

# FINAL REPORT



International Federation of Red Cross and Red Crescent Societies  
Fédération internationale des Sociétés de la Croix-Rouge et du Croissant-Rouge  
Federación Internacional de Sociedades de la Cruz Roja y de la Media Luna Roja  
الاتحاد الدولي لجمعيات الصليب الأحمر والهلال الأحمر

## **ETHIOPIA: FOOD SECURITY**

6 February, 2002

***This Final Report is intended for reporting on emergency appeals***

***Appeal No. 08/2001***

***Launched on: 19 February, 2001 for 5 months for CHF 1,932,510***

***DREF Allocated: None***

***Beneficiaries: 40,258***

### ***“At a glance”***

***Appeal coverage: 96.3%***

***Update/Summary: This relief assistance operation was effectively implemented by the Ethiopian Red Cross Society (ERCS), with support provided by the Federation. The ERCS branch also linked well with the DPPC, local line ministries and authorities. Information concerning the programme, particularly, the cash for work component, was shared with other agencies both within South Wollo and nationally.***

### ***Operational Developments***

In 2000, Ethiopia experienced one of its most severe droughts since 1984. Over ten million people were in need of emergency assistance and it was only as a result of a massive international response to the deteriorating food security situation that a major crisis was averted. Nevertheless, despite generally favourable main season rains in 2000, at the beginning of 2001 many people remained highly vulnerable to food insecurity due to several years of crop and livestock production failures.

Given this continuing vulnerability, the Ethiopian Red Cross and the Federation decided to continue its operation in South Wollo targeting 40,258 farmers and their households who depended on the mid year belg harvest. Four consecutive years of harvest failures had left them in an extremely vulnerable situation and in need of emergency assistance. The operation included a package of interventions including cash for work, bulk and supplementary food.

### ***Red Cross and Red Crescent action w***

The Ethiopian Red Cross, supported by the Federation, has been operating in South Wollo since May, 2000. It supported 77,594 in South Wollo initially with a general food distribution and then through cash transfers based on participation in employment generation schemes (EGS). Following a nutritional survey conducted in December 2000 and an ERCS and Federation assessment in January 2001, it was decided to issue another appeal to support a reduced number of 40,258 people in Ambassel woreda.

The main focus of the programme continued to be around cash for work. This approach was designed as an innovative approach to satisfying emergency needs of an extremely vulnerable population as well as developing household and community assets for the long term benefit of the area..

The rationale for such an approach rests upon the premise that in certain situations and specific environments, national or regional food availability is adequate to satisfy the food requirements of the population. However, demand is suppressed because people do not have the purchasing power to access this food supply. Pouring emergency relief food into the area answers immediate needs but can make the market more dysfunctional. It may distort rather than utilize the market, reducing incentives to produce and satisfy demand and, in extreme situations, bloating the market to such an extent that food loses its economic value. Cash transfers can be an extremely useful way of providing a lubricant that energizes the market and revives the engine of recovery sucking in food surpluses and building economic revival.

A full assessment of the cash for work intervention was carried out in March 2001. The report was favourably impressed with the approach and implementation of the programme stating that ‘the Evaluation team found no evidence of negative effects from the cash intervention but, on the contrary, there were numerous positive impacts’. These included: the flexibility for the beneficiaries to buy cheaper food items, the flexibility to purchase other food and household items, the avoidance of the need to sell part of their food at disadvantageous prices, the possibility of buying food in easily transportable quantities, the possibility of investing money in short term trading, a small but meaningful local economic stimulation and possible multiplier effect and a reduction in the incidence of theft and wastage associated with food distribution.

The assessment reported that there was considerable variation in the quality of employment generation schemes. One of the weaknesses of the work, which included terracing, construction of check dams and maintenance of roads, was lack of non wage inputs such as steel, wire and cement and lack of technical support and input for the employment generation schemes. These lessons were applied in the present programme.

### **Relief distributions w**

The programme was a continuation of last year’s intervention by the ERCS and the Federation with a reduced target population and a focus on one woreda, Ambassel. Delays were encountered in the start of the programme for a number of reasons. Inter alia, these were a late finish of the previous 2000 drought programme with the last distribution taking place in early February, agreement on the reduction in the number of beneficiaries and their identities which took several weeks to organize and a delay in the reporting from the branches. This meant that the distribution that was due to take place at the end of February was delayed until the beginning of April and the March distribution took place at the beginning of May. Actions were taken to rectify this situation.

As a result of the low cost of cereals, the food component of the programme was over budgeted and, in addition, some funds were left over from the 2000 Appeal. This released extra resources which allowed the ERCS and the Federation to add more non-labour inputs to the employment generation schemes and include an extra two months’ distribution in response to the delay in the belg harvest. Because of the earlier delays the final distribution which should have taken place in August did not happen until October. Surplus funds allowed the programme to purchase an extra 1,640 hand tools for the communities. This was completed and handed over at the beginning of 2002.

