## Case Study 1. Ethiopia: The Productive Safety Net Program (PSNP) (with particular reference to the Public Works component)[[1]](#footnote-1)

|  |
| --- |
| **Abstract**  The Productive Safety Net Program in Ethiopia illustrates an exemplary implementation of an LRRD-type social transfer safety net initiative in a high-risk environment. The most marginalised individuals and communities are targeted, with humanitarian assistance combined with a development initiative, the latter seeking to render the former un-necessary over time. Participants are selected in a participative manner. For those whose families *are* able to provide an individual who can work, the engagement modality is ‘Public Works’, whereby community assets are improved, such as re-sculpting slopes to enable rainfall to percolate into the soil, rather than running down the slope in an erosive manner. The money earned by the laborers is available for direct investment into the community also, stimulating its economy. In this way, beneficiary communities are better able to manage drought risk and their vulnerability to it. Impact studies show that some 8 million people benefited during the 2005-09 phase reported on here, and livelihoods saved or given greater resilience in readiness for future climatic shocks. The model shows much promise of being up-scaled to other countries similarly at risk of drought and climatic shocks, as an alternative to unsustainable humanitarian aid during and after the event. |

Key words: cash or food transfer; beneficiary targeting; scalable safety net; effectiveness and transparency; gender equity; soil and water conservation, water supply, small scale irrigation, health and rural roads interventions; quality, ownership, management and impact of public works; exit strategy

**1.1. Introduction to the Productive Safety Net Program (PSNP)**

1.1.1. Background

Chronic food insecurity has in recent years been an integral part of Ethiopian life. The causes include land degradation, recurrent drought, inadequate management of risk, population increase and pressure on the environment, and subsistence low input-low output rainfed agricultural practices (World Bank, 2014a). The country has been visited by regular and devastating drought and famine cycles, which have exacted a heavy toll on human life and livelihoods, and environmental/ community/ personal assets. Since 1895, there have been some twenty episodes of severe food shortage in Ethiopia. The cited natural disasters have been exacerbated by widespread structural poverty and other deficit factors, such as food/ livestock feed and agricultural input price hikes particularly from 2007-09, which were a huge burden to many countries, none more so than Ethiopia. These shocks have been accompanied by national and international appeals for assistance each year for more than the two decades prior to 2010. Inevitably, the aid provided was often too little and too late to mitigate the human suffering.

There has been a history of denials of famine in Ethiopia – in 1973/74 under Haile Selassie and later under the *Derg* in 1983/84. Television coverage of these events gave the lie to these cover-ups though. Since then there have been serious efforts not only to address drought-famine crises, but to mitigate and manage drought conditions. It became clear to the donor community in the run-up to the 2002-03 drought, that whilst the humanitarian response to the consequences of drought did save lives, something more was needed to institutionalize a national resilience to these events, to soften the impact of drought and preserve livelihoods.

Over the course of the decade 2001 – 2010 alone, the country has received an average of 700,000mt of food aid annually. This average figure includes particularly difficult crisis years with their associated even higher figures. Both predictable (chronic) and unpredictable (transitory) needs have largely been met through emergency relief which has targeted humanitarian needs. Whilst this means of crisis management has saved millions of lives in Ethiopia over the last two decades, and continues to do so, it has done little to protect livelihoods and assets in a sustainable way.

In 2003, the Government of Ethiopia (GoE) started a major consultation process with its development partners in an endeavour to devise an alternative strategy to repetitive emergency appeals, and crisis response. This was based on its Food Security Strategy, and constituted a development approach combined with asset enhancement. The discussion that ensued resulted in the New Coalition for Food Security that itself spawned a Food Security Program (FSP), designed to move households out of the emergency food *in*security relief system, whilst simultaneously facilitating their ‘graduation’ to sustainable food security. Under the auspices of the FSP, in 2005 GoE started a major new initiative, the Productive Safety Net Program (PSNP). The success ‘pilot’ for this had started in 1994, the *Loess Plateau Watershed Rehabilitation Project* in China, which had considerable success in ameliorating centuries of over-grazing and increasing human population pressure.

PSNP implementation commenced in 2005, based upon the first version of the Program Implementation Manual (PIM), dated December 2004. This phase finished in December 2009. A second phase[[2]](#footnote-2) of PSNP commenced in January 2010, scheduled to last until December 2014, the new phase PIM being published in June 2010 incorporating revisions and addenda provided during 2006, and again in January and May 2010 (PSNP, 2010). These guidelines *inter alia* clarify which actions should be implemented at Federal, Regional, Zonal, *Woreda*, *Kebele* and Community levels.

