



Food and Agriculture Organization
of the United Nations

Qualitative research and analyses of the economic impacts of cash transfer programmes in sub-Saharan Africa

Ethiopia country case study report

Qualitative research and analyses of the economic impacts of cash transfer programmes in sub-Saharan Africa

Ethiopia country case study report

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
Rome, 2014

The From Protection to Production (PtoP) programme is, jointly with UNICEF, exploring the linkages and strengthening coordination between social protection, agriculture and rural development. PtoP is funded principally by the UK Department for International Development (DFID), the Food and Agriculture Organization of the UN (FAO) and the European Union.

The programme is also part of a larger effort, the Transfer Project, together with UNICEF, Save the Children and the University of North Carolina, to support the implementation of impact evaluations of cash transfer programmes in sub-Saharan Africa.



For more information, please visit PtoP website: www.fao.org/economic/ptop

The designations employed and the presentation of material in this information product do not imply the expression of any opinion whatsoever on the part of the Food and Agriculture Organization of the United Nations (FAO) concerning the legal or development status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The mention of specific companies or products of manufacturers, whether or not these have been patented, does not imply that these have been endorsed or recommended by FAO in preference to others of a similar nature that are not mentioned.

The views expressed in this information product are those of the author(s) and do not necessarily reflect the views or policies of FAO.

© FAO 2014

FAO encourages the use, reproduction and dissemination of material in this information product. Except where otherwise indicated, material may be copied, downloaded and printed for private study, research and teaching purposes, or for use in non-commercial products or services, provided that appropriate acknowledgement of FAO as the source and copyright holder is given and that FAO's endorsement of users' views, products or services is not implied in any way.

All requests for translation and adaptation rights, and for resale and other commercial use rights should be made via www.fao.org/contact-us/licence-request or addressed to copyright@fao.org.

FAO information products are available on the FAO website (www.fao.org/publications) and can be purchased through publications-sales@fao.org.

Preface

This report forms one of a set of six country case studies that explore the impact of cash transfer programmes on household economic decision-making and the local economy in sub-Saharan Africa. The research is being carried out under the auspices of the From Protection to Production (PtoP) project, a four-year collaboration between UNICEF, the United Kingdom Department for International Development (DFID) and the Food and Agriculture Organization (FAO). The PtoP is part of a larger effort, the Transfer Project – jointly implemented by UNICEF, Save the Children and the University of North Carolina – that supports the implementation of cash transfer evaluations in sub-Saharan Africa.

The research is intended as a complement to other studies of cash transfer programmes that focus more on social indicators such as health and education outcomes. It therefore covers themes such as the extent to which cash transfers can help households to manage risk, overcome credit constraints, make productive investments and improve their access to markets, as well as their effect in stimulating local economies.

This report reviews the Tigray Social Cash Transfer Pilot programme. Case studies of cash transfer programmes in Ghana, Kenya, Lesotho, Zimbabwe and Malawi have been completed and are available at www.fao.org/economic/ptop/publications/reports.

Acknowledgments

We appreciate the interest of Tigray Bureau of Labour and Social Affairs, in sharing the experiences of the Tigray Social Cash Transfer Pilot programme as part of this multi-country research. We also warmly acknowledge their contributions to technical discussions and to facilitating the fieldwork.

We thank the staff of the *Woreda*-level Bureau of Labour and Social Affairs of Hintalo Wajirat and Abi Adi *woredas* for their willingness to share their insights, as well as the time spent by the Community Care Coalitions in the study locations to ensure a successful field experience. A sincere thank you to all the individuals in the communities visited who generously shared their time and views with us.

The Ethiopia case study has been carried out by Oxford Policy Management (OPM), a development consultancy in the UK, in partnership with Mekelle University based in Mekelle, Tigray region, Ethiopia. Sara Pavanello (independent consultant) is the lead researcher. Mekelle University's team of national researchers in Ethiopia comprised Hailay Hadgu, Hayalu Miruts, Tsegazeab Kidane Mariam and Sehin Kinfu. The overall project manager for the six-country study is Simon Brook of OPM. Pamela Pozarny of the FAO provided technical oversight and contributed to the field research and preliminary analysis.

Contents

Preface.....	iii
Acknowledgments.....	iii
Abbreviations.....	vi
Executive summary.....	1
1. Introduction to the study	3
1.1 From Protection to Production' (PtoP) and the Ethiopia case study.....	3
1.2 The research hypotheses	3
2. The Tigray Social Cash Transfer Pilot programme.....	7
2.1 Background to the programme	7
2.2 Programme management and implementation structure	8
3 Research method	13
3.1 Selection of study communities.....	13
3.2 Fieldwork implementation.....	15
4 Regional, <i>woreda</i> and community profiles	19
4.1 Tigray profile	19
4.2 Hintalo Wajirat <i>woreda</i>	21
4.3 Research community profiles	22
4.4 Research community profiles	29
5 Research findings.....	33
5.1 Household economy	33
5.2 Household well-being.....	35
5.3 Reducing negative coping strategies	40
5.4 Household economic activities and savings	43
5.5 Gender relations and decision-making within the household.....	46
6 Local economy	48
6.1 Economic exchanges and market dynamics	48
6.2 Limited effects on labour patterns	51
7 Social networks.....	52
7.1 Risk-sharing relationships in the study areas.....	52
7.2 Community-based sources of social support	53
7.3 The effects of the transfer on risk-sharing relationships	56
8 Operational issues.....	60

8.1	Targeting.....	60
8.2	Payments.....	61
8.3	CCC role and functioning.....	62
8.4	WOLSA social workers.....	64
8.5	Diversity in beneficiary group profiles.....	65
8.6	Complementarity with other programmes and services.....	65
9	Conclusions.....	66
9.1	Household economy impacts.....	66
9.2	Local economy impacts.....	66
10	Recommendations.....	70
	References.....	71

Abbreviations

AU	African Union
BOLSA	(Tigray) Bureau of Labour and Social Affairs
CCCs	Community Care Coalitions
DAs	Development Agents
DECSI	Debit Microfinance Institution
DFID	Department for International Development
ETB	Ethiopian Birr
FAO	Food and Agriculture Organization
FGD	Focus Group Discussion
FHHs	Female-Headed Households
HEWs	Health Extension Workers
LEWIE	Local Economy-wide Impact Evaluation
OPM	Oxford Policy Management
PSNP	Productive Safety Net Programme
PtoP	From Protection to Production
SCTPP	Social Cash Transfer Pilot Programme
TPLF	Tigray People's Liberation Front
UNICEF	United Nations Children's Fund
WOLSA	BOLSA office at <i>woreda</i> level

Executive summary

Background

The Social Cash Transfer Pilot programme (SCTPP) was launched by the Tigray Bureau of Labour and Social Affairs (BOLSA) with support from the United Nations Children's Fund (UNICEF) in the Tigray region of Ethiopia in 2011. The goal of the SCTPP is to improve the quality of life of orphans and vulnerable children, elderly and persons with disabilities and to enhance their access to essential services such as health care and education. Specific objectives include contributing to the reduction of poverty, hunger and starvation; increasing school enrolment and attendance; improving the health and nutrition of children, and generating information on the feasibility, cost-effectiveness and impact of the SCTPP.

