil conservation. For example, check dams, diversion dams and ponds constructed by public works are serving as demonstration sites to replicate the construction of other dams in non-PSNP woredas organised by work teams in their localities.’ (TG-A/K-1)

- the majority of both the current beneficiary and graduated households receive information about graduation from different sources, mainly from KFSTFs and Development Agents (DAs). Moreover, about three quarters of the respondents do know the official graduation criteria in their kebele.
- graduation criteria is considered by kebeles, as mentioned by respondents. In Tigray, annual food crop production, livestock ownership and annual cash crop production are the three most important criteria, while livestock ownership, annual food crop production and woodlots are the three most common graduation criteria in Oromia.
- graduated households have mixed feelings about graduation from the programme. About half of the graduated respondents indicated that they had not been ready for graduation. Moreover, a quarter and one-third of the same respondents in Tigray and Oromia

suspect that they will need PSNP transfers in the future.

- many of the respondents (over 50 per cent in Tigray and more than 80 per cent in Oromia) did not make an appeal to return to the PSNP. They reported a range of reasons for this: more than half of the respondents from Tigray claimed the reason was that they did not expect change, while about half of the households from Oromia said that they did not know to whom they could appeal.
- the majority of the graduated households (about 80 per cent) in both regions indicated that they had achieved some or substantial improvements in their food security situation since graduation.
- about 53 per cent of graduated households in Tigray and about 78 per cent in Oromia said that they were better off than current beneficiaries in various ways, for example, in meeting their food needs.
- most of the graduated households indicated that the PSNP had supported their graduation: credit services, extension packages and access to irrigation were among the factors mentioned.
- about 36.3 per cent of current beneficiary households in Tigray and 60.8 per cent in Oromia said that it would take them more than three years to graduate; nearly 20 per cent and 8 per cent of households are unsure when to graduate from the PSNP.

### **Section 3: Enablers and constrainers of graduation**

While sustainable graduation is seen as the ultimate goal of the FSP for the majority of households, a number of factors that can enable and at times constrain the household's potential to graduate in a programme-linear way. These factors can be administrative or procedure-specific (the benchmark may not be set appropriately), beneficiary-specific (a lack of desire to graduate) or exogenously determined (due to weather-related shocks). This section reviews the survey evidence against sustainable graduation. We distinguish graduation (a static benchmark threshold either related to the PSNP or the FSP) from sustainable graduation (the ability of the household to remain above the benchmark). This distinction is made because identifying households according to a benchmark will attract different constraints, such as hidden information and administrative problems, than those enabling longer term fulfilment of that benchmark (such as weather shocks and access to markets).

#### **A typology of enablers and constrainers**

Sabates-Wheeler and Devereux (2011) provide a typology of enablers and constrainers of graduation (Box 2).

Programme-specific constrainers/enablers emerge solely from the way the programme was designed or implemented. For instance, one of the intentions of the PSNP in Ethiopia is to implement full family targeting (FFT). FFT is a targeting rule in which all members of an eligible PSNP household should be listed as clients of the programme. This is supposed to help client households to graduate by providing

a transfer for every household member to prevent dilution of transfers. Full family targeting is critical to the national vision on pathways for graduation. However, until recently distribution at the local level has followed a partial family targeting approach so that more households in total could receive some transfers. This partial targeting lowers the likelihood of graduation, mainly because the size of the transfer per household is less than intended. Where the partial family targeting actually does constrain graduation, pathways need to be investigated empirically.

An example of a beneficiary-specific constrainer/enabler is the lack of desire to graduate. Moreover, if transfers are shared between families or members, this dilutes the intended size of the transfer per person undermining the speed and potential for graduation. In the PSNP, a beneficiary-specific enabler could relate to the size of land holding and access to water: beneficiaries with more land access to water are perceived to be more likely to graduate.

Community-specific enablers/constrainers are often discussed in Ethiopia's FSP, particularly within the context of strengthening livelihoods in lowland/pastoralist areas. The Complementary Community Investment (CCI) programme is intended to provide large-scale investments, such as irrigation infrastructure and watershed management, as a means of facilitating the strengthening livelihoods at the community level. As with the beneficiary-specific enablers, the level and quality of resources at the community level is perceived to be a good predictor for graduation potential.

Market-specific constrainers/enablers can relate to the limited market context (as discussed at length above) or to related price changes and inflation. Under the PSNP, daily wages are less

## Box 2: Constrainers (enablers) of graduation

### A. Programme-specific constrainers (enablers)

- Inappropriate benchmarks
- Inadequate income transfers
- Absent or inappropriate complementary programmes and activities
- Dilution of transfers
  - Partial (full) family targeting
- Inflexible (index-linked) transfer rate in context of price changes
- Scale effects
  - Coverage of the programme

### B. Beneficiary-specific constrainers (enablers)

- Lack of desire to graduate (dependency)
- Dilution of the transfer
  - Sharing of resources between families
- Initial household asset base
- Business know-how

### C. Community/location-specific constrainers (enablers)

- Initial community infrastructure and asset base
  - Land
  - Water/irrigation
- Community level investment activities (large scale)
- Community spirit
- Decentralisation

### D. Market-specific constrainers (enablers)

- Changes in prices
- Lack of markets (goods, labour and credit)
- Scale effects
  - Agglomeration effects (size of graduate pool)

### E. Environment-specific constrainers (enablers)

- Climatic changes/ natural shocks

than local market wage rates in many communities. This is likely to hinder graduation.

