Assessment of the Contribution of the Productive Safety Net Program (PSNP) to Household Asset Building in Selected *Kebeles* of Konso Special *Woreda*

By
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Abstract

This study[2] assessed the impact of the Productive Safety Net Program (PSNP) on the asset ownership of the beneficiary households. Data were gathered through household survey, focus group discussion (FGD) and key informants interview. Despite the encouraging change on the consumption pattern of households, PSNP has been less successful in rebuilding a strong asset base that could enable the graduation of many poor households out of food insecurity. The study has found that low rate and delay of payments, overlap of PSNP-public works program with local farming season, absence of the integration of PSNP with other food security program interventions, transfer of resources that does not meet beneficiary preferences, poverty and droughts were impediments that constrained the potential of the program.

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Introduction

Food insecurity is the lack of access to sufficient food. It occurs as chronic or transitory. Chronic food insecurity is a continuous inadequacy of diets whereas transitory food insecurity is a temporary decline in a household's access to enough food (Reutlinger, 1988). Food insecurity is a universal problem; however, studies demonstrate that the problem largely affects developing countries. Ethiopia is among the bottom of the least developed countries where millions of households, particularly in rural areas, suffer from chronic food insecurity and depend on food aid every year. Konso Special *Woreda* (KSW) is one of the most drought-affected areas in Ethiopia where food insecurity is a persistent problem.

Development actors adopt various food security strategies and programs to reverse the adverse effects of food insecurity. However, in Ethiopia, food aid, which is a standard response to transitory food shortage, has been an institutional response to chronic food insecurity for a long period. The dependency on food aid has undermined food security in Ethiopia (Devereux, 2000). Recognizing the seriousness of food aid dependency, the Ethiopian Government has adopted a comprehensive Food Security Program (FSP), which focuses on reducing vulnerability and linking relief and development.

In 2005, the Government launched one of the main components of FSP initiative known as Productive Safety Net Program (PSNP). With other food security program interventions (provision of improved seeds, agricultural implements, credit service, chicken, livestock, modern beehives, and development of irrigation and water harvesting schemes), PSNP was aimed at enabling households escape from food insecure to food secure status within 3-5 years through smoothing household consumption, protecting and rebuilding household assets, and

creating community assets. To these ends, huge amounts of resources in cash and in kind have been transferred to the beneficiaries for more than four years.

After such significant period of program implementation, however, both PSNP beneficiaries and non-beneficiaries in Konso Special Woreda were severely affected by the 2008 food crisis that was induced by the crop failures of 2007/08 *belg* season. The inability of PSNP beneficiaries to withstand such food shortage despite PSNP assistance to their consumption and household asset building thus reminds one to question the effectiveness of the program. This instance calls for critical analysis of the effectiveness of PSNP in smoothing household consumption, protecting and rebuilding household asset, and ultimately achieving food security at the household level.

2. Methodology

An evaluation research method was employed to undertake this study and qualitative and quantitative aspects of evaluation research have been used. PSNP has been implemented in 35 rural *kebeles* out of 50 total *kebeles* found in Konso Special Woreda and the research was conducted in 4 selected *kebeles.* The study population was 1723 households composed of Public Works (PW) and Direct Support (DS) beneficiaries residing in the four *kebeles*. From the population, 200 sample households were drawn. Based on the disproportionate stratified sampling technique, 50 households were allotted for each *kebele.* Regardless of actual female-headed household proportion in the total beneficiaries, an effort has been made to increase their proportion in the sample size in order to minimize the generation of male-headed household dominated data. Thus, out of total sample size, 72 (36 percent) were female-headed households and 128(64 percent) were male-headed households. At each *kebele* level, the sample population was allotted proportionally for male and female-headed households of public works and direct

support beneficiaries. Lastly, individual sample households were identified by simple random sampling.

3. Review of Literature

3.1. Concepts and Dimensions of Food Security

The concept of food security originated as part of the discussion on international food problems at the World Food Conference of 1974. Conceptually, it has gone through several stages but now-a- days it is mostly defined '*as access by all people at all times to sufficient food for active and healthy life'* (World Bank, 1986).

The definition encompasses three main dimensions of food security namely availability, adequacy and accessibility of food. Food Availability refers to sufficient food production and encompasses the concept of food sufficiency to sustain life for the entire population. It also implies that food production and supply are dependable in the face of possible production shortages due to general causes, such as natural disasters and civil disturbances (Lal, et al, 2002). Food Adequacy refers to differing nutritional needs by various segments of the population throughout the year (Lal et al, 2002). Food Accessibility encompasses not only transportation and marketing but also the means by which food is acquired. Producing an adequate food is not enough; consumers must be in a position to purchase or obtain the necessary food (Lal et al, 2002).

The problem of food security affects nations and citizens. It increases people's vulnerability to diseases, curtails learning capability, reduces productivity, and ultimately makes it difficult for citizens and nations to extricate themselves from the cycle of poverty (Routlinger, 1988). In response to this serious problem, the countries that suffer from the problem adopt various policy strategies to achieve the food security of their citizens.

3.2. Food Security Policy Strategies

As a concept, food security mainly implies the issue of food availability, food access and food adequacy for all. In consonance with this, scholars and concerned authorities propose different policy strategies that are suitable to alleviate short and long-term food security problems. The UN Food and Agriculture Organization (FAO, 2006) for instance proposed that food security strategies in developing countries need to focus on the growth of agricultural and rural development. This is because the majority of the poor live in the rural areas and are engaged in the agricultural sector. Hence, improvements in the agricultural and rural sector can increase production and result in increased food availability, lower prices at local level, and stability of food supplies. In addition, targeted social safety net interventions are crucial measures as well.

