



The Feed the Future Ethiopia – <u>Livelihoods for Resilience Activity</u> (L4R) was a 6.5-year USAID-funded project running from December 2016 through July 2023. Building on lessons learned from the preceding project (GRAD), the Livelihoods for Resilience Activity supported poor rural households to build resilient livelihoods with improved food and nutrition security, even in the face of shocks and stresses.

The project worked closely with the livelihoods component of the Government of Ethiopia's Productive Safety Net Program (PSNP), and targeted over 97,000 PSNP households in 41 woredas of Amhara, Tigray, Oromia, Sidama, and Southern Nations, Nationalities and Peoples' Region (SNNPR), with the aim of enabling these households to graduate from the PSNP with resilience.

A consortium led by CARE and comprising the Relief Society of Tigray (REST), ORDA Ethiopia, Agri-Service Ethiopia (ASE), and the Netherlands Development Organization (SNV) implemented the project.

Learning Brief #5

Resilience in Conflict

This brief explores how Livelihoods for Resilience households in Tigray and Amhara regions leveraged their knowledge, skills, and assets to cope with the northern conflict in 2020-2022, and to rebuild their livelihoods after the conflict. The brief draws on Livelihoods for Resilience endline survey data collected in June 2023 and qualitative research conducted in April and May 2023, and on Biruh Tesfa monitoring data.

Background

The 2020 – 2022 conflict in northern Ethiopia, which started in Tigray in November 2020 and expanded into Amhara in July 2021, had a devastating impact on the lives and livelihoods of rural households. Over the course of two years, households faced massive displacement, gender-based violence, loss of assets and income, and loss of life as a result of violence and severe shortages. Conflict prevented farmers from

weeding and harvesting crops, and disrupted market systems and the usual flows of agricultural inputs to farmers in both 2021 and 2022. The crisis threatened to severely constrain agricultural production and cause a major food security crisis. During this period, households in Tigray also faced a shutdown of services (banking, electricity, and telecommunications) and extremely limited access to fuel and other goods.













Project layering and the humanitarian-development nexus

The Livelihoods for Resilience Activity had been implementing livelihood diversification and resilience building interventions in the conflict-affected areas for four years before the conflict began. These interventions served as a solid foundation for the emergency programming that was layered on them, and laid the groundwork for resilience.

The \$13 million Bureau for Humanitarian Assistance (BHA)-funded Biruh Tesfa project was designed to provide emergency agricultural input support to conflict-affected households in Tigray and Amhara. Biruh Tesfa (depicted in orange in the graphic at right) was layered on Livelihoods for Resilience (depicted in blue), and the two programs were implemented by the same

Rapid start-up **Fertilizer vouchers** Trust, (unions) **Biruh** relationships Vegetable seed Effective Tesfa Effective targeting Oxen use of cash, and tool vouchers (BHA) Continued vouchers, owners to (agrodealers) 2021 implementation plough and in-kind **Poultry vouchers** -2023 despite salary & (pullet growers neighbors' inputs by and agrodealers) payment gaps households land ~280 staff on 50.000+ 4 years of 33 agrodealers households ground in technical 22 pullet growers L4R knowledge, organized in Tigray and 1 feed processor (FTF) 2,800+ village business Amhara* in Tigray & 2016 economic and skills Amhara -2023 social associations

Figure 1. Layering of Biruh Tesfa (in orange) and L4R (in blue)

(VESAs)

team, in the same areas, and in many cases supporting the same households.

