FOOD SECURITY AND VULNERABILITY IN SELECTED TOWNS OF OROMIYA REGION

WFP-Ethiopia
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Executive Summary

Oromiya National Regional State is one of the nine Regional States within the structure of the Federal Democratic Republic of Ethiopia. Oromiya shares boundary with every Regional State of Ethiopia except Tigray. The region covers about 353,632 km^2 and is inhabited by a population of about 27 million in 2007, making it the largest regional state in terms of both population and area. Urban inhabitants number 3,370,040 or 11.3% of the population. The region has an estimated population density of 76.93 people per square kilometer. For the entire region 5,590,530 households were counted, which results in an average of 4.8 persons to a household, with urban households having on average 3.8 and rural households 5.0 members. The region, like all the other regions of the country, has been affected by the impact of inflations that started increasing in 2005 and apparently resulted in increased food insecurity in urban areas. The prices of cereals have increased by more than 100% since mid 2005 when the country faced a spiral of price increases.

The "new emergency" facing the urban poor resulted in the Government initiating an urban grain market stabilization program in 2007. The program started initially in Addis Ababa and was expanded to cover 12 urban centers. Since April 2007, the Government has sold over 420,000 MT of wheat to urban consumers at a subsidized price. The Government continued with the program in 2008 and 2009 with further grain imports for the program. The Government also took some fiscal and monetary measures in 2008 by lifting certain taxes from food commodities (especially oil), as well as measures to curb the excess supply of money. With further increases in cereal, pulses and oil prices expected as a result of the general global price increases and reduced production from climate change imminent, it is becoming ever more important to understand and monitor people's vulnerability to these changing circumstances. As shocks and hazards affecting urban food insecurity may ultimately lead to famine in the extreme, urban areas become prone to social unrest, as highlighted by food riots and unrest in some countries. Understanding drivers of urban food insecurity and recommending sustainable interventions is of paramount importance. In order to effectively support the efforts and initiatives being made, the Government, WFP and partners embarked on this study aiming at collecting useful information on effects of the soaring market prices on urban population and identify potential areas for interventions.

Objectives of the study

The purpose of this study is to generate food security and vulnerability information to help policy and decision makers to design and implement programs that contribute to the reduction of urban food insecurity and vulnerability. The specific objectives include:

- To identify food security and livelihoods problems, constraints, strategies and coping mechanisms among different social and economic groups in selected towns of Oromiya;
- To do an in-depth analysis of major factors to food and livelihoods insecurity in selected towns of Oromiya in order to inform policy and program design as well as potential areas of interventions;
- To establish baseline data on urban vulnerability and lay foundation for developing a practical monitoring system that provides an early indication of food insecurity and livelihoods vulnerability; and
- To assess impacts of the Government's price stabilization program and identify gaps and problems encountered.

Key Findings

Asset Holdings and Livelihood Groups: Overall, 30% of households in Nazareth, 44% in Jimma, 38% in Nekemte and 36% in Moyale were 'asset poor' (less than four types of assets). Some 53% of households in Nazareth, 40% in Jimma and Moyale, and 47% in Nekemte were 'asset medium' (four to nine types of assets). About 18% of households in Nazareth, 16% in Jimma, 15% in Nekemte and 24% in Moyale were 'asset rich' (more than 10 types of assets). Comparing livelihood strategies among groups by asset wealth, those households who relied on petty trading, agricultural and non-agricultural wage labor had the highest rates of "asset poor" (64%, 63% and 59%, respectively). Also more than half (54%) of the handicraft/artisan and the farming (53%) livelihood groups followed in the asset poor category. The remaining groups with the least rate of asset-poor households were the government salaried (17%) and those dependent on the sale of livestock/livestock product (15%) groups.

Income: Mean monthly incomes per capita differed significantly by asset wealth categories. The overall mean was 186 Birr/ month/person among the asset poor households (median 133 Birr/ month/person); 274 Birr/ month/person among asset medium (median 180 Birr/ month/person); and 409 Birr/ month/person among asset rich (median 286 Birr/ month/person). Comparing towns, no significant income differences were found between the surveyed towns in the region- mean income per capita per month ranged between Birr 209 in Nekemte and Birr 258 in Moyale while Nazareth and Jimma were in the middle with income levels of Birr 224 and Birr 256, respectively. On average, almost 38% of households reported that they experienced a decrease in their incomes from January 2008. About half of households reported to have experienced no change in their income levels and only 12% reported an increase of income during the past year. Asset poor were more likely to report a decrease in their income compare to asset medium or asset rich households (49% versus 34% and 26%, respectively). The livelihood groups that reported more frequent decrease in their income in the past year were: non-agricultural wage labourers (53%), petty traders (51%) and small business/self employed households (47%).

Expenditure: The average monthly household expenditure was Birr 792 for the four towns under study. The average monthly per capita expenditure for all the towns was Birr 134. The expenditure however slightly varied across the towns with the lowest average expenditure per household of Birr 722 per month (Birr 122/capita) in Nazareth and the highest expenditure of Birr 862 (Birr 145/capita) in Jimma. Expenditure for the remaining towns ranges from Birr 739 in Nekemte to Birr 845 in Moyale. Distribution of expenditures across towns indicates that about 94% of households in all the towns spent less than Birr 300 per month and about 5% spent between 300 and 600 Birr per month while the remaining 1% spent more than 600 Birr per month. Expenditure by asset holding was such that the asset poor asset households had the least per capita expenditure of Birr 97 per month followed by the asset medium with Birr 145 per month, whilst the asset rich had the highest per capita expenditure of Birr 180 per month. This indicates that the better the asset base the better a household's living condition is likely to be.

Markets: During the time of the survey, availability of food commodities ranged from as low as 42% (Barley) to as high as over 90% (oil, sugar, and red pepper), depending on the type of food items. The food commodities most impacted by supply problems in recent months included wheat (flour and grain), maize, teff, rice, pulses and meat with availability ranging from 53 to 70 percent. Around three-quarters of the groups interviewed felt that food commodities were available in markets while the remaining groups felt food items were scarcely available.

Nearly 93% of traders indicated that compared to a previous year prices of most staple foods increased on average by 60% to 90%. For instance, the price of wheat grain increased by 34%, teff grain and rice each increased by about 68%, maize by about 41%, meat by about 60%, vegetables by about 52%, oil by about 34%, and milk by about 55%. Nearly three-fourth of the interviewed traders indicated that the major reason for the increase in price was the increase in

prices from sources of the commodities, and only 10% indicated increase in transport costs as a main reason. About 41% indicated that price rise started one year back, 25% indicated six month earlier, and 18% indicated more than a year before.

According to the information gathered from the focus group discussions and key informant interviews, the main reasons for the severe price increases from 2005 included:

- Opportunistic traders, brokers and farmers took advantage of favourable conditions and made the food commodities scarce by hoarding and created irregularities in the food markets resulting in poor supply, high demand and higher prices.
- Fuel price increases on a continuous basis was also mentioned as a major cause for increasing/expensive transport costs that complicated the food price increases.
- Nearly 90% of traders indicated the major reason for the increase in price was due to the increase in prices from sources of the commodities.

Food Security: From the survey, households with poor consumption were eating, on average, teff and oils/fats three to four days per week and sugar only three days per week. Households with borderline consumption were eating teff, sugar and oils/fats seven days per week, as well as other cereals (two times per week) and vegetables and pulses (once a week). Households with good consumption were eating teff, sugar, pulses and oils/fats every day during the week and also consumed other cereals (five times), potatoes (two days), vegetables (two days), pulses (five days) and meat/fish (one day). The results show that 39% of households had poor consumption, 31% had borderline consumption and 30% had acceptable consumption. Of households with poor consumption, 47% were found in Nekemte, followed by Nazareth with 42% of households, and Jimma with 39% of households. However, the lowest poor consumption was found in Moyale with 28% of the surveyed households. Asset poor households, as expected, had the highest percentage of households (48%), while 30% of asset medium households and only 13% of asset rich households were found as having poor consumption levels.

Access to Social Services: On average, school attendance in year 2000 E.C. from the four towns was about 50%, having almost similar patterns across the towns. The precentage that did not attend school was highest in Jimma (52%) and lowest in Nekemte (45%). Dropout rates across the towns ranged between 1% (Jimma) and 5% (Nekemte and Moyale). Some 90% of the groups interviewed pereceived that school dropout rates in year 2000 E.C. remained the same compared to that of the previous five years.

Out of those who did not enrol, dropped out of school and were absent for at least four days per month, the main reasons were distributed that: 6.1% was due to illness, 3.3% was so as to help their households at work, 6.1% was because they had to work for food and money, 2.2% gave the reason of not interested in schooling, 10.5% indicated that school was expensive and had no money, and 8.8% gave various reasons such as hunger, distance of schools, absence of teachers, and early marriages and pregnancy.

On tenancy status and housing quality of households, which is a good measure of economic welfare, 38% of households owned the houses they were living in. The second largest group was lodgers with written agreement (28%), and with no written agreements (25%). Both the latter groups could be asked to vacate the houses without prior notice. The remaining households lived in family-owned houses (5%), free hold and others (4%).

Of those households paying house rentals, well over 60% of the households in arrears were with debts of more than six months. The highest percentage of households with a debt of more than 6 months was in Moyale (70.4%) and lowest percentage was found in Jimma (61.3%). The number of people per room indicates that the greatest level of crowding (more than three people per room)

was in Moyale (58%), of which 12% were more than four people per room. All the remaining towns had similar levels of crowding that ranged between 41% in Nazareth and 44% in Nekemte.

The quality of housing was such that a majority of households (72.2%) lived in backyard pole and mud houses under iron/roof tiles. Some 4.5% lived in flats/ town houses with bricks under tile/iron roof/ and only 6.2% lived in detached brick houses with tile/iron roof. While 7.5% lived in semi-detached brick houses with tile/iron roof, about 5.7% lived in private houses/hut mostly made of non-durable materials. With respect to kitchen facilities, 59.3% of households had their own kitchen and cooking facilities while 36.3% shared kichen facilities. There was no significant difference between towns. Only 4.4% of households were using their bedrooms as kitchens.

The study results on access to safe drinking water showed that there were only 7.1% of households who used piped water inside their houses. Nazareth had the highest percentage (14%) while Nekemte had the lowest (1.7%). The majority of households (an average of about 75% in all the towns) used piped water outside houses and communal taps (Bonos). About 13% were using water from unsafe/unclean sources (rivers, unprotected wells, and others) whilst about 5% used protected wells and boreholes as sources of drinking water. There were significant variations across the towns in terms of treating their water. The majority (85.2%) of households did not treat their drinking water while 14.8% treated their water. The largest percentage of households who treated their water was found in Moyale (34.6%), followed by Nekemte (20%) while Jimma and Nazareth had the lowest percentages (2% and 2.7%, respectifully). Among households treating their water for domestic uses, about 59% were using water guard, 29% boiled their water, 10% used filters and the remaining used other methods of water treating .

Although there were some differences in terms of types of toilet facilities across the towns studied, the majority of households (70-95%) used pit laterines (both private and communal). The highest percentage of households who use private pit laterines was in Nekemte while the lowest was in Jimma. The highest percentage of households who use flush toilets were found in Jimma (both private and shared). All the studied towns combined, on average, only 3% of households used VIP private and communal toilets.

Fuelwood was the dominant source of energy for cooking. With an overall average of 57%, fuelwood use as a primary source of domestic energy ranged from 33% of households in Jimma to 77% in Nekemte. The second most important source of fuel for cooking was charcoal (36%), with the lowest percentage in Nekemte (22.3%) and highest in Jimma (46.3%). Animal dung was the third source only common in Jimma (13%) while kerosine and electricity were not that common in all the towns with the overall percentages of 2% and 0.6%, respectively.

The major source of lighting was elecricity for 95% of households, while the remaining 5% of households were using other sources such as gas/kerosine (2.9%), wood (1.9%), candles (1.0%) and others (1.2%). Utilization of electricity for lighting varied acrsoos the towns- lowest percentage was found in Nekemte and Moyale (about 92%) while the highest was in Nazareth (97.3) followed by Jimma (96.3%). According to information generated through qualitative methods, access to electricity was deteriorated in 2008 compared to the previous five years mainly due to frequent power interuptions and high prices for the service.

With reference to morbidity over a period of 12 months (refering to November 2007 to November 2008), 90% of households stated that they were in good health and only 10% were either sick for more than 3 months or less. Illness for more than three months across the households (chronic illness) was relatively low that ranged between 3.1% in Nekemte and 4.5% in Moyale. The incidence of illness for less than three months was highest in Nazareth (10.5%) followed by Nekemte (7.9%) and lowest in Jimma (3.5%).

For those who had been ill, causes of diseases varied across the towns. In Nazareth the most common disease was malaria (29%), followed by other illnesses (26%), backache and diarrhoea, Pneumonia, TB and hypertension. In Jimma , the most common disease was HIV/AIDS (40%) followed by eye problems (15%), headaches, hypertension and malaria. In Nekemte, the most common disease was other diseases (18%), followed by pneumonia/lung problem (17%), malaria, and headaches. In Moyale town the most common disease was other diseases (21%) followed by malaria (14%), *and* Diarrhoea and TB. The major disease affecting children under 5 years was diarrhoea, followed by fever and malaria.

The main reason for those not seeking medical attention was lack of money (56% in Nazareth; 100% in Jimma; 20% in Nekemte and 0% in Moyale). Not believing in health treatment associated with religious belief was only reported in Moyale (100% of cases). Based on the community perception, about 35% indicated that access to the services deteriorated in 2008 compared to the situation in the last five years while the remaining 65% indicated access to health services either improved or remained the same

Social Problems: Absenteeism of children from schools was observed in the study towns. Disputes among family members mainly between spouses, parents and children, etc. were frequent caused by maladjustment of life. Separation and divorce of spouses happened. Exposure to diseases and reduced working ability due to lack of resistance caused by hunger was also observed. More beggars, street children, child labor, gambling, suicide, broken family, extreme anxiety, lack of confidence in life, increasing number of unemployed men and women, theft, prostitution were reportedly increasing and widely spread social problems in the towns. The poor who were benefiting from ceremonial feasts, alms and from left-over foods from restaurants no more accessed the same since those things had decreased significantly.

The high increment of food prices forced people to spend more on food, literally taking all a family's income. This resulted in depletion of the family's financial capacity leaving no space for other expenses like health, clothing, schooling etc. For the poor, the sky-rocketed food price increases meant total failure to purchase adequate food for the family's consumption, which in turn brought about several social problems as mentioned above. Some better-off families even stopped to have stock of food items. Others tried their best to cope with the situation by selling their personal and household assets. Again others avoided their habits of having coffee or tea as a coping mechanism. Some families tried to skip days without eating to avoid some expenses and let their money last for some more days. Students were forced to leave private schools and move to government schools to avoid school fees. Failure to repay loans from banks, credit associations, friends and relatives had become common phenomena, thereby loosing future access to loans and friendships. Illegal trading activities increased and in general standards of living deteriorated.

The Vulnerable Groups: Households with no income and assets were highly affected by the food price increases. Other than this, pensioners, HIV/AIDS affected households, widowed women with children, orphans, elderly-headed households, and the chronically ill were the severely affected segments of society. The slightly better-off families who live in rental houses were also affected since they had to pay house rents that would, otherwise, have been helpful to support the family in terms of buying food. The disabled, daily laborers, road–side ('gulit') traders (road-side vendors), street children, commercial sex workers, migrants from rural areas to the towns and unemployed youngsters were among the many who were mostly affected. As there a few more private colleges opened in these towns, students who converged from different sides of the Zones were also among the affected social groups, since they had to rent houses and dine independently.

Coping Mechanisms: Relying on less expensive food as a coping mechanism was widespread among the households. To forego meals was the other common coping mechanism for family members. The most commonly cited coping strategies used first by households when dealing with shocks were:

- Relying on less preferred or less expensive food (reported by 73% of those providing this information);
- Reducing the number of meals per day (reported by 31%);
- Reducing the portion of meals for all members (25%);
- Purchasing food on credit (19%);
- Decreasing expenditures on cloths and non-food items (18%);
- Borrowing money (12%);
- Reducing adults' meals so that children could eat (11%); and
- Increasing working hours (11%).

Assistance Programs: As it was done in other major towns in the country, the Government provided subsidized food for those who were able to purchase with some amount of money. This was done through *Kebele* Administrations and it was said to have saved many urban people from a serious shortage of food, which otherwise would have resulted in a disaster. Side by side, the Government established consumers associations, which were assisting consumers not to be exposed to unfair traders. With regard to NGOs, they were providing free food for the disabled, to the chronically sick, to the helpless and elderly and to the malnourished children. This had been done since the time the news and reports about the suffering of the affected population were widely spread. In addition to this, NGOs were very much supporting the Safety Net Program, which could support quite a good number of the poor and the affected population.

Future Expectations: Very few expected food price to decrease in a near future as a result of a promising harvest during 2009 and few others anticipated the future to be difficult to predict. However, a majority of respondents were very negative and pessimist of the future. The latter group expected price of food to continue increasing, which they expected would expose a significant population to starvation, which, in turn, was expected to cause social unrest. Some thought that the frequency of such undesirable activities as girls joining bars as sex workers or as daily laborers would increase, and family breakdowns would increase. The hungry would rise against grain traders and *kebele* administrations. Crime rates might increase and number of school dropouts would rise. Stress migration of household members would increase. Number of street dwellers would be high. Malnutrition would prevail. According to most respondents, asset selling would continue. Begging and theft would continue. Illegal trading would also continue.

Conclusions

From the survey findings it can be concluded that:

- Food availability was negatively affected as a result of poor supply of food commodities, malfunctioning of markets, high transport costs, hoarding of grains by traders, and increased exports of food items that contributed to the shortage of commodities in markets.
- Food accessibility was also seriously impacted due to several factors that included:
    - Poor level of asset base for more than half of the surveyed households.
    - High poverty conditions of the majority of the populations; it was found out that more than 80% of households were living on less than a dollar a day.
    - High level of expenditure on food by the majority of households (over 70% of their income spent on food).