The PSNP distinguishes between *chronic* and *transitory* food insecurity. *Chronically* food-insecure households, by definition, do not/ cannot produce or purchase sufficient food even in times of normal rain. It is estimated that there are at least 8 million people in this category (10 percent of the country’s population), and they constitute some of the poorest and most vulnerable. For these, a developmental approach is programed under PSNP, to assist people to overcome their structural asset-plus-liquidity poverty and thereby ‘graduate’ into food security. PSNP is set to deliver predictable, timely and demand-led appropriate ‘transfers’ to enable this process.

The somewhat less badly-off category of *transitory* food-insecure, for whom (by definition) a shock has depleted their food store and income such they are unable to meet immediate food needs, become eligible under PSNP to receive emergency relief over a relatively short period.

**The overall objectives of the PSNP in Ethiopia are “to assure food consumption and prevent asset depletion for food-insecure woredas, whilst stimulating markets, improving access to services and natural resources, and rehabilitating and enhancing the natural environment”. PSNP is a *Productive* Safety Net Program, as it triply *protects* food consumption and household assets, *addresses* some of the underlying causes of food insecurity and *contributes* to economic growth in its own right[[3]](#footnote-3).**

1.1.2. The five planned outputs

PSNP operates in woredas classified by GoE as chronically food insecure, based (with minor later adjustments) on the historic record over the ten year period prior to the design of PSNP I in 2004. The great majority of PSNP clients are resource-poor ‘chronically food insecure’, this group numbering some 8.3 million individuals. Support to communities under PSNP is provided through GoE directly or through NGOs. There are five planned outputs of PSNP:

* **Cash or food transfers for chronically food-insecure households**, these enabling them to ensure their food consumption without the concurrent sale/depletion of household assets. Such transfers may be *conditional* on able-bodied 16+-year old family members contributing labor to Public Works. If such family labor is not available in these households, then *unconditional* transfers occur through ‘Direct Support’.
* **Transfers for households affected by transient shocks**, such as drought or flood. Such transfers are either conditional or unconditional, as above. PSNP thereby expands temporarily (‘scales-up’) to protect households and livelihoods.
* **Public Works (PW) to create sustainable social and market infrastructure, or to rehabilitate the natural environment** using labor from able-bodied PSNP clients, thereby addressing underlying causes of food insecurity. Planning of these public works follows guidelines for Community-based Participatory Watershed Development (CBPWD). These sub-projects are determined locally by beneficiary communities through an annual participatory planning process. Appropriate management, operations & maintenance procedures are put in place to ensure sustainability of these community assets. Payments for work through these *conditional* transfers enable beneficiaries to spend in the local economy, thereby stimulating and strengthening it directly.
* **Strengthening the effectiveness of PSNP implementation**. The PSNP invests in capacity building (people, systems, processes and procedures) to promote effective delivery of program services, ensuring *quality* public works, and timely and predictable transfers.
* **Coordination amongst program implementers, and with other development & relief efforts.** As part of the effort to promote cohesion of the complex Program and networking, PSNP cross-links with initiatives outlined in the Plan for Accelerated and Sustained Development to End Poverty (PASDEP), launched in 2006 by GoE, such as improved nutritional and educational outcomes, gender equality and HIV/ AIDS mainstreaming. This facilitates the progress of PSNP clients towards ‘graduation’.

1.1.3. PSNP beneficiaries and coverage

An impressive 1.2 million people are currently involved as a Public Works workforce at any one time, with some 36-40,000 projects per annum[[4]](#footnote-4) under way simultaneously. It is doubtful whether this record has ever been matched before in a safety net program, anywhere in Africa, and even beyond that. Certainly, PSNP is currently the largest safety net program in Africa, outside of South Africa, funded by GoE together with ten development partners[[5]](#footnote-5).

