

Published by  
**Pastoralist Forum Ethiopia**  
Addis Ababa, Ethiopia  
Editing: **Dr. Yonas Admassu**  
Layout: **Indra Biseswar**  
Cover: **Tezera Getahun**

Copyright © 2004 by **Pastoralist Forum Ethiopia**

The views and interpretations expressed in this book are entirely those of the authors and should not be attributed in any manner to **Pastoralist Forum Ethiopia**

**Pastoralist Forum Ethiopia**  
P.O.Box: 1570 Code 1110  
Addis Ababa  
Ethiopia  
Tel: 251-1-66 63 60/63  
Fax: 251-1-66 63 61  
Email: [panos@telecom.net.et](mailto:panos@telecom.net.et)

Printed in Ethiopia by:

Table of Contents

**Table of Contents**

---

<b>Foreword</b>	<b>4</b>
<b>Introductory Remarks</b> .....7 Tezera Getahun	<b>7</b>
<b>Keynote Address</b> .....11 Honorable Abdulkadier Sheik Mah	<b>11</b>
<b>Conference Report</b> .....13 Eyassu Bekaffa	<b>13</b>
<b>Pastoral Development Strategies/Policies in Ethiopia: A Critical Analysis and Evaluation</b> .....37 Mohammud Abdulahi	<b>37</b>
<b>Pastoralism and Accumulation</b> .....63 Melakou Tegegn	<b>63</b>
<b>Livestock Marketing and Pastoralism</b> .....77 Belachew Hurrissa	<b>77</b>
<b>Micro-finance and Pastoralism</b> .....95 Abdi Ahmed	<b>95</b>
<b>Drought and famine in the Pastoral Areas of Ethiopia</b> ..... 117 Beruk Yemane	<b>117</b>
<b>Pastoralism and International Instruments</b> ..... 135 Melakou Tegegn	<b>135</b>
<b>Closing remarks</b> ..... 149 Beruk Yemane	<b>149</b>
<b>Annexes</b>	
<b>Annex 1: Participants of the Conference</b> ..... 151	<b>151</b>
<b>Annex 2: Timetable of the Conference</b> ..... 154	<b>154</b>
<b>Annex 3: Members of Pastoralist Forum Ethiopia</b> .....156	<b>156</b>

## FOREWORD

---

Lack of recognition of pastoralism, integrating and mainstreaming pastoral concerns in the national development initiatives in Ethiopia necessitated the establishment of Pastoralist Forum Ethiopia (PFE). The Forum has been advocating for the rights of pastoral communities since 1998. PFE organizes annual National Conferences on pastoral development and the Pastoralist Day marked on January 25. The National Conferences and the Ethiopian Pastoralist Day constitute PFE's pastoral advocacy toolkits.

This year, the Third National Conference on Pastoral Development was conducted under the theme *pastoralism and sustainable pastoral development* from December 23-24, 2004. The aim of the conference was to bring together stakeholders to discuss, debate on selected issues of pastoral development and pass on recommendations. The participants were drawn from Federal Parliament, various government institutions, donors, pastoral communities, embassies, financial institutions (bankers and micro-finance institutions), NGOs, academics, and researchers. The finance institutions attended the conference for the first time. The diversity of the participants in the Conference indicates the growing interest in issues of pastoralism.

The Federal Government has developed provisions in the constitution to protect the rights of pastoralists. There are also different strategies/policies coming up for pastoral development in Ethiopia. How these strategies/policies address the fundamental demands and concerns of pastoral communities are debatable. A paper presented at the conference by Ato Mohammad Abdulahi on Pastoral Development Strategies/Polices in Ethiopia: A critical Analysis and Recommendations provides us an insight to the subject matter. Ato Mohammad works with Civil Service Collage, Law Department.

Pastoralists have suffered from decades of marginalization mainly due to the prevailing bias for crop cultivation. Agriculture, agricultural development, and even Agriculture Development-led Industrialization (ADLI) are all about crop cultivation and prioritize accumulation within the context of peasant agriculture. However, agriculture should also include for pastoral livestock production system. Ato Melakou Tegegn from Panos Ethiopia was keen to make a presentation on Pastoralism and Accumulation.

Livestock marketing has been discussed in many fora as the basis for pastoral poverty alleviation and food security. The potential and actual contribution of pastoralism to the national economy, and challenges and opportunities of

Foreword

livestock marketing was covered in a presentation on Livestock Marketing and Pastoralism by Ato Belachew Hurrissa from Ethiopian Livestock Marketing Authority.

The Fourth theme dealt with was Micro-finance and Pastoralism; the subject that has not been so far receiving enough attention. Ato Abdi Ahmed, an economist, who has worked on the issue for many years, presented the importance of micro-finance, and opportunities to pastoral development.

Earlier on, the board of Directors of PFE decided to continue dialogue further on the drought and famine issues in the pastoral regions. The analysis and recommendations on the issues of drought and famine was made by Ato Beruk Yemane, who has accumulated knowledge on the subject matter, under a presentation Drought and Famine in Pastoral Areas of Ethiopia. Ato Beruk is currently working with Oxfam GB.

The issue that we have so far given less recognition, but a key to advocacy work for pastoral rights is the international instruments. Ato Melakou Tegegn was keen to make a highlight on the International Instruments in relation to Pastoralism.

The Forum is glad to thank all of its members and paper presenters who made this national conference possible. The Forum would also like to thank DFID Addis, ACORD Ethiopia, and TRÔCAIRE for their financial support to run this conference. The Forum's thanks goes to Dr. Yonas Admassu who edited the text of this publication. Finally, our gratitude also goes to Ms. Indra Biseswar who arranged the whole text for publication.

Melakou Tegegn  
Board chairperson  
Pastoralist Forum Ethiopia

Pastoral Development in Ethiopia

Introductory Remarks

## INTRODUCTORY REMARKS

By: **Tezera Getahun**  
**Executive Director**  
**Pastoralist Forum Ethiopia**

---

**Honorable, Ato Abdulkadier Sheik Mah, Member of the Parliament,  
Senior Government Officials,  
Representatives of the Donor Community and NGOs,  
Elder Pastoralists,  
Researchers and Academics,  
Representatives of Financial Institutions,  
Distinguished Guests,  
Participants:**

On behalf of the vast majority of Ethiopian pastoralists and member organizations of Pastoralist Forum Ethiopia, I feel much honored to welcome you all to the Third National Conference on Pastoral Development in Ethiopia.

### **Ladies and Gentlemen:**

Nowadays, pastoralism and pastoral development issues are attracting the attention of many. This is not merely due to the fact that pastoralists have suffered from all-round marginalization for decades and the problem, therefore, requires remedies; neither is it due to the fact that pastoralists inhabit large land areas across national borders in more than one country. Rather, the main reason for the growing interest in pastoralism and pastoral development is the fact that countries like ours that are home to millions of the most impoverished pastoralist citizens have started to realize that there is no way to extricate themselves from the poverty cycle experienced by them without addressing the plights of the pastoral communities.

Pastoralists are victims of unusually large number of myths and misconceptions contributing immensely to the generation of inadequate, often hostile, development policies and interventions, which, in turn, create major barriers for sustainable pastoral development. The most notable myths and the barriers they engender are the following:

***Myth 1. "Mobility is inherently backward, outdated, chaotic and disruptive."***

The key element in the pastoral way of life is mobility. Mobility is a rational response toward the need for the effective and efficient utilization of scarce

and unevenly distributed natural resources. Mobility is tied with the socio-economic activities of the pastoralists, ranging from pastoralist family reunion/joint kinship for seasonal festivity and information exchange to accessing distant markets. Thus, the impact of such myth has manifested itself through unfriendly policies and strategies concerning pastoral development throughout history.

***Myth 2. "Provision of services for mobile pastoral community is impossible."***

Possibilities providing services for mobile pastoralists, given the acceptance and acknowledgement of pastoralists and pastoralism as a sustainable way of life, have been proven and put into practice in Kazakhstan, Mongolia, Australia, Kenya, and Iran. The existence of a dominant paradigm relating the success of service provisions at the expense of halting mobility has left the pastoralists with the least service coverage.

***Myth 3. "Pastoralists cannot be trusted enough for provision of financial services."***

Financial service programmes/schemes have largely ignored pastoralists. This is because pastoral mobility is seen as an obstacle to normal banking and micro-financing procedures, and also because, pastoralists have often been wrongly perceived as lying outside cash economy.

On an optimistic note, however, it can be said that the prevailing myths and misconceptions, as well as misunderstandings, towards pastoralists and pastoralism that have been inherited since early on in history can slowly, but surely, fade out as we continue to develop a culture of open discussion, debate and dialogue around the issues. In fact, we have started to talk about pastoralists and pastoralism of late, in the process of which either the pastoralists have spoken on their own behalf, or different organs of the state or CSOs have given attention to their concerns, or a combination of any of them. The presence of a large number of participants with diversified representations and background at this conference can justify the need to tackle these timely issues.

**Respected participants:**

As you know, Pastoralist Forum Ethiopia is engaged in pastoral policy advocacy on behalf of the Ethiopian pastoralists, and it plays the roles of facilitator and coordinator of activities of concern to pastoralists in collaboration with its members and other actors who are involved in pastoral development issues. PFE has recently obtained a legal status of local umbrella

#### Introductory Remarks

NGO, which is good news for us. Panos Ethiopia, specializing in information and communication, hosts the Forum.

Since its formation in 1998 by a few pastoralist-oriented NGOs with a focus on information exchange, PFE has played a significant role in raising the profile of paternalists through national fora and has taken the initiative to organize two national conferences, one on the issue of pastoral development in Ethiopia (2000), and the other on pastoral development and poverty reduction (2001). In addition, the Forum has been involved in the development of the National pastoral poverty reduction strategy, and a chapter on pastoralism has been submitted to the Federal Government for inclusion in the National PRSP, which was partially considered in the final PRSP and/or the Sustainable Development and Poverty Reduction Program (SDPRD). The Forum also organized and coordinated the Fourth and Fifth Ethiopian Pastoralist Day in 2002 and 2003, respectively, and is currently in the process of organizing the sixth one.

In these initiatives, many pastoral development and policy issues were reviewed, discussed and suggestions made on pastoral development policy gaps. On the basis of these suggestions, the Forum proposed a Pastoral Development Policy Recommendation document and submitted it to the Ministry of Federal Affairs. Recently, giving due attention to the prevailing drought and famine in the country, the Forum organized a Round-table on Drought and Famine in Pastoral Regions in Ethiopia.

All the documents developed by the Forum have reached a wider range of beneficiaries, and we hope most of them have found them useful.

#### **Dear participants:**

It is open to argument that pastoralists should enjoy sustainable development that has as its base their life style and mode of production. It has been said, on many occasions and by many people that any development initiative aimed at developing pastoral communities through complete transformation of their life style needs a careful analysis of the consequences of the initiative. In a nutshell, to ensure the sustainable development of millions of pastoralist citizens, pastoralism should be given due attention as an important mode of production and a way of life in its own right.

Despite the growing interest in developing pastoral areas in our country, pastoralists still remain the primary victims of such natural/man-made calamities as drought and famine. The latest DPPC food aid appeal for 2004 has shown that pastoralists comprise more than 72% of the projected 10 million

Pastoral Development in Ethiopia

needy people. At this point, many questions can be asked: why do the pastoralists remain victims of cyclic droughts? What are the underlying causes for the impoverishment of the pastoral community? What are the ways out of all these and related problems? And so on.

It is high time, therefore, that policymakers, pastoralists, development workers, researchers and academics, donors and NGOs, financial institutions, and individual citizens continue to get ever closer for debates, dialogues and to seek the appropriate development solutions for the pastoral community.

Cognizant of the timeliness of the issue, this Third National Conference on Pastoral Development in Ethiopia under the theme "Pastoralism and Sustainable Pastoral Development" has been organized. The specific objectives of this conference are: to contribute towards the process of pastoral development strategy; to enhance debate on the multiplicity and complexity of factors that hinder pastoral development; to come up with recommendations to reduce their effects; and to provide participants with timely and important issues around sustainable pastoral development.

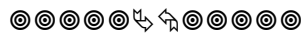
In the course of this two-day conference, a total of six papers will be presented by well-versed intellectuals with lots of experience on pastoralism and pastoral development endeavors. The first day shall entertain four papers, while the remaining two papers will be presented during the second day of the conference. All presentations will be discussed and debated by the participants of the conference.

I wish to thank you all for coming to this Conference. Your presence here is an indication of your unreserved commitment to the betterment of pastoral livelihood in Ethiopia.

May, I now respectfully invite Honorable Ato Abdulkadier Sheik Mah, Parliamentarian, to officially open the Third National Conference on Pastoral Development in Ethiopia.

Thank you very much for your attention.

Thank you all!!!



Keynote Address

**KEYNOTE ADDRESS**

**By: Honorable Ato Abdulkadier Sheik Mah (Parliamentarian)**

---

**Distinguished Guests,  
Conference Participants,  
Ladies and Gentlemen:**

I feel greatly honored in being amongst you today to officiate the opening of the National Conference on Pastoral Development in Ethiopia on behalf of the Pastoralist Affairs Standing Committee of the Federal Parliament. It has been brought to my attention that the main theme of this year's conference is "Pastoralism and Sustainable Pastoral Development," which, I believe, is a timely and appropriate theme that deserves serious attention.

As we all know, pastoralism had been a way of life practiced for generations in the past and still is an ongoing system for millions of our citizens. It is a way of life and an economic system that has been historically misrepresented, misunderstood, deliberately marginalized and internationally excluded from all forms of development interventions, in spite of the substantial assets it holds in the form of livestock and other natural resources. However, significant shifts in thinking in recent years have given considerable attention to the pastoralists-in-development approaches and the role of nations in that development, with better perceptions and analyses of pastoralism than the traditional thinking for the most part affected by many myths based on assumptions not backed by any empirical evidences.

**Ladies and Gentlemen:**

The Federal Government of Ethiopia, with its good will from the onset of federalism, has invested significant efforts to alleviate the pastoral problems accumulated over the years. It has adopted a firm stance of bringing development to this marginalized people by allocating resources as well as introducing certain policy measures. For the first time in the history of the country, a separate development policy for the pastoralists has been formulated. Different ministries have formed departments, teams, task forces and other institutional frameworks to deal with the pastoral cause under their mandate. The Pastoralist Affairs Standing Committee in the Federal Parliament and the Pastoral Development Department in the Ministry of Federal Affairs are at least two of such institutional frameworks to be cited. Though much more still remains to be done at the Federal level, the concerned regions have taken the initiatives in establishing better institutional frameworks for the

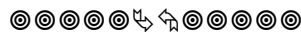
sector. It is not for the sake of exaggeration that I am citing what the government has addressed, but to shade light on how this and other similar conferences and lobbies supported by the people concerned can trigger change, and a better change at that.

Truly speaking, Non-Governmental Organizations for their part have contributed a lot to the ongoing endeavors in the area of pastoral development in the country. I would like to take this opportunity to express my deepest appreciation for their incremental contribution to the development of pastoralists in particular, and national development efforts in general, both of which have been suffering from drought and poverty. I believe that creating fora for discussion and debate among the various actors, including the Government, can help a lot in understand pastoralism better than heretofore and fill whatever gaps exist at present. In this regard I would like to acknowledge Pastoralist Forum Ethiopia for initiating and organizing various national conferences to discuss and debate different pastoral issues. I am sure that our Government will continue to support this Forum and create enabling environment for the realization of its visions and goals as far as pastoralism and pastoralists are concerned.

With due respect to efforts made by many of you in the past and those being made at present, I would like to stress that more involvement is expected in terms of working closely with the Federal and Regional Governments in processing, implementing, monitoring and evaluating pastoral development endeavors to ensure the sustainability of any development measures. I hope PFE would play a considerable role in this regard. I wish to see the next National Conference on pastoral development in Ethiopia held elsewhere in the Regions.

Finally, I would like to wish the chairpersons and participants of the conference a successful deliberation on the issues concerned and look forward to fruitful recommendations that will have an impact in the development of pastoralists in every respect. I now take this opportunity to declare the Third National Conference on Pastoral Development in Ethiopia officially open.

Thank you!



Conference Report

**CONFERENCE REPORT**  
**By Eyassu Bekaffa**  
**Eyassu Management Consult**

---

Pastoral Development in Ethiopia

The Conference was opened with an introductory remark by Ato Tezera Getahun, followed by a keynote address delivered by Honorable Ato Abdulkadier Sheik Mah, Federal Parliamentarian.

The Conference was attended by Federal Parliamentarians, different ministries, NGOs, members of academics and researchers, pastoral elders from Afar, Oromiya (Kerreyou) and Somali regions, donors, the media, Financial Institutions, representatives of embassies.

During the two-day Conference, the following papers were presented:

1. "Pastoral Development Strategies/Policies in Ethiopia: A Critical Analysis and Evaluation," by Ato Mohammad Abdulahi Hussien of the Faculty of Law at the Civil Service College;
2. "Pastoralism and Accumulation," by Ato Melakou Tegegn of Panos Ethiopia;
3. "Livestock Marketing and Pastoralism," by Ato Belachew Hurrissa of the Livestock Marketing Authority;
4. "Micro-Finance and Pastoralism," by Ato Abdi Ahmed of Rural Organization for Betterment of Agro-Pastoralists (ROBA)
5. "Drought and Famine in Pastoral Areas of Ethiopia," by Ato Beruk Yemane of Oxfam GB;
6. " Pastoralism and International Instruments," by Ato Melakou Tegegn of Panos Ethiopia.

The presentations were followed by questions, answers, comments, views and ideas. Following is the summary of the proceedings.

**I. Pastoral Development Strategies / Policies in Ethiopia: A Critical Analysis and Evaluation**, By *Mohammad Abdulahi Hussien*, Civil Service College, Faculty of law.

#### **Background**

##### **Population and climate**

Pastoralists constitute 12-15% of the population of Ethiopia and occupy about 60% of the total landmass of the Country. They highly depend on livestock for their living. They live in arid and semi-arid, peripheral areas of the country.

### **The previous states' perceptions of pastoralists**

It is believed that, prior to the 19<sup>th</sup> century, there was actually no state structure in most of the pastoral areas. It was in early 19<sup>th</sup> century that the pastoral areas came under state control. Since then, the pastoral areas were considered by the state as no-man's land.

This was given legal force in the 1955<sup>\*</sup> revised Constitution of Ethiopia. In that constitution it was stated, "all property not held and possessed in the name of any person, including all abandoned properties and all grazing lands, are state domain." This laid the ground for the establishment of large commercial farms and giant agro-industrial complexes in the pastoral areas, with the consequent eviction of the pastoralists from their land. Such a law absolutely rendered the pastoralists landless.

The centralization of the state structure, as well as the establishment and expansion of commercial farms and agro-industrial complexes and game parks increased, resulting in encroachment upon pastoral areas and the marginalization of the pastoralist population. This was the situation until the downfall of the Dergue Regime.

### **The present government's policies and strategies**

Following the downfall of the Dergue Regime and the coming into power of Ethiopian Peoples Revolutionary Democratic Front (EPRDF), two major events occurred. These were: The establishment of the Transitional Government Charter, which introduced administrative decentralization, and the adoption of the Federal Democratic Republic of Ethiopia (FDRE) Constitution.

Some important issues provided for under the present Constitution are:

*The preamble:* The commitment of "the Nations, Nationalities and Peoples of Ethiopia [including pastoralists] . . . to building a political community founded on the rule of law";

*Article 8:* The vesting of sovereignty "in the Nations, Nationalities and Peoples of Ethiopia," of which the Constitution . . . is the expression" and which "shall be expressed through their elected representatives and direct participation";

*Article 40:* The rights of "Ethiopian pastoralists . . . to free land for grazing" and not to be displaced from their own lands";

*Article 41:* The right of pastoralists "to receive fair prices for their products, that would lead to improvement in their conditions of life";

---

\* In this publication: All the years are in Julian Calendar, unless stated

*Article 50:* The granting of "adequate power . . . to the lowest units of the government to enable the People to participate directly in the administration of such units."

**The Guiding Policy Principles and Objectives:** Guided by democratic principles, the Government shall promote and support the people's self-rule at all levels and promote their participation in the formulation and implementation of socio-economic policies and programs. The Government shall provide special assistance to the people least advantaged in economic and social development.

On the basis of this Constitution, while the Government has, in the past few years, issued different strategies, plans and programs, the majority of them, however, didn't dwell on pastoral issues with any depth.

Following are some of the remarks forwarded with regard to those strategies and plans:

- ♦ The 1993 Agricultural Extension Program does not say anything about pastoral development.
- ♦ The 1996 and the revised 2002 Food Security Strategy (FSS) has given only two paragraphs regarding the pastoral issues.
- ♦ The Rural Development Policies and Strategies (RDPS) focused on crop production. In a sub-section dedicated to pastoral issues, mention is made only of short- and medium-term strategy focusing on traditional systems based on mobility and long- term strategy aimed at sedentarization based on development of irrigation.

Some of the policies which have dealt in-depth on pastoralist issues are the following.

- The Five-Year (2000-2004) Development Plan (FYDP), which acknowledges the knowledge gap regarding pastoral areas and recommends sustainable settlement with the introduction of irrigation.
- Poverty Reduction Strategy Paper (PRSP). The Interim Poverty Reduction Strategy Program (IPRSP) was cited as an example of the persistent knowledge gap regarding pastoral areas.

Apart from the above, there are also other policies and strategies that can be linked to pastoral issues. Some of these are the Strategy for Democratization (SD) and Capacity Building Strategy (CBS). SD stresses that, in the absence of democracy and good governance, there can be no development.

## Conference Report

In summary, the policies, strategies and plans issued by the Government appear to be contradictory, confusing and inconsistent. Following are some points illustrating the said contradiction, confusion and inconsistency.

The Government has acknowledged, in almost all its policy documents, the existence of a persistent knowledge gap on the development of pastoral areas (See FYDP, RDPS, IPRSP, Sustainable Development and Poverty Reduction Program -SDPRP), while, on the other hand, it appears to be sure that settlement is the only lasting solution to the problems of the pastoralists.

Look at the following statements taken from the RDPS.

- Since the livelihood of the people is based on pastoralism, our development endeavor must be based on pastoralism (pp. 136).
- In these areas, accelerated and sustainable development can be achieved only when the people are made to settle (pp.143)...  
Settling the whole pastoral people in the process must be underlined (pp.146).

The question, then, is how these two opposite positions could be reconciled. Most probably, "good governance" is the only key element mentioned as a solution to eradicate poverty and promote development. To ensure good governance, the FDRE Constitution provides the following principles as a starting point:

- ♦ Sovereignty is vested in the people;
- ♦ This sovereignty is exercised through elected representatives and direct democratic participation;
- ♦ Government must be transparent;
- ♦ Officials must be accountable to the people;
- ♦ Active participation of the people;
- ♦ The devolvement of power to the lowest level of administration.

In pastoral areas, lack of good governance is one of the major chronic problems:

- Top-down approach in government institutional structure;
- No actual power devolvement all the way down to the *woreda* and *kebele* levels;
- Transparency and accountability are in their rudimentary stage;
- Frequent structural changes involving the removal and replacement of personnel.

The effects are:

- ♦ Duplication of efforts and creation of confusion;
- ♦ Instability among the experts;

- ♦ Misuse of the meager and scarce resources;
- ♦ Loss of valuable data; and
- ♦ Absence of enabling working environment for skilled manpower.

**The NGO Approach:**

They are generally involved in both emergency and development activities, but majority of them are engaged in water development. Problems:

- ♦ Lack of holistic approaches;
- ♦ Not appropriate pursuit of sustainability principle, as they emphasize short-term results;
- ♦ Absence of phase-out strategies in their development efforts;
- ♦ Some development aspects are almost totally neglected.

**Important Remarks**

**Positive Elements of Policy and Strategy Approach**

- Constitutional recognition;
- Policy and strategy reform;
- Institutional reform;
- Institution of Pastoral Affairs Standing Committee in Federal Parliament;
- Establishment of Inter-Ministerial Board comprising nine ministries.

**Comments:**

- Some commitments have been made towards the development of pastoral areas, but not until only recently (since 2000) when the plight of the pastoralists reached a stage threatening the collapse of the whole community.
- Emphasis has been given to sedentarization.
- The chronic capacity limitation, absence of good governance, and protracted conflicts made sustainable development the next to impossible.
- The government has yet to show its commitments to the full to resolve problems in pastoral areas.

**Recommendations**

- ⇔ Make sure that the issues provided for in the FDRE Constitution are adequately addressed;
- ⇔ Re-thinking the increasing fire-brigade approach to emergency intervention and the policy defects;
- ⇔ Coordination and collaboration between government, traditional institutions, and NGOs with decentralized decision-making;
- ⇔ Establishing an autonomous office at the Federal level that is solely devoted to pastoral affairs;

## Conference Report

- ⇔ Formulating and implementing a national policy on conflict prevention and resolution.

## Comments, Views, Questions and Answers

### Comments

- Generally, Ato Mohammad's presentation was appreciated. He was commended for pinpointing the contradictory points embodied in the different strategies and the government's confusion on pastoral issues.
- It is not easy to change the livelihood of pastoralists. One would do better, [at least at this stage] to facilitate the livelihood of the pastoralists than changing it altogether.
- Settlement is not a problem [in and of itself]. It becomes a problem when one turns it into [a governing] vision. Settlement can be one of the solutions but not [the] vision.

### Questions

- ⇒ I don't think that the pastoralists are politically marginalized. Are they?
- ⇒ What are the reasons for the contradictory nature of the strategies and programs issued by the Government?
- ⇒ What are the reasons for the knowledge gap on pastoral issues?

### Answers

- Yes, pastoralists are still politically marginalized. It is true that, relatively speaking, they are by far better now than before, but that does not mean that they are not marginalized.
- The basic reason for the contradictions in the strategies and programs issued is simply the lack of full commitment by the Government on pastoral issues. When one drafts a strategy, one should take time, examine the previous strategies, evaluate the pros and cons, and, only then, come up with a new, sound strategy. Because of the lack of commitment to do this--for whatever reasons--contradictory and confusing strategies on the same issue were issued.
- Regarding the question of knowledge gap, I do not think it is so much a knowledge gap as it is differences in perception, particularly perception of social development. All the economists and books have been declaring all along that the route of social development follows [the beaten track of] pastoralism, sedentarization and crop production, capital accumulation and, then, industrialization. This is what has been taught for years.

All African governments are negative about pastoralism because they think in terms of the dominant discourse, i.e. pastoralism, farming and, then, industrialization. This is what has been inculcated in our minds all along.

Now, we shall think along lines different from the dominant discourse. Peasants are not in a better position (financially) than the pastoralists. In fact, pastoralists fare rather better in wealth. We, in fact, appreciate the measures taken by the Government to improve the livelihood of the pastoralists. But that is not the end of it. Pastoral development is not only about settlement. To settle the pastoralists the Government requires at least USD 7 billion/annum, and this is not affordable. The solution is to encourage pastoralists to diversify their livelihood. Give them the facilities and leave the rest of the management to them.

## **II. Pastoralists and Accumulation**, By *Melakou Tegegn*, Director, Panos Ethiopia

The rural setting of Ethiopia is constituted by the two worlds of the peasantry and pastoralists. This paper focused on the possibility of accumulation [of capital] in a pastoral setting, as it particularly relates to Ethiopian pastoral community.

Accumulation [of capital] is possible in the pastoral setting through livelihood diversification. Livestock ownership and communal ownership of land in the pastoral areas are good grounds (better than for the peasantry) for the exercise of diversifying the livelihood of the communities.

Pastoral systems have proved to be strong enough to withstand the threats of modernity. This means that pastoralists resist changes that are imposed on them. It is possible to enhance accumulation [of capital] and change the livelihood of the pastoralists through the following ways.

### **Developing the market structure**

This requires the existence of good governance that can put a good market mechanism in place. This can be supplemented by trained manpower that can manage small-scale businesses in the pastoral areas.

### **Develop a livestock-market mechanism**

The demand of the pastoralists has been accessibility of markets for their cattle. The existence of a livestock market mechanism is crucial for the following basic reasons: for pastoral food security at normal times; as a leeway during times of

Conference Report

drought; for pastoral wealth accumulation; and for the generation of government revenue.

Pastoral development has immense advantages for the development of the national economy. The following facts and points testify to this claim:

- Ethiopia has the second largest livestock population in Africa.
- Capital expenditure in pastoral areas is relatively less than in those of crop cultivation.
- It is possible to enhance the export of organic meat and earn hard currency.
- Meat processing plants can be established in the area and help the development of the national economy.

In order to achieve [capital] accumulation in the sector, the role of the Government shall include, but not be limited to, the following points.

#### **Policy consultation**

- ♦ In order to rectify the existing contradictory policies and strategies and be able to come up with better alternatives, it should arrange for organizing forums with all stakeholders, including academics, on issues of pastoral development.
- ♦ It should create conducive environment for pastoral development.
- ♦ It should conduct livestock trade promotion, particularly with Western Europe and the Arab world.
- ♦ It should see to it that abattoirs and related industries are established in the pastoral areas.
- ♦ It should enhance livestock health services.
- ♦ It should strengthen cooperation with NGOs.

On top of this, certain strategic interventions should be undertaken in order to bring the desired pastoral development.

#### **Comments, Views, Questions and Answers**

##### **Comments**

The comments were in general positive. Ato Melakou's presentation was highly appreciated and accepted. There were many supplementary ideas forwarded that strengthened his ideas and opinions.

**Question**

The recurring drought has created immense havoc. Do you think that [capital] accumulation is possible in an environment where preservation of ones' life has itself become an ordeal?

**Answer**

Yes! [capital] accumulation is possible. There are two traditional systems: pastoralism and the agriculturalist world of the peasantry. These are what we have, as things stand now.

If we compare the two systems in terms of the possibility of capital accumulation, pastoralism finds itself in a better position than the peasantry.

If we take the peasant world, the land tenure system itself hampers the accumulation of capital. More than 60% of the peasants hold less than 0.6ha of land, and this volume is decreasing year by year. The crop cultivation sector is becoming extremely precarious. The peasantry couldn't sustain its life, let alone support others. And yet any help there is extended to crop cultivation.

On the other hand, last year, it was declared that Ethiopia stood second in livestock population in Africa. Irrespective of the recurrent drought, we still are 2<sup>nd</sup> in livestock population, but we have done almost nothing to develop this wealth. We try to build our economy on what we don't have and neglect to build it on what we have. At least, we should try to treat the two traditional systems equally. There is no extension program for pastoralists, and no livestock market structure established either. In order to survive and develop, it is high time that we focused more on the development of the pastoral sector.

**III. Livestock Marketing and Pastoralism**, by *Belachew Hurrissa*, Market Research and Promotion Department, Head at the Livestock Marketing Authority

**General**

Pastoralism can be understood as a social organization based on the raising of livestock as a primary economic activity.

20% of the cattle, 25% of the sheep, 73% of the goats and 100% of the camels [of Ethiopia] are found in the lowland pastoral areas. Based on these percentages, we find that the current population of the pastoral livestock resources comprises about 7 million cattle, 6 million sheep, 13 million goats and 9 million camels.

