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Can social protection programmes promote livelihoods and climate resilience in conflict-affected settings?

Evidence from Ethiopia's
Productive Safety Net Programme

Jeremy Lind,¹ Carolina Holland-Szyp,¹ Rachel Sabates-Wheeler,¹
Yihunbelay Teshome,² and Lars Otto Naess¹

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Abstract: The paper discusses the growing interest in using social protection to address climate-related vulnerabilities and strengthen resilience, particularly in conflict-affected settings. It examines the Productive Safety Net Programme in Ethiopia, highlighting that while social assistance offers a protective function, it falls short of reducing long-term vulnerabilities, especially in settings characterised by multidimensional and enduring stressors and shocks. The assistance provided is often inadequate, leaving recipients to rely on their own resources. The paper emphasises that improving livelihoods is possible with additional resources, consistent funding to fulfil programme functions, integration with complementary sectors and effective public services, alongside measures to ensure peace and stability.

Key words: livelihoods, resilience, crisis, social protection, safety nets, Ethiopia

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1 Introduction

More than 15 years have passed since the idea of adaptive social protection (ASP) was proposed to connect social protection programming and policies with efforts to promote climate change adaptation and disaster risk reduction. The idea was born of a recognition that social protection could strengthen resilience to shocks and stresses among agriculture-dependent rural populations (Davies et al. 2008). The thinking ran that reliable social transfers, taking adequate account of purchasing power and timed to coincide with the lean (or hungry) season, could support household-level asset building as well as investment in activities that were riskier but had higher returns. Transforming livelihoods through supporting adaptive capacities was a core feature of ASP when it was first envisioned. In the years since, social protection has become a cornerstone of wider approaches that seek to build the resilience of households in the face of multiple shocks and stressors (Bowen et al. 2020). While the assumption is that social protection interventions – especially those that include multiple components such as graduation programmes – can build resilience, it is also recognised that stand-alone social assistance interventions are unlikely to develop households' adaptive capacities. Rather, institutional arrangements and partnerships with government and non-governmental complementary programming such as asset transfers, economic inclusion and 'cash plus' are necessary as part of a broader push towards developing more productive livelihoods and the uptake of adaptive practices (Costella et al. 2023; Lind, Sabates-Wheeler and Szyp 2023).

However, limited consideration has been given to the scope for social protection, and social assistance programmes more specifically, to contribute to livelihoods and resilience in fragile and conflict-affected settings (Lind et al. 2023; Wiggins et al. 2021). Expanding use of social assistance in these places requires more critical introspection of the orthodoxy that social protection can support more productive livelihoods and adaptive practices beyond coping behaviour when households are grappling with the impacts of conflict-related dynamics and processes. Béné et al. (2014) hold that stability is a pre-condition for developing adaptive and transformative capacities: 'It is during periods of political, economic and institutional stability that households and societies accumulate assets, specialise, create wealth and enhance human well-being' (ibid.: 603). Moreover, resilience is not necessarily pro-poor; households can be both very poor and very resilient (ibid.; Béné et al. 2012). While resilience has become a key aim of policy in protracted crisis settings, its very pursuit in these contexts has been criticised as shifting responsibility from the state or international community to individuals to reduce their own vulnerability. Drawing on evidence from Darfur and South Sudan, Jaspars (2021: 207) argues that '[r]esilience is a dangerous fantasy', one that engenders an illusion of autonomous subjects 'who can adapt and survive in situations of repeated crisis or uncertainty'.

Against this background, we build on the literature on resilience, climate and social protection to explore what resilience might look like in conflict-affected settings and, therein, interrogate the role of social protection programmes. We use the situation in Ethiopia as a concrete case study from which we draw empirical data and lessons. The study focuses on two specific settings affected by multidimensional and enduring stressors and shocks: Amhara Region, bordering Tigray in northern Ethiopia, which was affected by the spillover of the war between the Ethiopian National Defence Forces and Tigrayan rebels in 2021 and 2022; and the eastern reaches of Oromiya Region, the centre of a large-scale displacement crisis in 2018–19, which has since experienced several episodes of severe drought. In both regions, social assistance through the Productive Safety Net Programme (PSNP), addressing the needs of those who are severely poor, exists alongside humanitarian aid in response to acute needs associated with shocks.

The research question that guided the study is, to what extent and in which ways can social assistance programmes strengthen livelihoods and climate resilience in conflict-affected settings? Thus, in the case of Ethiopia, this paper focuses on the PSNP, a rural safety net that provides food and/or cash transfers along with different forms of livelihood support in the lean season to an estimated 20 per cent of the country's poorest rural population. Following the Intergovernmental Panel on Climate Change, in this paper resilience is defined as:

the capacity of social, economic and ecosystems to cope with a hazardous event or trend or disturbance, responding or reorganising in ways that maintain their essential function, identity and structure as well as biodiversity in case of ecosystems while also maintaining the capacity for adaptation, learning and transformation. Resilience is a positive attribute when it maintains such a capacity for adaptation, learning, and/or transformation. (IPCC 2022: 7)

Whereas variations of this definition are well-rehearsed in climate change and disaster risk reduction policy frameworks, there is less consistency in defining a more specific notion of 'livelihood resilience'. One definition from the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services states that livelihood resilience is: 'The capacity of all people across generations to sustain and improve their livelihood opportunities and well-being despite environmental, economic, social and political disturbances' (IPBES 2024).¹ This paper does not seek to develop a strict separation between livelihoods and climate resilience. Following the different perspectives highlighted above, it approaches resilience in a broad sense as encompassing a set of household-level capacities to cope with shocks and stressors, as well as to improve one's condition.

The rest of the paper is structured as follows: section 2 presents the data and methodology; section 3 locates the study in the wider literature on resilience capacities and the contributing role of social protection in developing these; section 4 provides an overview of how the PSNP has been used over time towards achieving the objectives of promoting livelihoods and capacities beyond coping and survival; section 5 summarises the key findings from Amhara and Oromiya concerning multidimensional stressors and shocks, whereas section 6 highlights the experience of conflict-affected populations supported by the PSNP, and the extent to which the programme supported resilience capacities; section 7 concludes.

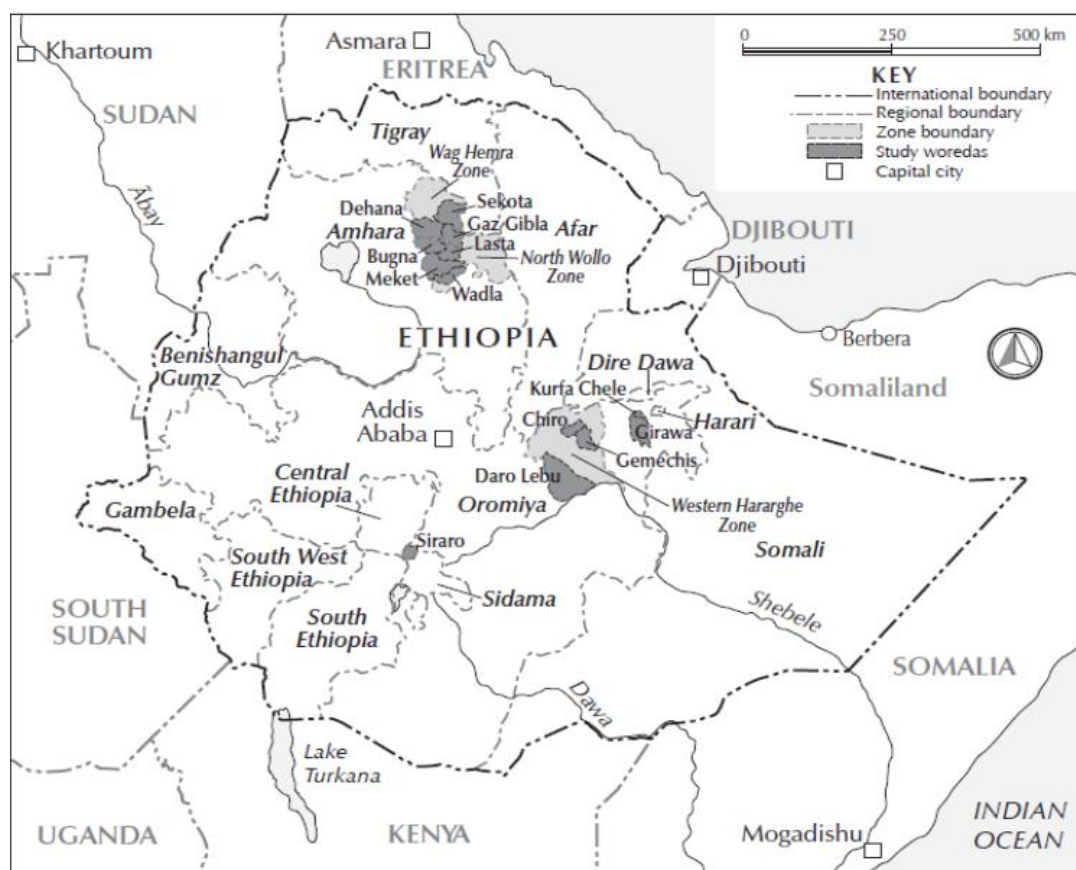
2 Data and methods

The paper draws on data generated from a mixed-methods study incorporating qualitative and quantitative approaches as well as assessment of climate data. Qualitative data was collected between May and September 2023 in Lasta and Bugna *woredas* (districts) in the North Wollo administrative zone of Amhara, and Chiro and Daro Lebu *woredas* in the West Hararghe administrative zone of Oromiya (Figure 2.1). The sites were selected from a longer list of *woredas* where a complementary household survey was conducted, as discussed below. The PSNP is operational in all four *woredas*. Furthermore, the *woredas* were included in the Strengthen PSNP4 Institutions and Resilience (SPIR) programme, a multi-sectoral graduation intervention funded by the

¹ IPBES defines **livelihood resilience** as: 'The capacity of all people across generations to sustain and improve their livelihood opportunities and well-being despite environmental, economic, social and political disturbances.'

United States Agency for International Development and implemented by non-governmental organisations (NGOs), which encompassed livelihood and nutrition interventions to support graduation of PSNP beneficiaries. Specifically, the SPIR programme provided a one-time livelihood transfer in cash, or a poultry package of equivalent value (US\$374 in 2017 purchasing power dollars), training in livestock production and marketing, and the formation of village-level savings groups (Leight et al. 2023).

Figure 2.1: Map of study sites



Source: authors' illustration. Created by John Hall.

Qualitative data was generated through a mixture of focus group discussions (FGDs), key informant interviews (KIIs), and case studies at household level. FGDs included participatory exercises on a range of topics, including: significant events and hazards; conflict and peace trendlines; livelihood trends and reasons for changes over time; changes in coping strategies; governance and trust; experiences of receiving PSNP and humanitarian assistance; and wealth categorisation and changes in wealth distribution over time. A total of 20 FGDs were conducted in Amhara and 31 in Oromiya. In both regions, groups were segmented by gender. For some exercises, a separate group was organised with young people to validate findings from FGDs organised with women and men. For exercises on community perspectives and experiences of the PSNP and humanitarian aid, mixed groups composed of both women and men were organised, but separately for those who were PSNP beneficiaries and those who had received humanitarian assistance. In each *woreda*, a focus group was also organised with those who had not benefitted from the PSNP, to understand changes in wealth distribution for different groups (better-off, moderately poor and poor) over time. All groups ranged in size between six and eight participants. A total of 21 KIIs were conducted with those involved in delivering the PSNP and/or humanitarian assistance, such as members of *kebele*

(subdistrict) PSNP appeals committees or *kebele* food security task forces, and NGO workers involved in both PSNP and relief activities. Finally, case studies were conducted with 15 individuals – either the man or woman who was the household head, including both those who had benefitted from the PSNP and those who had not. These individual household interviews probed livelihood situations and changes in greater depth, incorporating a self-assessment exercise that asked participants to compare their household's situation 'now' (in 2023) with the situation in 2022, in 2020 and in 2008.