The SCTPP operates in two *woredas*, rural Hintalo Wajirat and urban Abi Adi. SCTPP provides regular and predictable monthly cash transfers of US\$ 7.88 to the poorest labour-constrained households. In addition, a household receives US\$ 1.27 for each child plus an additional US\$ 0.50 if the child is enrolled in school, up to a maximum of four children. Households with a disabled child receive an additional US\$ 2, a disabled adult US\$ 2.54 and an elderly dependent US\$ 3.05.

Beneficiary households are selected through a community-based targeting process facilitated by the Community Care Coalitions (CCC), the primary structure at local level, in cooperation with *woreda* social workers. By 2014 the programme reached 3 767 households, of which three-quarters were female-headed. The pilot phase finishes at the end of 2014.

Research areas and key findings

The research study examined the impact of the cash transfer in three interrelated areas: household economy, local economy and social networks.

Household economy impacts: The SCTPP transfer acted as a safety net mechanism enabling beneficiary households to better meet their immediate needs and smooth consumption, with reported improvements in their diets, personal hygiene, housing conditions, and access to and performance in primary and secondary school. Knock-on positive outcomes on beneficiaries' confidence, feelings of self-esteem and involvement in social networks were also found. The regular and predictable injection of cash facilitated household budget planning and expenditure allocations and minimized negative coping strategies. Depending on their asset base, level of vulnerability and opportunity within the broader economic environment some beneficiaries were also able to invest in economic activities and savings, reflecting a certain degree of risk-taking and forward planning. The transfer increased female-headed households' access to and control over resources, but did not alter gender relations or control over resources in male-headed households.

Local economy impacts: The SCTPP transfer had limited contribution to economic exchanges in local markets, providing a marginal boost to local businesses both on payment day and throughout the month thanks to beneficiaries' increased creditworthiness and their newly acquired ability to buy on credit from local shopkeepers. While monthly cash injections were not indicated as driving up prices in local economies, high prices and consequent negative effects on purchasing power and poverty were reported across all communities. Despite general availability of work for beneficiaries capable of engaging in income-generating activities, particularly in the booming urban economy of

Abi Adi, the transfer did not affect demand and supply of labour as the number of beneficiaries hiring in labour or taking up work as day labourers was minimal.

Social networks: The SCTPP increased social connectedness and risk-sharing arrangements. The transfer enabled beneficiaries to “re-enter” social relations with relatives and neighbours, largely enhanced by making regular donations to community contributions, redressing feelings of social isolation and heightening self-esteem and ability to reciprocate. It also enabled some beneficiaries to join informal rotating savings groups (*iqqub*) for the first time, endowing them with greater opportunities for socio-economic engagement. Social inclusion gains however remained limited by the fact that beneficiaries were not able to enter the most important network in their society, funeral or burial societies (*iddir*), which reflected social inclusion, respect and prestige.

Operational recommendations

The study also explored how and why various SCTPP operational arrangements affected impacts and raised a number of important operational recommendations in view of current plans to scale up the pilot in Tigray and other regions of Ethiopia.

Institutional and capacity strengthening of the Community Care Coalitions (CCCs) should be a priority. Efforts in this area should be made particularly toward reinforcing the institutionalization of the CCC structure and framing its procedures to ensure strategic and systematic operations are in place. Areas of focus should include membership, required capacity and a responsive capacity development programme, a systematic programme of activities (work plans), and agreed upon principles – which could be included in the CCC manual of operations – of how they would tailor support to the two main categories of beneficiaries: those lacking productive labour force and those capable of engaging in income-generating activities. Increasing CCC performance has the potential to have high spill-over effects in supporting both the programme and the wider community.

Institutional and capacity strengthening at *woreda* level should be considered to provide more effective oversight of the programme including critical support to CCCs for better implementation and improving long-term impact. The role and responsibilities of social workers in programme implementation could be included in the Manual of Operations to serve as a clear guideline for their activities.

Linkages between the programme and other livelihood initiatives should be promoted so that other programmes can work with beneficiaries to enable them to access opportunities to improve their household economy and welfare. This recommendation could also provide an exit strategy for the programme and potentially lift a number of capable beneficiaries out of poverty.

Ongoing consultations concerning an exit strategy for the programme need to be pursued particularly targeted to beneficiaries capable of engaging in income-generating activities who have potential for sustainable livelihood growth.

Adjusting the CT amount to inflation should be considered. This has potential to address the risk of the most vulnerable labour-constrained beneficiaries from depleting their asset base.

1. Introduction to the study

1.1 From Protection to Production' (PtoP) and the Ethiopia case study

This study seeks to understand the impact of the Tigray Social Cash Transfer Pilot Programme (SCTPP) in three interrelated areas:

1. **Household economy**, i.e. the activities surrounding decisions on how to distribute resources within a beneficiary household.
2. **Local economy**, i.e. the economic activities – the production and exchange of goods and services – beyond the beneficiary household, in the beneficiaries' community.
3. **Social networks**, specifically risk-sharing arrangements underpinned by social capital, and the contribution of beneficiaries to local decision-making processes.

It also explores operational issues, i.e. how the design and implementation of the cash transfer programme affects decisions and economic impacts at household and community levels.

The research is being carried out under the auspices of the 'From Protection to Production' (PtoP) project. The PtoP project is a four-year collaboration between UNICEF, the United Kingdom Department for International Development (DFID) and the Food and Agriculture Organization (FAO).¹ The project is carrying out a series of studies to understand the economic impact of social cash transfer programmes across seven countries of sub-Saharan Africa: Ghana, Kenya, Lesotho, Zimbabwe, Malawi, Ethiopia and Zambia. In each country UNICEF, DFID and FAO have commissioned an analysis of the cash transfer programme using three main instruments:

1. Qualitative research²
2. Econometric analysis of quantitative evaluation data
3. General-equilibrium models.

This study presents the findings from the qualitative research in Ethiopia. Findings from the qualitative research in Ghana, Kenya, Lesotho, Malawi and Zimbabwe have been completed by Oxford Policy Management (OPM).³ The econometric analysis and general-equilibrium modelling are being conducted by other organizations and the results are published separately by FAO.

1.2 The research hypotheses

A consistent set of hypotheses has been tested across all six country case studies to understand the impact of cash transfer programmes in each of the three research areas listed above, and to explore operational issues. There are five hypotheses: one each to cover household economy, local economy and operational issues, and two covering social networks. The hypotheses, and the attendant evaluation questions that are used as a guide to investigate them, are presented in Table below.