At the time the conflict hit, the Livelihoods for Resilience Activity had over 280 staff on the ground in the most conflict-affected areas (Tigray and the Woldia area of Amhara), working with over 50,000 households organized into over 2,800 village economic and social associations (VESAs). This foundation enabled Biruh Tesfa to start up quickly, which was crucial as there were only three months remaining to deliver inputs for the planting season when the project started. The team's field presence and knowledge of each household also facilitated effective targeting, including for innovative interventions such as identifying oxen owners to plough their neighbors' land (a cost-effective and time-efficient alternative to oxen restocking). Households' technical and business skills, built for four years under L4R, enabled them to make effective use of the cash, vouchers, and in-kind inputs such as

Biruh Tesfa reached over **100,000 conflict-affected households** in Tigray and Amhara through:

- 1.8 million USD in cash transfers to 14,500 households
- Fertilizer provision* to 78,200 households
- Wheat seed provision to 34,000 households
- Vegetable seed provision* to 21,000+ households*
- Animal health service provision* to 50,000 households
- Ploughing service provision for 7,000 households
- Poultry and poultry feed* to 849 households
- Other inputs and services: chickpea seed, field pea seed, flax seed, sweet potato seedlings, and farm tools*

*Fertilizer, vegetable seeds, farm tools, poultry and poultry feed, and animal health services were provided through vouchers wherever possible.

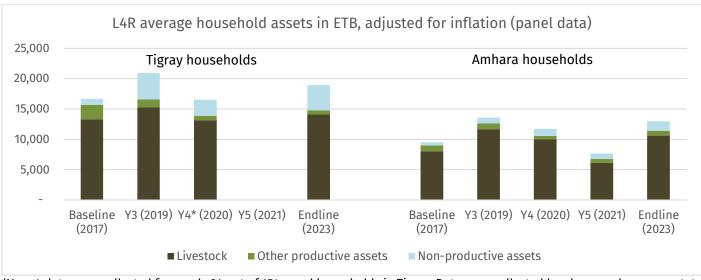
fertilizer, wheat seed, chickpea seed, and others provided by Biruh Tesfa.

L4R had also strengthened market actors in the implementation areas, including agrodealers, pullet growers, and a feed processor. These market actors were instrumental in enabling Biruh Tesfa to use voucher-based approaches for pullets (young chickens), feed, vegetable seeds, and tools, as outlined in the text box at left.

The synergies achieved through the layering of Biruh Tesfa and Livelihoods for Resilience illustrate the benefits of nexus programming with increased alignment of humanitarian and development programming—made easier, in this instance, by the fact that both projects were implemented by the same team.

Resilience impact

Sustained asset ownership. L4R panel survey households in Tigray and Amhara reported improvements in asset values from baseline in 2017/18 to endline in 2023, even in real terms (adjusted for inflation), despite the devastating economic impacts of displacement, violence and instability, banking closures, access restrictions, and other effects of the conflict. The graphs below depict the drop in the real value of assets in Year 4¹ – a clear sign of the losses sustained by households in the conflict – and, for Amhara, a further drop in assets in Year 5² – but the graph also shows the beginning of a recovery for households in both Tigray and Amhara at endline³, just seven months after the cessation of hostilities agreement. In both regions, despite the devastating conflict, the real value of household assets **increased** between baseline and endline – by **14**% in Tigray and by **36**% in Amhara. In Amhara, where data are available for all years, real asset values increased by **69**% from Year 5 to endline (one year later).



*Year 4 data were collected from only 34 out of 154 panel households in Tigray. Data were collected by phone and may overstate households' asset ownership, as households that were reachable by phone may have been better off than households that were unreachable. Endline data were collected from 143 out of 154 panel households in Tigray.

Nominal (non-inflation-adjusted) asset ownership at endline was **59,226 ETB (approximately \$1,097)** on average for households in Tigray and **40,602 ETB (approximately \$752)** on average for households in Amhara.

Reduced need for food aid. The provision of emergency agricultural inputs to conflict-affected households reduced the need for food aid in Tigray and Amhara. Although Biruh Tesfa's total food aid reduction impact cannot be calculated, we can estimate the amount of food produced locally through the project's provision of fertilizer, which is a critical input for the production of cereals such as wheat in this rocky terrain. Biruh Tesfa provided sufficient fertilizer to cover 0.25 hectares per household to 63,200 households in 2021 and 29,995 households in 2022. Post-distribution monitoring from 2022 (when households did not receive wheat seed from the project) found that cereals produced with this fertilizer had an average yield of 323 kg. If we assume that yields were similar in 2021 and 2022, we can estimate that, though the fertilizer distribution alone, Biruh Tesfa contributed to the production of over 30,000 MT of cereals, which corresponds to 2 million person-months of food.