Data analysis involved manual cross-referencing to identify key themes, separately for each region; themes were initially derived from the main research questions, then progressively deepened and widened. Further, NVivo statistical software was used to thematically code the transcripts and cross-reference them with the insights generated from manual cross-referencing. Taken together, this analytical approach allowed for an in-depth and collective interpretation of the data by the research team, highlighting participants' perceptions and coping strategies.

Our quantitative data builds on the impact evaluation of the SPIR programme conducted in Amhara and Oromiya by Alderman et al. (2021), which ran from 2018 (baseline) to 2021 (endline). The study *woredas* were selected purposefully by the SPIR programme implementation teams, in collaboration with regional governments and partners. An additional household survey was conducted by the Better Assistance in Crises (BASIC) Research team in late 2022/early 2023 specifically to assess the role of social protection in the context of conflict (in the case of Amhara) and multiple shocks (in the case of Oromiya), conducted in Amhara (November–December 2022) and Oromiya (March 2023).

The sample for the follow-up survey consisted of 1,014 households in Amhara (from 51 *kebeles* and seven *woredas*) and 1,255 in Oromiya (from 43 *kebeles* and six *woredas*). The Amhara sample consisted of households that had received PSNP payments alone, or PSNP payments and additional support through the SPIR programme at some point in the previous six years or were still receiving them. The Oromiya sample also included households that had never benefited from the PSNP or the SPIR programme. In addition to the household questionnaire, community and market surveys at *woreda* and *kebele* levels were also conducted.² The aim of the post-conflict survey was to assess differences in poverty and livelihood outcomes among households with varying levels of exposure to conflict, as well as the impact of different types of social assistance received, such as PSNP or humanitarian aid. In this paper, the quantitative data from the follow-up survey is used to complement and triangulate findings from the qualitative data on climate, conflict and livelihood changes and effects.

To complement observations of perceived climate variability and extremes, historical climate observations of precipitation and temperature were analysed. Monthly precipitation data was retrieved from the Climate Hazards Group InfraRed Precipitation with Stations (CHIRPS) dataset (Funk et al. 2015). For monthly temperature analysis, the Climatic Research Unit gridded Time Series (Harris et al. 2020) dataset was used. The data was averaged over six *woredas* in Amhara (Bugna, Dehana, Lasta, Meket, Sekota and Wadla) and four *woredas* in eastern Oromiya (Chiro Zuria, Daro Lebu, Gemechis and Girawa). Historic time series for the period 1981–2023 for precipitation and temperature anomalies were then computed for the two clusters. Monthly and seasonal anomalies for precipitation and mean temperature were calculated by subtracting monthly and seasonal totals

² Sabates-Wheeler et al. (2024) provide a detailed overview of the post-conflict survey data collection in Amhara. Details on the Oromiya survey can be obtained from the authors.

(rainfall) or averages (temperature) values from the 1981–2023 long-term mean for the respective month or season.

3 From vulnerability to resilience: widening agendas for social assistance

Increasingly, the rationale and objectives of social protection programmes are couched in terms of strengthening resilience, mirroring trends in wider development discourse and policy that incorporate concerns around climate change and the need to establish and deepen capacities to adapt to its impacts and transform them into opportunities. Within social protection thinking, the idea of linking programme design with climate change adaptation and disaster risk reduction was popularised by the ASP agenda (Davies et al. 2008). ASP sought to build the resilience of poor and vulnerable households to covariate shocks by directly investing in their capacity to prepare, cope and adapt by integrating the often disconnected social protection, disaster risk management and climate change adaptation sectors into a mutually reinforcing approach (Bowen et al. 2020). This agenda developed on the heels of the well-known transformative social protection framework (Devereux and Sabates-Wheeler 2004) in which the *protective*, *preventive*, *promotive* and *transformative* functions of social protection provided the scaffolding to develop and locate the ASP agenda. Specifically, the promotive role of social protection, referring to interventions that reduce households' and communities' sensitivity to risk, encapsulated the resilience and capacity-building themes.

As discussions on ASP show, the contribution of social protection to welfare and livelihoods is often framed in terms of boosting the ability of households and communities to withstand and rebound from shocks. Bahadur et al. (2015: 48) envision absorptive, anticipatory and adaptive capacities (the '3As') as collectively encompassing different elements of a transformative approach 'to holistically and fundamentally build, reshape and enhance people's capacity to adapt to, anticipate and absorb shocks and stresses.' While resilience is not reducible to a singular quality, what is often implied in discourses that promote the use of social protection for resilience is programme designs that seek to develop adaptive capacities alone. According to Béné et al. (2012: 22), resilience as adaptive capacities encompasses:

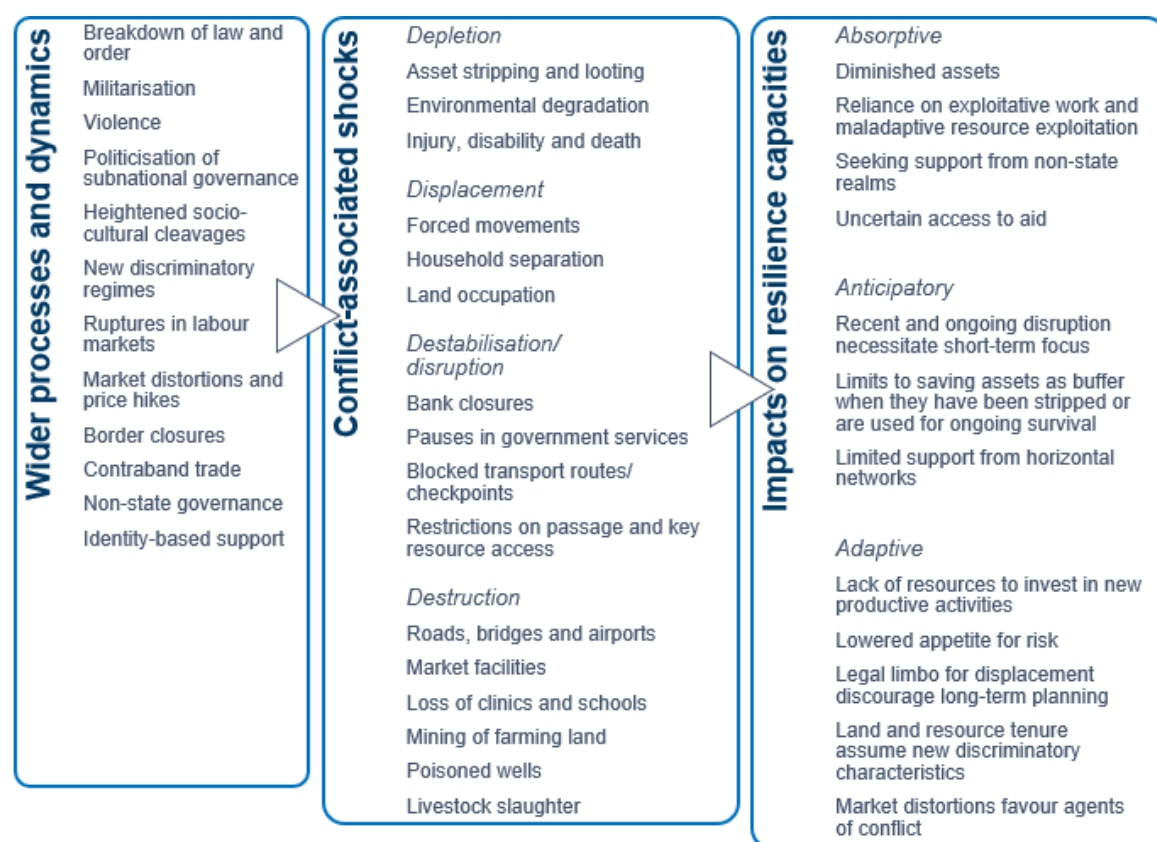
adjustments (incremental changes) that people undergo in order to continue functioning without major qualitative changes in function or structural identity. These incremental adjustments and changes can take many forms (e.g. adopting new farming techniques, change in farming practices, diversifying livelihood bases, engaging in new social networks, etc).

While some posit a tension between capacities to maintain stability in the face of change as opposed to those associated with adjusting and creating new circumstances, these are not opposing but rather interdependent abilities.

Discussions on resilience often assume conditions of peace and stability. In contrast, conflict-related dynamics and processes present a set of challenges for interventions that seek to strengthen different resilience capacities. Figure 3.1 traces the implications of conflict-associated shocks on different resilience capacities – absorptive, anticipatory and adaptive. It is necessary to distinguish between wider processes and dynamics operating in conflict-affected areas, and different categories of conflict-

related impacts experienced at the individual and household levels. Wider processes include violence and militarisation, as well as various other features of conflict that are significant for livelihoods, such as ruptures in labour markets, border closures, the heightened importance of non-state governance and identity-based support. These processes and dynamics are associated with different types of shocks. Here, these are grouped into four broad categories: *depletion*, including of individual and household assets, as well as land and natural resources; *displacement*, including the separation of household members and occupation of land formerly used by the displaced households; *destabilisation or disruption*, including of government and financial services, as well as restrictions on access to key resources; and *destruction* of physical infrastructure, and degradation of herds and farms.

Figure 3.1: Resilience capacities in conflict-affected settings



Source: authors' illustration.

These shocks significantly impact *absorptive capacities* by reducing the ability of households and communities to buffer their impacts. The depletion of assets and resources, separation of household members and disruption of essential services all contribute to weaken a population's ability to absorb and cope with the immediate effects of conflict. Conflict-associated shocks, such as the depletion of assets, displacement, destabilisation of services and destruction of infrastructure significantly hinder the ability of households and communities to *anticipate* and prepare for future shocks. Disruption of essential services and loss of resources reduce the capacity to plan and implement strategies that could mitigate the effects of future conflicts or other crises. This weakened anticipatory capacity makes it challenging for affected populations to foresee and address potential threats, thereby increasing their vulnerability to subsequent shocks. The disruption of essential services and loss of resources reduce the capacity to implement strategies that could help adjust to new conditions. This weakened *adaptive capacity* makes it challenging for affected populations to modify their livelihoods

and practices in response to ongoing and future shocks, thereby increasing their vulnerability to subsequent crises.

In protracted crisis settings, achieving a balance between the protective and promotive functions of social protection is critical for fostering both immediate survival and long-term resilience. While the protective function to establish and maintain absorptive capacities is essential to safeguard lives and prevent further deprivation, the promotive function develops adaptive capacities through enhancing livelihoods and economic opportunities, ensuring that individuals and households can recover, rebuild and thrive beyond the crisis. As Béné et al. (ibid.: 603) explain, the ‘capacity to maintain stability is as important as the ability to adapt, or to transform. In fact, stability is necessary *for* adaptive or transformative capacity. Indeed, stability is an essential condition for asset accumulation.’ Political processes and structural conditions contributing to peace and stability are not only complementary, but also foundational for other social protection efforts to contribute towards adaptive (and transformative) capacities.

Thus, while interventions that aim to limit shock-related losses can be criticised for being insufficient by only returning people to their pre-shock state of vulnerability, ‘[in] many contexts, like those faced with recurrent predictable shocks, improving the coverage, adequacy, quality, responsiveness, and comprehensiveness of regular social protection programmes can in itself help to reduce vulnerability and enhance long-term resilience’ (Devereux, Solórzano and Wright 2024: 14). The following section considers efforts to incorporate promotive elements within the PSNP. This will set up consideration of the programme’s performance in supporting the needs of conflict-affected populations in areas of Amhara and Oromiya in sections 5 and 6.