With 7.8 m beneficiaries, of which around 80 percent are members of households eligible for public works, there will be around 6.2 m PW beneficiaries. To assume that all beneficiaries work on the PW sub-projects would be incorrect however. With an average of around 5 beneficiaries per household, this means around 1.2 million households are engaged in public works. A household's working days may be regarded as being provided by one person - often the household head. In some cases it will be provided, for example, by a spouse or adult son or daughter, but not by the children. If each household is considered to be providing the equivalent of one person (even though in some cases the work is actually shared by family members), there will be around 1.2 million people (‘implementers’) in the PW work-force *at any one time*. Due to work-sharing within a household, the *total* number of people who will have worked at one time or another during the year on PW will exceed this figure. Children, who account for more than 50 percent of the population, are not allowed to participate in PW.

Regarding the term "simultaneous" (projects) as mentioned above, they are simultaneous in the sense that they are implemented in parallel during roughly the same period. However, not all the *workers* will necessarily be working simultaneously, because each household can provide its prescribed work-days over a number of weeks or months, depending on the type, size and duration of the sub-project.

Regarding the *number* of PW sub-projects, the figure that World Bank estimated by the end of the *previous* PSNP phase, as of December 2009[[6]](#footnote-6), was about 36,000. This was based on the typical number of sub-projects per community, the average number of communities per kebele, the average number of kebeles per PSNP woreda, and the actual number of PSNP woredas. Since the number of beneficiaries expected for the current phase (2010 onwards) will (over the period) be around 10 percent higher than the numbers in the last phase, World Bank is now using a rough figure of 40,000, subject to review when more complete data will be to hand.

1.1.4. PSNP principles

There are eight principles which underlie the operations of PSNP. These are –

* Fair and transparent client selection
* Timely, predictable and appropriate transfers – the multi-annual nature of PSNP makes it predictable, so that timing of transfers and planning of interventions help to prevent asset depletion and allow better planning of community sub-projects. This allows for a transition away from a solely emergency relief system, whilst still ensuring that chronic and predictable needs are met
* Primacy of transfers …. the latter take priority over all other considerations
* *Productive* safety net ….PSNP is far more than merely an emergency safety net
* PSNP initiatives are integrated into local development plans, rather than ‘stand-alone’[[7]](#footnote-7)
* *Scalable* safety net … it is flexible, allowing scaling-up to a pre-determined level as necessary, according to need
* Cash-first principle as the primary form of transfer
* Gender equity

1.1.5. PSNP and the wider Food Security Program

PSNP is one component of GoE’s Food Security Program (FSP)(MoARD, 2009), which is itself a pillar of the country’s Food Security Strategy. FSP is implemented in chronically food insecure woredas. The three other components are:

* Household Asset-Building Program (HABP)
* Complementary Community Infrastructure Program (CCI)[[8]](#footnote-8)
* The Resettlement Program[[9]](#footnote-9)

Together, these four programs aim to uplift people in chronically food insecure woredas towards a position of food security, in the following manner:

* PSNP provides a) a safety net for chronically food-insecure households and also non-chronic households affected by shocks, and b) through the instrument of Public Works to build infrastructure, it contributes to a local enabling environment for community development.
* HABP supports individual households to improve their economies, through appropriate investments. This helps chronic households rise above the platform provided by PSNP’s safety net, and helps non-chronic households to proceed towards full food security.
* CCI is intended to complement the Public Works infrastructure component of PSNP, which is primarily labor-intensive; the CCI infrastructure component is more capital-intensive, and typically larger.
* The Resettlement Program assists chronically food insecure households to voluntarily relocate to areas where they should be better able to develop sustainable livelihoods.

1.1.6. PSNP budget

FSP is financed jointly by GoE and Development Partners (through a Trust Fund managed by the World Bank). Donors include the EU, and part of the contribution has been from the ‘Food Facility’ (see Chapter 4.4 of the companion book). Donor financing is allocated to PSNP and HABP capacity-building activities. GoE financing is allocated as a block grant to Regions, which distribute their financing across HABP, CCI and Resettlement in line with guidance from the Disaster Risk Management and Food Security Sector (DRMFSS). **The annual budget in 2009 was the equivalent of $US360m in cash, and 457,966mt of cereals**. In addition, GoE estimates that about $US54m in GoE staff time is devoted to the program annually. The budget is determined each year based on a formula derived from the number of beneficiaries in each program woreda, and has four components:

* Transfers (wages for Public Works participants and payments to Direct Support beneficiaries). **80 percent of the budget for the Ethiopian PSNP is channelled through labor-intensive Public Works**. These are potentially sustainable, and add value to the community, whereas Direct Support is unsustainable relief (with a relatively modest uplift to the local economy through its cash injection)
* Administrative and capital budgets (for program running costs, and for capital inputs and materials for Public Works)
* Contingency funds to allow for variations in need during the year
* Capacity building budget, based on an annual assessment of woredas, regions and the Federal Government