3.3. Social Safety Nets

3.3.1. Definition and Rationale of Social Safety Nets

Social safety nets as social security programs have become essential components of public policy poverty reduction strategy programs (World Bank 1990, Graham 1994, Walle & Nead 1995 in Haddad & Zeller, 1997). According to Haddad & Zeller (1997), one of the main objectives of social security programs is insurance, which is protecting people from the adverse impact of poverty or any other social malaise. In connection with this, Devereux (2005) defines social safety nets as income insurance to help people through livelihood shocks and stresses, such as those caused by drought, illness, unemployment, or displacement during war. In the discussion on entitlement, scholars like Diéze and Sen (1989) write that social safety nets are entitlement protection measures which aim to prevent or ameliorate an acute

decline in living standards that follows a livelihood shock in such as famine relief.

In contrast to entitlement protection measures, there are entitlement promotion measures which aim at the enhancement of living standards to reduce chronic poverty and livelihood insecurity in the long-term, such as labor intensive public works and micro-credit programs. These measures can lift the chronically poor out of poverty or at least reduce the severity of their poverty. Regardless of the dichotomy, literature on linking relief with development reveals that integration of the two extremes is possible. Therefore, safety nets can have either entitlement protecting or entitlement promoting outcomes or both which simultaneously transfer income or food and create household as well as public assets to enhance future livelihoods.

3.4. Ethiopia's Productive Safety Net Program (PSNP)

Ethiopia's PSNP is a multi-year program targeted at those *woredas* identified as chronically food insecure in 8 regions (Tigray, Amhara, Oromiya, SNNP, Afar, Somali, rural Harari and Dire-Dawa). It provides cash and/or food transfers to the food insecure people to improve consumption, prevent asset depletion at the household level and create assets at the community level. The PSNP has two components---public works and direct support where the former is labor-intensive community-based activities designed to provide employment for chronically food insecure people in exchange for labour; and the latter is the way to ensure support to those chronically food insecure households, who cannot provide labour at all, and have no other means of support (MoARD, 2006).

Payments to both public works and direct support beneficiaries can be made in cash or in kind. If the payment is in cash, a household receives 30 birr per month per person; and if the

payment is in food, a household receives 15 kgs of grain plus pulses and oil per month per person. The amount of public works payment, however, is dependent on the actual number of days of labour contributed by a household (MoARD, 2006).

PSNP is designed in a way to integrate with other food security program interventions and broader *woreda* development programs to accelerate the rate and the probability of attaining household food security. Accordingly, participation in PSNP makes a household eligible to participate in the other food security program interventions. The integration of PSNP and other food security program interventions and broader *woreda* development programs within three-five years is expected to enable households to become food secure or graduate from food insecurity. Graduation to food security implies that the household is no longer chronically food insecure and has the economic resilience to withstand falling back into chronic food insecurity in the future (Devereux et al, 2006). It is seen as a key goal of the government that requires the contribution of PSNP, other food security programs and broader *woreda* development interventions (Ministry of Agriculture and Rural Development (MoARD) 2006).

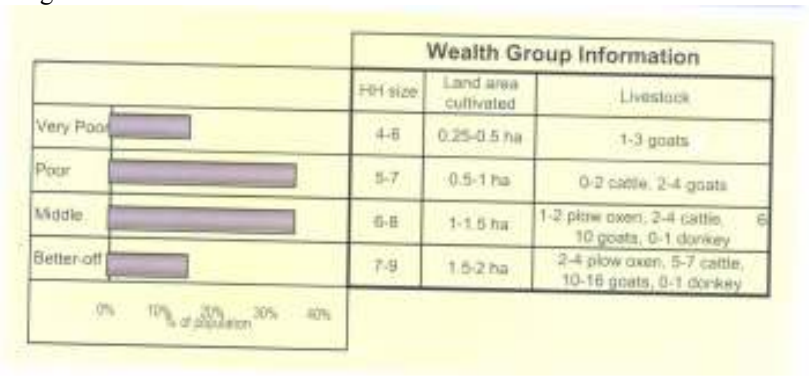
3.5.Zone Sample Households' Economy Data before 2005

A 2005 study by the SNNP-Disaster Prevention and Preparation Bureau (DPPB) classified Konso Special Woreda under 3 different livelihood zones: Lowland Cereal Livelihood Zone; Cereal, Enset and Root crop Livelihood Zone; and Agro-pastoral Livelihood Zone within which people share basically the same patterns of access to food. A place is where a household lives and its wealth status are the factors that determine household's options for obtaining food and generating income. Since the latter is the major factor, SNNP-DPPB further grouped

households in each livelihood zone by their level of wealth (wealth in this discussion is seen in relation to local standards).

The SNNP-DPPB study provided household economy baseline data of a typical household in each wealth group for the year 2003/04. The study also provided the wealth breakdown of a typical household belonging to the sample *kebeles*' Zone or Lowland Cereal Livelihood Zone to examine the impacts of PSNP on asset ownership and wealth rank. Wealth in the livelihood zone is determined primarily by area of land and number of livestock owned. Based on the study, the households of the livelihood zones are categorized into four levels of wealth rank as illustrated in Diagram 1.

