

# Breaking the cycle of relief

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## Ethiopia's Productive Safety Net Programme (PSNP)

Workshop on Building Community Based Risk  
Management & Response to Natural Disasters.

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Bangkok, Thailand, June 10-13,08

Endashaw Tadesse



Productive Safety Net Programme

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# Structure of the presentation

- Background
  - Emergence of Productive Safety Net Programme (PSNP)
  - Key aspects of the PSNP
  - A quick status overview of the PSNP
  - Current and future issues
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# Background to the PSNP



# The emergency system

- Large segment of vulnerable pop. -15m.  
8m chronic & 7m hanging on the edge
- Emergency appeals for 20 years +
- Since 2000 numbers in need ranged  
between 5 - 13million
- Relief Costs: 700K MT/yr  
of food aid



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# Impact of emergency support

- Saved lives - not livelihoods
  - Arrive late, not enough, inappropriate
  - Asset depletion
  - limited non transfer cost
  - Food suppresses local prices and hence local production- on average 700K MT / year in food aid
- Bulk of needs were chronic & predictable
- But all met with inappropriate relief response



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# Origins of PSNP

Desire to:

- ❑ Break the cycle of annual relief

Government-led coalition for food security led to call for

- ❑ Predictable cash & food resources for predictable problems
- ❑ i.e. safety nets for chronic hunger
  - Move away from emergency system
  - Move away from food aid
  - Make resources transfers more predictable
  - Make resource transfers more productive



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# Objectives of PSNP

- To provide households with enough income (cash/food) to meet their food gap and thereby protect their household assets from depletion
  - To build community assets to contribute to addressing root causes of food insecurity
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# Targeting

- **Geographically** – food insecure areas have been defined to the lowest administrative level
  - **Community/administrative targeting**
    - A community committee is set up by the PA to select beneficiaries
    - General assembly reviews list, amends and endorses it
    - Appeal committees exist at PA and at district level to handle targeting complaints / grievances
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# Safety Nets components

## ■ Public Works

### □ Labor intensive, prioritized by comm.

- Environmental Rehabilitation (soil & water cons)
- Build/maintain community infrastructure (rural road, school, clinics etc)

### □ Households with available labor- 178m person days of labor per year

## ■ Direct transfer

- Free transfer for Labor poor HH (orphans, elderly, lactating mothers) 20%
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**The kind of land management!**













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# Key aspects of the Productive Safety Net Programme

- **Predictable and Adequate** – Consumption smoothing and protect against asset erosion.
  - **Guaranteed** – encourages risk-taking and help people build household assets
  - **Value- Added** – Link transfers to public works, to create community Assets
  - **Non transfer resources-** Costs for capital inputs, admin, capacity building and TA - help quality & effective implementation
  - **Contingency planning-** 20% + Risk Financing Mechanism
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# PSNP Implementation

