

Panel Discussion at the 146th FAO Council Side Event on: New Unified Approaches to end Hunger in Africa: Promoting Food Security and Nutrition

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At the 146th Session of the Food and Agriculture Organization of the United Nations (22-26 April), a 'side event' for panel discussion under the "New Unified Approaches to end Hunger in Africa: Promoting Food Security and Nutrition", was organized by the FAO Secretariat. The panelists were representatives of Angola, Ethiopia, Malawi and Republic of Congo, and I represented Ethiopia. The purpose of the side event was to review the experiences and challenges faced by selected African countries in promoting food security and nutrition. The following is what I discussed.

Ethiopia launched several important and new, innovative initiatives and programmes during the last two decades. Let me mention the major ones: The primary development framework was what was known as Agriculture Development-Led Industrialization (or ADLI), established in 1994 and placed the smallholder farmers, pastoralists and rural population as a whole at centre stage. The rationale was that these communities make up about 85% of the total population of Ethiopia (at least at the time of the launch), and a development endeavor that doesn't place such majority of the population at centre stage wouldn't bring about the desired results. It is gratifying to note that while Ethiopia recognized the critical share of smallholder agriculture in economic growth almost two decades ago, it has now become since recently a global agenda.

The main development agenda of the Government of Ethiopia is poverty eradication. All development policies and strategies are, hence, geared towards this end. Effective implementation of these policies and strategies in an integrated and comprehensive manner at various levels of government administration, as well as full participation of the population at large, is key for eradication of poverty and dependence on food aid in a shorter period of time.

Under the ADLI, several programmes were carried out, which include: Sustainable Development and Poverty Reduction Programme (SDPRP), covering the years 2002/3 – 2004/5; and Plan for Accelerated and Sustained Development to End Poverty (PASDEP), covering 2005/6 – 2009/10. During such plan periods remarkable achievements of economic growth and social development were registered.

GROWTH AND TRANSFORMATION PLAN (GTP)

The next important initiative is the Growth and Transformation Plan or GTP. On the basis of the experience gained thus far and the national vision, the Growth and Transformation Plan (GTP) was prepared with clear objectives and targets through public participation at both the federal and regional

levels. The GTP is a medium term national development framework for a five-year period (2010/11 – 2014/15). It is directed towards achieving the Millennium Development Goals (MDGs), Ethiopia's long term vision and sustaining rapid, broad-based and equitable economic growth anchored on the experiences that have been drawn from implementing pro-poor and pro-growth development policies and strategies undertaken since 1994. Therefore, the overriding development agenda of the GTP is to sustain, broad-based and equitable economic growth path witnessed during the past several years and eventually eradicate poverty.

The objectives for sustaining rapid, broad-based and equitable economic growth hinge on the following GTP's strategic Pillars:

1. Sustaining rapid and equitable economic growth
2. Maintaining agriculture as major source of economic growth
3. Creating conditions for the industry to play key role in the economy
4. Enhancing expansion and quality of infrastructure development
5. Enhancing expansion and quality of social development
6. Building capacity and deepening good governance
7. Promote gender and youth empowerment and equity.

During 2010/2011, the first plan period, the country has registered 11.4% real GDP growth rate. The 2011/2012 result is expected to be announced shortly. The agriculture and industry sectors have registered growth rates surpassing their targets for the fiscal year.

The Food Security Programme

The other important programme relates to the Food Security Programme (FSP). The 2002-2003 food crises in Ethiopia in which 14 million people, the largest number ever, needed emergency support. This crisis prompted action from the Ethiopian Government: In June 2003, the Government convened a meeting with development partners and NGOs to explore long term solutions to food security. The result of the meeting was the formation of the "New Coalition for Food Security". The New Coalition for Food Security introduced a Food Security Programme comprising four elements: resettlement, productive safety net, household asset building and complementary community investment (CCI). The Productive Safety Net Programme (PSNP) complements the emergency system which still addresses the transitory food insecure population. The PSNP was aimed at shifting millions of people out of the emergency relief programme, while also enabling them to graduate out of the safety net and into sustainable food security. Development partners embraced the safety net but were skeptical about the other components, and subsequently, the government funded those other three elements.

The core objectives of the PSNP were:

- * To enable chronically food insecure people attain food security, and
- * To improve significantly the food security situation of the transitory food insecure people.

The objectives of the other three are:

- The main objective of the resettlement programme is to enable chronically food insecure households attain food security through improved access to land.
- The objective of the Household Asset Building Programme (HABP) is to contribute to achievement of the FSP's expected outcome of improved food security status of male and female members of food insecure households living in chronically food insecure woredas (districts).
- Complementary Community Investment is an intervention which is designed to create community assets and complement household investment through creating an enabling environment.

In the four major Ethiopian Regions, some 241,903 heads of households have been resettled between 2002/3 and 2011/12, and 224,192 or 93% of them have become food self-sufficient.