Diagram 1: Land and livestock assets based household wealth rank categorization



Source: SNNP-DPPB (2005)

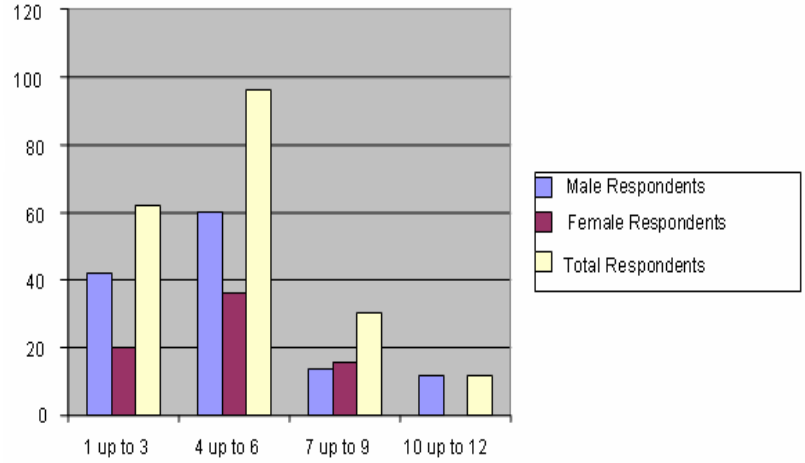
The land and livestock owned by middle and better-off households enables them to produce more than poorer groups. As a result, they are relatively food secure. The poor and very poor own small sizes of land and livestock as compared to the middle and better-off (SNNP-DPPB, 2005).

4. Discussion

4.1. Household Consumption Status before PSNP

To gather baseline information, the survey had assessed retrospective data about the consumption patterns of the sample households. It was found that households were unable to meet their annual food needs form own livelihood neither did they meet their annual food requirements from own production before PSNP intervention. In addition, respondents faced food shortages for consecutive years prior to PSNP intervention. Consecutive years during which the households faced the difficulty of satisfying household food needs ranged from 1-12 years.

Diagram 2: Consecutive years for which the households have faced food crises before PSNP intervention



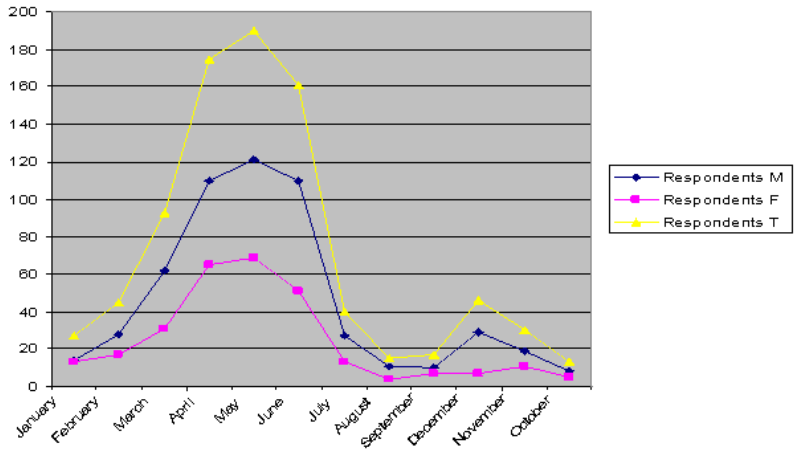
Source: Researcher's Household Survey

As can be observed from Diagram 2, the households who faced food deficiency for 1-3 consecutive years were 62 (31 percent). The households who faced the same problem for 4-6, 7-9, and 10-12 consecutive years were 96 (48 percent), 30 (15 percent),

and 12 (6 percent) respectively. The mean consecutive years for which the sample households had encountered food deficits before PSNP intervention are five. This shows that many of the sample households were severely suffering form the problem of food insecurity when compared to the parameter (facing food deficit for 3 months, for about 3 continuous years) used to target PSNP (MoARD, 2006).

The survey also investigated the months during which the respondents used to face food shortages annually. In graph 1 May is confirmed as a hunger month by 190 (95 percent) of the survey households. In addition, April as reported by 175 (87.5 percent) and June by 161 (80.5 percent) of the survey households are indicated as the hunger months. The data show that there was not a single month in a year in which none of the sample households did not face food deficit. In other words, in all months of the year there are at least some who face food deficit.

Graph 1: Households who used to face food shortage in each month of a year before PSNP intervention



Source: Household Survey

4.2. Households Asset Ownership before PSNP

Farmland holding

As displayed in Table 1, 174 households (87 percent) of the households have access to land and the rest 13 percent were landless

Table 1: Farmland size levels, status and the number of HHs owning land

Wealth level	**HH farm-land /h**	**PW beneficiaries**			**DS beneficiaries**			**Grand total**		
		M	F	T	M	F	T	M	F	T
Very poor	Land less 0-0.5	7(3.5) 96(48)	7(3.5) 35(17.5)	14(7) 131(65.5)	1(0.5) 7(3.5)	11(5.5) 17(8.5)	12(6) 24(12)	8(4) 103(51.5	18(9) 52(26)	26(13) 155(77.5)
	Total	**103(51.5)**	**42(21)**	**145(77.5)**	**8(4)**	**28(14)**	**36(18)**	**111(55.5**	**70(35.5)**	**181(90.5)**
Poor	0.5-1	15(7.5)	2 (1)	17(8.5)	-	-	-	15(7.5)	2(1)	17(8.5)
Middle	1-1. 5	2 (1)	-	2(1)	-	-	-	2(1)	-	2(1)
Better off	1.5-2	-	-	-	-	-	-	-	-	-
Farm land fertility status										
Fertile Moderate Poor		1(0.5) 41(20.5) 71(35.5)	- 9(4.5) 28(14)	1(0.5) 50(25) 99(49.5	- 2(1) 5(2.5)	- 5(2.5) 12(6)	- 7(3.5) 17(8.5	1(0.5) 43(21.5) 76(38)	- 14(7) 40(20)	1(0.5) 57(28.5) 116(58)