**The PSNP is integrated into the national budget system in Ethiopia, conferring stability of the intervention. Budgets are prepared as part of the annual planning process by the woreda and then consolidated by the regional government for onward submission to the Federal Government.**

1.2. The parameters of PSNP in Ethiopia

1.2.1. Effectiveness in targeting the most vulnerable communities

In 2005, the early implementers grappled with how to select eligible households based on the early PIM, yet also limit coverage to 5m beneficiaries. The number of households selected to participate in the PSNP by communities and kebeles was usually larger than the quotas assigned by the region and woreda. Recognising the scale of exclusion in PSNP areas, GoE and donors agreed early on that the October 2005 community-based targeting program would identify the actual number of chronically food insecure individuals. Further reforms to the targeting system were introduced in 2007. **The larger caseload was eventually set at 8.29m people**.

The beneficiaries of PSNP are households which the Program has identified in food-insecure woredas across eight Regions, increasing from 192 in 2005 to 300 by 2010. Those targeted in PSNP during Phase 1, and the resource allocations, were given by the Federal Food Security Coordinator in his presentation at the Joint[[10]](#footnote-10) Review & Implementation Support (JRIS) in Addis Ababa on July 5th, 2010 (Berhanu, 2010), and shown below in Tables 1.1 and 1.2.  
  
Table 1.1. Ethiopia: PSNP beneficiaries in 2010

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Region** | **No. of Woredas** | **Cash only** | **Food only** | **Cash + Food** | **Total beneficiaries** |
| TIGRAY | 31 | 8,000 | 603,332 | 842,375 | 1,453,707 |
| AMHARA | 64 | 959,636 | 0 | 1,560,193 | 2,519,829 |
| OROMIYA | 78 | 229,486 | 124,115 | 1,086,163 | 1,439,764 |
| SNNP | 78 | 546,870 | 40,164 | 869,919 | 1,456,953 |
| AFAR | 32 | 0 | 472,229 | 0 | 472,229 |
| SOMALIYA | 15 | 0 | 409,771 | 0 | 409,771 |
| HARARI | 1 | 0 | 0 | 16,136 | 16,136 |
| DIRE DAWA | 1 | 0 | 52,614 | 0 | 52,614 |
| **Total** | **300** | **1,743,992** | **1,702,225** | **4,374,786** | **7,821,003** |

Table 1.2. Ethiopia: PSNP resource allocation across regions in 2010

|  |  |  |
| --- | --- | --- |
| Region | Allocated Resources | |
| Cash (‘000Birr) | Food (mt) |
| TIGRAY | 399,598 | 90,909 |
| AMHARA | 857,837 | 90,875 |
| OROMIYA | 427,673 | 73,355 |
| SNNP | 551,395 | 39,015 |
| AFAR | 60,690 | 50,871 |
| SOMALIYA | 50,017 | 33,136 |
| HARARI | 6,086 | 726 |
| DIRE DAWA | 4,552 | 5,682 |
| FFSD | 35,636 | 0 |
| **Total** | **2,393,486** | **384,569** |

There has been affirmative action to include the most vulnerable as candidates for Direct Support, such as pregnant and breast-feeding women, people living with HIV/ AIDS, orphans and the elderly. **The design of the PSNP takes into account the particular constraints women face within Ethiopian society**. PSNP responds to the heavy workload of productive and reproductive labor carried by women in rural Ethiopia by allowing women to work fewer hours than men for the same pay, and permitting them to switch to Direct Support when pregnant or breastfeeding. There has been considerable affirmative action taken in favor of women to date. For instance, in mixed gender public works groups, women are expected to complete only 15 day’s work to qualify for transfers, compared with the 21 days for men, and this puts pressure on men to complete the tasks allotted to the group.

Such affirmative selection involves the participative role of the community, religious and clan leaders in selecting/ targeting Clients, with criteria based on traditional values and community-based institutions. Thus, livestock numbers, wealth status, physical condition of the clients, number of children and plot size feature.