Finally, environment-specific constrainers/enablers exist because of the unpredictable and insecure environments that many beneficiaries live in. Natural disasters, severe weather conditions, seasonal swings in rainfall and

temperature all define the context in which beneficiaries can or cannot take advantage of social protection programming. In Ethiopia unpredictable rains are an environmental constrainer, since a poor rainfall can undermine PSNP livelihood packages that aim to promote crop and livestock production.

## Evidence from the field

### Programme- specific constrainers

#### *Woreda and kebele views*

FSTF at the woreda and kebele levels reported a range of constrainers that can retard graduation from PSNP. According to the informants, very low public works wage rates, insufficient quantity of food transfer, delay in transfer payment and the transfer being cash instead of food are the key constrainers in facilitating the graduation process. Lack of access to fertilizer, inadequate loan size and limited coverage and farmers' resistance against accepting new agricultural technologies were reported to be contributing factors retarding graduation.

'The wage rate for public works is very low. Daily labourers at the parallel labour market [earn] from Birr 25 to Birr 30 in this woreda.' (OR-F/W-1)

'It is those households who have a large family size that are attracted to PSNP. Partial targeting was a problem, it is now corrected.' (TG/S/W-1)

'The transfer has to be in food because, unlike cash transfer, it is fully used to feed the family. The daily wage rate is extremely low, as a result of this, there is a request for self graduation from PSNP by some beneficiaries.' (T-A/K-1)

'The loan service distribution/ coverage and its size is not adequate to facilitate graduation.' (OR-F/W-1)

'The community is accustomed to using the traditional seeds for a long period of time. If they accept what we tell them and use the improved seeds,

the crops will now approach for harvest. They do not accept us since they used to grow the long [in height] sorghum variety. It is difficult to make [people] accept a new thing [quickly]. [It would be better], if the society accepted the advice. Now they do not use the seeds appropriately. If they accept the advice and have better production and [improve] assets, there is no problem to reach graduation.' (OR-F/K-1)

#### *Community views*

The discussions within the different focus groups highlighted some differences between men and women with regard to perceptions on programme-specific constraints.

Men often identify the delay in payment, small loan size and the low wages as constraints to sustainable change. Women, on the other hand, frequently describe the conflicting time constraints imposed on them as a result of programme participation. They also expressed dissatisfaction with the prevailing interest rate that is being applied for household package loans. In Tigray, women FGD who are not showing an improvement in their livelihoods explained that the schedule and duration of the public works had a negative effect on them, because they do not have enough time to properly attend their work at home.

Another constraining factor mentioned by the respondents was the fact that children born in the last five years are not included in the PSNP payment calculations. So respondents argued that this is a constraining factor.

The list of constrainers provided by the graduated households reflect the practical challenges faced when participating in the PSNP. The constrainers mentioned include: low

wage rates, partial targeting, very tight repayment period of the loan, an increase of interest rates from nine percent to 18 per cent, inadequate loan size and inaccurate benchmarks.

‘I took credit from government and bought two heifers, one of the heifers died before I paid back the loan and I returned back to my original position. The safety net transfer/wage rate was

not sufficient for our family. I have seven family members and got PSNP transfer for only five of them.’ (OR-F/FG-5)

‘The loan size (the ceiling is Birr 5000) when viewed in relation to the market situation, is low. It is not enough even to buy an ox, which is about Birr 6000. Thus households are not attracted to the loan. The interest rate for the loan was

### Box 3: Men and women’s perceptions on constraints to graduation imposed by the programme

#### Men

‘There is a limit to getting a sufficient loan to [fully] engage in income generating activities. The safety net transfer is important to cover the food gap when one’s own production is exhausted; the problem is, it does not come on time. We get the payment after a delay of three to four months in May, after beneficiaries finished what they have.’ (OR-ZD/FGD-1)

‘The daily wage transfer rate is not sufficient. If we initially had some assets, it would be helpful, but since we have nothing in addition to the transfer, it is not [enough]. We do not receive credit [when] we demand it, it helps graduation if we get sufficient credit.’ (OR-F/FG-1)

‘The loan is very important for graduation. We were obliged to take the loan in kind only (cow, modern hive) but now we get [it] both in kind and in cash, but there is still a delay.’ (T-A/FG-1)

‘The loan amount is very low and less supportive to graduation’ (T-A/FG-3)

‘There is a delay in PSNP transfer payments, as a result we are renting our land to others in order to get money to buy food for our family.’ (OR-ZD/FG-3)

#### Women

‘We want to graduate from the PSNP, but extended public works are becoming an obstacle on our way. As you see, we are now engaged in public works in the month of July. It could have been completed before June. This situation is not allowing us to work on our farm. July is a peak farming season. It has to be corrected immediately.’ (TG-A/FG-4)

‘... When we participate in safety net, our private work at home is affected. We do not have sufficient time to work on our private work like collecting fire wood, preparing food for the family, making local drinks etc. We get credit amount, but the problem is the interest rate. It is very high, we pay 18 per cent.’ (TG-S/FG-4)

nine per cent but now it has doubled to 18 per cent. The current interest rate is discouraging, [and does] not support graduation.' (TG-A/FG-5)

'The benchmarks made us graduate without developing capacity to feed our family and buy productive assets. The benchmarks need to be revisited to facilitate graduation. The daily wage rate is very low; it is not encouraging graduation.' (OR-ZD/FG-5)

### Full family targeting

The PSNP is aimed at providing transfers for all family members in a timely manner to identify chronically food insecure households in targeted woredas. The concept and practice of full family targeting is critical to the graduation potential of the programme as it relies on all household members being able to acquire sufficient resources in the long-term. If transfers are paid at less than the full amount, they shared so that individuals are not receiving the full amount, the programme effect will be diluted. To investigate this possible constraint to graduation, 230 current and graduated beneficiary households were asked in the quantitative survey whether they were receiving transfers for all family members when: 1) when

they started the programme; 2) currently; 3) when they were exiting the programme (depending on their beneficiary status at the time of this survey. The results are given below.