    - Below acceptable level of consumption by about one-third of the surveyed households.
    - Increased inflation on food commodities and other services that led households to have deteriorated purchasing power.
- Food utilization was also affected mainly due to the poor basic infrastructure and deterioration of basic services such as sources of safe drinking water, sanitation, housing and health facilities.
- As a result of the deterioration of all the three pillars of food security some of the surveyed households were found to be highly food insecure.
- Significant proportion of the households were also increasingly exposed to several risk factors that include high prices of food and non-food commodities and services, worsening food insecurity, preventable/communicable diseases, family disintegration, and disruption of social support/networks.
- In order to minimize some of the risks, over 70% of households were found to use unfavourable consumption behaviour as coping strategies that include skipping meals, reducing meal sizes, shifting to less expensive and less preferred food items, etc.
- As a result of high exposure to several risk factors and using damaging types of coping mechanisms, many households were found to be vulnerable. The study findings further indicated that the situation would not improve in a near future- rather worsening conditions were anticipated to continue unless appropriate and timely measures would be taken.
- Although the Government tried to address the multi-faceted problems of the urban population by distributing wheat at subsidized prices and lifting of taxes on food commodities, the level and type of assistance provided to the most affected households was found to be inadequate.

Recommendations

- WFP together with relevant Government bodies and other partners need to design a food aid program package and implement through appropriate intervention modalities that may include free food distributions, market support, school feeding, and food for work/asset in order to reduce problem of food insecurity and related vulnerability conditions of the most affected poor households.
- UNICEF in collaboration with relevant Government bodies and other partners need to act on affected/deteriorated basic services such as water, sanitation, health facilities, etc.
- A multi-agency and multi-sectoral task force should be established as soon as possible in order to address the multi-dimensional problems of the affected population and design a well coordinated urban food security and market monitoring system.
- The Government together with its development partners should plan and implement long-term and sustainable solutions and design welfare monitoring system for the urban population in order to reduce the existing high level of poverty of the population.

1. Introduction

1.1. Background and Rationales

Ethiopia is the second most populous country in Africa with a total population estimated at 73.9 million and a growth rate of 2.5 percent. An estimated 83% of the population resides in rural areas (CSA, July 2007); and only around 16.5% of the population lives in urban areas. Compared to other African countries, Ethiopia's level of urbanization is low. However, the urban population is increasing rapidly with an average growth rate of 4% per year. This growth rate will probably result in Ethiopia's urban population to exceed 50 million by 2050[1].

Ethiopia has experienced a steady economic growth in the last four years that have also coincided with four years of consecutive good *Meher* (main season) harvest, with a real GDP growth rate of 11.9 % in 2003/04, 10.5% in 2004/05, 9.6% in 2005/06 and 11.4% in 2006/07[2]. Economic growth highly depends on the performance of the agricultural sector that accounts for 47% of GDP followed by the service sector with 39% and industry with 14 percent. Agricultural production is highly vulnerable as it is dependent on rainfall. Only about 10% of the total cereal crop lands are irrigated, and yield variability at the regional level is one of the highest in the developing world: drought can shrink farm production by 90% from climatically normal years. Despite the encouraging growth, general increase in inflation in recent years has been observed, which has been growing on average by 11.1% from December 2002 to December 2006[3] and further increase to 33.6% in August 2008. Unless actions are taken timely to reduce impacts of soaring prices the economic gains for the last four years are under a threat.

Food security and vulnerability assessments in Ethiopia, like in many developing countries, have traditionally focused on rural areas, where about 80% of the population lives and the majority of whom are poor. Food insecurity levels in the rural areas rose from 2 million people in 1995 to about 14 million in 2008 of which 7.5 million is covered under the safety net program. As the population in urban areas has been on the increase and given the economic shocks, food insecurity in urban areas has become a major concern. A study by Abbi Kedir and Andrew Mackay in 2003 using 1994 to 1997 data estimated chronic poverty in urban areas at 25.9% and that 23% of the households experienced transitory poverty. The 1999/2000 Household Income, Consumption and Expenditure Survey (HICE) estimated that 37% of the urban population was below the poverty line compared to 45% in rural areas. Poverty in urban areas is driven by unemployment, underemployment, lack of sanitation, increase in prices due to the general inflation (estimated at 33.6% in August 2008) that has contributed to sharp increases in the cost of living, reduced inter-dependency amongst urban households, household composition, low asset ownership, lack of education, ethnicity, high dependency on the informal sector, HIV/ AIDS (estimated at 7.7% prevalence in urban areas[4]) and increased population pressure due to natural growth and rural urban migration.

The impact of inflation has been one key element that has resulted in increased food insecurity in urban areas. The prices of cereals increased by more than 100% since mid 2005. Between 2002 and 2007, the food component of the national consumer price index (CPI) rose by 62.3% (over 15% inflation per annum). This is faster than the general CPI and significantly faster than non-food prices, suggesting that those involved in non-food sectors of the economy (predominantly the urban population) had become relatively poorer over the last five years. Whilst inflation is on the increase, wage rates did not keep pace with inflation, for an example the least paid civil

[1] CSA 1994 Census population figures and projections. The new national census, conducted in May 2007, will revise the urban population figures and growth rates.
[2] Ministry of Finance and Economic Development; National Bank of Ethiopia
[3] World Bank, 2006; Rashid et al., 2005
[4] Ministry of Health, 2007

servants (Custodial and Manual services) salaries on average increased from *Birr* 200 in 2001 to *Birr* 320 in 2007, a 60% increase. Similarly professional and scientific services salaries increased from *Birr* 760 to *Birr* 1068 per month, an increase of 40.5% for the same period, whilst the inflation was 93% and for food it was 125% for the same period[5].

It is believed that the greatest impact of inflation is likely to be amongst both the urban and rural poor who are net buyers of food. In order to mitigate impacts of the high food prices, the Government assistance programs were expanded to urban areas with an introduction of the urban grain market stabilization program in 2007. The Government sold to urban consumers over 120,000 MT of wheat between April 2007 and August 2008 at *Birr* 1.8/kg to the lowest administration level (the *Kebeles*). The program started initially in Addis Ababa, and then expanded to cover 12 urban centres namely: Bahar Dar, Gondar, Dessie, Kombolcha, Mekele, Adigrat, Dire Dawa, Harar, Awassa, Nazareth and Jimma. The Government continued with the program from mid August 2008 in a different form and sold 150,000 MT of wheat to wholesalers, consumers, millers and traders at *Birr* 3.5 per kg on a first come first served basis, removing the coupons or ration cards system. The Government also took some measures in 2008 by lifting certain taxes from food commodities (especially oil), as well as curbing the excess supply of money. While the National Disaster Prevention and Preparedness Policy does not exclude assistance to urban areas, it provides no clear direction for the institutional disaster response mechanism in an urban context.

As shocks and hazards affecting urban food insecurity may ultimately lead to increased poverty and urban areas becoming prone to social unrest, as highlighted by the food riots and unrest in some countries such as Egypt, Ivory Coast, Indonesia, and Sierra Leone, understanding the drivers of urban food insecurity and recommending sustainable interventions is of paramount importance. Constructing a poverty assessment profile at the urban/town level helps to assess causes, characteristics, and location of poverty within the urban areas and also provides information on who are poor, where they live, their access to services, living standards, and others thereby contributing to the targeting of poverty alleviation measures.

The regional government of Oromiya cognizant to the incidence and severity of poverty in urban areas, embarked on urban food security and vulnerability assessment with the cooperation of UN World Food Program (WFP) Ethiopia. Four major towns of the region namely Nazareth, Jimma, Nekemte, and Moyale were selected for the food security and vulnerability study believing that information gathered from these towns can reflect the overall living condition of the urban population in general and the food security situation in particular.

1.2. Objectives and Methodology

1.2.1. Objectives

The purpose of the assessment is to generate food security and vulnerability information to help policy and decision makers design and implement programs that contribute to the reduction of urban food insecurity and vulnerability. The specific objectives are:

- To identify food security and livelihoods problems, constraints, strategies and coping mechanisms among different social and economic groups in the urban areas;
- To define predisposing factors to food and livelihoods insecurity in the urban areas in order to inform policy and program design;

[5] Ethiopia Economic Association, April 2008

- To outline household food expenditure and food access patterns among different socioeconomic groups in the urban areas;
- To establish baseline data on urban vulnerability and lay foundation for developing a practical monitoring system that provides an early indication of food insecurity and livelihoods vulnerability;
- Examine linkages between food security, education, nutrition, health and social cohesion;
- Understand impacts of soaring food prices on food security and livelihoods; and
- Identify appropriate food and non food interventions and policy implications.

1.2.2. Methodology

Sampling and coverage of the survey

A stratified two-stage cluster design was used for selection of ultimate sampling units (households), with *Kebeles* as clusters. The first stage selection was done by probability proportional to size (PPS) where size is the total number of households compiled from the 2007 population and housing census cartographic work. The second stage sample (household) selection was done by systematic random sampling.

Sampling and coverage of household survey

The most common instruments used for the assessment of urban food security and vulnerability are, among others, household income, consumption, assets and expenditure and well being; Focus Group Discussion and Key Informant Interviews; and Traders instruments. Stratified two-stage cluster sampling was used in order the data collected be representative and free of bias. It is clear that urban/town households are diverse and need to be stratified to get adequate representation from each stratum. The purpose of stratifying is to have uniformity by grouping people together (cluster) according to their similarities in terms of their livelihood groups.

Household respondents were selected randomly using two stage cluster sampling methods (at the first stage *Kebeles* were randomly selected from the study towns and then at the second stage households were chosen randomly from the selected *Kebeles*). For such purpose supervisors were given training on how to sketch the sampling units using the usual PRA techniques to identify the major settlements areas, social services, business areas and others. Then, they proceeded their sampling selection by spinning any local materials in order to select the path until the intended households are covered. A total of 1,140 households were interviewed in all the selected towns that were designed to yield statistically representative results. Data collection on traders was designed to cover the diverse aspects of food items in the respective towns. Accordingly, 90 traders were interviewed from all the selected towns except Moyale where 60 traders were selected and interviewed as the size of the town is relatively small compared to the other three towns. In a similar fashion, 20 FGDs and 40 KIIs were conducted from all of the towns with the exception of Moyale where 10 FGDs and 20 KIIs were conducted (Table 1.1).

Category	Nazareth	Jimma	Nekemte	Moyale
Total population *	222,035	120,600	76,817	43,241
Male (% of Pop)*	49.4	50.3	51.0	51.8
HH Size*	4.0	4.0	4.0	4.0
Household targeted	300	300	300	240
Households covered	300	300	300	240
Traders targeted	90	90	90	60
Traders covered	90	90	90	60
FGD and KI targeted	60	60	60	30
FGD and KI covered	60	60	60	30

Table 1.1: Sampling frames and sample sizes from the study towns.
* 2007 CSA Census added growth rate of 2.5%

Key Indicators

The approach generally adopted for urban study is a combination of:

- Income/consumption measures (basic baskets of goods, like food, water, clothing)
- Unsatisfied basic needs index (literacy, school attendance, piped water, sewerage, etc)
- Asset indicators (car, television, chair and tables, type of housing like floor, roof, etc)
- Vulnerability indicators (physical assets, human capital, income diversification, links to networks, participation in safety net programs, access to credit, markets, etc)

Accordingly, the household survey used for urban food security and vulnerability study includes the following basic information (Table 1.2) that derives the key indicators of urban food insecurity and vulnerability.

Table 1.2. Themes of analysis and indicators used in the study

Area of analysis	Specific indicators
Household demographics	Age pyramids, sex
Household food security	Analysis of food dietary diversity and food frequencies (one day and seven day meal recall) to calculate food consumption scores
Asset wealth	Number of different types of assets owned
Expenditure and income	Monthly (reported) per capita income and expenditure pattern
Coping	Various types of coping strategies adopted by households
Access to services	Access to health, education, water and sanitation, electricity, etc
Markets	Price changes and impacts, etc
Programs and safety nets	Food sources and the urban grain stabilization programs

1.3. Methods of Data Analysis

Relevant quantitative and qualitative data were collected using the various methods and instruments described above in order to get a complete picture of the situation under study. All quantitative data from households, traders and key Informant/ Focus Group questionnaires were entered into computer using CSpro Application Software. The quantitative data were exported from CSpro to SPSS for processing and analysis. Analysis of the quantitative data was then undertaken using SPSS, whilst all qualitative information were manually extracted by key common issues, coded and analyzed by categorization, classification and summarization techniques using MS Excel. The findings were then systematically organized, summarized and presented in the form of tables and figures as appropriate.

2. Oromiya National Regional State: Brief Description

Oromiya (sometimes spelt as Oromia or Oromiyaa in the language of the Oromos) is one of the nine Regional States of Ethiopia, formerly known as Region 4 (Figure 2.1). It covers about 353,632 km^2 and shares boundary with all Regions of Ethiopia except Tigray. The Region is divided into 15 Administrative Zones: Arsi, West Arsi, Bale, Borena, Illubabor, Jimma, West Hararghe, South West Shewa, West Shewa, West Welega, East Hararghe, East Shewa, East Welega, North Shewa, and Guji Zones.

Demographics

Based on the 2007 Census result of the Central Statistical Agency of Ethiopia (CSA), Oromiya has a total population of 27,158,471, consisting of 13,676,159 men and 13,482,312 women. Urban inhabitants number 3,370,040 or 11.3% of the population. With an area of 353,006.81 square kilometers, the region has an estimated population density of 76.93 people per square kilometer. For the entire region 5,590,530 households were counted, which results in an average for the Region of 4.8 persons to a household, with urban households having on average 3.8 and rural households 5.0 people. Ethnic groups included the Oromos (87.8%), Amharas (7.22%), Gurages (0.93% - some of Sebat Bet Gurage, Soddo Gurage, and Silt'e); and the remaining 4% were other ethnic groups. Some 47.5% were Muslims, 30.5% Orthodox Christians, 17.7% Protestants, 3.3% followers of traditional religions and 1.1% all other religious groups. In urban areas, Orthodox Christians constitute 51.2% of the population, followed by Muslims at 29.9%, Protestants 17.5%, and all other religious groups at 1.5%.

According to CSA, as of 2004, 32% of the total population had access to safe drinking water, of whom 23.7% were rural inhabitants and 91.03% were urban. Values for other reported common indicators of standards of living for Oromia as of 2005 include the following: 19.9% of the inhabitants fall into the lowest wealth quintile; adult literacy for men was 61.5% and for women 29.5%; and the Regional infant mortality rate was 76 infant deaths per 1,000 live births, which is about the same as the nationwide average of 77; at least half of these deaths occurred in the infants' first month of life.

Economy

The CSA reported that for 2004-2005, 115,083 tons of coffee was produced in Oromiya, based on records from the Ethiopian Coffee and Tea Authority. This represents 50.7% of the total production in Ethiopia. Farmers in the Region had an estimated total of 17,214,540 cattle (representing 44.4% of Ethiopia's total cattle), 6,905,370 sheep (39.6%), 4,849,060 goats (37.4%), 959,710 horses (63.25%), 63,460 mules (43.1%), 278,440 donkeys (11.1%), 139,830 camels (30.6%), 11,637,070 poultry of all species (37.7%), and 2,513,790 beehives (57.73%). According to a March 2003 World Bank publication, the average rural household had 1.14 ha of land compared to the national average of 1.01 ha, 24% of the population was in non-farm related jobs compared to the national average of 25%.

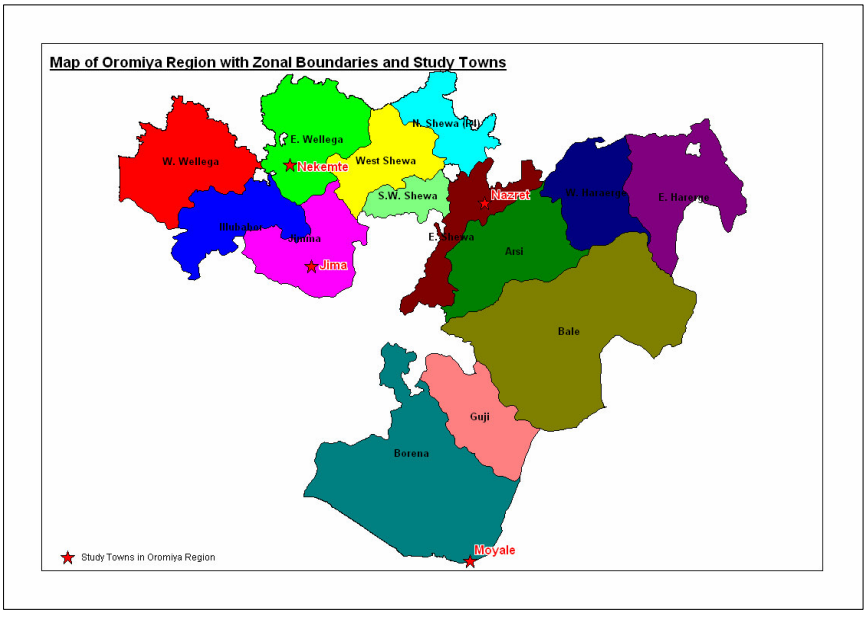


Figure 2.1. Oromiya National Regional State, Ethiopia

3. General information about the study population

3.1. Characteristics of surveyed population

The survey results show that age structure of the surveyed population is almost similar to the EDHS. There are only minor difference in the percent of the population for the age groups <5 years, 5-9 years, 40-44 years, 45-49 years and over 60 years where the EDHS values are higher than the survey results. Similarly, between 15-19 years and 34-39 years age groups the survey results are higher than the EDHS age distributions (Figure 3.1A.