### **Importance of livestock**

The importance of livestock can be classified as follows:

- Source of food: milk, meat, eggs, cheese, etc;
- Cash income for the pastoralists;
- Draft (draught) power (e.g. plowing);
- Fertilizer/fuel obtained from animal waste;
- Wealth accumulation;
- Foreign exchange: exporting the livestock by-products can help the country earn foreign exchange
- Industrial raw materials (e.g. hides);
- Contribution to the gross national product.

### **Livestock Marketing**

Unlike the pastoral areas, the highland areas of the country suffer from livestock shortage, particularly in terms of cattle due to high population density, the demand for beef and draught power. Thus, cattle are usually supplied from pastoral and agro-pastoral areas to both rural and urban markets of the highlands to meet the said demand.

The other marketing link between the two production systems is the flow of shoats to the export abattoirs, which are located at Debre Zeit, Mojo and Metahara towns of East Shoa Zone of Oromiya, along Addis Ababa-Harar road. These export abattoirs have a collective slaughtering capacity of 7,800 shoats per day or 2,454,000 per annum. Despite their limited number and spatial distribution, they still can serve as sustainable, reliable and organized market outlets for pastoralists.

Location advantage, proximity to the strategic livestock markets and sea ports, ethnic similarities, common languages, social and cultural relationships with the communities across the respective borders and weak economic and market bondages within the country have created a conducive environment for market links across the borders. The neighboring countries bordering these areas either consume locally the items they import or re-export to the Middle Eastern countries.

At the grassroots levels, what matters for the pastoralists is getting markets for their livestock and availability of other essential commodities in the local markets or shops. Therefore, provided these are in place, it does not matter much whether the livestock are sold domestically or across the borders.

The pastoral areas can on the average provide an annual supply of 1.1 million heads of cattle, 2.1 million sheep, 5 million goats, 70 thousand camels to the market.

Allowing for domestic consumption and deducting the number of female animals, there is a potential for exporting on the average 404 thousand heads of cattle or 44,440 tons of beef and veal; 7000 thousand heads of sheep or 700 thousand tons of lamb and mutton; 1.8 million heads of goats or 16,200 tons of goats' meat; and 23 thousand heads of camels or 4,830 tons of meat.

In addition to the Federal Government's interventions through the Livestock Marketing Authority (LMA), the Ministry of Federal Affairs is also coordinating pastoral development interventions, which have direct and indirect impact on market development. The Federal Cooperatives Promotion Commission is also involved in the formation of marketing cooperatives.

Non-governmental organizations, such as GL-CRSP, VOCA, SC/US, STI/LEAP, OXFAM, and Farm Africa, include either market information, infrastructure development, promotion of cooperative formation or all of the above, as part of their pastoral development programs.

However, when one reviews the Government's market development interventions in the pastoral areas, one observes that organizations similar to LMA are lacking both at the National Regional Government and *Woreda* levels, without which the dissemination of grassroots market development interventions becomes too difficult to tackle.

It has also been observed that the interventions of NGOs are not coordinated both among themselves and with those of governmental development operators. Moreover, their marketing components are not focused on market development but used as indicators for early warning purposes related to relief operations.

The opportunities of livestock marketing for pastoralists could be stated as:

- ♦ Availability of resources;
- ♦ Demand availability both regionally and in the Middle East;
- ♦ Proximity to the markets of neighboring countries;
- ♦ Development of export-oriented abattoirs within the country and their substantial demand for lowland animals, especially shoats;
- ♦ The tendency of Government agencies and NGOs to work towards integrating the marketing cooperatives with the abattoirs' supply chains.

The opportunities are not without challenges, however. These are:

- ♦ Poorly developed market infrastructures;
- ♦ Inadequate and inappropriate road transport facilities;

## Conference Report

- ♦ Poorly developed port facilities;
- ♦ Few and unevenly distributed export abattoirs;
- ♦ Absence of market information and promotional activities;
- ♦ Presence of trans-boundary animal diseases;
- ♦ Repeated import bans by the major importing countries;
- ♦ Lack of formal trade among the neighboring countries;
- ♦ Natural disasters (drought, famine, wars).

To develop markets and improve the living conditions of the pastoralists, the following interventions are suggested:

- ⇔ Strengthening the present veterinary care through the expansion of vaccination and other services should help control major diseases, so as to avoid the frequently imposed import bans and increase exports.
- ⇔ There is a need for developing marketing infrastructure in order to ensure the efficient flow of livestock processing and marketing.
- ⇔ Special attention must be given to studying the weaknesses in the sector and, accordingly, formulate policies to create a capable private sector that can handle production, transportation, processing and export activities effectively.
- ⇔ It will be beneficial to all parts to look into the possibilities of creating mechanisms of formalizing the existing traditional and informal trading practices.
- ⇔ A market information system is required that allows stakeholders to get information on quantity and price of products both on the domestic and foreign markets.
- ⇔ There is a need for promoting the formation of Pastoral Marketing Cooperatives.
- ⇔ It is very important to establish and strengthen rural credit facilities that could take into account the specific nature of pastoral production systems.
- ⇔ There is a need to understand livestock marketing practices and come up with market-oriented development interventions, for which conducting research on the different aspects of the market system is crucial.

## Comments, Views, Questions and Answers

### Comment

As far as the strategy of marketing livestock is concerned, I see three major types of problems that can be solved by all the stakeholders; namely, structural problems, organizational problems and the problem of co-ordination. As we consistently reduce redundancy or duplication of work, we increase efficiency.

I think "privatization" is a nasty word. It degrades the value attached to the traditional communal system of the pastoralist population.

### Questions

- ⇒ The presenter has enumerated quite a number of challenges. Do you think that the Ethiopian Government can solve all these problems?
- ⇒ Cross-border trade is increasing. Kenya is now becoming the major exporter of camels. Do you have a short- and long-term strategy in mind to avert this condition? As a policy-maker what are you and your office doing about this issue?
- ⇒ You have raised opportunities, challenges, and recommendations. This is good. But what do you do to effect the recommendations?
- ⇒ Opportunities and challenges have been raised. What is the strategy envisioned to use the opportunities and to deal with the challenges?

### Answers

- I presented this paper in my capacity as a private citizen. What has been presented in the paper does not reflect the views or position of LMA. As regards the border trade referred to, the main causes what is taking place at present is the absence of domestic market infrastructure. This, coupled with the geographical location and the ethnic constitution of the pastoral community, has created the opportunity for the flourishing of the kind of cross-boarder trade we are talking about. On top of this, lack of our own seaport has really damaged the livestock market.
- The absence of infrastructure linkage between the highland peasant population and the pastoralists has further strengthened the cross-boarder trade.
- To alleviate these problems, I think the Government should take the following courses of action:
  - ⇔ Link exporting abattoirs to the pastoral areas. There is no advantage in exporting psychical livestock in the absence of one's own seaport.
  - ⇔ Formalize the cross-boundary livestock trade. Negotiating is better than banning the trade.
  - ⇔ Lobby Saudi Arabia to open its market to Ethiopian Livestock.
  - ⇔ Identify neighboring African markets.
  - ⇔ Improve veterinary services by encouraging the private sector to be involved in rendering such services.

I guess these are some of the major points to be considered.

**IV. Micro-Finance and Pastoralism**, by *Abdi Ahmed*, Rural Organization for the Betterment of Agro-Pastoralists (ROBA)

**General**

In Ethiopia there are three major financial systems. These are:

- (a) Conventional Financial system - National Bank of Ethiopia (NBE), Commercial Bank of Ethiopia (CBE), Development Bank of Ethiopia (DBE), etc.
- (b) Non-Conventional formal systems: started in 1970 by the Development Bank of Ethiopia. Since 1993, a number of Micro-Finance Institutions (MFIs) were established, and in 1996, they became legal under Proclamation No. 40/1996. At present there are over 25 MFIs established under legal framework of NBE.
- (c) Non-conventional informal financial systems: These have long been in existence in all parts of Ethiopia and still survive both in urban and rural areas. Credits from relatives, *Iqub*, *Edir*, and *Gosa* are typical examples.

**Micro-Finance**

Micro-finance is the supply of loans, savings and other basic financial services to the poor.

Micro-financing follows the general credit and lending policy of financial institutions.

The rural credit policies include:

- Eligibility criteria and collateral security requirement;
- Debt/equity ratio;
- Level of interest rates;
- Maturity of loans and repayment plans; and
- Credit channels.

The lending policies include:

- The amount of loan to be extended;
- The repayment plan; and
- The collateral required.

Credit worthiness of a borrower is a fundamental criterion for granting/securing loans.

Credit worthiness is usually assessed according to the three 'C's. These are Competence, Collateral and Character.

### **The role of micro-credit in pastoral areas**

- In order to develop the productivity of livestock, the adoption of improved technology is imperative.
- Research and development shall be carried out, extension services shall be rendered and training programmes shall be conducted.

All these require money. Therefore provision of credit facilities must be arranged for the pastoralists.

Like agricultural credit, pastoral credit should be combined with dependable input.

Until now, there are no credit-facility/ services extended to pastoralists. This is related to the mobility of the pastoralists, lack of sustainable income, and the fact that cattle are not considered valuable as collateral.

Recently a few NGOs have launched micro-credit programmes in some pastoral areas. These are Pastoralist Concern Association Ethiopia (PCAEE) in Somali Regional State (Afdar and Liben Zone); Action for Development (AFD) in Borana Zone, Food and Agriculture Research Management – Africa (Farm-Africa) in Afar Region. These could be good examples for the conventional and non-conventional financial systems to follow.

### **Some of the constraints of micro-financing in pastoral areas**

- Insatiable demand;
- Lack of financial services;
- Lack of sustainability;
- Non-institutionalization;
- Illiteracy and poor capacity;
- Pastoral mode of livelihood system;
- Poor marketing; and
- Unfriendly environment and weather.

### **Prospects**

There are also many prospects of developing the pastoral areas, some of which are:

- Pastoral-friendly policy;
- Recognition of pastoral livelihood system;
- High demand for micro-credit;
- Ethiopian PRSP;
- Availability of micro-finance fund;
- World Bank's pastoralist capacity building programme.

### **Recommendations**

- ⇔ Specialized credit programme for pastoralists through DBE/any other institution;
- ⇔ Background intervention programme;
- ⇔ Safety net programme;
- ⇔ Establishing Savings Institutions;
- ⇔ Formation of pastoralist-focused, specialized micro-financial institutions through donor and government financing.

### **Comments, Views, Questions and Answers**

#### **Comments**

The presentation was appreciated for describing the existing position of the financiers.

Financers and Bankers lend to crop cultivators, but not to pastoralists. We are really sorry about this. "Let Banks give us loans." This came from one elder. Another elder commented as follows: "We own oxen, sheep, camels, goats, but all this wealth cannot be considered wealth by the Bankers, whereas a plot of land with small crop on it is considered wealth. Loans are granted to the highlander peasants but not to the pastoralists. This proves our marginalization. "Please stop this."

#### **Questions**

- ⇒ What steps have you taken to lend money to the pastoralists? Have you conducted any base-line study?
- ⇒ You said that, in order [for Bankers] to grant loans to us, we should have permanent address and you require collateral. The type of wealth we possess is not used as collateral by the financiers. Because of the nature of our system, i.e. pastoral system, we don't have permanent address. This being the case, how are you going to give us loans?

#### **Answers**

- When it comes to granting loans to highlander peasants, their respective Regional Governments take the responsibility [of making sure that the loans are paid back. That is how we grant loans to the peasants.
- In general, banks have a refined credit policy. They are defined as International Best Practice. Based on this policy and practice, granting loans to pastoralists is now impossible due to the following reasons:
  1. The high risk (if cattle die then banks can suffer loss);
  2. No modalities for granting loans to the pastoralists have been formulated

3. However the Commercial Bank of Ethiopia has opened branch offices in pastoral areas. People who can fulfill the existing credit requirements can take loans.
4. In the future, if modalities are formulated and included in the credit policy we (the Bankers) can grant loans to the pastoralists, too.

**V. Drought and Famine in the Pastoral Areas of Ethiopia**, by *Beruk Yemane*, Oxfam - GB

**Background**

**History of drought and famine in Ethiopia**

Starting in the 9<sup>th</sup> century there have been recurring droughts and famine in Ethiopia. It is recorded that at the time, there was drought in the country that lasted for so long a period and caused famine, resulting in the death of a large volume of livestock. The next major crisis in this respect was the ten-year (1888-98) continual drought and famine that caused the death of 90% of the total cattle and one third of the total population.

Recently, there have been recurrent drought and famine in 1974 -75; 1984- 85; 2002/03. And next?

**Warnings of huge drought and famine**

We have never been out of drought and famine. Though the magnitude varies, there was and will be drought and famine. There is a warning that by the year 2007 there will be a huge drought that could cause famine.

Why does drought cause famine every time it occurs in Ethiopia? Drought is a global phenomenon but not famine and it does not necessarily entail famine elsewhere as it does in our country. This has to be meticulously examined for us to be able to provide solutions to the problem.

**Different views**

Different people offer different views for the recurrence of famine in Ethiopia. These views can be summarized as follows:

- ♦ Agricultural/Meteorological - famine occurs because of shortage of agricultural products due to sub-normal rainfall.
- ♦ Hydrological - famine occurs as a result of low underground water
- ♦ Structural - famine is the outcome of deep-rooted socio-economic and political situations.

In general, it is possible to conclude that famine is a combined effect of all the above factors.

**Situation analysis**

Why does drought manifest itself in the form of famine every time it occurs?  
Why can't pastoralists cope up with drought before it reaches the famine stage?

The major reasons are: first, the pastoralists find themselves in a situation of high food insecurity; second, they are faced by too many challenges. The root causes for this situation are presented as follows:

**Change in land use**

About 2.6 million ha of land was converted into parks, agricultural crop cultivation and agro-industrial complexes, and all this took place without consulting the pastoralists. The pastoralists got no revenue from the enterprises in times of drought.

**Poor social services**

When one compares the extent to which services such as education, health, water, electric power, telephone and transportation infrastructure are provided to the pastoral areas to those of the national coverage, it is possible to prove that all social services in pastoral areas are below the national rate. This increases the chances of the prevalence of famine in the pastoral areas.

**Conflict over resources**

The conflict over pasture and water resources is increasing as population increases and availability of resources per household decreases.

The limited mobility with the recurrent drought resulted in reduced coping capacity, loss of human lives, livestock and property, family displacement and increased migration.

**Poor human resource development**

Shortage of trained and experienced personnel and lack of organizational and technical capacity to handle drought and famine are reflections of the poor socio-economic development prevalent in the area.

**Time to re-instate pastoral estate**

Unlike with the peasant farmers, the time needed to reinstate pastoral estate is long. Cattle take 8-10 years and small stock require 3-4 years.

**Low per capita livestock holding**

For instance, in the drought period of 2002-2003, the Somali Region lost 50-75% of their cattle, while the Afar lost more than 50% of theirs, which resulted in a very low per capita livestock holding.

**Lack of adequate policy support**

The prevailing inadequate socio-economic development, the inadequate support to risk management and the Government's intention to settle the pastoralists are all reflections of the absence of strong policy support to the pastoralists.

## **Recommendations**

### ***Risk Management***

Objective: establish effective risk management system in pastoral areas. This shall embody the following points:

#### ***Early warning system***

To monitor vulnerability of the pastoral population from famine, it is imperative to provide early warning about impending threats and trigger action to reduce and manage the threats.

#### ***Drought contingency planning (action oriented and shelf document)***

Early planning for timely intervention before crises occur is very crucial. The Woreda Development Committee shall be involved in the required planning. Planning should focus on drought mitigation with the view to reducing food insecurity and livelihood vulnerability.

#### ***Drought research (Contingency Fund)***

The objective is to allocate fund for preparedness or actual emergency intervention. It can be based on previous action or shelf document.

#### ***Utilization of unutilized areas for Irrigation Purposes***

It is estimated that in Afar, Somali, Gambella and SNNP (South Omo) Regions 16,000 ha, 27,000 ha, 10,000 ha and more than 2,000 ha of idle land exists, in that order, which can be used for cultivation of food and cash crops. Therefore, it is recommended that the pastoralists use these lands for that purpose.

#### ***Water harvesting and management***

In Afar, Somali, South Omo and Gambella there are 12, 3, 1 and 2 perennial rivers, respectively. In addition, there are wells and ponds in Borana. Honestly speaking, we have almost never used these water resources. The utilization of these resources will alleviate the problems to a great extent.

#### ***Livestock marketing***

To develop the marketing of the livestock the following conditions should be fulfilled:

- ♦ The laying down of proper organizational structure;
- ♦ Initiating savings and credit system;

- ♦ Establishment of networking and linkage with livestock traders and meat processing plants; Establishment of micro-finance institutions in pastoral areas.

***Integrate livestock Interventions***

Livestock feed, water and health packages should be integrated. Focus shall be given to livestock emergency food.

***Livelihood diversification:*** Diversification can be carried out within and outside of the pastoral system.

As population increases, land possession per person declines. It is recorded that, within the last few years the land holding per person has declined from 9.6 ha to 2.2 ha. Therefore, diversification is not a choice but compulsory.

Diversification within the system can assume the following forms:

- ♦ Livestock and livestock by-product market development;
- ♦ Fodder production;
- ♦ Specialized livestock production (fattening).

Outside the system, diversification can assume the following forms i.e., through the development of

- ♦ Agro-pastoral system;
- ♦ Irrigated agriculture;
- ♦ Incense and honey collection;
- ♦ Petty trade;
- ♦ Handicraft production; and
- ♦ Sale of water and other resources.

**Comments, Views, Questions and Answers**

**Comments**

Drought is followed by famine in most African countries. Drought is defined as the absence of water. This has to be changed. Change can be realized if diversification of livelihood is realized. In this regard, the presenter has forwarded a comprehensive scheme.

The other factor that hampers pastoral development is the coming up of political towns. As towns develop from location to location, the grazing land decreases and this aggravates the poverty of the pastoralists.

"I am a Kerreyou. I came from Fentale Woreda and I speak about my area. We have been pastoralists since long before the days of Emperor Haile Selassie. During the regime of Haile Sellassie the foreigners came to our area and

established the Metahara Sugar Estate. We were evicted from our land. We lost thousands of hectares of grazing land. Then, a park was established--the Awash National Park--resulting, again in our eviction. And, then, the volume of Lake Beseka increased tremendously. No one tried to control it. The lake again evicted us. We have been attacked from different angles. We are really marginalized and neglected. When we try to cross the park and reach the water wells, the park asked us to pay money for crossing our cattle over. We reported our problems to the Regional Government, but no response. I am here to hear from you if you have solutions to our problems. I thank you."

### Questions

- ⇒ You have stated that there are about 55,000 ha of unutilized land and at the same time told\_us that there is a shortage of land how do you reconcile this?
- ⇒ It is believed that it is better to keep intact the pastoral system rather than introducing settlement. On the other hand, when you discussed about the potential it sounded as if you were for settlement. Do you appreciate settlement?

### Answers

- Yes, there is really a potentially cultivable, idle land. When I discussed about the diminishing land, it was by way of comparing the total land available against the growing population. This does not contradict with pinpointing the idle land.
- Ecologically we can device the pastoral land into three categories. These are:
  1. pure pastoral areas where there are no perennial rivers;
  2. agro-pastoral areas, where there is relatively better precipitation; and,
  3. areas with perennial rivers.
- When I mentioned the idle areas, I was indicating those areas with perennial rivers. These areas can be used either for crop production or for development of cash crops, or for both. I, personally, do not have strong opposition against settlement. I strongly believe that, if we used these rivers for cultivation and\_have the people lead a settled life, it would be good, and it is one of the possibilities, too.

**VI. Pastoralism and International Instruments**, by *Melakou Tegegn*,  
*Panos Ethiopia*

**General**

The term "instruments" refers to conventions, treaties, agreements, declarations, etc. We have used the term expressed as "indigenous" in the instruments concerning pastoralists. We are concerned with international instruments at sub-regional, regional, continental and global levels.

**Purpose**

We use the international instruments to address the plight of marginalized people in the world. Policy advocacy and lobbying are important to empower marginalized people.

Pastoralists shall be informed about those international instruments, since information and knowledge empowers everybody.

**The reality**

Most African governments sign agreements. Most of them sign the agreements reluctantly because nobody asks them when they come home. For instance, most countries have signed the Beijing Platform agreement, which is a declaration about gender equality, and yet most of them don't care anyway about gender equality at home. Most governments have no accountability. Most African governments literally don't know the contents of the agreements they have signed.

**What should be done?**

It is now time that civil society groups knew about those international instruments and made use of them. They should force their governments to stick to the terms of the conventions they signed. They can do this even to the extent of bringing cases of violation to international courts. Knowing the international instruments enhances people's capability.

Poverty is deprivation of capability. Capability implies both social and political capacity.

We should follow the rights-based approach. No government grants rights unless it is forced to do so.

**Information**

Pastoralism is considered as an indigenous concern. It can therefore be embodied within the world of Indigenous Movements (IM).

The Indigenous Movement started in the mid 70s (aborigines in Australia, India, etc.).

In the aboriginal context, 'aborigines' refers to the first people ever to live in a given area. Therefore, they must have access to the natural resources and be endowed with political rights.

At present, the phenomenon of globalization has indigenous people (S. Asia, India, Philippines, Thailand, etc.). They had been and still are marginalized. Therefore the movement started in Rio. 30,000 NGO delegates participated in the world forum, which became a forum for education. It attracted many indigenous people from S.E Asia, Europe, Africa and the Middle East.

**Instruments Developed**

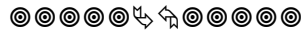
As an outcome of the Forum, the following instruments were developed:

- UN Convention 169, established in 1989, 1991: it addresses the rights of indigenous people to self-determination;
- World Summit (1999); concerns the right of children;
- Agenda 21: the right to development of indigenous people; it states that the indigenous populations can choose the type of development to follow;
- African Union (AU); under the AU the "African Commission for Human Rights" was established and this is a rights-based approach.

**Comments, Views, Questions and Answers**

**Comments**

- The presentation was commended for "giving us" another strong weapon for the development of our community.
- Knowledge really empowers. We shall use it wisely and courageously. These instruments will really help us defend our rights over our resources.
- The presentation was excellent. It would be more useful if the forum could provide us with extracts of the instruments so that we would be able to use them at different levels.



**PASTORAL DEVELOPMENT STRATEGIES / POLICIES IN ETHIOPIA: A  
CRITICAL ANALYSIS AND EVALUATION**

**By Mohammad Abdulahi  
Lecturer, Law Faculty, Ethiopian Civil Service College**

---

**Acknowledgment**

In the process of writing this paper, many people have assisted me by providing me with reference materials and ideas. The help I got from them enabled me to shape and reshape the ideas in the paper. In this regard, then, my first thanks go to the Honorable MP, Chairperson of Pastoral Affairs Standing Committee (PASC) in the Federal Parliament and Director of Hope for the Horn (Local NGO), Ato Abdulkarim Ahmed Guled for providing me with valuable reference materials and ideas. I also would like to thank Abdida'ad Ibrahim, Abdi Abdulahi, Tezera Getahun and others who shared their ideas with me. My regards and thanks to all those who helped me one way or another.

## **I. Introduction**

Ethiopia is now estimated to have more than 65 million people. The pastoral community are estimated to constitute between 12 and 15% of the population, occupying more than 60% of the total land area of the country. According to some studies, 93% of the population in the pastoral areas is engaged in pastoralism and agro-pastoralism, with the remaining 7% engaged in other activities (hunting, petty trade, mining, etc.). The lowland pastoral production system is one of the major production systems in the country, with a major share of contribution to its economy. According to a study by the World Bank, the livestock sector in Ethiopia constitutes 16% of the total Gross Domestic Product (GDP), one-third of agricultural GDP, and 8% of export earnings (World Bank, 2001). Pastoralists raise the largest size of the national livestock resource, accounting for more than 28% of the cattle, 26% of the sheep, 66% of the goats and 100% of the camels.

The highland regions of Ethiopia have climates that vary from semi-humid to humid and are home to nearly all of the important areas for cultivation and mixed crop-livestock system. And for this reason, sedentarization-based crop cultivation is the mainstay of these areas. The pastoral lowlands, by contrast, are dominated by arid to semi-arid climatic zones and are characterized by uncertainties of rainfall. These conditions have given pastoralism the essential characteristic of mobility, which constitutes part of its livelihood system.

But the policy-makers in this country have never recognized the mobility of the pastoralists as a self-contained system of livelihood. Throughout the history of development policies and strategies in pastoral areas, the state had always been committed to settling the pastoralists as sedentary communities.

In the first section of this paper a cursory glance at the historical background of such an approach has been made. Assessing the various state development policies and strategies, the paper, in the succeeding sections, attempts to reflect on the place given to pastoral development in Ethiopia. Finally, based on the critical comments and analysis, the paper winds up with forwarding some recommendations.

### **I. Historical Background of Development Policies and Strategies in Pastoral Areas**

Pastoralism is one of the oldest socio-economic systems in Ethiopia in which livestock husbandry in open grazing areas represents the major means of subsistence for the pastoralists. Using the rainfall and temperature regimes, the

climate of the pastoral lowlands is broadly categorized as arid and semi-arid. The pastoral lowlands are home to a diverse array of pastoral community who depend to a high degree on livestock for their sustenance. These livestock, in turn, depend, nearly exclusively, on native vegetation for forage.

The uncertainties of rainfall and primary production in the rangelands have promoted livestock-based life style that both allows for and requires the mobility of the communities. Pastoralists typically rely on milk for food and also use their animals to generate wealth. Animals are consequently important not just economically but in terms of social values. Pastoral social systems also commonly emphasize decentralized leadership and administration that promotes flexibility in resource use (Coppock, 1994).

The state's expansion in every direction from the central highlands in Ethiopia, particularly under Emperor Menelik II and Haile Selassie I, put most of the pastoral areas under the central control of the Ethiopian state. Since then, the pastoral lands were virtually considered no man's land, since the users of the land were not sedentary. The result was the constitutional and legal recognition of this assumption during 1950s and 1960s. And since then, the resource-based approach that marginalized the pastoralists in all aspects of their life was adopted. Since the early 1950s, the state's attention in Ethiopia was drawn to the pastoral lowlands and various attempts were made to promote development in these areas. In this section, therefore, the paper will assess the historical background of the state policies and strategies towards developing the pastoral areas.

During the monarchy, particularly since the consolidation of the country's unification under Emperor Menelik II and Haile Selassie I, the state generally did not recognize the pastoral communities, except when it put their lands under its possession. This policy of denial was clearly reflected, for instance, in the 1955 Revised Constitution and the 1960 Ethiopian Civil Code. These two laws made all lands occupied by the pastoralists state property. Thus, under the 1955 Revised Constitution, it was provided:

“All property not held and possessed in the name of any person . . . including all land in escheat, and all abandoned properties . . . as well as all products of the subsoil, all forests and all grazing lands, water courses, lakes and territorial waters, are state domain.”

From the above-mentioned provision, it is clear that the Constitution considered the grazing lands as vacant and without owners. Confirming this constitutional position, the Civil Code, which is still in force, provides under

Article 1194: "immovable situate in Ethiopia which are vacant and without master shall be the property of the state."

Even after the state drew its attention towards development in pastoral areas, the approach still was resource-based. The development policies and strategies of the state were designed to change the 'backward', 'nomadic' pastoral way of life to the supposedly more 'civilized' and 'superior' life style of sedentary cultivators. The practice at that time had also spoken, even louder, the same assumption. After the promulgation of the Constitution and the Civil Code, first, the establishment of large commercial farms and enclosure for game parks, etc. was extensively undertaken by the state in pastoral areas. Secondly, there was encroachment by cultivators--both from outside and from within--whereby they successfully excluded the pastoralists, as the formal laws were in their favor.

Thirdly, the state has consistently adopted, since then, the resource-centered approach to pastoral development strategies and policies that totally excluded the human aspect of the situation. Consequently, the state tried to formulate and implement pastoral policies and strategies without the involvement of the people and without any regard for their cultures, economies and institutions (Hogg 1997).

If we see the rationale behind the laws, policies and strategies of the government, it was actually the perception about the pastoralists that we find at the core of it all, which the state has consistently pursued since the Emperor's regime. The sources of the perception are two important realities of the pastoral community in the country. The first one is their mobility, which does not fit to the predominantly highlander sedentary system, the system of the social group that dominated the state itself. Thus, mobility had become a great challenge to the government administration in the area, which was intended to do things in the way the state administered the sedentarized highlanders. As a result, the pastoralists were given the nomenclature "Zelan", which has a highly negative connotation. It is actually here where the government's approach and the system of pastoralism part ways, in an irreconcilable way, becoming just like water and oil.

The second one is their geographical location. As everyone knows, the pastoral community in Ethiopia live in the peripheral areas that border with the neighboring countries. This, coupled with the cross-border mobility of the pastoralists, has added to the widening gap between the state (which was not on good terms with its neighbors) and the communities. So the cross-border movement of the pastoralists was considered by the state as a divided loyalty on the part of the pastoralists. This perception of the situation as a divided

loyalty contributed a lot mainly to the political marginalization of the communities, thereby resulting in a hostile relationship between the two.

The same policy and approach had been followed by the Dergue regime. The past two regimes had a commonly shared feature of highly centralized, top-bottom state structure that did not allow for community participation in the formulation and implementation of laws, policies and strategies, which affected the pastoral community even more in the absence of other alternatives.

Moreover the global political, and economic situation of the day with its motto of “modernization” and “tragedy of the commons,” which shared the state's perception about pastoralism, played a big role in the formulation and implementation of such policies and strategies for the development of pastoral areas not only by the state but also by donors and lenders. The consequent effects of all these are: -

- ♦ Marginalization of the pastoral community in all aspects of life;
- ♦ Alienation of the communities and encroachment by others upon large areas of both wet- and dry-season, prime grazing lands;
- ♦ Involvement of pastoralists in intensified competitions and conflicts at the local, regional and national levels, which involved:
  1. Access to, use of and tenure right to land and land resources;
  2. Land resource management;
  3. Increased vulnerability to periodical climatic changes.

The vulnerability of the pastoral community to droughts has reached a serious stage claiming the lives of both humans and livestock every four or five years.

After the fall of the Dergue regime in 1991, and with the formation of a transitional government and the adoption of the 1995 Federal Democratic Republic of Ethiopia (FDRE) Constitution, changes in state structure and policy have taken place, indicating a clear departure from the traditional state political system.

## **II. Pastoral Development Policies and Strategies of the Government**

### **2.0 Introduction**

In the previous section we have attempted a cursory glance at the history of pastoral development policy and strategy approaches until 1991. In this section, we shall examine briefly what has been done in this regard since 1991. The change in state structure has resulted in decentralization, as a first step in the democratization processes. Accordingly, the Charter of the Transitional Government (TG) was adopted in 1991, paving the way for the present federal system of government as provided for in the 1995 FDRE Constitution. With this change in government there have come some changes in the state's approach towards the pastoral communities. Accordingly, for the first time in Ethiopian legal history, the Constitution has incorporated various provisions in the interests of Ethiopian pastoralists. Some of the important issues provided for under the Constitution are:

**The preamble:** wherein is articulated the commitment of "the Nations, Nationalities and Peoples of Ethiopia [including pastoralists]. . . to build a political community founded on the rule of law, and capable of ensuring a lasting peace, guaranteeing a democratic order, and advancing [their] economic and social development."