According to table 13, when comparing Tigray to Oromia, the percentage of households who got a transfer for each family member during their first payment was low compared to the current beneficiaries and the graduates just prior to graduation. In Tigray about 46.3 per cent of current beneficiaries and 57.5 per cent of graduate households received a transfer for each family member when they received the first payment, while in Oromia 91.3 per cent of current beneficiaries and 92.3 per cent of graduate households reported the same. In Tigray, through time and actions taken by the programme to attain full family targeting, these percentages increased from 46 per cent to 80 per cent in 2010 for current beneficiary households. In contrast, the percentage has declined from 91.3 per cent to 83.5 per cent in Oromia. The data also shows that the number of graduated households that received transfers for all family members increased in Tigray, from 57.5 per cent to 80.0 per cent, while it declined in Oromia, from 92.3 per cent to 83.5 per cent.

Interestingly the gender disaggregated findings show that a low percentage of female

**Table 13: Percentage beneficiary households reported getting a transfer for each family member**

Beneficiary status	Time	Tigray	Oromia	MHH	FHH	Total
Current beneficiary HHS	When first started receiving transfer	46.3	91.3	70.7	62.2	68.8
	Now (2010)	80.0	83.5	78.7	91.9	81.8
Graduated HHS	When first started receiving transfer	57.5	92.3	78.3	50.0	74.7
	At the time of graduation	80.0	83.5	81.2	50.0	81.8

headed households received a full family transfer in both regions when compared to male headed households. In both regions, about 62.2 per cent of FHHs received a full family transfer while 70.7 per cent of MHHs reported the same. The programme has improved with respect to gender overtime. About 91.9 per cent of FHHS and 78.7 per cent of MHHs from the current beneficiaries reported to receive a full family transfer. Currently in the sample woredas of Tigray and Oromia about 80 per cent and 83 per cent of current beneficiary households, are receiving transfer for each family members. However, further improvement is required to promote full family targeting for both female and male headed households since only about 20 per cent of households in Tigray and 17 per cent in Oromia are receiving the full transfer entitlement for all family members.

#### *Timeliness of PSNP transfer*

Timeliness of the delivery and receipt of the PSNP transfer is critical for improving livelihoods, because beneficiaries need to be able to make consumption and investment decisions with certainty on the arrival of the next transfer. Most commonly in the sample woredas, PSNP public works are usually performed in the sample woredas from January to June. Based on the programme, the payments should be effected

between February and July. However, due to various programme constraints there are delays in payments which affect the food security of the beneficiaries and their graduation from the PSNP. In order to understand this situation, the beneficiary households were asked if they faced delays in payment and what was the length of delays they experienced over the duration of the programme. The responses are summarised in table 14.

About 11.3 per cent and 15 per cent of beneficiary households in Tigray and Oromia, said that the PSNP transfer always came on time. Likewise, 15 per cent of HHs in Tigray and 25 per cent of HHs in Oromia reported that the transfer usually came on time. Interestingly, high proportions of HHs, 38.8 per cent in Oromia and 22.5 per cent in Tigray, reported that their PSNP payments were usually delayed for more than two months.

The same respondents were then asked, if the programme had shown improvement timely payment of the transfer. Based on the responses given, Tigray has witnessed progress with about 85.7 percent of HHs reporting improvement in the timeliness of payment while in Oromia about 42.0 per cent gave the same answer. Regardless of improvement over time, long delays can force households to resort to destructive coping

**Table 14: Percentage of current beneficiary HHs reporting timeliness of payment**

	Tigray	Oromia	Total
Always on time	11.3	15.0	13.1
Usually on time	15.0	25.0	20.0
Usually 1-2 weeks late	15.0	2.5	8.8
Usually 3-4 weeks late	13.8	2.5	8.1
Usually 1-2 month late	22.5	16.3	19.4
Usually more than 2 months late	22.5	38.8	30.6

strategies, such as forced sale of assets, taking loans from local lenders to buy food at high interest rates and reduction of food consumption levels. These have a negative effect on the household's ability to graduate sustainably from the programme.

### Programme-specific enablers

When indicating enablers for graduation from the PSNP, woreda and kebele food security task force members placed strong emphasis on timely transfer of payments, strengthening public works activities which are focusing on soil and water conservation, facilitating a financial saving culture for the PSNP beneficiaries and effective implementation of HABP.

When the graduated households were asked what factors had enabled them to graduate and become self-reliant, 92.9 per cent in Tigray and 69.6 per cent in Oromia responded that the PSNP had helped them to graduate. They also mentioned other supporting factors, such as credit (e.g. 47.3 per cent HHs in Tigray and 82.4 per cent in Oromia), extension support, access to irrigation facilities and skills training.

The FGDs with graduate respondents highlighted to the motivational impact of public works which encourage communities to work hard to change their kebeles.