Figure 3.1A: Population Age Distribution Compared to EDHS

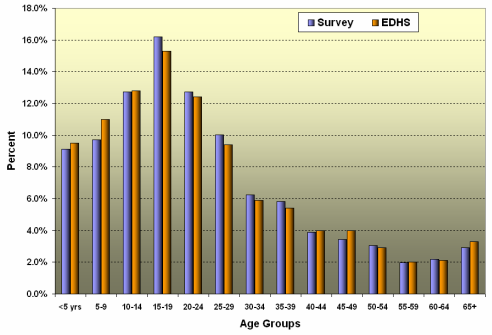
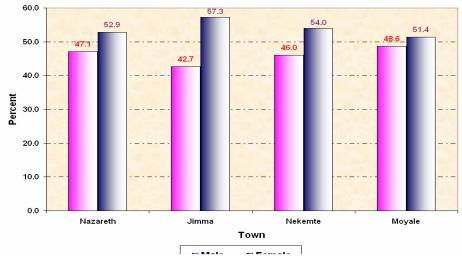
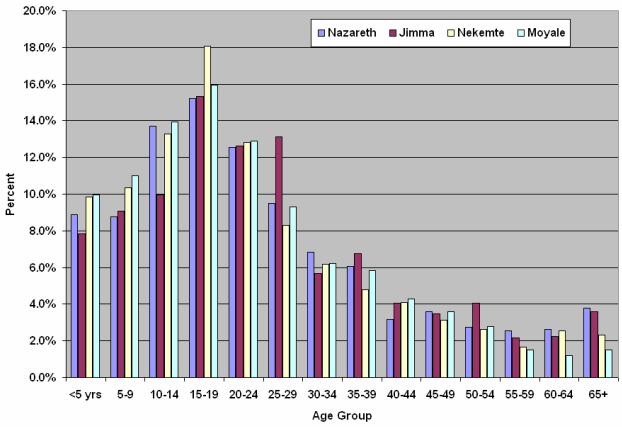


Figure 3.2: Population Distribution by Sex



The population structure for Oromiya towns is typical of a developing country where majority of the population are in the economically non-productive age groups (Figure 3.1A). Population distribution by age groups across the study towns shows similar trends where the majority are within the economically non-productive age categories (Figure 2.1B).

Figure 3.1B: Population Age Distribution by Town



The sex composition from the survey indicates that the percentage of women was higher than that of men in all the surveyed towns. The male to female ratio from this survey has little difference compared with the 2007 Central Statistical Agency (CSA) census. The average sex ratio of the people covered in this survey from the four towns is 46% male and 54% female. The census gives the average ratio for Oromiya urban areas covered with this study as 50.5% male and 49.5% female (Figure 3.2).

By towns, the sex composition of households was that Jimma had the lowest percentage of males (42.7%) followed by Nekemte and Nazareth (46.0% and 47.1% respectively), suggesting a greater male out-migration (Table 3.1)

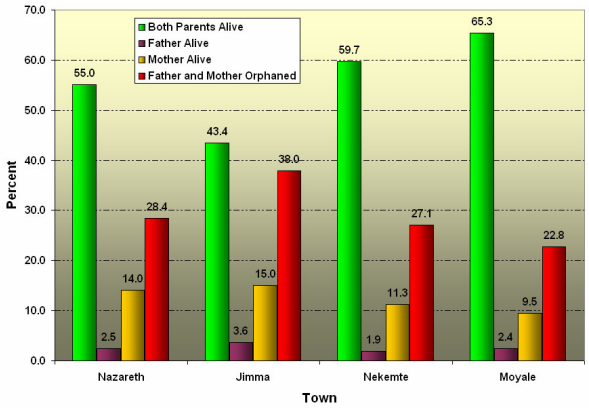
Table 3.1: Sex Composition of Households by Town

	Survey results		Census 2007
Town	Male	Female	Male (%)
Nazareth	47.1	52.9	49.4
Jimma	42.7	57.3	50.3
Nekemte	46.0	54.0	51.0
Moyale	48.6	51.4	51.8

3.2. Children's living arrangements and orphanhood

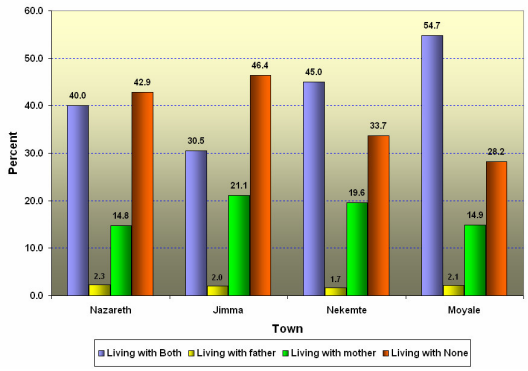
The survey results across the towns indicate that about 30% of all children were double orphans (both parents dead). The percentage of double orphans was as high as 38% in Jimma followed by Nazareth (28.4%), Nekemte (27.1%) and Moyale (22.8%). In all the study towns, on the average, about 15% of children had lost one of their parents (single orphans). In Oromiya region urban areas in total, 15.1% of children had lost one of their parents (single orphans), this is even lower than the 2005 EDHS that reported 18.4% for the urban areas in Ethiopia but higher than that for the entire Oromiya region (both urban and rural). The percentage of single orphans was highest in Jimma (18.6%) and lowest in Moyale (11.9%). The percentage of orphans was mostly attributed to the death of the father (Figure 3.3).

Figure 3.3: Orphan Status across the urban centers



Overall, 43% of children in the surveyed towns were living with both parents, with the percentages varying greatly from as low as 30.5% in Jimma to the highest in Moyale (54.7%). The overall percentage (43%) was remarkably low compared with the 53% reported for all urban areas of the country in the 2005 DHS and well below the percentage for the entire Oromiya region (urban and rural) estimated at 74% in the 2005 DHS. The highest percentage living with none of the parents was in Jimma (48%) followed by Nazareth (43%) while the lowest was found in Moyale (28%). Percentage of children living with at least one parent ranges between 17% in Moyale and 23.1% in Jimma (Figure 3.4).

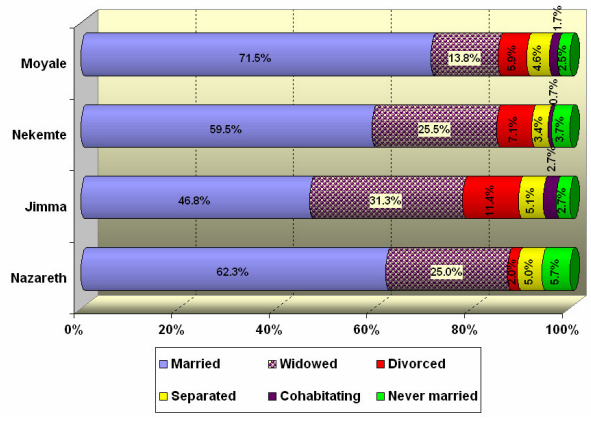
Figure 3.4: Children Living Arrangements



3.3. Marital status

The marital status of heads of households indicate that about 52% of household heads were married, 21% widowed, 17% divorced and 7% separated and the remainder either cohabiting or never married. The data on divorce rates was very high and needs to be checked with other (Figure 3.5). A very small proportion of households were living separated, never married or cohabitating.

Figure 3.5: Marital Status of Head of Household



3.4. People with disabilities

The proportion of people with disability was only 3% of the poupulations of all households survyed from all the study towns. In terms of physical, mental and both physical and mental disabilities, Nekemte had the highest percentage of population (4%) followed by Moyale (3.3%) (Table 3.2).

3.5. FGD and KII participants characteristics

The selection of focus group and key informant participants sought a balance between males and females, with an average of about 51% being males and 49% were females with similar pattern in all the study towns except Nekemte where about 56% were males and 44% were females (Table 3.3A).

Table 3.3A: Sex of Participants for FGD/KII

Sex	Oromiya			
	Nazareth	Jimma	Nekemte	Moyale
Male	49.4	50.0	56.3	47.8
Female	50.6	50.0	43.7	52.2
Total	100.0	100.0	100.0	100.0

With regard to age group of participants, about half of them were between 30 and 50 years old (average for all towns is 49%), while those below 30 constituted 34% and the remaining 17% were over 50 years old. However, there were remarkable differences across the towns, particularly in Nazareth where about 47% of respondents were below 30 years (Table 3.3B).

Table 3.3B: Age Group of Participants for FGD/KII

Age Group	Oromiya			
	Nazareth	Jimma	Nekemte	Moyale
Below 30 Years	47.0	23.5	25.2	39.8
30-50 Years	38.0	58.4	48.7	50.5
More than 50 Years	15.0	18.1	26.1	9.7
Total	100.0	100.0	100.0	100.0

The economic profiles of group interview participants included civil servants (24.2%), shop owners (19.1%), daily labourers' and others (18.5%), working in religious institutions (20.1%). Together these constituted about 82% of the entire group of respondents. About 18% were classified as house wives, beggars (including street children), and not working due to various reasons as well as those serving in police/military departments and those engaged in agricultural activities. In general, the study covered the diverse occupational groups (Table 3.3C).

Table 3.3C: Occupation of Participants for FGD/KII

Occupation	Oromiya			
	Nazareth	Jimma	Nekemte	Moyale
Civil Servant	26.3	19.7	21.9	28.8
Shop/Business	19.7	16.2	16.7	23.8
Agriculture	0.0	0.0	1.0	0.0
House Wife	13.9	15.4	25.0	26.1
Working in Religious Institution	1.5	4.3	0.0	3.8
Not Working	5.1	14.5	2.1	3.8
Beggar/Street Children	10.9	0.9	8.3	2.5
Police/Military Service	5.1	5.1	1.0	2.5
Daily Labourers and Others	17.5	23.9	24.0	8.7
Total	100.0	100.0	100.0	100.0

3.6. General information on the traders

The data collection form traders covered 91.8% (303) retailers and 8.2% (27) wholesalers across the four towns. Accordingly, 90 traders each were interviewed in Nazareth, Jimma and Nekemet, and 60 traders from Moyale. Of the total traders interviewed, 39% were owners of small shops/tuck shops, where majority of consumers buy their commodities. Roadside vendors were also captured constituting 13% of the sample, main or large shops 16% and big grain market traders 12% of the sample. The remaining 21% of the sample were devoted to vegetable/fruit sellers, millers, butchers and other traders (Table 3.4).

Table 3.4: Breakdown of trader and shops by *type*

Survey Sample		Oromiya							
		Nazareth		Jimma		Nekemte		Moyale	
		Number	Frequency	Number	Frequency	Number	Frequency	Number	Frequency
Type of trade	Wholesaler	11.0	12.2	6.0	6.7	4.0	4.4	6.0	10.0
	Retailer	79.0	87.8	84.0	93.3	86.0	95.6	54.0	90.0
	Total	90.0	100.0	90.0	100.0	90.0	100.0	60.0	100.0
Type of shop	Small shop/Tuck shop	27.0	30.0	42.0	46.7	40.0	44.4	19.0	31.7
	Roadside Vendor	16.0	17.8	6.0	6.7	10.0	11.1	11.0	18.3
	Vegetable/Fruit Seller	6.0	6.7	7.0	7.8	7.0	7.8	6.0	10.0
	Main/Large shop	15.0	16.7	14.0	15.6	15.0	16.7	8.0	13.3
	Big Grain Market	11.0	12.2	16.0	17.8	5.0	5.6	7.0	11.7
	HH Trader Association	1.0	1.1	1.0	1.1	1.0	1.1	2.0	3.3
	Miller	2.0	2.2	1.0	1.1				
	Butchery	7.0	7.8	3.0	3.3	5.0	5.6	4.0	6.7
	Other	5.0	5.6			7.0	7.8	3.0	5.0
	Total	90.0	100.0	90.0	100.0	90.0	100.0	60.0	100.0

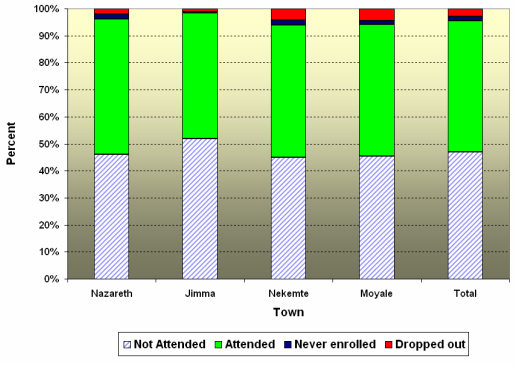
4. Major findings of the survey

4.1. Educational levels and characteristics

The level of education across the towns is such that about 22.5% of the population had no formal education and this is slightly lower than the findings in the 2005 DHS for urban areas of the country (30.7%). It is also well below the results of the DHS for the entire Oromiya region (66%). In general more females (25%) had no education compared to males (19%) and this is true across the four towns and levels of education from primary to tertiary. Jimma had the highest percent of females with no education (27.2%) followed by Nekemte (26.4%). On students enrolled in schools, the highest percentage was in Nekemte. The highest percentage of people with tertiary or higher education was found in Nekemte (9.5%) followed by Nazareth (8.8%) and the lowest was in Jimma (6%). The grade level category reveals that some primary school level constituted 29%, some secondary school 13%, secondary school completed 12%, primary school completed 8.5% and tertiary 8%.

On average, school attendance in year 2000 E.C. about 50%, with almost similar patterns across the towns. The precentage that did not attend school was highest in Jimma (52%) and lowest in Nekemte (45%), though all the towns were not significantly different in this regard. School dropout rates across all towns ranged between 1% (Jimma) and 5% (Nekemte and Moyale) (Figure 4.1). The majority of the community interviews pereception (90% of the groups interviewed), indicated that school drop outs in EC2000 had been remained the same compared with the previous five years.

Figure 4.1: School Attendance in EC 2000



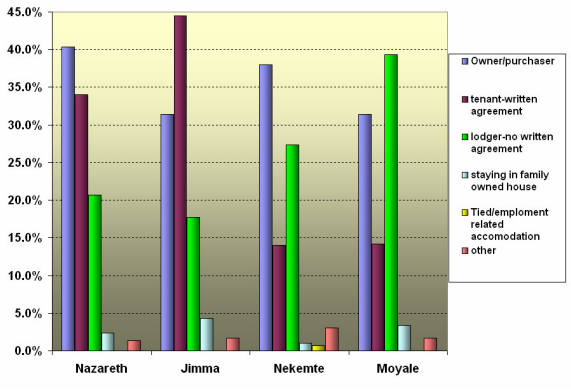
Out of those that did not enrol, dropped out of school or were absent for at least four days per month, the main reasons were: 6.1% was due to illness, 3.3% was to help in household work, 6.1% was because they had to work for food and money, 2.2% not interested in schooling, 10.5% indicated that school was expensive and had no money, and 8.8% gave such varried reasons as hunger, school too far, absence of teachers and early marriages and pregnancy.

4.2. Housing, water, health, electricity, fuel supply and access

Housing conditions

Tenancy status and housing quality are good measures of economic welfare. Of the surveyed households, 38% owned the houses they were living in. The second largest group was lodgers with written agreement (28%) followed by tenants with no written agreements (25%). Both groups could be asked to vacate the houses, the former with out prior notice. The remaining households lived in family houses (5%), free hold and others (4%). Across towns, the tenure status of households reveal that the percentage of households owning or purchasing tenure was highest in Nazareth (40%) followed by Nekemte (37%), Jimma and Moyale (both 32%) (Figure 4.2).

Figure 4.2: Tenure Status across Urban areas



For those paying house rentals and were in rent arrears, well over 60% of the households in arrears had a debt of more than six months. The highest percentage of households with a debt of more than 6 months was in Moyale (70.4%) and the lowest percentage was in Jimma (61.3%) (Table 4.1).

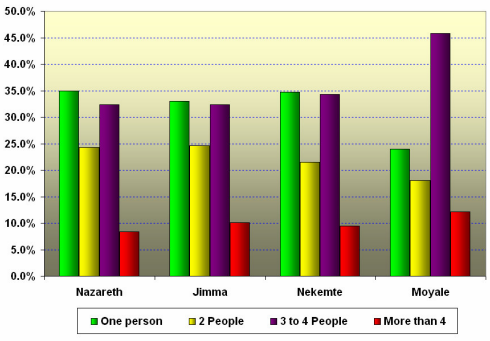
Table 4.1: Percent of Households by Months of Rental Arrears

Town	NO arrears	2 to 3 months	4 to 6 months	> 6 months	Total
Nazareth	4.3	8.7	21.7	65.2	100.0
Jimma	1.3	22.7	14.7	61.3	100.0
Nekemte	6.3	25.0	6.3	62.5	100.0
Moyale	3.7	18.5	7.4	70.4	100.0

The number of people per room indicates that the greatest level of crowding (more than three people per room) was in Moyale (58%), of which 12% were more than four people per room. All the remaining towns had similar levels of crowding that ranges between 41% (Nazareth) and 44% (Nekemte) (Figure 4.3).

The quality of housing is such that the majority of the households (72.2%) lived in backyard pole and mud houses under iron/roof tiles. Some 4.5% lived in flats/town houses with brick under tile/iron roof/ and only 6.2% lived in detached brick houses with tile/iron roof. Around 7.5% lived in semi-detached brick houses with tile/iron roof, about 5.7% lived in private houses/hut mostly made of non-durable materials.

Figure 4.3: Crowding (Persons per Room)



With respect to kitchen facilities, the majority of households (59.3%) had their own kitchen and

ccoking facilities while 36.3% had shared kichen facilities. There were no significant differences among towns. Only 4.4% of households were using their bedrooms as kitchens.

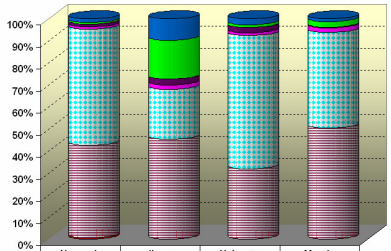
Water and sanitation

The study results showed that there were only 7.1% (average of all towns) households who used piped water inside their houses. Nazareth had the highest percentage (14%) while Nekemte had the lowest (1.7%). The majority of households (an average of about 75%) in all the study towns use piped water outside houses and communal taps (Bonon). About 13% were using water from unsafe/unclean sources (rivers, unprotected wells, and others) whilst about 5% used protected wells and boreholes as their source of drinking water. There were significant differences across the study towns (Table 4.3) .