1.2.2. Type of Safety Net[[11]](#footnote-11)

The objectives of the PSNP are to ensure food consumption and prevent asset depletion for rural food insecure households in a manner which stimulates rather than depresses markets, improves access to natural resources and services, and rehabilitates and enhances the natural environment. Section 5 of the Draft Implementation Progress Report of the June-July 2010 JRIS for example, cites an inventory of Public Works for 2010 (ETY[[12]](#footnote-12) 2002), those planned and the proportion achieved by June. Table 1.3 below lists the eight main categories of Phase 1 PSNP interventions.  
  
Table 1.3. Ethiopia: The main categories of intervention under Phase 1 PSNP

|  |  |
| --- | --- |
| 1 | Physical Soil & Water Conservation |
| 2 | Flood Control & Improved Drainage |
| 3 | Water Harvesting |
| 4 | Soil Fertility Management & Biological Soil Conservation |
| 5 | Agro-forestry, Forage Development & Forestry |
| 6 | Gully Control (see photo below) |
| 7 | Feeder Roads (including bridges and culverts) |
| 8 | Social Infrastructure (schools, health posts etc) |



Photo 1.1. Water management structures being constructed across a gully in Berhale woreda, Afar Region of Ethiopia, to reduce the speed of rainwater flow and surface erosion. These women were working in shifts, during early morning before the rocks became too hot to handle, and in the evenings when the temperature dropped sufficiently so they could again hold the rocks. Despite this, their hands blistered. (Source: World Bank, 2013. Coping with Change: how Ethiopia’s PSNP and HABP are building resilience to climate change. [www.ltsi.co.uk/news/coping-for-change](http://www.ltsi.co.uk/news/coping-for-change))[with permission of Sylwia Pecio (photographer, www.sylwiapecio.com) and World Bank].

1.2.3. Delivery methods

One of the goals of PSNP is to add value to the impact of safety net transfers through Public Works investments, and through this extend the benefits of PSNP beyond the transfer recipients to the wider community. Over the long-term, these investments in Soil & Water Conservation (SWC) and infrastructure are intended to help households graduate out of food insecurity by improving agricultural productivity, and supporting the development of the rural economy. Several key design challenges were clear from the start of the design process in 2004:

* Reconciling the competing demands of providing a large volume of Direct Support transfers to deserving households with the need to create viable community assets
* Determining which types of investments would be eligible
* Promoting community participation in the selection of Public Works sub-projects
* Integrating the annual PSNP Public Works plan into the woreda development plan
* Designing a system for managing labor inputs
* Improving technical quality and sustainability over the preceding emergency response system

Public Works projects are located as close as possible to beneficiaries in order to promote the development of more productive community assets that complement the safety net transfers. On a 9-month cycle starting in April, the proposed actions are demand-led from the grass roots, and prioritization of the shopping list is applied at the Federal Level. Once the projects have been selected and approved, implementation is from January 1st (so long as funds are in place where and when needed). The normal timing of this component provides resources before the ‘hungry season’, as well as at the most appropriate time in terms of weather conditions, and when labor demand from alternative agricultural activities is at its lowest. PSNP Public Works laborers are organized into 15-30 member work teams by the implementing woreda/kebele department and the Development Agent, in consultation with the kebele and woreda Councils. Each team is assigned a task to complete for the month.

At the Federal level JRIS workshop in July 2010, the current author was able to discuss with Public Work Coordinators from both Amhara and Oromiya regions. The work being conducted is impressive, and largely done in a timely way, when the cropping season is not under way, and spanning the normal hungry period when any grain and cash reserves have been depleted. In the ETY June 2002 (2010) Progress Report from Amhara, the following achievements are listed:

* ‘Social fencing’ area of pasture enclosed and temporarily protected from grazing = 45,865ha
* Water harvesting structures on degraded land = 16,629ha
* Bund construction = 6,519ha
* Gabion/ stone check dams = 647,476m3 water compounded
* Spring development = 60
* Pond construction = 18
* River diversions = 6
* School classrooms = 10
* Health posts = 10
* Road construction = 185km
* Road maintenance = 592km

1.2.4. Impact and cost-effectiveness of Public Works

The generic impact and benefits of a selection of PSNP projects across the participating Regions is given below:

*SWC* projects have given rise to significant and highly visible increases in woody and herbaceous vegetation cover, and a broader species diversity, with its associated increased supply of livestock feed, bee forage and medicinal plants. **SWC benefit-cost ratio is 1.8 on average**, as cited in the 2008 Impact survey by IFPRI (IFPRI, 2008).