Hence Biruh Tesfa can be considered, very conservatively, to have helped reduce the need for food aid for 334,437 individuals for 6 months. This number reflects only the production by households that received fertilizer, and does not take into account the provision of improved seeds, nor does it consider the households who survived from vegetables grown from seeds provided by the project, from milk produced by their dairy cows (kept alive as a result of animal health services), from crops produced with inputs purchased through cash transfers, and from the variety of other interventions implemented by the project.

¹ Data collected between December 2020 and March 2021

² Data collected in Amhara between January and March 2022. Data for Tigray were not collected in Year 5 due to access constraints in the region.

³ Data collected in June 2023

Key resilience factors

Factor 1: Village economic and social associations

After temporarily stopping meetings when the conflict was active, many VESAs restarted once relative stability had returned, even though the conflict continued in other areas. VESAs served as a key source of resilience through continued financial service provision as well as communal support:

- (1) VESAs operated as adaptive financial institutions, responsive to the needs of their members. During the conflict, VESAs adapted to members' reduced cash flows, increased absences, and high demand for emergency loans by making adjustments to their regular practices. These VESAs:
 - Served as a source of immediate cash through share-outs as conflict approached, thereby enabling households to make preparations to flee to safety
 - Reduced share values (lowering the minimum saving requirement) to allow everyone to save
 - Saved for other members who were away or were unable to save
 - Rescheduled loan repayment or canceled interest rate payments for those with outstanding loans
 - · Repaid loans on each other's behalf
 - Changed criteria for the prioritization of loans to meet the most critical needs

VESAs made many of these decisions on their own, underscoring the sophistication and flexibility of many groups. In Tigray, VESAs were the only sources of finance during most of the two-year conflict period.

(2) VESAs also provided a platform for communal support and solidarity. VESAs and their members:

- Used their social fund (a small grant fund, separate from members' savings, supported through regular contributions) to care for members with medical crises or other critical needs
- Served as a source of informal insurance for the community, sharing resources to help each other survive—"like family". VESA members shared cash on hand, food, and other resources with each other and with non-VESA members. Some VESAs reported providing loans to non-members as well.
- Used VESA meetings to share information about the conflict, discuss challenges, and make plans
- Cared for VESA assets (cash box) above their own

Some households reported being more likely to ask fellow VESA members for help than other community members with more resources, or even their own families. In Amhara, VESA members were each other's number one source of support in challenging times: 29% of households reported that their fellow VESA members had helped them during the last challenging period they faced, compared with 24% reporting help

from their families, and just 8% reporting help from other community members or friends. In Tigray, 14% of households reported having received support from fellow VESA members (second only to family members) during the last challenging period.

"We survived because of this group."

- Female L4R participant, Wadla Woreda, Amhara

"Even if we have nothing to eat in our home, we ask VESA members to share what they have. Even though other community members have more, we don't ask them—we ask our fellow VESA members. We learned that our VESA members are our friends, our families, our backstoppers during this hard time."

- Rahwa VESA member, Gulomekeda, Tigray

Factor 2: Business experience and livelihood diversification

L4R enabled livelihood investments, which contributed to households' improved business experience and increased livelihood diversification.

L4R households engaged in various livelihoods activities prior to the conflict, ranging from sheep and goat fattening to dairy production and cattle fattening, poultry, onion production, wheat production, and off-farm activities. As their livelihoods diversified, their risks diversified as well, and they were able to rely on different income streams as needed during the conflict.

Livelihood adaptations during the conflict were wide ranging and creative, drawing on knowledge from the project, but without specific direction from L4R staff. People shifted between livelihoods (for example, from sheep fattening to potato production) to reduce the risk of looting.