¹ The PtoP is part of a larger effort, the Transfer Project – jointly implemented by UNICEF, Save the Children and the University of North Carolina – that supports the implementation of cash transfer evaluations in sub-Saharan Africa.

² Qualitative work was undertaken in all countries except Zambia.

³ The final reports are available at www.fao.org/economic/ptop/publications/reports.

The hypotheses were informed by recent empirical research that has looked at cash transfer impacts beyond poverty alleviation and access to human development services, and which suggests that under certain conditions cash transfers may be able to foster broader economic development.⁴ The international literature suggests that, at household level, these broader effects may manifest themselves through changes in labour supply of different household members; investment of part of the funds into productive activities (such as purchase of agricultural inputs or other assets) that further increase the beneficiary household's capacity to generate income and attain a more sustainable livelihood; and prevention of detrimental risk-coping strategies such as withdrawing children from school or selling off assets. In the wider economy it is found that cash transfers can have an effect on local labour markets and the supply and cost of local goods and services, which in turn can generate multiplier effects. With regard to social networks the literature indicates that cash transfers can have considerable impacts on the cohesion of the local community and that these impacts – a whether negative or positive – are often a chance side-effect of the programme rather than a feature that has been systematically taken into consideration during design (MacAuslan and Riemenschneider, 2011).

These effects are mediated by the operational arrangements of the cash transfer. The way that beneficiaries are identified, enrolled and paid, and the programme monitored, can have a positive or negative influence on the extent of the programme's impact on the household economy, local economy and social networks.

This research explores these issues in the case of the Tigray SCTPP by means of qualitative fieldwork and analysis. The programme is summarized briefly in section 2. The research method is presented in section 3, while the Tigray region, the *woredas* (districts) and the specific communities where the research was conducted are profiled in section 4. The findings are presented in sections 5-8. The study concludes by offering a number of recommendations in sections 9 and 10.

⁴ See for example: FAO. 2011. From Protection to Production: The role of social cash transfers in fostering broad-based economic development., Rome, FAO; Arnold, C. *et al.* 2011. Cash transfers evidence paper, Policy Division, London, DFID; Creti, P. 2010. The impact of cash transfers on local markets: A case study of unstructured markets in Northern Uganda. Cash Learning Partnership (CaLP). (in-house paper); Asfaw, S., Davis, B., Dewbre, J., Handa, S &Winters, P.. Cash transfer programme, productive activities and labour supply: Evidence from randomized experiment in Kenya. *Journal of Development Studies*. (forthcoming); Daidone, S., Davis, B., Dewbre, J., Gonzalez-Flores, M., Handa, S., Seidenfeld, D. & Tembo, G.. Zambia's Child Grant Programme: 24-month impact report on productive activities and labour allocation, PtoP Project Report, FAO, Rome, December, 2013; Kagin, J., Taylor, J.E., Alfani, F. & Davis B. 2014. Local economy-wide impact evaluation (LEWIE) of Ethiopia's social cash transfer pilot programme. PtoP project report, FAO and The World Bank; Taylor, J.E. 2013. A methodology for local economy-wide impact evaluation (LEWIE) of cash transfers. PtoP project report, FAO and The World Bank.

Table 1 Research framework: Hypotheses and research questions

<p>HOUSEHOLD ECONOMY HYPOTHESIS: The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash.</p>
<ul style="list-style-type: none"> • How and why do beneficiaries make decisions regarding the allocation of additional funds (consume/invest/save)? • How does the additional cash affect beneficiaries' choices of livelihood activities and production strategies? For example, what favours beneficiaries' choices to invest? And their choices to engage or not in labour markets? • What is the effect on detrimental risk-coping strategies, e.g. distress sales of productive assets, school dropout, and child labour? Or on strategies e.g. migration? • How do beneficiaries' attitudes to risk change as a consequence of a cash transfer? • Do different types of beneficiaries make decisions on how to spend the additional cash in different ways (e.g. male/female; old/young)? Why and how? • What are the main constraints (whether linked to networks, physical access, etc.) faced by households in engaging in income-generating activities and how do these influence behaviours and choices?
<p>LOCAL ECONOMY HYPOTHESIS: The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.</p>
<ul style="list-style-type: none"> • What is the perception of community members (including non-beneficiaries), local traders and businesses in terms of: increased opportunities for trade (higher purchases from beneficiary households and opportunities for business creation and/or expansion); increased labour market opportunities; increased demand for a variety of goods and services offered; increased credit worthiness of customers; changing habits; increased competition; and inflation? • How do these changes affect traders in terms of their strategies and profits? • What local circumstances favour or deter ripple effects in the community? What effects are triggered by which circumstances? How can positive effects be enhanced?
<p>SOCIAL NETWORKS AND ECONOMIC IMPACTS, HYPOTHESIS 1: Cash transfers increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity).</p>
<ul style="list-style-type: none"> • What were social networks like before the cash transfer implementation and how did they relate to livelihoods? • How are existing social and support networks affected by the introduction of a targeted cash transfer (including effects on sharing arrangements and disposition of existing networks)? • What is the importance placed upon changing social networks by community members (i.e. is the fact that networks are being affected by the cash transfer considered "important" by people in the community)? How is this traded off against other programme impacts (i.e. do the overall benefits from the injection of cash make up for any negative social effects that may arise)? • Which networks are most affected and why? Which are the strongest networks and why? Are these mostly kin-based? • Does the introduction of cash trigger the creation of new networks? If so, how? Which ones? Is there an increase in networks that extends beyond the reference community? What effect does this have? • What role does jealousy towards programme beneficiaries play? Was there any conflict within the community as a consequence of the programme?

SOCIAL NETWORKS AND ECONOMIC IMPACTS, HYPOTHESIS 2: Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision-making processes (including through an increased ability to make “social contributions”) and increasing their “entitlement set” and livelihood choices,

- How do a beneficiary’s social and economic identity (e.g. age and gender) or status affect their inclusion in community networks and decision making processes? What about their changing networks after the introduction of a transfer?
- What social, economic and political factors influence social dynamics across households when cash transfers are introduced?
- Are communities with high prevalence of HIV/AIDS and orphans affected differently by the introduction of cash?
- What are the community changes in terms of power dynamics? What are the effects on local elites? And on gender relations and bargaining power, within and across households? How does this affect the community as a whole?

OPERATIONAL ISSUES HYPOTHESIS: Cash transfers can be improved through a better understanding of likely household and local economic impacts.

- What is the dynamic between social networks and the programme’s processes (social mobilization, targeting, registration, payment, communications and grievance mechanisms)? How does this affect the impact and sustainability of different cash and in-kind transfer systems?
- How do cash transfers differ from vouchers or food aid in terms of household and local economy effects?
- How do programme design and objectives (e.g. orphans and vulnerable children, labour-constrained households) affect household level decisions regarding the allocation of additional funds?
- How do the amount, frequency, predictability and mode of distribution of payments affect decisions regarding the allocation of additional funds?
- How can cash transfer systems be designed to complement and improve/make more inclusive local economic impacts?