'The transfer payment enables us to feed our family. Safety net motivates the community to work hard to change our kebele. Roads that are constructed by the safety net made the kebele [more] accessible. With the help of the work done by safety net, we are now protecting our farm land from flooding by constructing different structures.' (OR-ZD/FG-5)

Respondents also stressed the usefulness of the public works (PWs), specifically roads, in improving the accessibility of communities to markets and the activities that protect farm lands from floods.

Current beneficiaries from the focus groups listed similar enabling factors, including improving men's FGD planting of seedlings for environmental protection, acquiring additional sellable skills by participating in public works and increasing the loan size through HABP.

'Credit from HABP has been [helpful]. For example, there are women households that I know who did not have anything at the beginning, currently they [own] cows, oxen, heifers etc. I bought a cow by taking credit last year and have now repaid all my debt by using the PSNP money transfer for repayment.' (TG-S/FG-1)

**Table 15: Crucial factors supporting households to graduate successfully**

	Tigray	Oromia	Total
Credit from the food security programme	47.3	82.4	65.1
Extension support <sup>2</sup> from DAs and woreda experts	13.9	11.8	12.8
Access to irrigation facilities	23.0		11.3
Skills training from the government/ NGO	10.9	5.9	8.4
Availability of adequate family labour	4.8		2.4

'The only better thing we consider related to this programme is that we planted seedlings for environmental protection.' (OR-ZD/FG-1)

According to the responses of female FGDs, the major enabling factors for graduation are food security through the PSNP transfers and the provision of household packages/credit.

'The safety net transfer assists graduation to a certain degree. Let alone the six months payment, a single month payment is [already] supporting a family.' (OR-ZD/FG-2)

'The credit service from the government is very important and it has been improving, currently we can take credit individually instead of the [earlier] group credit.' (TG-A/FG-2)

'Credit is important for change and to graduate from the safety net. The problem is we do not have enough time to work with the credit money we took and to feed the livestock we bought.' (TG-S/FG-4)

### **Beneficiary-specific constrainers**

According to the task force members both at the woreda and kebele levels, the beneficiary-specific constrainers for graduation are: unwillingness to graduate; hiding of assets during the graduation assessment; low initial asset base; dependency mind set; misuse of transfer by some households; extreme poverty. Mentioned reasons for unwillingness to graduate are: fear of recurrent drought; lack of adequate assets in the household; being too poor to graduate; and limited opportunities to easily access credit after graduation.

'There is also lack of desire by some beneficiaries; hiding assets while assessment is made [so that they are] not identified as a graduating household.' (OR-ZD/W-1)

'Those households who have low initial asset are also the last to graduate.' (TG-S/W-1)

'The poorest households are behind the graduation spectrum. These households fully use the transfer to buy food and are not in a position to buy productive assets. This situation affects the pace of graduation for these households.' (OR-ZD/W-1)

However, according to the beneficiary households themselves, their desire to stay on the PSNP is related to future uncertainty rather than any kind of dependency syndrome. According to male FGDs who are on the improving livelihood trajectory, recurrent drought, low or no initial asset base of PSNP beneficiaries combined with unwillingness to graduate are the major constrainers attributed to PSNP beneficiaries.

'We are thinking to do some businesses like production of vegetables for market and retailing goods. Still our threat is environmental (drought).' (TG-S/FG-1)

'If a household is poor and has no productive assets, they need many resources to change their lives and it takes time for this household to graduate.' (TG-A/FG-1)

The major constrainers for graduation mentioned by female FGDs, who are on the

improving livelihood trajectory pathway include: lack of desire to graduate; limited access to loans; and poor governance at the community level. Constrainers indicated by female FGDs who are on the declining livelihood trajectory include: having no land of their own; no accumulated assets at the household level; large family size; inability to engage in petty trade in their localities and fear of taking a loan. Women on the livelihood improvement path also reported that having little or no assets was a major constraint for graduation.

‘The payment from the safety net does not assist beyond consumption. Those who have large families borrow money from others and [are] left empty handed just after the day of payment. The safety net beneficiaries do not have goats, cattle and donkey. There are also young men and women who do not have land to till. No female household in [the] safety net has improved [its] livelihood.’ (OR-ZD/FG-4)

‘We fear to take credit since we are not confident whether we get a good harvest to repay the loan. We need credit, if we get it we will engage in trading activities.’ (OR-ZD/FG-4)

‘Low initial asset level is a constrainer for graduation, because a beneficiary uses all the transfer money for food and [is] left with [no] extra money to buy productive assets.’ (OR-F/FG-4)

The major constrainers for graduation indicated by the graduated households are: having no desire to graduate; large numbers of family members to support; having no land and the concept of graduation itself being unpopular among PSNP beneficiaries.

‘There could be some individuals who do not want to graduate, even if they have assets.’ (OR-F/FG-5)

‘For households/youths that have large family size and do not have land, it is not easy to graduate. Graduation is not popular, because every household likes support. Among the PSNP beneficiaries there are households who have low work culture and these are the ones that want to stay longer in the programme.’ (TG-A/FG-5)

‘There are households who do not own anything. These households are very far from graduation from PSNP. Their desire is to stay in PSNP.’ (TG-A/FG-5)

### **Beneficiary-specific enablers**

Key informants at the woreda and kebele levels mentioned a range of enablers specific to the recipients of the transfers. These include:

- emergence of a positive work culture due to PSNP public works (this was especially the case in Tigray)
- engaging in specialised income generating activities (cattle fattening, irrigation, retailing)
- dependable output markets
- Beneficiaries desire to improve their own livelihoods
- participation in different training and technical support
- receiving remittance from abroad
- engaging in trading activities.