The majority of households (85.2%) did not treat their drinking water, while 14.8% treated the water they were using for drinking. There were significant variations across the towns in terms of treating water. The highest percentage of households who treated their water was found in Moyale (34.6%) followed by Nekemte (20%), while Jimma and Nazareth had the lowest percentages (2% and 2.7%, respectively). From those who treated their drinking water, about 59% used water guard, 29% boiled the water, 10% were using filter and the remaining were using other methods of water cleaning. From the community interviews, the majority of responses indicated that stability of water supply was mantained while a few respondents reported that access to safe drinking water was deteriorated in 2008 compared with the last five years. For those who indicated deterioration in services, the major reasons were frequent pipe water interruption and poor services.

Although there were some differences in terms of types of toilet facilities across the study towns, the majority of households in all the towns (70-95%) used pit laterines (both private and communal). The highest percentage of households who used private pit laterines was in Nekemte while the lowest was in Jimma which had the highest percentage of households who used flush toilets (both private and shared). All the study towns combined, on average only about 3% used VIP private and communal toilets (Figure 4.4).

Figure 4.4: Access to toilet facilities across towns



	Nazareth	Jimma	Nekemte	Moyale
Flush private to households	1.7%	9.7%	2.7%	1.3%
Flush shared with other household	0.7%	17.7%	1.3%	2.5%
VIP private to household	1.3%	2.7%	2.3%	0.4%
VIP communal	1.0%	2.0%	1.3%	2.1%
Pit Private to household	52.7%	22.7%	60.3%	43.3%
Pit communal	42.0%	45.3%	32.0%	50.4%
other	0.7%	0.0%	0.0%	0.0%

According to information generated from the qualitative interviews, the majority of respondents believed that hygiene and sanitation conditions had generally remained the same during the survey year compared to the last five years. Only a few of the respondents reported deterioration of hygiene and sanitation. For those who felt that sanitation had deteriorated, major reasons mentioned were poor water supply and unaffordable soap prices.

Heating and lighting

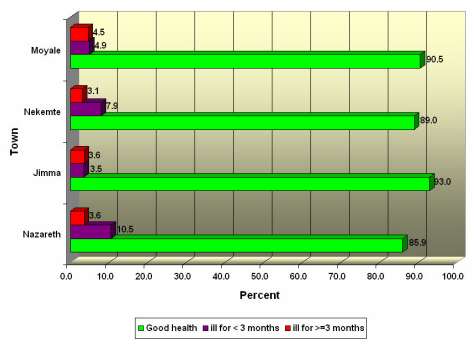
Fuelwood was the dominant source of fuel for cooking- ranging from 33% of households in Jimma to 77% of households in Nekemte, the overall average being 57%. The second most important source of fuel for cooking was charcoal (36%)– with the lowest percentage in Nekemte (22.3%) and the highest in Jimma (46.3%). Animal dung was the third common source only common in Jimma (13%) while kerosine and electricity were not that common in all the towns with the overall percentages of 2% and 0.6%, respectively. On the other hand, the dominant source of lighting was elecricity (95% of households), and the remaining 5% of households were

using other sources such as gas/kerosine (2.9%), wood (1.9%), candles (1.0%) and others (1.2%). Use of electricity for lighting varies slightly across the towns- the lowest percentage was in Nekemte and Moyale (about 92%) while the highest was in Nazareth (97.3) followed by Jimma (96.3%). According to the information generated through the qualitative methods, access to electricity deteriorated in 2008 compared to the previous five years due mainly to the frequent power interuption and high prices for the service.

Health and health facilities

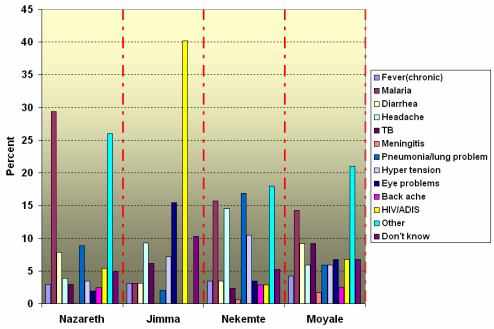
The modbidity of experience of households in the past 12 months (refering to November 2007 to November 2008) exhibited that about 90% of the members in total were in good health, and only 10% were either sick for more than 3 months or less. Incidence of illness for more than three months across the households (chronic illness) was relatively low and ranged between 3.1% in Nekemte and 4.5% in Moyale. Illness for less than three months was highest in Nazareth (10.5%) followed by Nekemte (7.9%) and lowest in Jimma (3.5%) (Figure 4.5).

Figure 4.5: Morbidity across urban towns



The reported causes of illnesses varied across the towns. In Nazareth, the most common disease was malaria (29%), followed by other illnesses (26%), back ache and diarrhoea, pneumonia, TB and hypertension. In Jimma, the most common disease was HIV/AIDS (40%) followed by eye problems (15%), headaches, hypertension, and malaria. In Nekemte, the most common disease was other diseases (18%), followed by pneumonia/lung problem (17%), malaria, and headaches. In Moyale town the most common disease was other diseases (21%) followed by malaria (14%), and Diarrhoea and TB (Figure 4.6). The major diseases affecting children under 5 years were diarrhoea, followed by fever and malaria.

Figure 4.6: Major Diseases across the study towns



The types of illness by age groups indicates that the most common type of disease for all age groups was malaria though it was severe for children below 5 years (27.5% of children were sick due to malaria). The second most common type of illness was pneumonia/lung problem that affected 21.7% of children below 5 years, 11.5% of the population in the 5-17 years age group, and 7.6% and 8.6% of those in the 18-59 and >60 years age groups (Table 4.2)

Table 4.2: Spread of Illness across Age groups

Type of Illness	Age Category			
	< 5 Yrs	5 -17 Yrs	18 - 59 Yrs	> 60 Yrs
Fever(chronic)	5.8	3.5	3.3	1.2
Malaria	27.5	20.4	16.7	12.3
Diarrhea	7.2	9.7	4.9	1.2
Headache	8.7	7.1	7.0	7.4
TB	5.8	5.3	5.2	3.7
Meningitis	0.0	0.0	0.3	2.5
Pneumonia/lung problem	21.7	11.5	7.6	8.6
Hyper tension	0.0	1.8	7.3	9.9
Eye problems	0.0	4.4	2.7	13.6
Back ache	0.0	2.7	1.8	4.9
HIV/ADIS	0.0	2.7	10.6	1.2
Other	18.8	18.6	27.4	29.6
Don't know	4.3	12.4	5.2	3.7

Households access to health services significantly varied across the towns, with the majority of households seeking treatment at central hospitals, municipality clinics, private clinics and community health workers– all constituted about 65%. Only about 4.5% of the sick population in all towns did not seek/get health care. Very few households sought treatment from traditional /spiritual healers (6%) (Table 4.3).

Table 4.3: Access to Health Services (% of households)

Access to health facilities	Town			
	Nazareth	Jimma	Nekemte	Moyale
Did not get Health care	6.3	5.0	3.5	4.2
Central Hospital	15.6	28.3	15.6	12.5
Referral hospital	8.0	16.7	8.5	6.9
District/Municipal hospital/HC/clinic	17.7	10.8	35.2	26.4
Other public	4.6	1.7	6.0	16.0
Community health worker	10.5	20.8	1.0	0.7
Private hospital/clinic	29.1	0.8	13.6	13.2
pharmacy	2.5	1.7	5.5	2.8
Other private	1.3	0.8	1.0	2.1
Outside Ethiopia	0.8	0.8	1.0	4.2
Traditional /spiritual healer	3.4	12.5	4.0	4.2
other	6.3	5.0	5.0	6.9

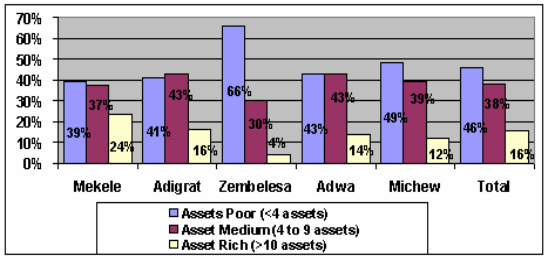
For those not seeking medical attention, the main reason was lack of money (56% in Nazareth; 100% in Jimma; 20% in Nekemte and 0% in Moyale). Not believing in health services and religious belief as reasons were only reported in Moyale (100% of cases). Based on the community perception, about 35% indicated that access to the services deteriorated in 2008 compared with the last five years while the remaining 65% indicated access to health services either remained the same or improved.

4.3. Assets, livelihoods, income sources and expenditure patterns

Assets

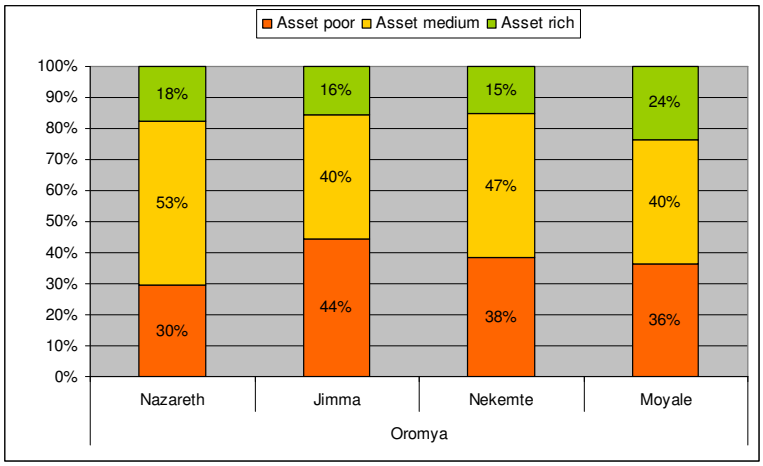
Households were interviewed about their possession of assets including productive assets (e.g. agricultural tools, transportation) and non-productive assets (e.g. household items such as tables, chairs, beds). Overall, the most common types of assets owned were basic household possessions such as beds (88%) and tables and chairs (73% of households). Asset ownership varied across surveyed towns. Moyale had the highest ownership rate of CD/DVD players (55% of households) and satellite TV receivers (14%). Jimma had the highest percentage of bicycle ownership compared to the other towns (11% versus 1% to 6%), while Moyale's and Nazareth's mobile ownership rates (51% and 46%) were found significantly higher compared to Jimma's and Nekemte's (34% and 36%, respectively). Nazareth households scored the highest rate for ownership of machetes (22%, all the other towns ranging between 1% and 8%). Jimma scored the lowest percentage in terms of possession of hoes and shovels (6% and 3%) among the towns studied.

Figure 4.7 Asset Poverty across towns



In order to provide a comparative tool, an asset wealth index was created by counting the number of different types of assets owned by each household. Diversity of asset ownership alone cannot be taken as a measure of the entire wealth of households, but it can be considered as a good proxy. The index ranged from 0 (no assets) to 21. Standard cut-off values were used to create categories of 'asset poor' (0 to 4 different types of assets) 'asset medium' (5 to 9 different types), and 'asset rich' (10 or more different types of assets) households. Figure 4.8 shows the distribution of asset wealth categories across surveyed towns.

Figure 4.8: Distribution of asset wealth categories across the four towns



The lowest percentage of 'asset poor' households was found in Nazareth (30% of households). The highest rate of 'asset poor' was found in Jimma (44% of households). The lowest percentage of 'asset rich' households was found in Nekemte (15%). Some 10% of households only had sold assets in the 6 month before the survey. The 'asset poor' were found to have sold assets more likely than 'asset rich' households (12% vs. 8%). No statistically significant difference was found across the studied towns, where the rate ranged between 7% in Nekemte and 10% in Nazareth.

The main reasons for selling assets were investigated. However, results on this have to be carefully interpreted because they were based on a small percentage of households sampled from each town. Generally, the main reason for selling assets, among households who did it, was to purchase food (59% of households who sold any assets), followed by getting money for medical expenses (17%). About 70% of households who sold assets in Jimma and Nekemte did it to buy food. This percentage was much lower among households who sold assets in Nazareth (48%) and in Moyale (33%). On average, 17% of households reported having a savings bank account. However, this percentage was significantly different between asset wealth groups, with 44% of 'asset rich' having an account versus 17% of 'asset medium' and 3% only of 'asset poor' households. No statistically significant difference was found across the four towns.

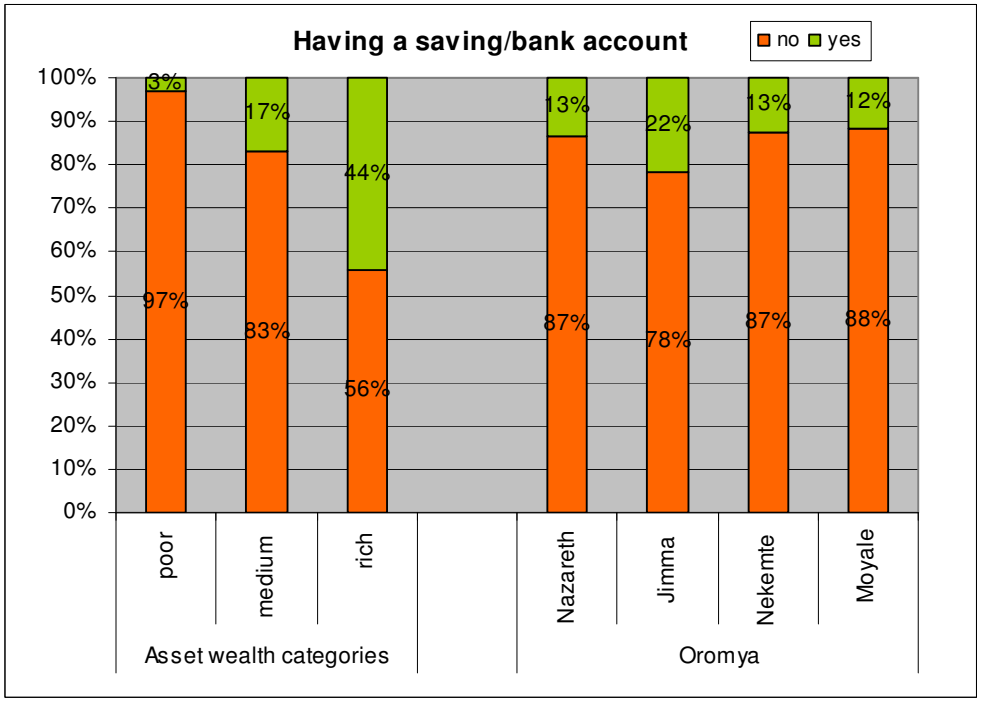


Figure 4.9: Distribution of households by asset wealth categories and ownership of saving account

Livestock ownership

Of the total households, some 11% owned some livestock either in town or in nearby rural areas in the 6 months prior to the survey. Again, 'asset rich' households were more likely to have any livestock compared to 'asset medium' and 'asset poor' households (all differences being statistically significant). By town, Nekemte and Moyale had significantly higher numbers of households owning livestock (Figure 4.10). Almost a third of the households that owned livestock sold or bartered animals in the past 6 months. No significant difference was found across asset wealth groups. On the other hand, more than half of the households possessing livestock in Jimma did some trading on them.

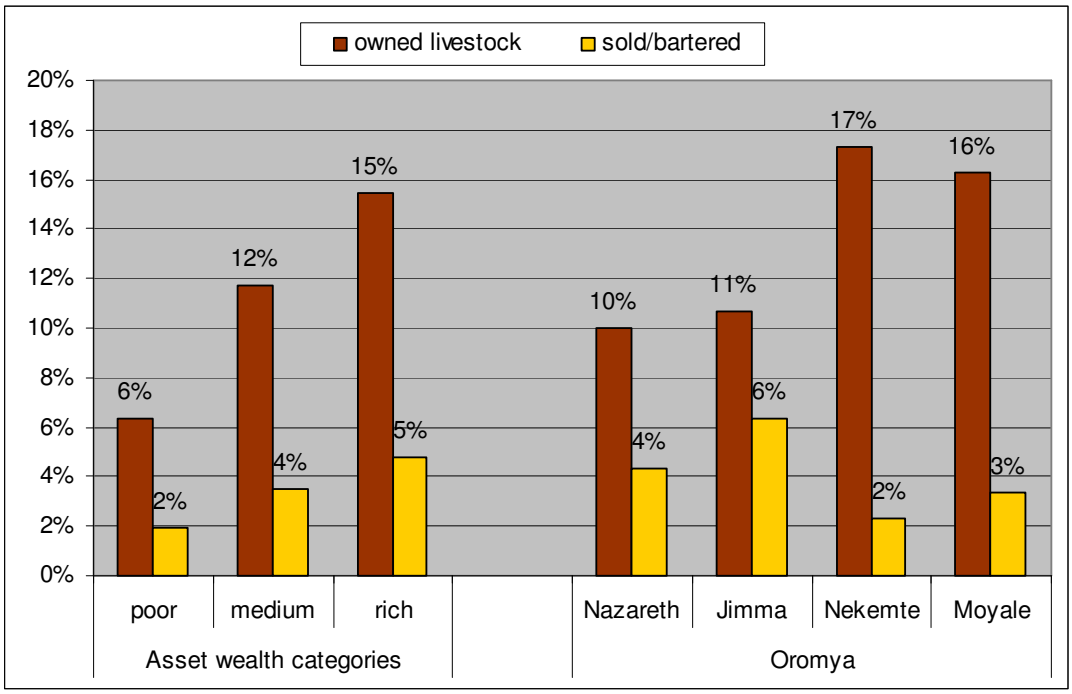


Figure 4.10: Distribution of households by ownership of livestock

Livelihood groups

Households were asked to identify their occupations and the contribution of each to their household's livelihood outcomes. Overall, 19 activity categories were mentioned (including an unspecified category named here as 'other'). This information was used in a multivariate analysis to cluster together households with similar level of reliance on particular activities. This analytical approach allows considering not only the types of activities performed but also its relative contribution to a household's livelihood.

Twelve distinct livelihood strategy groups were identified. Of the sampled households, the most common groups were households living on: small business or self-employed (24%), government salary/wages (21%), non-agricultural wage labourers (16%) and households relying on house rental, pension or allowances (12%). The smallest groups were those whose main activity was related to farming, handicrafts (including artisans), both around 2% of the sample, agricultural wage labourers and households primarily living on sales of livestock or livestock products (both around 1% of the sample). The distribution of the livelihood groups by town is reported in Table 4.4.