*Water Supply* projects brought health gains from greater access to clean water and increased labor productivity, and of course reduced the distance that women and children needed to travel to fetch water. This time-saving allows household members to engage in other value-added activities such as crop production. Using the willingness-to-pay method, the **discounted benefit-cost ratio of a typical single developed spring was calculated as 3.7**.

*Small-scale irrigation* from water sources developed under PSNP helped to expand livestock offtake for up to 12 percent of participating households, and **increase incomes by up to 25 percent**. Double cropping on even very small irrigated plots (190m2) were capable of generating gross margins of up to 6,000Birr a year, thus having a significant impact on household livelihoods and food security.

*Health projects*, as for water supply projects mentioned above, bring benefits through improved labor productivity and reduced health care costs from not being ill. Benefit to cost analysis were calculated in two ways … willingness to pay for medical services, and opportunity costs of labor lost to illness, giving **an average benefit-cost ratio of 2.0**.

*Rural Roads* rehabilitated under PSNP are providing better access for the people (and their mules, carts and vehicles) to health posts, schools, markets and the Kebele offices, with significant time savings.

1.2.5. Quality, Ownership and Management of Public Works

Public Works are generally assessed by the 2008 Impact survey to be of a high technical quality, especially for SWC activities that comprise a large percentage of the overall projects. Progress has been made in preparing Public Works Community-based Maintenance Guidelines. A number of communities have established User Associations, and agreed bylaws on management, maintenance and environmental issues, and punitive measures against those who infringe the laws on grazing in enclosures, with custodial sentences for repeat offenders. This all speaks well of local ownership of the Public Works. The Public Works Reviews of 2007 and 2008 recorded significant progress in areas such as increased local participation, and an increased perception that communal public works resulted in significant beneficial public good.

The Guidelines for better watershed management is a philosophy truly owned by the Government and people of Ethiopia, based on the former WFP-funded *Managing Environmental Resources to Enable Transition (MERET)* program in Ethiopia, which became the foundation of the PSNP Public Works component. In Tigray Region, where the approach was pioneered, people are required to put in 6 days ‘voluntary’ work on the landscape, and this has had a hugely positive effect on the health of the landscape. Similar regeneration is seen in many other Regions too. Under PSNP, Tigray region decided that no Public Works effort would be put into schools and health centers, but only into upgrading the landscape (see Chapter 5.1.3 of the companion book).

1.2.6. The complex institutional aspects

PSNP is a component of the larger Food Security Program of GoE. Food security line agencies at every level are accountable for the oversight and coordination of the FSP, with implementation being undertaken by line ministries, GoE agencies and other partners at all levels. These arrangements are covered by an MoU between GoE and development partners. The PSNP management and coordination structure is amazingly complicated, at six levels, from Federal to community and involving dozens of public and civil society entities. In particular, there are complex federal level arrangements, which *a priori* would seem very difficult to coordinate properly bearing in mind the somewhat-divisive public sector politics which prevails. At regional level, there are also many levels of needed coordination. And not only horizontal complexities, but players need to communicate and coordinate vertically. Last but not least, there appears to be a degree of overlap of duties, and the chain of command is not clearly prescribed.

Yet, *not* having the PSNP embedded in Government structures would likely be even more problematical, with the need for parallel management structures and even more complexity. PSNP has become incorporated into the existing FSP. No parallel structures have been needed. Despite instances of implementation not being as totally joined-up as they might be by 2010, the seeds of sustainability are already enshrined, with a five year history and another five to go until 2014. ‘Lessons learned’ along the way, which have fed into improved design and implementation, have been documented (World Bank, 2009).

1.2.7. The exit strategy of the implementing partners

That PSNP is located within an existing project (FSP), within the Ministry of Agriculture, with links through other Ministries and NGO partners, is the best exit strategy that the PSNP could possibly have. The Donor Coordination Group, until July 9th 2010 led by World Bank and then handed over for a six-month period to the Government of Ireland, offered a means whereby the efficiency and effectiveness of service delivery may be further improved. There is an ongoing debate between Government and donors on how Government can take over from donors. At the end of 2014, GoE might be able to take over part of PSNP. That this is even being debated is an output of PSNP, compared with only a ‘relief mentality’ over the previous 20 years.

1.2.8. Coherence between humanitarian and development initiatives

There is complete coherence between both the Direct Support transfers and initiatives seeking to build community assets through Public Works initiatives, grounded in perceived local needs. Indeed, massive synergies and complementarities can result, and have resulted.