Men and women within the focus groups indicated that there is a strong desire to graduate from the PSNP through hard work, the

acquisition of business skills and the setting up of business activities.

### **Location-specific constrainers**

The FSTF at the woreda and kebele levels were asked about the location (community) specific factors that affect the graduation process. Identified critical factors (except for the Zeway Dugda woreda) were the absence of big investment projects in their areas which could create job opportunities, crop and animal diseases and low soil fertility.

‘Two years ago there was a chance for households to be employed as daily labourers on a big farm in this woreda. During that time there was even self-[initiated] graduation. [Now the] company [has] left the woreda and the chance to be employed is over.’ (OR-F/W-10)

‘Land/soil type in the area is different [to other places]; [it’s] sandy, black soil.’ (TG-A/W-1)

‘In this woreda 19 kebeles have fertile land and 11 kebeles do not; the land fertility is very low.’ (TG-S/W-1)

‘There are no big investments in our kebele.’ (TG-S/FG-3)

‘There is no large scale investment and irrigation in the area. Livestock diseases and pests reduce the production of crops and animals.’ (OR-F/K-1)

Men who took part in discussions at the community level reported that absence of large investments and irrigation in the (Fadis woreda) are the major location specific factors which

have a negative effect on the graduation process.

Women who were part of the improving livelihoods focus group pointed out the absence of large investments at the community level is a constrainer for graduation, while women in the declining livelihoods focus group said that the state of being landless or having only a small plot of land are the major constrainers for graduation.

‘The land is not fertile and [it] is not properly absorbing [applied] fertilizer.’ (TG-S/FG-2)

‘Our land size is very small.’ (TG-A/FG-4)

‘There is no sufficient irrigation work in the area. Our land is not productive; we have no land, even those who have land are no different from us.’ (TG-S/FG-4)

The groups of graduates indicated that absence of big investment projects for job creation (except Zeway Dugda woreda), animal diseases and pests are the major constraining factors for graduation.

### **Location-specific enablers**

KFSTF members reported two enablers for graduation: 1) fertile farming land; and 2) large to medium size investment activities. These enablers were also identified by both the improving and the declining male FGDs.

‘There is a big farm in our kebele [where] community members can have an alternative job opportunity.’ (OR-ZD/K1)

'The productivity of land in the area is good, given there is rainfall.' (OR-F/K-1)

"Our kebele is [in] reach [of] water that can be exploited (OR-ZD/FG-3)"

In Tigray the men in the improving livelihood focus groups stated that the land has been rehabilitated to recover its fertility with the help of intensive soil and water conservation works and by applying fertilizer and compost. The rehabilitation of the land can be seen in almost all localities of Tigray. However, the men in the declining livelihood focus group said that the PSNP households in their kebeles are supported by a considerable amount of remittance from relatives residing abroad. According to the respondents, the remittance assists the graduation process.

Women held similar opinions to those described above. Fertile land and big investment activities, which provide employment opportunities, were identified as critical supporting factors for graduation.

'Big farms like ELFORA have created job opportunities. They are supporting the community to earn additional income. Additional income assists the graduation process.' (OR-ZD/FG-2)

'There are investors that are engaged in vegetable production in the area. They [have] created job opportunities for the community.' (OR-ZD/FG-4)

'There are private investors who are engaged in construction works around towns; this has created job opportunities for the youth.' (TG-S/FG-4)

Graduate households identified productive land and irrigation infrastructure as important for facilitating graduation.

### **Market-specific constrainers**

Access to input and product markets is one of the most important factors for improving households' livelihoods in rural Ethiopia. It is also a significant determining factor for households to enhance their production and income to ensure graduation from the PSNP. To understand access to markets the study collected data on various factors, including frequency of market visits, distance to and means of transportation to market places, and trends in the size of markets.

The main market-specific constraints to graduation identified across all groups were: 1) fluctuating and increasing prices; 2) lack of labour markets; and 3) location of markets and associated transportation problems.

#### *Means of transport to sell or buy goods and travel distance to the market place*

The majority of households, in both regions, travel to markets on foot. For instance, 63.9 per cent and 76.5 per cent of households in Tigray and Oromia travel on foot to market cereals and pulses. Public transport is a secondary means of transportation for households. In Tigray 31.9 per cent of households selling or buying cereals and pulses use public transports while 17.4 per cent of households in Oromia use public transport for the same purposes (Table 16). The results of the sample survey show that the majority of households (47.6 per cent in Tigray and 44.5 per cent in Oromia) walk one to two hours to reach market places. The average

walking time to market places is one and a half hours in Tigray about two and a quarter hours in Oromia.

One focus group of graduated households identified the cost and lack of agricultural equipment as a constraint to graduation.

‘There are about 200 water pumps in this kebele and households are digging ponds on their farms and harvesting water, but [in order] to use the harvested water for irrigation on [an] individual plot of land, there are not enough water pumps.’

### Market-specific enablers

Market-specific enabling factors include good access to markets, a good road network and market linkages. Good prices for PSNP beneficiaries’ products were also identified as

important but not necessarily a factor that could be easily addressed.