Table 4.4: Distribution of the livelihood groups by town

Livelihood groups	Oromiya			
	Nazareth	Jimma	Nekemte	Moyale
Small business/self-employed	17%	27%	23%	28%
Government salary/wage	26%	10%	23%	21%
Non-agricultural wage labor	9%	20%	22%	22%
House rental income, pension and allowances	14%	9%	9%	3%
Remittances, gift, assistance dependents	10%	8%	6%	8%
Petty trade (firewood sales, etc...)	9%	8%	4%	3%
NGO, private company salary	8%	5%	2%	4%
Other not specified activities	3%	2%	3%	4%
Farming	3%	5%	2%	2%
Handicrafts /artisan	0%	2%	1%	2%
Agricultural wage labour	0%	0%	3%	1%
Sale of animals or animal products	0%	2%	1%	1%
Total	100%	100%	100%	100%

Nazareth had the lowest percentage of households relying on small business/self-employment (17%) compared to the other towns in the region. This group was found to be highest in Jimma and Moyale (27 and 28%, respectively). Nazareth had the lowest percentage of households living on non-agricultural wage labour (9% households) compared to the other surveyed towns, all being around 20%. On the other hand, more households were found to live on petty trade and NGO/private company salary in Nazareth and Nekemte (9% and 8%, respectively) compared to households in other towns. In Jimma, it was found that the lowest percentage of households was living primarily on government salary or wages. Nekemte had the highest percentage of farming households (3%), while Moyale had the lowest percentage of households living primarily on rental income, pensions or allowances.

By livelihood groups, households relying on petty trading, agricultural and non-agricultural wage labour had the highest rates of 'asset poor' (64%, 63% and 59% in order of mention) compare to other livelihood groups. Also more than half of the handicraft/artisan (54%) and the farming (53%) livelihood groups followed in the asset poor category. The groups with the least rate of 'asset poor' households were those who lived on government salary (17%) and the sale of livestock/ livestock products (15%) groups.

Income

Households were asked to estimate incomes that they earned in the month previous to the survey. This household level information was transformed into a rough per capita monthly income value by dividing the reported income by the number of household members, not adjusting for age. The distribution of per capita income was much skewed toward lower values with few outliers who reported much higher values. For this reason, median values are displayed together with means (Figure 4.11). Asset wealth categories had per capita monthly mean incomes significantly different from each other. The mean was 186 Birr/ month/person among the asset poor households (median 133 Birr/ month/person), 274 Birr/ month/person among the asset medium (median 180 Birr/month/person); and 409 Birr/month/person among the asset rich (median 286 Birr/ month/person). The asset wealth index correlated well (0.369, $p<0.001$, Spearman's *rho*) with the per capita monthly incomes. Comparing towns, no significant differences were found between the surveyed towns in the region.

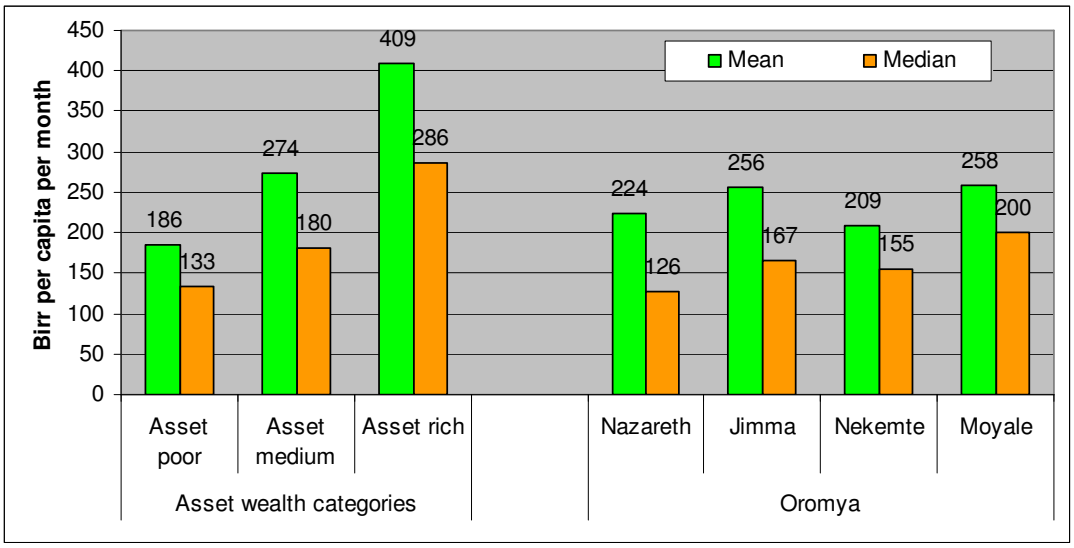


Figure 4.11: Distribution of households by income level

Mean and median values for reported per capita monthly incomes were calculated for the different livelihood groups. The highest mean value was found among households living on sale of animals or animal products. However, it has to be stressed that this group accounts for just 1% of the sample only, thus its statistics are not very strong. This group has also the highest difference between mean and median values, signalling that few outliers were raising the mean value. Nevertheless, its median value is still among the highest among livelihood groups. The other not-specified activity households scored the second highest mean value (414 Birr/ month/person), followed by the NGO/private company salary households (392 Birr/ month/person) and the government salary group (347 Birr/ month/person). Those groups presented also very similar median values, thus most probably earning similar amounts. Livelihood groups with the lowest per capita monthly incomes were: petty traders (mean 154 Birr/ month/person, median 120 Birr); handicraft/artisans (mean 174 Birr/ month/person, median 115 Birr); and non-agricultural wage labourers (mean 174 Birr/ month/person, median 129 Birr).

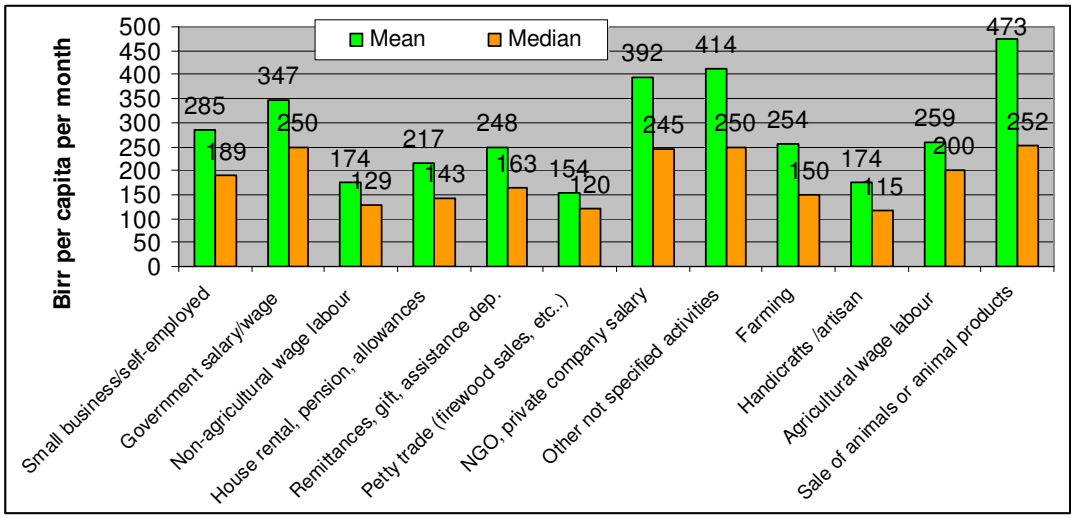


Figure 4.12: Distribution of households by income level and livelihood groups

On average, almost 38% of households reported that they experienced a decrease in their incomes from January 2008. About half of the sample reported no change in their incomes and about 12% only reported an increase of incomes during the past year. Asset poor households were more

likely to report a decrease in their incomes compared to asset medium or asset rich households (49% versus 34% and 26%, respectively).

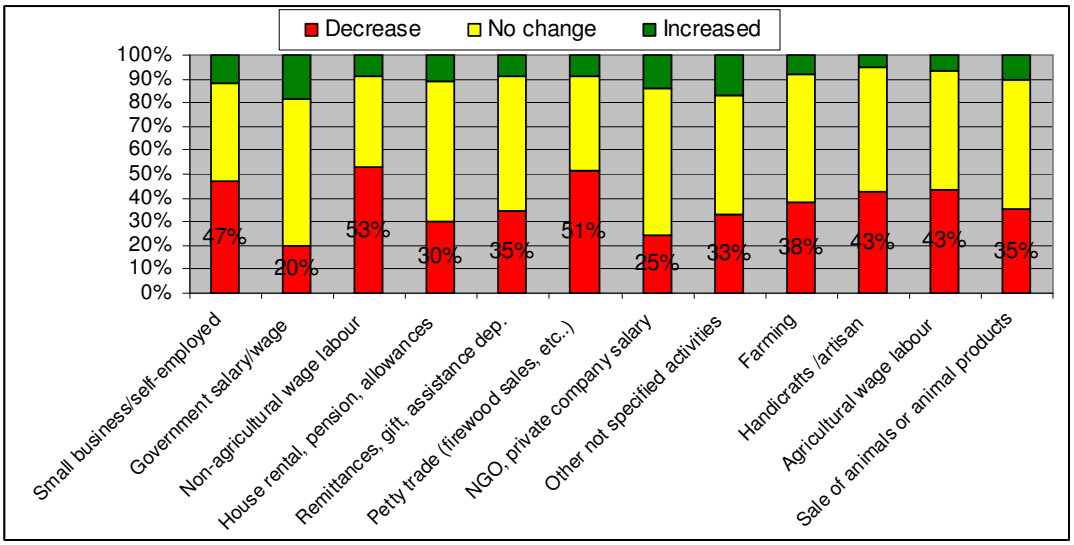


Figure 4.13: Distribution of households by income level and livelihood groups and changes in incomes

The livelihood groups that more frequently reported decreases of incomes were: non-agricultural wage labourers (53%), petty traders (51%) and small business/self employed households (47%). The majority of almost each group reported to have not experienced any change in incomes. Groups with the highest rate of households reporting income increase were government salary (18% of them) and households relying on other not specified activities (17%). Households were asked whether they had received support as food and/or cash from relatives/friends in the last year. Out of the entire sample, 14% of households received food and/or cash support from relatives/friends living in Ethiopia, while 7% only received support from outside Ethiopia. Across asset wealth groups, there was a significant difference regarding support received from outside the country and in the possibility to support other households (both growing with wealth), and in the percentage of households who borrowed money in the last year, being highest in the asset poor group.

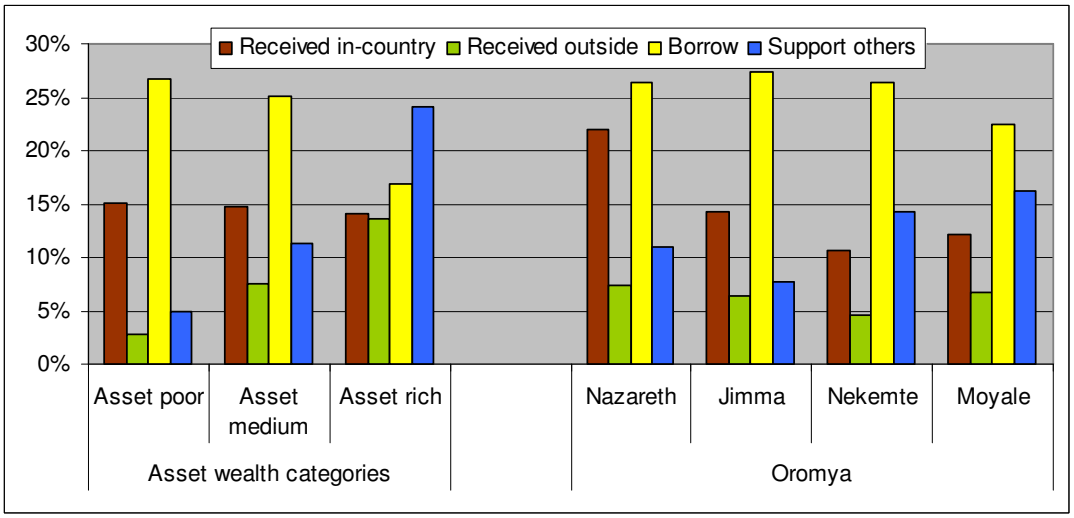


Figure 4.14: Distribution of households by type of support they received

More households in Moyale were supporting other households compared to other surveyed towns. Nazareth had the highest percentage of households who were receiving support from inside the country (about 22% of households) as well as receiving support from outside Ethiopia (about 8%).

As expected, the livelihood group of remittance, gift and assistance dependents were the most likely to be receiving support– 54% of those households were getting support from inside Ethiopia and 27% from outside. Borrowing rate was found to be relatively homogeneous across the groups, being highest among petty traders and farmer groups (34% in each group). The lowest borrowing rate was registered among households engaged in non-specified activities.

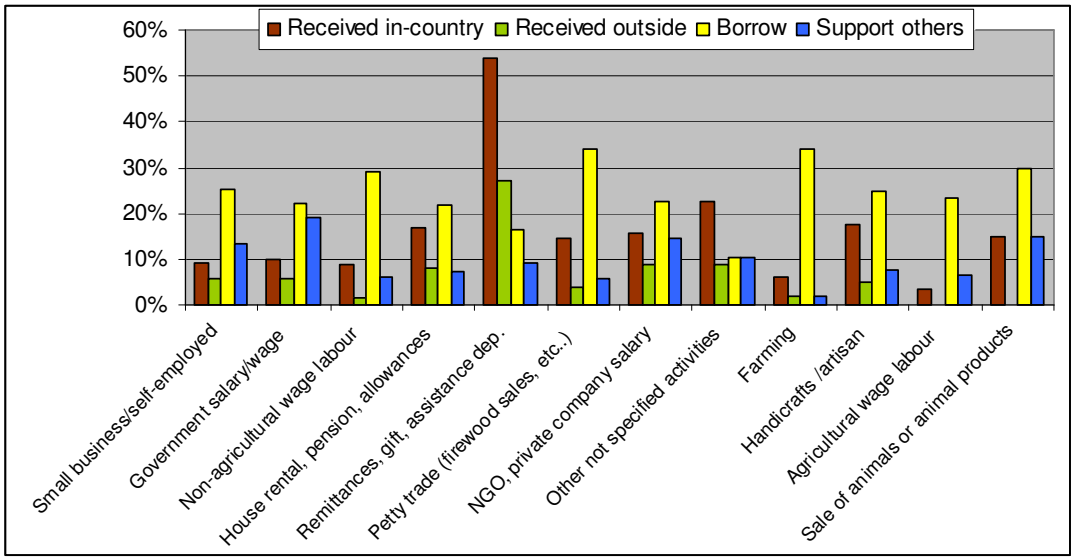


Figure 4.15: Distribution of households by livelihood groups and type of support they received

Expenditures

The average monthly household expenditure was Birr 792 for the four towns. The average monthly per capita expenditure for all the towns was Birr 134. The expenditure however slightly varied across the towns with the lowest average expenditure per household of Birr 722 per month (Birr 122/capita) in Nazareth and the highest expenditure of Birr 862 (Birr 45/capita) in Jimma. Expenditure for the remaining towns ranged from Birr 739 in Nekemte to Birr 845 in Moyale; the expenditure levels varied by livelihood patterns in the different towns (Figure 4.16A – 4.16D).

Table 4.5: Expenditure categories/HH/Month across the Towns

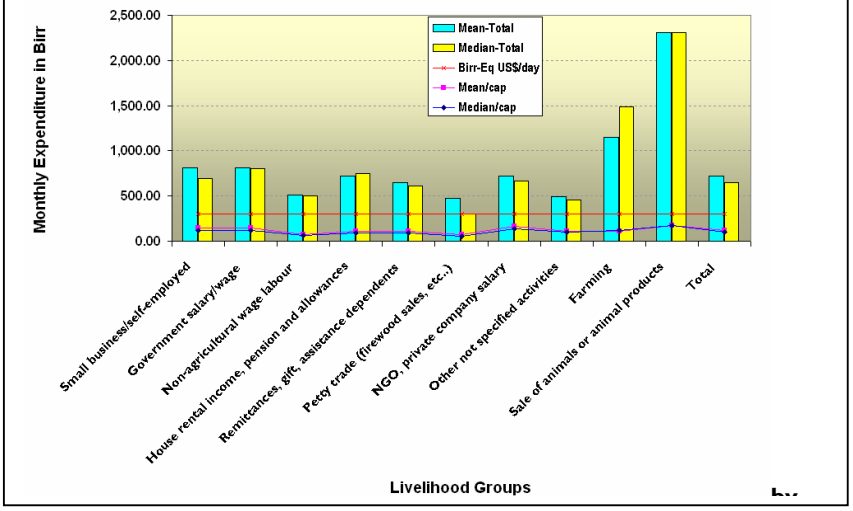
Towns	Expenditure categories/HH/Month			
	Less than Birr 300	300 to 600 Birr	601 to 1000 Birr	More than 1000 Birr
Nazareth	94.3%	5.4%	0.3%	
Jimma	94.3%	5.4%		0.3%
Nekemte	96.3%	3.4%	0.3%	
Moyale	92.4%	6.8%	0.8%	
All Towns	94.4%	5.1%	0.4%	0.1%

Distribution of expenditure by towns indicates that about 94% of households in all the towns spent less than Birr 300 per month and about 5% spent between 300 and 600 Birr per month, while the remaining 1% spent more than 600 Birr per month. There was no significant variation between the towns (Table 4.5).

Expenditure by livelihood groups indicates that the highest expenditure was in the Government salary/wage and the NGOs private salary groups. The non-agricultural labour and the artisans

were also among the livelihood groups with low expenditures, hence income levels. Those groups were the most vulnerable as they had also poor assets and also tended to be crowded. From the community interviews petty trade, small business and beggars/assistance groups were perceived as poor in the community (Figure 4.16A – 4.16D).