Source: Household Survey

As depicted in Table 1, 155 (77.5 percent) of the sample households have a landholding not exceeding 0.5 hectare; 17 (8.5 percent), and 2 (1 percent) of the households have a farmland size within the range of 0.5-1 and 1-1.5 hectare respectively. On aggregate, the mean size of landholding of the sample household was 0.3 hectare. It should be noted here that for subsistence farmers the size of farmland is the crucial element for production. Especially in Konso, where modern cultivation techniques are almost non-existent, the magnitude of production largely depends on the size of the farmland. In other words, the higher the size of farmland, the greater will be the harvest or vice versa. Therefore, small land landholding situation among the sample households seems to be an inherent cause for their food insecurity.

Besides the size of farmland, the fertility of the land and irrigable land ownership influence farmers' productivity. In connection to this, the survey result revealed that none of the households reported the use of irrigation farming. As to their farmland fertility, 116 (58 percent) households said that their farmland is poor whereas 57 (28.5 percent) and 1 (0.5 percent) household respectively stated that the status of their farmland is moderate and fertile. Available data indicate that the land quality of many sample households was poor. This in turn minimizes households' productivity and results in persistent food insecurity.

4.3 Livestock Holding

Livestock possession is the second determinant criteria to level the wealth of rural households in Konso community. The survey has gathered the data of households' livestock possessions as presented in Table 2.

Table 2: Household livestock wealth status before PSNP intervention

Wealth Ranks	Livestock Wealth Groups	PW Beneficiaries			DS Beneficiaries			Grand total		
		M	F	T	M	F	T	M	F	T
Very Poor	HHs with no Livestock 1-3 goats/sheep	56(28) 37(18.5)	22(11) 20(10)	78(39) 57(28.5)	5(2.5) 3(1.5)	22(11) 6(3)	27(13.5) 7(3.5)	61(30.5) 40(20)	44(22) 26(13)	105(52.5 66(33)
	Total	**93(46.5)**	**42(21)**	**135(67.5)**	**8(4)**	**28(14)**	**34(17)**	**101(55.5)**	**70(35)**	**171(85.5**
Poor	0-2 cattle 2-4 goats/sheep	27(13.5)	2(1)	29(14.5)	-	-	-	27(13.5)	2(1)	29(14.5)
Middle	1-2 plow oxen 2-4 cattle 6-10 goats/sheep 0-1 donkey	-	-	-	-	-	-	-	-	-
Better-off	2-4 plow oxen 5-7 cattle 10-16 goats/sheep 0-1 donkey	-	-	-	-	-	-	-	-	-

Source: Household Survey.

As clearly seen in Table 2, 105 (52.5 percent) of the households did not have any livestock holding prior to PSNP intervention. 66 (33 percent) of the households had about 1-3 goats/sheep. Generally, in terms of livestock ownership, 171 (85.5 percent) households were in the very poor wealth rank. The remaining 29 (14.5 percent) households had own the livestock asset level of poor wealth rank. Out of the four levels of wealth ranks, all the sample households were found in the lower two wealth rank groups. Therefore, it can be concluded that the status of livestock assets of the sample households is very small and thus reflects the prevalence of high magnitude of poverty among the households and low capacity to access enough food.

4.4 Uses of PSNP Transfers

PSNP transfers have been delivered to the beneficiary households since 2005. According to the Woreda Agriculture and Rural Development Office (WARDO), the transfer payment in 2005 was made in kind (i.e., food) . But, in 2006, a combination of cash and food transfers was delivered. From 2007 onwards, the program has been transferring cash to the beneficiaries. At the beginning, the amount of transfer payment that each beneficiary was entitled to receive was 6 birr per day or 30 birr per month or 30 birr of worth of food. From 2005 to 2007, this meant the transfer payment was made on the basis of this initial standard for three years. In 2008, the amount of transfer payment was raised to 8 birr and as a consequence the monthly payment was 40 birr per person. Again the payment per day has grown for the second time from 8 to 10 birr from 2009 onwards. Each beneficiary in this case is entitled to receive 50 birr per month. The main reason for the improvements of the transfer was the scaling up of the price of food grain.