‘The kebele is conveniently located for both input and output markets. Households can deliver their produces at farm gate’ (OR-ZD/K-1)

‘People can get whatever they want to buy in the local market, in Harar and Abura [woreda center].’ (OR-F/K-1)

‘Market linkages are created between local cooperatives and different institutions like universities, and the Ministry of Defense. Market linkage supports graduation.’(TG-A/W-1)

‘Markets are accessible and in favour of the producers and households.’(TG-S/K-1)

**Table 16: Percentage of HHs using different means of transports to sell or buy goods**

		On foot	Public transport	Pack animals	Donkey/ horse cart	Trucks
<b>Tigray</b>	Cereal and pulses	63.9	31.9	2.8		1.4
	Vegetables/fruit	69.2	20.9	5.5	2.2	2.2
	Dairy	75.0	21.4		3.6	
	Livestock	77.2	20.7	1.1		1.1
	Labour	81.8	18.2			
	Pottery + craft	85.7	14.3			
	Total	72.3	22.9	2.5	1.0	1.3
<b>Oromia</b>	Cereal and pulses	76.5	17.4	2.3	2.3	1.5
	Vegetables/fruit	30.8	23.1	7.7	38.5	
	Dairy	80.0	20.0			
	Livestock	90.1	8.6			1.2
	Labour	100.0				
	Total	80.8	12.9	2.0	3.1	1.2

## Box 4: Market-specific constrainers

### Prices

'Price of crop is very expensive. Most of the safety net beneficiaries are net buyers, it is a constrainer for graduation.' (OR-F/K-1)

'An increase in the price of commodities, like cooking oil, is discouraging PSNP households to graduate. If you sell a goat, the amount you receive will not buy household items you are looking for, let alone to save.' (TG-S/K-1)

'A price increase in commodities, such as coffee beans, clothes for children, blankets, soap, cooking oil, salt, clothes for men and women, is not supporting households to graduate, because we spend all our money including the transfer payment to buy these items. We also pay land taxes and repay [the] fertilizer loan. All these factors, when combined are discouraging us to save or buy productive assets.' (OR-ZD/FG-3)

'An increase in [the] price of commodities is a problem for graduation. For example, when I go to the market place with Birr 200 I come home with few commodities .We spend all our money on few commodities and [cannot] save money or buy productive assets. This situation forces households to stay in the safety net programme.' (OR-ZD/FG-2)

'We have nothing to sell in the market, but the items we buy are very expensive. Some traders also hoard the cereals when the market price is high.' (TG-S/FG-4)

### Labour markets

'The absence of a labour market for able bodied persons is also a constraint for graduation.' (OR-F/FG3)

'There is lack of markets for labour .The options that are open for able bodied persons is either to go to Saudi Arabia or to the western part of the country, Humera.' (TG-A/FG-5)

### Location

'We are producing onion, tomato and fruits by irrigation. But since we are located far away from the main road, we are not able to get a better price. We are incurring additional transport cost to deliver our produces to the market place.' (TG-A/FG-1)

'We use 'Meki' market for buying and selling crops; for a single trip we pay 12 birr [per person]. The traders at our locality buy our goods at a low price, but when we take them to Meki, we sell our products on [a large] scale.' (OR-ZD/FG-1)

A substantial number of FG discussants reported that market accessibility is the most important factor for PSNP beneficiaries in the graduation process.

'We have a good access to markets, because there is a good road that connects our kebele with all input and output markets.' (OR-ZD/FG-3)

**Table 17: One-way walking distance in hours to commonly used market**

Product	Tigray	Oromia	All
Cereal and pulses	1.51	2.29	2.02
Vegetables/fruit	1.60	2.57	1.74
Dairy	1.48	2.46	1.63
Livestock	1.47	2.53	1.97
Labour	1.58	0.88	1.32
Pottery and craft	1.66	1.67	1.67
Mean	1.54	2.30	1.88

‘We transport vegetables to Daga Hamus town and deliver to the market, while traders come to our village to buy livestock.’ (TG-S/FG-3)

‘When we sell cattle or crops we get a good sum of money. We have good access to markets, because there is a good road that connects our kebele with all input and output markets.’ (OR-ZD/FG-3)

‘The market is near and accessible to our kebele. We bought fertilizer and improved seeds from the kebele, other items from Daga Hamus town, [which is] 13 kilometers away.’ (TG-S/FG-2)

‘The market is available. It takes two hours to Abura or Ogolcha and three to Meki. We can sell whatever we want. Whoever wants to trade can do it.’ (OR-ZD/FG-4)

### **Environmental/context specific Constrainers**

Households in chronically food insecure woredas experience livelihood shocks frequently. Drought, crop loss (due to pest and unsuitable weather) and high food prices are

the three most important shocks or risks experienced by the sample households in past 12 months. These situations are largely attributable to climatic change. As indicated in table 18, in the sampled Tigray woredas 35 per cent of current beneficiary, 20 per cent of graduated and 30 per cent of non-beneficiary households reported drought as the main livelihood shock faced in the last 12 months. In Oromia 95 per cent of current beneficiary, 97 per cent of graduated and 86.7 per cent of non-beneficiary households indicated drought as one of the shocks/risks experienced in the last 12 months prior to the survey.

These shocks have negative impacts on the livelihood of households in the sample woredas. In Tigray about 10.9 per cent of current beneficiary, 29.2 per cent of graduated and 10.5 per cent non-beneficiary households reported loss of productive assets as a result of shocks experienced in the last 12 months. Similarly, in Oromia about 61.6 per cent of current beneficiary, 69.8 per cent of graduated and 75 per cent of non-beneficiary households lost assets as a result of shocks. Loss of asset may include an array of phenomena, including forced sale of assets, loss of livestock and consumption of liquid asset.

Critical climate specific constrainers for the graduation process indicated by all FGDs are recurrent drought, lack of rain and water, flood (Oromia), pests and to a certain extent frost and hailstorms.