**Objective 1: To provide 12,077 at risk individuals (pregnant and lactating mothers, children under five and elderly and handicapped persons) with 4.5 kg of blended, fortified cereal as a nutritional supplement to the staple food per person per month from February to June.**

The beneficiaries of famix were pregnant women, lactating mothers, the elderly and the handicapped, representing 30% of the total population targeted by the operation. This food is given to them to provide them with additional nutritional sustenance. The distributions took place as with the cash and food rations in Wuchalie which is the capital of the Amabassel woreda. The original duration of the programme was five months requiring a total of 271.7 metric tons of Famix. The purchase of famix was undertaken in two lots through the factory in Addis Ababa, one in February for 106 metric tons and the second lot in April for 159 Metric Tons. The balance of 8 metric tons came from what was left over from the 2000 operation. An additional 106.3 metric tons was bought in July making a total of 380 metric tons purchased.

The original intention was to provide each beneficiary with 4.5 kgs. of Famix but for operational reasons it was decided to share two 50 kg. bags between 22 individuals giving each person a ration of 4.545 kg.. This had implications for the total amount distributed. The operational report issued in May 2001 did not take this account and overestimated the number of beneficiaries by approximately one hundred. The total of 371.74 metric tons was distributed with a balance of 8.26 metric tons left over which was distributed to vulnerable groups in Wuchalie.

A nutritional survey was carried out in September 2001 and this found that global malnutrition rates were at 17.1% and severe acute malnutrition rates at 1.7% . This compares with a global malnutrition rate of 31.3% in June 2000 and 20.2% in December 2000.

	February	March	April	May	June	July	August
Beneficiaries	11,821	11,445	11,729	11,855	11,641	11,641	11,654
Famix	53.75	52.02	53.31	53.87	52.91	52.91	52.97
Cumulative famix	53.75	105.77	159.08	212.95	265.86	318.77	371.74

**Objective 2: To provide 8,052 vulnerable belg farmers with a general ration of 12.5 kg per person per month from February to June.**

Following Disaster Prevention and Preparedness Commission (DPPC) guidelines on employment generation schemes, 20% of the target population should not be involved in work because of their extreme vulnerability and instead should receive gratuitous food relief. To this end, the ERCS purchased 194 metric tons in February and a further 311 metric tons in April on the open market. These were transported to Wuchalie and stored in the DPPC warehouse and the ERCS warehouse and distributed in Wuchalie. With the decision to extend the programme by a further two months, a further 212.5 Metric Tons was purchased. Only 703.37 metric tons was used during the operation as outlined in the table below. The balance of 14.13 metric tons was distributed to vulnerable people in Wuchalie.

	Feb.	March	April	May	June	July	Aug.
Beneficiaries	8,052	8,030	8,040	8,048	8,028	8,035	8,034
Grain	100.65	100.38	100.51	100.61	100.35	100.44	100.43
Cumul. grain	100.65	201.03	301.54	402.15	502.5	602.94	703.37

**Objective 3: To continue employment generation schemes that would provide employment for approximately 10,000 household representatives to support a population of 32,206 who would be paid in cash for their work.**

This operation was a continuation of the employment generation schemes undertaken in Ambassel last year. The systems and personnel for the planning, designing and implementing of the schemes were, therefore, already in place. The woreda authorities and the technical departments were motivated to

making the cash for work schemes successful. The ERCS branch had a full time employment generation scheme co-ordinator whose role was to ensure that the work schemes were well managed with the full participation of the communities, agricultural line ministry and the woreda authorities. He was involved in all aspects of planning, implementing and monitoring of the work along with 28 volunteers.

The main thrust of the works continued to be in the area of road construction and maintenance, and soil and water conservation such as terracing, bund construction, establishment of check dams and cut off drains. The assessment that was conducted in March indicated that that the project has probably made its most useful long term impact It is in the areas of soil and water conservation activities.

The use of technical advisers and the amount of non-labour inputs was increased to improve the quality of the works. For instance, 40.8 metric tons of concrete and 165 (2 metre by 1 metre) pieces of wire mesh was used. 160 sledgehammers and 210 crowbars were bought and distributed.