2. The Tigray Social Cash Transfer Pilot Programme

2.1 Background to the programme

In 2009 the executive council of the African Union (AU) endorsed the Social Policy Framework for Africa. The Policy Framework calls for greater commitment to social protection by member states and for the inclusion of a minimum package of social protection in their national development plans “aimed at ensuring a minimum standard of livelihood for all people in a given country”. The minimum package – which should cover essential health care and benefits for children, informal workers, the unemployed, older persons and persons with disabilities – is seen as a foundation for scaling up national social protection systems as more fiscal space is created in each country (UNICEF, 2012; BOLSA Tigray, 2011a).

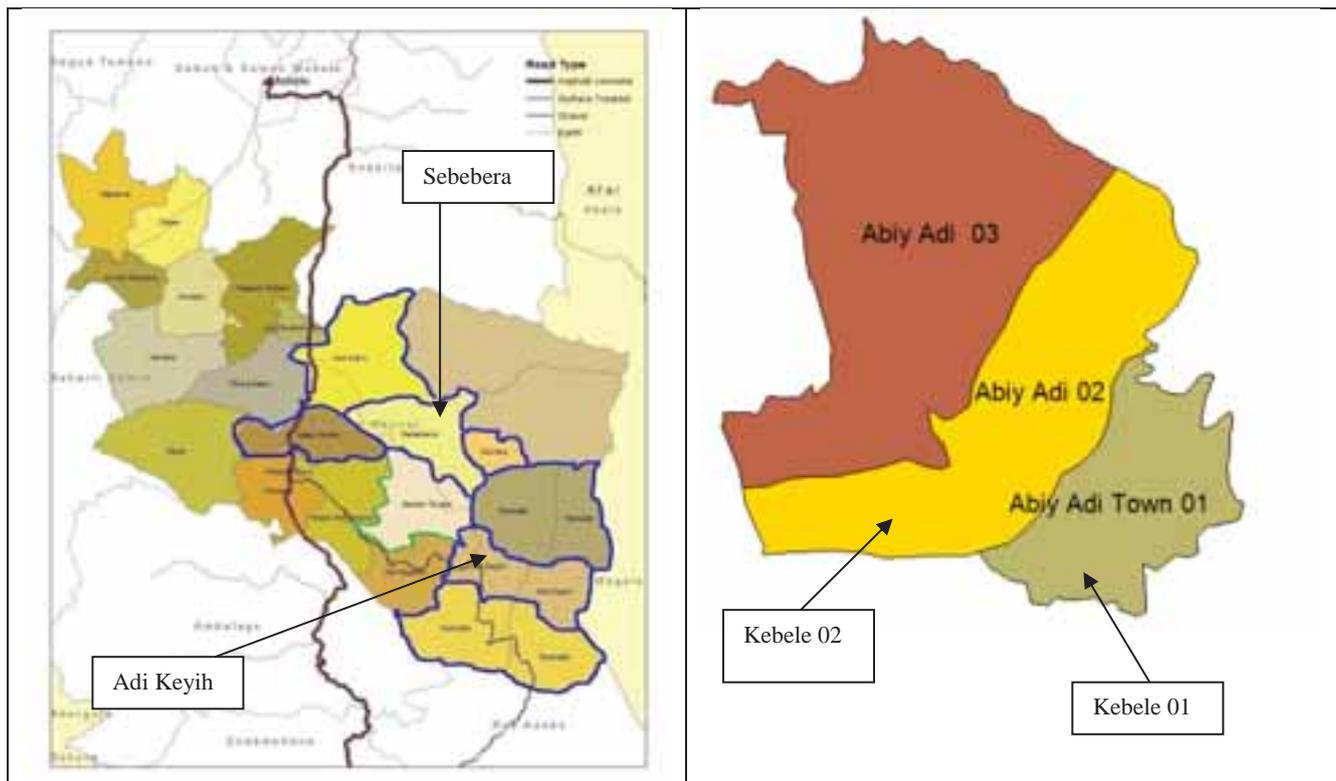
In line with the AU vision of an expanded social protection service and in accordance with Ethiopia’s signing of the AU Social Policy Framework, the regional government of Tigray expressed its commitment to piloting a social protection minimum package. In 2011 the Tigray Bureau of Labour and Social Affairs (BOLSA), with support from the United Nations Children’s Fund (UNICEF), launched the Social Cash Transfer Pilot Programme (SCTPP) in one rural and one urban *woreda* (or district) of the Tigray region: Abi Adi and Hintalo Wajirat respectively (Figure 1).

The overall goal of the SCTPP is to improve the quality of lives of orphans and other vulnerable children, the elderly and persons with disabilities, and to enhance their access to essential services such as health and education (BOLSA Tigray, 2011). Its specific objectives are to (Ibid.):

- Contribute in the reduction of poverty, hunger, and starvation in all households which are extremely poor and at the same time labour constrained.
- Increase school enrolment and attendance and improve the health and nutrition of children living in target group households.
- Generate information on the feasibility, cost-effectiveness, and impact of a social cash transfer scheme administered by BOLSA.

The implementing period for the pilot, April 2011-March 2014, has been extended to end of 2014 although whether the regional government will scale up and fund a similar programme in Tigray on the basis of lessons learnt from the pilot remains to be agreed as there are a number of unresolved issues yet to be addressed. As reported by a UNICEF key informant, the scaling up of a similar pilot has already started in the Southern Nations Nationalities and People’s Region and in Addis Ababa, but even scaling up in other regions has raised a number of new issues that still have to be addressed.

Figure 1 Maps of Hintalo Wajirat and Abi Adi *woredas*



Source: Map of Hintalo Wajirat: Berhane et al., 2012 op. cit. (tabias targeted by the SCTPPP are highlighted in blue); Map of Abi Adi: Bureau of Planning and Finance of Tigray Regional State, 2013 (all three tabias comprising Abi Adi *woreda* are targeted by the SCTPPP).

2.2 Programme management and implementation structure

The SCTPP is managed and implemented at three levels; regional, *woreda* (district) and *tabia/kebele*. At the regional level the Tigray Regional Cabinet is responsible for approving policies and funding of the programme; the Tigray Region Steering Committee has overall responsibility for programme implementation and for recommending policies; and the programme Secretariat hosted at BOLSA is responsible for oversight of the programme, provision of technical assistance to the two *woredas*, monitoring, financial control and coordination (BOLSA Tigray, 2011).

At the *woreda* level, BOLSA *woreda* (WOLSA) and social workers are responsible for providing programme oversight within the *woreda*, case management (collection of information on changes in household status) and management of monthly cash transfer disbursements (ibid.).