**Article 8:** which declares that "sovereignty resides in the Nations, Nationalities, and Peoples of Ethiopia which the constitution itself is the expression of . . . [and which] shall be expressed through their elected representatives and direct participation."

**Article 40:** which stipulates that "Ethiopian pastoralists have the right to free land for grazing as well as the right not to be displaced from their own lands."

**Article 41:** which recognizes the rights of pastoralists "to receive fair prices for their products that would lead to improvement in their conditions of life" which also is "the objective that guides the state in the formulation economic, social and development policies."

**Article 50:** which is about the granting of power "to the lowest units of the government to enable the people to participate directly in administration of such units."

**Article 88:** wherein is stated that the "government, guided by democratic principles, shall promote and support the people's self-rule at all levels, . . . promote their participation in the formulation and implementation of socio-economic policies and programs, . . . shall provide special assistance to the people least advantaged in economic and social development."

This is the position of the Government as articulated in the 1995 Constitution and which can play a big role in the development of the pastoral community.

But what does the Government policy look like in terms of achieving sustainable development for the pastoral community?

Since 1991, the Government has been trying to issue and implement some development policies, strategies, plans and programs. As has been attempted to demonstrate in the previous section of the paper, the pastoral development strategies and policies of the preceding governments of Ethiopia were ill considered with their resource-centered approach. The major problem was the perception they had about the pastoral way of life. Now that we have reached this point, it is logical to ask what the contents of the development strategies and policies of the government since 1991 are, particularly as they relate to pastoral development. This section focuses on the position taken by the Government in its policies and strategies concerning this issue. The section presents in a summary form some of the issues addressed in its policies, strategies and programs.

## **2.1 Agricultural Extension Program**

This program was initiated in 1993 and focuses on intensive crop production packages. The primary objective of the program was to increase the productivity and production of certain food crops (maize, wheat, teff, and barley). The pastoral area development issues were totally excluded from the program. The only step taken later on was the establishment of a pastoral unit under the Extension Department of the Ministry of Agriculture (MOA) to coordinate pastoral area development.

## **2.2 Food Security Strategy**

This strategy came into being along with the agricultural extension program. It was issued late in 1996 and incorporates only a couple of paragraphs on pastoral issues. After summarizing the economic significance of pastoral production systems, the strategy describes major problems encountered by the system, especially during drought years. Some of the major interventions prescribed by the strategy are:

- Developing an early-warning system that addresses the special characteristics of pastoral systems;
- Supplemental feeding of livestock, especially of calves, to ensure decreased calf mortality and enhanced recovery rates;
- Encouraging small-scale cereal plots in pastoral areas in post-drought years;

- Establishment of processing plants nearer to sources of supply;
- Improvement of marketing to preserve the purchasing power of pastoral households during times of stress;
- Encouraging carefully researched diversification in local economic systems, including introduction of small areas for the production of forage legumes adapted to arid areas; and
- Encouraging better management of livestock, with a focus on calf-growth rates, and management of water supplies.

Generally, the Food Security Strategy (FSS) has provided only brief sketch about food security issues in the pastoral areas. But the Strategy was revised in the year 2002. Under the revised FSS, the Government has tried to elaborate on the above-mentioned issues.

### **2.3 Pastoral Extension Strategy**

Early in 1999, the Pastoral Unit of the Ministry of Agriculture (MoA) drafted a pastoral and agro-pastoral extension strategy. National and regional workshops were conducted in 2000 to discuss and finalize the draft. The main thrust of the new pastoral and agro-pastoral extension strategy is "Human-Centered Development Approach," where holistic and sector-integrated methodologies would be applied.

### **2.4 The Five-Year (2000-2004) Development Plan**

This plan is the second plan since 1991 when change of government took place. The first development plan, which mainly focused on agriculture extension program, excluded the development of pastoral areas. Now the government has adopted the 2000-2004 Five Year Development Plan (FYDP), with detailed policies and strategies. Notable among those policies and strategies are:

- Rural Development Policy and Strategy (RDPS);
- Capacity Building Strategy (CBS);
- Strategy for Democratization (SD).

There is also the Sustainable Development and Poverty Reduction Program (SDPRP), which attempts to buttress the thrust of the above mentioned policies and strategies. Some of the points raised in the five-year development plan with regard to the development of the pastoral areas can be summarized as follows:

- ♦ The government admits the existence of a gap in its knowledge of pastoral area development;
- ♦ The plan envisages to “strengthen agricultural development activities in pastoral areas to raise standard of living”;
- ♦ Strengthen foreign exchange earning; and
- ♦ Alleviate nomadic livelihood step by step.

To achieve this, the plan recommends the following interventions:

- Natural resources conservation;
- Introduction of new varieties of grasses and vegetables;
- Provision of water and introduction of livestock extension program;
- Development of markets for dairy products, etc.

As part of “alleviating the nomadic life style,” the plan recommends “sustainable settlement” with the introduction of small-scale irrigation. Yet the recommendations and suggestions provided in the plan are too general and brief. The details about pastoral area development are provided under the “Rural Development Policies and Strategies, which are summarized below:

#### **2.4.1 Rural Development Policies and Strategies (RDPS)**

This document contains the policies and strategies of the government for rural development. As usual, in the document, a significant portion of development policies and strategies has focused on crop cultivation. But, for the first time, it provides some issues about pastoral development. As reflected in a subsection of the document about pastoral development, there are two aspects of the policy and strategy of the government, i.e. *short- and medium-term* and *long-term*.

The short- and medium-term strategies focus on the pastoral system, which is based on mobility. In this part, RDPS points to the fact that the pastoralists obtain their livelihood from traditional livestock production based on mobility. Therefore, according to RDPS, to ensure food security and sustainable development any endeavor must start from the agricultural system upon which the life of the people is based. To be more specific, it states: “Since the livelihood of the people is based on pastoralism, our development endeavor and activities must be based on it [pastoralism]” (RDPS, pp. 138).

The RDPS also points to the fact that there is imbalance between the provisions of water and pasture during the dry season, and that this needs to be integrated. This is considered as the basic means to improve livestock development in the area and prevent natural resource degradation. Therefore,

according to RDPS, the first priority that requires due attention, and without which “livestock development becomes unthinkable,” is ensuring water supply in different selected areas. In this regard, the policy also recommends rangeland management and conservation based on the traditional management system. To this end, a wide range of activities must be undertaken in cooperation with pastoral clan leaders and elected representatives.

Further, the RDPS recognize that pastoralists have a wide range of traditionally developed knowledge about livestock husbandry. In this regard, it states:

“Without recognizing and basing our effort on this knowledge, attempting to improve livestock husbandry in this area cannot be useful and achievable” (RDPS pp. 140).

Therefore, with the view to achieving this, the RDPS has provided the following important recommendations:

- ⇔ Preparing and providing to the people a package that can strengthen the positive side of their knowledge of livestock husbandry;
- ⇔ Training extension workers and provision of extension services that focus on the indigenous knowledge of the pastoralists;
- ⇔ System of veterinary services and livestock development extension services which are in line with the pastoralists' mobility;
- ⇔ Creating an efficient livestock marketing system that can make the pastoral system a market-oriented one.

Moreover, the RDPS mentions the possibility of using the opportunity to undertake certain agricultural activities at those times when pastoralist families have settled in one area for several months. In this regard, it states the importance of doing one's best to make them stay in such areas longer (RDPS pp 142). Generally, these are the major issues provided in the short- and medium-term pastoral development policies and strategies.

When we come to the long-term aspect of the RDPS, it is provided that in the long run, the strategy is aimed at sedentarization based on development of irrigation. In this respect, the RDPS involves not only change in place, but also change in the way of life. In other words, unlike for the highlanders, settlement in pastoral areas is a question of changing people, whose life has long been rooted in pastoralism, into cultivators who have to learn the ways of sedentarization (RDPS, pp.145). Therefore, the RDPS envisages the preparation and implementation of settlement programs that focus on two main issues:

- Extensive and basic training on settled farming system to be given to the pastoralists; and
- Undertaking the settlement activities step-by-step.

The program envisaged by the RDPS is not only about settling those who consent, but also about convincing whole communities to settle (RDPS, pp. 145). Thus, it is stated that the settlement of the whole pastoral community through a long-term process must be underlined as a policy and strategy approach (RDPS pp 146). It is emphasized that, though it takes a long time, settlement is a must in order to bring about “accelerated and sustainable development” aimed at improving the livelihood of the pastoralists. Therefore, according to the RDPS, while focusing on the activities that are provided for in the short- and medium-term strategies, activities of settlement must be undertaken at the same time (pp 147).

#### **2.4.2 Poverty Reduction Strategy**

The poverty reduction strategy is one of the government strategies on tackling poverty, which was issued in late 2000 as an Interim Poverty Reduction Strategy Paper (I-PRSP). It was open to public discussion and consultation until mid-2002 for the subsequent preparation of the full PRSP, which is conditional for debt relief and concessional loan. The I-PRSP illustrates the persistent knowledge gap in pastoral areas. It foresees ‘improving the welfare of the pastoral people by increasing productivity and minimizing risks through infrastructure development, improved market access and other support services.’ During the discussions and deliberations on the I-PRSP, the issue of minimal coverage of the pastoral area intervention in the Paper was raised and the government has promised to revisit the matter. The final PRSP is not issued as a separate document. Rather it is absorbed into the government’s program named *Sustainable Development and Poverty Reduction Program (SDPRP)*. This document was issued by the government in July 2002 and submitted to the World Bank and the International Monetary Fund (IMF) as a final PRSP.

But the position of the government, even after all these processes have already been reflected and consolidated in SDPRP, is not clear. The SDPRP, giving (as usual) a lip service to the issue of development in this area, recognizes the fact that there is lack of clarity of vision and strategy for pastoral development. It also recognizes the donor-driven unsustainable programs and projects; the inadequate community consultation and participation in the design and implementation of projects; the frequent and destructive conflicts and tribal disputes; poor governance and administrative structure, etc. as the major

socio-economic constraints in pastoral development (SDPRP-Ethiopia, 2002). Therefore, the strategies adopted by the government for pastoral development are:

- Sedentarization of mobile pastoralists on voluntary basis;
- Consolidation and stabilization of those who are already settled or semi-settled through improved water supply, pasture and social services;
- Careful selection of viable and reliable river courses for future sedentarization based on irrigation and linking these places through roads and other communication lines; and
- Providing mobile social services, including health and education, holistically for those that continue to be mobile.

### **2.4.3 Other Policies and Strategies**

There are also policies and strategies other than RDPS and PRSP, such as strategy of democratization and capacity building strategy. The strategy for democratization deals with the means and mechanism to achieve democratization in the country. The analysis about democracy and its importance in this strategy is based on the Constitution of the country. It is accordingly said that absence of peace, good governance and policy are the major causes for poverty in Ethiopia (Strategy for Democratization pp.6). Consequently, the strategy states that the country has reached a stage where more than 10 million people face famine in some of the drought periods. The strategy also states that, where there is no democracy and good governance, there cannot be development. They create the basic pre-conditions to ensure development “by drying up the sources of war and conflict.” Therefore, it is stated:

Democracy and good governance bring about lasting peace through protection of individual and group rights. Lasting peace within a society is key to get out of the vicious cycle of poverty.

With the view to achieving this, the strategy envisages to:

- Bring about good governance
- Ensure the participation of the people in formulation and implementation of policies, strategies and programmes.
- Further decentralization of power to low levels of administration, etc.

The other important strategy is Capacity Building Strategy (CBS). This strategy also recognizes the inseparable nature of issues of capacity building and

development. It further recognizes that capacity building is the basic means to achieve development and states: "In the absence of capacity building, it is impossible to achieve development."

Actually, both strategies mentioned above, though dealing with general national issues, have very much relevance to achieving a sustainable development in pastoral areas.

### **III. The Policy and Strategy Practices and the Impact of Development Operations in Pastoral Areas**

In the previous section, we have tried to assess the various policies and strategies of the Government that articulate its position on pastoral area development. In this section we shall discuss some issues of state policies and strategies as they actually apply to the development of pastoral areas. Attempt is also made in this section to assess the NGOs approach and its impacts.

#### **3.1 Some Issues of State Policies and Strategies on Pastoral Development**

In all the policies, strategies and programs the attention given to pastoral area development is quite minimal. It actually reflects the fact that pastoral production systems have traditionally been given little or no attention. The pastoral production systems have always been given the back seat in state agendas.

In the early 1990s, pastoral area development issues were almost totally excluded from state programs, policies and strategies. That is why pastoral areas were excluded from the extension program and strategies. In 1990s, what the government did in relation to pastoral areas was the establishment of the understaffed and under-equipped "Pastoral Unit" in the Extension Department of the MoA. It was only during early 2000 that working on the preparation of pastoral extension program occurred to the government, a program that still awaits so see the light of day.

The attempt made under the Food Security Strategy (FSS) sheds some lights with regard to issues of intervention. But it does not emanate from careful analysis of the lessons of the past and understanding of the realities in pastoral areas. It simply reflects the conventional desktop prescription of solutions, without considering the needs of the pastoralists. Furthermore, the strategy seems to consider all pastoral production systems as uniform, when, in fact, their problems and situations are diverse and require different approaches.

The revision made to this strategy in 2002 has tried to elaborate on the pastoral issues and rectify (somehow) its earlier defects, but not adequately.

Both the coverage and depth given to pastoral area development in the Five Year (2000-2004) Plan is also minimal. The validity of some suggestions made in the document are questionable, particularly in their emphasis on sedentarization. The Ethiopian pastoralists are characterized by different socio-economic systems, which are confronted with different development problems. The plan lacks detailed analysis and makes no distinction between the varying realities of the Ethiopian pastoralists. Then there are the governance and capacity building issues, which are the chronic problems and bottlenecks to development in the areas. Now let us look at some of the basic issues related to government policies and strategies.

### **Socio-economic issues**

The detailed analysis in the different government policy and strategy documents reflects the confusing and contradicting positions of the government's policy approach. This can be illustrated as follows:

- The government has recognized in almost all of its policy documents that there is persistent knowledge gap on pastoral area development. (See FYDP, RDPS, I-PRSP, SDPRP).
- On the other hand, the government is so sure that settlement is the only lasting solution for the pastoralists.

Also look at the following statements taken from the RDPS:

- ◆ “Since the livelihood of the people is based on pastoralism, our development endeavor and activities must be based on pastoralism” (p. 138).
- ◆ “In these areas, accelerated and sustainable development can be achieved only when the people are made to settle (pp 143) . . . Settling the whole pastoral people through [a long-term] process must be underlined” (p. 146).

The question now is: how are we going to reconcile these two positions at two opposite poles? There are various dilemmas and confusions. The above-cited statements are only few of the examples taken from the RDPS. On the one hand, basing pastoral development strategies on pastoralism is envisaged, while, on the other hand, settlement is underlined as a lasting solution. While natural resource management and animal husbandry based on the tradition of pastoralism is forwarded, settling the whole pastoral people is emphasized at the same time (all in the same document). This is a paradox that makes it

difficult to clearly understand the position of the government's policies and strategies with regard to pastoral area development as far as the socio-economic issues are concerned.

### **Governance issues**

The UN Secretary General, Kofi Annan, once said: "Good governance is perhaps the single most important factor in eradicating poverty and promoting development" (Human Development Report, UNDP 2002).

It is now firmly recognized all around the world that governance very much matters in development issues. Institutions, rules and political processes play a big role in terms of whether or not development can be achieved. That is why the Secretary General stressed the issues of good governance in promoting development. In principle, good governance mainly denotes:

- People's right to have a say in decisions that affects their lives;
- Accountability of decision-makers to the people;
- Inclusive and fair rules; institutions and practices governing social interactions;
- Responsiveness of economic and social policies to people's needs and aspirations;
- Economic and social policies as aimed at eradicating poverty and expanding the choices that all people have in their lives.

In Ethiopia, good governance has never existed in the conventional traditions of the state. It is only a recent phenomenon. The FDRE Constitution prescribes a constitutional order based on good governance. Declaring sovereignty as something vested in the people, the Constitution states that such sovereignty is expressed through elected representatives and direct participation of the people. As a corollary to this basic principle, the Constitution further provides that the conduct of the government be transparent; that the government and its officials be accountable to the people; that the people actively participate in the formulation and implementation of laws, policies, and strategies; that governmental power be devolved to its lowest level of administration, etc.

The Constitution envisages all these with the view to ensuring good governance in the country. In line with this constitutional position, the government issued the strategy of democratization, which was mentioned in the second section of this paper.

Moreover, as a clear departure from the traditional unitary state structure, the FDRE constitution has declared under Article 1 that the state structure is Federal. This clearly devolves power to the nine regional states and their lowest levels of administration. Aimed at ensuring good governance at all

levels, this requirement of devolving power to the lowest level enables the people to directly participate in the administration of their lives. This should be done because people's direct participation is one way of expressing their sovereignty provided for under Article 8 of the Constitution. But the practical situation in pastoral areas is quite to the opposite.

Let us look at some of the concrete situations related to issues of governance in the pastoral areas of Ethiopia. History tells us that the Ethiopian pastoralists have never had the chance to realize their full potential, not only due to inappropriate development policies and strategies but also because of lack of good governance. At present, too, one of the chronic problems in this area is lack of good governance. While decentralization, as an element of good governance, requires more a 'bottom-up' approach, the institutional structures of the government in the pastoral areas are, in most cases, based on a "top-down" approach (Yohannes G/Michael, 2002). In most pastoral areas, devolvement of power to the lower levels of *woredas* and *kebeles* has yet to materialize on the ground. There are situations where there is no election held at the *woreda* level at all until recently. The power is concentrated at regional and *zonal* levels.

Wherever power is centralized, the rule of law, accountability and transparency are hard to come by. Transparency and accountability can bring about coordination among various institutions in their efforts towards the development of pastoral areas. In most pastoral areas, however, it seems these two important things are in their rudimentary stage, at best. Let alone among bureaus and institutions, transparency even in departments within the same bureau is very poor in the pastoral areas. Absence of coordination, transparency and accountability can also result in being caught in the trap of a top-down approach, duplication of efforts and creation of confusion. It is said that, above all, pastoralism (which is based on spatial and temporal variability) is very sensitive to ad hoc planning and implementation. In the absence of coordination and transparency, one can say that it is unthinkable to see the integrated-policy-and-strategy approach on the ground.

The other big problem related to good governance is the frequent structural changes made, including the personnel in the structures. The instability in structure has a lot of negative impacts: it creates instability among the experts; it results in misuse of the scarce resources and loss of valuable data. Moreover, the instability causes absence of enabling working environment for the existing skilled manpower. Without a bureaucracy that operates smoothly, any development strategy, however well intentioned it may be, is doomed to fail.

### **Training and capacity building issues**

The capacity building strategy of the country tries to explain the relationship between capacity building and development. As it has been indicated in the strategy, it is true that trained and skilled manpower is one of the basic means to achieve development. Particularly in pastoral areas, trained persons working at the grassroots level play important role in development. They are agents of changes and become a bridge between the community and the policy-makers and other professionals. With this end in view, there are trained Development Agents (DAs) working at the grassroots level with the pastoral community. But many field observations and discussions with DAs reveal that their attitude to any indigenous practices is completely negative (Yohannes G/Michael, 2002). They consider the indigenous practices as “unscientific, backward and a bottleneck [in the effort] to eradicate poverty.”

This is a clear reflection of the training they had taken at the training centers. They are trained for nine months about modern agricultural systems, including modern livestock husbandry, modern natural resources conservation technologies, and production intensification knowledge based on packages of improved seeds, line planting, application of fertilizers, etc. This in not, in principle, very different from the highland model, implying that the training courses for DAs missed on the element of sustainability. Therefore, it seems that the training and capacity building approach is geared towards the application of modern technologies, ignoring the lessons from the same kind of intervention in the past. The call of the day is that of getting rid of the bottlenecks that resulted in many undesirable outcomes that increased the vulnerability of the pastoralists. This is actually one of the basic requirements for achieving a sustainable pastoral development

### **Conflict issues**

Generally, Ethiopia is well known for the protracted wars and conflicts, which have mainly contributed to the abject poverty the Ethiopian people are compelled to live in. But war and protracted conflicts affect the pastoralists more than anyone else in this country. The major war fought between Somalia and Ethiopia in the mid-1970s, for instance, led to an exodus of Ethiopian Somali pastoralists to Somalia where they gave up their normal life and live in camps as refugees for almost two decades. The dramatic collapse of the government in Somalia in 1991, due to civil war, in turn, forced millions of Somali refugees and Ethiopian returnees to Ethiopia to escape the effects of the war. Both were camped in the southeastern pastoral areas of Ethiopia. This havoc has, no doubt, disturbed the whole socio-economic situation of the Ethiopian pastoralists. The countless destitute and dropouts from the system remaining in urban slums and settlement centers are a clear indication of the impact of instability and conflicts in pastoral areas. What is more unfortunate

is the continuation and intensification of problems of violent conflicts in the pastoral areas of Ethiopia.

Historically, the major source of conflicts in pastoral areas has been the issue of access to and use of natural resources (water and pasture). Others were related to livestock raiding among various clans, etc. The frequency of the conflicts was very low and with minimum damage due to the use of traditional weapons. Moreover, there were effective traditional ways of resolving the conflicts through the mediation of powerful clan elders/leaders.

The recent conflicts differ from earlier ones in their type, form, frequency, intensity, causes actors involved, and technology employed (Getachew Kassa, 2003). Whereas the previous conflicts in pastoral areas involved mainly the use of traditional weapons, the conflicts nowadays involve the use of highly sophisticated weapons. Unlike the previous ones, now there is an increased involvement of politicians, government officials and other forces (Getachew K, *Ibid.*).

The role of the government, which sometimes fuels the conflicts and at others acts only as a fire brigade, exacerbates the situation, thereby aggravating the plights of the pastoral community. Therefore, prevention and resolution of conflicts should have been on the top of the pastoral development agenda. But as usual, it is given the back seat in the government policies. Absence of a clearly formulated conflict prevention and resolution policy is a clear reflection of this reality. It is unthinkable to achieve a sustainable development in pastoral areas unless due attention is given to issues of conflict in policies and strategies.

### **NGO Approaches**

The NGOs working in pastoral areas are between 40 and 45 in number (Yohannes G/Michael, 2002). Most of them are concentrated around the Regional capitals. They are engaged both in emergency and development activities. Water development is among the major development activities undertaken by more than half of the NGOs working in pastoral areas. Next to water development is education--both formal and informal--and human and animal health. The number of NGOs engaged in environmental protection and natural resource conservation is minimal. It is actually one of the important development areas neglected not only by the government but also by NGOs working in the pastoral areas of Ethiopia. Another issue, which is a prerequisite for pastoral development but neglected by NGOs, is conflict resolution. Though it has delicate political implications, it is an important issue for any development endeavor in pastoral areas.

In all the above-mentioned development activities, the NGOs are predominantly involved in the sedentarization process. Most of them do not differ in their approach from the Government towards the development of pastoralists. Only few NGOs have incorporated the mobility component in their development activities. Therefore, NGOs generally do not appropriately follow the principle of sustainability in their development endeavors.

This is not without reason. In most cases, it is the donors' policy of seeking immediate, tangible results that force the NGOs to focus on short-term results. Accordingly, they want to show tangible results within a given project's life span to win the hearts of donors. In fact, sustainability is a process that requires a pretty much longer time than just a given project's life span.

This is the driving motive of their activities, as they are highly dependent on external donors. The ecosystem in the pastoral areas being very delicate and fragile, many undesirable outcomes have been observed with such approaches. The unplanned water resource development sites are, for instance, becoming centers of settlement, environmental degradation and sources of conflict (Yohannes G/Michael, 2002).

Moreover, some NGOs do not seem to have any phase-out strategy. They don't have clear strategies that could enable them to empower both the community and the government institutions to overtake the activities at the end of their projects. This aspect is particularly important in terms of achieving sustainability in pastoral development. Generally, the NGOs are working in the pastoral areas in a relatively closer interaction with the people compared with the Government. It is also encouraging that some of them are now moving towards an approach based on mobility. But a lot must be done to change the focus on short-term results, which are driven by the donor criteria. Furthermore, time calls for a sustainable pastoral development through the coordinated efforts of the Government, the NGOs, the communities and the donors.

#### **IV. The Positive Elements of Government Policy and Strategy Approach**

In spite of the limitations in its policies and strategies, one cannot deny the fact that the present regime has taken some important, positive measures in the interests of the pastoral community. Since the late 1990s, some efforts have been made to reflect (in policies and strategies) the issues of pastoral development. In this regard, so many points can be raised, but the following suffice as examples of the major measures taken.

**Constitutional Recognition:** Past Ethiopian constitutional and legal history is known for its denial of the pastoral community even as citizens of this country. One can easily see the 1955 Revised Constitution to understand this denial. But for the first time in Ethiopia legal history, pastoralists' right "to free land for grazing and the right not to be displaced from their own lands," have been duly recognized and guaranteed by the 1995 FDRE Constitution. Notable among other issues that the constitution provides for are sovereignty of the people; right to self-determination, which includes self-administration; power to be devolved to the grassroots level; and the right to sustainable development.

**Policy and Strategy Reforms:** In the past (including the early period of this regime) government's policy documents did not normally include pastoral issues. The recent efforts made (though minimal and sometimes conflicting) by the policy-makers to include at least a paragraph or a section in those documents reflects the departure from past approaches. The issues that are included, for instance, by the RDPS in its short-term strategy can be mentioned. Moreover, most of those documents that have committed themselves to a human-centered approach are also a clear departure from the past resource-based approach.

**Institutional Reform:** As far as institutional reform is concerned, some positive measures have been taken, at least at the top level. Notable among these are the establishment of Pastoral Affairs Standing Committee (PASC) in the Federal Parliament; the Federal Inter-ministerial Board with technical committees; and the Pastoral Affairs Bureaus at the levels of both the Federal and the Regional States.

All these are good measures on the part of the present regime, something that have not been even thought about by the previous two regimes.

## **V. The Implicit Policy of Silence and Denial: Important Remarks**

In the lowlands of Ethiopia, pastoralism is the mode of production best suited to an arid and unstable environment. As a result, instead of crop production, livestock development has the potential to improve the welfare of many poor rural families and to contribute significantly to the national economy. But the solution for the problem of poverty in pastoral areas should not be just livestock development. Pastoralist households also suffer from poor access to social and economic services. In the past, pastoral area development had received almost no attention from policy-makers, and pastoralists continue to be marginalized economically, socially and politically. This has forced the pastoralists to live in abject poverty, resulting in food insecurity and conflicts.

In most cases the plights of the pastoralists are the result of the express and implicit policy of silence and denial since that had been going on since the 1950s.

Of course, with the change of regime in 1991, some efforts have been made (since the late 1990s in particular) to reflect, in policies and strategies, the concerns of pastoral development. However, most of these efforts have materialized only very recently (since 2000) when the plight of the pastoralists had reached a stage that threatened the collapse of the whole pastoral community. What is more unfortunate even at this very stage is the fact that government policies and strategies on pastoral development are full of dilemma confusion and wrong assumptions. The core point here is not just about what the government's perception of pastoral development is; rather, it is about whether it (the government) has broken away from a myth of development that does not recognize pastoralism as a way of life as viable as crop cultivation, and one that has forced the pastoralists to settle.

The emphasis given to sedentarization in the current government policies and strategies shows that there is no change in perception about the pastoral way of life. Of course, the government has underscored the fact that the settlement is to be made on the basis of consent and convincing the pastoralists, not by coercion. But one should bear in mind that coercion is not always express and direct. It can also be implicit and indirect, which has (in my opinion) already been reflected in the policies, strategies, and programs for pastoral development.

The policy documents of the government also recognize that there is persistent knowledge gap in the area of pastoral development. The major problem for this (according to the government) is lack of researches and studies on the pastoral areas. But is there really a knowledge gap that prevents the government to come up with appropriate and clear policy and strategy? Of course, one cannot compare the available research and studies on crop cultivation with those on pastoralism. Nevertheless, there are lots of research and studies on the pastoral way of life that can help the government to come up with a clear pastoral development policy. The book of Coppock (1994), which was published by International Livestock Center for Africa (ILCA), with syntheses of pastoral research, development, and change, can be mentioned here as one good example.

Moreover, given the chronic capacity and institutional limitations of governments in pastoral areas and the absence of good governance, achieving sustainable pastoral development is almost next to impossible. Absence of a clearly formulated conflict policy is another serious setback for sustainable

pastoral development. Good governance and stability constitute a matter of respect for human dignity, in terms both of individuals and groups. Respect for human dignity implies commitment to creating conditions under which the people can develop a sense of security. True dignity comes with assurance of one's ability to rise to meet the challenges of the human condition. Such assurance is unlikely to be fostered in people that have to live with the threat of violence, injustice, bad governance and instability. The government is yet to show its fullest commitment to resolving these problems. It is time to change such policy of silence and denial and give substance to any such commitment.

As for the NGOs, though they undertake important development activities, there are a lot of issues to be considered in order to achieve sustainability in their efforts toward pastoral development. In the absence of long-term strategies, coordination, cooperation and linkage with each other, it is unthinkable to achieve sustainable pastoral development. Lack of these factors is the major problem in the pastoral development strategy of NGOs. Some NGOs have already paved the way in the right direction in basing their services on mobility, an example to be emulated by others.

## **VI. Recommendations**

From the discussion and analysis made in the body of the paper, it is not difficult to conclude that we are still far from achieving sustainable pastoral development. Within the context of the present policy, strategy, practices and approach, sustainable improved livelihood for pastoralists will just remain a dream. Therefore, the following measures are recommended:

- ⇒ It is important to make sure that some basic issues, which are provided for in the FDRE Constitution, are adequately addressed. Issues such as direct democratic participation, good governance, devolution of power to the lower levels of administration, and right to free grazing land and not to be displaced against their will, etc. generally remain on paper. Particularly, Article 40(5) is well intentioned by the makers of the Constitution by way of doing justice to the pastoral community in this country. It is one means of rectifying the historical injustice suffered by the communities, as reflected in the Preamble. However, though it has now been almost a decade since the adoption of the Constitution, the implementation laws have not yet seen the light of day. As "justice delayed is justice denied," it is the responsibility of the Government to make sure that justice is not denied to the pastoralists through delay.