Most households' chickens died during the conflict, as did many sheep and goats (as families were displaced and unable to feed them, or from looting), but many households were able to keep one or two sheep, or a dairy cow, alive during the conflict. Households reported surviving off milk from a dairy cow after other income sources dried up, or earning income from petty trade when agricultural production was on hold.

Even for households that had lost everything, business skills and experience with livelihood investments enabled households to rebuild faster. People applied the financial management and technical skills they learned to new businesses to rebuild after the conflict if their existing business had been destroyed or was no longer viable. They were motivated to rebuild because they had experienced success before the crisis.

"I have seen the importance of loan access. If I can get

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another loan, I can reach my pre-conflict status in three years because I know how to make money."

- Female L4R participant, Hawzen Woreda, Tigray

Factor 3: Confidence and aspiration

Related to the business experience factor above, L4R households emphasized the importance of knowledge—both technical/value chain specific, and the broader knowledge of savings, planning, and aspiration—as critical to their resilience. Participants described the key to recovery as feeling confident that they had the skills they needed, spurred by the knowledge that success was possible.

"We were practicing to be strong before the war. We were confident. We were building our skills and growing before the conflict came. That's how we knew we could stay strong and push ourselves. That's how we survived the war. Otherwise, it would have been unbearable."

- Male L4R participant, Wadla Woreda, Amhara

The motivation of having a group to check in with, and of being able to give loans and support to better off people in their communities, helped VESA members feel proud of their leadership roles and further motivated them to rebuild and start saving again as quickly as possible.

"I want to teach others. Look at me! I have grown. I am better now. I want to show others that they can be better, too. They can save their money. They can grow tall. I can teach people how to do that."

- Male L4R participant, Habru Woreda, Amhara

Factor 4: Protection of livelihood gains

Many Livelihoods for Resilience households benefited from Biruh Tesfa support, which protected their livelihood gains in the following ways:

- By providing **crop inputs** such as wheat seeds and fertilizer, Biruh Tesfa contributed directly to food availability at the household level. This minimized families' need to buy food at a time when prices were high, thereby reducing the likelihood that they would sell their productive assets.
- Vegetable seeds provided safe access to food within households' own compounds during time of active conflict, and nutritionally supplemented the food aid grain received through humanitarian projects. Households used the vegetables to feed their families, to earn an income, and in some instances to buy other assets.
- Animal health services kept livestock alive, providing a foundation for future rebuilding of livelihoods.

• Cash transfers and other support helped households restart their businesses. In Amhara, 97% of households who received cash reported having already restarted their livelihood activities. Households were confident that as long as peace held, they would recover completely and continue to grow.

"You saved our lives and our animals. These animals will be a springboard for us to rebuild."

- L4R participant, Ganta Afeshum Woreda, Tigray

"We were better off than the public servants... at least we could grow food."

- Female L4R participant, Alaje Woreda, Tigray

Factor 5: Small-scale, local private sector and market systems development

The active presence of the local, small-scale private sector—supported through L4R's market systems development interventions—played an important role in both household and market systems resilience. Many larger-scale private sector actors were so heavily impacted that they had to shut down their operations during the conflict, but local small-scale actors, such as agrodealers, were flexible in adapting to changing circumstances, both out of necessity and out of a sense of responsibility to their communities. In particular, the agrodealers:

- Continued to supply inputs throughout the conflict period, including supplying urban markets with vegetable seeds (a new development)
- Accessed inputs such as veterinary drugs and vegetable seeds through informal channels when needed
- Partnered with other business actors through profit-sharing arrangements to access working capital
- Packaged vegetable seeds for Biruh Tesfa vouchers, and continued small-scale packaging after the voucher intervention
- Played increasingly important roles in the provision of advisory services to farmers when there were no government experts in the area

Engaging local private actors in Biruh Tesfa service and input delivery helped them keep their businesses open when demand was low.