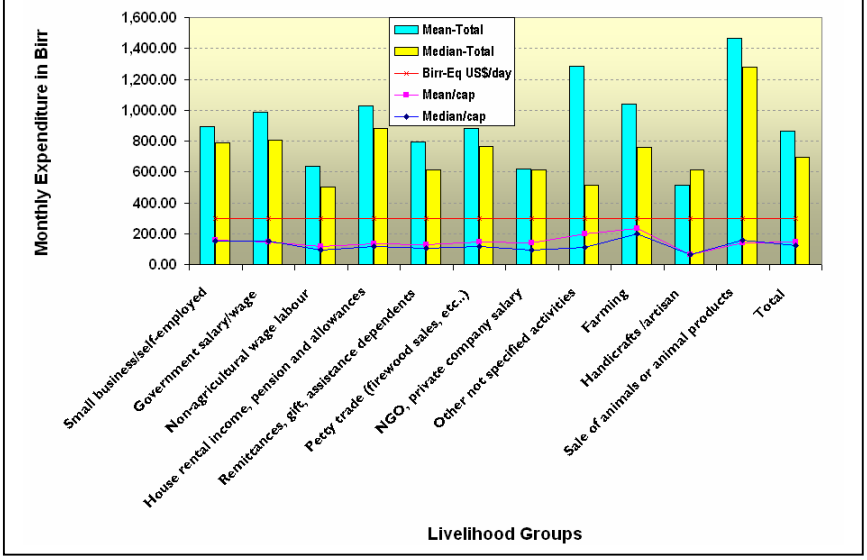
Figure 4.16A: Average Expenditure



Expenditure by asset holding was such that the asset poor households had the least per capita expenditure of Birr 97 per month followed by the asset medium with Birr 145 per month, whilst the asset rich as expected had the highest per capita expenditure of Birr 180 per month. This indicates that the better the asset base the better a household's living condition is likely to be. Considering sex of heads of households, female-headed households spent far less than male-headed households, with male-headed households spending on average Birr 141 per capita per month compared to Birr 122 per capita per month for female-headed households. The difference in expenditure between male- and female-headed households was spread across all commodity groups, with the greatest difference in expenditure being in food- both cereals and non-cereals. This implies that female-headed households were generally poorer than male-headed households.

In terms of marital status, the never married had better expenditure of about Birr 150 per capita per month followed by the married with Birr 144 per capita and the cohabiting with Birr 133 per capita per month. The separated and widowed were worse off with per capita expenditures of Birr 106 and 119 per month, respectively. The divorced fell in the middle with per capita expenditure of Birr 131 per month.

Figure 4.16B: Average Expenditure by Livelihood group – Jimma



On average 67% of total household expenses was spent on cereals while the remaining 33% was spent on other food commodities and non-food essentials such as utilities (electricity, water, telephone and fuel), education, health and medication, rent, transport, etc.

Figure 4.16C: Average Expenditure by Livelihood group - Nekemte

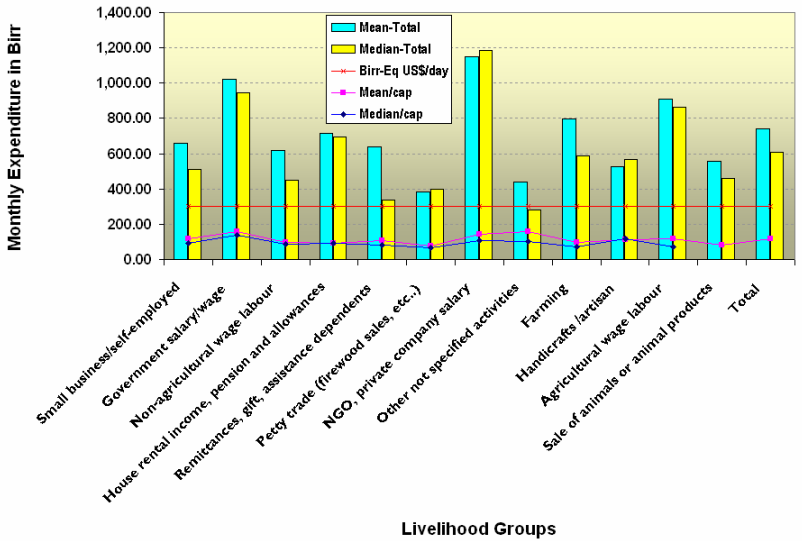
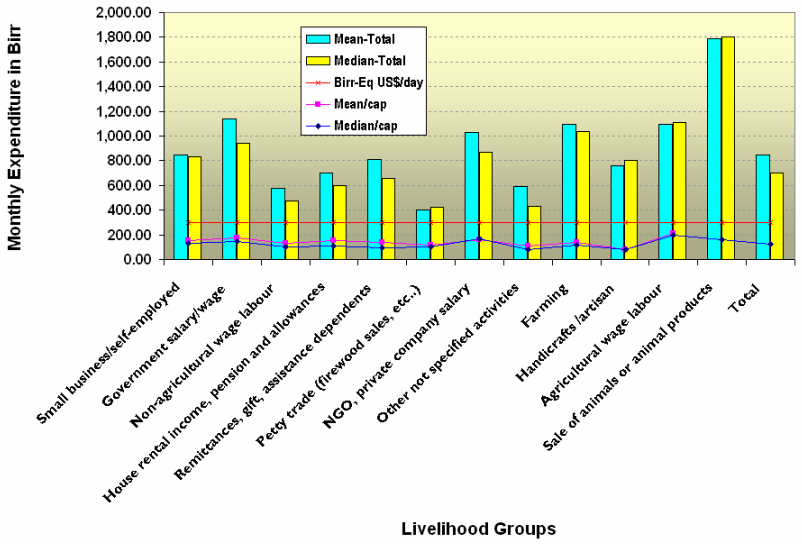


Figure 4.16D: Average Expenditure by Livelihood group - Moyale



4.4. Food consumption, food security and nutrition

Current consumption

Data were collected on consumption of 14 food items or food groups over a recall period of seven days prior to the survey. The dietary diversity (number of different foods or food groups consumed by households over a given period of time) and frequency (number of days per week) have been demonstrated as good proxy measures of the access dimension of food security at household level. Variety and frequency were thus used to calculate a weighted Food Consumption Score (FCS). Weights are based on the nutritional density of the foods and are displayed in Table 4.6.

Table 4.6. Food types and weights used to calculate Food Consumption Scores (FCS).

	Food Items	Food Group	Weight
1.	Cereals: Teff, other cereals, pasta, biscuits; and Tubers: potatoes	Staples	2
2.	Pulses and Groundnuts: Beans, lentils, nuts	Pulses	3
3.	Vegetables (including relish and leaves)	Vegetables	1
4.	Fruits	Fruits	1
5.	Animal Proteins: Fish, Meat, Eggs	Meat & Fish	4
6.	Milk / dairy products	Milk	4
7.	Oil / Fats / Butter	Oil	0.5
8.	Sugar (including honey, jam)	Sugar	0.5

The FCS is a continuous variable that is commonly interpreted using two thresholds to distinguish consumption level: FCS of 21 and FCS of 35. In theory, the threshold of 21 corresponds on average to a daily consumption of staples (7 days* weight 2 = 14) and vegetables (7 days*weight 1 = 7; 14+7 = 21). The 35 threshold indicates a daily consumption of staples and vegetables and a frequent (at least 4 times a week) consumption of oil and pulses (7*2 + 7*1 + 4*0.5 + 4*3). However, in the Ethiopia context, frequent consumption of oil and sugar is very common. Thus the thresholds have been raised accordingly to the local habits because, otherwise, frequent consumption of oil and sugar food groups would have masked the missing consumption of other important items, like vegetables and protein rich food like pulses. For analyses, sampled households were classified into three groups using 28 and 42 as thresholds to define: poor consumption (≤28), borderline consumption (>28 and ≤42), and acceptable consumption (>42). The FCS and the food consumption groups also allow for comparisons of dietary quality and diversity between populations.

On average, consumption of staple foods was regular in each consumption groups. Basically, every sampled household consumed cereals or tubers on a daily basis. However, households in the borderline and acceptable consumption groups were more likely to be able to diversify their staple intake eating different cereals, potatoes, pasta or biscuits with higher frequency. Teff was found to be the staple more frequently consumed.

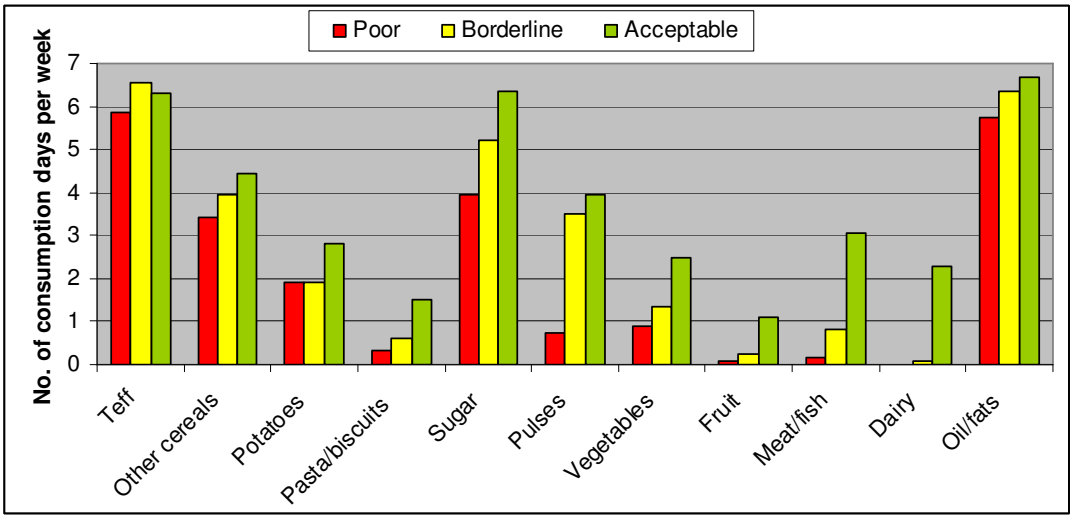


Figure 4.17: Consumption pattern by type of food items

Besides staples (teff consumed almost daily, other cereals 4 days per week, potatoes 2 days per week), households with poor consumption were eating, on average, oil/fats 6 days a week, sugar 4

days a week, pulses and vegetables once per week. Households classified as having borderline consumption were eating teff and oil on a daily basis, sugar 5 days a week, other cereals 4 days a week, pulses 3 days a week as well as potatoes (2 days), pasta or biscuits, vegetables and meat, fish or eggs (1 day a week). Acceptable consumption households were eating teff, sugar and oil almost every day of the week, and also consumed other cereals and pulses 4 days a week, meat, fish or eggs and potatoes 3 days a week, vegetables and dairy products 2 days a week, pasta or biscuits and fruit (once a week). Based on this analysis, one third of the households were classified as having poor food consumption, 37% having borderline consumption, and 30% being characterized by acceptable consumption. The association between asset wealth and food consumption was tested and found significant (Chi-square, $p<0.001$, Kendall's *tau-b* 0.298, $p<0.001$). Poor households were more likely to have poorer diet in terms of diversity and frequency of consumption (48% of them), while richer households were more likely to have adequate consumption (56%).

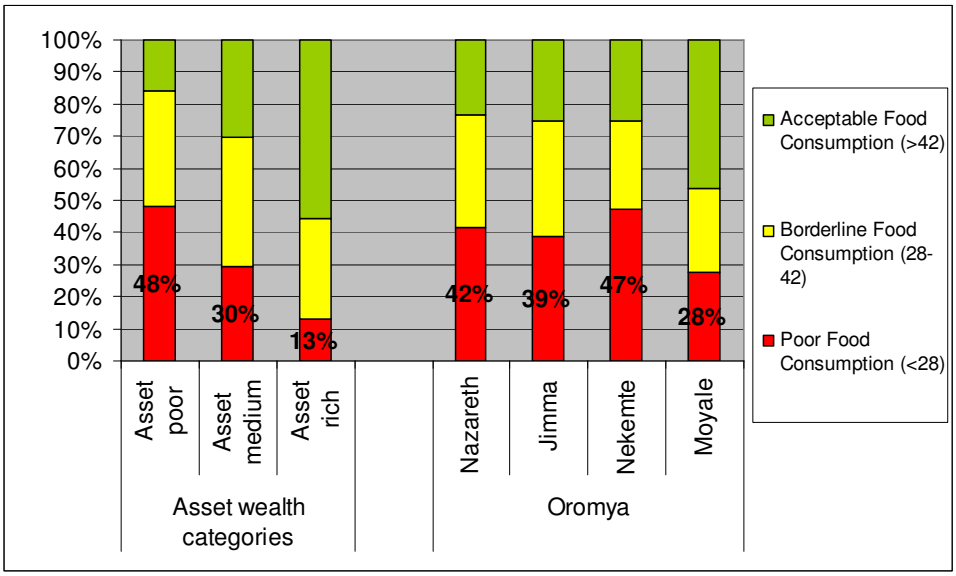


Figure 4.18: Consumption pattern by frequency of consumption and town

By town, the highest rate of poor food consumption was found in Nekemte (47% of households). Households from Moyale seemed to have a better consumption compared to households in the other towns studied. The distribution of consumption profiles by livelihood groups is presented in Figure 4.19.

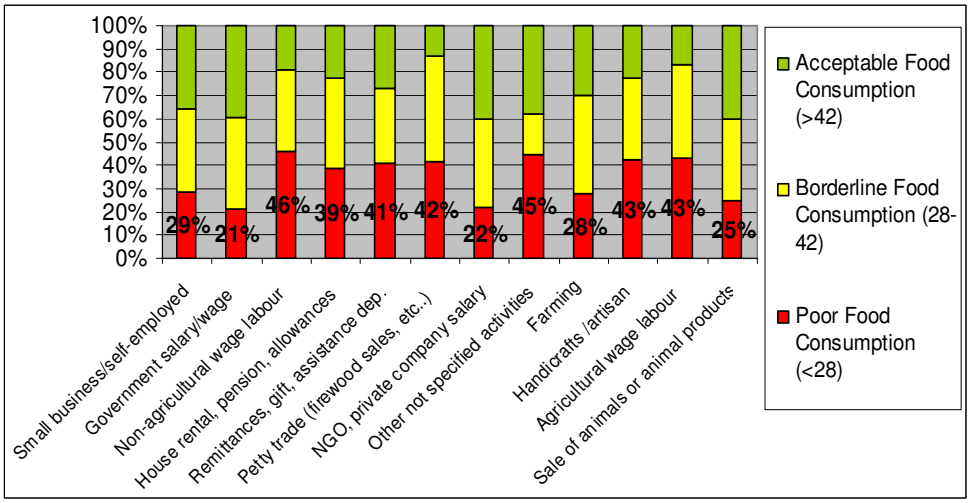


Figure 4.19: Consumption pattern by frequency of consumption and livelihood groups

More than 40% of the wage labourers (both agricultural and non-agricultural), handicraft/artisans, households living on non-specified activities, petty traders, and households relying on remittances, gift and assistance had poor food consumption. The groups with the lowest prevalence of poor consumption were the government salary households followed by NGO/private company salary households (21 and 22%, respectively).

Stocks of food at household level

Households were asked to estimate quantities of cereals (teff, maize, wheat and sorghum) that they had in stock by the time of the survey. Total amounts were then divided by the number of household members to get per capita stocks in kilograms. The average per capita stock for the entire sample was not very high (2.9 kg/capita) as expected in towns where households purchase food on a more frequent basis compared to rural farming households. Average per capita cereal stock was found to be significantly different ($p<.001$) among food consumption groups (poor consumption: 1.7 kg/capita; borderline: 2.9; acceptable: 4.3) and among asset wealth groups (asset poor: 1.6 kg/capita; medium 2.7; rich: 6.0).

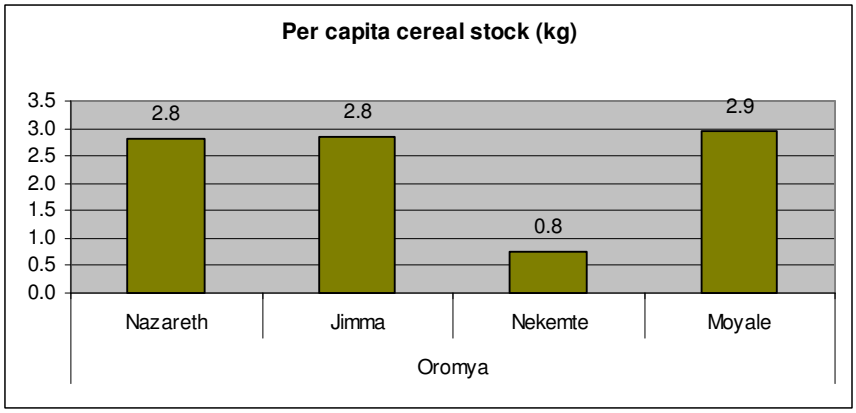


Figure 4.20: Households' cereal stock per capita by town

Interesting differences were detected at town level. Households in Nekemte had the lowest average per capita cereal stock, significantly lower than average stocks in the other towns ($p<0.05$). By livelihood group, no statistically significant differences were found. The highest average per capita cereal stock was found in the sale of animal/animal products households (5.2 kg/capita), among households engaged in non-specified activities (4.4 kg/capita) and among NGO/private company salaried households (4.0 kg/capita). Agricultural and non-agricultural wage labour and handicraft/artisan groups had the lowest cereal stock per capita (0.4, 1.7 and 1.5 kg /capita).

Changes in consumption

Households were also asked o remember their consumption level back in January 2008. Figure 4.21 shows changes in consumption from that date to the date of the survey as measured by the food consumption score.