At the *tabia/kebele* level, Community Care Coalitions (CCCs) are responsible for the implementation of the programme as outlined in Table 2 below. CCCs are community-based structures headed by the *tabia/kebele* manager and comprising around 25 volunteer community members, including teachers, Health Extension Workers (HEWs), Development Agents (DAs), elders and religious leaders (see Section 8.3 for more detail and analysis of CCCs).

Table 2 Programme management and implementation structures

Level	Structure	Function
REGIONAL	Tigray Regional Cabinet	Approving policies and funding of the SCTPP.
	Tigray Region Steering Committee	SCTPP implementation and recommending policies.
	SCTPP secretariat at BOLSA	Providing oversight to the SCTPP, technical assistance to the two <i>woredas</i> , monitoring, financial control and coordination.
WOREDA	BOLSA woreda (WOLSA)	Programme oversight within the <i>woreda</i> , case management (collection of information on changes in household status) and management of cash transfer disbursements.
TABIA/KEBELE	Community Care Coalitions (CCC)	Implementation of the programme at community level: <ul style="list-style-type: none"> • Identification of potential beneficiary households; • assessment of household situation; • organizing and assisting in public meetings as part of the targeting process; • dissemination of information to beneficiaries, including about the date of payment; • first point of contact for beneficiaries' complaints and queries; • case management (collection of information on changes in household status); and • reporting to WOLSA.

2.2.1 Targeting and enrolment of beneficiaries

The SCTPP targets households (not individuals) that meet the following two criteria (BOLSA Tigray, 2011):

- 1) Extremely poor: households suffering extreme levels of deprivation as measured by hunger (e.g. eating only one meal per day), lack of assets, inability to buy basic non-food items (e.g. soap), have no means of supporting themselves, subsist on begging or casual work, receive no regular assistance.
- 2) Labour-constrained: households with no able-bodied members aged between 19 and 60 who is fit for work or households where an able-bodied, fit for work adult (19-60 years old) is responsible for more than three dependents (household members under 19 years of age or over 60 or unfit for work because they are chronically sick, disabled or in school).

Beneficiary households selected on the basis of the above criteria include female-headed households (FHHs), elderly-headed households, households headed by disabled persons, the chronically ill or children. UNICEF/BOLSA data indicates that the great majority of beneficiaries targeted by the programme are FHHs, nearly 80 percent in Abi Adi and 70 percent in Hintalo Wajirat.

As discussed in the following sections the findings indicate that households targeted by the SCTPP can be grouped under two broad categories: 1) chronically vulnerable, extremely poor households lacking a productive labour force, such as households headed by elderly, disabled, chronically ill individuals; and 2) extremely poor households headed by an able-bodied adult and therefore capable of engaging in productive activities. Interviews with respondents at regional level indeed confirmed an awareness of

the diverse risks faced by households targeted by the programme and of their different vulnerabilities and capabilities. The research also found that households belonging to the second category were mostly headed by females, targeted because they had more than three children (dependents under 19 years of age) and/or because they were HIV positive (chronically ill) and therefore considered to be not fit for work. That said, most of the HIV positive beneficiaries who participated in Focus Group Discussions (FGD) also reported being able to work and indeed, as discussed in depth in Section 5.3, some were engaged in income-generating activities.

2.2.2 The enrolment of beneficiaries into the programme takes place in a nine-step process (BOLSA Tigray, 2011):

1. **Sensitization meeting** CCC convenes a public meeting at *tabia/kebele* level to inform the community of the objectives of the programme and its roll-out.
2. **Compilation of preliminary beneficiary list** CCC identifies and ranks the households it considers eligible for support on the basis of the two programme targeting criteria.
3. **CCC house visits** CCC members visit eligible households and compile a form (Form 1) to register potential beneficiaries.
4. **Second community meeting** CCC convene a public meeting during which the community is presented with the provisional list of beneficiary households and is invited to comment on their suitability. Households may be added or removed from the list to reduce errors of inclusion or exclusion.
5. **Handing over beneficiary list** The CCC hands over the beneficiary list agreed by the community to WOLSA.
6. **WOLSA social workers house visits** WOLSA social workers conduct household visits to verify the list of beneficiary.
7. **WOLSA approval meeting** The beneficiary list is submitted to WOLSA for final approval.
8. **Third community meeting** The final list of beneficiaries is communicated to the CCC which convenes a public meeting where the community is advised of the final agreed list authorized by WOLSA.
9. **Cash transfers begin.**

Programme coverage

The programme covers the three *kebeles* – *kebele* 01, 02 and 03 – that comprise Abi Adi town⁵ (see Figure 1). Hintalo Wajirat is a rural *woreda* comprising 22 *tabias* and the SCTPP covers eight *tabias* – Adi Keyih, Ara Alemsegeda, Gonka, May Nebri, Sebebera, Seneale, Tsehafti and Bahr Tseba. At the time of its roll-out in August 2011, the SCTPP initially targeted only seven *tabias*. Thanks to the availability of additional funding, approximately one year later, in June 2012, Bahr Tseba was added to the programme (Berhane *et al.*, 2012). In Hintalo Wajirat⁶ a large portion – 70 percent according to BOLSA informants at regional level – of targeted beneficiaries were former beneficiaries of the Productive Safety Net Programme (PSNP), Ethiopia's flagship social transfer programme started in 2005. When the SCTPP was rolled out in Hintalo Wajirat, (70 percent of) PSNP beneficiaries were moved to the SCTPP.

⁵ Abi Adi is at the same time a *woreda* (from an administrative point of view) and a town.

⁶ The PSNP is rolled out in rural areas of Tigray, including Hintalo Wajirat but not in urban areas, such as Abi Adi.

Table 3 below shows the total number of households targeted by the programme in each *woreda* and *tabia/kebele*- '*tabia*' is the lowest administrative unit in rural *woreda* areas of Tigray, and '*kebele*' in urban areas (see Section 3 for a clarification of *woredas*, *tabias/kebeles*, *kushets/kebeles* as administrative units).

Table 3 SCTPP targeting and coverage

Target <i>woreda</i> and <i>tabias/kebeles</i>	Total households	Total targeted households	% targeted households
Abi Adi kebeles			
<i>Kebele</i> 01	1 359	392	29%
<i>Kebele</i> 02	2 372	229	10%
<i>Kebele</i> 03	1 587	128	8%
Subtotal	5 318	749	14%
Hintalo Wajirat <i>tabias</i>			
Arasegeda	2 624	514	20%
Maynebri	2 429	312	13%
Sebebera	1,107	256	23%
Gonka	910	234	26%
Senaele	3 781	465	12%
Adi Keyih	1 659	424	26%
Tsehafti	1 796	413	23%
Bahr Tseba	769	400	52%
Subtotal	15 075	3 018	20%
Total		3 767	18%

Source: Data provided by UNICEF

Cash transfer value and payment delivery mechanism

The cash transfer value is determined by the number of household members and their characteristics. The basic household transfer is 155 Ethiopian Birr (ETB) (US\$ 7.88). In addition, the household receives 25 ETB (US\$1.27) for each child under the age of 16 plus an additional 10 ETB (US\$ 0.50) if the child is of school age, up to a maximum of four children (for a total of 35 ETB – US\$ 1.78 – this is also called a 'school grant'). Households with a disabled child younger than 18 receive an additional 40 ETB (US\$ 2), with a disabled adult an additional 50 ETB (US\$ 2.54) and with an elderly dependent 60 ETB (US\$ 3.05) (BOLSA Tigray, 2011).