4.5 Cash Transfer The survey data in Table 3 show the purposes for which the beneficiaries have used the cash resources.

Table 3: Use of cash transfer

No	Questionnaire Items	PW Beneficiaries			DS Beneficiaries			Grand total		
		M	F	T	M	F	T	M	F	T
1	Use of cash transfer									
A	Consumption									
a	Buy staple food	120(60)	44(22)	164(82)	8(4)	27(13.5)	35(17.5)	128(64)	71(35.5)	199(99.5)
b	Buy other food(meat, butter, vegetables, etc)	37(18.5)	10(5)	47(23.5)	3(1.5)	8(4)	11(5.5)	40(20)	18(9)	58(29)
c	Buy clothes	119(59.5)	39(19.5)	158(79)	5(2.5)	27(13.5)	32(16)	124(62)	66(33)	190(99.5)
d	Lend some cash to others	1(0.5)	1(0.5)	2(1)	-	-	-	1(0.5)	1(0.5)	2(1)
e	Pay taxes	87(43.5)	30(15)	117(58.5)	2(1)	8(4)	10(5)	89(44.5)	38(19)	127(63.5)
	Pay for social obligations	74(37)	27(13.5)	101(50.5)	3(1.5)	10(5)	13(6.5)	77(38.5)	37(18.5)	114(61)
B	Investment									
a	Repay debt	81(40.5)	26(13)	107(53.5)	3(1.5)	12(6)	15(7.5)	84(42)	38(19)	122(61)
b	Buy seeds	60(30)	13(6.5)	73(36.5)	1(0.5)	4(2)	5(2.5)	61(30.5)	17(8.5)	78(39)
c	Buy fertilizers	-	-	-	-	-	-	-	-	-
d	Pay for health costs	95(47.5)	31(15.5)	126(63)	4(2)	19(9.5)	13(6.5)	99(49.5)	50(25)	149(74.5)
e	Pay for children education	59(29.5)	16(8)	75(37.5)	2(1)	5(2.5)	7(3.5)	61(30.5)	21(10.5)	82(41)
f	Use for petty trade	8(4)	22(11)	8(4)	2(1)	11(5.5)	2(1)	10(5)	33(16.5)	10(5)
g	Buy livestock	85(42.5)	13(6.5)	107(53.5)	-	4(2)	11(5.5)	85(42.5)	17(8.5)	118(59)
h	Buy farm tools	61(30.5)	1(0.5)	74(37)	1(0.5)	-	5(2.5)	62(31)	1(0.5)	79(39.5)
i	Buy farm land	7(3.5)		8(4)	-		-	7(3.5)		8(4)

Source: Household Survey

As displayed in Table 3, nearly all sample households have used to spend the cash transfer to buy staple food. 190 households (95.5 percent) had indicated that they used the cash transfer to buy clothes. These two were the most important consumption items for which almost all households have spent the cash transfer. Among the investment items, 149 (74.5 percent) households have spent on health care, 122 (61 percent) households used to repay debt, and 118 (59 percent) households bought livestock. The sample households' cash transfer spending trend demonstrates that the majority of the households have spent more on consumption than on investment items.

4.6 Food Transfer

The survey also assessed how the beneficiaries have used food transfers and the summary is presented summarized Table 4.

Table 4: Use of food transfer by beneficiaries

No	Questionnaire Items	PW Beneficiaries			DS Beneficiaries			Grand total		
		M	F	T	M	F	T	M	F	T
1	Use of food transfer									
A	Eat all the Food	120(60)	44(22)	164(82)	8(4)	28(14)	35(17.5)	128(64)	72(36)	200(100)
B	Sell to buy other food	66(33)	17(8.5)	83(41.5)	3(1.5)	9(4.5)	12(6)	69(34.5)	26(13)	95(47.5)
C	Give for repayment	1(0.5)	2(1)	3(1.5)	-	-	-	1(0.5)	2(1)	3(1.5)
D	Sale to buy household assets	5(2.5)	4(2)	9(4.5)	-	1(0.5)	1(0.5)	(2.5)	5(2.5)	10(5)

Source: Household Survey

Survey result shows that all of the households have used the food transfer mainly for consumption. The households who used to sell the food transfer in order to buy other food items were 95 (47.5 percent). Extremely small numbers of households have used the food they received for other payments and sold in order to buy other household assets.

In the focus group discussion on the purposes for which PSNP beneficiaries have used the transfers, the participants begun with the description of their past life conditions. Many reported, "Before PSNP intervention, we were chronically food insecure; we often spent a day without a meal; worked for others to feed ourselves; gathered wild foods for consumption; and in general we were completely destitute." The FGD participants also explained that they used PSNP transfers to satisfy many of their needs, for consumption and to cloth themselves; for health expenses of ill household members; to buy livestock and agricultural implements, and for the schooling of their children, especially to purchase educational materials; to maintain old house units and build new ones; to prevent the sell of livestock for minor emergencies and food purposes; to avoid borrowing from local lenders to buy food.

4. 7 Impacts of PSNP Transfers

4.7.1 Impact on Household Consumption

It has been proved that the majority of the beneficiaries have used both cash and food transfers mainly for consumption purposes. The results of the survey on the impact of the transfers on the consumption of sample households are presented in Table 5.

Table 5: Households' perception about their consumption after PSNP intervention

No	Questionnaire Items	PW Beneficiaries			DS Beneficiaries			Grand total		
		M	F	T	M	F	T	M	F	T
1	Did PSNP improve your consumption?									
a	Yes	93(46.5)	41(20.5)	134(67)	8(4)	22(11)	30(15)	101(50.5)	63(31.5	164(82)
b	No	27(13.5)	3(1.5)	20(15)	-	6(3)	6(3)	27(13.5)	9(4.5)	36(18)
2	Household members daily meal frequency									
a	Adult									
	1	2(1)	-	2(1)	-	-	-	2(1)	-	2(1)
	2	40(20)	16(8)	56(28)	5(2.5)	10(5)	15(7.5)	45(22.5)	26(13)	71(35.5)
	3	51(25.5)	24(12)	75(37.5)	3(1.5)	12(6)	15(7.5)	54(27)	36(18.5)	90(45)
	4	-	1(0.5)	1(0.5)	-	-	-	-	1(0.5)	1(0.5)
b	Children									
	1	-	-	-	-	-	-	-	-	-
	2	12(6)	4(2)	16(8)	-	4(2)	4(2)	12(6)	8(4)	20(10)
	3	61(30.5)	28(14)	89(44.5)	2(1)	10(5)	12(6)	63(31.5)	38(19)	101(50.5)
	4	20(10)	9(4.5)	29(14.5)	6(3)	8(4)	14(7)	26(13)	17(8.5)	43(21.5)