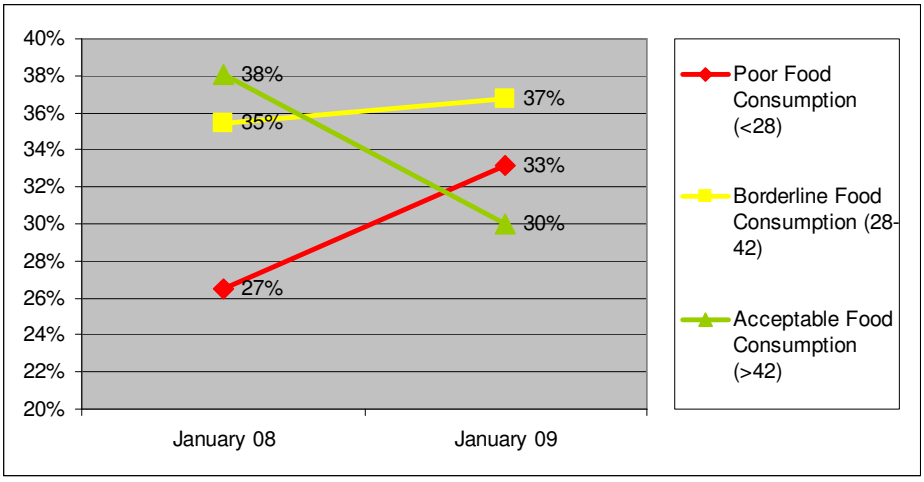


Figure 4.21: Households' change in consumption pattern

As it can be seen, household level food consumption decreased from January 2008. Acceptable consumption rate was 38% in January 2008 and it dropped to 30% by January 2009. At the same time, poor consumption increased from 27% to 33%. The borderline consumption groups changed, on average, not much, increasing from 35% to 37%. However, because food consumption habits are usually modified substituting preferred food with less preferred items and reducing quantities, the drop of diet diversity and frequency had hit all the levels of consumption, with households from the acceptable group moving into the borderline, and households from the borderline consumption group shifting into the poor. The change of dietary consumption was very likely due to the impact of higher food prices on households' budgets. Unusual levels of high food prices were in fact reported by a large number of sampled households as one of the main problems in the past 6 months. On the other hand, just 20% of the sampled households did change food consumption category from January 08 to January 09 (Table 4.7).

Table 4.7: Changes in food consumption of households between January 2008 and January 2009

FC groups - Jan-09	**FC groups - Jan-08**			Total
	Poor Food Consumption (<28)	Borderline Food Consumption (28-42)	Acceptable Food Cons. (>42)	
Poor Food Consumption (<28)	25%	7%	1%	33%
Borderline Food Consumption (28-42)	1%	27%	9%	37%
Acceptable Food Consumption (>42)	0%	1%	28%	29%[6]
Total	27%	35%	38%	100%

[6] This total is slightly different from the figures reported above for rounding effect in the cross-tabulation.

4.5. Markets and food prices

Market conditions: supply/ availability of food commodities

According to the information gathered through both focus group discussions and key informant interviews, the food supply deteriorated since late 2005. It worsened in subsequent years with the worst being in 2008. During the time of this survey, availability of food commodities ranged from as low as 42% (Barley) and as high as over 90% (oil, sugar, and red pepper) depending on the type of food items. The food commodities most impacted by supply problems included wheat (flour and grain), maize, teff, rice, pulses and meat with availability ranging from 53% to 70%. Around three-quarters of the groups interviewed felt that food commodities were available in markets while the remaining felt food items were scarcely available.

The survey collected information on availability in the market of preffered food items that households consume and their prices during the survey period and for a month before. Availability of commodities in the two periods was good for most commodities. However the availability of some items such as wheat flour (52%), lamb meat (8%), goat meat (6%), chicken (72%), cheese and yogurt (83%) and butter (18%) were lowered.

About two-thirds of the traders interviewed indicated that the supply of cereal commodities to the market had decreased and cited reduced harvest as one of the major reasons for reduced supply– around 40% of all types of traders (wheat, sorghum, maize and teff). For the small percentage of traders (6% to 12%) who indicated an increase in supply, most mentioned price increase as the main reason. For those who indicated an increased supply into the market, food aid being sold in the market was also cited as one of the reasons (mostly wheat traders with some others).

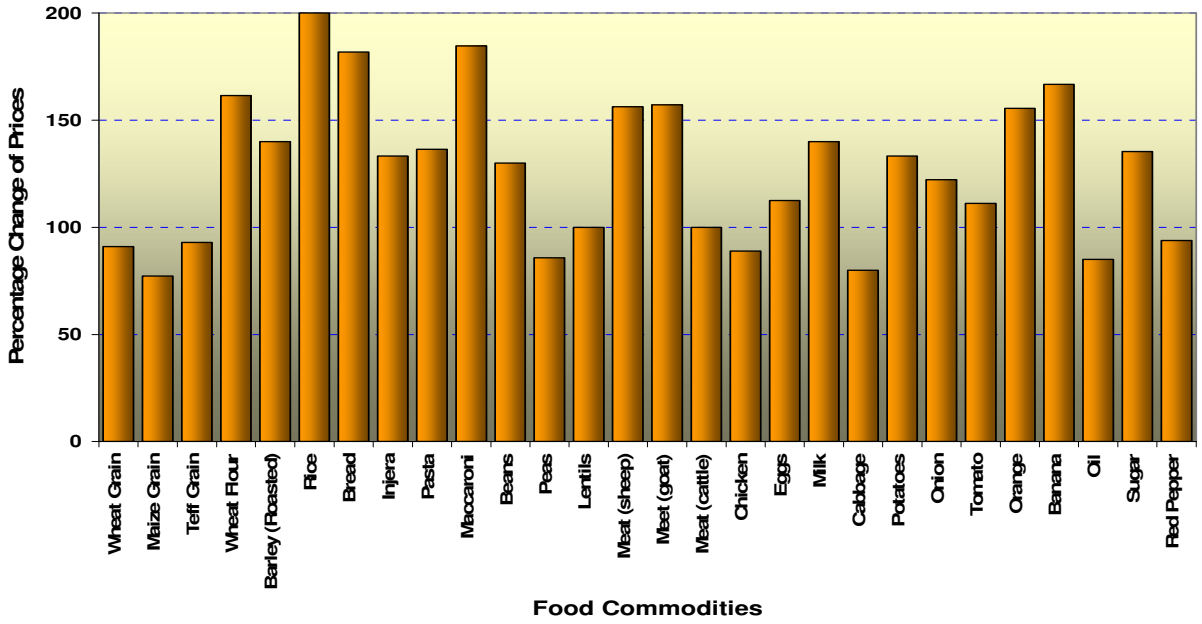


Figure 4.22: Percentage change in food prices

Situation of prices on food commodities

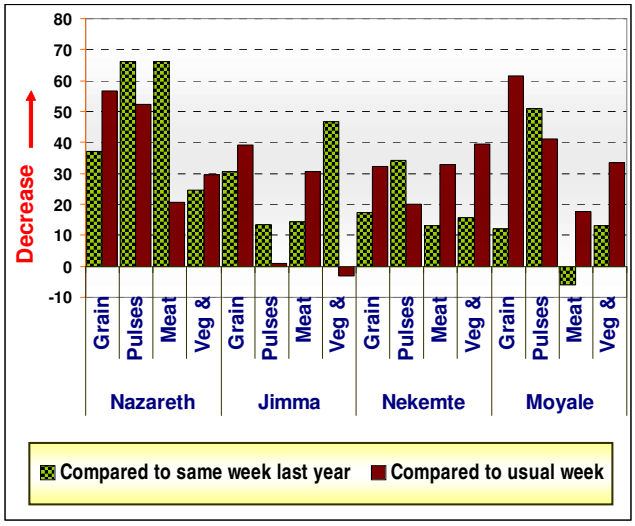
Traders were asked about changes in prices compared to last year the same period. Around 90% of traders indicated that the price of most staple foods showed substantial increase for items like grain, sugar/oil and moderate increase for meat and vegetables. The price of grain increased on

average from 10-50%; *Injera* from 30-100%; meat from 20-40% and oil/sugar from 30-50% across the surveyed towns (figure 4.23). Nearly 53% of the traders reported no change in price of commodities over one year period, whilst 47% noted that there were changes in prices of commodities. The major reason for the increase in price was the increase in prices from sources of commodities (35%); and only 8% indicated increase in transport costs as the main reason. With regard to the time period where traders noticed increase in price of commodities, about 25% indicated that price rise started one year back; 42% said six months earlier and 33% said more than a year earlier.

Volume of trade/ sales

There is high variability in traded quantity amongst traders where it ranges on average from 2mt to 20mt for grain, 1mt to 1.45mt for pulses, and 0.1mt to 2.6 mt for fruits and vegetables. The quantity sold as proxy for trading activity indicates that compared to last year, sales have dropped by 45% for grains, 44% for pulses, 41% for meat and 23% for vegetables, which is indicative of speculative trader behaviour. Across the towns, average sales have dropped by 49% in Nazareth, by 26% in Jimma, 21% in Nekemete and by 26% in Moyale town. When outlying values are filtered out, results show that compared to a usual week the amount of grain sold decreased by about 30%, pulse by 31%, and perishable commodities such as vegetables by around 40% between January and June 2008.

Figure 4.23: Change in Quantity of selling



Demand and buyers behaviour

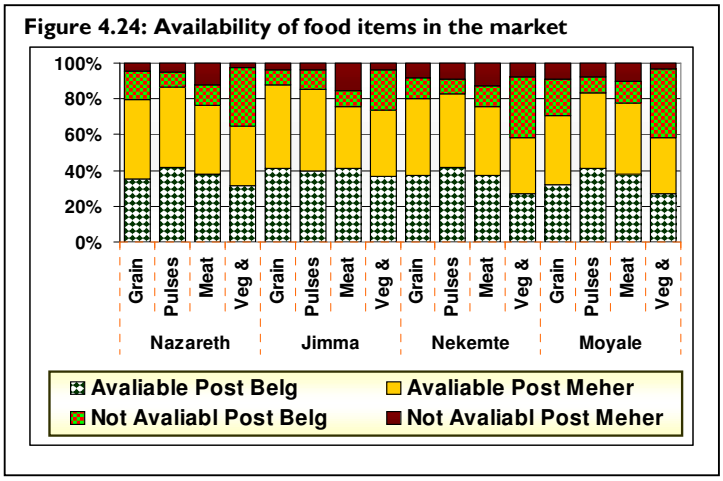
Most traders (90%) of them indicated that there was a change in buyers' behaviour. In this regard, there was a shift from expensive to cheaper goods as well as amount they purchased at a time. For instance, grain traders indicated that demand for expensive commodity like teff grain declined by about 63% and wheat by about 45% whilst the demand for cheaper goods like maize rose by 57% and sorghum by 42%. The effective demands of teff and wheat show a decline, whilst the demand for inferior goods like sorghum and maize show substantial increase in general across the surveyed towns and in particular in Jimma and Nazareth. The main reasons cited for changing demand behaviour was the steep raise in the prices of the main staple food items. Coping strategies adopted by the households were reducing amount of commodity purchased at a given time (39%), go for cheaper foodstuffs (60%), and buy in bulk than as usual (6%).

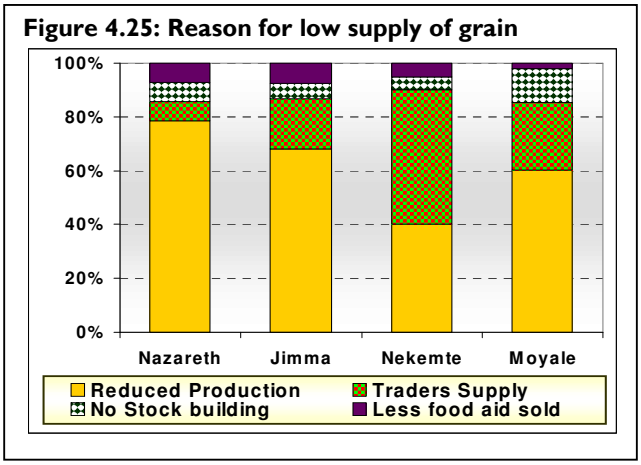
Table 4.8: Demand for grain

	Increased	Decreased	No change
Nazareth	8	83	8
Jimma	43	47	10
Nekemte	42	58	0
Moyale	23	62	15

Availability of food commodities

The survey collected information on the availability of preferred food items that households consume during post Belg and post Meher seasons. About three foruth of the traders intervewed felt that food commodities were avaliable in the market in both seasons while the remaining groups felt food items were scarcely avaliable. For instance, taking the avarage of the two seasons, around 72% of traders reported that grain was avaliable, for pulse 55% of traders, for vegitable 69% of tradeers, for fruits 65% traders, and for oil 89% for traders reported avalibility in the market. Avaliability of commodities differed from town to town mainly due to avaliability of produce, transport access and types of commodities supplied (figure 4.25). Dispite avaliability of commodities in the market, traders noticed that there was a substancial increase in the prices of almost all commodities.



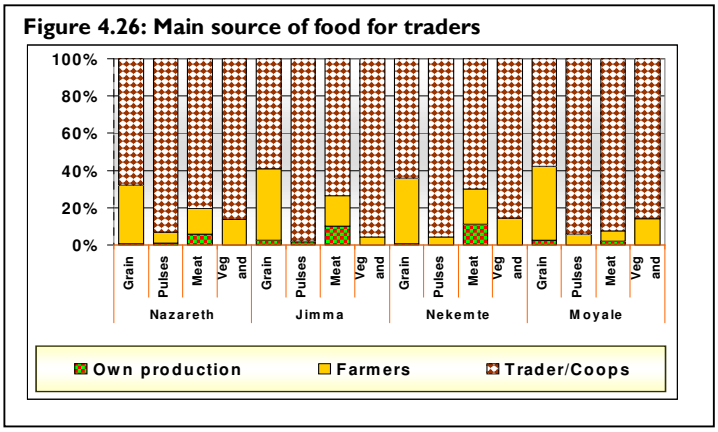


Sources of food items for traders

About 90% of the traders interviewed had indicated that on average, major source of commodity for sale was from other traders (81%); very low from farmers (16%) and the remaining 3% was from own source. Across the surveyed towns, 83% of traders in Moyale and 81% in Nazareth had sources from other traders. These indicate that households or direct consumers obtain main staple foods after a chain of many intermediate traders (value chain); which has a negative effect on the market and the price (figure 4.26).

Stock holding behaviour

The availability of stocks depended on trader sizes and commodities sold, where larger shops and rich merchants had more stocks than smaller ones. In regards to stock holding condition of traders, only 34% reported that they hold stocks of different commodities, while the rest 66% did not hold stocks at all. The stock holding behaviour differed from one commodity to another. For instance, approximately 26% of the traders had grain stocks for more than four weeks, where as only one-quarter of the traders had pulses, oil and sugar stocks. Pulse stocks usually last for 2-3 weeks among approximately 47% of the traders. The duration of oil and sugar stocks also depends on the size of the shop. Approximately 62% of the traders had stocks for perishable commodities and the shelf life barely exceeds one week among 91.3% of the



traders. Stocks were more available and lasted long at large shops than smaller shops. Taking the average shelf-life of all commodities, it was found that 69% of traders stock commodity for less than three weeks, and the rest 31% stock for a month or more.

Supply of food commodities

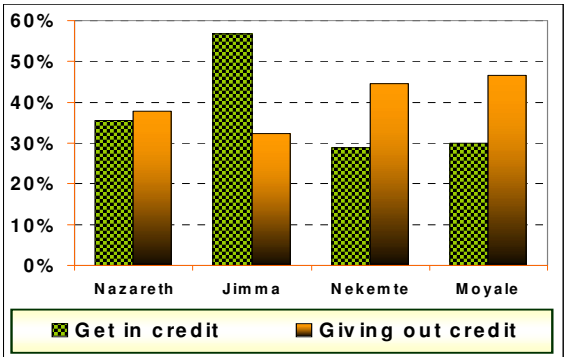
Considering quantities sold as a proxy for trading activity, sales had collapsed by between 40% and 50% for all commodities compared to last year. Some 60% of the total traders indicated that the supply of cereal commodities to the market declined with the main reasons being reduction in harvest (62%); less stock holding by traders (25%); and less food aid being sold. On the contrary, 35% of traders indicated that there was an increase in supply of commodities to the market with the main reasons mentioned being: traders from other regions provided produce (25%); and price increases (45%) and food aid being sold in the market (mostly wheat traders with some others).

Access and demand of credit for traders and consumers

Access to credit by traders

Access to credit was found the major constraint for most traders in the towns to run their businesses properly and provide commodity to the market. For instance, on average only 32% of the traders in Nazareth, 28% in Nekemete had access to credit and more wholesalers had access to credit than retailers. With regard to source of credit, nearly 69% of traders had reported to get credit from other traders; 21% from banks/credit associations; the rest 10% got credit from money lenders and NGO programs. About 70% of the surveyed traders think that there was no change in access to credit, 18% reported reduced access to loan opportunities particularly for retailers and small merchants. After filtering out outliers average interest rate was found to be 2.6% per month and this figure remained the same among 80% of traders and less interest rate among 10% of traders compared to last year.

Figure 4.27: Traders getting and giving out credit



Demand for credit by consconsumers

Some 62% of the traders reported that there was an increase in the number of households who requested credit to buy food on credit basis. For instance, about 70% of traders in Nekemete and 59% in Jimma reported that more households requested to buy food on credit basis. In Moyale, the amount of credit requested showed a slight decrease (25% of traders) (Table 4.9).

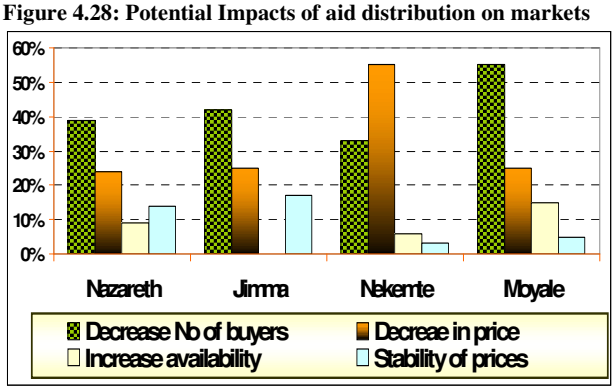
Table 4.9: Number of people requesting to buy on credit

	Same	Less asking	More asking
Nazareth	27	18	55
Jimma	31	10	59
Nekemte	10	20	70
Moyale	22	25	53

Difficulties for trading and potential impacts of food aid

With regard to potential impacts of food aid distributions on the market, about 43% of traders indicated that they would not see any impact on the market, while 39% indicated price of main staples declined when large volume of food aid was distributed in their area; and 18% of the

Figure 4.28: Potential Impacts of aid distribution on markets

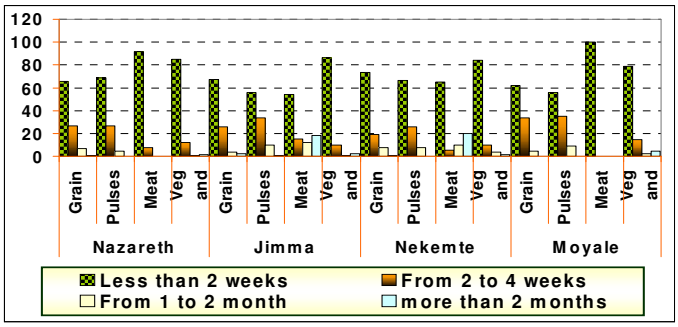


traders thought that there was an impact because it reduced number of people who came to buy and the rest reported food aid distribution increased availability and it also contributed for price stabilization (figure 4.28). On the other hand, traders were asked about impacts of food aid distribution on trading activities, and accordingly, 4.2% of traders indicated they would not see any impact on their trading activities, while 36% thought there was an impact because it reduced their profit margins and the other 30.4% indicated reduced volume of sales.