Table 4 SCTPP transfer values

Criteria	Amount per month (ETB)
Basic household transfer	ETB 155
Each child under 16 (for a maximum of four children)	ETB 25
Each child enrolled in school (primary or secondary, for a maximum of four children)	ETB 10
Each disabled child under 18	ETB 40
Each disabled adult	ETB 50
Each elderly dependant	ETB 60

The cash transfer is distributed regularly to targeted beneficiary households on a monthly basis on the 10th of the Ethiopian calendar, which corresponds to the 18th or 19th of each month of Gregorian or Western calendar. Beneficiaries collect their cash from designated payment points operated by the Dedebit Microfinance Institution (DECSI). There are three payment points in Hintalo Wajirat, one of these is in Adi Keyih which was a fieldwork location of this study. There is one payment point in Abi Adi, in *kebele* 02. Beneficiaries can delegate someone to collect the transfer on their behalf by requesting the *tabia/kebele* manager, who is in charge of processing and approving all designations, to add a second person to their SCTPP certificate (Berhane *et al.*, 2012).

3. Research method

3.1. Selection of study communities

A consistent methodology is being used across the six case study countries under the PtoP qualitative research to select the communities where fieldwork is to take place. This consists of a three-stage sampling of geographical areas:

- Stage 1: Select two of the highest-level administrative units in the country (in Ethiopia's case this is the region), from among all those that participate in the cash transfer programme. Since in Ethiopia the SCTPP is implemented in the Tigray region only, this first stage of sampling was already set "by default" by the geographical focus of the programme. The purposive selection is designed to capture two livelihood and vulnerability contexts in the country that are distinct from one another yet both quite typical of the country as a whole. It is also desirable that there be a quantitative evaluation taking place in at least one district, to maximize opportunity for cross-fertilization of study results (in Ethiopia's case this was taken into account in Stage 3).
- Stage 2: Select a single sub district from each of the identified districts. The sub district is selected from among those that participate in the programme, since it is not always the case that every sub district in a district is enrolled onto the cash transfer programme. Again the selection is intended to reflect the typical characteristics of the district as a whole in terms of its livelihood and vulnerability contexts. In Ethiopia the administrative unit used is the *woreda* and only two *woredas* participate in the SCTPP, Hintalo Wajirat and Abi Adi. As such, this second stage of sampling was also covered "by default" by the geographical focus of the programme.
- Stage 3: Select two communities within each of the two *woredas*. In Tigray this third level of geographical sampling has been done using the *tabia* in rural areas and the *kebele* in urban areas. That is the unit at which the implementation of the SCTPP is managed and it generates a big enough sample of beneficiaries to enable the fieldwork to be conducted. *Tabias* or *kebeles* comprise three to four administrative units called *ketene* and *kushet* in urban and rural areas respectively. According to the sampling protocol, the two communities (in Tigray's case these are the *kushets* or *ketenes*) should be selected by dividing all the *tabias* and all the *kebeles* into two lists according to their ease of access to markets as determined by their proximity to a main road. One well-connected community and one more remote community are identified, the selection being the community with the median number of beneficiaries on each list.

3.1.1 Selecting *tabias/kushets* and *kebeles/ketenes*

As the selection of both the region participating in the SCTPP (as per stage 1 above) and the *woredas* (as per stage 2) was obtained "by default" by the geographical focus of the programme, the sampling protocol for this case study was essentially only used to identify: first, two *tabias/kebele* in each *woreda* and, secondly in Hintalo Wajirat, two *kushets* within each *tabia* (as per stage 3) (as outlined below in Abi Adi the research team covered all *ketenes* in the two selected *kebeles*)

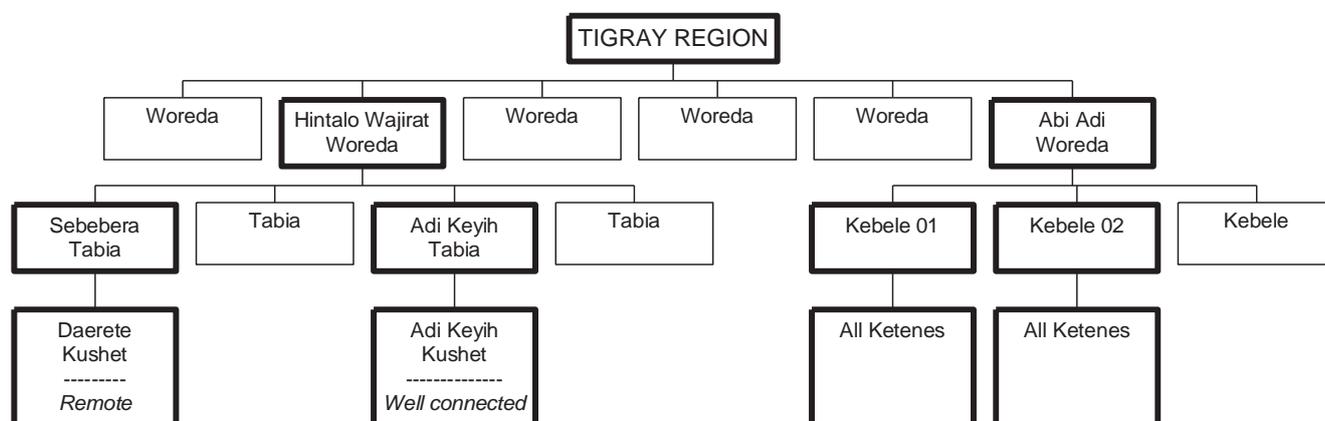
Since Abi Adi is an urban *woreda* and all its three *kebeles* have good access to the main tarmac road, the selection criteria of remoteness/connectedness as per the sampling protocol (stage 3) could not be applied. The research team decided that the sampling selection in Abi Adi would instead focus on prioritizing two out of the three *kebeles* with the highest number of beneficiaries with the expectation that more impacts (e.g. on local economy, social networks) could be captured as a result of higher SCTPP coverage. As per the list provided by the WOLSA office in Abi Adi, these are *kebele* 01 and 02. Given the small size of the town of Abi Adi and the proximity of *ketenes* to each other, in each

selected *kebele* the research team covered all *ketenes*; in *kebele* 01 these were Maylomin, Dedebeit and Hamle, and in *kebele* 02, these were 1, 2, 3, 4 and 5 *ketenes*.⁷