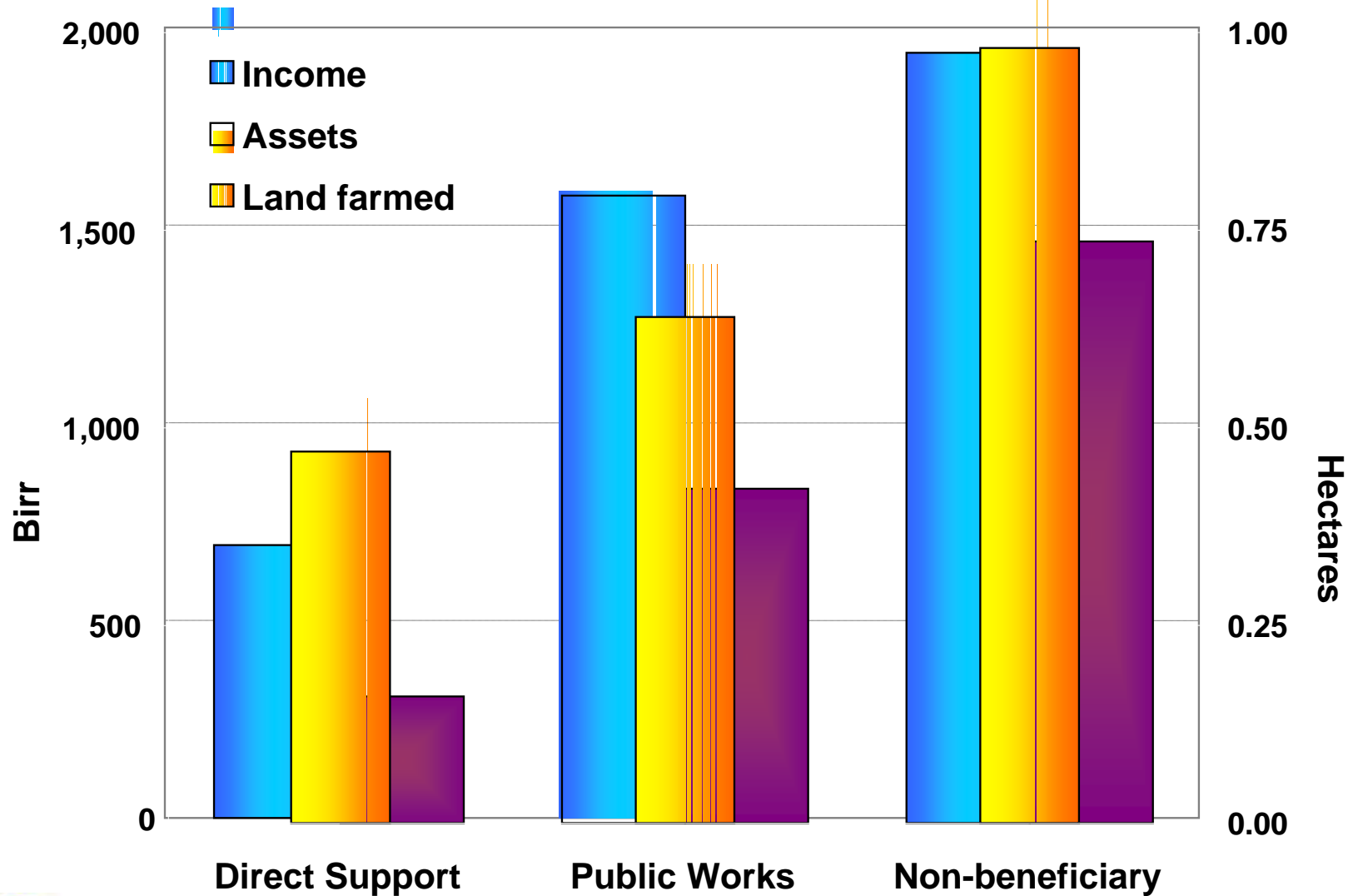


# Progress to date

- Started 2005, with 5m now 7.2 m people
- Appraisals in 2006: targeting, trends in transfers, linkages, public works
- Working well ... but improvements possible
- Opened up wider policy debates on growth, risk and vulnerability reduction, and emergency reforms



# Does it target the poorest?



# Do people get enough to eat?

- 75% consumed more food or better quality food
  - 94% as a result of PSNP
- 62% retained more of their own food production
  - 90% as a result of the PSNP



*"Before the PSNP we ate twice, at breakfast and dinner, but now we can eat three times."  
Household, Oromiya*



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# Does it protect assets?

- 62% avoided selling assets
  - 90% due to PSNP
- 36% avoided using savings to buy food
  - 90% due to PSNP

*'Beneficiaries cease to sell their livestock during food deficit months due to PSNP' Livestock trader'*



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But:

- Further work needed to improve
    - timeliness and predictability of transfers
    - Operation and maintenance of PW assets
  - Critical to improve integration with other food security programs and rural growth
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# Questions for the future

Clear what we are transitioning out of (relief)  
but less clear what we are transitioning to

- Protection vs promotion – Are we heading for welfare or graduation?
- Predictability – long term sustainability?  
Resourced by donors, Current food price crisis?
- Reform of emergency system?



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# Thank You

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 **CPSNP**  
Productive Safety Net Programme