4 Strengthening resilience and livelihoods within the PSNP

Since its inception in 2005, the PSNP has incorporated asset building and the enhancement of livelihood options alongside a protective objective. Now in its fifth phase (2021–25), the programme provides monthly transfers of cash and/or food over a six-month period each year to an estimated 8 million beneficiaries who are chronically poor and vulnerable to shocks and stressors. The period of transfers (January–June) is intended to coincide with the lean season, at least in the agrarian highland regions. Approximately 80 per cent of the caseload receive transfers as payment for contributing labour to various public works, most of which focus on watershed development and land rehabilitation measures, alongside constructing physical infrastructure such as roads, classrooms and housing for community development extension workers. Public works have always been an important part of the theory of change underpinning the programme’s emphasis on promoting stronger livelihoods. The thinking ran that this would be achieved through improvements to land and natural resources, as well as infrastructure that would make services and markets more accessible.

Equally, since the initial years of the PSNP, it was recognised that building assets at the household level would be essential to improve the livelihoods of those supported by the programme. An official document from the early years of PSNP implementation explained:

It is not expected... that the PSNP will itself move households towards food self-sufficiency and graduation. For this to occur, additional interventions are required to

build household assets and address vulnerabilities that make households food insecure. (Food Security Coordination Bureau 2007: 3).

During the programme's evolution, design features have supported household-level asset building, including the Household Asset Building Programme (2010–15). The programme incorporated measures to improve access to village savings groups and microfinance, as well as extension services, alongside support from development agents to develop business plans. A review of the Household Asset Building Programme that informed the design of phase 4 of the PSNP (PSNP4: 2015–20) found that many PSNP households were reluctant to borrow credit. Further, support to develop business plans was constrained by the limited capacities of development agents and patchy extension services. A new approach was developed for PSNP4 that mainstreamed livelihood support within the PSNP. It focused on strengthening technical assistance around each of three 'livelihood pathways': the crop and livestock pathway, the off-farm pathway and the employment pathway. Implementation rested on strengthening inter-sectoral coordination with other departments, brought together in the Livelihoods Implementation Unit at the *woreda*, regional and federal levels. A free livelihood grant was also introduced for the poorest households, such as women-headed households and households with landless young people. However, the design was never implemented at the scale envisioned. One assessment concluded: 'the level of livelihood support was insufficient to enable most households to escape from poverty and graduate' (Frankowska 2018: 1). Rather, during PSNP4, the programme was dogged by familiar challenges of insufficient funding, which pushed subnational implementers into making difficult decisions with respect to the breadth of coverage versus the depth of support provided. Moreover, linkages with complementary services, including agricultural extension and support to cultivate off-farm rural economic activities, were weak.

A livelihood component was retained in the design of PSNP5 but with modifications, intending to bring about a 'big push' on the on- and off-farm pathways, including a revised package of support and increased livelihood grant. However, due to a squeeze on PSNP financing in phase 5, the livelihood component was not implemented until the release of government financing in late 2024.

Until PSNP5, the programme was not designed to be responsive to acute climate shocks. During phase 3 (2010–15), a risk financing mechanism was incorporated to support the programme's horizontal and vertical expansions to address shocks through pre-positioned contingency budgets (Hobson and Campbell 2012). Although the risk financing mechanism was scrapped, contingency budgets have remained part of the PSNP's design. However, this part of the programme architecture has not always functioned due to shortages in the PSNP's overall financing.

PSNP5 is the first phase of the programme that explicitly seeks to be 'shock responsive', including through design features to strengthen the resilience of beneficiary households and communities. The overall objective of PSNP5 is: 'Enhanced resilience to shocks of extreme[ly] poor and vulnerable rural households in PSNP *woredas*' (Ministry of Agriculture 2020: 16). Within the programme, an understanding of resilience has been adopted that focuses on household- and community-level capacities to absorb and recover from shocks, as well as to adapt and transform livelihoods over the longer term. According to the PSNP5 programme implementation manual, the resilience of programme beneficiaries to shocks will mean they can 'protect consumption and assets in the face of shocks and so will be better placed to continue or enhance their livelihood trajectories thereafter' (ibid.).

Operationally, the programme aims to enhance household and community resilience through six interrelated programme features: timely and adequate transfers to programme recipients; shock-

responsive transfers to households that are not PSNP beneficiaries; public works geared to environmental repair and climate change mitigation and adaptation; linking beneficiaries with health, education and nutrition services; the provision of options to improve livelihoods through cash grants and access to technical expertise; and enhanced programme management functions and capacities.

The programme design incorporates several principles; yet the intention of PSNP5 to build resilience narrows attention down to two foundational principles. One of these is the primacy of transfers, or as stated in the programme implementation manual: 'ensuring that clients receive transfers takes priority over all considerations' (ibid.: 18). A second core principle is the productive intent of the programme, beyond protecting consumption and assets, to address the causes of food insecurity and contribute to economic growth. The manual states: 'The productive element comes from infrastructure and [an] improved natural resources base created through PSNP public works and from the multiplier effects of cash transfers on the local economy' (ibid.).

Reviewing existing research on PSNP outcomes, Tenzing and Conway (2023: 9) state that, although the PSNP protects households from detrimental climate change impacts in the short term, largely through the provision of transfers, it has not supported their resilience to climate shocks and stresses over the longer term. This dovetails with an assessment by Sabates-Wheeler et al. (2020) that the programme has helped beneficiaries to survive, including by curbing distress sales of assets and providing community-level services, but it has not enabled them to thrive through building additional household assets. Evaluations of graduation models associated with the PSNP, and covering settings and periods not characterised by conflict shocks, have thus far not demonstrated a widespread or sustainable uplift in beneficiaries' livelihoods (Sabates-Wheeler et al. 2021).

One example of a graduation intervention comes from the SPIR programme, which provided targeted support to PSNP beneficiary households, encompassing livelihood and nutrition interventions. A one-time livelihood transfer valued at US\$374 (in 2017 purchasing power parity dollars) was provided to the poorest 60 per cent of households, alongside training on livestock production and marketing, and the formation of village-level savings groups. The transfer was either in the form of cash or a poultry package of comparable value (16 chickens and complementary inputs) (Leight et al. 2023). Yet, findings of an evaluation showed that while the SPIR programme led to some modest asset accumulation, 'implementation of a light-touch graduation model at scale generally did not lead to an exit from poverty for the targeted households' (ibid.: 9). Leight et al. (2023) point to two possible reasons for the limited impact of the SPIR programme. One reason was the relatively small size of the livelihood transfer (the second smallest in absolute terms in the global literature they reviewed); other reasons were stagnation and reversals in the wider rural economies in the places where the programme was implemented.

While the PSNP design holds the potential to build adaptive capacities needed in a changing climate, the livelihood component has not been funded at scale, so it remains untested as a mechanism for building resilience. A further issue is the depth and breadth of need in rural communities served by the PSNP. Changes to targeting under PSNP5 meant that up to half of enrolled households in some *woredas* were new following the retargeting exercise undertaken at the start of the current phase. Notwithstanding adjustments to targeting criteria, due to the programme's limited coverage relative to the sheer scale of need, officials in many areas have tended to prioritise new beneficiaries during retargeting to provide the opportunity for more households to benefit. This means that many beneficiaries, except the most severely vulnerable, such as those without able-bodied labour, cycle through the programme for a period of five years before being removed.

The lack of finance as a fundamental challenge for PSNP implementation is also apparent in the size of transfers. At the outset of PSNP4 in 2015, transfers were benchmarked against a transfer value equivalent to 15kg of cereal and 4kg of pulses per month. Yet, the value of transfers has not always kept pace with the rising cost of food. Under PSNP5, the adequacy of transfers was meant to be reviewed on an annual basis in line with the consumer price index (CPI) to protect the transfers' real value (Ministry of Agriculture 2020: 13). Yet, as food prices spiked in recent years, the wage rate, even adjusted, could not keep pace.

The following section considers evidence from North Wollo in Amhara, and West Hararghe in Oromiya, concerning the contribution of the PSNP to supporting livelihoods in contexts that exhibit both enduring livelihood stress and cascading and compounding shocks.

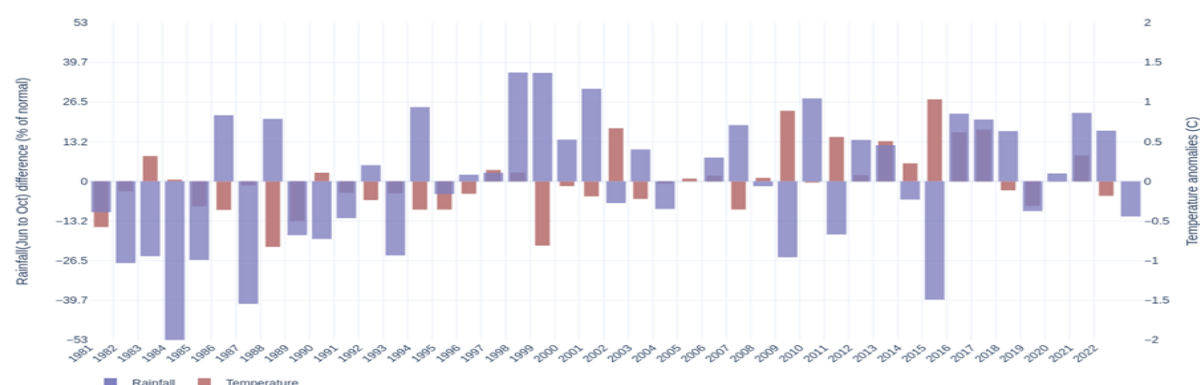
5 Contexts, trends and experiences of vulnerability and resilience in Amhara and Oromiya

5.1 Crisis contexts in Amhara and Oromiya

North Wollo, Amhara

Lasta and Bugna *woredas* are situated in the North Wollo Zone in northeastern Amhara, an impoverished region with a history of severe food insecurity and large-scale humanitarian assistance. The zone spans a lowland–highland gradient, with higher rainfall (up to 1,200mm annually) in mid- and high-altitude areas, and lower rainfall (averaging 600mm annually) in the lowlands. Lasta is situated in the lowlands, on a plain below Lalibela, the zonal administrative capital and a key centre of heritage tourism in Ethiopia. Bugna, about 40km from Lalibela, straddles the full gradient, with a mix of lowland, mid-altitude and highland areas. Most rainfall occurs during the *kiremt* (the wet season, July/August), in contrast with the drier season from October to February. A weaker wet season, or *belg*, stretches from March to June. Temperatures are highest in May/June, before the start of *kiremt*, and lowest during the dry season running from November to January. The region has experienced severe droughts, the most significant being the successive years of well-below average rainfall in the 1980s (Figure 5.1). More recent droughts have occurred in 2009, 2011 and 2015.

Figure 5.1: Kiremt seasonal rainfall and temperature anomalies, North Wollo, Amhara (1981–2023)



Note: bars above zero indicate years that were wetter and hotter than normal, whereas bars below zero indicate years that were drier and cooler.

Source: authors' illustration. Created by Christopher Jack, Red Cross Red Crescent Climate Centre.