- ⇔ It is important to note that pastoral development is a long and time-consuming process. If we have to work for sustainable pastoral development, it is important to rethink the persisting fire-brigade approach of emergency intervention, which does more harm than good.
- ⇔ It is now beyond any controversy that coordination and collaboration between government, traditional institutions and NGOs, with decentralized decision-making down to the grassroots level, is key to achieving sustainable development. Therefore, with the view to achieving this, it is important to do the following:
  1. Take measures to change the top-down approach prevalent in pastoral areas and improve good governance;
  2. Establish an autonomous office (not just departments or teams in various Ministries) at the Federal level, which is devoted solely to addressing pastoral issues;
  3. Allow more space for community decision-making;
  4. Establish partnership in the efforts to achieve sustainable pastoral development; and
  5. Make sure that it is the interveners (Government, NGOs and others) that participate in the pastoralists' own projects and not the pastoralists in the projects of interest to the interveners.
- ⇔ The pastoral production system succeeds best when there is no limitation on mobility to allow access to grazing and water. The past interventions on settlement must be the best sources from which to draw lessons about how they alienated the people, undermined their culture and seriously destroyed their environment. Therefore, the policies and strategies for the development of pastoral areas should assist pastoralists on the basis of mobility, while at the same time helping those that demoted out of the system due to natural and/or man-made calamities to adjust to alternative life style. It is not appropriate to consider such dropouts and the destitute that remain in urban slums and feeding centers spontaneous settlers, thereby assuming the intention on the part of the pastoralists to change their system to sedentarization.
- ⇔ For the new holistic and community-based, participatory approaches recommended in various policies and strategies to work, it is important if policy-makers, staff of government agencies, NGOs and donors alike underwent training in such approaches. For policy-makers and donors, more field visits could help to listen to the people

more as to how they manage the pastoral production system. This also helps them to understand why some of the present-day policies and strategies are so damaging to pastoralists and their resource base.

- ⇔ One of the major obstacles to sustainable pastoral development that exacerbates the plights of the pastoral people is conflict in its various forms. Changing its dimensions, scopes, intensity and frequency, conflict is seriously affecting the pastoralists. Therefore, the government must give due attention to the pastoral conflict situations and formulate a clear policy and strategy on conflict prevention and resolution.
- ⇔ Generally, the mention made in policies and strategies by the Government of the importance of recognizing the traditional system of the pastoralists is encouraging. But such recognition will not create a lasting opportunity for the pastoral communities unless it is based on full respect for their systems, traditional authorities, and institutions. If the traditional system is considered just as an instrument for the attainment of the pre-set goals of the state, any development effort in such context will be more of a failure than a success. Moreover, as it has been repeatedly said that actions speak louder than words, it is not enough just to have certain institutional arrangements at the Federal level to free the pastoralists of their plight. The later and slower the action, the more will the plight of the pastoralists reach an irreversible stage.

## References

A.G. Abdulkarim (MP). "Critical Policy Constraints for Improving Pastoral Welfare in Ethiopia: What Should be Done?" Pastoralist Affairs Standing Committee of Federal Parliament, 2003.

Africa Regional Office AFTR 2. *Pastoral Community Development Project Ethiopia, Project Appraisal Document, 2002.*

A. Mohammud. "Pastoralism, Development, and Environmental Protection in Ethiopia and the Horn of Africa: Some Legal and Policy Issues." To be published in *Environmental Modeling Journal*. Switzerland.

"An Overview of Government Policy Interventions in Pastoral Areas: Achievements and Constraints and Prospects, National Conference on pastoral Development." Pastoralist Forum Ethiopia, 2000.

Civil Code of the Empire of Ethiopia, Proclamation No. 165 of 1960

Coppock D.L. 1994. *The Borana Plateau of Southern Ethiopia: Synthesis of pastoral research, development and change, 1980-91*. ILCA, Addis Ababa, Ethiopia.

Ethiopia: *Sustainable Development and Poverty Reduction Program, MoFED July 2002*. Addis Ababa, Ethiopia.

FARM-Africa. "The Mobile Outreach Approach: Best practices from FARM-Africa's Pastoralist Development Project in Kenya, 2002."

The Second Ethiopian Five-Year Plan (2000 – 2004) (page 50)

G.M. Ayele. "The Good Practices in Pastoral Development." National Conferences on Pastoral Development in Ethiopia, Pastoralist Forum Ethiopia, 2000.

G.M. Yohannes. "Natural Resource Management in the Pastoral Areas of Ethiopia." (Unpublished 2002).

Getachew Kassa, *"Conflict Prevention, Management and Resolution in Pastoral Areas of Ethiopia: An Overview of the South Omo Area Pastoral Conflicts"*, Development Policy Management Forum (DPMF) 2003.

Hans-Werner Wabnitz. "Mauritania's Code Pastoral: Revival of Traditional Nomad's rights to Common Property Resources." Albert-Ludwig University, 1999.

Human Development Report, UNDP 2002

Jama Sugule AND R. Walker. *Changing Pastoralism in the Ethiopian Somali National Regional State (Region 5)*. SERP UNDP – EUE, 1998.

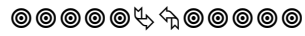
L. Fisher. "There are Eighty Thousand Internally Displaced Persons in Somali Region: What Needs to be Done?" UNDP – EUE, 2001 (Unpublished)

The World Bank. *Pastoral Area Development in Ethiopia: Issues Paper and Project Proposal, 2001*.

Pastoral Development in Ethiopia

*The 1995 Constitution of the Federal Democratic Republic of Ethiopia*

*The FDRE Rural Development Policies and Strategies, 2002.* Addis Ababa, Ethiopia.



## **PASTORALISM AND ACCUMULATION**

**By Melakou Tegegn  
Director, Panos Ethiopia**

---

The mere fact that Ethiopia gets hit by famine every time drought occurs indicates the precarious nature of our rural economy and rural life as a whole. This is only due to the fact that the great majority of the rural population still relies on what nature can provide, and on rain in particular. The pastoral way of life has its own coping mechanisms in times of drought, a mechanism that is engrained in its knowledge system.

However, this indigenous mechanism has been disrupted and discontinued by the forces of 'modernity' that pass in the name of development. The government, as a form of a 'modern' institution of governance, intervened and replaced the traditional form of governance only to disrupt its coping mechanism that we described above, without being able to replace it with any viable alternative. This has left the pastoral community in peril. No wonder, then, pastoralists are hit by food insecurity, and even famine, every time drought occurs.

Being exposed to periodic famines, Ethiopia has been turned into a beggar nation for decades now. The lesson to be drawn from this decade-long experience of response to famine disasters can be summed up as follows: how not to end the cycle of famine. When a famine crisis occurs regularly, making food insecurity a structural problem of the country, the response must also be structural and a long-term one. It is in this light that this paper attempts to address the problems of food security and famine in pastoral societies. The alternative can only be structural and long-term.

Ethiopia's agriculture can emerge out of the perpetual crisis that it got itself into only through a development strategy that addresses the immediate problems of rural Ethiopia, in conjunction with a strategy that espouses to bring rural development in the long-term. Herein lies the question of capital accumulation in the rural setting, both in the peasant world as well as in that of the pastoralists. This paper attempts to make a modest contribution towards postulating a strategy of capital accumulation in the pastoral setting that can result in the realization of pastoral development. However, an unambiguous position statement is in order here. I am no supporter of private ownership, nor do I ever think that private ownership of the means of production, or capitalism in general, is ever the solution to problems of poverty and under-development. On the contrary, globalization, as a special phase in the expansion of monopoly capital, with all its peculiar features that make it distinct from the ordinary monopoly capital that we are familiar with, is, in actual fact, the main perpetrator of poverty the world over. However, in the specific historical conditions that some traditional societies find themselves in, and where division of labor has not made any headway and has become a fetter to the diversification of the means of livelihood, thereby perpetuating poverty and under-development, accumulation, and primitive accumulation in particular, can play a galvanizing role towards reversing poverty and contributing to the process of development.

#### **A. Accumulation through the pastoral livestock production**

### **system**

What makes the discussion on pastoralism, pastoral development and development strategy thereof difficult is the fact that it constitutes a 'new' terrain in development discourse. The discussion on pastoral accumulation is even more so because it is unheard of. That by itself warrants resistance, as the mainstream development discourse has always been misinformed by the dominant discourse on development. It is simply not in the books. Neither Adam Smith nor the contemporary champions of neo-liberal economics have ever written about it. It is not in the holy books of classical economic theories. The only exception was Karl Marx, who wrote about what he then called the "Asiatic Mode of Production," which was in the main about the livestock production system as well as the particular way of life among communities in Mongolia, China and India, who had no culture of private ownership of land.

Despite the sheer knowledge gap on the part of the classical theories, pastoralism has always been there. The dominant discourse, or the holy books, simply did not recognize it; they did not even look at it as something worthy of any attempt to do so. On the contrary, pastoralism was condemned: condemned to disappear. Who would ever care about it, how it survived and how viable it could become? Who would then care about the notion of accumulation in the context of pastoralism? How can a system condemned to die ever be a basis for capital accumulation? It is such notions that make a discussion on pastoralism and pastoral accumulation difficult.

However, it is the contention of this paper that pastoral accumulation is possible and is likely to be more feasible and contributive to the national economy than other traditional economies if equal attention is paid to its development and the necessary support it deserves is provided. Needless to say, pastoralism, as a threatened system more than ever before, deserves support, particularly at the macro level, as a conducive policy environment, backed by implementation of concrete government measures, is a crucial link to pastoral accumulation. In other words, pastoralism needs similar attention and support that the farming community is accorded by the government.

#### **I. Livelihood Diversification**

The process of accumulation in traditional formations, such as pastoralism and the peasant world, begins with livelihood diversification. Livelihood diversification has become the catchword these days. But livelihood diversification cannot be attained without a comprehensive approach and

without the necessary support mechanism put in place. The most crucial element in enabling livelihood diversification is assuring ownership of the most important component in the means of production; i.e. livestock in the case of pastoralists and land in the case of peasants. Ethiopian pastoralists are placed in a much better position than their peasant counterparts as livestock is still in their hands (not nationalized) and the land has not been privatized though the traditional form of communal ownership has not yet been restored.

Secondly, after more than a century of systematic marginalization by the central governments, actively supported by the modernization project by the World Bank and African Development Bank, pastoral life has been severely threatened without any alternative having been provided. Because pastoralists were pressured to change their way of life, the institutions of governance and social life that pass themselves as modern and other enterprises, such as commercial farms and wildlife parks, are all alien to pastoralists. Neither did the pastoral communities benefit from these institutions in terms of employment and social services. This alienation has created a situation where pastoralism, though threatened by modernity, was maintained.

It is important to stress that pastoralists are not resistant to change. They are only resisting a change that is being imposed on them. Otherwise, like all societies, pastoral societies are also dynamic and pass through changes. The riddle in terms of thinking social change within pastoralism is to recognize the tempo of this organic change and adopt a policy that is acceptable by the community, on the one hand, and that is realistic enough to generate economic surplus on the other. What is crucial in generating livelihood diversification is precisely the recognition of this fact: a policy that is accepted by the community.

In the process of livelihood diversification, individual members of a given pastoral community will only resort to moving towards another form of life and/or production system when they have some form of confidence and trust, or a form of social contract if you like, on the existing macro-economic policy. In other words, the individual pastoralist who has a large herd of cattle must say to himself: "Yes, now I can move to a different trade." This trust is absolutely essential to the process of diversifying the means of livelihood.

It is indeed clear that the process of pastoral accumulation that needs to start with the process of diversifying means of livelihood first of all requires a conducive policy environment. In other words, good governance

is at the core of the process. As one of the chief maladies in this country is the disparity between policy rhetoric and implementation on the ground, good governance that is crucial to pastoral accumulation in turn requires the institutions of good governance in place. One cannot have good governance with a pious wish on the part of policy-makers. This by itself is a huge undertaking, which cannot be in place in the sense that the accumulation process requires it. It is precisely this fundamental weakness on the part of the government that calls for rapprochement and mutual recognition and inter-dependence between governments and pastoralists. Such a *modus vivendi* and a *modus operandi* between the two is the key to other chronic problems that affect the process of accumulation as well as social development in general; namely, conflict.

Institutions of good governance are key to livelihood diversification that generates social development to end poverty and prevent famines. According to the current federal form of 'state', and given the low level of managerial and administrative capacity in pastoral regions, it is indeed essential to back the institutions of governance with professionals from other regions or change the ethnic criteria for placement of officials and professionals altogether. In fact, as pastoral regions have been forgotten for decades, they are the most marginalized, therefore impoverished, and, therefore, prone to any natural disaster. It is precisely for this reason that pastoral regions must be staffed with the best professionals that the country has, as there is a lot to be done there.

## II. Putting Market Mechanisms in Place

**Developing the scope of the market in general:** In the process of diversifying livelihood systems, the market plays a pivotal role. Without the mechanism to develop the market in place, individuals with the potential to be entrepreneurs cannot move on to a different form of livelihood. It is essential to put the market mechanism in place. This requires a number of undertakings on the part of the government. Let's not forget that we are here assuming good governance and its institutions are in place. Good governance by itself dispels the potential for conflict, which, in turn, positively affects the flow of primary goods and commodities. Being lenient enough to let the market flourish with essential goods and commodities is important. It is necessary to create the atmosphere of the prevalence of the market. This can be supplemented with human capital, a trained human power managing small-scale businesses. That, in turn, will introduce and boost increasing social necessities. The government can even learn from the South Korean experience and literally give cash to few

enterprising individuals to start businesses and show by way of such examples that one can succeed in business. The creation of such a mechanism, coupled with a general conducive climate, can attract pastoralists to move on to such business.

### **III. A livestock Market Mechanism**

Throughout, the fundamental demand of pastoralists has always been markets for their cattle. As recently as December 2003, pastoralists in Bale region, Oromiya, publicly demonstrated demanding access to market for their animals. Because, their demand for a market was not heeded, they were compelled to sell their cattle to market sights far away from their places and even resort to cross-border trade in neighboring countries. This kind of trade, they found, was not beneficial to them. So they still persist in their demand for a market that is beneficial to them. Lack of markets and other related mechanisms of trade, such as processing dry meat (for the local market) and modern meat processing (for export), has debilitating effects when calamities such as long drought occur, which invariably wipes out cattle, sometimes more than what the pastoralists have. In terms of cash and property, this is a huge loss.

The fact that an effective livestock marketing mechanism is crucial to pastoral communities is indisputable. But why is livestock marketing so crucial? It is crucial for four main reasons; (1) for pastoral food security at normal times, (2) as a lee way at times of drought (3) for pastoral [wealth] accumulation and (4) government revenue.

**3.1.** Pastoralists lead their life by entering into trade with other communities and exchanging their cattle for grain and for other necessities. In view of the dynamic nature of pastoral life in the face of an increasingly changing surrounding, pastoral communities will feel secure if they acquire cash that enables them to cope with the changing environment. Sending their children to school and having access to modern medical facilities are among the requirements to cope with the change. That, in the final analysis, will entail change in their children's way of life.

From the perspective of rights, too, pastoralists must have equal right with farmers who are accorded all the support that the government can muster in terms of enabling them to get access to the market. To lead a normal life, pastoralists need a market mechanism just like anybody else that is disposed to sell whatever surplus she/he has.

**3.2.** At times of a long drawn out drought, pastoral livestock face the risk of being wiped out. During the 1997-2000 drought, the Borana pastoralist community lost close to 67% of their cattle. At that point in time the worry was not to save the cattle, which was too late to do, but to save even a few of them for breeding in the future. The big problem that pastoralists face is how to dispense with their cattle in the face of such disasters. A few NGOs tried a project to process dry meat in exchange for cash to pastoralists.

Setting up a market mechanism for pastoral livestock is also helpful at such times of disaster. That will also reduce the urge on the part of pastoralists to overstock and encourage them to try another trade.

**3.3.** The most important necessity of an effective livestock marketing mechanism for pastoralists is the process of diversification of means of livelihood that leads towards accumulation. There are quite a number of conditions that may drive pastoralists towards diversification, namely, the threat that pastoralists face as a result of external dynamics and the dynamics of change within the communities. If good governance is institutionalized, imbued with a pedagogic mission that we are going to describe later, the confidence and trust of the pastoralists will grow, and that is an ideal factor for resorting to moving towards a different trade. The mentality of traditional communities is not easy to change, and certainly not from a distance. Pastoralists want to see that institutions of governance are there for them, to help them and their children and the community. And where governance has been associated with an administration completely alien to and unpopular with them, there is so much expected from the government in terms of policy and concrete practice to prove that it stands for the community.

**3.4.** There have been persistent reports since last year that the country loses close to 900 million ETB per year in revenue due to illegal, cross-border livestock trade. And as recently as June 22, 2003, the Head of the Somali Regional State officially accused the Federal Government as responsible for the illegal livestock trade, which could have benefited both the Regional as well as Federal governments with a good amount of revenue if things were otherwise. Simply put, and by way of reiteration, setting up a livestock marketing mechanism is useful not only to the pastoral community but to the governments as well.

Effective and efficient livestock marketing mechanism plays a crucial role in the pastoral [wealth] accumulation process. The existence of such mechanism will encourage pastoralists to start diversifying their livelihood

and, through time, start accumulating in a different trade. This paper contends that pastoral accumulation has a better chance of success than other subsistence economies due to some leverage that pastoralism has. What are these advantages?

- 3.3.1 In the first place, until very recently, Ethiopia used to have the largest cattle per head in Africa. Nevertheless, whether we are first or second is immaterial to the discussion at hand. What is important is that this is the wealth that Ethiopia has and is well known for. The country's livestock resources is a huge wealth whose value should be appreciated and, accordingly developed. is the gold that Ethiopia has. Developing a strategy of accumulation on the basis of availability of wealth is about the only logical, perhaps even natural course to follow.
- 3.3.2 Compared to the process of accumulation based on crop cultivation, what pastoral accumulation requires in terms of capital investment is much less. All that pastoralists have to do is bring their cattle to the market and all that the government has to do is set up a market mechanism.
- 3.3.3 Compared to the peasant sector, and given the required assistance form the government in terms of water harvesting, pastoral livestock production is much less precarious.
- 3.3.4 If properly strategized, there exists a vast natural resource to support pastoral accumulation. So many of the great rivers of the country pass through pastoral land and there exist other vast natural resources to complement and support livestock trade.
- 3.3.5 If the government succeeds in exporting cattle, given particularly the high demand for organic meat in industrial countries, Ethiopia can have a high foreign exchange earning through cattle export alone.
- 3.3.6 If the government itself invests in meat processing plants and such other accessories as leather production, or encourages investors to do so, that can increase the volume of pastoral cattle entering the market, thereby boosting the financial capacity of the community and enabling them to diversify their livelihood, send their children to school and have access to modern medication.

- 3.3.7 Having witnessed the precarious nature of peasant agriculture, there is increasing interest on the part of donors in pastoral development. This can enable the government to access donor funding if it comes up with a proper pastoral development strategy.

## **B. Tasks of the government**

Pastoral accumulation cannot materialize in the abstract. It should not be seen in what Amartya Sen refers to as 'physical terms'. It should rather be viewed as "a process in which the productive quality of human beings is integrally involved." Though Sen is not specifically referring to pastoral accumulation, the principle that he lays down is quite valid in a discourse on all forms of primitive accumulation. What is pivotal in pastoral accumulation is recognition of pastoralism as much viable a traditional form of life as the peasant sector is supposed to be. In fact the validity of the argument that the peasant sector is viable is quickly dwindling, as the sector, totally dependent on rain-fed agriculture, has increasingly and alarmingly become precarious as recurrent drought persists. What should be indisputable is the freedom of pastoralists to choose the kind of life they want to lead, a freedom proclaimed in Agenda 21. This freedom forms a basis for the alternatives available to pastoral accumulation.

The above argument must be connected to the general discourse on development. Development cannot take place without the freedom of individuals and communities to choose the kind of life they want to lead. This is fundamental. Otherwise, an undertaking with 'development' attached to it will be imposed on a community. Lack of freedom of choice will destroy any initiative that may pass for 'development'. Besides, freedom releases the capabilities of individuals and communities to manage their own lives the way they want to lead it. It is crucial for any undertaking to accept this, for it is this acceptance that must serve as the take-off point for development.

Accumulation also follows the same rule. At the center of development undertaking must be freedom and the expansion of that freedom to release the inertia of the masses and develop their initiative and creativity. The greatest damage that comes in this respect is the slightest attempt to undermine the freedom of the masses. As Sen (1999: 295) argues,

If, instead, the focus is, ultimately, on the expansion of human freedoms to live the kind of lives that people have reason to value,

the role of economic growth in expanding these opportunities has to be integrated into that more foundational understanding of the process of development as the expression of human capability to lead more worthwhile and more free lives.

The emphasis on settlement as a solution to pastoral poverty and underdevelopment must be deconstructed on the basis of the above postulate. Settlement is an imposition and does not value pastoral livelihood system as viable. The very idea of settlement provokes hostility, as it tramples underfoot the freedom of pastoralists to make a choice of the type of life that they value under the historical circumstances the country is in. A pastoral elder said recently: "Please, don't tell us three things. The first is settlement . . ." The objection to settlement as a solution is not advanced out of some social-anthropological fantasy of romanticizing pastoralism. It is because settlement fundamentally tramples underfoot the freedom of pastoralists, which undermines their capabilities to overcome, the best way they know, the problems that they face.

Let's now return to the tasks of the Government. Indeed, what we described above cannot be realized without the active and conscious role of the Government. There are crucial areas where governments can make interventions to assure the success of pastoral efforts towards livelihood diversification and accumulation. We cannot help but be naive when it comes to expecting the government to do what it has to do. Let's broadly enumerate these tasks that are strategic and historical.

**i. Policy consultation:** It is absolutely imperative that the Government form policy forums where pastoral development strategies and policies shall be discussed at the Federal as well as at Regional levels. At the Federal level it is important that the Government forms a national pastoral development policy forum where all stakeholders of pastoral development, including academics, participate. At Regional levels, pastoral development policy forums can also be established to look closely at the development process in the respective regions.

**ii. Conducive environment:** As described above, an enabling policy environment is a crucial component for the pastoral accumulation process.

**iii. Livestock Trade Promotion:** The Government needs to conduct an intensive, effective and professional trade promotion, particularly in Western Europe and the Arab World, as regards marketing livestock, leather and associated commodities. It has to target specific countries where it can have access to their market. Needless to say, this task is

## Pastoralism and Accumulation

difficult, as European countries follow a policy of protecting their agriculture. Which, then, means that the task requires lobbying through civic organizations in Europe.

In the Arab World and in the Gulf countries, in particular, there was livestock trade boycott against Ethiopia for fear of the Rift Valley Fever that beset neighboring Kenya. Under such circumstances it is important to launch trade promotion campaign assuring that such and such cattle diseases do not exist in Ethiopia.

**iv. Abattoirs and Related Industries:** Except cities like Addis, most towns in Ethiopia are supplied with meat that is not processed in abattoirs and is, therefore, not hygienic. These local markets need a constant supply of clean meat. If there is a market that has the high potential to develop, it is that related to meat consumption. This is mainly because the diet of Ethiopians, by and large, is meat, whenever it is affordable, of course. Establishing modern abattoirs equipped with refrigeration can be a huge asset in developing the meat market, thereby ensuring the pastoral community constant income.

In the same vein, supply of dairy products on a regular basis is a typical feature of Addis Ababa and its close environs. If dairy product processing plants are established in locations adjacent to pastoral areas, the many towns of Ethiopia can be assured of constant supply of milk, yogurt, cheese and other dairy products, thereby benefiting the community as well as the business community, or whoever owns the dairy industry. The same can be said of the tannery industry.

**v. Livestock health:** In the face of the existence of various forms of cattle diseases that can also affect humans, it is absolutely crucial to launch a large-scale and permanent campaign to ensure the health of the country's livestock. The Government has to invest in training programmes to produce veterinarians and community animal health workers, liberalize its rules and allow veterinary privatization through a credit system, institutionalize a system of surveillance of diseases, and so on.

**vi. Supporting programmes:** The Government also needs to support the pastoral livestock production system, just as it does to peasant communities through its agricultural extension programmes. It has to promote human health services, education--mobile schools in particular, water development, and so on.

**vii. Cooperation with NGOs:** NGOs have an immense role to play in pastoral development. The Government has to recognize this and come into active cooperation with them. NGOs have the expertise and experience in pastoral development that the Government can tap and put to good use.

### **C. Strategic interventions**

There are concrete measures that the Government can take as a first step towards facilitating pastoral accumulation and development process in pastoral regions as a whole. Needless to say, the following proposed measures require the Government to make a radical change in its own perceptions and revise some of its policies that had already proved unworkable.

#### **1. Quality staffing**

In line with the argument we have started above, the amount and scope of development work need to be undertaken in pastoral regions--as the most marginalized areas--is enormous. The required development work in the main is new and broad, and some aspects of it might require a radical reform. In such an undertaking the quality of government staff and technocrats required is very high. In fact, the brains of the country, the highly qualified professionals, are required for such an undertaking. Quality staffing in the institutions of governance is one of the prerequisites.

#### **2. Specialized Education**

Some areas of specialized skill needs that are pivotal to the process of the development of the accumulation process as well as to development in general must be identified. They could involve vocational training, or even a long-term education. Training community health/veterinary workers is one indispensable component, for instance, while management training is another. The overriding idea must be to train qualified professionals and personnel, however few in number.

#### **3. Creating Entrepreneurs**

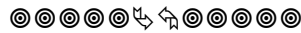
While it is true that accumulation is a long process, the Government can, however, accelerate the process by creating entrepreneurs itself. It can select enterprising and professional/qualified individuals from the pastoral community and give them a lump sum to invest it in the way that is productive to themselves, to the community and to the country at large. Once successful, these individuals can return the money to the treasury. This could have its risks like any other business but it is possible to create

safety nets to avoid disasters. The Government can enter into a contract in which it can be involved at the initial phase of the investment with the sole purpose of monitoring and averting disasters. Care must be taken so that such undertaking won't assume the form of the existing parastatals.

### **Conclusion**

In conclusion let me say that if Ethiopia is home to the largest livestock per head in Africa, only next to the Sudan, its livestock wealth is indeed a big asset that needs to be utilized. Our livestock wealth is our gold, a treasure that has not been given the attention it needs, as has been indicated above. The above-mentioned suggestions do not even require as huge a budget as that required for enhancing crop cultivation and the many extension programmes designed for the peasantry.

We must learn from Botswana. Before the acquisition of diamonds, which became Botswana's major foreign exchange earning commodity, the country used to depend on its livestock industry. The livestock industry was the single most important area of the national economy, which Botswana depended on. Ethiopia can learn from Botswana by developing its livestock industry, thereby benefiting the pastoral community, the business community as well as the revenue earning capacity of the Government.



Pastoral Development in Ethiopia

**LIVESTOCK MARKETING AND PASTORALISM**

By **Belachew Hurrissa**  
**Market Research and Promotion Department Head, Livestock  
Marketing Authority**

---

**1. Introduction**

Ethiopia's agro-ecological zone is roughly divided into two major parts. The highlands, with an altitude of over 1,500 meters above sea level and the lowlands, with an altitude of less than 1,500 meters above sea level.

In the lowlands, where pastoral management system is practiced, livestock is the principal source of subsistence, providing milk and cash income to cover family expenses for food grains and other essential consumer goods. Further, the lowland pastoral areas have been the traditional source of export animals, due to surplus output and preferences of the Middle East countries for the particular breeds.

The lowlands pastoral areas account for 61 per cent of the total landmass of the country. These areas mainly cover the peripheral regions, mainly bordering Kenya, Somalia, Djibouti and Eritrea. The major ones are those of the Somali and Afar Regional States and the 33 districts of Oromiya, including Borana and Gujji zones.

The lowland areas are characterized by low and erratic rainfall, with annual range of 200-700 mm, and temperatures between 15 and 50°C.

With respect to livestock resources, the pastoral areas are home to 12-15 per cent of the total population (Southern Tiers Initiatives- STI/LEAP, 2003).

This paper mainly focuses on livestock marketing practices, marketing features and structures, past and current market development interventions, the market link between the national marketing setup and cross-border trade. The paper sums up by recommending ways forward in developing organized marketing systems in the pastoral areas.

## **2. Background to the Ethiopian Livestock Industry**

Based on the previous Central Statistical Authority (CSA) data, the total livestock population of the country is estimated at 35 million heads of cattle, 24 million heads of sheep, 18 million heads of goats and 1 million camels. Of these resources, 20% of the cattle, 25% of the sheep and 73% of the goats and 100% of the camels the country boasts are found in the lowland pastoral areas. Based on these rates, the pastoral livestock resources are estimated at:

- 7 million Cattle,
- 6 million sheep,
- 13 million goats and
- 1 million camels.

Although complete census data are not yet available for all Regional States, the data released by CACC (2003) indicate that the livestock resources of Addis Ababa, Amhara, Benishangul, Dire Dawa, Gambela, Harari, Oromiya and Tigray Regional States comprise:

- 31.8 million cattle,

#### Livestock Marketing and Pastoralism

- 10.9 million sheep,
- 10.1 million goats and
- 0.2 million camels.

Comparing these figures to the existing national figures, cattle account for 90.6%, sheep for 45.4%, goats for 56.1% and camels for 20%. Thus, the determination of the current size of the national livestock resource and that of the pastoralists will depend on the census results of Afar, Somali and Southern Nations, Nationalities and Peoples Regional States.

Livestock are sources of food (milk, meat, and eggs), draught power, fertilizer and fuel, cash income and wealth accumulation (living bank) at household levels. Livestock contributes about 33% to the agricultural GDP and 16% to the national GDP. Livestock and livestock products are also the second major foreign exchange source, accounting for 12-17% of total foreign exchange earning of the country. As this paper focuses on pastoral livestock marketing, and because the pastoral areas are the major supply sources for animal export, the foreign exchange contribution of the sub-sector is discussed in detail in the following sections.

The export commodities of the sub-sector include live animals, meat and meat products, dairy products, hides and skins, leather products, honey and wax, and civet. Of these, the major foreign exchange generator is hides and skins. Despite such diversified resource potential for exports, over the years 1994-2002, the country had earned only a total of USD 27.6 million, or on the average USD 3.1 million per annum from the export of livestock and meat (Table 1).

During the period under discussion, hides and skins accounted for 91.4%; meat for 4.5%, live animals for 1.8% and the rest for 2.3% of the foreign exchange income generated by the-sub sector.

**Table 1. Livestock and Livestock Products  
Exports by Quantity and Value (1994-2002)**

Products	Quantity (tons)	Value '000 USD
1. Livestock	8,909	7,841

1.1. Bovine	1,754	1,764
1.2. Sheep & Goats	5,456	5,550
1.3. Others	1,699	527
2. Meat & Meat Products	<b>11,360</b>	<b>19,743</b>
3. Hides & skins	<b>79,958</b>	<b>401,998</b>
3.1. Hides (semi-processed)	22,379	49,149
3.2. Skins (sp)	55,831	334,259
3.3. Leather Products	1,748	18,590
4. Dairy Products	21	89
5. Natural honey	22	75
6. Bees wax	3,178	7,859
7. Civet	5	2,064
<b>Total</b>	<b>103,462</b>	<b>439,669</b>

**Source:** Computed from Export Promotion Agency's raw data.

### 3. Objective of the Study

The objective of this paper is mainly to review past and current market development interventions, opportunities and challenges of livestock marketing in the pastoral areas of Ethiopia and to recommend the way forward in developing organized marketing systems.