"The crisis turned into an opportunity for me—this was the time when farmers developed trust in my business. Farmers even say: 'in your absence, what would have happened to our livestock?'"

- Agrodealer, Hawzen, Tigray

Factor 6: Gender equity and women's empowerment

Livelihoods for Resilience tackled gender norms that hold women back from engaging in livelihoods. Frontline staff held discussions on women in leadership prior to holding VESA management committee elections, challenged assumptions on access to and control over resources and decision making in the context of financial literacy, and addressed issues around women's mobility in the community and workload sharing in the context of livelihoods. These activities helped prepare women for the roles they would need to play during the conflict.

Project participants in Amhara reflected that the ability of husbands and wives to plan together, to both earn incomes, to play to their individual strengths, and to use resources and labor in new ways, were critical to success for many families. In Amhara, 99% of women were aware of the project support their household received, and 72% reported that they had participated in a meaningful way and made decisions about support received jointly with their spouse. In Tigray, 96-100% of women reported knowing about the support received, and being involved in the application of inputs.⁴

In Tigray, with men away or facing restricted mobility, women were responsible for everything from obtaining inputs and managing household finances to helping neighbors fill their food gaps and organizing funerals.

"Now I am in a position to solve problems."

- Female L4R participant, Tigray

Stories of resilience

Mestayet's story

Mestayet Abebaw lives in Wadla Woreda of Amhara. In 2017, when she joined the Livelihoods for Resilience Activity, she was extremely poor, but with training, savings, and the solidarity from her VESA, she started making progress—going from nothing to having 120,000 birr (\$2,400) in her bank account, and being on her way to building a better house.

"Before the conflict, I was fattening sheep and goats, and I used the profit to start sending my kids to school. I started building a better house with the money that I earned. That was all possible because of the VESA.

In the conflict, I lost 25 chickens. That was all the chickens I had. I also lost one of my three sheep. We just gave the soldiers anything they asked for. We didn't even keep anything back to feed our children. There was no bank, and we couldn't get any money from our accounts. But we had money in the VESA, and we used that money. We had some wheat from the harvest that we could use to eat [during the conflict]. We took loans from the VESA to buy and grow potatoes to eat. If we had any left over, we sold them to make some money.

We survived because of this group. We got loans from the VESA. We shared out our money early, before the soldiers came. With that money, we bought our lives. We bought ourselves the time to survive. But we never stopped saving. We kept meeting twice a month. During the war, we started saving 10 birr (\$0.20) instead of 25 birr (\$0.50). But now we are saving 25 birr again.

We shared whatever we had with each other. It didn't matter if you were in the group or not. We helped other people, too. Group or no group, this community is all one house.

After the war, I sold my remaining sheep at Easter, and made 8,000 birr (\$160). I took that money to buy three more sheep for 5,000 (\$100), and sold them for 14,000 (\$280). I used that money to buy more, and now I have four sheep, worth 22,000 (\$440).

Being resilient means being a problem solver. It means staying strong and working hard."



⁴ Source: Biruh Tesfa post-distribution monitoring data (2022)



Tsige's story

Tsige lives in Hawzen Woreda of Tigray. After joining the Livelihoods for Resilience Activity, she received a 3,000 ETB loan from the local micro-finance institute (MFI) and purchased four sheep. With the profits from the sales of the sheep's offspring, plus a loan from her VESA, Tsige bought a dairy cow. This wasn't Tsige's first experience taking a loan—she had taken an MFI loan previously (before joining L4R), but the experience had not gone well, as she had had no business skills training and did not use the money productively. At that time, she found herself unable to repay and was put in jail for several days until her brother paid the outstanding loan on her behalf. After joining L4R, Tsige received training and took the loan with full confidence of her ability to repay—which she did, in full.

"When the conflict started, I had five sheep, one donkey, one cow, and two calves. I was the cash box holder for our VESA. When the conflict came to our area, I fled and took my dairy cow, but I left my sheep and my donkey. The troops took three of my five sheep, my donkey, and my gold jewelry.