North Wollo has experienced both chronic and severe poverty. Famines in the region in 1973–74 and 1983–84 led to the deaths of thousands of people, and precipitated resettlement efforts. Thousands were resettled in Wollega in Oromiya. Clashes in Wollega between militias from Oromo and Amhara have become more frequent in recent years,³ resulting in the displacement of ethnic Amharas who were settled in Oromiya during the 1970s and 1980s. Many have returned to North Wollo, where they no longer have access to land and rely on forms of non-state social support. A study in the early 2000s found that a significant proportion of households in the area were destitute and that there had been an aggregate downward shift in assets; all wealth groups experienced difficulties in meeting basic needs (Devereux and Sharp 2006). Livelihoods in the region follow a highland–lowland gradient, with most households relying on cultivation and livestock keeping. In the highlands, cultivation of food and cash crops such as barley, wheat, teff, sorghum and maize dominates, while lowland livelihoods mainly involve livestock keeping, particularly cattle, sheep and goats, which serve as both productive resources and savings. Despite some diversification, off-farm opportunities are limited, and poorer households often depend on low-return activities linked to agriculture, including through seasonal employment and migration as coping strategies (ibid.; Wassie et al. 2023). These conditions, and a background of humanitarian need, prompted the inclusion of North Wollo in the PSNP when it was started in 2005. More recently, since 2018 *woredas* in North Wollo and in the neighbouring Wag Hamra zone have been included in the SPIR programme.

The northern reaches of Amhara were greatly affected by the spillover of the war that erupted in November 2020 between the federal government and the regional administration in Tigray, which was led by the Tigray People's Liberation Front. After quickly assuming control of the Tigrayan capital Mekelle and appointing an interim administration, Tigrayan rebel forces regrouped over a period of months before reclaiming Mekelle and advancing southwards into Amhara in June 2021. Over the ensuing months, Tigrayan forces swept across a wide area of Amhara, affecting 51 of 87 *woredas* in the region where the PSNP was in operation. The period of occupation lasted between weeks and months, with those areas nearest Tigray (including North Wollo, where Lasta and Bugna *woredas* are

³ See the Ethiopia Peace Observatory summary of the [Western Oromia Conflict](#).

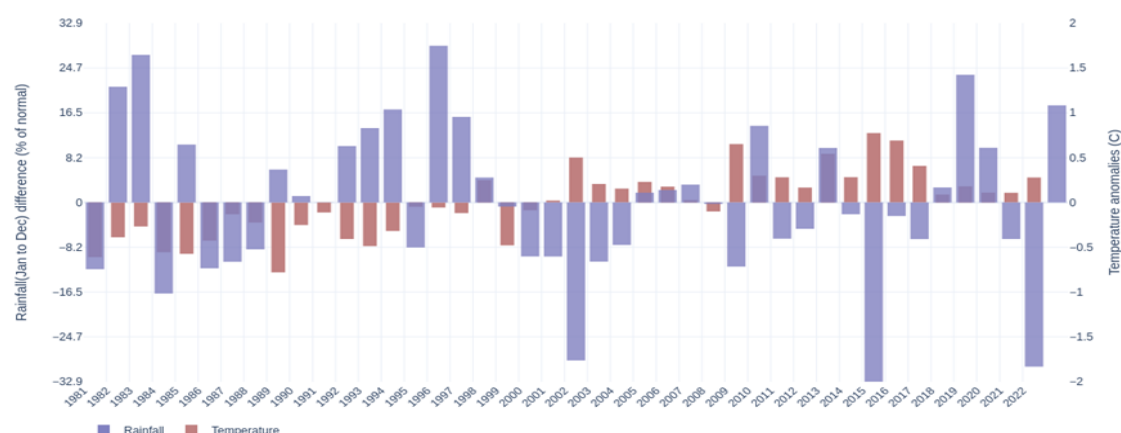
located, as well as Wag Hamra Zone between North Wollo and the Tigray border) occupied for the longest period.⁴

According to Ethiopian government estimates, 335,000 PSNP beneficiaries in Afar and Amhara did not receive cash transfers during the peak of the conflict between July and December 2021 (Government of Ethiopia 2022: 75). A multi-agency needs assessment in Amhara conducted in 2021 estimated that the conflict in the region had affected 8.7 million people who required assistance. A humanitarian response was launched that covered the needs of 60 per cent of those requiring assistance, including PSNP beneficiaries who had been displaced. For some displaced PSNP beneficiaries, food needs were covered by United States Agency for International Development's Resilience Food Security Activity pivot funds, which had previously supported PSNP implementation. Displaced people who were not previously registered for PSNP support were supported by relief assistance through the Joint Emergency Operation (Lind et al. 2024).

West Hararghe, Oromiya

Chiro and Daro Lebu *woredas* are in West Hararghe Zone, located in the highlands of eastern Oromiya. This is an agro-pastoral area that, like North Wollo, is characterised by a lowland–highland gradient. Along this gradient there is a mix of livelihoods, with some involving livestock keeping alongside cultivation, whereas others in the highlands involve farming alongside keeping some livestock. As discussed further below, the area is prone to drought, with severe droughts occurring in 2002, 2009 and 2015. The region experiences two rainfall seasons with most rainfall occurring during the main *kiremt* wet season (July/August) and a strong *belg* wet season from March to June. While Amhara experienced strong drought conditions during the 1980s, West Hararghe experienced more wet years in this period, while drought conditions were not as severe in dry years. A severe drought in 2015 was associated with a strong 2015/16 El Niño event (see Figure 5.2).

Figure 5.2: Annual rainfall and temperature anomalies, West Hararghe, Oromiya (1981–2023)



Note: bars above zero indicate years that were wetter and hotter than normal, whereas bars below zero indicate years that were drier and cooler

Source: authors' illustration. Created by Christopher Jack, Red Cross Red Crescent Climate Centre.

⁴ Lind et al. (2024) provide a detailed chronological assessment of how the conflict unfolded in northern Amhara, the impacts on PSNP operations and efforts to resume in the immediate aftermath of the invasion by Tigrayan forces.

Chiro is the administrative capital of West Hararghe; Daro Lebu *woreda* is approximately 60km from Chiro. In common with North Wollo, West Hararghe, is home to a large chronically food insecure population. Thousands of people have been resettled from the zone to other parts of Oromiya over the years. This includes voluntary resettlement to Bale Zone in the early 2000s as part of the federal government's National Food Security Strategy. West Hararghe was included in the PSNP when the programme was launched in 2005.

The zone was one of the areas of eastern Ethiopia affected by a conflagration of intercommunal violence that began in 2017. Localised territorial disputes between ethnic Oromo and Somali communities were a longstanding feature of ethnic relations in the area, though were usually successfully resolved through customary conflict resolution efforts by elders. However, competitive ethnic rhetoric and the perceived weakness of the federal government contributed to a rapid escalation of hostilities in 2017 (ACLED 2021). By mid-2018, over 1 million people had been displaced by the conflict (OCHA 2018). By mid-2019, the federal and regional governments had begun an effort to return internally displaced people (IDPs). As of 2021, the Geneva-based Internal Displacement Monitoring Centre estimated there were still nearly 3,000 IDPs in Daro Lebu, whereas there were under 100 in Chiro.⁵ Legacies of the conflict include more rigid social relations, the permanent displacement of many ethnic Somalis to Somali Region, as well as the displacement of ethnic Oromos to Oromiya Region.

The conflict and displacement crisis punctuated a longer-running livelihood crisis in West Hararghe. The area has experienced several climate shocks in recent years, including a dry *kiremt* season in 2020, the complete failure of the 2021 *belg* crop due to dry conditions, and elevated numbers of livestock deaths due to the shortage of rains (OCHA 2021). By late 2021, the West Hararghe Zonal Disaster Risk Management Office estimated that nearly 40 per cent of the total population (over 2.8 million people) were food insecure. In 2022, the failure of both rainfall seasons resulted in widespread livestock fatalities in West Hararghe, leading to emergency operations (FAO 2022). The PSNP has continued to operate in the zone since 2005. Since 2016, international NGO CARE has led the implementation of the SPIR programme in West Hararghe and the neighbouring East Hararghe Zone, reaching 124 *kebeles* and over 100,000 beneficiaries (CARE 2021).

5.2 Multidimensional and enduring stressors and shocks

As the preceding section shows, recurring shocks and crises characterise both North Wollo and West Hararghe. Recent experiences of conflict, displacement and climate extremes build on a longer history of compounding shocks and persistent stress. This section extends consideration of the livelihood settings in both areas. It draws on historic timelines and trendline data developed from participatory group exercises and a household survey to develop a deeper understanding of vulnerability, with livelihoods for many at or near a tipping point.

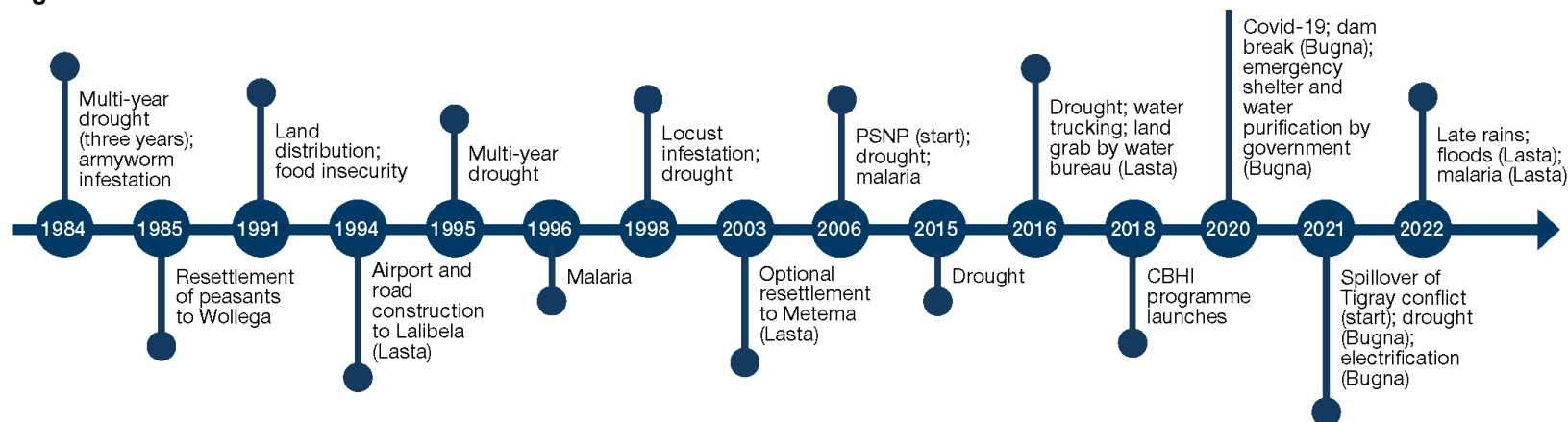
Historic timelines developed with focus groups highlight a range of shocks that have affected each region since the 1980s. These include climate-related shocks, such as droughts, as well as hailstorms and floods. Groups in North Wollo recalled six droughts since the severe, multi-year drought that precipitated a humanitarian crisis in the mid-1980s (Figure 5.3). Groups in West Hararghe recalled

⁵ For data, see [Ethiopia | IDMC – Internal Displacement Monitoring Centre](#).

more frequent weather extremes, including flooding and hailstorms (Figure 5.4). In some years, such as 2022, as recalled by participants in West Hararghe, multiple climate shocks were experienced in a space of months, including drought, high temperatures, the late arrival of seasonal rains and flooding.