### 4. Data Sources and Methods of Collections.

Information included in this paper is based on published and unpublished data collected from different offices and Web pages. The information has been tabulated, analyzed and interpreted as given in different sections of the paper.

### 5. Livestock Marketing Features and Structures

#### 5.1. Features

Unlike other agricultural products, marketing of livestock and livestock products involves risks and high maintenance and transport costs. In moving animals from place of origin to marketplaces and from one market to another and end users, the animals will lose weight, could be sources of disease transmissions or could be exposed to diseases, and could pollute environments. Livestock also requires special market facilities, including market places, water and feed supply, shades, health posts, etc. Under strict movement controls, there is a need for movement permits, which incurs costs and consumes time in search of veterinary officers. In cases of export, stringent health requirements are also another burden on livestock marketing.

## **5.2. Domestic Marketing Structure**

Marketing of animals by pastoralists is basically a function of their basic needs, such as food grains, clothing, health care and fallback during periods of drought. In times of drought, market terms of trade for pastoralists sharply decline. Thus, lack of Governmental and NGO market interventions at times of droughts adversely affect the livelihood of the communities.

Generally, the domestic livestock marketing structure in the country follows four tiers; namely bush, primary, secondary and tertiary/terminal markets. These tiers involve relatively large number of market participants, leading to increased marketing costs and lowering returns to the primary producers, the pastoralists.

## **5.3 Export Markets**

Livestock are exported through formal channels where live animals are directly exported, or in the form of chilled or frozen meat carcass. The other channel of export is the informal and traditional live animal export across borders.

# **6. Livestock Marketing and Pastoralism**

## **6.1 General Concept**

Before discussing the relationship between livestock marketing and pastoralism, it is of paramount importance to look into the basic concept of pastoralism, as conceived of by different scholars in the field. These concepts are indicated below:

“Pastoralism is a land use where the land cover that is acceptable to livestock - the pastures - is harvested by these self-propelled ruminants. Compared with the interventionist, technologically based and intensive activities of agriculture, pastoralism is passive and relaxed. It is also an extraordinarily efficient method of producing red meat and fiber (wool).”

“Pastoralism is an economy based on herding. Pastoralists maintain herds of animals and use their products to support themselves directly and to exchange with other civilizations.”

“Pastoralism is above all a cultural system, and the close relationship between people and animals is essential to its persistence.”

"Pastoralists make substantial contributions to the economy of developing countries, both in terms of supporting their households and in supplying protein to villages and towns. Their economic system is constantly threatened by the globalization of the trade in livestock products and unstable import policies in many countries. Broadly speaking, the trend in this century has been for the terms of trade to increasingly turn against pastoralists."

According to the Borana rangeland specialist, D.L. Coppock (1994), the uncertainties of rainfall and primary production in the rangelands have promoted animal-based life styles that enable people to be mobile and opportunistic. Thus, pastoralism may be understood as a social organization based on livestock raising as a primary economic activity. It is an economic and social system that incorporates highly refined resource management, productivity, trade and social welfare mechanisms.

## **6.2. Marketing Decisions**

In pastoral areas livestock are considered as a means of wealth accumulation and as indicators of status in the societal hierarchy. Thus, livestock sales decision-making usually depends on family needs for cash income, which is used to buy food grains and other essential commodities, such as clothing, and to cover social expenses, including weddings, funerals; human and animal health care, etc.

Occasionally, seasonal shortage of rainfall, due to its impact on feed availability, forces higher supply to the market. This forced supply is constrained by the inability of the pastoralists to plan sales in accordance with market needs (Belachew & Jamberu, 2002).

## **6.3. Marketing Link with the Highland**

Unlike the pastoral areas, the highland areas of the country are short on livestock resources, particularly cattle, due to high population density, the demand for beef and draught power. Thus, cattle are usually supplied from pastoral and agro-pastoral areas to both rural and urban markets of the highlands to meet these demands.

The other marketing link between the two production systems is the flow of shoats to the export abattoirs, which are located at Debre Zeit, Mojo and Metahara towns of East Shoa Zone of Oromiya, along Addis Ababa-Harar road axis. These export abattoirs altogether have slaughtering capacities of 7,800

shoats per day, or 2, 454,000 per annum. Despite their limited number and spatial distribution, the abattoirs can still serve as sustainable, reliable and organized market outlets for pastoralists. To substantiate their roles as market outlets, the number of throughputs has been analyzed, as indicated in the following table.

**Table2. Comparisons of Export Abattoirs Slaughter Capacities and Throughputs ('000 heads)**

Years	Capacities	Throughputs	Capacity utilization (%)
1998/99	936	291	31.1
1999/00	936	298	31.1
2000/01	1431	246	17.2
2001/02	1431	198	13.8
2002/03	2454	325	13.2

*Source:* Computed from Raw Data collected from the Exporting Firms and Oromiya Bureau of Agriculture.

However, the flow of livestock from the pastoral areas to the highland is not as it should have been, and this is attributable to absence of market information, poor economic infrastructure development, such as roads, relatively high land-transport and transit costs, weak economic and marketing links between the two production systems.

#### **6.4. Marketing Link with the Neighboring countries**

The major pastoral areas have common borders with the neighboring countries, including Djibouti, Eritrea, Kenya and Somalia. Location advantage, proximity to the strategic livestock markets and sea ports, ethnic similarities, common languages, social and cultural relationships with the communities across the respective borders and weak economic and market bondages within the country have created conducive situations for market links across the borders. The neighboring countries bordering these areas either consume locally or re-export to the Middle East countries what they have imported.

At the grass roots level, what matters for the pastoralists is getting markets for their livestock and availability of other essential commodities in the local markets or shops. Therefore, provided these variables are taken care of, it matters not much whether the livestock are sold domestically or across the borders.

But it makes a difference at the national level, as the country foregoes hard currency revenue as a result of informal cross-border trade. A study made by

LMA (2001) indicates that the country loses over the equivalent of 106 million USD annually through informal cross-border trade of livestock and livestock products. According to that study, the annual outflow has been estimated at:

- 325,800 heads of cattle;
- 1,150,000 heads of sheep and goats;
- 16,000 heads of camels;
- 150,000 pcs of hides; and
- 300,000 pcs of skin.

### **6.5. Livestock Supply Potentials**

Exported livestock are exclusively sourced from the pastoral areas. Belachew (2002) has computed that the pastoral areas can on an average annually supply:

Cattle = 1.1 million heads;  
Sheep = 2.1 million heads;  
Goats = 5.0 million heads; and  
Camels = 70.0 thousand head.

Deducting domestic demand and the female animals, there is a potential for exporting on the average:

Cattle = 404 thousand head or 44,440 tons of meat;  
Sheep = 700 thousand heads or 7,000 tons of lamb and mutton;  
Goats = 1.8 million heads or 16,200 tons of meat;  
Camels = 23 thousand heads or 4,830 tons of meat.

If these resources are exported live, they could generate foreign currency equivalent to USD 152 million annually. On the other hand, if the resources pass through a value-adding channel, where meat and tanned hides and skins at pickled stage are exported, the country could earn a foreign currency equivalent to USD106 million from meat and 8 million from hides and skins.

Taking into account the market supply potential, and comparing the livestock market linkages of the pastoral areas with the domestic market through formal channels and the neighboring countries through informal cross-border trade, one can deduce that the marketing linkages with the neighboring countries are substantial, particularly with regard to cattle, which constitute as high as 44% of the marketable potential (Table3). As there are no records, it has been difficult to compute cattle flow from pastoral areas to the highlands. Similarly, except the flow to the export abattoirs, the flow of shoats to the highland has

not been determined due to the absence of recorded data. However, because of less demand especially for lowland sheep in the highlands, the inward flow is minimal. Still, considering the relatively higher percentage of outward flow, it should be an agenda both for the Government and NGOs involved in pastoral development activities to look into the possibilities of formalizing and developing regional livestock trade in order to create conducive terms of trade for the pastoral communities.

**Table3. Comparisons of Domestic and Informal Cross-Border Livestock Marketing with Potential Marketable Resources**

Resources	Units	Supply Potential	Formal Channels	Cross border	Formal share (%)	Informal share (%)
Cattle	million	1.1	n.a.	0.33	n.a.	30.0
Shoats	Million Heads	7.1	0.27*	1.15	3.5	16.2
Camels	'000 Heads	70.0	n.a.	16.00	n.a.	22.9

Note: - \* is an average of 5-year Shoat supply to Export Abattoirs.

## 7. Market Interventions and their Impacts

To generate substantial benefit from the resources and improve the livelihoods of the pastoral communities, the Government of Ethiopia has been undertaking various livestock development projects.

### 7.1. Past Interventions

The most important of past livestock and market development interventions in the pastoral areas were:

- **Second Livestock Development Project:** as a result of which the Livestock and Meat Board was established to develop the sector through improved management and infrastructure development. In its life span, the Board has succeeded in constructing market infrastructure (market places, livestock routes, quarantine stations, abattoirs) establishment of ranches, marketing operations and implementation of rules and regulations that guide the development of improved marketing in the sub-sector.
- **Third Livestock Development Project:** one of its major objectives was to enable peasants fatten young bulls through balanced feed supply.

Young bulls to be fattened on pasture and grain by-products were purchased from surplus lowland areas and distributed to farmers in the highland areas on credit terms.

- **Fourth Livestock Development Project:** had a component of improving feed supply through the introduction of improved forage seeds and implementation of pasture development techniques.
- **Livestock and livestock Products Market Development Department of the Ministry of Agriculture:** had a main objective of developing market information system in selected livestock markets, collecting market information and creating equitable access to all market participants. Further, the department used to provide technical advice concerning marketing of livestock and livestock products.

Taking export performances as indicator, as a result of these interventions, the country had shown a modest success in exporting some 10,292 cattle and 138,621 shoats annually in the 1980s (Belachew, *et al.*, 2002). However, the interventions have neither resulted in creating organized and reliable marketing system nor brought about significant changes in the living standards of the producers, especially the pastoral community. Unlike the 1980s, the export operations through the formal channel in the 1990s had substantially declined, which could be attributed to policy changes and freezing of the export subsidy.

## 7.2. Ongoing Interventions

To develop the export market and to create reliable and organized livestock marketing system that could contribute towards the improvement of the livelihoods of the primary producers, particularly the pastoralists, the Federal Democratic Republic of Ethiopia has taken an action and established the Livestock Marketing Authority, with the mandate of promoting the domestic and export marketing of animals, animal products and by-products through increasing supply and improving quality.

Over the last 4 years of its operation, the Authority has taken some encouraging actions that include:

- Internal supply situation assessment;
- Surveillance of strategic export market situations of the Middle East and that of Africa;
- Production of quality-products handling and export slaughterhouse operation manuals;

- Establishing of market information system/networks, including a Local Area Network system at LMA and a pilot livestock market information project covering five market areas of Borana, Gedeo, East-Shewa and Addis Ababa;
- Empowering of export operators through establishing an Association that plays roles in bringing the economic operators together and with the Government;
- Creation of pastoral livestock-supply-vertical linkage with the export abattoirs, in collaboration with Global Livestock - Collaboration Research Support Program (GL-CRSP), Action for Development (AFD), Oromiya Pastoral Development Commission (OPDC) and CAPE unit of PACE.

In addition to the Federal Government's interventions through LMA, the Ministry of Federal Affairs is coordinating pastoral development interventions, which have both direct and indirect impact on market development. The Federal Cooperatives Promotion Commission is also involved in the formation of marketing cooperatives.

Non-governmental organizations, such as GL-CRSP, Volunteer in Overseas Cooperative Assistance (VOCA), Save the Children Fund/ USA (SC/US), Southern Tier Initiative/ Livelihood Enhancement of Agro-Pastoralists and Pastoralists (STI/LEAP), OXFAM, and Farm Africa include either market information, infrastructure development, promotion of cooperative formation or all, as part of their pastoral development programs.

However, a review of the Government's market development interventions in the pastoral areas reveals that organizations similar to (Livestock Marketing Authority (LMA) are lacking both at the National Regional Governments and Woreda levels, without which the grassroots market development intervention dissemination is difficult.

It has also been observed that NGO interventions are non-coordinated among themselves and between them and governmental development operators. Moreover, their marketing components are not market development-focused but used as indicators for relief early warning.

## **8. Opportunities and Challenges**

### **8.1. Opportunities**

Geographical locations provide the pastoralists with opportunities for accesses to both the domestic and regional markets. Although the national market may

not absorb the marketable livestock resources from the pastoral areas for domestic consumption, the organized export abattoirs currently have the capacity for dressing over 2.45 million shoats annually, which account for 31.8% of potential supply. The remaining balance of 68.2%, still has to be either exported alive or dressed into meat for export. Therefore, market development for pastoralists should focus on developing the export industry both regionally and to the Middle East.

The Middle East annually imports 831.66 thousand mt of meat; 12.66 million heads of shoats; 159.96 thousand cattle and 29.02 thousand camels. The average annual revenue from these imports by the Middle East amounts to about USD1.94 billion (Belachew and Stuart, 2003).

Overall, the opportunities of livestock marketing for pastoralists could be stated as:

- Resource availability;
- Demand availability both regionally and in the Middle East;
- Proximity to the markets of neighboring countries;
- Development of export-abattoirs within the country and their substantial demand for lowland animals, especially shoats;
- The tendency of both the government agencies and the NGOs to work towards integrating the pastoral marketing cooperatives with the export abattoirs supply chains.

## **8.2. Challenges**

Despite the above-mentioned opportunities, the pastoral communities of Ethiopia face various challenges/ threats in marketing their livestock and livestock products.

The presence of sufficient infrastructure is of paramount importance for efficient marketing of livestock, as they link producers with consumers, processors and exporters. However, market infrastructures, such as roads, stock routes, resting places and quarantine stations are either poorly developed or virtually absent. Further, none of the few export abattoirs in the country are located in the pastoral areas, which are the main supply sources. Proper livestock transport facilities, except those possessed by export abattoirs, do not exist. Thus, trekking animals takes longer time, while transporting them by ordinary trucks is too costly and results in bodily injuries and weight losses.

The marketing system is not well developed to enhance efficient marketing. Grading and standardization, market information system, promotional

activities and planned marketing, which are all attributes of efficient marketing, are not adequately developed to enhance efficiency in the continuous flow of livestock from production areas to terminal markets.

There are different trans-boundary livestock diseases that affect the productivity and marketability of the resource. Over the past few years, the country has lost a substantial market share and foreign exchange earnings because of frequent bans by the Middle East countries due to the Rift Valley Fever and Mad Cow Disease outbreaks, respectively, in the Republic of Yemen and U.K. The prime victims of the ban are the pastoral communities of Eastern Africa, including those of Ethiopia.

Although there are different seaports of neighboring countries suitable for live animal exports, officially, the country is using the port of Djibouti as outlet. However, the port is ill equipped for handling large numbers of livestock, as it lacks adequate facilities, such as holding grounds, water and feeding facilities. Moreover, labor and other service charges are relatively higher than that of Berbara. Ports like Berbara are strategic for exports from Eastern Ethiopia, but lack of stability and a recognized national government in Somalia is the major hindrance.

As discussed earlier, the marketing link with the neighboring countries through the informal, cross-border trade is substantial. This could have been further exploited had there been formalized regional livestock trade among the Eastern African countries. Absence of such formalized trade adversely affects the pastoralists, as the Government considers the operation as illegal.

Lack of market-oriented production system is another drawback in developing organized marketing systems. Pastoralists consider their livestock as a means of savings or capital accumulation. They sell livestock when the need arises for cash income, or when shortage of feed and water occurs. There is no effort to strategically produce for the market by adjusting and planning production to market needs.

Further, the scattered, individualistic production system is exposed to the vagaries of natural conditions (drought, disease outbreak, etc.), which frequently affect the herd size and outputs.

Market development in the pastoral areas of Ethiopia is directly related to the development of the export industry. Thus, the overall challenges in developing livestock marketing systems in pastoral areas of the country are basically attributed to underdevelopment, lack of market-oriented production systems,

low level of export industry development and lack of entrepreneurial capacity by the stakeholders.

As discussed above, the major challenges are:

- Poorly developed market infrastructures;
- Inadequate and inappropriate road transport facilities;
- Poorly developed port facilities;
- Few and unevenly distributed export abattoirs;
- Absence of market information and promotional activities;
- Presence of trans-boundary animal diseases;
- Repeated import bans by the major importing countries;
- Lack of formal trade among the neighboring countries;
- Natural disasters (drought, famine, wars).

## **9. Conclusions and Recommendations**

The Ethiopian pastoral areas are endowed, among other things, with livestock resources, which have relative demand in the neighboring and strategic Middle East markets. Despite such facts, the pastoral community leads a backward life and is ever prone to food insecurity. This could be reversed if development interventions are integrated with market development and the pastoralists are sensitized to focus on market-oriented livestock production systems.

In order to realize the available export potential, the various supply and marketing problems should be understood so as to devise measures. Further, the external challenges need to be overcome through need assessment and promotional activities. Thus, the following recommendations are put forward to develop markets and improve the living conditions of the pastoralists.

### **9.1. Disease Control**

In order to avoid the frequently imposed import bans and increase exports, major diseases should be controlled through the strengthening of the present veterinary services, by increasing access to vaccination. The pastoral areas should be given special attention and considerations and developed into disease-free zones, as they are source of export animals.

### **9.2. Creating Market Awareness among Pastoralists**

The traditional marketing system, where cattle are sold only when need arises, should be developed into market-oriented production system that takes into account market demands and profits.

### **9.3. Infrastructure Development**

Efficient marketing requires improved infrastructure that allows for efficient flow of livestock, processing and marketing. The major infrastructures for livestock marketing include livestock routes and transportation facilities, improved slaughter-houses, livestock resting sites, and storage and quarantine facilities at required sites. This further requires development of regulations on standards and procedures and encouragement for the private sector.

### **9.4. Revitalizing the Private Sector**

Irrespective of Government initiatives to strengthen investment and trade, the number of participants and their entrepreneurial capacity is inadequate to promote production, and exports.

Therefore, special attention should be given to studying the weaknesses and formulate policies to create a capable private sector that can handle the production, transportation, processing and export activities effectively.

### **9.5. Formalizing Trade with Neighboring Countries**

Ethiopia's neighbors, such as Kenya and Djibouti, are in livestock supply shortage in their domestic markets and balance the demand-supply gaps through informal and traditional cross-border imports from the neighboring countries. Somalia has also benefited from the illegal cross-border trade by re-exporting the animals. Therefore, it will be beneficial for all parties to look into the possibilities of creating mechanisms of formalizing the existing traditional and informal trading practices.

### **9.6. Creating Market Information System**

The existing livestock markets are loosely integrated due to lack of sufficient market information. Thus, a market information system is required that allows stakeholders to get information on quantity and price, both on the domestic and foreign markets.

### **9.7. Promoting Pastoral Marketing Cooperatives Formations**

Marketing cooperatives play significant roles in providing basic commodities, needs and marketing of livestock and livestock products. Pastoral marketing cooperatives play significant roles, especially in shortening the marketing chains and raising producers' share of consumer prices and creating marketing links between the pastoralists and the highland areas of Ethiopia. This has already been proved by the supply chain integration with the export abattoirs, from where shoats flow northward from Borana, and other commodities like sugar flow southward.

### **9.8. Financial Support**

The available bank credit facilities are inadequate and require long bureaucratic procedures. This deprives the farming communities as well as the pastoralists from using the facilities, as they demand collaterals. Therefore, it is necessary to establish and strengthen rural credit facilities that could take into account the pastoral production systems.

### **9.9. Conducting Market Research**

To understand the livestock marketing practices and come up with market-oriented development interventions, it is proposed that the following research agendas be given due considerations:

- Studying the livestock marketing behavior of the pastoralists;
- Studying livestock marketing in the pastoral areas: assessment of market structure, performance and development options;
- Identifying the constraints and root causes of Ethiopia's low performance in livestock and meat trade;
- Identifying and designing strategies for creating sustainable economic and marketing links between the pastoral and highland areas;
- Identifying policy issues that have hindered marketing development in the pastoral areas.

## **References**

Ahmed Mahamud and Belachew Hurrissa (2002). Livestock Production and Marketing Between Ethiopia and Her Neighboring States. Paper presented at a Workshop on the theme "Trade Opportunities and

Livestock Marketing and Pastoralism

Challenges in Eastern and Southern Africa (ESA)," July 9, 2002, Addis Ababa, Ethiopia.

Belachew and Stuart. 2003. "Livestock Export Zone Study: Technical Requirements and Cost Benefit Analysis (Ethiopia & Uganda) and Potential Export Markets for Meat and Livestock." Oct. 2003, Nairobi, Kenya.

Belachew Hurrissa. 2002. "Livestock and Meat Marketing Systems in Ethiopia: Features and Chains." Paper presented at Livestock Marketing Information System Sensitization Workshop. December 6 & 7, 2002, Adama.

Belachew Hurrissa and Jemberu Eshetu. 2002. "Challenges and Opportunities of Livestock Marketing In Ethiopia." Paper presented at the 10th Annual Conference of Ethiopian Society of Animal Production (ESAP), Addis Ababa, Ethiopia, 22-24 August 2002.

CACC, 2003. *Statistical Reports on Livestock and Livestock products*. Various Volumes. Addis Ababa, Ethiopia.

Coppock, D. Layne. 1994. *The Borana Plateau of Southern Ethiopia: Synthesis of Pastoral Research, Development and Change, 1980-91*. ILCA System Study 5. ILCA, Addis Ababa, Ethiopia.

ILRI. 2002. *Livestock Marketing In Ethiopia: A Review of Structure, Performance and Development Initiatives*. Socio-economics and policies Research Working Paper No. 52, ILRI, Nairobi, Kenya. 29pp.

LMA and ILRI, 2003. *Live Animal and Meat Marketing in Ethiopia: A Review of Structure, Performance and Development Initiatives*. Socio-economics and Policy Research Working Paper 52, Addis Ababa, Ethiopia.

LMA, 1999. *Market Problems and Measures to Be Taken*. Addis Ababa, Nov. 1999.

\_\_\_\_\_. 2000. *Port facilities For Livestock Export at Djibouti: Facilities and Service Charges Assessment Report*, Feb. 2000, Addis Ababa.

\_\_\_\_\_. 2000. *Middle East Livestock Market Surveillance Report*, May, 2000, Addis Ababa, Ethiopia.

Pastoral Development in Ethiopia

\_\_\_\_\_. 2000. Port Facilities for Livestock Export at Barbara: Facilities and Service Charges Assessment Report, July, 2002.

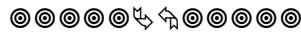
\_\_\_\_\_. 2001. *Illegal Livestock Trades In South, South East and Eastern Ethiopia*. Market Research and Promotion Department, June 2001, Addis Ababa.

\_\_\_\_\_. 2001. Brief Baseline Information on Ethiopian Livestock Resource and Trade, Addis Ababa

Livestock and Meat Board (LMB). 1973. The Marketing of Livestock and Livestock Products During the T.F.Y.P and the Projections in the F.F.Y.P. Livestock and Meat Board. Addis Ababa, Ethiopia, Dec. 1973.

National Bank of Ethiopia. 2002. Summary of Exports Volume and Value of Live Animals, Meat and Meat Products, Sept. 1998-May 2002. Addis Ababa, Ethiopia, July 2002.

STI LEAP S/C, USA. 2003. *Report on Household Baseline Survey In Borana, Afder and Liben zones*.



**MICRO-FINANCE AND PASTORALISM**

By **Abdi Ahmed**

**Rural Organization for Betterment of Agro-Pastoralists (ROBA)**

---

**1. Introduction**

This paper is about micro-finance and pastoralism and its contribution to reducing income poverty, building assets, reducing the vulnerability to

external shocks of disadvantaged and marginalized groups of people i.e. the pastoralists and women, and empowering them to choose when and how to access other development benefits, such as health and education.

Serving and supporting pastoral economy through provision of micro-finance may seem to be mission impossible to formal financial institutions in Ethiopia. This may be due to the non-existence of any knowledge of social organization and a working model or blue print to support the practicality of micro-finance in pastoral areas.

Targeting pastoralists refers to the strategy of setting up services in areas with high concentration of poor and vulnerable people and marginalized groups. Often, this implies working in remote areas with poor infrastructure, which are not served by conventional financial systems. These areas are even avoided by regular micro-finance institutions.

However, the recent effort made by a few NGOs presents not only an excellent example for those conventional financial systems and MFIs that did not believe in the practicality of micro-financing in pastoral areas but also provide a foundation on which the infrastructure of pastoralist-focused micro-finance program could be built by the banking industries and MFIs.

## **2. Background**

### **2.1 An overview of the Ethiopian Economy**

The fact is that Ethiopia's economy is predominantly agricultural and agriculture's contribution to the overall national output, employment and total export of the country is evident. Agriculture accounts for about 50% of the country's GDP, 85% of the employment and 90% of the total export earnings. The Ethiopian economy has, particularly during the past three decades, suffered varying degrees of near stagnation and, at times, outright decline. The recurrent drought, the obsolete farm implements, and lack of modern inputs and additives and the pursuit of misguided economic and social policies were among the major factors that jointly spelled doom for the Ethiopian economy and placed it in the dismal situation it finds itself in.

According to the World Bank's estimate, Ethiopia is among the least developed countries in the world. The UNDP's Human Resource Development Report of 2002 ranks Ethiopia 159<sup>th</sup> out of 162 nations with a Human Development Index (HDI) of 0.321, compared to HDI of 0.467 for Sub-Sahara Africa. Its Gross National Product (GNP) was UDS 6.4 billion, while its per capita income was USD 110 per annum. This is because the country has a very high rate of

illiteracy, very low primary school enrolment ratio, very low income, inadequate potable water supply and sanitation facilities, high child and maternal mortality rate and low life expectancy.

The pastoral areas in Ethiopia occupy about 61% of the country's land mass and are home to about 20% of the total population of the country. The pastoral economy in Ethiopia is labor- intensive and dependent on livestock and livestock products.

In Ethiopia, pastoralists traditionally measure their wealth by the number of cattle they have. So people without cattle are considered poor. Currently, due to prolonged drought, livestock resource has been depleting. Even in a good year, livestock probably contribute only 60 to 70% of the required dietary intake, and the pastoralists are already becoming increasingly involved in the market, with cyclical reliance on petty trading. One positive trend for pastoral development in recent year is that other sources of income, including land cultivation, petty trading, selling of charcoal and fuel wood, and livestock and grain trading are gaining significance.

However the terms of trade in pastoral areas has deteriorated considerably. The purchasing power of the pastoralists in most areas is (very) poor due to the imbalance of terms of trade between livestock and cereals, acute shortage of financial services and lack of access to micro-finance. The country's poverty alleviation strategy cannot succeed without concerted efforts towards creating pastoralist-focused micro-finance providing financial services to the pastoralists.

## **2.2 Financial systems in Ethiopia**

### **i. Conventional Financial Institution**

Until very recently banks in Ethiopia used to operate on specialized lines of business. The National Bank of Ethiopia (NBE) played the traditional central banking role, while the Commercial Bank of Ethiopia (CBE) offered all kinds of banking services. The Development Bank of Ethiopia (DBE) used to provide medium- and long-term financing to the agricultural and industrial sectors. The construction and Business Bank (CBB) accepted savings deposits and offered mainly long-term housing construction loans to public enterprises, cooperatives and individuals. Currently there are no more demarcation lines among their services.

Following the financial sector reform and proclamation to provide for licensing of private banks in 1994, seven private banks have been established. These banks accept all types of deposits and offer short and medium term loan as well as a full range of banking services. Despite the good numbers of banks emerging

under the new policy environment, none of them is involved in micro-finance operations in pastoral areas.

#### **ii. Non-conventional Formal Financial Institutions**

There are over 25 NGOs both international and domestic, currently engaged in micro-financing in both rural and urban areas of Ethiopia. Most NGOs micro-credit programmes are based on the Grameen Bank approach. In the last 12 years the micro-finance industry in Ethiopia has shown a remarkable growth in terms of outreach and performance. The 25 micro-finance institutions registered under National Bank of Ethiopia have delivered services to over 500,000 clients. The MFIs established under the legal framework by proclamation No/4/1996 are the following:

- Addis credit and saving institution, s.c.
- Africa village financial service, s.c.
- Amhara credit and savings instruction, s.c.
- Asser micro-financing, s.c.
- Benishangul micro-finance institution, s.c.
- Bussa Gonofa micro-finance. s.c.
- Dedebit credit and savings institution, s.c.
- Dire micro-finance institutions s.c.
- Eshet micro-finance institution, s. c .
- Gash micro-financing s.c.
- Mekket micro-finance institution, s.c.
- Meklit micro-finance institution, s.c.
- Oromiya credit & savings institution, s.c.
- Omo micro-finance institution, s.c.
- Specialized financial & promotional institution.
- PEACE micro-finance institution, s.c.
- Shashemane eddir yelimat agar MFI.
- Sidama micro-financing institution, s.c.
- Wasasa micro-financing s.c.
- Wisdom micro-finance institution, s.c.

However, the downside of those MFIs is that not one of them is operating and providing micro-finance services to the pastoralists, who constitute about 12-15 million of the total population, and occupy about 61% of the land mass of the country.

#### **iii. The Informal Financial Sector**

Informal arrangements for borrowing and for savings often play a major role in the economic activities of Ethiopians, including pastoralists. The informal financial sector for the most part is outside the framework of national accounts

and statistics, so that little is known of their nature, structure, magnitude and operation. However, the majority of the rural community, in particular the pastoral community, is considered to be the direct beneficiary of the informal financial sectors.

Most sources of informal finance are credits from relatives and friends, traders, neighbors, local moneylenders and indigenous rotating savings groups. The most notable ones in Ethiopia are the *Iqqub*, *Iddir*, and *Mehibar*.

Informal credit is predominantly used for consumption. Loans from relatives and friends are usually interest-free, while local moneylenders are the most important rural financial markets, charging interests ranging from 50% to 120% per annum. In pastoral areas, even though some portion of informal credit is used for restocking, informal credit, especially from relatives and friends, has been reported to serve in smoothing annual food shortage and income fluctuations, family health, etc.

Informal sources of credit appear to have considerable appeal to the rural community in particular, because of their characteristics such as accessibility, speed of transaction, small size of loans, availability of loans for consumption, minimal or flexible collateral requirement, flexible repayment arrangement, privacy of information, freedom of utilization of borrowed money, absence of control and restriction on the use of loans.

### **3. Basic Concept of Micro-finance:**

#### **3.1 What is Micro-finance?**

Micro-finance is the supply of loans, savings and other basic financial services to the poor. People living in poverty and every one else need a diverse range of financial instruments to run their businesses, build assets, stabilize smooth consumption, and shield themselves against external risks. Financial services needed by the poor include working capital, loan, credit, savings, pension, insurance and money transfer services.