I received vegetable seed, fertilizer, improved seed, animal health services, farm tools, and oxen ploughing services from Biruh Tesfa. My wheat harvest was good, so I sold wheat to buy feed for my dairy cow. I survived off of vegetables, milk, and the sale of butter in the local market.

If I weren't a VESA member, life would be hard and you probably wouldn't see me here sharing my experiences... If I can get another loan, I can reach my pre-conflict status in three years because I know how to make money."

Conclusions and recommendations

These conflict survival and recovery experiences in Tigray and Amhara show how households and communities deploy the skills and resources at hand to build new solutions to their changing circumstances and ensure their own resilience, when they have the confidence and solidarity to take action. This learning can inform future programming across the humanitarian to development spectrum.

Concentrate on building the factors of resilience *before* crises hit

Experience from northern Ethiopia demonstrates that VESAs, business experience and livelihood diversification, confidence and aspiration, small-scale local private sector, and women's empowerment can all build households' resilience to conflict.

These factors of resilience represent a set of attitudes, skills, actors, and relationships that take time to establish and strengthen, and need to be in place before the conflict hits in order to be most effective.

 Small-scale savings groups are an excellent source of resilience when they combine practical technical support – various financial and agricultural trainings – with gender equality, negotiation skills,

- confidence, and group cohesion. By building on those skills and on the relationships built over months and years of meeting and saving, members are able to support themselves and each other.
- Promoting diverse financial strategies and livelihoods is key to building households' resilience. Focusing more narrowly on one or two value chains, or a single finance strategy, would result in less flexibility to adapt, both on the part of the households and on the part of the project.
- Confidence and aspiration develop over time, and are closely linked to business experience. The more success a household has with a particular livelihood activity, the more likely they are to feel confident that they can achieve that success again.

- The presence of local private sector actors with existing relationships with project households and communities, and the project itself, enable the voucher-based interventions to work in the way they are designed.
- Changing gender norms and empowering women is a gradual process that occurs over multiple facilitated discussions, trainings, demonstrations, and other activities with women, men, and norm "gatekeepers" within the community.

Layer emergency economic resilience support on top of development programming to protect livelihood gains

Cash, vouchers, and in-kind services helped prevent distress sales of assets and provided people with a platform from which they could rapidly begin to rebuild. These interventions were particularly effective because Biruh Tesfa was able to build on the foundation laid by Livelihoods for Resilience, and to leverage it for faster startup, more effective targeting, more market-based approaches, and greater impact.

Hence the layering of humanitarian support on longerterm development interventions can be highly effective, but it requires careful coordination that is most easily done within the same team.

Consider the provision of agricultural inputs and services as a life-saving intervention

Humanitarian programming typically considers food aid to be life-saving, but does not always view agricultural inputs with the same lens. The experience of Biruh Tesfa clearly shows that the provision of fertilizer, seeds, animal health services, ploughing, and other agricultural inputs and services can, and indeed did, save lives, particularly as the conflict wore on. This support enabled families to feed themselves from their own production, and to earn incomes from the sale of agricultural products, both of which were critical given the access constraints at the time, particularly in Tigray.

It can, of course, take several months before the provision of agricultural inputs translates into food availability and access for crisis-affected households. But when crises are protracted and access to the affected area is constrained, this local production becomes critical. Hence it is worthwhile for both donors and implementers to consider the provision of agricultural inputs as a life-saving intervention, and to prioritize it accordingly.

Design interventions that strengthen household and market systems resilience simultaneously

Emergency programs often procure and distribute inkind inputs from central markets, as this is usually the fastest and easiest way to provide inputs. However, vouchers can be an effective way of providing households with the inputs they need while also supporting local suppliers and ensuring their continued operation. In Tigray and Amhara, vouchers provided much-needed working capital to local private sector service providers at critical times, enabling them to continue their operations and expand their outreach into underserved rural communities. Hence vouchers contributed directly to household resilience and to market systems resilience, which in turn further strengthened household and community resilience.