The seven *tabias* targeted by the SCTPP in Hintalo Wajirat (except for Bahr Tseba which was excluded from the sample selection because of its more recent inclusion in the programme) do not present significant differences in terms of socio-economic and livelihoods characteristics, and they all comprise both *kushets* that are well connected to markets and are located along the tarmac road as well as remote *kushets*, located far from the tarmac road. As such the sampling selection focused on identifying the *kushets* on the basis of relatively easy access to markets and remoteness as per data provided by the baseline survey, which also includes a qualitative component, conducted in 2012 by the International Food Policy Research Institute together with the Institute of Development Studies and Mekelle University as part of an ongoing evaluation of the SCTPP (Berhane *et al.*, 2012). Attention was also paid not to overlap with the qualitative component of the baseline survey (conducted in May Nebri, Bahr Tseba and Seneale in addition to Abi Adi *woreda*), and to avoid Ara Alemsegeda *tabia* where religious fundamentalism in the area risked undermining research results.

The *tabias* were therefore identified as Sebebera (far from road) and Adi Keyih (well connected). Sebebera comprises three *kushets*; two (Adi Dengola and Maeleba) take between three to four hours walk to reach (by car and walking), and one (Daerete) less than one hour. To minimize travel time to community sites the team selected Daerete *kushet*. Adi Keyih comprises four *kushets* (Adi Keyih, Zigadle, Mameot and Afgedom). Adi Keyih was selected as it is the most accessible *kushet* and is located along the main road. The final selection of communities is summarized in Figure 2.

Figure 2 Final selection of SCTPP beneficiary communities



⁷ Unlike *kebele* 01, the five *ketenes* comprising *kebele* 02 are named with numbers (from 1 to 5).

3.1.2 Comparison communities

One *tabia/kebele* and *kushet/ketene* in each *woreda* was to be selected as a “control” or “comparison” community. According to the sampling protocol this was a location where the SCTPP did not operate, selected with the objective of understanding the characteristics of comparison communities, including households' activities, livelihood strategies and social networks.

As the SCTPP covered only eight out of the 22 *tabias* comprising Hintalo Wajirat, the selection of a comparison community was relatively easy. In consultation with the WOLSA office and the fieldwork coordinator of the ongoing evaluation of the SCTPP one comparison *tabia*, Freweiny, and one *kushet*, Mainy, were selected. Freweiny shares some features with Adi Keyih as it is relatively close to the tarmac road (20 minutes on foot) and the centre of Hiwane town and it relies predominantly on agriculture. It is also immediately adjacent to the “treated” part of May Nebri. Freweiny was chosen because it is very similar to the treated community apart from its participation in the programme.

The 100 percent coverage of the SCTPP in all three *kebeles* of Abi Adi meant the selection of a comparison community was not straightforward. In consultation with the WOLSA office the team enquired about the possibility of sampling a peri-urban area located relatively close to Abi Adi town and with similar socio-economic and livelihood characteristics. The team was informed that the areas surrounding the town are predominantly rural and, unlike Abi Adi, rely on agriculture. As such it was felt that these areas would not lend themselves well to inclusion as comparison *kebeles* as they do not share the same characteristics and livelihoods of Abi Adi. In the absence of an urban or peri-urban area close to Abi Adi that could be included as comparison community, the team decided to include *kebele* 03, which is targeted by the SCTPP but has the lowest number of beneficiaries, as the comparison community. In *kebele* 03 the team conducted group discussions with both wealthy and poor non-beneficiaries, both males and females.

3.2. Fieldwork implementation

3.2.1 Fieldwork schedule

The fieldwork in each of the two *woredas* followed the pattern which was almost identical to the roadmap for the other country case studies. In addition to this, a few in-depth household case studies were conducted at the households of beneficiaries in Abi Adi, which provided rich narratives of the conditions and perceived changes and experiences brought on by the SCTPP.

3.2.2 Tools

Each focus group comprised a semi-structured discussion with the participants around the core themes of the research alongside the use of one of five participatory tools. Two tools, the social mapping and the community well-being analysis, were employed on the first day of the research in each community with local opinion leaders, identified with the help of CCC members and local *tabia/kebele* administrators, to ascertain the characteristics of the community and the perceived status of the beneficiaries within the local population. The other three tools – the household income and expenditure analysis, livelihoods matrix analysis and the institutional mapping – were conducted on subsequent days with male and female beneficiaries and non-beneficiaries (Table 5).

Besides the focus groups the team carried out semi-structured key informant interviews. Participatory tools did not form a part of these interviews. The key informants included:

- administrative leaders (*tabia/kebele* chairpersons/managers, Development Agents (DA));
- religious leaders, elders;

- members of the structures that contribute to the SCTPP programme (UNICEF and BOLSA at regional level, head of WOLSA and social workers at *woreda* level, CCC members at *tabia/kebele* levels);
- social sector professionals including teachers, health extension workers and businesspeople (e.g. shop owners, weavers).

Figure 3 Illustrative fieldwork schedule in each district

		District level Interviews with key informants	
		Village cluster 1 (sub-team 1)	Village cluster 2 (sub-team 2)
DAY 1		<ul style="list-style-type: none"> • Discuss plan and respondents required for next three days • FGD with key informants • 2 KIIs 	<ul style="list-style-type: none"> • Discuss plan and respondents required for next three days • FGD with key informants • 2 KIIs
DAY 2		<ul style="list-style-type: none"> • 2 FDGs • 2 KIIs 	<ul style="list-style-type: none"> • 2 FDGs • 2 KIIs
DAY 3		<ul style="list-style-type: none"> • 2 FDGs • 1 KII 	<ul style="list-style-type: none"> • 2 FDGs • 1 KII
DAY 4		<ul style="list-style-type: none"> • 1 FGD • 1 KII • Community feedback 	<ul style="list-style-type: none"> • 1 FGD • 1 KII • Community feedback
DAY 5		Comparison community	
		<ul style="list-style-type: none"> • 2 FDGs with opinion leaders • 2 FDGs with people typical of cash transfer beneficiaries 	
		District level Feedback to District Social Welfare Officer	

Source: OPM. Note: The precise order of focus groups and key informant interviews varied slightly between communities.