In the Household Asset Building Programme, beneficiaries are provided with agricultural packages and with credit facilities. As a result of this Programme, 549,812 heads of households graduated from five regions and one chartered city between 2007/8 and 2011/12.

The Complementary Community Investment (CCI) component of the FSP is a programme of capital intensive community infrastructure development aimed at benefiting groups of food insecure populations living in selected chronically food insecure woredas (districts).

Investment focuses in pastoral, semi-pastoral and moisture stressed highland areas. So far considerable progress has been made in the implementation of CCI:

- Access to water for both humans and animals were enhanced in pastoral and agro-pastoral areas.
- Large areas of land were developed through irrigated agriculture.
- Pastoral peoples have started living settled life.
- Food security situation in the pastoral areas has shown an improvement.

PRODUCTIVE SAFETY NET PROGRAMME (PSNP)

The PSNP was launched in 2005 and currently reaches 6.88 million chronically food insecure people. It has two objectives: First, it aims to smooth consumption and protect assets of chronically food insecure households by providing them with predictable and adequate transfers of cash and/or food. Second, it aims to build community assets (e.g. roads, soil and water conservation structures, schools, clinics), through intensive public works – this is the productive part of the PSNP. The goal to which the PSNP contributes is to “graduate” people from food insecurity. This is to be achieved through a combined effort of the PSNP and complementary programmes providing access to credit, agricultural extension and other services.

PSNP PLUS was launched in 2009 to augment PSNP proper. The PSNP PLUS project is designed to assist poor households by linking them to micro finance services and functioning markets, a necessary step to lift people out of dependence on the PSNP. The PSNP PLUS project works with micro finance institutions

to develop products and services which will increase the financial assets of PSNP beneficiaries, as well as strengthening the financial literacy and business skills of the PSNP beneficiaries themselves to promote savings. The project targets four agricultural products – honey, haricot beans, livestock fattening and cereal production to increase farmers' income.

The PSNP is operating in 8 of the 9 Regional States covering 319 districts out of over 500 districts. This is about 60% of area coverage. In 2005 the number of beneficiaries in the PSNP was 4.83 million; by 2012/2013, the number is 6.88 million clients. In terms of population, this is about 8.5% of the total population.

The PSNP works through government financial and food distribution channels. It is administered through the Food Security Coordination Bureau (FSCB), part of the Ministry of Agriculture. The Programme provides a mix of cash and food transfers to participants. The PSNP has both a public works (conditional) transfer component and a direct (unconditional) transfer components. Most of PSNP participants (80-90%) are required to contribute to public works. They are paid for up to five days per month, per household member, for six months each year. Households eligible for direct unconditional transfers are those who, in addition to being chronically food insecure, have no labour and no other sources of support. They may include disabled people, orphans, and people who are sick, elderly, pregnant or lactating women.

ETHIOPIAN AGRICULTURAL TRANSFORMATION AGENCY (ATA)

The ATA started operation in August 2011. It is a results-driven organization within the Government of Ethiopia that reports to a transformation council chaired by the Prime Minister. ATA aims to support the transformation of the agriculture sector so that it substantially contributes to the goal of Ethiopia achieving middle-income status by 2025. The ATA accelerates change by strategically working with multiple stakeholders including the Ministry of Agriculture, other ministries, the regions, civil society, the private sector, non-governmental organizations, farmers, and development partners. In this way ATA ensures that efforts are aligned, activities are supported, and an enabling environment is created so that farmers will benefit from the adoption of proven technologies and thereby increase their yields and income, and thus contribute to the development of their families, their communities, and the country. ATA considers itself as a change agent. It is supported by the Gates Foundation.

ISSUES FACED DURING IMPLEMENTATION

The issues faced during implementation include development finance; weak institutional capacity; inflationary pressures, etc. The inflationary pressure since 2009 has been one of the challenges faced by Ethiopia. The Government has implemented short, medium and long term policy measures to ease and eventually control the inflationary pressures. In the short term, food items (wheat, edible oil and sugar) were imported and supplied to the local market. In the medium term, prudent monetary and fiscal measures, including ending of direct government borrowing from central bank, maintaining low budget deficit, and sterilizing the excess foreign exchange reserve were taken. Inflationary rate stood at 15.8% as of end of October 2012, and at 7.6% as at March 2013.

Domestic resource is considered the first alternative to finance development of the country, but it needs to be complemented by scaling up foreign financing to ensure full-fledged implementation of programmes in the GTP. Therefore, there is still an urgent need for scaling up Official Development Assistance (ODA). In the short and medium terms, the issue of low level of external development finance and its unpredictability has still remained a critical challenge. External grant is the lowest compared with Sub-Saharan African average.

We, therefore, see the contribution that FAO and other development partners can make in helping our country accelerate the eradication of hunger, food insecurity and malnutrition, including through increased production and productivity, improvement and enhancement of access to markets, institutional capacity building, development finance, etc., within their mandates and competency.

Thank you.