‘There is a drought in our woreda. For example there was a delay [in rainfall] this year. Sometimes when the crop is on the flowering stage the rain ceases early, damaging the crop.’ (OR-ZD/W-1)

‘The critical problem for graduation here is drought and lack of water. For example, we were affected by lack of

rain last year. When the crop was at its flowering stage the rain ceased and we lost all our crops.’ (TG-S/K-1)

‘The problem we have been facing continuously is shortage of rainfall.’ (OR-ZD/FG-1)

‘The environmental carrying capacity is not matching with the existing population size; productivity of the land is very low.’ (TG-S/FG-1)

**Table 18: Shocks encountered by HHs in the past 12 months, % of HHs**

	Current beneficiary			Graduated			Non-beneficiary		
	Tigray	Oromia	Total	Tigray	Oromia	Total	Tigray	Oromia	Total
Drought (too little rain)	35.0	95.1	65.2	20.0	97.4	58.2	30.0	86.7	58.3
Loss of crops (pests, frost, hail)	17.5	7.4	12.4	20.0	10.3	15.2	23.3	10.0	16.7
High food price	3.8	11.1	7.5	0.0	2.6	1.3	0.0	13.3	6.7
Flood (too much rain)	2.5	8.6	5.6	5.0	15.4	10.1	0.0	10.0	5.0
Livestock loss (disease, theft, accident)	7.5	3.7	5.6	7.5	2.6	5.1	6.7	3.3	5.0
Death of a family member	6.3	3.7	5.0	2.5	2.6	2.5	3.3	6.7	5.0
Serious illness of a family member	5.0	3.7	4.3	5.0	5.1	5.1	0.0	3.3	1.7
No access to inputs (high prices, no market)	2.5	1.2	1.9	0.0	0.0	0.0	0.0	0.0	0.0
Theft (cash, crops, or assets)	2.5	1.2	1.9	0.0	2.6	1.3	0.0	0.0	0.0
Splitting of family (divorce or separation)	3.8	0.0	1.9	0.0	0.0	0.0	0.0	0.0	0.0
Other	6.3	2.5	4.3	0.0	2.6	1.3	0.0	0.0	0.0

'Floods from the hill side affects our farms. They make our crop production decline.' (OR-ZD/FG-2)

'There is frequent drought in this kebele, as a result there is shortage of food especially for children. The stock of crop is declining in this kebele.' (OR-F/FG-2)

'There were droughts for consecutive years in this kebele.' (OR-ZD/FG-5)

Respondents were unable to identify enabling factors for graduation related to environmental conditions.

## Section 4: Conclusions and implications

The objective of graduation has started to dominate discussions within the social protection agenda in Ethiopia as the second phase of the PSNP gains pace. Phase two will end in 2014 and the intention is that the majority of public works beneficiaries will have graduated from the programme by then. This report aims to reflect on what is meant by graduation and under what conditions it can be achieved or hindered. It draws from new evidence focusing specifically on experiences of the PSNP and graduation from the field.

The first part of the report focused on how graduation is conceptualised within the PSNP compared to how it is implemented and experienced in the field. Findings include the following.

- women and men tend to describe graduation in terms of asset accumulation and increased income. Women more often talk of food security and increased ability to feed their

families. According to graduated household FGDs, graduation is perceived as accumulation of assets at the household level and livelihood improvement.

- there is a tension between the quotas and timelines set for graduating beneficiaries and the inherent risk factors related to climatic conditions that call into question the appropriateness of the graduation plans.
- while many people understood the meaning of graduation and were aware of the criteria, many graduates felt they had graduated too early and many current beneficiaries were not convinced that they could graduate. This was particularly pronounced for women. Only 14 per cent of female respondents felt confident about their ability to graduate compared to 29 per cent of male respondents.
- many graduated households indicated that PSNP had supported their graduation. In addition, credit services, extension packages and access to irrigation were among the factors that had assisted them to graduate<sup>3</sup>. However, a quarter and one-third of the same respondents in Tigray and Oromia indicated they completely lack confidence in not needing PSNP transfers in the future.
- most graduates did not appeal to return to the PSNP. Majority of the respondents in Tigray stated this was because they did not expect change, while about half of the households in Oromia said that they did not know to whom they could appeal.

- majority of the graduated households, around 80 per cent, in both regions indicated that they achieved some or substantial improvements in their food security situation since graduation.
- about 53 per cent of graduated households in Tigray and about 78 per cent in Oromia indicated that they are better-off than current beneficiaries in various ways. Many have indicated that they are better-off than the current beneficiaries, for example in meeting their food needs.
- despite improvements in the timely delivery of transfers, persisting long delays could lead households to resort to destructive coping strategies, such as forced sale of assets, taking loans from local lenders to buy food at high interest rates and reduction in food consumption levels. These actions also negatively affect the household's ability to sustainably graduate from the programme.

The second part of the report draws on a typology of enablers and constrainers of graduation. It presents evidence for this typology using data from the field. Key findings include the following.

- men often identify the delay in payment, small loan size and the low wages as programme-specific constraints to positive sustainable change. Women, on the other hand, frequently describe the conflicting time constraints imposed on them as a result of programme participation. In particular, the schedule and duration of the public works have had negative effects, because they do

not get enough time to attend their work at home properly. They also expressed dissatisfaction with the prevailing interest rate that is being applied to household package loans.