Source: Household Survey

As can be seen from item 1 of Table 5, 164 (82 percent) of the households said that the food and the cash transfers have improved their consumption. Regarding the adults' meal frequency, 71 (35.5 percent) and 91 (45.5 percent) of the sample households indicated that adults ate twice and thrice a day respectively. In the case of children, 101 (50.5 percent) and 43 (21.5 percent) of the households replied that after PSNP intervention they could feed their children thrice and four times a day respectively. In contrast to the above discussion, 36 (18 percent) of the households denied the effectiveness of PSNP in improving their household consumption.

The FGD participants have stated mixed views concerning the impact of PSNP on smoothing consumption. Some participants said, "Had the PSNP not been implemented, most of us would have died." Others stated that PSNP did not enable them to have adequate meals as required in a day. Major reasons provided by the survey households and FGD participants for the failure of PSNP in smoothing consumption were sharing of the received

transfers among non-targeted households; delay of payments; poverty and droughts that constrain households' own food production.

4.8 Impact on Household Assets

In addition to smoothing consumption, PSNP has been meant to prevent the erosion of household assets and enable households to stabilize livelihoods and also begin the process of rebuilding their livelihood base (DPPA, 2008). As tabulated in Table 6, 122 (66 percent) of the households replied that PSNP had increased their household assets, and the remaining 78 (34 percent) said that it had not changed their household assets.

Table 6: Households' perception about their assets after PSNP intervention

No	Questionnaire Items	PW Beneficiaries			DS Beneficiaries			Grand total		
		M	F	T	M	F	T	M	F	T
1	PSNP impact on household assets									
a	Increased	81(40.5)	22(11	103(50.5)	8(4	11(5.5)	19(9.5)	89(44.5)	33(16.5)	122(61)
b	Maintained	39(19.5)	22(11	61(30.5)	-	17(8.5)	17(8.5)	39(19.5)	39(19.5)	78(39)

Source: Household Survey

In order to examine the extent of the increase in the households' assets after PSNP intervention, the survey assessed livestock possessions of the beneficiary households and the summary is presented in Table 7.

Table 7: Wealth ranks and households' livestock asset status after PSNP intervention

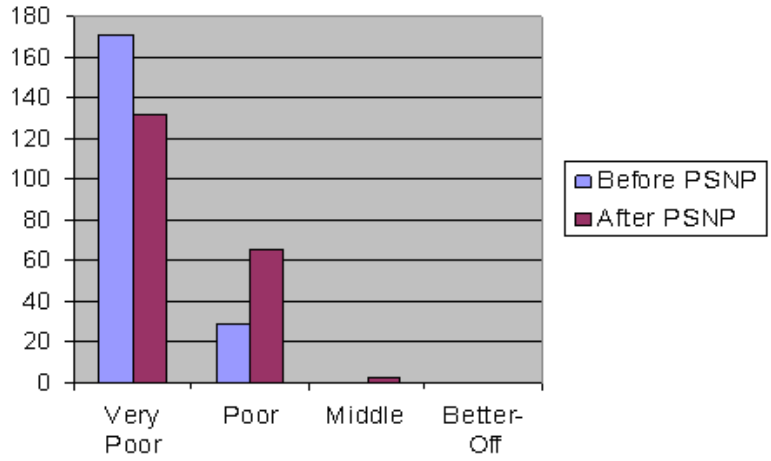
Wealth Ranks	Livestock Wealth Groups	PW Beneficiaries			DS Beneficiaries			Grand total		
		M	F	T	M	F	T	M	F	T
Very Poor	HHs with no Livestock 1-3 goats/sheep	3(1.5) 58(29)	6(3) 30(15	9(4.5) 89(44.5)	3(1.5) 4(2)	13(6.5) 15(7.5)	16(8) 19(9.5)	6(3) 62(31)	19(9.5) 45(22.5)	25(12.5) 107(53.5)
	Total	**61(30.5**	**36(18**	**98(49)**	**7(3.5)**	**28(14)**	**35(17.5**	**68(34)**	**64(32)**	**132(66)**
Poor	0-2 cattle 2-4 goats/sheep	56(28)	8(4)	64(32)	1(0.5)	-	1(0.5)	57(28.5)	8(4)	65(32.5)
Middle	1-2 plow oxen 2-4 cattle 6-10 goats/sheep 0-1 donkey	3(1.5)	-	3(1.5)	-	-	-	3(1.5)	-	3(1.5)
Better-off	2-4 plow oxen 5-7 cattle 10-16 goats/sheep 0-1 donkey	-	-	-	-	-	-	-	-	-

Source: Household Survey

As depicted in Table 7, 175 (87.5 percent) of the households had varying status of livestock holdings; however, 25 (12.5 percent) of the households did not own livestock assets. Households which did not have livestock and those with livestock possessions of 1-3 goats/sheep altogether are 132(66 percent). These households were categorized as very poor households. Households that had 1-2 cattle and 2-4 goats/sheep were 65 (32.5 percent) and they were categorized in the poor wealth rank. Only 3 (1.5 percent) of the households owned the livestock assets proportional to the middle wealth rank livestock status. Households which have reached a better-off level of livestock wealth ownership were non-existent.