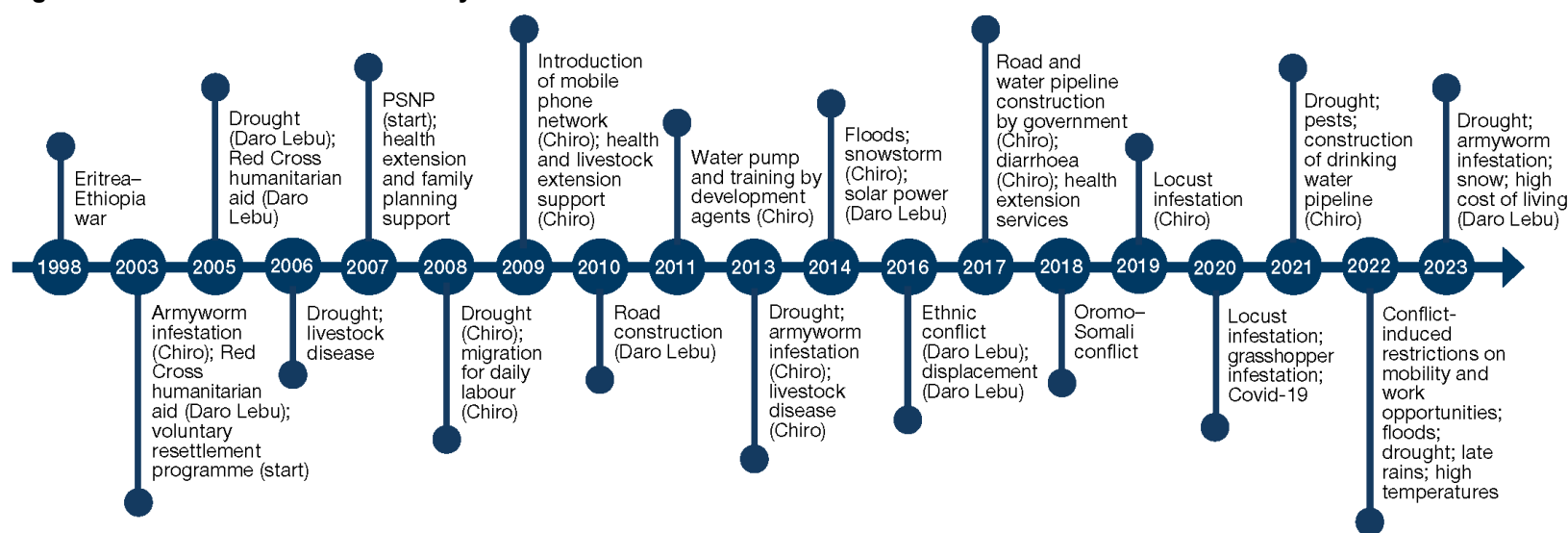
In addition to climate shocks, and evidence of cascading events that each potentially worsen the overall impact of climate-related variability, both regions have experienced a range of disease outbreaks and insect infestations such as locusts and armyworms. Conflict and displacement are significant shocks in both regions, as discussed in the preceding section. Although tensions along the Oromiya–Somali border have abated since the 2018–19 conflict and related displacement crisis, groups recalled continuing restrictions on mobility and access to work opportunities since then, reflecting the more rigid social relations that are a near-term legacy of the crisis. The timelines below for both regions reflect compounding shocks, when multiple events co-occur or happen in close succession, resulting in even graver consequences for livelihoods than if the events occurred independently of one another. Examples include the co-occurrence of drought and armyworm infestation in Lasta and Bugna in the mid-1980s, and Chiro woreda in West Hararghe, where drought, an armyworm infestation and livestock disease all buffeted the area in 2013

Figure 5.3: Historic timeline of Amhara



Source: authors' illustration

Figure 5.4: Historic timeline of Oromiya





















Source: authors' illustration

However, the timelines for both regions also reflect the expansion of infrastructure, including roads, irrigation and mobile phone networks, as well as services and support for underserved rural areas. In North Wollo, groups recalled government-directed resettlement efforts, including in the aftermath of the famine and humanitarian crisis in the 1980s. Other voluntary resettlement efforts occurred in the early 2000s, as reported by groups in both North Wollo and West Hararghe. Significant rural developments in both regions have included the expansion of social protection, including the PSNP, as well as community-based health insurance (CBHI, in 2018). Even before the more recent introduction of CBHI, groups in West Hararghe recalled the expansion of health extension services in the 2000s. Some interventions have generated local opposition. For example, the construction of an airport and a new road to Lalibela, adjacent to Lasta, was thought by some participants to have marginalised the town, as visitors on their way to Lalibela now bypass Lasta centre. A land grab in Lasta by the regional water bureau in 2016, which involved compensation for displaced households, is thought to have taken some of the most productive land; yet the construction of a water pipeline has also greatly improved access to water.

The local histories of Bugna and Lasta in Amhara and Chiro and Daro Lebu in Oromiya highlight the interplay of shocks, stressors and interventions as part of longer trajectories of change. These dovetail with findings elsewhere on rural transitions in Ethiopia. Over the past two decades, rural Ethiopia, including parts of Amhara and Oromiya, has experienced profound transformation processes, with rapid and sustained economic growth and modernisation in many places, but also new inequalities and disruptions to social relations (Pankhurst and Dom 2019). Processes of urbanisation in rural areas, thickening economic and social rural–urban links, agricultural modernisation and substantial expansion of the non-farm rural economy have reconfigured livelihoods, with clear implications for poverty and vulnerability. Inequalities between those with land and assets have become acute, and, thus, those who are able to take advantage of diversifying local economies, and those who are landless and without work. Trends associated with rural transformation and associated dynamics are also strongly gendered and defined by age-related differences. Whereas landlessness for young people and women is an urgent problem in many areas, the focus on gender and age of many rural development and extension efforts is generic (*ibid.*), with inadequate attention given to intersectionality (by wealth, marital status, access to land and so forth), which shapes very different situations.

As part of a participatory exercise on community perceptions of changes in their livelihoods or capacities to cope with stresses and shocks, focus groups in all four woredas assessed how their livelihoods had changed, comparing ‘now’ (May 2023, when data was collected) and ‘then’ (15 years previously in 2008). The participants were first asked to identify indicators that could be used to gauge improvements, stagnation or reversals in livelihoods over this period. After brainstorming a range of possible indicators, they were directed to prioritise five for a proportional piling exercise, a visualisation method. The participants were given counters, and for each indicator they were asked to create piles for ‘then’ (2008) and ‘now’ (2023). They were asked to explain the distribution – either an improvement or deterioration over time. So, for example, more counters for ‘access to land’ in 2008 compared with 2023 would indicate that access had become more constrained; more counters in 2023 for inflation (as indicated in one woreda) showed that affordability of basic goods and services had diminished. The results are shown in Figure 5.5. Since groups were asked to come up with their own indicators to assess trends over time, not every indicator was covered in every woreda. ‘Health and sanitation’ and ‘peace and security’ were the only indicators that groups prioritised in all four woredas; ‘water access/availability’ and ‘social assistance’ were mentioned by groups in three woredas; indicators that were scored in only one woreda were removed from analysis.

Figure 5.5: Changes in livelihood indicators (comparing 2008 and 2023)

Change indicators	Amhara		Oromiya	
	Lasta (2008 vs 2023)	Bugna (2008 vs 2023)	Chiro (2008 vs 2023)	Daro Lebu (2008 vs 2023)
Health and sanitation	 68	 80	 40	 72
Food security	 -48		 -24	
Peace and security	 -100	 -32	 -4	 58
Water access/availability	 36	 -36		 14
Electricity/road transport		 4	 28	
Social assistance		 -20	 -20	 76

Source: authors' illustration.

The results reveal the contradictions inherent in recent processes of rural transformation. Groups in all four *woredas* reported substantial improvements in health and sanitation, pointing to the deepening of health extension services over time, vaccination campaigns and improved access to medications, and, more recently, the introduction of CBHI. Groups in Lasta and Daro Lebu both reported significant improvements in access to water, whereas access had become more difficult in Bugna. Access to water in Lasta was improved through the construction of a water pipeline, whereas in Bugna a dam break in 2020 prompted an emergency response and water purification efforts by the government. In Chiro, electrification and the rehabilitation and construction of new roads since 2008 were felt to be major factors contributing to improvements in livelihoods, with groups in Bugna also pointing to infrastructure development, including electrification.

However, these positive trends exist alongside negative trends in food security, and declines in peace and security and social assistance in some places. Groups in Amhara indicated a sharp decline in peace and security, reflecting the incursion of Tigrayan rebels in 2021, whereas the trend was

somewhat flat (slightly down) in Chiro, where participants emphasised the importance of conflict resolution efforts directed by elders. Daro Lebu was an outlier, where participants indicated a significant improvement in peace and security. Reasons mentioned included collaboration between security bodies, including local militia forces and the establishment of customary courts to resolve local conflicts.⁶ Social assistance as an indicator had worsened in Bugna and Chiro, curbing its contribution to absorptive capacities; groups in both locations referred to reductions in the PSNP payment, as well as (in 2023) the payment being provided in the form of sorghum. Daro Lebu was also an outlier on trends in social assistance. Here, participants explained that an improvement was the result of: an improved targeting process where poor households were prioritised; full family targeting; and provision of school feeding by the government and NGOs, which resulted in reduced school dropouts and absenteeism.⁷ Finally, food security trended downwards in both Lasta and Chiro, pointing to declining absorptive capacities; groups in both areas emphasised inflationary pressures, as well as land pressures and diminishing agricultural productivity. Thus, despite positive developments in health, water, infrastructure and education, many people were struggling due to increased living costs, land and water shortages, and unemployment. They relied on diverse coping strategies such as daily labour, reduced consumption, selling assets and taking out loans. These measures show weakened absorptive capacities, as well as a lack of capacities beyond this to anticipate shocks, and to adapt to stressors and trends.

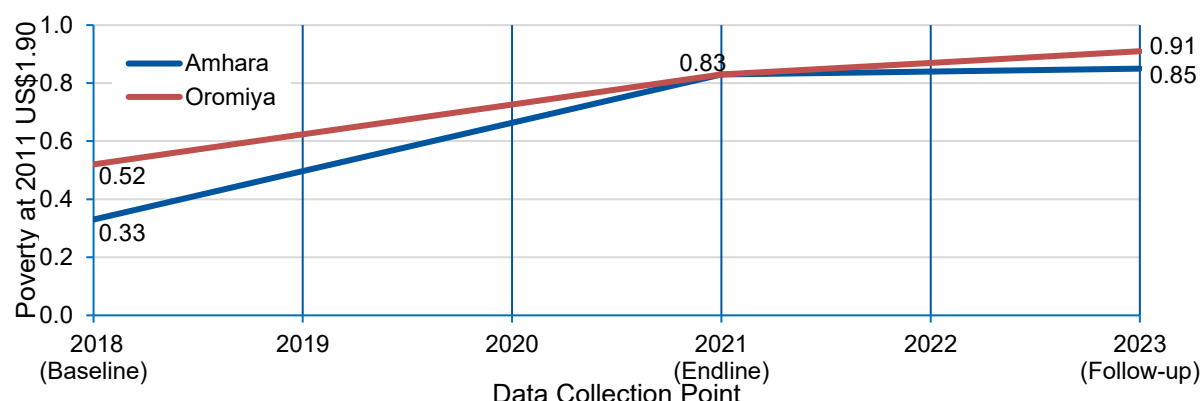
While rural Ethiopia has undergone significant changes in recent decades, the picture varies within and between regions. Furthermore, transformations are not uplifting all livelihoods, as is evident in the persistently high (and growing) numbers of households considered food insecure and, thus, lacking adequate absorptive capacities. Settings such as North Wollo and West Hararghe have experienced famine and deep food insecurity in recent decades, with deep-seated destitution and weakened livelihoods testament to a lack of resilience. Assessments of rural livelihoods and change, therefore, must consider structural vulnerability, recurring shocks and persistent stress as defining characteristics of the baseline.

Analysis of quantitative panel survey data reinforces these findings. Poverty as measured by the US\$1.90 a day poverty line is high among our sample in both regions and increased significantly over the five-year study period (see Figure 5.6). High levels of poverty reflect the large PSNP sample, yet we would expect poverty rates to have declined over time. That was not the case. Between the endline (January 2021) and follow-up (November 2022) the number of households below the poverty line in Oromiya increased, whereas the line flattened in Amhara.