The poor in rural and urban areas can hardly access services through the conventional institutions, because the capital market of the country is still at a rudimentary stage and commercial banks are reluctant to lend to the poor largely because of the lack of collateral and high transaction costs. As a result, the poor address their need for financial services through a variety of financial relationships, mostly non-conventional. Credit is available from informal commercial and non-commercial moneylenders, but usually at a very high cost to borrowers. Savings services are available through some of the informal

relationships, such as savings clubs, rotating savings and credit associations and mutual insurance, which have a tendency to be erratic and insecure.

Providers of financial services to the poor include donor-supported, non-profit, non-government organizations, credit cooperatives, community-based development institutions, such as self-help groups and credit unions. NGOs and non-conventional bank institutions have led the way in developing workable credit schemes for the poor. Throughout the 1980s and 1990s, these programs improved upon the original methodologies and backed them up with conventional wisdom about financing the poor.

Financial services for the poor have proved to be a powerful instrument for poverty reduction that enables the poor to build assets, increases incomes, and reduce their vulnerability to economic stress and natural disasters. However, with nearly one billion people still lacking access to basic financial services, especially the poor and pastoralists, the challenges of providing financial services to them still remain. Convenient, safe and secured deposit services are a particularly crucial for the pastoralists in Ethiopia.

### **3.2 Formal Sources of Micro-finance and Credit Policy of Banking Institutions**

Formal micro-credit sources have got institutional form and they are organized based upon the economic policy of any country.

In most of the developing countries, formal sources of micro-credit are the banking system, agricultural finance corporations and cooperative banks. Formal micro-credit sources usually focus on production credit, with an emphasis on agriculture. They discourage credit needs, most notably, for consumption smoothing.

In Ethiopia formal credit is provided by the banking system, which involves state and private financial institution. The state financial institutions presently comprise the National Bank of Ethiopian (NBE), the Development Bank of Ethiopia (DBE), the Commercial Bank of Ethiopia (CBE), the Construction and Business Bank (CBB) and the Ethiopian Insurance Corporation (EIC).

Moreover, private commercial banks and insurance companies have been coming into the urban financial market system, following the proclamation of the new economic policy,

DBE and CBE are the only financial institutions that are directly involved in the provision of agricultural credits. DBE has been involved in the provision of all forms of short-, medium- and long-term agricultural credits since 1970. CBE has also been participating in the provision of short-term credits and small

portions of medium-term credits. The Ethiopian Insurance Corporation indirectly participates in agricultural credits by providing insurance coverage for the assets purchased through bank credits.

Both DBE and CBE currently use Regional States, Farmers Cooperatives and Peasant Associations as on-lending channels to reach large numbers of small farm households. But whether such on-lending facilities for the pastoralists are available using their respective Regional States and Kebele Pastoral Associations as channels to reach large numbers of pastoral households is unclear.

#### **a. Terms of Lending**

The success of agricultural credit operation depends mainly on the productivity and profitability of farmers. Smallholder farmers should have easy access to formal credit sources.

Available evidences show that inappropriate terms of credit were the most important problem for small loan access for small farmers and pastoralists to formal credit sources. This includes:

- Rigid collateral requirements;
- High transaction costs of loan processing for large numbers of households;
- Time-consuming loan-processing procedures; etc.

Therefore, simplified lending procedures and flexible terms of lending are believed to help small farmers and pastoralists in accessing rural credits.

#### **b. Banking Credit Policy**

In general, formal micro-credit policies of the banking institutions are formulated based upon appropriate credit policy instruments that comprises:

- Eligibility criteria and collateral security requirement;
- Levels of interest rates;
- Debt/equity ratio;
- Maturity of loans and repayment plans; and
- Credit channels.

In addition to these credit policies, some, relevant lending policies are used by banks as their guiding principles. These include, profit-earning capacity, liquidity, borrowers' perceived needs, diversity of loans, etc. These credit

polices can be seen from lenders' and borrowers' points of view, and they are categorized into lending policies and borrowing policies.

In Ethiopia, the banking credit policy is an institutional, not government policy. However, they are governed by the country's economic policy, as a result of which national credit policies hardly exist.

### **3.3 Lending policies**

Lending and borrowing are two sides of the same coin. While providing loans lenders, in this case the banks, usually determine:

- The amount of loan to be extended;
- The repayment plan; and
- The collateral to be required.

Independently, credit worthiness of a borrower is the fundamental criterion in the analysis of loans. In estimating the potential credit worthiness of the borrower, the banks usually assess the three C's of credit: Competence, Collateral and Character of the borrower.

Even though this policy has been able to serve a little portion of the peasant populations, a noticeable policy and institutional weakness has been observed. Therefore, the peasants as well as the pastoralists are expected to grow in terms of output, income and employment. Appropriate credit polices should be formulated in order to serve the majority of the farming and herding communities.

### **3.4 Clients of Micro-finance**

The typical micro-finance clients are low-income persons, vulnerable people and excluded social groups, which are to be served by conventional financial systems. Micro-finance clients are typically self employed, often household-based entrepreneurs. In rural areas, they are usually small farmers, pastoralists avoided by conventional, non-regular financial institutions, and others who are engaged in small income-generation activities, such as petty trade. In urban areas, however, micro-finance operations are more diverse. Both in rural and urban areas, it is important to understand that there are various groups of people with different needs, but not all can access the micro-finance market.

### **3.5 Forms of micro-finance institutions**

A micro-finance institution is an organization that offers financial services to the disadvantaged poor. Most MFIs are non-government organizations committed to assisting some sectors of the low-income population. Almost all of these offer micro-credit and only take back small amounts of savings from their borrowers. Within the micro-finance industry, the term 'micro-finance institution' has come to refer to a wide range of organizations dedicated to providing these services: NGOs, credit unions, cooperatives and government owned projects and programs.

### **3.6 Characteristics of micro-finance institution**

Micro-finance institutions, which are established as commercial enterprises, are characterized as private-non-profit. Such enterprises are rarely found in other countries.

Micro-finance institutions, where owners of the cooperative are the clients themselves, are not common in other countries.

Micro-finance institutions set up as private-non-profit corporations do not pay taxes, as they do not make profit. This is the most common form of cooperative globally. They are mainly established with a social purpose and are managed by boards of directors.

Micro-finance institutions, which are government owned and are profit making: There are no such established cooperatives but a few exist here, which are government owned and are non-profit.

## **4. The Importance of Micro-finance**

The millennium development goals have set a critical challenge of halving absolute poverty in the world by 2015. Micro-finance can make an important contribution to these goals by reducing income poverty and vulnerability and by empowering disadvantage groups to choose when and how to access other development services, such as health and education.

### **4.1 How do micro-finance help the poor?**

Poor people with access to savings, credits and other financial services are more resilient and better able to cope with the every day crises they face. Even the most rigorous economic studies have proven that micro-finance can smooth consumption levels and significantly reduce the need to sell assets to meet basic needs. With access to micro-finance, poor people can cope with sudden increased expenses, loss of assets, serious illness, etc.

Access to credit allows poor people to take advantage of economic opportunities. While increases earnings are by no means automatic, clients have overwhelmingly demonstrated that reliable sources of credit provide a fundamental basis for planning and increasing income and improving living condition. Some studies of the micro-finance system have shown that clients who join and stay in credit programs are in better economic conditions than non-clients, suggesting that micro-credit programmes contribute to such improvements.

By reducing vulnerability and increasing earnings and savings, micro-finance services to all poor households, it is possible to make the transformation from every day survival to planning for the future. Households are able to send more children to school for longer periods and to be more involved in their children's education. Increased earnings from financial services lead to better living conditions, which translate into a lower incidence of illness.

Increased earnings also mean that clients may seek out and pay for health care services when needed, rather than go without them, or wait until their health seriously deteriorates.

#### **4.2 Impact of micro-finance**

Impact is about understanding how micro financial services affect the lives of poor people. Impact considers: income growth, asset building and reduction of vulnerability. Impact indicators include multiple dimensions of poverty, such as overall household income, social improvement in health and education and empowerment. The success of micro-finance in poverty alleviation and empowerment depends on how far it can address the constraints faced by the poor household. Using the impact studies of micro-finance institutions by CGAP, and using various methodologies, impact assessments have been made on the following.

##### **a. Eradicate extreme poverty and hunger**

The poor have physical assets--food, housing--and financial assets, such as income or savings to acquire basic necessities. Access to financial services enables the poor to increase income and smooth consumption flows, and thus, expand their asset base and reduce their vulnerability. Empirical evidence shows that, among those participating in micro-finance programs, those who had access to financial services were able to improve their lives both at the individual and household levels, much more than those who did not have access to financial services.

**Bangladesh**, Bangladeshi Rural Advancement Committee (BRAC): clients increased household expense by 28% and assets by 112%. The incomes of Grameen members were 43% higher than incomes in non-participant villages.

**El Salvador**: the weekly income of FINCA clients increased on the average by 145%.

**India**: half of SHARE clients graduated out of poverty.

**Ghana**: 80% of the clients of Freedom from Hunger had secondary income sources, compared to 50% of non-clients.

**Lombok, Indonesia**: the average income of Bank Rakyat Indonesia (BRI) borrowers increased by 112%. 90% of households graduated out of poverty.

**Vietnam**: Save the Children clients reduced the duration of food deficits from three months to one month.

### **b. Achieve universal primary education**

Increased earnings and savings provide poor people with some cushion from the day-to-day struggle of earning a living. This opens up the possibility of investing in their children's future, and in education, in particular. Empirical evidence indicates that, in poor households with access to financial services, children are not only sent to school in large numbers but they also stay in school longer. Even where children help out in family enterprises, the poverty-induced child labor decreases, and school dropout rates are much lower in client households than in non-client households. Studies on the impact of micro-finance on children's schooling show that:

- In Bangladesh, almost all girls in Grameen-client households had some schooling, compared to 60% of non-client households. The schooling rate for boys was significantly higher (81%) in client households, compared to 54% for non-client households. The number of students increased from 12% in 1992 to 24% in client households compared to only 14% for children in non-member households.
- In Honduras, Save the Children clients increased earnings, which enabled them to send children to school with lower dropout rates.
- In Peru, Accion Comunitaria del Peru-borrower households spent 20% more on schooling for their children than non-borrower households.

### **c. Promote gender equality and empower women**

Overall, the experience of micro-finance programs points to strong evidence that access to financial services results in transfer of financial resources to poor women, over time, led to women becoming more confident, assertive, and better able to confront systemic gender inequities. Access to finance enables poor women to become agents of economic change by increasing their income

and productivity, to access markets and information and to empower themselves. Existing studies show that this empowerment is very real and can take different forms:

- In Indonesia, female clients of BRI were more likely than non-clients to make joint decisions with their husbands concerning allocation of household money, children's education, use of contraceptives, family size, and participation in community events.
- In Bangladesh, a survey of 1,300 clients and non-clients showed that credit clients were significantly more empowered than non-clients in terms of their physical mobility, ownership and control of productive assets (including land), involvement in decision-making, and awareness of legal and political issues.
- In Nepal, 68% of Women's Empowerment Program members said that they made decisions on buying property, sending daughters to school, arranging children's marriages, and family planning.
- In India, Self Employed Women's Association's (SEWA) clients have lobbied for higher wages, the rights of women in the informal sector, and review of neighborhood issues.

#### **d. Combat HIV/AIDS, malaria, and other diseases**

Other than hunger, illness is generally the most important risk that poor people periodically face. Deaths, time taken off from work because of illness, and health care-related expenses erode incomes and savings, often leading the poor to selling their assets and going into debt. Increased earnings and savings allow clients to seek out and pay for the services when needed, rather than wait until conditions deteriorate. In addition, many micro-finance institutions promote health education. This may take the form of a few, simple, preventive health care messages on immediate drinking water to pre-natal and post-natal care. Some programs provide credit on products for water and sanitation, which directly improve clients' living conditions. A few programs have also taken initiatives to promote health insurance for clients.

- In Uganda, 32% of the clients of the FOCCAS micro-finance program had tried HIV/AIDS prevention practices, which was less than for non-clients.
- In Bangladesh, a study of BRAC clients found that fewer members suffered from severe malnutrition than non-clients and that the extent of severe malnutrition declined the longer clients stayed with BRAC.

#### **e. Reduce child mortality and improve maternal health**

- ◆ In Bangladesh, Grameen clients showed a higher rate of contraceptive use (59%) than non-clients (43%), which is attributed

to clients' increased awareness of contraceptive programs (gained from attending group meetings and from increased mobility), which allowed women to seek out such services.

- ♦ In Bolivia, a study found CRECER clients had better breast-feeding practices, responded more to rehabilitation therapy for children with diarrhea, and had higher rates of DPT3 immunization for children.
- ♦ In Ghana, Freedom from Hunger clients also demonstrated better breast-feeding practices, and their children were healthier in terms of weight-for-age, compared to children of non-clients.
- ♦ In Uganda, 95% of clients of the FOCCAS micro-finance program had engaged in some practices in health and nutrition of their children compared to 72% of non-clients.

#### **f. Ensure environmental sustainability**

There has been very little study of the extent of the impact of financial services for the poor on safe drinking water, sanitation, or other forms of environmental sustainability. However, there is evidence that, with increased earning, people do invest in improved housing, water, and sanitation. Many micro-finance programs provide specific loans for toilets. Other programs, such as SEWA in India, have creatively linked micro-finance to slum improvement. Such projects help build community infrastructure (tap water, toilets, drainage, and paved roads) that are part of community development programs undertaken through loans from micro-finance institutions.

#### **g. Develop a global partnership for development**

The last goal provides the means to achieve the other goals. Access to financial services enables the poor to combat various dimensions of poverty and to make improvements in their lives. Whether they save or borrow, evidences show that, when poor people have access to financial services, they choose to invest their loans and additional earnings on a wide range of activities that benefit not only themselves but also their households. Thus access to services provides the poor with the means to make improvements in their lives; in other words, to achieve MDGs on their own terms and in a sustainable way. Access to credit, savings, or other financial services is only one in a series of strategies needed to reduce poverty and achieve the MDGs. Financial services need to be complemented by access to education, health care, housing, transportation, markets, and information.

### **5. Characteristic and current micro-finance practices among**

### **pastoralists**

Informal and small-scale lending arrangements have long existed in all parts of urban and rural areas of Ethiopia, except in pastoral areas, and they still survive. Good examples are rotating savings and credit associations of *Iqub*, *Busaa Gonofa* and security insurance or *Idir*. They provide the poor population with access to savings and credit within the localities, and with a certain cushion against households economic fluctuations. And they encourage cooperative and community feelings. Until recently, pastoralists in Ethiopia lacked credit history, had no credit habits and had no experience in operating micro-enterprises.

Pastoralists in Ethiopia have been disadvantaged and marginalized from the national development program of the country. Even though the delivery of financial services through micro-finance in Ethiopia is one of the policy instruments to enable the poor in rural and urban areas to increase output and productivity, induce technology adoption, improve input supply, increase income, reduce vulnerability and attend food security, it has not been able to deliver financial services to the pastoralists. Virtually all MFIs established by proclamation 4/1996 under the National Bank of Ethiopia to serve the poor in rural and urban areas are limited in their operation to urban and sedentary farming areas of the country.

The inability and absence of conventional bank and micro financial institutions to operate in the pastoral areas has led the pastoralists to non-conventional forms of accessing loans, such as borrowing from relatives, friends, traders and local money lenders. Thus the recent initiation to form micro-credit services to the pastoralists owes much to the courageous commitment of a few local NGOs' micro-credit programs. The following are case of one local NGO's micro-finance programmes currently practiced in pastoral areas in the southeastern part of the country.

#### **5.1 Pastoralists micro-finance programme - The Case of Pastoralist Concern Association, Ethiopia**

The Pastoralist Concern Association Ethiopia (PCAE), an indigenous, non-for profit, non-government organization, began its micro-finance program in 1999 in Filtu Woreda of Liban Zone of Somali Regional State, after conducting market feasibility studies. Filtu, with a total population of 7,000, is the capital of Liban Zone.

The town is characterized by an active economy based on multi livestock rearing, border trading and petty trading. The Ethio-Somali war of 1977/78

disrupted its development. However, in early 1993/94, after the collapse of the Dergue regime, many families who had fled to Somalia and Kenya returned to their town. Now, roughly 30 to 45% of the total population in Filtu, a key market segment of PCAE-micro-credit programme, comprises returnees. In addition pastoralists/people who lost all or most of their assets/stocks during the previous famine, usually who do not own anything at all, or enough only to restart their lives properly, are their potential clients.

The PCAE micro-finance program was started with 20 clients and loan packages amounted to 200 Birr only. Now the number of clients has increased to 500, currently covering 4 woredas, namely, Filtu, Chirati, Afdeer, and Dolo, and the loan size is also raised from 200 Birr to 3000 Birr.

The PCAE-micro-finance is still at the start up stage of a revolving fund. It adapts both the Grameen Group solidarity systems as well as the village self-help Group bank system, with a mix of religious flavor. The majority of the clients are women. No default on loans has been registered so far. Almost all the population in the project area or the beneficiaries are adherents of Islam. Market studies showed a clear preference for the methods of Islamic banking system in terms of receiving credit.

The PCAE's Micro-finance programme is the first micro-credit project of its kind in the Liban and Afder Zones for the pastoralists currently. PCAE leadership adopted Islamic banking system for its micro-finance programme. PCAE-Micro-finance program uses a group-based method. Loans go to individuals within the group and group members are expected to provide guarantees for payment of debts and support one another. The PCAE target groups are entirely women. Most women who participate are widows with children. During the launching of the project some Mosque leaders had complained that the project practices "*riba*" (charging of interest), which is prohibited in Islam. However, when the project management described details of the transaction, most of those who complained felt the project did adhere to the *murabaha* principle and retracted their statements. As a result, no one uses the term interest in the area, which has now been replaced with "service charges."

## **5.2 Experience of Action for Development (AFD): the Case of Yabelo**

AFD evolved from the FAD-operated Freedom For Hunger Campaign/ Action for Development (FFHC/AD), which has been practicing rural development in

selected drought-prone areas in the southern part of Ethiopia for over a decade now. It was constituted as an indigenous NGO in 1996 in consideration of the need to build upon the achievements of FFHC/AD and enhancing its impact, while promoting opportunities for the improvement of grassroots livelihood. Income generation through savings and credit cooperatives promotion is one of AFD operational components. This program is both carried out in sedentary farming community areas as well as pastoral areas of Borana Zone of Yabelo.

The objective of Action for Development Savings and Credit program is to enhance savings-led rural financial institutions. Accordingly, AFD initiated its savings-led rural savings and credit program in 1999 in Yabelo Woreda of Borana Zone. Their savings and credit program provides micro-credit for 2 urban-based and 8 rural-based groups, serving a total of 4,815 beneficiaries. The total project cost is Birr 727,168. The target clients, unlike those of the PCAE, are both male and female, though female clients constitute the majority. The ultimate aim of the AFD micro-credit program is the establishment of community-managed savings and credit centers. AFD micro-credit program strictly adapt the Grameen banking system of solidarity-group bases. The potential clients organize themselves into groups of five members, which are then organized into centers of around five to seven such groups. The members usually put aside regular savings with the group or center as per schedule, and they also take loans on regular basis. Group member collateral system is practiced. So far no defaulter has been reported. In addition, training is provided to member clients on a regular basis. Furthermore, training programmes in the area of generating business-ideas and marketing is also provided. In comparison with PCAE, the AFD micro-credit is documented and better organized. However, their community lacks long-term goals and missions as well as skilled personnel.

The bottom line for micro-finance programme in pastoral areas is that institutionalizing a program means making sure that people realize it is needed and necessary to the community's interests and that steps are taken to make sure the program becomes sustainable. The aim is also to convince other areas, government agencies, organizations and coalitions to support and establish independent pastoralist-focused micro-finance institutions.

### **5.3 Characteristics of micro-finance in pastoral areas**

Most of the pastoralist areas in Ethiopia are characterized by poor resources, and they lack financial services. Those who concentrate on the development of

## Micro Finance and Pastoralism

pastoralist areas focus on helping pastoralists diversify their livelihood and increase their income.

NGO micro-finance programmes in the pastoralist areas are at the inception stage, where their clients are less than 500 for PCAE, 800 for AFD, respectively, each operating in very small catchment areas. They appear to be non-institutionalized and require sound support from Federal/Regional governments, conventional financial institutions and donor agencies in order to build their capacity and satisfy the active and potential demands of their clients.

It has also been noted that the micro-finance services delivered to the pastoralists through government projects and programs, non-government organizations, savings and credit cooperatives and informal money lenders are fragmented and unsustainable, because most of those NGOs, including, PCAE, AFD and Farm-Africa, focus more on relief work followed by rehabilitation and integrated development activities. Thus, the current micro-finance policies and practices among the pastoralists are characterized by relatively small loans--in cash or in kind--short period of repayment--about a year or so. They also focus on women, and they are uninstitutionalized and unsustainable. The destination of the funds is primarily petty trading, sheep and goat marketing, milk and tea selling, grain trading, and charcoal and fuel wood selling. The following are the common characteristics of current micro-finance practices among pastoralists:

- Are in the nature of welfare rather than sustainable development oriented;
- Their charges are below market interest rates for the credit provided, and some do not attract savings;
- NGOs see themselves as lending donor funds, which do not have to be recovered;
- Program officers are not trained in credit administration and promotion of micro-finance;
- The program is not linked with client preparedness, i.e. enhancing clients' skills;
- Few products and small loan amounts;
- Clients are inexperienced, lack credit history and credit habits;
- Clients seem to be convinced that refusal to repay will not lead to persecution;
- Uninstitutionalized and fragmented;
- No penalties for late repayment; there is generally absence of loan performance in some cases;

- They don't legally register under the National Bank of Ethiopia, in accordance with Proclamation No. 4/1996;
- Non-financial services, such as provision of retail outlet facilities for the clients' outputs, supplies of input, and training are not provided;
- High number of defaulters among the clients;
- Small coverage, and targeting focused on women;
- Poor micro enterprise development.

#### **5.4 Constraints and prospects of micro-finance among pastoralists**

The panoramic view of the constraints and prospects of micro-financing among pastoralists can be assessed quickly from a Strength, Weakness, Opportunity and Threats (SWOT) analysis of all types of financial services practiced in the pastoral areas of the country. The following constitute the outcome of the cursory review:

##### **i. Constraints**

- Lack of financial services;
- Insatiable demand;
- Lack of sustainability;
- Non-institutionalized;
- Few outreach programmes;
- Dependency largely on local moneylenders;
- No participatory decision-making;
- Few products and poor micro enterprise development;
- Unskilled credit officers and poor management techniques;
- Lack of infrastructure;
- High interest rate;
- Illiteracy and poor capacity;
- Lack of licensing and poor information;
- Absence of support programmes or safety nets;
- Poor record keeping;
- Lack of credit history, credit culture;
- Pastoral mode of economic system;
- Poor market concentration and motility;
- Poor markets for products;
- Non-permanent way of life of pastoralists;
- Unfriendly environment and hot weather.

##### **ii. Prospects**

- Pastoralist-friendly policy;
- High level of willingness to save;

## Micro Finance and Pastoralism

- Existence of strong traditional institutions;
- High demand for micro-credit;
- Opportunities for change from the bottom-up;
- Pastoralists' Concern Forum and NGOs;
- Millennium development goals;
- Country PRSP;
- Freedom of movement and association;
- Micro-finance-friendly legal framework;
- Donor willingness to support the marginalized groups of society;
- Border trade liberalization;
- Availability of lots of Funds;
- Involvement of pastoralists in such economic activities as cultivation, petty trade, etc.;
- Settlement around water points and rivers;
- Initiative to provide micro-finance services to the pastoralists;
- The tendency to integrate pastoral economy with the hinterland;
- World Bank pastoralist capacity building programme;
- Availability of natural livestock resources, such as salt, gums, minerals, cattle, camel and others;
- Government commitment to full financial service for the poor, particularly for the pastoralists;

## 6. Conclusion and Recommendations

Pastoral economy in Ethiopia is dependent on livestock and livestock products. Unlike sedentary farmers, pastoralists have had no income diversification opportunities. Furthermore, they had been marginalized from the national development program of the country until recently.

The delivery of financial services through micro-finance in Ethiopia is one of the policy instruments to enable the rural and urban poor to increase output and productivity, induce the adoption of [modern] technology, improve input supply, and income, reduce poverty and attain food security.

Experience shows that micro-finance can help engage the disadvantaged groups of society, particularly the poor and pastoralists, in generation of income, building assets, and reducing vulnerability to external shocks. It can also be a powerful tool for self-empowerment by enabling the pastoralists to become economic agents of change.

"The hope is that much of the poverty can be alleviated and that economic and social structures can be transformed fundamentally through the provision of financial services to poor households. Finance and poverty interact through

direct linear relationships where the more funds are made accessible to the poor the more poverty can be alleviated. The provision of financial services to the pastoralists to enable them generate income is believed to reduce their vulnerability more effectively. Thus, provision of micro-credit through micro-finance has been widely recognized as an important instrument for achieving millennium development goals. Therefore, the following recommendations are worth noting in order to improve the situation of pastoralists:

1. ***Savings Institutions:*** Savings is one factor in micro-financing schemes. Savings can benefit pastoralists in many of the situations unsuitable for micro-finance outlined above if savings can be protected against losses. For example, after drought, war, or conflicts, pastoralists want to begin saving small amounts of cash, so that they can buy more productive assets in the future. Savings facilities also provide a means to reduce vulnerability by managing risks and cash flow. Product range information systems, physical infrastructure and lending capacity (for intermediating the savings collected) of regulated financial institutions may need to be established in order to provide well designed and secure deposit services to the pastoralists. Non-regulated institutions, at the same time, may first need to make transition to a regulated legal form in order to be allowed to offer deposits to the pastoralists.

2. ***Safety Net:*** Often times, government and aid agencies wish to use micro-finance as a tool to compensate for some other social purposes--for example, Assai Community Special Fund in Kenya, Ethiopian Women's Development Initiative Fund (EWDIF), Specialized Funding Promotion Institute (SFPI)--and for other social problems, such as flooding, war, or retrenchment of personnel. Since micro-finance has been sold as a poverty-reduction tool, it is often expected to respond to those situations where whole classes of individuals have been made poorer.

3. ***Designing background intervention:*** It is also important to design background intervention plan that builds the market for micro-finance clients. Such interventions can range from building infrastructure to opening up new markets for the produces of the pastoralists to providing business development services. Often, these interventions will create conditions and opportunities for micro-finance and not the other way round.

4. ***Creation of Pastoral micro-finance:*** Start-up micro-credit programs through the establishment of government grant and scaling up of the existing micro-credit programmes through pooling the fragmented resources of those NGOs already started micro-credit is important. To that end, Pastoralist Forum Ethiopia (PFE) can play a critical role of catalyst in initiating and strengthening the ongoing micro-credit programmes in pastoral regions. The

#### Micro Finance and Pastoralism

reasons are obvious: all of the leading NGOs operating in pastoral areas are already PFE members; second, PFE has also already established strong networking and recognition among government and international organizations, such as the World Bank.

#### **References**

Pastoral Development in Ethiopia

Bamako (2000). *Innovations in micro-finance: marketing in micro-finance institution*. (Technical Note No. 2)

Dejene Aredo (1993). " The informal and semi-formal financial sectors in Ethiopia: A study of *Iqub, Iddir*, and savings and credit cooperatives." Africa Economic Research Consortium, Nairobi, Kenya.

Elizabeth Littlefield, Jonathan Murdoch and Sayed Hashemi. *CGAP Focus Note No. 24 Is micro-finance and strategy to reach the millennium Development Goal?* (Washington, D.C CGAP, January 2003).

Fahim Khan (1985). *Islamic Banking as practiced now in the world*.

Jonathon Murdoch and Barbara Haley. *Analysis of the effects of micro-finance on poverty reduction*. (pap RESULTS Canada for the Canadian International Development Agency November 2000).

Renee Choa-Beroff, Wolday Amha, Tesfaye Mengesha, Yohannes Sefere, and Kurunde Tesgera (2000). *Enhancing rural financial institution in Ethiopia*. A study sponsored by IFAD and World Bank, Addis Ababa.

Shahidur Khandker. *Micro-finance and poverty evidence using panel data from Bangladesh* (Washington World Bank, Rural Development Research Group January 2003).

Susy Cheston and Lisa Kuhn. *Empowering women through micro-finance*. New York: UNIFEM, 2002.

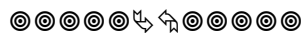
Wright A.N.G (2000). *Micro fiancé systems: Designing quality financial services for the poor*, University Press, Ltd., Dhaka

(Jan. 1999) World Development Vol. 27 No. 1 (pp. 67- 82)

**\* Reports**

Pastoralist Concern Association Ethiopia--Micro-credit Programme report, 2002.

Action For Development--Micro-credit Project Yabelo report, 2002.



Drought and Famine in the Pastoral Areas of Ethiopia

**DROUGHT AND FAMINE IN THE PASTORAL AREAS OF  
ETHIOPIA**

By **Beruk Yemane**  
**Oxfam GB**

---

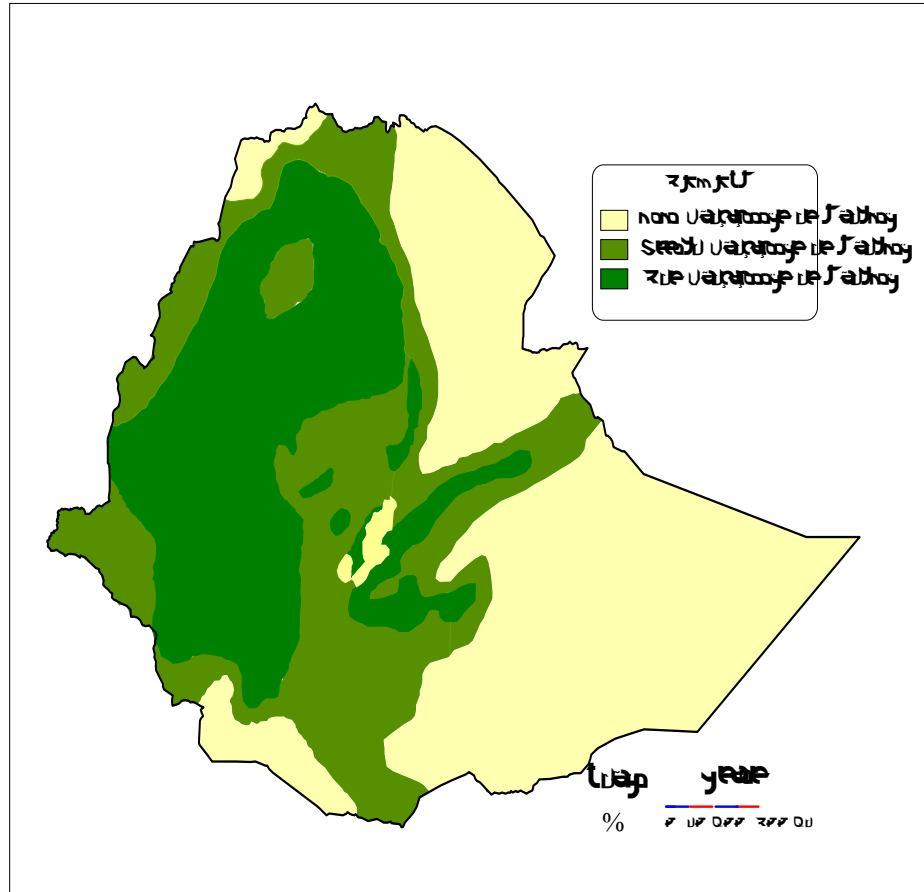
**I. Background**

Development and research practitioners attribute drought to four factors. In agricultural terms, drought is associated with below-normal rainfall; hydrologically, it is associated with low underground water;

meteorologically, with below-normal rainfall in a specific period and region, while, structurally speaking, it is associated with deep-rooted socio-economic and political situations.