From the discussion, it was learnt that the proportion of households who owned livestock assets had increased over the period of PSNP, and as consequence there was a steady move from the lower wealth ranks to the upper ones among the majority of the sample households. The comparison of the sample households' wealth rank groups before and after PSNP is given in Diagram 6.

Diagram 6: Comparison of households' wealth rank groups on the basis of their livestock assets of the before and after PSNP



Source: Household Survey

The number of sample households that belong to very poor wealth rank were 171 (85.5 percent) before PSNP intervention. After PSNP intervention this figure has slightly declined to 132 (66 percent) of the sample households. Initially, the households who belong to the poor wealth rank were 29 (14.5 percent), but this has grown to 65 (32.5 percent) of the sample households.

Before PSNP intervention, there was not a single household who belonged to the middle level wealth rank. But as shown in Table 7 and the Diagram 6, 3 (1.5 percent) of the households had reached this wealth rank. Up until the period of this study, the level of better-off wealth rank had never been reached by any sample household. From the analysis of the data, it can be safely concluded that the process of household asset accumulation

through PSNP has been slow. As a result, the transformation of many households from lower wealth ranks to the upper ones has not been possible.

The FGD and the experts' interview on whether PSNP did protect the poor households from the depletion of household assets or not and whether it built more assets for the sample households or not disclosed contrasting views. To begin, some participants said that prior to the PSNP intervention there were poor households who sold plots of land they had in order to solve household shocks and to repay debt. They added that some households eventually began to use their homes as collateral to borrow money in circumstances of household shocks. Nevertheless, other participants stated that after the PSNP intervention such circumstances have been significantly ceased.

On the contrary, other participants argued that PSNP transfers could adequately fill the food gap of the poor households in food deficit months. In this case, the transfers halted the depletion of household assets. But, in drought years the transfers could not halt the sale of household assets for food or other purposes. They also said that PSNP transfers could help households to respond to modest household shocks, but they could not prevent the poor households from selling assets in circumstances of severe diseases in the family. Regarding asset building, both FGD participants and experts unanimously stated that in a relatively good harvest year, the transfers helped the beneficiaries to buy some livestock. But, they attested that in drought or poor harvest years the transfers even failed to serve smoothing consumption and hence did not contribute to asset building.

To move poor households out of food insecurity and preventing the erosion and rebuilding their asset status are critical preconditions. This is because the enhancement of the asset

status of households directly improves the living standard and the capacity of households to access food. With this in mind, the lessons learnt from the impact of PSNP in this regard are two fold. Firstly, it can be concluded that except during modest household shocks, PSNP resources could not significantly prevent the poor households from the erosion of household assets, for instance, in cases of severe household shocks and livelihood risks (drought). Secondly, PSNP has increased the assets of many beneficiaries; however, the changes were inadequate. As a result, it is hardly possible to observe large proportion of the households who had achieved significant structural change in wealth ranks.

5. Integration of PSNP with Other Food Security Programs for Graduation

Integration of these programs is vital to graduate the beneficiaries out of food insecurity. Table 8 shows the link found between the level of PSNP and other food security programs among the sample households.

Table 8: PSNP linkage with Other Food Security Programs

No	Questionnaire Items	PW Beneficiaries			DS Beneficiaries			Grand total		
		M	F	T	M	F	T	M	F	T
1	OFSP packages provided other than PSNP									
a	Improved seeds	3(1.5)	2(1)		-	1(0.5)	-	3(1.5)	3(1.5)	6(3)
b	Agricultural	10(5)	2(1)	5(2.5)	-	-	-	10(5)	2(1)	12(6)
c	implements		-	12(6)	-	-	-		-	1(0.5)
d	Irrigation and water harvesting schemes	1(0.5)	3(1.5)	1(0.5)	-	-	-	1(0.5)	3(1.5)	21(10.5)
e	development	18(9)	-	21(10.5)	-	-	-	18(9)	-	3(1.5)
f	Provision of credit service	3(1.5)	-	3(1.5)	8	-	36(18	3(1.5)	-	65(32.5)
g	Provision of chicken	6(3)	37(18.5)	6(3)	(4	28(14		6(3)		6(3)
h	Provision of livestock	1(0.5)		1(0.5)				1(0.5)		1(0.5)
	Provision of modern beehives	88(44		125(62.5)				96(48		161(80.5)
	None									

Source: Household Survey

As can be observed from the data, a small number of households reported that they received some packages related to other food security programs; however, the majority 161 (80.5 percent) of the households replied that they never benefited from other food security program packages.

Concerning the linkage of PSNP and other food security programs, different issues were raised among FGD participants and the experts. The FGD participants of two study *kebeles* (Sewgame and Machallo) stated that there was Norwegian Church Aid (NCA) saving and credit service; however, it was not necessarily integrated with PSNP.

FGD participants of the remaining two *kebeles* (Abaroba and Sorobo) stated that they did not have any access to other food security program interventions that support PSNP. Experts

explained that other food security programs were planned to support the asset building process of PSNP beneficiaries, however, this component of the food security program was never implemented in the district. According to the experts, the reason for avoidance was the existence of World Bank and Norwegian Church Aid assisted food security programs, which provide credit for the rural poor in 15 woredas and 5 *kebeles*. However, the experts stated that the provision of these credit services and PSNP were not integrated both at *kebele* or household levels. As a result, the *woreda* has achieved low graduation, i.e. 202 and 28 households at *woreda* and sample *kebeles* levels respectively.