Market response capacity

The turnover of increasing food supplies depends on the type commodities traded. About 83% of traders reported that perishable foodstuffs such as meat, fruits and vegetables, *Injera and* bread were the items the market responded more quickly (less than two weeks); and for grains, pulses, sugar and oil the response can take up to a month (figure 4.29).

Figure 4.29: Market response capacity



4.6. Perceptions on vulnerability, poverty, and impacts of rising food prices

According to the perceptions of interviewed people, the main livelihoods for the majority of slightly better off and better-off households are civil servants and businessmen while the poor and the very poor rely on other activities like daily labour, road-side vendor, small businesses, and begging (not working). Regarding income levels, as perceived by the respondents, the majority of the poor had monthly incomes of *Birr* 300-600, while most of the very poor were earning below 300 Birr. A majority of slightly better off households earned Birr 1000-3000 monthly. The majority of the better-off households earn more than 3000 Birr per month. The information further indicated that 'very poor' people constituted about 50%, the 'poor' about 30%, the 'slightly better off' about 15% and the remaining 5% were considered as better off.

Impacts of food price increases

The increase in prices of food showed significant impacts on the life of people and livelihoods. The prices rose up so high that the vulnerable group in the urban areas could not withstand it. Consequently, people tried their best to cope such as by working more hours, forego meals, decrease quality and quantity of food etc.

Nutrition: The people affected by the high price increase of food initially decreased frequency and portion of their meals. Those who used to have their tea time at 4:00 PM stopped it. Then, they started to forego their breakfast. This means taking meal twice a day. Eventually, they had come to taking one meal once in a day as their lunch and dinner at the same time. Some took meals twice a day, in stead of once a day, but size of meals was made small. Others opted for less preferred and cheap foods to eat more portions but less nutritious ones. The inadequate nutrition status had its own effects. Families were showing less resistance and felt weak, which is making them unfit for other income generating works and was exposing them for diseases. The serious food shortage and less nutrient dining were manifested on children, pregnant and lactating mothers. The most affected ones skipped days without eating. Street children were developing abnormal feeding habits. HIV/AIDS patients were taking their antiretroviral drugs without taking food, which in turn was hurting them than treating them. Hunger was becoming commonplace. The physical condition of children was becoming poor, weighing much less than the weight commensurate to their ages.

The high increase in food prices forced people to spend more on food, taking literally all of a household's income. This resulted in depletion of households' financial capacity leaving no space for other expenses like health, clothing, schooling expenses etc. For the poor, the sky-rocketed food price meant total failure to purchase food, which in turn brought about several social problems as discussed below. Some better off households even stopped having a stock of food items. Others tried their best to cope up by selling their personal and household assets. Again others avoided having coffee or tea as a coping mechanism. Some households tried to skip days without eating to avoid some expenses and let their money last for some more days. Students were forced to leave private schools and move to government schools to avoid school fees. Failure to repay loans from banks, credit associations, friends and relatives had become a commonplace thereby loosing future access to loans and friendships. Illegal trading increased and in general standard of living deteriorated.

Absenteeism of children from schools was observed in the towns studied. Disputes among family members like between spouses, parents and children, etc. had become frequent caused by maladjustment of life. Separation and divorce of spouses happened. Exposure to diseases and reduced working ability due to lack of resistance caused by hunger was also observed. More beggars, street children, child labor, gambling, suicide, broken families, worry and desperation, lack of confidence in life, increased number of unemployed men and women, theft, prostitution were increased social problems in the towns. Those poor people who were benefiting from ceremonial feasts, alms and from left-over foods from restaurants were no more having access to them since those things had significantly decreased.

Households with no income and assets were highly affected by the food price increase. Other than this, pensioners, HIV/AIDS affected households, widowed women with children, orphans, elderly-headed households; the chronically ill were also very highly affected. The slightly better-off households who lived in rental houses were also affected since they had to pay house rents that would, otherwise, have been used for buying food. The disabled, daily laborers, 'gulit' traders (the road-side vendors), street dwellers, sex workers, migrants from rural areas to the towns and unemployed youngsters were among the most affected.

Impact of price increases on markets and traders

When there is shortage of supply, it is expected to see traders taking advantage of the situation to sell the item, which is short of supply, with an increased price which they think is a good profit. This is what happened to the cereal and grain markets. High capital traders were hoarding grains and cereals to aggravate the shortage. There were some illegal trades who for an illegal profit tried to abuse the country's free market economic policy including selling adulterated food items, sale of poor qualities etc. This had created unfavorable relationships between traders and customers-one resenting the other.

4.7. Main challenges and priorities of surveyed communities

Main challenges communities

The main challenges of the communities, according to respondents, include high and increasing food prices (97%), frequent power interruptions (90%), limited income opportunities (93%), and increased price for fuel/electricity (93%). Challenges on other sectors and services such as health facilities, education, transport, etc. were also indicated as major problems for most of the population in the surveyed towns of the region.

Main priorities of communities

Interviewees were asked to list their priorities towards addressing the existing situation and problems in their areas. More than 96% of respondents mentioned that improved access to subsidized food, improved access to electricity and better employment opportunities (94%) as their issues of priority. Improved access to other basic services such as education, drinking water and health facilities (95%) were also among the communities' priorities.

4.8. Shocks and coping strategies

About 80% of households reported that they experienced difficulties or shocks during the 6 months previous to the survey. No significant differences were found in this rate across towns or livelihood groups. On the other hand, asset rich households were found being less likely to experience difficulties/shocks compared to asset medium or asset poor households (73% versus 81% and 84%, $p<0.05$). The same was found regarding acceptable food consumption groups versus borderline and poor consumption groups (77% versus 82% and 83%, $p<0.05$).

Households were asked to identify any difficulties or shocks they experienced and then to rank the top three. Of the entire sample, the most reported shocks were: unusually high food prices (reported by 75% of households), reduced income of a household member/s (by 25%), unusually high fuel/transport prices (by 20%), serious illness or accident of a household member/s (10%), loss or reduced employment of a household member/s (9%) and electricity/gas cuts (9%).

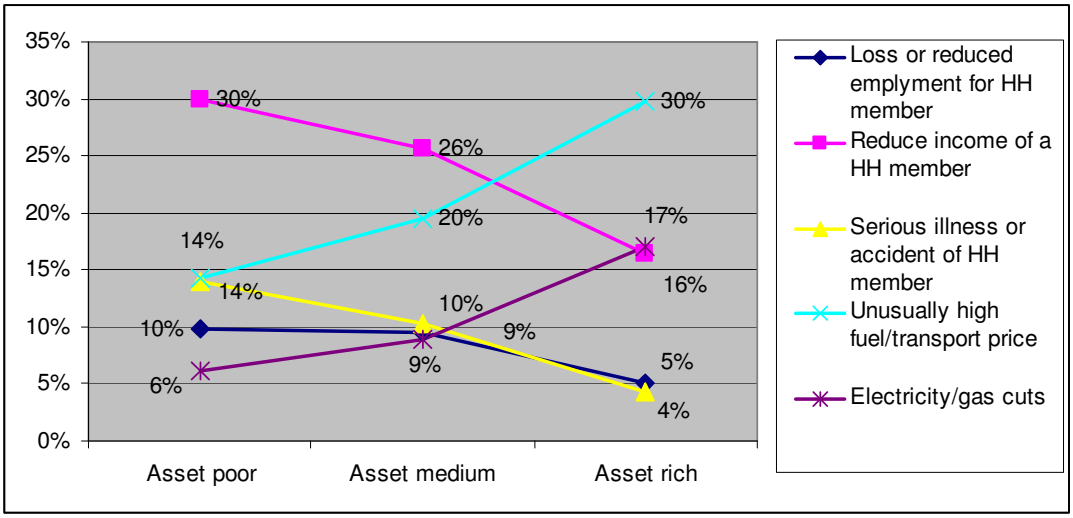


Figure 4.30: Reported shocks by asset groups

Differences between rates of reported shocks by asset wealth groups are shown in Figure 4.30. Wealthier households were more likely to be affected by high prices of fuel/transport and by electricity/gas cuts. Poorer households suffered more from reduced income, maybe due to loss or reduced employment or serious illness of a household member/s. The percentage of asset wealth reporting problems due to high food prices was statistically lower than in the other 2 wealth categories (70% versus 77%, $p<0.05$). Among the livelihood groups, non-agricultural wage labourers were the group more impacted by reduced income of household member/s (reported by 40% of those households), followed by handicraft/artisans (33%), small business/self-employed (30%), remittance, gift or assistance dependents and petty traders (29%). Increased fuel/transport costs were more likely to impact households with non-specified activities and NGO/private company salary households (31% and 30%). Those who reported shocks during the past 6 months

were asked to explain how they managed the effect of those shocks. The most common coping strategies mentioned were:

- Relying on less preferred or less expensive foods (reported by 73% of those providing this information);
- Reducing the number of meals per day (reported by 31%);
- Reducing the proportion of meals for all family members (25%);
- Purchasing food on credit (19%);
- Decreasing expenditure on cloths and non-food items (18%);
- Borrowing money (12%);
- Reducing adults' meal so that children could eat (11%);
- Increasing working hours (11%).

Households were also asked whether they had experienced times when they did not have enough money to buy food or other essential expenditure during the month previous to the survey: 70% of the sample reported to facing such situation. The use of a number of coping strategies in the past months was compared to the use back in January 2008. In order to do that, a simple coping strategy index was developed. This index takes into account the different number of coping strategies used and their frequency of use. The index was not calibrated with different severity weights applied to the various coping strategies, as such high quality information was not available. However, this simple index can help in comparing the level of use of coping strategies in different populations.

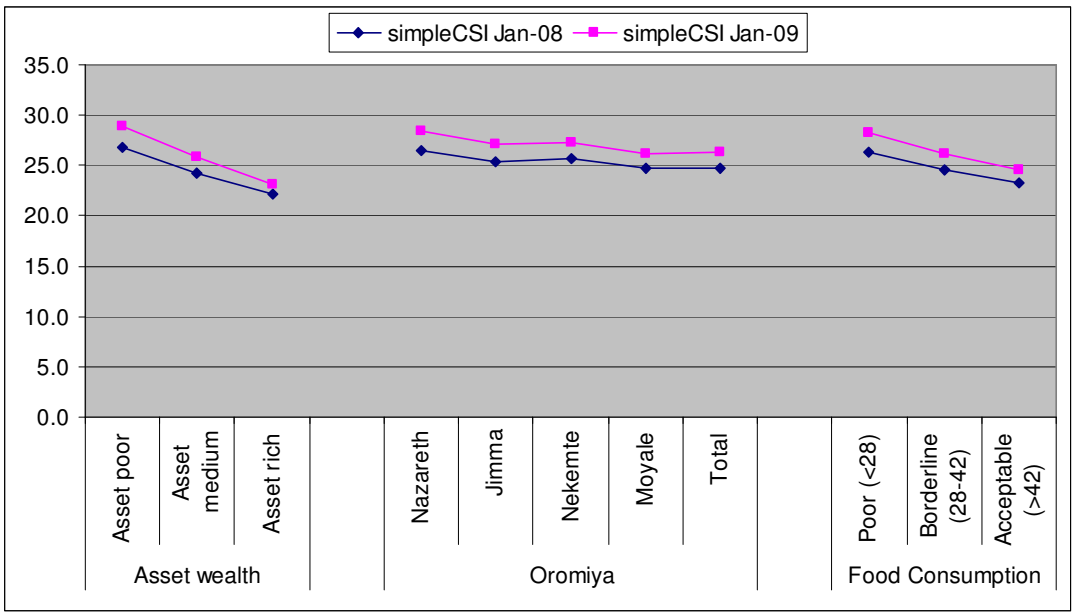


Figure 4.31: Coping strategy index (CSI) by wealth group, town and consumption groups

Basically, for the stratifications used (asset wealth, town and food consumption) the average value of the simple CSI calculated on the month previous to the survey was found being higher than the CSI calculated on the use of coping strategies back in January 2008. The same was found looking at the 2 coping strategy indexes by livelihood groups. The group with the highest average value of the index for both January 2008 and 2009 was the handicraft/artisan group, followed by agricultural wage labourers and petty traders.

4.9. Responses by affected people, interventions and impacts as well as future prospects

Impressions regarding responses by affected people and impacts of all the interventions

The first and most important response taken by the Government was to supply subsidized food to the public through the *Kebeles*. Mostly the supply was wheat by importing from abroad. The sale was initially at a very low price, later at a slightly higher price but still much better than the traders price. In many places, it also supplied edible oil at subsidized costs. The other response by the Government was that it established consumers' associations at different places so that these associations could sell different consumable items at reasonable prices. Other than this, credit facilities were provided for the poor to get loans to enable them work more by investing the money they get. Last but not least, the Government halted grain exports and lifted taxes on imported food items to mitigate the price hike. However, people indicated some shortcomings on the Government's efforts. It was mentioned that;

- the program addressed only those who could buy, not the very poor with no money.
- the supply was insufficient and it was flat same quantity to all irrespective of family size of households.
- the targeting of beneficiaries for the subsidized food was weak since there were errors of inclusion and exclusion.
- the supply was not timely; the supply was coming late, which opened for negative feelings and resentment of beneficiaries against the program.

NGOs were mentioned for helping some of the most affected by providing wheat flour, oil, clothes, and shoes for poor HIV/AIDS patients and orphans. Some gave school feeding service to encourage students attend school. On the side of the people, the number of working family members increased so that the family income would be better. Moreover, families reduced much their meal frequency and their meal share. Others sold their assets and house utensils. However, those had no options either started begging or became involved in crimes of theft.

Impressions about the situation likely to evolve in the following months

Very few expected food price to decrease in a near future as a result of promising harvest for 2009 and others thought the future would be difficult to predict. However, a majority of respondents were very negative of the future. They expected price of food to continue increasing, which they expected would expose people to starvation, which, in turn, was expected to cause social unrest. Girls would go to prostitution or be daily laborers. Family breakdown rates would increase. The hungry would rise against grain traders and *Kebele* administrations. Crime rates would increase and number of school dropouts would rise. Stress migration of household members would be eminent. Number of street dwellers would be high. Malnutrition would prevail. Asset selling would continue. Begging and theft would continue. Illegal trading would also continue. In general, this overall pessimism, dissatisfaction and feeling down, respondents thought, would evolve into social unrest.

5. Conclusions and Recommendations

5.1. Conclusions

From the survey findings it can be concluded that:

- Food availability was negatively affected as a result of poor supply of food commodities, malfunctioning of markets, high transport costs, hoarding of grains by traders, and increased exports of food items that contributed to the shortage of commodities in markets.
- Food accessibility was also seriously impacted due to several factors that include:
    - Poor level of asset base for more than half of the surveyed households.
    - High poverty conditions of the majority of households that was found out for more than 80% of the households who were below the national absolute poverty line (below a dollar a day).
    - High level of expenditure on food by the majority of households (over 70% of their income spent on food).
    - Below acceptable level of consumption by about one-third of the surveyed households.
    - Increased inflation on food commodities and other services that led households to have deteriorated purchasing power.
- Food utilization was also affected mainly due to the poor basic infrastructure and deterioration of basic services such as sources of safe drinking water, sanitation, housing and health facilities.
- As a result of the deterioration of all the three pillars of food security most of the surveyed households were found to be highly food insecure.
- Significant proportion of households were also exposed to several risk factors that include high prices of food and non-food commodities and services, worsening food insecurity, preventable/communicable diseases, family disintegration, and disruption of social support/networks.
- In order to minimize some of the risks more than 70% of households were found to use consumption related destructive coping strategies that included skipping meals, reducing meal sizes, shifting to less expensive and less preferred food items, etc.
- As a result of high exposure to several risk factors and using damaging types of coping mechanisms, many households were found to be under severe vulnerability situation. The study findings further indicated that the situation would not improve in the near future– rather worsening conditions were anticipated to continue unless appropriate measures would be taken.
- Although the Government tried to contain the multi-faceted problems of the population by distributing wheat at subsidized prices and lifting of taxes from food commodities, compared to the magnitude and seriousness of the challenge, the level and type of assistance provided to the most affected households was found to be insufficient.

5.2. Recommendations

- WFP together with relevant Government bodies and other partners need to design a food aid program and implement through appropriate intervention modalities that may include free food distributions, market support, school feeding, and food for work/assets in order to reduce problem of food insecurity and related vulnerability conditions of the most affected poor households;
- UNICEF in collaboration with relevant Government bodies and other partners need to act on affected/ deteriorated basic services such as water, sanitation, health facilities, etc;

- A multi-agency and multi-sectoral regional task force should be established as soon as possible in order to address the multi-dimensional problems of the affected population and design a well coordinated urban food security and market monitoring system;
- The Government together with its development partners should plan and implement long-term and sustainable solutions and design welfare monitoring system for the urban population in order to reduce the existing high level of poverty of the population; and
- The Government together with other development partners need to review area specific Income Generation Opportunities so that the unemployed youth play a key role in offsetting household level food insecurity in most urban areas of the Region.