The history of drought in Ethiopia goes back to the 9<sup>th</sup> century, which was followed by the great famine of the 12<sup>th</sup>, which caused the death of many cattle. Thereafter, series of droughts followed by famine have caused significant loss both to human lives and cattle. The 10-year famine (1888-1898) was disastrous, destroying 90% of the cattle and 1/3 of the population. Recent drought-famine milestones were those of 1974/75, 1984/85, to which we may add the current 2002/03 famine (Melakou Ayalew *et al.*, 1997).

**Figure 1. Drought probability map of Ethiopia (Source EPA, 1998)**

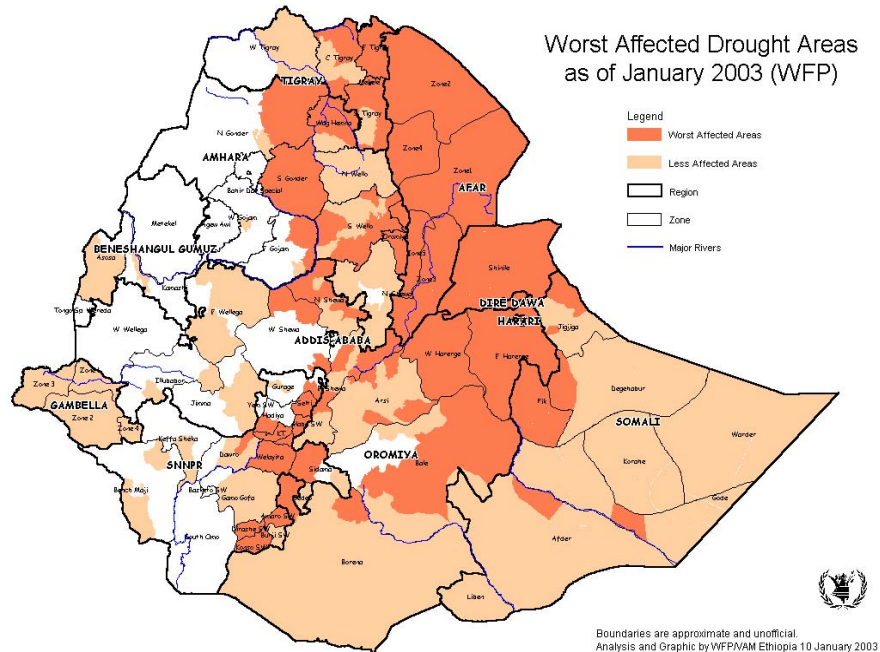


Based on climatic condition and historical evidence, a drought probability map of Ethiopia has been produced (EPA, 1998). The map, as can be seen from Figure 1, depicts areas with low probability of drought ( $P < 0.3$ ), transitional zone or areas with moderate probability ( $P$  from 0.3 to 0.5) of drought and drought-prone areas ( $P > 0.5$ ).

The lowland/pastoral zones of the country cover areas with an elevation below 1500 feet and are classified into arid, semi-arid and sub-humid agro-ecological zones (EPA, 1998). In terms of drought probability, almost all pastoral areas are categorized under worst or less affected areas, as shown in Figure 1. Administrative region wise all the woreda (districts) in Afar and zones of Shinilee, Fiq and some parts of Dagahabur are classified as worst drought affected/prone areas. Other zones of Somali region, all

most all parts of Borana, South Omo and Nuer area in Gambela region are characterized as less affected/prone drought areas.

**Fig. 2 Worst drought affected areas of Ethiopia**



In Ethiopia, where drought has become more frequent and cyclic, the number of the victims has been increasing from time to time. According to the National Food Security Strategy Document (2002), about 158 districts have been identified as food insecure areas. When it comes to the chronically drought affected population, there are about 4-5 million people that require food assistance on a yearly basis. The size of the drought-affected population was 300,000 in the 1974/75 (< than 10 %). This number increased to 6.7 million in 1994 and reached to the level of 12.2-14 million (about 17-20%) in the current 2002/03-drought year (Annex 1). In the major pastoral regions of the country, drought has taken its own toll, severely affecting many pastoral households. According to the joint Government-UN appeal of 2003, out of the total Afar population of 1.2 million and Somali population of 3.6 million, 204 thousand (18 % of the total) and 360 thousand (10 % of the total), respectively, were registered as chronically affected and requiring food, water, health and

nutrition and agricultural (livestock feed and health) assistance. Based on the information, an estimated total of USD 3,012,657 (equivalent of Birr 26,059,483) for Afar Region, and a total of USD 1,528,920 (equivalent of Birr 13,225,158) for Somali Region, respectively, was required to respond to the crisis.

According to the Joint Food Assistance Appeal for 2004, the number of beneficiaries is estimated to be 7.2 million, which comprises 10% of the country's total population. This humanitarian requirement, according to the Appeal, was necessitated by underlying structural problems, alongside localized shocks (e.g. climate, pests, malaria epidemic and outbreaks of other diseases), fluctuation of economies and the continuing impact of poor terms of trade for coffee.

Unless proper and timely action is taken, the situation is more alarming in that the current level of drought-affected population of 12 million can jump to 17.3 million by the year 2007 as forecast by the US Government's Famine Early Warning System (FEWS) in the information presented below:

**Warning of huge food needs by 2007:** The warning comes from the US Government's Famine Early Warning System Network (FEWS), which said that 17.3 million people could need help because of declining rainfall levels and increase in population, which are fuelling chronic food shortages. The Organization also calls on the Ethiopian Government to "refocus" its national development goals and to slash dependence on rain-fed agriculture. And FEWS warns that the situation is likely to get worse in the coming years. FEWS predicts that, next year, the country will face a food shortfall of 2.3 million mt--compared to the 3.4-million mt shortfall that hit Ethiopia this year. Moreover, the FEWS said: "*To counteract these threatening trends of growing deficits and declining rainfall, Ethiopia requires urgent changes in its rural development priorities--security of land holdings, improvements in crop yields and production technologies, restoration of the environment, more efficient markets, protection of livelihoods and entitlements, and reductions in population growth.*"

Drought has become one of the major shareholders of the pastoral production system. At present, more than 50% of the chronically drought-affected population in the country is from the pastoral areas of the country. The frequency of drought recurrence is greater than before,

manifested once every two to three years and, at times, once every year, affecting either big areas or small pockets. The number of drought victims in the pastoral areas has reached an alarming stage, affecting more than 50% of the population, as in the case of the 2002/03 in Afar.

## II. Situation Analysis

**Two major questions that can be raised are:**

*Why is any drought manifestation magnified in the form of famine in the pastoral areas?*

*Why can't the pastoral communities combat drought before it reaches the stage of famine and causes human and livestock crises?*

There may not be ready-made answers for the above questions. However, some of the major reasons associated with the high level of food insecurity and livelihood issues, as well as challenges that reduced the coping-up mechanisms and managing drought are the following:

**Change in land use:** Based on secondary information sources, in the past 60 years, the pastoral communities have lost about 2.6 million ha of their prime grazing territories (Beruk, 2002) to different agricultural development interventions. This includes, 613,730 ha in Afar (rain-fed, irrigated agriculture, national parks, etc.), 417,000 ha in Somalia (rain-fed and irrigated agriculture), 1.3 million ha in Borana Zone (agriculture), 121,000 ha in South Omo (agriculture and national parks), and 100,000 ha in Gambela Region (agriculture and national park). The change in land use from rangeland to other forms of agriculture may have displaced the equivalent of 2.6 million Tropical Livestock Unit (TLU)\* (about 1.8 million breeding cattle), causing food insecurity in terms of milk and meat or income from the sale of cattle. At an average normal price of Birr 500/cow or ox the displacement may have cost the pastoral communities an equivalent of Birr 9 billion.

**Poor socio-economic infrastructure:** One of the common characteristics of the pastoral regions/areas is the lack of socio-economic infrastructure, as compared to other parts of the country.

Basic social services are at the lowest as compared to the national average, as presented in the summary table below:

---

\* Tropical Livestock Unit = 250 Kg

Drought and Famine in the Pastoral Areas of Ethiopia

Service coverage	National Coverage	Afar	Somali	Oromiya (pasto.areas)	South Omo
<b>Education:</b>					
<b>Primary</b>	83	9	13	41	10
<b>Secondary</b>	N.A	4	10	N.A	4
<b>Total health</b>	52	33	25	46	40
<b>Immunization</b>	52	0.2	11	N.A	23
<b>Hospitals</b>	115	2	6	1	1
<b>Health centers</b>	785	8	11	4	5
<b>Water (RURAL)</b>	38	14	7	25	22
<b>Postal service (districts)</b>	N.A	17	7	N.A	1
<b>Road</b>	N.A			N.A	
<b>All weather</b>		1271	2188		131
<b>Dry weather</b>		1500	5198		148
<b>Telephone (coverage)</b>	33%	11% combined			
<b>Electricity</b>	13%	Mainly capital towns using generators			

**Source:** Beruk Yemane (2003). Marginalization of pastoral areas in socio-economic infrastructure.

As indicted in the Table above, lack of appropriate social services in the pastoral areas could have contributed to the weakening of the readiness of the communities to manage drought and their coping strategy when famine occurs, and may have aggravated food insecurity and livelihood crises.

**Conflict over remaining key natural resources:** Conflict is another major catastrophe consuming pastoralists' lives and assets. At times of drought, grazing and water resources are reduced, thereby creating huge competition and, thus, aggravating conflicts between clans, including cross-border clashes. The recent 2002/03 conflicts between the Afar and Issa of Somali, the Afar and Kerreyou of Oromo as well as Somali and Oromo, which resulted in the interruption of humanitarian emergency interventions, could be cited as living examples. Conflicts, besides reducing the coping capacity of the pastoral communities in times of drought and famine in most cases, result in loss of human life, livestock and property. Disasters can also cause displacement of families, as

commonly seen by the number of refugees and Internally Displaced Persons (IDPs) in the context of present-day pastoral areas of Ethiopia.

**Poor human resource development:** The pastoral regions/areas of the country face critical shortage of trained human resource. Since the areas had been marginalized for decades, the number of qualified and experienced personnel both in development and research establishments is very limited. Pastoral communities are not given adequate forum to engage themselves in the socio-economic and political arena of their respective areas. This may have negative impact on combating drought and famine, as one of the major issues related to drought-preparedness as opposed to responses after the fact. This is by and large a reflection of lack of both organizational and technical capacity in the pastoral areas at community, district and regional levels.

**Lack of policy support to the pastoral production system:** Past development approaches by and large were top-down and did not consider the felt needs of the pastoral communities, and as a result, did not bring significant changes in terms of the food security and livelihood needs of the pastoral communities.

At present, the Federal Government of Ethiopia is taking encouraging initiatives towards pastoral development. However, one major point of contention between the Government and civil society groups is the Government's intention to use settlement as a sustainable way of long-term pastoral development. This is clearly indicated in the National Food Security Strategy (2000) and in the Sustainable Development and Poverty Reduction Programme (2002) document. There is a strong conviction among civil society groups that settlement based on the willingness of pastoralists could be one of the options but not the only and ultimate solution towards sustainable pastoral development. Those communities who have already started crop farming around perennial rivers could be provided with agricultural extension packages to accumulate sufficient experience and stimulate settlement in the future, primarily among agro-pastoralists. Past experiences have shown that attempts made to settle pastoralists along the Awash River in Afar Region resulted in no success, consuming, instead, much resources that could have been utilized for other pastoral development interventions. Such government's moves will restrict mobility, which is one of the major ways of life for pastoral communities, and will gradually jeopardize and worsen the food security and livelihood problems, but in particular the traditional coping-strategy to combat drought and famine.

**Time that takes to reinstate pastoral assets:** Since pastoral livelihood is primarily livestock-based economy, external shocks, such as drought, besides lowering production (milk and meat) and the terms of trade, heavily affect livestock both in terms of morbidity and mortality. Livestock loss from cattle, in particular breeding cows, will take about 8-10 years to reinstate, while that of small stock will take an average of 2-4 years, making coping measures more difficult. The recurrence of drought at shorter intervals will thus have the compound effect of eroding the livestock asset of the pastoral community and, ultimately, aggravating the food security and livelihood problems of the communities, making them more vulnerable and dependant on relief handouts.

**Low per capita livestock holding, production and consumption:**

Even though there are no actual backdated figures for comparison, per capita livestock holding has by far declined, as compared to that of the last 20-30 years. A study by Donaldson (1986) in the Borana Zone has indicated that the herd size from five encampments suffered a 30% reduction from November 1983 to March 1985 due to drought. During bad drought years, losses among the poorest families could also escalate up to a total of 90%. Similarly, in 2000, livestock loss in Borana Zone of Oromiya Region, as estimated by a drought assessment team of Southern Rangeland Development Unit (SORDU) and NGOs operating in the area (2000) indicated that mortality for cattle was estimated at 28% in Yabello, 13% in Dire and 14% in Teltele and Arero Woreda during the same drought period. A similar report from the Somali Region on livestock mortality as a result of the 1999/2000 drought indicated that mortality rate ranged between 5-12% for camels, 30-80% for cattle, 30-60% for sheep and 20-30% for goats in Gode, Afar, Qorahe and Warder Zones of Somali Region (South East Rangeland Project, 2000). In South Omo, in the same year, the Agricultural Department report estimated livestock mortality to be 80% and 25-30% in Hammer Buna and Kuraz Woreda, respectively. During the recent 2002-03 drought in Afar region, livestock mortality, in particular that of cattle, was estimated at more than 50%. From the above figures, it can be inferred that livestock mortality due to drought has a direct impact on the declining per capita livestock holding, as well as per capita production and consumption, making pastoral communities more vulnerable to minor external shock and dependant on relief aid.

The reality in the pastoral areas is that, because of climatic and man-made problems and lack of adequate policy support on the part of the Government, the pastoral communities have become food-insecure to such an extent that their livelihood is threatened, thereby making them more susceptible to external shocks, such as even minor drought. In order to enhance the coping mechanism and ensure the food-security of the

pastoral communities, the following practical recommendations are forwarded.

### **III. Recommendations**

This section of the recommendation will focus on practical risk-management issues related to early warning, planning and resource allocation.

#### **3.1 Objectives of risk management**

The objective is to assist primarily pastoral communities at the district and the regional levels in establishing an effective risk-management system in the vulnerable pastoral areas.

The Disaster Prevention and Preparedness Commission (DPPC) has put in place a national early warning system. However it has some shortcomings, among which are:

- It focuses, almost exclusively, on highland, crop-producing areas, and has no effective presence in lowland pastoral areas, where the substantial part of the national food-insecurity problem prevails;
- It is very hierarchical in that information flows in only one direction--upwards to the Federal level, where all the key decisions are made;
- It is oriented, almost exclusively toward food-aid provision, and very little toward non-food issues, such as health, water and livestock emergency packages;
- It is concerned exclusively with the central Government in terms of responses to large-scale food-insecurity, not to early and rapid, timely action at lower levels to prevent large-scale crises.

The system to be put in place will try to address the following issues:

- ♦ Focusing on pastoral livelihood systems;
- ♦ Providing information and planning for action at the Community, *Woreda* Regional Federal levels;
- ♦ Orientation in the first place toward food and non-food responses; and responses to the growing food-insecurity;
- ♦ Focusing on early and rapid/timely responses to existing crises informed by the early warning system.

The risk-management component will have three main aspects: *early warning* and *drought contingency planning* at the community level and drought reserve fund at *woreda* (district) level.

### **3.1.1 Early-warning system.**

The objective of the early-warning system is to monitor the vulnerability of pastoral populations, give early warning (both indigenous and modern) of impending threats, and trigger action to reduce and manage those threats.

**Community level risk monitoring and early warning system:** collection and analysis of environmental, economic and social household welfare data and assessment of household vulnerability to drought, “using drought probability/vulnerability survey at the community and household levels.” This will build on ongoing efforts by the DPPC and partner NGOs. The EWS will follow the model being practiced by (Save the Children Fund - UK (SCF-UK), in collaboration with Regional Government and non-government partners. It will also extend the scope of the existing SCF system to include early and rapid, *woreda* level reactions to developing crises, especially non-food responses, in order to build a comprehensive drought-management system. Community Animal Health Workers (CAHWs), Traditional Birth Attendants (TBAs), and Community Health Workers (CHW), at the community level, and technical officers, at district level, in collaboration with partner NGOs can undertake early warning monitoring. Monitors will question focus groups of uniform membership, elders, and key informants. Information will be collected and analyzed at the *woreda* level by DPPC staff, with inputs from other *woreda* technical staff, and information available at the *woreda* level will be incorporated to make a quarterly *woreda* early warning (EW) bulletin. A *woreda* 'warning stage' ('normal', 'alert', 'alarm', 'emergency', or 'recovering'--depending on the situation revealed by the indicators) will be declared by the Zonal Administration, on the basis of the draft *woreda* EW bulletin. Each warning stage, other than 'normal', will trigger appropriate rapid response mitigation activities in the drought contingency plan. Community data monitors and *woreda* and Zonal staff should be provided regular capacity building training and the necessary equipment and logistic support. Developing appropriate questionnaires, analytical methods and reporting formats, also requires assistance.

### **3.1.2 Drought contingency planning**

The objective of this component, which is based on the early warning and monitoring report, is to make early planning for timely intervention at the community and *woreda* levels before drought advances and a crisis is observed.

The *Woreda* Development Committee, in collaboration with community representatives and respective technical officers, prepares and compiles the Drought Contingency Plan. The Plan will focus on drought-mitigation activities designed to reduce household food-insecurity and livelihood vulnerability. This will include, identification of major areas of intervention and resources, such as targeting of specific drought areas, victims, food- and non-food items. The second type of early preparation of the Contingency Plan will consist of ready-made implementable documents that can support local coping strategies. The documents need to be prepared in detail, with time frame and cost estimate specified in advance for timely and rapid implementation before the onset of the drought. The *Woreda* Development Committee will approve the plans, ensure that they are technically feasible and attain minimum standards, and strengthen inter-*woreda* co-ordination of plans. There is a need to provide training on the different components of the contingency planning, with regular monitoring attached to it.

### **3.1.3 Drought reserve fund**

The objective of this fund is to allocate reserve fund that can be used to finance drought preparedness or actual emergency interventions at the onset of the drought. The reserve fund will be primarily used for interventions based on the findings of the contingency planning or earlier-documented reports. Immediate funding will thus be available for rapid action to counter a worsening food security situation "in order to allow for pre-positioning of drought emergency interventions."

A reserve/contingency fund will be managed by the *Woreda* Development Committee at *woreda* level to finance emergency interventions in the contingency plans. Priority will be given to saving human lives. Drought-prone *woredas* should have an annual budget allocation in the form of a reserve fund, which can be used only for emergency interventions. Likewise, the community should be motivated to contribute about 10 % of the/reserve fund during normal years to ensure reliability and ownership. The *Woreda* Development Committee can execute the interventions or contract them out. The Government initiative in allocating USD 60 million for this year and USD 100 million for

subsequent years is an encouraging move in the direction of combating drought and famine.

**3.2 Utilization of potential but unutilized areas for irrigation purposes:** Using participatory consultation and clear mechanism that fulfills the interests of the pastoral communities, the 55-thousand ha, currently unutilized and abandoned, but potentially irrigable lands, can be put under irrigation. This includes, 16 thousand ha in Afar region, 27 thousand ha under the Gode irrigation project, 10 thousand ha under the Alwero dam irrigation project and more than 2 thousand ha of irrigated land in South Omo under the joint Ethio-Korean irrigation project. This will help improve the food security situation of the pastoral communities, in the short-term, and improve livelihood and asset creation through revenue generation, in the long run. To facilitate implementation and to ensure success, consultation and involvement of the respective pastoral communities is of paramount importance.

**3.3 Water harvesting and management:** Moisture is one critical factor in almost all pastoral areas of the country. Afar region is endowed with surface water resource from more than 12 perennial rivers, while in remote pastoral areas and in potential rangelands, availability of water don't match. In Somali Region, Gode, Liben and Afder Zones are also endowed with three big perennial rivers mainly used for irrigated agriculture, while the southern and southeastern parts of the pastoral areas are devoid of any form of water sources, and mainly depend on *birka* (cistern) and large-sized "*hafir* dams" as sources of water. In Borana Zone of Oromiya Region, water is obtained mainly from rain harvested in ponds or from traditional/modern, shallow or deep wells. In South Omo, pastoralists are mainly accessing the perennial Omo River for most parts of the year, and those close to Turkana are using lake Turkana. The Nuer in Gambela are using both Rivers Baro and Gilo. Having all this potential for perennial water source, most of the pastoral areas are still suffering from drought and famine. This calls for pastoral regions to adopt, with the help of the Federal Government, a policy that incorporates water resource management into their Regional development plans. This shall include, among other things, making water harvesting and management an integral component of any of the socio-economic infrastructures. Communities, local authorities, technical officers need to be aware and be part of the planning and implementation of the policy. In addition, NGOs and international agencies should provide the necessary assistance for the realization/implementation of the policy.

**3.4 Livestock marketing:** The two major interventions, in terms of livestock marketing, are regular de-stocking during normal days and prior to drought and restocking during post drought. In order to perform the de-stocking process, pastoralists should be organized under associations/cooperatives in their respective communities and *woredas*. They should be provided with management and technical training, savings and credit schemes, linkage with market structures for smooth marketing, and technical assistance. One possible way of increasing market off-take is to get the communities organized and link them to potential and reliable livestock traders, meat processing plants, leather processors, etc. Possible means of linking livestock marketing associations/cooperatives with micro-finance and banking institutions should be well assessed in order to facilitate loans and use livestock as collateral. The current research undertakings by GL-CRSP in Borana area, in collaboration with local NGOs, including Action for Development (AFD), are encouraging.

**3.5 Capacity enhancement at community, district and regional levels:** So far, the role of pastoral communities, local authorities and technical offices at the district level in drought preparedness and management is very limited. Moreover, communities that are victims of drought and famine feel hopelessness, as they lack the drive, resources and the decision-making power regarding their fate. This requires both management and technical capacity building support at community and district levels. The focus will primarily be on practical risk management issues related to early warning, planning and resource allocation. Besides, implementation and monitoring of the impact of interventions in drought situations are important components of the capacity-building process and long-lasting partnership approach. Capacity enhancement programmes should focus on enabling the communities, through their institutions, to manage their affairs and the resources they command. In the long-term, the aim should be to empower the communities so that they have fair representation in the socio-economic and political affairs of their own localities and the country at large. The current Oxfam approach of empowering the local pastoral communities, organizational and technical capacity building could be taken as an example to be emulated.

**3.6 Integrated livestock emergency interventions:** Observations and studies have shown that provision of veterinary health services during drought can only reduce the proliferation of internal and external parasites. Health service intervention by itself cannot ensure survival and promote production of livestock. Integrated interventions focusing on provision of veterinary services against internal and external

parasites, vaccination against possible outbreak of diseases, coupled with provision of water and supplementary feed (roughage and concentrate), will ensure survival of livestock and promote production and productivity. In terms of targeting, poor women-households residing in homesteads and owning breeding cows/heifers should be given priority. The experience of Oxfam GB and FARM Africa in Zone Three (Amibara and Gewane), Afar Region and Oxfam GB and (Harargie Catholic Secretariat (HCS) in Shinille Zone (Afdem and Meisso) of Somali region, FAO's contribution, in collaboration with Afar, Oromiya and Somali Regional bureaus, during the 2002/03 drought could be referred to and considered as models.

In light of the critical shortage of livestock feed during the dry period, and in particular drought seasons, one major area of concern and focus should be preparation of livestock emergency feed that can be readily used when droughts strike. Concerned institutions, such as the Ethiopian Agricultural Research Organization (EARO), the International Livestock Research Institute (ILRI) and the Food and Agriculture Organization of the UN (FAO), should work hand in hand to find alternative means preparing livestock emergency feed that could be immediately used at the onset of drought.

**3.7 Livelihood diversification:** Human population increase, resource degradation and shrinkage, as well as restricted mobility, and drought and conflict have put the pastoral production system at risk. This implies that, currently, the resource-base of the production system cannot accommodate and absorb the human and livestock resources, and, consequently, calls for livelihood diversification. At present, in terms of human and livestock population density, the current carrying capacity of the pastoral areas of the country is about 9.6 ha/person and 2.0 ha/ TLU, respectively (extrapolation by the author). Because of resource degradation and shrinkage and recurrence of drought and conflict, the current carrying capacity of the rangelands is too low to accommodate the number of livestock available. This necessitates livelihood diversification within and outside the production system. Diversification within the system can include engagement in marketing/trading of live animals and animal products, such as milk, meat, skins and hides, fodder production for sale, specialized forms of livestock production, such as fattening of bulls, sheep and goats.

Diversification outside the system can be in the form of agro-pastoralism, irrigated agriculture and fodder production, incense and honey collection, petty trade (tearooms, local restaurants) and handicraft production. In

Pastoral Development in Ethiopia

addition, sale of water, using water-storage facilities, sale of fire wood and charcoal (which is undesirable) and specialized methods of livestock production, such as fattening of bulls, sheep and goats, joining Government's civil service institutions, as well as engagement in vocational work, including masonry, carpentry, etc. are means of livelihood diversification.

## **References**

Drought and Famine in the Pastoral Areas of Ethiopia

Afar National Regional State. *Second Five-Year (2000/01-2004/05) Development, Peace and Democracy Programme.*

Beruk Yemane (2000). "The Declining Pastoral Environment: Vulnerability Status and Adaptation Strategy."

"Development Efforts, Potentials and Problems of South Omo. The fifth Ethiopian Pastoralist Day. South Omo Zone. January 25, 2003."

*Emergency Assistance Requirements and Implementation Options for 2003.* Joint Government-UN Appeal, December 2002.

Environmental Protection Authority (EPA) (1998). *National Action Plan to Combat Desertification. Volume I. The state of natural resources in arid and dry humid areas.*

The Federal Democratic Republic of Ethiopia. *Food Security Strategy (2002).* March 2002, Addis Ababa.

Melakou Ayalew *et al.* (1997). *Drought, Flood, Influx of Refugees and Epidemics and the Present Response System.*

Ministry of Finance and Economic Development, FDRE. *Sustainable Development and Poverty Reduction Program (2002).* July 2002, Addis Ababa. Ethiopia.

Ministry of Water Resources, Federal Democratic Republic of Ethiopia. *Water Sector Development Programme (2002). Project ETH/98/001. Volume II-Main Report (Final).* Water Works Design and Supervision Enterprise (WWDSE).

Pastoralist Forum Ethiopia (2002). *Development of Pastoral Strategy and Lobby (Strategic Plan, 2003-2005).* Proposal submitted to Oxfam Canada. August 2002.

——— (2002). "Inclusion of A Chapter on Pastoralism in the National PRSP of the Federal Democratic Republic of Ethiopia." March 2002.

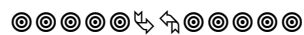
Planning and Programming Department of the Ministry of Health, Federal Democratic Republic of Ethiopia. *Health and Health-Related Indicators (2001/02).*

Somali National Regional State. *Second Five-Year (2000/01-2004/05) Development, Peace and Democracy Programme.*

**Annex 1. Drought affected population of Ethiopia from 1994-2003**

Regional States	Average 1994-03					
	1994	1997	1999	2000	2002	2003
<b>Tigray</b>	1085000	675000	998439	1717756	917200	2011427
<b>Amhara</b>	2096800	822120	2786803	3569820	1724800	3122991
<b>Oromiya</b>	1995000	547780	1562451	1902824	1051400	3733711
<b>SNNPR</b>	840000	331700	718517	1410008	303300	1439252
<b>Afar</b>	215000	264200	160578	306605	225400	786200
<b>Somali</b>	250000	600000	864800	1489660	894800	1063520
<b>B. Shangul e</b>	83000	13090	0	4201	9000	0
<b>Gambella</b>	27000	41500	17000	46600	32800	58361
<b>Total</b>	<b>6591800</b>	<b>3295390</b>	<b>7108588</b>	<b>10447474</b>	<b>5158700</b>	<b>12215462</b>

Source: DPPC, 2003



**PASTORALISM AND INTERNATIONAL INSTRUMENTS**

By **Melakou Tegegn**  
**Panos Ethiopia**

---

One of the crucial components of a strategy for pastoral policy advocacy is the use of instruments that recognize the rights of pastoralists. As the interdependence of the peoples of the world increasingly becomes the reality of the globalized world, mutual concern for common problems have become the imperative. More specifically, categories of people who suffer from specific problems have also developed a higher level of

expression of common concern that led to the formation of networks at various levels. Indigenous peoples constitute one of these categories, of which pastoralists are a part. Indigenous people are now united in a powerful social movement called the World Indigenous Peoples' Movement. Thanks to this movement, different bodies of international stature have recognized the rights of indigenous peoples and urged the governments of the world to do the same. There are also the international instruments, which the pastoralist movement needs to use in its policy advocacy work.

We are concerned with these instruments, first of all, because they recognize the rights of pastoralists, and, secondly, our governments are signatory to most, if not all, of these instruments. Therefore, this is something that the pastoral movement can and should use to demand the rights of pastoralists. By demanding respect for these rights, the movement can contribute to the furtherance of pastoral development. (We will come back to this when we deal with the right to development.) There is an intrinsic connection between the respect for these rights and their impact on pastoral development.

### **Knowledge Constitutes Empowerment**

We are living in a world in which information and knowledge constitute power. In the North, where the industrial society has already become an information society, information and knowledge dissemination has also become a billion dollar business. For us in the South, however, information and knowledge are increasingly becoming key factors for our existence. In the emerging development discourse, too, knowledge is considered to play a pivotal role not only in eradicating poverty but even preventing famine. As regards marginalized communities, such as pastoralists, the instruments enshrined in the resolutions of the many International Conventions constitute the cornerstone of the fight for their rights as well for their social development.

If poverty is defined not just as deprivation of material needs but also of the totality of capabilities of communities and individuals to determine the conditions that govern their lives, then the most important component of these capabilities is information and/or knowledge. Information and knowledge by themselves constitute empowerment, as an informed and knowledgeable community has the capability to determine the conditions that affect its lives. The more a community is knowledgeable the more it is disposed to have the command not only over the conditions of the factors that affect its life but also of nature as a whole.