From the above discussion, it can be learned that there was no link between PSNP and other food security programs in the district. Moreover, no effort was made to integrate the existing World Bank and Norwegian Church Aid food security programs with PSNP to accelerate graduation. In short, the principle of making linkage between PSNP and other food security programs is less recognized as a strategy to achieve the graduation of the poor from food insecurity.

5.1 Overall Household Self-Assessment

The survey assessed the overall households' opinion about their current food security status as compared to the status they had before PSNP intervention. In addition, their level of confidence to graduate out of food insecurity via PSNP was also queried. The survey result is presented in Table 10.

Table 10: Household self-assessment and graduation confidence via PSNP

No	Questionnaire Items	PW Beneficiaries			DS Beneficiaries			Grand total		
		M	F	T	M	F	T	M	F	T
1	Perception of your current food security status as compared to pre-PSNP									
a	Better-off	79(34.5)	35(17.5)	114(57)	7(3.5)	20(10	27(13.	86(43)	55(22.5)	141(70.5
b	The same	39(18.5)	9(4.5)	48(24)	1(0.5)	6(3)	5	41(20.5)	15(7.5)	56(28)
c	Worse-off	1(0.5)	-	1(0.5)	-	2(1)	7(3.5)	1(0.5)	2(1)	3(1.5)
							2(1)			
2	Your Confidence to graduate from food insecurity via PSNP									
a	Confident	7(3.5)	-	7(3.5)	-	-	-	7(3.5)	-	7(3.5)
b	Not Confident	104(52)	43(21.5)	147(43.5	7(3.5)	26(13	33(16.	111(55.5)	69(34.5)	180(90)
c	Uncertain	9(4.5)	1(0.5)	10(5)	1(0.5)	2(1)	5)	10(5)	3(1.5)	13(6.5)
							2(1)			

Source: Household Survey

As can be seen from item 1, responses of 141 (70.5 percent) households indicated that they were in a relatively better-off status. Responses of 56 (28 percent) households indicated that there was no change in their food security situation. On the other extreme, 3 (1.5 percent) households stated that their status of food security had gone from bad to worse situation. This demonstrates that as compared to their past situation PSNP has improved the food security status of many households. But, it can be also understood that the program has never satisfied or brought the required level of life improvement among some beneficiaries.

The survey result confirmed that majority of the households had seen improvement in their food security status after PSNP intervention. But, surprisingly as indicated in item 2, large numbers of households were doubtful to claim PSNP as a significant food security strategy to make them food secure. In spite of the program benefits acknowledged by large number of respondents, a similar proportion of the respondents also underscored that PSNP as strategy of food security had not been strong enough to shift them to food secure status. Therefore, it is suffice to state that PSNP as food security strategy has been largely fruitful in stabilizing consumption. But, its contribution to build strong asset base for the households and its potential not to fall back into food; insecure state in the future has been insignificant.

To sum up, the entire sample households had been in a state of chronic food insecurity prior to the PSNP intervention. After the program implementation, it had been learnt that the majority of the households had shown improvements in their consumption pattern. Nevertheless, many of them had not yet exhibited the required level of improvement in their asset status (wealth rank)

that is crucial to access food, and as a result many of them were still in the very poor and poor wealth statuses.

6. Summary of Findings

The following observations reflect the situation before PSNP intervention. Firstly, all sample households had indicated that they faced the difficulty of meeting annual food requirements. Secondly, on average the sample households had faced shortages of food for five consecutive years. Thirdly, the majority of the households had experienced food gaps at least for three months annually. Finally, the majority of the households' assets, including land and livestock ownership, before PSNP intervention was similar to the wealth status of the lowest wealth rank group in the community.

After PSNP implementation, it had been found that the majority of the beneficiaries have used the transfers, but more for consumption purposes than investment. PSNP had brought improvements in the consumption pattern of the majority of the beneficiaries and there had been also a general increase in their livestock assets, which had been reflected in the rapid decline of the number of households who did not own livestock assets before PSNP intervention and the movement of many households towards the upper wealth ranks.

In spite of the overall trend exhibited in increased livestock assets among the PSNP beneficiaries, the study had demonstrated that the nature of growth in household assets was not steady. Thus, the growth in assets did not bring the beneficiaries from lower wealth ranks-characterized by food insecurity to the upper wealth rank (better-off) which is relatively a status at which households could be food secure. It was also reflected in the low achievement of graduation at both sample *kebeles* and district levels.

Overall, in comparison to their past living conditions, the food security status of PSNP beneficiary households had relatively improved. Nevertheless, PSNP had not been claimed as a dependable or an effective food security strategy to transform poor households from a food insecurity to a food secure status.

7. Conclusions

On the basis of the assessment's major findings, the main conclusions drawn entail that prior to the inclusion of the sample households into PSNP, almost all of them were suffering from food deficiency and were resource poor. After their inclusion into PSNP, the sample households have used PSNP transfers for many purposes and as a consequence they exhibited undeniable improvement in their lives, particularly in terms of consumption, protection and rebuilding of household assets. In real terms, PSNP has brought a desirable change in the consumption of the beneficiary households, but it has been less successful in building household assets to the level that the assets could safeguard the beneficiaries against further food insecurity. The potential of PSNP to enable transformation of many poor households out of food insecurity has been constrained by a number of adverse factors. As a consequence, PSNP has largely served to prevent the fall of the beneficiaries into deeper destitution and enable the graduation of the poor households out of food insecurity through PSNP resources has not been possible.

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