⁶ FGD with women, Daro Lebu, 4 August 2023; FGD with men, Daro Lebu, 3 August 2023.

⁷ FGD with women, Daro Lebu, 4 August 2023; FGD with men, Daro Lebu, 3 August 2023.

Figure 5.6: Proportion of households in poverty at 2011 USD\$1.90 PPP in Amhara and Oromiya (2018–2022/23)



Note: households with non-missing data: Amhara – baseline: 814; endline: 983; follow-up: 1,014; Oromiya – baseline: 698; endline: 787; follow-up: 855. Baseline took place between March and May 2018; mid-point drawn = April 2018. Endline took place between February and March 2021; mid-point drawn = February 2021. Follow-up took place between December 2022 and March 2023, mid-point drawn = January 2023

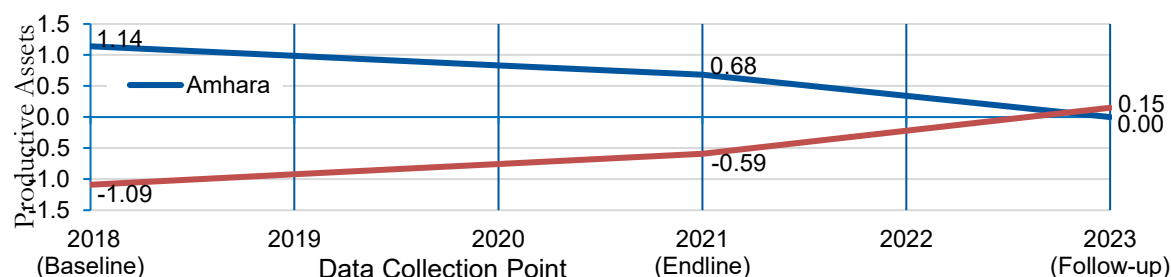
Source: authors' illustration. Created by Camelia Vasilov using project data.

Corresponding evidence from Leight et al. (2023) covering the same geographic areas shows the depth of poverty; it also shows reversals in other welfare indicators. They explain:

the setting of this study is characterised by stagnation or reversals, with consumption stationary among households in the control arm during the trial period (2018–21); more dramatically, the already meagre stocks of savings reported by households in control communities in the one-year follow-up survey were halved by the three-year follow-up, and the estimated value of livestock assets, the main asset owned by sample households, declined by 33%. (ibid.: 25)

Figure 5.7 shows differing trajectories for productive assets. There is a downward trendline in Amhara, particularly since the endline (which was conducted just before the start of the conflict in neighbouring Tigray), thus reflecting the impacts of the war. On the other hand, households in the Oromiya sample report a steady increase in assets.

Figure 5.7: Household productive assets index in Amhara and Oromiya (2018–2022/23)



Note: households with non-missing data: Amhara – baseline: 818; endline: 1,001; follow-up: 1,014; Oromiya – baseline: 700; endline: 843; follow-up: 855. Baseline took place between March and May 2018; mid-point drawn = April 2018. Endline took place between February and March 2021; mid-point drawn = February 2021. Follow-up took place between December 2022 and March 2023, mid-point drawn = January 2023.

Source: authors' illustration. Created by Camelia Vasilov using project data.

Participatory self-assessment data and trendlines for wealth groups show stagnation and decline. Focus group discussions were conducted to explore perceptions of changes in wealth distribution among PSNP beneficiaries and non-beneficiaries, using participatory methods. Participants used counters to visually represent and compare wealth distribution between the two groups, based on local wealth categorisation. This was followed by a further division of counters within each group to reflect wealth stratification. The process was repeated for both the current period (2023) and the baseline (the start of the PSNP), enabling a comparison of shifts in wealth distribution since the PSNP's inception. In Amhara, data from Lasta indicated that the non-beneficiary population, particularly those households categorised as 'poorest' and 'poor', perceive themselves as slightly poorer in 2023 compared with the start of the PSNP, while the wealth of PSNP beneficiaries is perceived as having remained largely unchanged. Similar trends were observed in Bugna, though with a higher proportion of non-beneficiaries classified as 'poorest' and 'poor' in both periods. In Oromiya, data from Chiro showed that the non-beneficiary population, including those households perceived as 'poorest' and 'poor', was also seen as poorer in 2023 than at the start of the PSNP, with no significant change in the overall wealth of PSNP beneficiaries, although there was now a perceived inclusion of non-poor households in the programme. Conversely, in Daro Lebu, non-beneficiaries were perceived as slightly poorer at the start of the PSNP, while PSNP beneficiaries were perceived as poorer in 2023, with a similar perceived inclusion of non-poor households in the programme.

In a household self-assessment exercise, case study participants – categorised as current PSNP beneficiaries, former beneficiaries or those who had never benefited from the PSNP – were asked to evaluate their household situation across four categories: (a) able to meet needs with surplus for savings or investment; (b) able to meet needs without savings; (c) able to meet needs only by resorting to crisis activities; and (d) dependent on community or relief support. This assessment covered four recall periods: the present situation in 2023, one year prior (2022), three years prior (2020) and 15 years prior (2008).

Participants in Amhara had experienced a significant decline in household conditions since 2008, prior to the widespread implementation of the PSNP. Initially, most households were able to meet their needs and save, but by 2020, before the conflict in northern Ethiopia, they had become reliant on community or relief support. This situation worsened following the conflict in 2021–22, with many respondents also resorting to crisis activities to meet basic needs – again, showing their lack of capacity to adapt and diminished absorptive capacity:

In the past, I was saving some money from my work. When the summer season came, I would rely on this. But this work was interrupted when the war started. (Case study of a previous PSNP beneficiary woman household head, Bugna, 13 May 2023)

In Oromiya, nearly half of PSNP beneficiaries were able to save in 2008, and again in 2020 during the return process following the 2018–19 conflict. However, by 2022 and 2023, most had become dependent on community or relief support. Households that had never participated in the PSNP experienced a less linear trajectory, moving from widespread dependence on support in 2008 to improved self-sufficiency and savings in 2020, before again facing significant reliance on aid and distress activities in 2022. A slight recovery was noted in 2023, despite ongoing drought conditions:

When we trade chat [a mild narcotic], we participate in self-help institutions [e.g. iqqub, a customary mutual assistance mechanism] for savings purposes. You continuously save from what you get and then as your savings increase, you use it to buy a variety of food, including vegetables ... But now [in 2023], we can't buy things,

let alone save. (Case study of a woman PSNP non-beneficiary, Daro Lebu, 6 August 2023)

My food security situation while I was in the resettlement area and here in this kebele is not comparable. It was better in Chewaka [the resettlement area]. Let alone your stomach, your eyes weren't hungry because you could see the farms full of crops. In Chewaka, if you eat a sweet potato in the morning, you can't be hungry for the rest of the day. Here in this kebele, there is a shortage of food, and it is difficult to be food secure. (Case study of a returnee PSNP beneficiary, woman household head, Daro Lebu, 6 August 2023)

In summary, multidimensional stressors and shocks, experienced over time, have weakened livelihoods for most rural populations in North Wollo and West Hararghe. While earlier crises and resettlement efforts in these areas, from the 1980s to the early 2000s, reflected a situation in which many were unable to cope, there is little evidence that anticipatory or adaptive capacities have improved since. This is despite some improvements in rural development indicators and the existence of the PSNP since 2005. Further, absorptive capacities remain compromised, indicating a fragile setting where support beyond the PSNP is necessary to prevent even worse maladaptive strategies and human suffering.

6 'Not to die, not to recover': local perceptions of the PSNP during a multidimensional crisis

6.1 Social assistance during a multidimensional crisis

A foundational principle of the PSNP since its inception has been the primacy of transfers. As the programme implementation manual for PSNP5 states: 'Since the PSNP is primarily a safety net, ensuring that beneficiaries receive transfers takes priority over all [other] considerations' (Ministry of Agriculture 2020: 18). For transfers to be effective, they must be timely and provided in full to beneficiaries. The payment rate set by the programme for public works is either 3kg of cereals per day, or a cash wage intended to be equivalent in value to 3kg of cereals. The timeliness of payments – monthly between January and June (and every month for those who receive direct support, such as those who are disabled, older people or pregnant women) – is intended to address the food needs of targeted households and prevent distress coping strategies, including selling or degrading assets.

According to evaluations of the PSNP over the years, the programme's performance on payments has varied from one region to another. Yet, a common challenge across all regions has been the quota for resources allocated per region and, under this, at *woreda* level. Across different phases of the programme, the transfer budget has been inadequate to cover the population estimated to be in need of support. Implementing officials at the *woreda* level have sought to manage this challenge in various ways. In some areas, officials have calculated a lower transfer amount for public works, which enables wider coverage. Officials have also deviated from the principle of full family targeting, whereby all members of targeted households are covered, irrespective of the household size. In some places, officials have capped the number of household members who can be covered. While these measures have provided a way for subnational implementing officials to extend the programme's

coverage, it has had the effect of diluting transfers and, thus, has diminished the programme's potential contribution to household food security and asset-building objectives (Berhane et al. 2015; Berhane et al. 2019; Frankowska 2018).

As detailed above, an element of the shock-responsive design of PSNP5 is to enable temporary top-ups of payments for beneficiaries who have been affected by shocks. This vertical expansion is meant to address acute needs beyond those that are chronic for PSNP beneficiaries. Further, an aim of the shock-responsive design was to strengthen the timeliness of PSNP transfers; this was to be achieved through capacity development, introducing automated payments, improving and expanding e-payments, putting in place a single delivery system, strengthening national government-led early warning systems to monitor and predict droughts, and developing annual drought response plans and standard operating procedures on how to scale up responses (Ministry of Agriculture 2020: 19). However, the PSNP shock-responsive design was not fully realised during phase 5, when different parts of the country were experiencing a multidimensional crisis characterised by both compounding and cascading shocks. These included spreading and deepening conflict in different areas, particularly in Tigray and adjacent regions, as well as in areas of Oromiya; severe drought and other climate extremes; and the aftermath of a displacement crisis occurring along the Oromiya–Somali border in 2018–19.

Table 6.1 shows the range of shocks other than conflict that household respondents in Amhara and Oromiya had experienced in the previous 12-month period before the final follow-up surveys (between November 2021 and November 2022 for Amhara, and between March 2022 and March 2023 for Oromiya). In both regions, drought was the most prevalent shock associated with climate, with 80 per cent of households in Oromiya affected, compared with 46.6 per cent of households in Amhara. The Oromiya survey distinguished between different types of drought, all of which affected a greater proportion of the sample households than those in Amhara. Unlike in Oromiya, more Amhara households reported being affected by too much rain (23.9 per cent), and frost and hailstorms (38.2 per cent).

Table 6.1: Shocks other than conflict suffered in the past 12 months

Category	Shock type	Amhara (1,014 households)		Oromiya (1,255 households)	
		Yes (%)	Yes (count)	Yes (%)	Yes (count)
Environment	Drought	46.6	472		
	Drought (late start of the rains)			80	1,002
	Drought (long dry spell causing crop damage)			75	939
	Drought (short rainy season or early end of rains)			71	894
	Too much rain or floods	23.8	241	1.5	9
	Pests/locusts destroying crops	4.9	50	3	33
	Erosion	19.8	201	2	25
	Frost or hailstorms	38.2	387	0.5	6
Economy	Large increase in input prices	62.8	637	48.8	612
	Large decrease in output prices	9.7	98	10.1	127
Personal	Death of household member	6.7	68	4.2	53
	Illness of household member	26.5	269	15.9	200

Note: some households suffered more than one shock, so will have given more than one answer.

Source: authors' illustration. Created using data from the quantitative survey.