**1.3. Impact of PSNP in Ethiopia**

1.3.1. On income and food supply levels

Following a Food Security Baseline Study conducted in 2006 through the Central Statistical Authority, the Impact Study of the FSP performed by IFPRI in 2008 showed there to be positive impacts of the PSNP on incremental income generation, and on crop production levels[[13]](#footnote-13). This is hardly surprising as visual impact of watershed rehabilitation is powerful, year on year, across the targeted areas.

1.3.2. On households and communities

*Household Food Security:* The 2008 Impact evaluation concluded that PSNP *does* provide the core benefit of smoothing household food consumption. It measurably improved household food security, as indicated through self-reported household food gaps. Also, calorific intake was 17 percent higher for households which received recent and regular transfers. Further supporting evidence is provided by the facts that PSNP households receiving cash used 84 percent of their transfer to purchase staple foods, and 74 percent of households receiving food consumed the entire amount (rather than trading with it). The impact of PSNP on food security is greatest amongst households affected by drought, exhibiting a 30 percent higher calorific intake than non-beneficiaries, this suggesting that PSNP is an effective safety net mechanism in times of drought/ crisis. Households with access to PSNP and additional associated agricultural support are more likely to be food secure than are households without such, and are able to borrow for productive purposes, use improved agricultural technologies and operate their own non-farm business activities (IFPRI, 2008 *ibid.*; Gilligan *et al*., 2009).

*Household Asset Protection*: Evidence from the 2008 Impact evaluation and other sources suggests an overall drop in negative coping strategies amongst PSNP participants who received *predictable high-value* transfers, compared with non-PSNP participants. If the transfers are unpredictable however, this effect is not in evidence. If PSNP operates as designed therefore, it can be an effective safety net.

*Household Asset Creation*: PSNP had a measurable and positive impact on household assets and investments. Participation in PSNP public works increased growth in livestock holdings (equivalent to nearly three sheep). Support from surveys other than the 2008 Impact evaluation indicates that beneficiaries are using cash transfers to invest in farming inputs and livestock.

*Utilisation of education and health services*: PSNP has had a positive impact on human capital accumulation, through beneficiaries’ increased use of social services and their attributing it to the cash transfers channelled to them through PSNP. Beneficiaries used health facilities more extensively, enrolled more children at school and kept them there longer.

*Households’ perceived well-being*: Households participating in PSNP perceived themselves to be better off in 2008 than in 2006, despite a period of drought in 2008. Akin to effects noted above, this change in perceived welfare status is particularly high among households that received regular, high-value transfers.

*Community Asset Building*: Beyond the household level, the PSNP creates public assets, particularly through the Public Works component. Such benefits accrue to the community at large rather than being restricted to the immediate beneficiary group. Most investments have been concentrated on soil and water conservation and rural feeder roads. The public perception of the benefits of public works to the community is overwhelming, transforming the natural environment. Additionally, public works are also perceived to benefit individual households, through increasing access to social services, for example. The commitment of the general population and PSNP staff in targeted woredas is also exemplary, with cash transfers being disbursed honestly and transparently, as observed by auditors even when their visits are unannounced.

1.3.3. Pastoral roll-out

The program had not by mid-2010 rolled out its pastoral program. Even the Guidelines for this had yet to be finished, including guidelines for public works in pastoral areas. The pastoral regions, and pastoral people in predominantly arable farming regions, had still to see the benefits of this program, through appropriate Public Works interventions, such as upgrading rangeland. Somali region supports 40 percent of the nation’s sheep, 49 percent of its goats and 70 percent of its cattle, and clearly addressing the needs of the poor marginalized pastoralists requires an approach quite different from intervening in settled agricultural communities, such as in Amhara Region.

1. [↑](#footnote-ref-1)
2. [↑](#footnote-ref-2)
3. [↑](#footnote-ref-3)
4. [↑](#footnote-ref-4)
5. [↑](#footnote-ref-5)
6. [↑](#footnote-ref-6)
7. [↑](#footnote-ref-7)
8. [↑](#footnote-ref-8)
9. [↑](#footnote-ref-9)
10. [↑](#footnote-ref-10)
11. [↑](#footnote-ref-11)
12. [↑](#footnote-ref-12)
13. [↑](#footnote-ref-13)