	Feb.	March	April	May	June	July	August
Beneficiaries	32,180	31,884	31,927	32,121	32,145	32,113	32,102
Cash CHF	164,862	163,279	163,560	164,483	164,662	164,687	164,493
Cumul. cash	164,862	328,141	491,701	656,184	820,846	985,533	1,150,026

*\* assuming a weighted average conversion rate of 4.88 birr per 1 CHF*

### **National Society Capacity Building w**

The ERCS has gained a lot from the experience of running this operation over the last year. It has developed its capacity and knowledge in the areas of planning and implementing a complex intervention which has required considerable logistical and organizational capabilities at the headquarters and branch levels. It has also built up experience and expertise about food security issues and, particularly, in the area of cash for work which remains a relatively untried approach in emergency food insecurity situations.

The British Department for International Development (DfID) supported the Disaster Preparedness Programme now being implemented includes components related to food security strategy and programming. It is intended that during 2002 the recent operational experience and the expertise developed over the last year will be used to design a more development oriented programme using the cash for work model. A consultant will be hired to assist the ERCS in the development of a programme proposal in the next month or two.

### **Coordination**

There was close co-ordination between the Federation, the ERCS headquarters, and the branch. The branch also linked well with the DPPC, local line ministries and authorities. Information concerning the programme, particularly, the cash for work component, was shared with other agencies both within South Wollo and nationally.

*For further details please contact: Josse Gillijns, Phone: 41 22 730 4224; Fax: 41 22 733 03 95; email: gillijns@ifrc.org*

*All International Federation Operations seek to adhere to the Code of Conduct and are committed to the Humanitarian Charter and Minimum Standards in Disaster Response (SPHERE Project) in delivering assistance to the most vulnerable. For support to or for further information concerning Federation operations in this or other countries, please access the Federation website at <http://www.ifrc.org>.*

*This operation sought to administer to the immediate requirements of the victims of this disaster. Subsequent operations to promote sustainable development or long-term capacity building will require additional support, and these programmes are outlined on the Federation's website.*

John Horekens  
Head  
Relationship Management Department

Bekele Geleta  
Head  
Africa Department

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES**

Interim report	
Annual report	
Final report	X

**Appeal No & title: 08/2001 Ethiopia food security**  
**Period: year 2001 (provisional)**  
**Project(s): PET513**  
**Currency: CHF**

**I - CONSOLIDATED RESPONSE TO APPEAL**

FUNDING	CASH		KIND & SERVICES		TOTAL INCOME
	Contributions	Reallocations	Goods/Services	Personnel	
Appeal budget	1,932,510				
less					
Cash brought forward					
<b>TOTAL ASSISTANCE SOUGHT</b>	<b>1,932,510</b>				
<u>Contributions from Donors</u>					
British Red Cross (DNGB)	489,400				489,400
Cyprus Red Cross (DNCY)	153				153
Danish Govt. via Danish Red Cross (	534,880				534,880
Icelandic Red Cross (DNIS)	3,187				3,187
Japanese Red Cross (DNJP)	64,000				64,000
Kuwait Red Crescent (DNKW)	1,363				1,363
Poland Red Cross (DNPL)	17,000				17,000
Singapore Red Cross (DNSG)	44,160				44,160
Swedish Govt. via Swedish Red Cros	116,900				116,900
Swedish Red Cross (DNSE)	66,800				66,800
American Red Cross (DNUS)	-3,485				-3,485
American Red Cross (DNUS)	263,496				263,496
British Red Cross (DNGB)	263,497				263,497
British Red Cross (DNGB)	-827				-827
Kuwait RC			79,637		79,637
<b>TOTAL</b>	<b>1,860,524</b>		<b>79,637</b>		<b>1,940,161</b>
<b>Coverage</b>	<b>96.3%</b>		<b>4.1%</b>		<b>100.4%</b>

**II - Balance of funds**

Opening balance	
CASH INCOME Rcv'd	1,860,524
CASH EXPENDITURE	-1,860,129
	-----
<b>CASH BALANCE</b>	<b>395</b>

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES**

Interim report	
Annual report	
Final report	X

**Appeal No & title: 08/2001 Ethiopia food security**

Period: year 2001 (provisional)

Project(s): PET513

Currency: CHF

**I - CONSOLIDATED RESPONSE TO APPEAL**

FUNDING	CASH		KIND & SERVICES		TOTAL INCOME
	Contributions	Reallocations	Goods/Services	Personnel	
Appeal budget less Cash brought forward	1,932,510				
<b>TOTAL ASSISTANCE SOUGHT</b>	<b>1,932,510</b>				
<u>Contributions from Donors</u>					
British Red Cross (DNGB)	489,400				489,400
Cyprus Red Cross (DNCY)	153				153
Danish Govt.via Danish Red Cross (D)	534,880				534,880
Icelandic Red Cross (DNIS)	3,187				3,187
Japanese Red Cross (DNJP)	64,000				64,000
Kuwait Red Crescent (DNKW)	1,363				1,363
Poland Red Cross (DNPL)	17,000				17,000
Singapore Red Cross (DNSG)	44,160				44,160
Swedish Govt.via Swedish Red Cross	116,900				116,900
Swedish Red Cross (DNSE)	66,800				66,800
American Red Cross (DNUS)	-3,485				-3,485
American Red Cross (DNUS)	263,496				263,496
British Red Cross (DNGB)	263,497				263,497
British Red Cross (DNGB)	-827				-827
Kuwait RC			79,637		79,637
<b>TOTAL</b>	<b>1,860,524</b>		<b>79,637</b>		<b>1,940,161</b>
<b>Coverage</b>	<b>96.3%</b>		<b>4.1%</b>		<b>100.4%</b>

## INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES

## BUDGET ANALYSIS - BREAKDOWN OF EXPENDITURES

Budget Line	Appeal Budget	Cash Expenditures	ERCS Expenditures	In kind Goods	Total Expenditures	Variance
<b>Supplies</b>						
Food	201,300.00	0.00	178,917.82	79,637.00	258,554.82	-57,254.82
Supplementary food	217,392.00	0.00	213,800.95		213,800.95	3,591.05
Agricultural tools	100,000.00	0.00	25,219.70		25,219.70	74,780.30
Cash for work	805,152.00	0.00	1,150,025.61		1,150,025.61	-344,873.61
CBFA manuals	12,350.00	9,709.74	0.00		9,709.74	2,640.26
<b>Sub-total</b>	<b>1,336,194.00</b>	<b>9,709.74</b>	<b>1,567,964.08</b>	<b>79,637.00</b>	<b>1,657,310.82</b>	<b>-321,116.82</b>
<b>Capital costs</b>						
Radios, computers and telecoms	125,000.00	0.00	3,651.48		3,651.48	121,348.52
<b>Sub-total</b>	<b>125,000.00</b>	<b>0.00</b>	<b>3,651.48</b>	<b>0.00</b>	<b>3,651.48</b>	<b>121,348.52</b>
<b>Transport and storage</b>						
Vehicle running costs	29,500.00	6,179.21	12,163.70		18,342.91	11,157.09
Food transportation costs	50,374.35	0.00	12,599.06		12,599.06	37,775.29
Loading/unloading	5,424.93	0.00	2,410.35		2,410.35	3,014.58
<b>Sub-total</b>	<b>85,299.28</b>	<b>6,179.21</b>	<b>27,173.11</b>	<b>0.00</b>	<b>33,352.32</b>	<b>51,946.96</b>
<b>Personnel</b>						
Personnel (delegates)	14,525.00	835.24	0.00		835.24	13,689.76
Personnel (local staff)	69,900.00	9,632.20	72,426.40		82,058.60	-12,158.60
Training	10,400.00	4,559.68	1,222.31		5,781.99	4,618.01
<b>Sub-total</b>	<b>94,825.00</b>	<b>15,027.12</b>	<b>73,648.71</b>	<b>0.00</b>	<b>88,675.83</b>	<b>6,149.17</b>
<b>General and Admin.</b>						
Travel and related costs	12,000.00	13,988.65	121.52		14,110.17	-2,110.17
Administration expenses	31,700.00	9,951.72	5,916.74		15,868.46	15,831.54
Consultants fees and expenses	26,000.00	19,138.24	0.00		19,138.24	6,861.76
Sundry expenses	4,000.00	5,132.08	3,434.74		8,566.82	-4,566.82
Bank charges	1,000.00	2,639.35	616.42		3,255.77	-2,255.77
Exchange difference	0.00	-9,110.92	0.00		-9,110.92	9,110.92
<b>Sub-total</b>	<b>74,700.00</b>	<b>41,739.12</b>	<b>10,089.42</b>	<b>0.00</b>	<b>51,828.54</b>	<b>22,871.46</b>
Trf. to ERCS awaiting settlement**		1,655,796.37	-1,682,526.80		-26,730.43	26,730.43
Regional support		5,344.00			5,344.00	-5,344.00
U.A.E. Vehicle Base		15,960.00			15,960.00	-15,960.00
Secretarial support	216,492.15	108,017.00			108,017.00	108,475.15
<b>TOTAL BUDGET</b>	<b>1,932,510.43</b>	<b>1,857,772.56</b>	<b>0.00</b>	<b>79,637.00</b>	<b>1,937,409.56</b>	<b>-4,899.13</b>

\*\* Please note that the column ERCS expenditures has been added to reconcile the funds directly transferred to the ERCS and not reflected in the Federation Accounting System. These transfers of 1,655,796.37 CHF plus an additional 113,952.28 CHF which was the balance transferred from the Drought 2000 Appeal will be subject to an external audit.