However, in Africa, the problem is that it is not just communities who are unaware of their rights enshrined in International Instruments, governments as well don't know very well the contents of the agreements they have signed. In the wake of the World Trade Organization (WTO) Seattle meeting in 1999, a Ugandan minister, who had earlier attended these important WTO meetings elsewhere, as in Singapore and Morocco, openly admitted at an NGO meeting that he was unaware of the contents of the draft agreements and protocols that were being signed. The other side of the problem is, even if African governments are fully aware of what they are signing, they pay little attention to its implementation or respecting it in their own countries. This is mainly because most governments are not accountable to their own societies.

Thirdly, knowledge about these Instruments also helps in identifying who the signatories to these instruments are. This will also have an impact in terms of knowing one's friends when it comes to policy advocacy work. For instance, the United States is well known for not signing the most humane International Conventions and Agreements. The US refused to sign the Convention on the Rights of the Child, the Convention for the Elimination of All Forms of Discrimination Against Women, the Convention on Banning Land Mines, and many others. As we will see below, the US is one of the very few governments who are against the UN Declaration on the Rights of Indigenous Populations.

### **Rights are Won, Not Granted**

In this world, which is divided along social class lines as well as other categories of power and interest, there are always those who dominate and those who are dominated. The dominant ones use coercion to subjugate the dominated for as long as possible. One of the strategies of subjugation is misinformation or dis-information or simply refraining from disseminating information and knowledge. We Africans are well aware of what the colonial states did before independence. Education was only introduced to a limited degree, and that was only in as far as producing native technocrats to fill the lower echelons of the colonial bureaucracy. Some individuals made it all through their own initiative. No wonder then if the Congo had only sixteen college graduates, including Patrice Lumumba, the first Prime Minister, in 1960 when the country became independent. On top of that, colonial 'education' was indeed mis-education, its content having been designed to keep the African population under mental subjugation, even to the extent of denying their own intelligence.

Mis-education and or mis-information have their own purposes. One of these is to render the marginalized ignorant of their rights, including those rights recognized internationally. However, once these rights are known, they are not granted but won. Communities have to demand them. No government or any dominant power on earth ever grants the rights of the marginalized, not even those who claim to be the most “civilized” or consider themselves champions of democracy and freedom.

### **The Indigenous Peoples’ Movement**

The rights of indigenous peoples recognized by the International Instruments are rights that were not granted. They are all hard won, won through the long struggles of the indigenous peoples’ movement. The indigenous peoples’ movement first started with the *aboriginal* perception of indigeness as it originated in countries such as Australia, New Zealand, US and Canada, where aboriginal rights were high on the agenda at the time. Indigeneity was perceived to mean strictly an aboriginal indigenous as opposed to a European settler population. The dichotomy was between the indigenous, as the *first people*, and those who came later, as *settlers*. In these countries the indigenous were and still are, dominated and marginalized by the newcomers. The dichotomy is between the aboriginals and the émigré population, as the one between the aborigines and whites in Australia, the Maoris and whites in New Zealand, and native Indians and white settlers in North America (US and Canada).

Later on, as the indigenous movement picked up momentum, the original perception of indigeneity started to assume broader categories of people not necessarily dichotomized against a white settler population but on the basis of being the *first peoples* in a given territory, but marginalized by a settler community, or even by a population that expanded into the lands of the first people within the same country.

With the addition of a great many communities that fall into the category of being first peoples, the indigenous movement swelled from small and isolated movements by aborigines and North American Indians to a global movement that included hundreds and hundreds of peoples’ movements the world over. Today one can hardly find a country that doesn’t have indigenous people. Thus it is how the world indigenous movement born. With the growing in scope and breadth of the indigenous movement, the international community increasingly recognized their rights at various international fora and UN summits.

## **The World Indigenous Movement**

The world indigenous movement is probably the most mass-based, people-centered and, therefore, democratic movement in the world. It has no global structure, no headquarters, or any vanguard to speak of. Indigenous people's organizations exist in almost all countries, mostly more than one in one country, and are directly members of the world indigenous movement. The only thing that they have to do is to get connected.

There are numerous indigenous organizations set up as NGOs, CBOs, Rights Organizations, Women's Groups and Think Tanks. But they all get together and advocate for the rights of indigenous peoples at various levels--country, regional, continental and global. We have numerous indigenous groups in South East Asia and the Asia-Pacific region as a whole, but the most articulate in terms of global advocacy for indigenous peoples' rights are the ones based in the Philippines, New Zealand and Australia. There are a great many indigenous groups particularly in North America, Eastern Europe, Africa and the Middle East. Although indigenous peoples in the various parts of the world lead various kinds of livelihood, they all have one common denominator: they are all deprived of their natural resources either by the forces of modernity or by a settler population. Their indigenous knowledge systems have been destroyed, sometimes systematically, as backward and uncivilized, only proving, however, in the process, that it is the 'civilization' advanced by modernity that is indeed barbaric.

Without exception, indigenous peoples have always lived in harmony with the environment, as their livelihood systems depend on the well-being of the environment. Pastoralists, for instance, have a well-developed knowledge system on protecting the environment. They even have customary laws to punish environmental offenders, such as the ones who cut trees, for instance. In many indigenous cultures, humans cohabit with animals and live in harmony even with those considered wild by the forces of modernity. What modernity has all done in the name of development is destroy the natural habitat of indigenous peoples, thereby depriving them of their means of subsistence and, in most cases, without compensation. When Indians in North America and Aborigines in Australia fight for indemnity for the destruction of their ancestral land and habitat, the response they get is sheer state violence. Those who resort to violence will be subjected to police brutality, and even massacres, as it happened in a place called Wounded Knee in southern United States in

1974. In some places, indigenous peoples have won their right to acquire indemnity, as it recently happened in New Zealand.

Today, the world indigenous movement functions as a loose structure using global fora for advocacy purposes. The UN as a world body is the first to recognize indigenous rights, followed by some of its agencies, notably the International Labor Organization (ILO) and the UN Human Rights Commission based in Geneva. The struggle is surging forward to have regional state organizations to recognize indigenous rights, though the African Union has already made headway in this regard. Regional state organizations, such as SOAS in Latin America, ASEAN in South East Asia, and the EU have yet to come out clearly in recognizing indigenous rights.

### **Existing International Instruments**

#### **The United Nations (UN)**

The most important rights instruments for indigenous peoples come from the United Nations and its affiliates. The Convention (No. 169) Concerning Indigenous and Tribal Peoples in Independent Countries, or the ILO Convention, as it is well known, is the most important document to recognize indigenous peoples' rights. The UN Human Rights Commission also has established the Working Group on Indigenous Populations that meets every year in Geneva. More than 700 delegates from the entire world representing indigenous peoples attend the week-long meeting. This meeting brings indigenous groups in contact with government representatives who normally come to argue against indigenous demands and to 'rationalize' the position of their respective governments.

The most important document that the Working Group on Indigenous Populations, as well as the world indigenous movement, has been struggling for was the **Draft Declaration on Indigenous Populations**. The final draft has been ready for some time now, but powerful governments, such as the United States, have blocked its adoption. In order to take the agenda of indigenous peoples forward, the Economic and Social Council of the UN (ECOSOC) also established, by a decision on 28 July 2000, a special body called the UN Permanent Forum on Indigenous Issues (UNPF), a consultative body of experts that falls directly under the ECOSOC (the Economic and Social Council). It also appointed a well-known advocate of indigenous rights, Rodolfo Stavenhagen of Mexico, as

the Special Rapporteur of the UN Secretary General on indigenous populations' affairs.

The UNPF's mandate is "to examine indigenous issues within the context of ECOSOC's mandate in terms of economic and social development, culture, the environment, education, health and human rights" (Lola Garcia-Alix, *The Permanent Forum on Indigenous Issues*, 2003:72). Its functions have been defined as:

- "To provide specialist advice and to make recommendations on indigenous issues to the Council (ECOSOC, i.e., MT) and to the programmes, funds and bodies of the UN, through the ECOSOC.
- To publicize activities related to indigenous issues and promote their integration and coordination within the UN system.
- To prepare and disseminate information on indigenous issues. The Forum must inform indigenous peoples of its activities and facilitate information, experience and other resources of the UN system to indigenous peoples." (*ibid.*, 73).

The UNPF is composed of sixteen members, four of whom are selected by governments per group of countries according to geographical distribution, and eight from indigenous peoples per geographic region, i.e. Africa, Asia, The Arctic, Central and South America and the Caribbean, North America, the Pacific and former USSR and Eastern Europe. Africa's current representative is Ato Ayategau Kouevi, a human rights lawyer from Togo. The UNPF is an open forum where representatives of indigenous organizations participate.

### **The World Summits**

The UN world summits became very famous after the UN Earth Summit held in Rio de Janeiro (Brazil) in 1992. The Rio summit, whose official title was the *UN Conference on Environment and Sustainable Development*, came right after the dissolution of the Soviet Union, which marked the end of the Cold War. Prior to Rio, however, the issue of the environment had been debated for over three decades, and exactly two decades after the first International Conference on the environment held in Stockholm in 1972. As the years went by, ecologists provided proof that environmental degradation causes the depletion of biodiversity, on the one hand and ecological changes, on the other. Later on it was also proved that ecological changes have directly contributed to disasters that passed as 'natural', such as droughts and floods, which, in turn, further aggravated poverty.

Indigenous peoples were identified as the major population groups affected by these climatic changes, on the one hand, and the expansion of unsustainable 'development' projects on the other. In fact, because indigenous peoples depend on biodiversity and nature, they have the most developed knowledge system to protect the environment, which is their natural habitat. Thanks to the indigenous movement, which had already picked up prior to Rio, one of the most important points contained in Rio's most important document, namely, **Agenda 21**, was the issue of indigenous peoples. To this effect, paragraph 26 of Agenda 21 says the following:

**Recognizing and strengthening the role of indigenous people's and their communities**

*PROGRAMME AREA*

*Basis for Action*

- 26.1 *Indigenous peoples and their communities have an historical relationship with their lands and are generally descendants of the original inhabitants of such lands. In the context of this chapter, the term "lands" is understood to include the environment of the areas, which the people concerned traditionally occupy. Indigenous people and their communities represent a significant percentage of the global population. They have developed over many generations a holistic traditional scientific knowledge of their lands, natural resources and environment. Indigenous people and their communities shall enjoy the full measure of human rights and fundamental freedoms without hindrance or discrimination. Their ability to participate fully in sustainable development practices on their lands has tended to be limited as a result of factors of an economic, social and historical nature. In view of the interrelationship between the natural environment and its sustainable development and the cultural, social, economic and physical well-being of indigenous people, national and international efforts to implement environmentally sound and sustainable development should recognize, accommodate, promote and strengthen the role of indigenous people and their communities.*
- 26.2 *Some of the goals inherent in the objectives and activities of this programme area are already contained in such international legal instruments as the ILO Indigenous and Tribal Peoples Convention (No. 169) and are being incorporated into the draft Universal Declaration on Indigenous Rights being prepared by the United Nations Working*

*Group on Indigenous Populations. The International Year of the World Indigenous People (1993), proclaimed by the General Assembly in its Resolution 45/164 of 18 December 1990, presents a timely opportunity to mobilize further international technical and financial cooperation.*

- 26.3 *In full partnership with indigenous people and their communities, Governments and, where appropriate, international organizations should aim at fulfilling the following objectives:*
- a) *Establishing a process to empower indigenous people and their communities through measures that include:*
    - (i) *Adoption or strengthening of appropriate policies and/or legal instruments at the national level;*
    - (ii) *Recognition that the lands of indigenous people and their communities should be protected from activities that are environmentally unsound or that the indigenous people concerned consider to be socially and culturally inappropriate;*
    - (iii) *Recognition of their values, traditional knowledge and resource management practices with a view to promoting environmentally sound and sustainable development;*
    - (iv) *Recognition that traditional and direct dependence on renewable resources and ecosystems, including sustainable harvesting, continues to be essential to the cultural, economic and physical well-being of indigenous people and their communities;*
    - (v) *Development and strengthening of national dispute-resolution arrangements in relation to settlement of land and resource-management concerns;*
    - (vi) *Support for alternative environmentally sound means of production to ensure a range of choices on how to improve their quality of life so that they can effectively participate in sustainable development;*
    - (vii) *Enhancement of capacity-building for indigenous communities, based on the adaptation and exchange of traditional experience, knowledge and resource-management practices, to ensure their sustainable development;*
    - (viii) *Establishment, where appropriate, of arrangements to strengthen the active participation of indigenous people and their communities in the national formulation of policies, laws and programmes relating to resource management and other development processes that may*

- affect them, and their initiation of proposals for such policies and programmes;*
- (ix) *Involvement of indigenous people and their communities at the national and local levels in resource management and conservation strategies and other relevant programmes established to support and review sustainable development strategies, such as those suggested in other programme areas of Agenda 21.*

### **Activities**

- 26.4 *Some indigenous people and their communities may require, in accordance with national legislation, greater control over their lands, self-management of their resources, participation in development decisions affecting them, including, where appropriate, participation in the establishment of management of protected areas. The following are some of the specific measures which Governments could take:*
- (i) *Consider the ratification and application of existing international convention relevant to indigenous people and their communities (where not yet done) and provide support for the adoption by the General Assembly of a declaration on indigenous rights;*
- (ii) *Adopt or strengthen appropriate policies and/or legal instruments that will protect indigenous intellectual and cultural property and the right to preserve customary and administrative systems and practices;*
- 26.5 *United Nations organizations and other international development and finance organizations and Governments should, drawing on the active participation of indigenous people and their communities, as appropriate, take the following measure, inter alia, to incorporate their values, views and knowledge, including the unique contribution of indigenous women, in resource management and other policies and programmes that may affect them:*
- (i) *Appoint a special focal point within each international organization, and organize annual inter-organizational coordination meetings in consultation with Governments and indigenous organizations, as appropriate and develop a procedure within and between operational agencies for assisting*

Pastoralism and International Instruments

*Governments in ensuring the coherent and coordinated incorporation of the views of indigenous people and implementation of policies and programmes. Under this procedure, indigenous people and their communities should be informed and consulted and allowed to participate in national decision-making, in particular regarding regional and international cooperative efforts. In addition, these policies and programmes should take fully into account strategies based on local indigenous initiatives;*

- (ii) Provide technical and financial assistance for capacity-building programmes to support the sustainable self-development of indigenous people and their communities*
- (iii) Strengthen research and education programmes aimed at:
  - 1. Achieving a better understanding of indigenous peoples' knowledge and management experience related to the environment, and applying this to contemporary development challenges*
  - 2. Increasing the efficiency of indigenous people's resource management systems, for example, by promoting the adaptation and dissemination of suitable technological innovations;**
- (iv) Contribute to the endeavors of indigenous people and their communities in resource management and conservation strategies (such as these that may be developed under appropriate projects funded through the Global Environment Facility and the Tropical Forestry Action Plan) and other programme areas of Agenda 21, including programmes to collect, analyze and use data and other information in support of sustainable development projects.*

26.6 *Governments, in full partnership with indigenous people and their communities should, where appropriate:*

- (a) Develop or strengthen national arrangements to consult with indigenous people and their communities with a view to reflecting their needs and incorporating their values and traditional and other knowledge and practices in national policies and programmes in the field of natural resources*

- management and conservation and other development programmes affecting them;*
- (b) *Cooperate at the regional level, where appropriate, to address common indigenous issues with a view to recognizing and strengthening their participation in sustainable development.*
- 

(Source: The Final Text of Agreements Negotiated by Governments at the United Nations Conference on Environment and Development (UNCED), 3-14 June, 1992, Rio de Janeiro, Brazil. UN Department of Publication.)

### ***Means of Implementation***

#### *A/ Financing and Cost Evaluation*

- 26.7 *The Conference secretariat has estimated the average total annual cost (1993-2000) of implementing the activities of this programme to be about \$3 million on grant or concessional terms. These are indicative and order-of-magnitude estimates only and have not been reviewed by Governments. Actual costs and financial terms, including any that are non-concessional, will depend upon, inter alia, the specific strategies and programmes Governments decide upon implementation.*

#### *B/ Legal and Administrative Frameworks*

- 26.8 *Governments should incorporate, in collaboration with the indigenous people affected, the rights and responsibilities of indigenous people and their communities in the legislation of each country, suitable to the country's specific situation. Developing countries may require technical assistance to implement these activities.*

#### *C/ Human Resource Development*

- 26.9 *International development agencies and Governments should commit financial and other resources to education and training for indigenous people and their communities to develop their capacities to achieve their sustainable self-development, and to contribute to and participate in sustainable and equitable development at the national level. Particular attention should be given to strengthening the role of indigenous women.*

Ever since Rio, the World Indigenous Movement has struggled to have its agenda and demands incorporated in the final texts of all the UN Summits that were held in many parts of the world. These texts are

drafted at a 3-4 day meeting of all representatives of indigenous organizations from throughout the world that met prior to the official summits.

### **The African Union**

The other major International Instrument relevant to the pastoralist movement in Ethiopia is the one held at the level of the African Union. The forerunner of the AU, the OAU (Organization of African Unity), had already set up a commission in 1986, namely the African Human and Peoples' Rights Commission (AHPRC). Since recently, African indigenous organizations, supported by other rights-based advocacy organizations, have been actively advocating for the setting up of a working group on indigenous people under the AHPRC. To take this forward, a working group of experts have been set up and endorsed by the AHPRC. An important landmark came when the ACHPR adopted a resolution entitled "Resolution on the Rights of Indigenous Populations/Communities in Africa" at its 34th session held in Banjul, The Gambia, from 6<sup>th</sup>-20<sup>th</sup> November 2003.

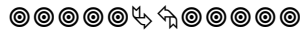
The working groups of experts work on behalf of the African indigenous organizations representing them at the AHPRC sessions that meet every six months. Since recently, Pastoralist Forum Ethiopia (PFE) has been active both in the working group of experts' meetings as well as in the AHPRC sessions. At the first working group of experts' meeting held in Nairobi in 2003, the Board Chair of the PFE drafted a section of the experts' draft presented to the AHPRC.

At the level of the movement from below, PFE is also actively engaged in networking with other indigenous movements in Africa. PFE is represented by its Board Chair at the Executive Committee of the Indigenous Peoples of Africa Coordinating Committee based in Cape Town, which lobbies mainly at the UN in Geneva and New York.

At the regional level, PFE is also engaged in a process of formation of networks of NGOs in the Eastern Africa sub-region (the Horn and East Africa). At a recent sub-regional pastoralist meeting held in Nairobi, it was agreed to organize a sub-regional network of indigenous organizations and an organizing committee to organize a founding congress was elected, among which a representative of PFE is one. PFE has also made headway in helping the establishment of a Regional Inter-Parliamentary Network among pastoralist Members of Parliaments from Kenya, Ethiopia and Uganda, who had earlier formed lobbying groups

within their respective parliaments. PFE is working to have pastoralist MPs from Tanzania and the Sudan to be included soon.

In this paper, I have attempted to present the principal International Instruments that are at the disposal of all who work on pastoral rights both at the level of advocacy and policy implementation. Needless to say, pastoralism and other indigenous issues are not yet very well known to a great many people and policy-makers as well. Working for pastoral rights is an uphill struggle indeed. Nevertheless, PFE has made quite a huge progress, within the last three years in particular. The country has taken one step forward. But as the Chinese saying has it, a long journey begins with one step forward. PFE has succeeded in enabling Ethiopia to take that step. The rest can still be fulfilled by a rigorous advocacy work. But, an advocacy work can result in better achievements if it is well informed. Knowledge about International Instruments is indeed helpful in this regard. And that is the purpose of this paper.



**CLOSING REMARKS**  
By **Ato Beruk Yemane**

---

**Ato Chairman,  
Ladies and Gentlemen:**

I think that I am the least qualified person to close this Conference. Anyway, I would still like to express my deep gratitude for being invited to make some closing remarks after the two- day hot discussions at this Third National Conference on the theme of "Pastoralism and Sustainable Pastoral Development."

Following are some important general issues I have observed during our discussions:

The degree of participation has tremendously increased when compared to the last two National Conferences held in Addis Ababa. This is a manifestation of our joint efforts toward creating and developing the awareness of the pastoral community.

The topics chosen for discussion were more specific. We have shifted from raising general questions to identifying specific issues, which, in fact, has contributed to the lively participation of the members.

Having said this, I would like to deliberate on the following issues raised at the Conference.

From the presentations and discussions conducted, one can conclude that it is high time that partnership engagement between civil society groups, the pastoral community and the Federal and Regional Governments is undertaken. Such partnership engagement will serve as a pivot for establishing common visions, missions and strategies. These, in turn, will enable us to create synergism. This is a very important point to note and for the realization of which we must all strive, and the sooner the better.

Everyone of us should dwell more on structural issues. Unless we dwell on major structural issues, we will not be able to systematically and effectively solve all the problems raised. For your information, Oxfam is working on a project of "breaking the cycle of famine." It is a civil society movement specifically meant to address famine.

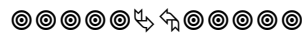
Pastoral Development in Ethiopia

The International Instruments, such as "Agenda 21" and others, will help the pastoral community in combating and alleviating poverty. PFE shall do its utmost to familiarize the pastoralists with these International and National Instruments, too. The communities should be aware of their right and make use of the Instruments in their struggle against poverty.

What is the way forward? Now that we have identified the problems and action points, we shall document them and shall proceed with policy advocacy. This is the way forward. To carry out the tasks effectively, we have to design a monitoring mechanism. A system devoid of monitoring mechanisms is not really a system.

With this brief remark, I declare this Conference officially closed.

I thank you!



Participants of the Conference

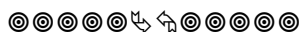
**Annex 1: Participants of the Conference**

<b>NAME</b>	<b>ORGANIZATION</b>
Abdi Abdullahi	Pastoralist Concern Association Ethiopia
Abdi Adem	USAID
Abdi Ahmed	Rural Organization for Betterment of Agro Pastoralist (ROBA)
Abdi Omur	Pastoralist Communication Initiative (PCI/ UN-OCHA)
Abdulkadir Sheik Mah(Hon.)	Parliamentarian, Pastoral Affairs Standing Committee (PASC)
Abdurahim Yasin(Hon.)	Parliamentarian, Pastoral Affairs Standing Committee(PASC)
Abebaw Adugna	Livestock Marketing Authority (LMA)
Abedulakadir Hammedu	Afar Pastoralist Development Association
Abdulkadir Ahmed	Panos Ethiopia
Abraham Gelaw	Student
Abraham Kumela	Panos Ethiopia
Adanech Abera	Addis Zena
Alemayehu Reda	USAID
Alemayehu Boka	Consultant
Alemu Berhe	APRDCB
Ali Ahmed Abdi	AL-Nejah Charity Organization
Ali Ibrahim	Afar Pastoralist Development Association
Ali Mohamoud	Somali Pastoralist Representative
Aregu Balla	Walta Information Center
Aschalew Zegeye	Ethiopian Press Agency
Awel Wittika(Hon.)	Parliamentarian, Pastoral Affairs Standing Committee
Ayan Abdella	Ogaden Welfare & Development Association (OWDA)
Bayou Abera	Action Contre La Faim
Bazezew Baye	Ministry of Infrastructure
Bekele Bulado	Awash International Bank
Belachew Hurrissa	Livestock Marketing Authority (LMA)
Belay Derza (Dr.)	SNNP, Food Security & Pastoral Area Development Coordination Office (FSAPDCO)
Berhanu Adnew(Dr.)	Ethiopian Economic Association (EEA)
Beruk Yemane	Oxfam- GB
Dagim Bushoro	Gudina Tumsa Foundation (GTF)

<b>NAME</b>	<b>ORGANIZATION</b>
Dawit Kebede	Norwegian Church Aid (NCA)
Degnachew	The Daily Monitor
Dejene Mekonnen (Dr.)	Irish Embassy
Dereje Adugna	CARE Ethiopia
Elias Gebru	Wogagen Bank
Eyasu Tekie	Ethiopian Science and Technology Commission
Fatuma Hussen	Afar Pastoralist Representative
Fekadu Bekele	Education for Development Association
Feyera Abdi	SOS Sahel (UK)
Gashaw Abate	Ethiopian Press Agency
Geremew Getahun	Japanese International Cooperative Agency
Getachew Gebru (Dr.)	Global Livestock Collaborative Research Support Program (GL-CRSP)
Getachew Kassa (Dr.)	Addis Ababa University
Gezahegn Kebede	Oxfam GB
Girma Mikru	Environment Protection Authority (EPA)
Gordon Winthrop	Pastoralist Communication Initiatives (PCI/UN-OCHA)
Guye Guda	Oromiya Pastoralist Representative
Hanna Mekonnen	Oxfam Canada
Hassen Mohammed	Afar Pastoralist Representative
Homma Mihoru	Japanese International Cooperation Agency
Ismael Ali Gardo	Afar Pastoralist Development Ass.(APDA)
Jackers Jan	
Kassaye Hadgu	UN Food Agriculture Organization
Kebede Assefa	ESHET Micro-finance Institute
Kumilo Usma	
Lema Gurmu	Goal Ethiopia
Makonnen Tola	Inter Africa Group (IAG)
Matewos Tera	Christian Aid
Melakou Tegegn	Panos Ethiopia
Mebrat Alem	Ministry of Rural Development (MORD)
Melakmnes Alemu	DFID
Menbere Admassie	Afar Mothers and Child Care Organisation
Mesel Getnet (Ms)	Ethiopian News Agency (ENA)
Mesfin Berhan	Ministry of Agriculture (MOA)
Mike Giles	Save the Children/USA
Mohammed Abdulahi	Ethiopian Civil Service College (ECSC)
Mohammed Ismail	Hope for the Horn (HFH)
Mohammed Mussa(Dr.)	PENHA/Private Consultant

Participants of the Conference

<b>NAME</b>	<b>ORGANIZATION</b>
Mulatu Alemayehu	Radio Ethiopia
Mulugeta Mamo	International Livestock Research Institute
Mussa Gorro	Oromiya Pastoralist Representative
Negash Amdie	Ministry of Federal Affairs/ Pastoral Area Development Department
Negash	Radio Ethiopia
Nemera Weyessa	Trocaire Ethiopia
Samuel Molla	Oxfam Canada
Shawangezaw Kassahum	Ethiopian News Agency (ENA)
Shewadeg Molla	Ethiopian Social Rehabilitation & Development Fund (ESRDF)
Shimelis Beyene	CARE Ethiopia
Sileshi Woldeyes	Tobia Newspaper
Sileshi Zewdie	Ministry of Agriculture (MOA)
Sintayehu Gebre Giorgis	Christian Relief Development Association (CRDA)
Sora Adi	Borana Lowland & Pastoral Development Program BLPOP/GTZ
Sultan Ali	Ogaden Welfare Development Association (OWDA)
Tadesse Gadissa	Radio Fana
Tamene Gossa	Ministry of Water Resources
Tamre Teka (Dr.)	Agency for Cooperation Research and Development (ACORD)
Tesfaye Beyene	CISP
Tesfaye Kumsa (Dr.)	Ethiopian Agricultural Research Organization (EARO)
Tezera Getahun	Pastoralist Forum Ethiopia (PFE)/Panos
Woldehana Kinfu(Dr.)	Agency for Cooperation Research and Development (ACORD)
Workineh Negatu	Addis Ababa University
Yishak Mengesha	Commercial Bank of Ethiopia
Yohannes Anberbir	Ethiopian News Agency
Yohannes Solomon	Ethiopian Human Rights Council
Yonathan Abebe	Environment Development Action (ENDA)
Yoseph Negassa	Action for Development (AFD)
Yoseph Tesfaye	Pastoralist Communication Initiatives (PCI/OCHA)
Zelege Makuriaw (Dr.)	Alemmaya University



**Annex 2: Timetable of the Conference**

---

**Day 1, Tuesday, December 23, 2003**

8:30 - 9:00 Registration

**Session I**

**Chairperson: Melakou Tegegn (Panos Ethiopia)**

9:00 - 9:15 Introductory remarks, Tezara Getahun, Director PFE

9:15 - 9:45 Welcome speech, Honorable Ato Abdulkadir Sheik Mah  
House of Representatives, Pastoral Affairs Standing  
Committee

**Session II**

**Chairperson: Melakou Tegegn, Panos Ethiopia**

9:45 - 10:30 Pastoral development strategies/policies; Mohammad  
Abdullahi Hussien, Civil Service College, Faculty of Law

10:30 - 11:00 Discussion

11:00 - 11:15 COFFEE BREAK

**Session III**

**Chairperson: Abdi Abdulahi, Pastoralist Concern Association  
Ethiopia**

11:15 - 12:00 Pastoralism and Accumulation, Melakou Tegegn, Panos  
Ethiopia

12:00 - 12:30 Discussion

12:30 - 2:00 LUNCH BREAK

**Session IV**

**Chairperson: Dr. Getachew Gebru, GL-CRSP-PARIMA**

2:00 - 2:45 Livestock Marketing and Pastoralism, Belachew Hurissa,  
Livestock Marketing Authority

3:00 - 3:30 Discussion

3:30 - 3:45 COFFEE BREAK

**Session V**

**Chairperson: Dr. Getachew Gebru, GL-CRSP-PARIMA**

3:45 - 4:30 Micro-finance and pastoralism, Ato Abdi Ahmed  
Rural Organization for Betterment of Agro-pastoralist  
(ROBA)

4:30 - 5:00 Discussion

*Day 2, Wednesday, December 24, 2003*

8:30 - 9:00 Registration  
9.00 – 9.30 Introductory remarks and conclusions for day one, PFE

**Session VI**

**Chairperson: Dr. Belay Derza; SNNP, Food Security and Pastoral Area Development Coordination Officer (SNNP-FSAPACO)**

9.30 – 10.15 Drought and Famine in Pastoral areas; Ato Beruk Yemane, Oxfam GB  
10:15 - 10:45 Discussion  
10:45 - 11:00 COFFEE BREAK

**Session VII**

**Chairperson: Dr. Belay Derza; SNNP, Food Security and Pastoral Area Development Coordination Officer (SNNP-FSAPACO)**

11:00 - 11:45 Conflict Management and Peace Building; Alemayehu Boka  
11:45 - 12:15 Discussion  
12:15 - 2:00 LUNCH BREAK

**Session VIII**

**Chairperson: Abdi Abdulahi, Pastoralist Concern Association Ethiopia**

2:00 - 2:45 International Instruments and Pastoralism; Melakou Tegegn Panos Ethiopia  
3:00 - 3:15 Discussion  
3:15 - 3:30 COFFEE BREAK  
3:30 - 4:30 Conclusions and round-table discussions on pastoralist issues and policies in Ethiopia  
4:30 – 4:40 Closing Remarks, Beruk Yemane, OXFAM GB



**Annex 3: Members of Pastoralist Forum Ethiopia**

---

Action for Development

Afar Mothers and Child Care Organization

Afar Pastoralist Development Association

Agency for Cooperation and Research in Development (ACORD)

BLPDP/GTZ

Committee of International Sviluppo People (CISP)

FARM Africa

Gudina Tumsa Foundation

Hope for the Horn

Intermon

Ogaden Welfare Society

OXFAM Canada

OXFAM GB

Panos Ethiopia

Pastoralist Concern Association Ethiopia

Penha

Save the Children/USA

SOS Sahel

UN Emergency Unit