



## **Resilience & Risk Management Strategies - An Experience Exchange**

### **Common households and communities risks in Ethiopia**

Drought, population pressure, natural resource degradation, conflict and flood are common development challenges and risks affecting lives and livelihoods in Ethiopia. Climate change and variability exacerbate the problem and increased people vulnerability particularly in the low land areas and food insecure highlands where rain fall is unpredictable. Coupled with the prevalence of pests and livestock disease; as result of climate variability pastoralists and farmers are experiencing recurrent drought, heavy rain and high temperatures over the last couple of decades which affected production and productivity of crop and livestock. This intern substantially affected income of the subsistence farmers and livestock herders.

Drought covers vast area of the country that constrains the community to practice common traditional coping strategies like, migration and community social support. Thus, it weakens the community support system, triggered asset depletion and unable to conduct the community natural resource management. It rather initiates conflicts over resources. When the community is unable to practice the common copping strategies during shocks it will be forced to practice negative coping mechanisms, like sell of productive asset, total family migration and degradation of natural resources. This leads the community to be non-resilient for even smaller shocks.

### **USAID interventions to buildup resilient community**

USAID Ethiopia is supporting several projects linked with resilience building in pastoralists and food insecure highland areas of the country. Although there are some good examples of joint planning and implementation like PRIME and LAND activities, most of these activities, however, designed and implemented independently to achieve specific objective in a complex system consisting of several interacting and interdependent components.

In farming dominated areas our strategy focuses on three core components: agricultural growth-enabled food security, linking the vulnerable to markets, and fostering a regulatory environment and private sector favorable to economic growth. Our Pastoralist Areas Resilience Improvement through Market Expansion (PRIME) project in pastoral areas is a multi-sectoral

work with market facilitation approach, with five components: market and productivity, natural resource management, transitional assistance to dropouts, nutrition and knowledge management.

At the EG&T office level there is an initiative started to coordinate FtF activities for integration to achieve high level poverty reduction results. However, much is required to improve joint planning, implementation and monitoring among the different offices which has complimentary initiatives in the same geographies which could potentially contribute for sustained resilience building. The mission understood the need for coordination of different offices as part of the current CDCS preparation and discussions are going to develop common agenda and better coordinated framework for joint programing, monitoring and learning.

### **Risk management strategies**

USAID is implementing activities such as PRIME, Growth through Nutrition, Livelihood for Resilience (LrR), Agriculture Value Chain, PSNP, etc... to support resilience among vulnerable farmers and pastoralist communities in Ethiopia to enhance prospects for long-term development. The initiatives such as PRIME and LrR designed to be transformative and innovative, and to achieve scale through market facilitation approaches to crop and livestock production and livelihood diversification that simultaneously support communities adapt to a changing climate. These activities work to increase household incomes through improve productivity and competitiveness of livestock and livestock products; enhance pastoralists' adaptation to climate change, strengthen alternative livelihoods for households transitioning out of pastoralism, ensure enhanced innovation, learning and knowledge management; and improve nutritional status of targeted households through targeted, sustained and evidence-based interventions.

Evidence from resilience monitoring by independent firm showed that PRIME's activity beneficiaries who were reached with full suite of resilience programs experienced a minimal decline (4%) in their food security, while other households' declined significantly (30%) when they were hit by the most severe drought conditions 2015/16. This demonstrates that targeted long-term investments can break this cycle of poverty and improve the resilience capacity of people to shocks and stresses. Other studies estimated that every \$1 spent on resilience will result in a \$2.9 return over 20 years in the form of reduced humanitarian spending, avoided losses, and protect development gains.

### **Other specific risk reducing initiatives**

- Strengthening early warning information provision and utilization: PRIME provided down scaled seasonal weather forecast complimented by local predictions, facilitate scenario development and agriculture advisories. These advisories and actions are discussed through locally established Social analysis and action groups for sustainability. PRIME instituted Crisis Modifier Approach to stimulate and trigger timely response to protect livelihoods and development gains
- Index based crop and livestock Insurance
- Utilization of market based interventions to implement risk management activities: e.g. voucher based livestock health service, cash transfer for drought affected HHs, voucher based livestock feed provision to save core breeding animals, etc

### **Other interventions to improve resilience and future planes**

There are different activities under USAID Ethiopia conducted to improve community resilience to shocks. Livestock Market Development, WASH, small scale irrigation, Livelihood diversification, Agriculture Value Chain and Growth through Nutrition are some of them. Local traders group, feed lots and business groups were established to have updated information about the upcoming rainfall situation to plan for market intervention. Micro finance institutions could also be a good entry point for market intervention at the time of shocks. Private vet clinics and Farm Service Centers could also be used at the time of shock to transfer inputs for the affected community either through voucher system or direct cash transfers.

We are planning to have strong private sectors that help the available market work for the poor and near poor households. This might need policy intervention in areas of taxation, input supply and foreign currency earnings.

Learning from the past, USAID is planning to improve sequencing, layering and integration of productive safety net, social services, livelihood diversification, marketing, nutrition, good governance activities through improving joint programming, and management developing resilience strategy and common agenda for the mission.