However, increases in input prices were reported as a widely experienced shock in both regions, by 63 per cent and 49 per cent of respondents in Amhara and Oromiya, respectively. The fallout of the war in Ukraine caused a spike in grain prices set in global commodity markets. This was reflected in a steep rise in Ethiopia's CPI. While prices in Amhara and Oromiya grew steadily from 2016, a sharper rise coincided with the beginning of the war in Tigray in 2020 (Ethiopian Statistical Service 2023; see also Figure 6.1). Headline inflation recorded its highest increase in a decade in May 2022, hitting 37.2 per cent, before beginning to fall slightly (WFP 2022). Much of this increase was due to food price inflation. Data for July 2023 showed that food price inflation was 27.3 per cent compared with a year earlier, with average prices for bread and cereals increasing by 31.3 per cent, vegetables by 48.1 per cent and meat by 32.9 per cent (Ethiopian Statistical Service 2024).

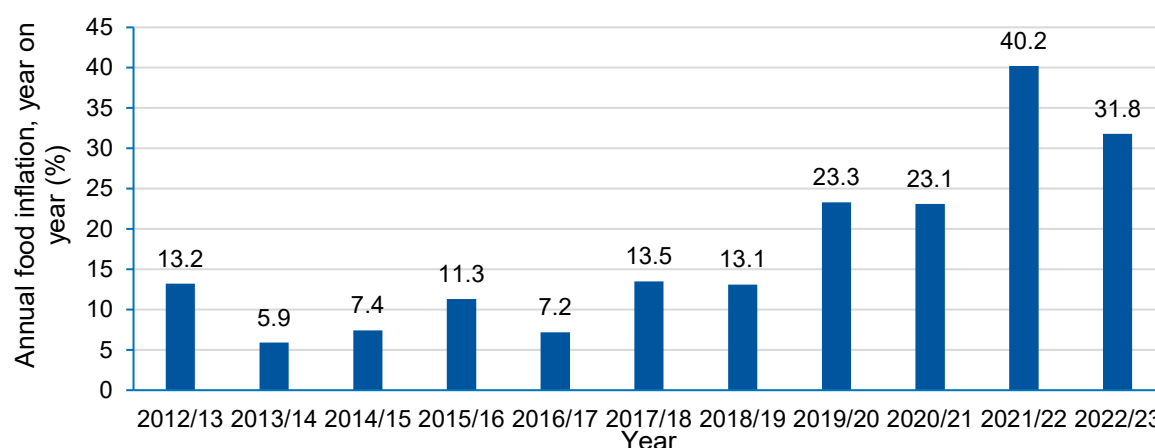
Figure 6.1: Addis Ababa market price of teff (birr/kg) (2000–23)



Source: authors' illustration. Created by Chris Jack using data from FAO (n.d.).

Figure 6.2 indicates trends going back to August 2012/13; annual food inflation shows a notable increase in August 2019/20, when it reached 23.3 per cent. Back-to-back years of high inflation (between late 2019 and late 2021) were followed by an even greater spike in the period August 2021/22 (to 40.2 per cent), before decreasing but to a (still high) rate of 31.8 per cent in the annual period running up to August 2023. Even when the rate of increase dropped, the CPI remained high and continued to grow, which meant the affordability of basic commodities remained an issue. This was especially the case for poorer households, those which would be targeted by the PSNP, whose purchasing power would already have been weak even before inflationary pressures. Assessing Ethiopian Statistical Service data, Ali (2022) finds that food consumption accounts for 65.2

Figure 6.2: Average annual food inflation in Ethiopia up to the end of EFY 2015* (2022/23)



Note: *Ethiopia uses the Ethiopian Fiscal Year (EFY), which is seven years behind the Gregorian Calendar and runs from August to August.

Source: authors' illustration. Created using data from Ethiopian Statistical Service (2024).

Inflationary pressures were even more acute in the areas worst affected by conflict. Focus group participants and local (*woreda*- and *kebele*-level) officials interviewed in the four *woredas* reported that inflation itself was a shock. Inflation was both a cascading pressure, following from conflict-related processes in the country and globally, as well as a stress that compounded other pressures including climate extremes and population displacement. Further, inflation was something experienced across food and non-food goods, as the following quotes show:

The high cost of living leaves us with no choice but to wash our clothing using mud because we are unable to purchase soap. (FGD with women humanitarian food assistance and PSNP beneficiaries, Chiro, 16 August 2023)

The market issues are very difficult. We refer to it as menor ena yalemenor [life in between living and not living]. It is very destructive and makes you lose your hope. (FGD with men and women PSNP beneficiaries, Lasta, 8 May 2023)

The price of sheep doubled. It was 4,000 birr before the conflict [in northern Ethiopia] and 8,000 after. Before the conflict, someone could buy four or five goats with 10,000 birr. Now, that would require 20,000 birr. (KII with livelihood officers, Bugna, 11 May 2023)

Agricultural workers visit our farms and give advice on using fertiliser and compost. But the price of fertiliser has increased so much that people do not use it much. We use compost more often. (FGD with women, Daro Lebu, 3 August 2023)

Everything was reasonably priced until three years ago [in 2020]. You could buy some soap, educational materials and nearly perfect clothing. However, exercise books are suddenly too expensive. Young people are leaving school early. (Case study of a woman PSNP non-beneficiary, Daro Lebu, 6 August 2023).

The main challenge we face is the rising costs of goods in the shops and markets. Life is very difficult. There are people who do not know wot [stew]. (Mixed group FGD with women and men PSNP beneficiaries, Lasta, 8 May 2023)

The extent of distress was such that even PSNP beneficiaries who received additional microfinance support through rural savings and credit cooperatives used these funds to address household consumption needs rather than invest in productive activities. A member of a focus group in Bugna (Amhara) commented:

There is cash support for some selected poorest of the poor believing that they can change their living standard through hard work. They each receive 15,000 birr. We have been using that money to cover our daily expenses as the cost of living is higher. It is difficult to change our means of living with this cash transfer. (Mixed FGD with non-displaced PSNP beneficiaries, Bugna, 13 May 2023)

While the impacts of multiple shocks and intersecting inflationary pressures underscored the need to increase the value of PSNP transfers, the start of the war in Tigray in late 2020 coincided with a financing crisis for the programme, which in part related to some donors pausing their contributions to the PSNP out of concerns over the progression of the war (Lind et al. 2024). This, combined with the much higher prices of imported wheat, created a perfect storm of diminished funding and far higher operating costs for the programme. To protect possible reductions in the transfer budget that might be necessitated by the combination of reduced funding and higher costs, expenditure on the PSNP livelihood component was dropped and the capital budget for public works greatly reduced. Even so, the value of PSNP transfers was degraded. While officials in Amhara and Oromiya *woredas* managed a modest increase in the daily public works wage rate, from 62 to 75 birr in Lasta and Bugna (Amhara) and to 77 birr in Chiro and Daro Lebu (Oromiya), this bump did not account for much more than the rate of food inflation (Figure 6.3). For example, in early 2023 the market price for one guchi of grain (equivalent to 3kg) in Bugna was 160 birr (more than double the PSNP daily wage). The PSNP daily wage also lagged wages for shikela (daily labour); in Bugna in early 2023, wages ranged from 100 birr (for a middle-aged person weeding the fields of wealthier farmers) to 250 birr (for a young person carrying out other hard labour).

Table 6.2: Average PSNP daily payment levels (birr)

		EFY 2012* (2019/20)		EFY 2013* (2020/21)		EFY 2014* (2021/22)		EFY 2015* (2022/23)	
		Jul–Dec	Jan–Jun	Jul–Dec	Jan–Jun	Jul–Dec	Jan–Jun	July–Dec	Jan–Jun
Oromiya	Daro Lebu	38	42	42	54	54	65	65	77
	Chiro	38	42	42	54	54	65	65	77
Amhara	Lasta	36	42	42	52	52	62	62	75
	Bugna	36	42	42	52	52	62	62	75

Note: *Ethiopia uses the Ethiopian Fiscal Year (EFY), which is seven years behind the Gregorian Calendar and runs from August to August.

Source: authors' illustration. Created using data from World Bank PSNP management information system.

The declining terms of trade for PSNP beneficiaries purchasing food in markets coloured perceptions of how well the programme could support household food security, as described further below. Participants of a focus group in Lasta observed:

The challenge is that 5 guchiye [15kg] of cereal is insufficient. It cannot be used to buy oil, make injera and/or bread, or cope with the current inflation. The cost of goods and other items is doubling every year. (Mixed group FGD with women and men PSNP beneficiaries, Lasta, 11 May 2023)

We cannot purchase the white and black fertiliser with the money [PSNP transfers] they offer us. For instance, if urea and dap [fertilisers] are 1,500 birr each, roughly 3,000 birr is needed. It is difficult for us to adjust to the present inflation. (ibid.)

Other local views pointed to the programme pivoting to using sorghum rather than wheat for food payments. Focus group participants in Amhara and Oromiya widely criticised the shift to sorghum because it was difficult to prepare and not part of local diets:

PSNP recipients received 5 guchiye per individual. The worst part of it is that the food given is mashila [sorghum]. This is sad. Sorghum needs other ingredients to be consumed ... Wheat cannot be purchased since the price is too high. (Mixed FGD with women and men PSNP beneficiaries, Bugna, 12 May 2023)

The grain we get from the safety net lacks quality. They give us sorghum that is not good for consumption. (Case study of men PSNP beneficiaries, Chiro, 13 August 2023)

The cereal we are given this time is uncomfortable. We prefer a grain that is grown here. Sorghum cannot be prepared as the local one. People are suffering because they are unable to prepare it. Even if they do consume it, sorghum does not stay long, and people quickly become hungry after eating. (FGD with women PSNP beneficiaries, Chiro, 11 August 2023)

In summary, the value of PSNP transfers diminished just at the time that households supported by the programme were having to cope with the impacts of multiple shocks, including conflict, climate extremes, the Covid-19 pandemic and inflationary pressures unleashed by the war in Ukraine, set against their longer experience of severe poverty. While programme officials at all levels sought ways to protect the transfer budget and to make small increases to wages in some areas, these efforts could not keep up with escalating inflation. The next section turns to local assessments of the PSNP in Bugna, Lasta, Chiro and Daro Lebu, to ascertain the impacts of PSNP support for populations coping with the impacts of a multidimensional crisis.

6.2 Local assessments of PSNP support

Against a backdrop of persistent stress and acute shocks, and the diminished reach of the PSNP when programme implementers were confronted with a funding squeeze, what have been local-level assessments of the programme? Those who are supported by the programme regard the PSNP transfer amount as insufficient, contributing to their absorptive capacities, but not providing support for resilience capacities beyond these.

Focus group participants and *kebele*-level implementing officials, alike, observed that the wage rate for public works in PSNP5 is below the rate for casual work in local labour markets; PSNP wages have not kept pace with the escalating costs of food and other goods either.⁸ As one PSNP beneficiary in Lasta complained: 'We carry out difficult work for very little payment. The work makes the red black and the fat thin' (Mixed group FGD with non-displaced conflict-affected PSNP beneficiaries, Lasta, 11 May 2023).

Some participants recognised the programme's role in supporting coping with hardship:

Government aid is supporting our survival. (Case study of a returnee woman household head PSNP beneficiary, Daro Lebu, 6 August 2023)

The PSNP is my father and mother. It helps me to feed my children. (Mixed FGD with non-displaced PSNP beneficiaries, Bugna, 13 May 2023)

Some participants in Oromiya referred to their ability to build assets through the PSNP and/or to save in anticipation of future shocks.⁹ One focus group participant in Chiro explained: '*The PSNP helped many individuals to purchase animals, and some who lacked housing built their own homes*' (FGD with women HFA and PSNP beneficiaries, Chiro, 16 August 2023).