- the PSNP had helped 92.9 per cent of graduates in Tigray and 69.6 per cent in Oromia to graduate from the programme. The respondents also mentioned other important supporting factors, such as credit (47.3 per cent HHs in Tigray and 82.4 per cent in Oromia), extension support, access to irrigation facilities and skills training.
- contrary to the officials' perceptions on beneficiary dependency on transfers, reasons for unwillingness to graduate listed by the respondents were: fear of recurrent drought; lack of adequate assets in the house; being too poor to graduate; and limited opportunities to access credit easily after graduation.
- two frequently highlighted location-specific enablers were: 1) fertile farming land; and 2) large to medium size investment activities.
- access to input and product markets was one of the most important factors for households to enhance production and income to ensure graduation from PSNP.
- the main market-specific constraints to graduation identified across all focus groups were: 1) fluctuating and increasing prices; 2) lack of labour markets; and 3) location of markets and associated transportation problems.
- households in chronically food insecure woredas, similar to our sample woredas,

experience livelihood shocks relatively frequently. Drought, crop loss (due to pest and unsuitable weather) and high food prices are the three most commonly experienced shocks and risks in the past 12 months. These situations are largely attributable to climatic change. Shocks also have a negative impact on the livelihood of households in the sample woredas. In Tigray about 10.9 per cent of current beneficiary, 29.2 per cent of graduated and 10.5 per cent non-beneficiary households reported loss of productive assets as a result of shocks.

Graduation is concerned with building resilient livelihoods through asset transfer and underwriting risk with poverty reduction being the ultimate objective.

Some conclusions drawn are the following.

1. Graduation thresholds are critical for programming and budgeting purposes, because they define eligibility for and exit from many social protection programmes, which determines their scale and cost. However, thresholds deflect attention from the bigger objectives of social protection programming – that of transformed and sustainable livelihood improvement. As shown in the evidence presented above, these bigger objectives cannot be measured in terms of benchmarks, but need to consider the entire context in which people pursue and create lives and livelihoods for themselves. New indicators for evaluating graduation must be developed.

2. Programming for graduation needs to be placed in a broader context of market and community thresholds, initial asset levels of households and the community, and the unpredictability of the environment.
3. If context as an enabler or constrainer to graduation is taken seriously, then programme design must include actions that address contextual constraints (such as markets, infrastructure, seasonal shocks) in order to facilitate sustainable graduation.
4. Critically, designers and implementers of social protection programmes need to focus on the enabling environment for strengthening livelihoods, which implies a coordinated approach to development, if functional and sustainable graduation is to be realised.

Social transfers (food or cash) are an inadequate instrument on their own for building sustainable livelihoods and resilience against fluctuations and shocks. Social transfers can be effective in smoothing consumption and protecting existing assets, but complementary interventions are needed to increase incomes and assets to the point where participants are ready to graduate from the programme. Delivering both 'livelihood protection' and 'livelihood promotion' requires a package approach, including both support to household consumption and to livelihoods.

## End Notes

- <sup>1</sup> The report draws on a larger, ongoing, study that is being implemented by the Future Agricultures Consortium (FAC), Institute of Development Studies (IDS), UK, and Dadimos, Ethiopia, with funding from the UK Department for International Development (DFID). Since December 2009, CARE and FARM-Africa (FA) have been collaborating in the implementation of a Food Security programme - Increased Incomes, Assets and Protection- from Grain Price Rises (FS-IAP) project-funded under the Food Facility programme of the European Union. The overall objective of the project is to contribute to a sustained reduction in levels of food insecurity in the PSNP and other vulnerable households, thus ultimately contributing to the objectives of the PSNP and enabling sustainable graduation of PSNP households. To help understand the wider context and constraints in which food insecure households manage and cope, CARE commissioned this report to allow for early analysis of ongoing data collection and research that is being independently conducted by IDS in the UK and Dadimos in Ethiopia. The funding for this report was provided by the European Union in the framework of the FS-IAP project.
- <sup>2</sup> In this context an extension support refers to the transfer of farming knowledge and technologies to farmers by the development agents (DA) residing in rural kebeles.
- <sup>3</sup> These refer to different extensions, credit and infrastructural (e.g. small scale irrigation) provided by the government and non-governmental organisations.

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## Annexes

Region	Woreda	Method	Respondent(FGD)
OR	Fedis [F]		
	Zeway Dugda [ZD]		
TG	Afaro m[A]	W-1	Woreda FSTF
	Sa'esi'e Tsa'eda Emba [S]	K-1	Kebele FSTF
		FG-1	PW male beneficiaries upward trajectory
		FG-2	PW female beneficiaries upward trajectory
		FG-3	PW male beneficiaries Stagnating trajectory
		FG-4	PW female beneficiaries Stagnating trajectory
		FG-5	Graduated HHs

### KEY FOR THE TAG

OR= Oromia Regional State

TG= Tigray Regional State

A= Afarom, sampled woreda in Tigray Regional State

F= Fadis, sampled woreda in Oromia Regional State

S= Sa'esi'e Tsa'eda Emba, sampled woreda in Tigray Regional State

ZD= Zeway Dugda, Sampled woreda in Oromia Regional State

K1= Sampled kebele

W1= Sampled woreda

FG1= Public works male beneficiaries on upward livelihood trajectory focus group participants

FG2= Public works female beneficiaries on upward livelihood trajectory focus group participants

FG3= Public works male beneficiaries on stagnating livelihood trajectory focus group participants

FG4= PW female beneficiaries on stagnating livelihood trajectory focus group participants

FG5= Graduated households focus group participants

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