Another FGD participant in Daro Lebu stated that there was value in the PSNP serving '*as a building block to improve one's life*'.¹⁰ However, this was a minority view. Most participants held that, although the PSNP supported one's barest survival needs,¹¹ it did not facilitate long-term improvements in livelihoods, with most households stuck pursuing low-return activities.¹² The following quotes are indicative of this view that the PSNP contributed to a minimum standard of living, but did not promote productive livelihoods:

This assistance is not enough for us. For example, I have six family members. Do you think 90kg of food is enough for six persons? It is very difficult. It is like not dying, but not living either. It is like being between life and death. (FGD with displaced men, Daro Lebu, 11 August 2023)

⁸ KII with PSNP coordinator, Lasta, 11 May 2023; FGD with women HFA and PSNP beneficiaries, Chiro, 16 August 2023; KII with *woreda* public works focal person, Chiro, 15 August 2023; FGD with women, Chiro, 16 August 2023; and FGD with men, Chiro, 15 August 2023.

⁹ FGD with women HFA and PSNP beneficiaries, Chiro, 16 August 2023; FDG with men, Chiro, 16 August 2023; and Case study of a woman PSNP beneficiary, Chiro, 10 August 2023.

¹⁰ FGD with men, Daro Lebu, 6 August 2023.

¹¹ Case study of an IDP man PSNP beneficiary, Daro Lebu, 10 August 2023; Case study of a returnee woman household head PSNP beneficiary, Daro Lebu, 6 August 2023.

¹² KII with PSNP coordinator, Bugna, 11 May 2023; and KII with *kebele* leader, Bugna, 11 May 2023.

I wonder how someone can alter their livelihood situation with just 5kg of cereal. You are aware that this is insufficient even for survival. (Mixed group FGD, Lasta, 11 May 2023)

The safety net has not changed the means of subsistence for vulnerable households, but it has saved their lives. (KII with development agent, Bugna, 11 May 2023)

PSNP gives us support, but it does not change our life. It is not helping us to move out of poverty; thus, we need other assistance. (FGD with women HFA and PSNP beneficiaries, Chiro, 16 August 2023)

The [livelihood] situations of people here have become worse. For every ten PSNP beneficiaries, maybe one has changed or improved their livelihood, moving from poorest to the middle. But it is a very small number [who have done so]. The majority of PSNP beneficiaries are not improving their livelihood; rather, they are using the aid simply to sustain life. (Mixed group FGD, Lasta, 10 May 2023)

Beyond the limitations of the PSNP in providing more substantive support to promoting the livelihood and adaptive capacities of the programme's beneficiaries, local assessments also highlight the significance of social difference. For example, the situations of IDPs, women, and young people were highlighted as being particularly vulnerable. IDPs face unique challenges as displacement severs their social ties and restricts access to critical resources, including the PSNP, which has a two-year residency rule to be able to register for programme support. Focus group participants and local officials who were interviewed explained that IDPs rely heavily on host communities, receiving limited and unsustainable support.¹³ A PSNP official in Chiro explained: '*The quota [number of people who can be covered] was not increased when there were inter-ethnic conflicts and displacement. The [programme] guidelines do not say anything about these challenges. It is not the jurisdiction [of the PSNP]*'.¹⁴ Further, the irregularity of payments was an issue that participants in Oromiya highlighted; women, especially women-headed households and widows, relied on these transfers to support their involvement in women-only village savings groups. However, because payments were unreliable, their involvement in the savings groups was strained.¹⁵

Finally, the exclusion of young people from the PSNP was highlighted. Young people were thought to be able to support themselves through migration or by undertaking wage labour.¹⁶ A *kebele*-level official in Bugna explained what they called the '*paradox of being young and strong*': '*Young people*

¹³ KII with *kebele* women and children's affairs official, Lasta, 15 May 2023; KII with DA, Bugna, 11 May 2023; Case study of an IDP woman PSNP non-beneficiary, Chiro, 20 August 2023; FGD with IDP and returnee women, Daro Lebu, 7 August 2023.

¹⁴ KII with *woreda* public works focal person, Chiro, 15 August 2023.

¹⁵ Case study of a woman PSNP beneficiary, Chiro, 10 August 2023; and FGD with women, Chiro, 16 August 2023.

¹⁶ KII with PSNP coordinator, Bugna, 11 May 2023.

are not considered in PSNP or humanitarian responses. On the other hand, they do not have access to jobs or land. They are amongst the most vulnerable'.¹⁷

Given the limitations of programme support, those receiving PSNP transfers must seek additional support to meet their basic needs, let alone build assets or save in anticipation of future shocks. The participant of a men's FGD in Daro Lebu maintained:

The [PSNP] assistance is not enough. We are surviving because we are moving here and there to look for casual work. We would have not survived if we had sat down without any work or if we depended only on [PSNP] assistance. (FGD with displaced men, Daro Lebu, 11 August 2023)

Besides casual work opportunities, which several FGD participants suggested were thinly spread, PSNP beneficiaries also sought to supplement their transfers with assistance through customary mutual support mechanisms such as *iddir*, *iqqub*, *afosha* and *zakat*.¹⁸ While these mechanisms are a critical complement of formal social protection channels such as the PSNP, not least to cover the needs of those households that are not targeted, their capacity is limited, especially when covariate shocks mean that entire networks face similar pressures and strains to cope with and recover from shocks.¹⁹

In summary, these local assessments are not surprising considering the concurrence of inflationary pressures, which reduced the value of PSNP transfers, and multiple shocks buffeting a population that was already very poor. Yet, they provide important insights into mechanisms by which contextual dynamics shape local-level outcomes in North Wollo and West Hararghe, such as the unique circumstances of IDPs, the exclusion of young people from targeting, and the importance of casual work and mutual support mechanisms to complement social assistance. Local perceptions also lay bare some of the implications of further evolution of the PSNP, as discussed below.

7 Conclusion

By carefully assessing people's experience of the PSNP in North Wollo and West Hararghe, programme settings characterised by intersecting conflict- and climate-associated shocks, this paper has sought to explore the scope for social assistance programmes to strengthen resilience. While there have been rural development gains in North Wollo and West Hararghe in recent decades, these exist alongside a situation of chronic food insecurity for many households and weakened livelihoods for most. Thus, it is misleading to view the recent conflict-related crises in Ethiopia in terms of a 'shock': this suggests an acute event, circumscribed in time, which disrupts livelihoods that are otherwise stable or in a steady state. Rather, the role of recent conflicts and displacement

¹⁷ KII with development agent, Bugna, 11 May 2023.

¹⁸ Mixed FGD, Bugna, 12 May 2023; and FGD with women, Chiro, 16 August 2023.

¹⁹ FGD with men, Chiro, 15 August 2023; Case study of a previous woman PSNP beneficiary, Daro Lebu, 7 August 2023; Mixed FGD of PSNP beneficiaries and IDPs, Lasta, 8 May 2023; and Mixed FGD with non-displaced PSNP beneficiaries, Bugna, 13 May 2023.

experiences in North Wollo and West Hararghe has been to sharpen longer-term experience of severe poverty, manifest as a deeper food gap and malnutrition.

As Béné et al. (2014: 614) explain, the ‘accumulation of assets in periods of stability (ensured by the absorptive dimension of resilience) is crucial to build up’ adaptive and transformative capacities. The implication is that, in conflict-affected settings, approaches that focus on individualised or household-level support, such as social protection programmes, are constrained in what they can achieve in building individual- and household-level resilience. However, alongside interventions in the macroeconomic and political realms to encourage peace and stability, they could play an important role in protecting people’s resilience capacities from the impacts of conflict-associated shocks.

There is a gulf between the design of the PSNP5 on paper (a shock-responsive safety net that also contributes to building resilience) and how it has operated in practice since 2021. The primary reason for this, alongside the occurrence of multiple, large-scale shocks that have affected both the operational setting as well as the functioning of systems, is inadequate funding. While it is relatively straightforward to conclude that the PSNP does not support resilience building, it is important to distinguish between limitations relating to the programme’s nature (i.e., the support provided and its objectives) and its functional limitations concerning the level of funding and the programme’s ability to respond effectively. These limitations are present in both non-conflict and conflict settings, but are exacerbated in the latter.

Experience from North Wollo and West Hararghe shows that the PSNP provides a protective function by supporting the absorptive capacities of those it reaches, but it has done so inadequately and without reducing long-term vulnerabilities. The difficulties encountered in implementing PSNP5 highlight the significance of routine programme functions, including adequate transfers and the capacity to make payments that are reliable and timely. As Davies et al. (2008: 109) explain, reliable transfers enable recipients to spread risk and plan spending over a longer period. Yet, without adequate funding of PSNP5, the PSNP has struggled to deliver on its core aim to provide reliable transfers, let alone functions associated with the more ambitious programme aim of building assets.

In contexts of recurring crises and chronic impoverishment, without complementary livelihood and asset-building interventions, social assistance will only provide an ameliorative (albeit critical) role, buffering against the worst consequences of large shocks. For the severely poor who are targeted by the PSNP, asset building in support of adaptive capacities requires more extensive packages of support, incorporating agricultural subsidies, asset transfers (of livestock) and start-up funds to develop off-farm livelihoods (Lind et al. 2023). Critically, this type of support, much of which is envisioned under the PSNP livelihood component but has never been properly funded, would replenish local networks, which provide mutual support and work opportunities for poor households in times of crisis and recovery. Building the adaptive capacities of these households will also require improving provision of a wider range of public services, and strengthening intersectoral coordination between these services and the PSNP. Continued investments in rural infrastructure are also needed to improve connectivity between rural centres and remote areas, facilitating marketing and trade, and strengthening urban–rural linkages. Ultimately, greater adaptive capacities that support stronger livelihoods will require sustained rural and urban economic growth underpinned by stability.

Recommendations

In 2025, the Government of Ethiopia is steering a review of the PSNP and undertaking a process to design the next phase of the programme, which will begin in 2026. The following recommendations

are intended for consideration by the government and donors involved in planning the programme's future.

Increase funding and resources: Ensure consistent and adequate funding to fulfil the core functions of the PSNP. Improving livelihoods and reducing long-term vulnerabilities of PSNP beneficiaries require larger transfers that are provided predictably over multiple years. Inter-sectoral coordination and asset building, detailed below, are also needed but do not substitute for the core, protective role reliable transfers provide.

Integrate with complementary sectors: Strengthen the integration of the PSNP with complementary sectors particularly health, business planning and skills development. There is a need to further define the complementarity of CBHI and the PSNP, identifying linkages that would improve the effectiveness of both. Further, as the off-farm sector continues to expand in rural areas, it is essential to help PSNP beneficiaries to participate in emerging value chains. The focus on livelihoods in the initial planning of PSNP6 offers a chance to expand and learn from existing approaches, aiding PSNP beneficiaries in transitioning to diverse rural enterprises beyond farming.

Develop targeted asset-building measures: Provide targeted asset-building and adaptive capacity-building measures for the poorest households. This includes offering livelihood grants, training and support to develop business plans and access to microfinance. These elements of an asset-building component of the PSNP were part of the programme's design in earlier phases but were never implemented at scale. Recent government commitments to significantly bolster the programme's livelihood component provide an opportunity to test off-the-shelf approaches. Appropriate investment is needed in monitoring, learning from and evaluating these efforts to inform further adaptations in how the programme's infrastructure, capacities and resources can best be positioned to support household asset building.

Promote peace and stability: Implement measures to ensure peace and stability in conflict-affected areas. This is foundational to curbing the impacts of conflict-associated shocks and creating an environment where resilience can be built. Encourage efforts to strengthen the conflict sensitivity of the PSNP that will provide programme officials with a menu of modalities and practices to continue or resume delivery in conflict-affected areas. In addition, embed practical guidance and processes for coordination with Ethiopia's disaster response architecture in future designs of the PSNP.

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