Table 5 Participatory tools used

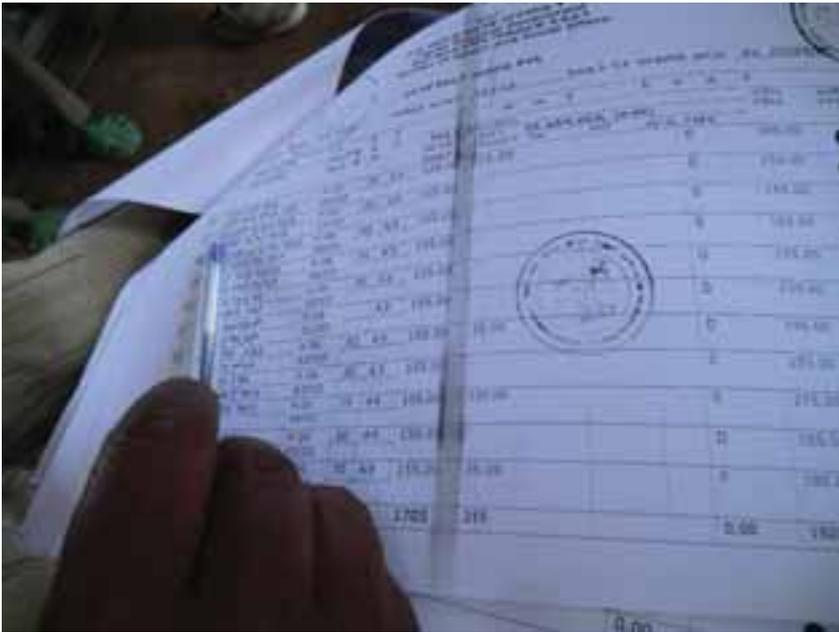
Tool	Respondent	Focus
Social mapping	Opinion leaders	Physical characteristics of the community and its infrastructure (location of settlements and facilities, crops, access to markets and roads, etc.); highlights of social and cultural composition and dynamics in communities (social grouping differences and impacts from the programme).
Community well-being analysis	Opinion leaders	Socio-economic status of the community (characterization by wealth groups and what distinguishes them across a range of dimensions as perceived by informants).
Household income and expenditure analysis	Beneficiaries	How beneficiaries earn their income, what they spend it on and how these decisions are made – identifying patterns and trends and changes over time.
Livelihoods matrix analysis	Non-beneficiaries	How people earn a living in their community, and the relative merits of different options – analysing impacts of the programme on livelihood options and results, and the effects on local economy.
Institutional mapping	Beneficiaries and non-beneficiaries	Who beneficiaries interact with, and the relative importance of the different people. This tool elicits perceptions of relationships and the strengths of social connections among people in the community.

3.2.3 Selection of respondents

Respondents were identified as follows:

In both Hintalo Wajirat and Abi Adi, CCC members responsible for facilitating implementation of the programme at local level provided lists of beneficiaries in the study communities. In the comparison communities introductions to relevant *tabia/kebele* administrators was facilitated by WOLSA offices. Respondents were subsequently identified as follows:

- The beneficiary list was separated into lists of males and females. For each focus group with beneficiaries the team firstly made a random selection by picking every nth name on the list from within a single-sex group. Secondly, each name was cross-checked with *tabia/kebele* administrators/CCC members to ensure that selected beneficiaries would be: a) physically able to attend the focus group (e.g. are present in the *kushet/ketene* and can walk to the area where the focus group takes place); and b) able to participate and contribute to the discussion (mainly to avoid the selection of groups comprising only very elderly beneficiaries and/or beneficiaries with disabilities such as blindness and deafness). The help of CCC members, who also informed the beneficiaries of the invitation to participate, was pivotal in this selection process and ensured that groups were formed to include beneficiaries with different vulnerabilities (female heads, the disabled, the elderly) while at the same time ensuring that participants could effectively contribute to the discussion.
- For non-beneficiaries the team sought the assistance of the *tabia/kebele* administrators/CCC members to identify either members of similar occupational groups (e.g. traders), or households living in fairly similar conditions to cash transfer beneficiaries.
- Key informants were selected in consultation with the *tabia/kebele* administrators/CCC members or else by snowball sampling through other local opinion leaders.



SCTPP list of beneficiaries in Adi Keyih

3.2.4 Analysis and presentation of findings

A series of activities took place within the team and with external stakeholders to synthesize, review and validate the findings from the fieldwork:

- Daily debrief. The team spent time at the end of each day to review and cross-check all notes collected, write up the outcome of the participatory tools and discuss thoroughly their implications for the key research questions under each area of investigation. The process ensured that a consensus was reached internally on the findings. This process also encouraged team members to query and probe one another, deepening information and understanding of the implications of findings. This probing also revealed knowledge gaps, serving as follow-up points of inquiry for the next day.
- Community feedback. At the end of the four days' fieldwork in each community, the field teams ran a community debriefing session to report back to participants and key informants on the preliminary findings. This also provided an opportunity to verify whether the community considered that the picture that had emerged from the research was an accurate reflection of their situation. The audience comprised an average of 20 representatives from the groups interviewed in the different geographical zones of the study community.
- *Woreda* feedback. The team fed back the results to the Head of WOLSA and social workers of Hintalo Wajirat and Abi Adi on completion of the week's fieldwork in each *woreda*. These discussions were also used to clarify certain issues and gather the reactions, insights and views of the WOLSA staff on the preliminary analysis, particularly concerning programme operations.
- Regional feedback. On completion of the two weeks' fieldwork the results from the field were shared and discussed at BOLSA regional office in Mekelle with representatives from BOLSA, UNICEF and the Bureau of Planning and Finance.

4. Regional, *woreda* and community profiles

After providing an overview of the Tigray region, this section provides profiles of the two *woredas* targeted by the SCTPP, Hintalo Wajirat and Abi Adi. It also gives a profile of the *tabias/kebeles* where research was conducted, namely Daerete, Adi Keyih and Mainy (Hintalo Wajirat) and *kebele* 01, 02 and 03 (Abi Adi). Key livelihoods, sociocultural and well-being features are discussed, highlighting trends that emerged through the fieldwork analysis. For ease of reference, the *woreda* profile is summarized in Table 8 and community profile is summarized in Table 11.

4.1. Tigray profile

The Tigray region, located in northeast Ethiopia, borders Afar and Amhara regions in the east and south respectively and the states of Sudan and Eritrea in the west and north respectively. Tigray is divided into five administrative zones (Western, North Western, Central, Eastern and Southern), 34 rural *woredas* and 12 urban *woredas*. The regional capital is Mekelle. In 2007 the Ethiopia Population and Housing Census estimated that the region hosted a total population of around 4.3 million people, half of whom were under the age of 18; 218 289 (0.05 percent) were orphans; 69 017 (0.01 percent) had a disability; and 6 percent were elderly (CSA, 2007). According to BOLSA, almost 33 percent of households in Tigray are headed by females, the highest percentage in the country (BOLSA Tigray, 2011a).

At 4.6 percent the total fertility rate in Tigray is high, not far from the national average (4.8 percent) and a key driver of the high population growth which stands at 2.5 percent per year (CSA, 2011 and 2007). At 1.8 percent HIV prevalence in Tigray is slightly higher than the national average (1.5 percent) with higher prevalence among females (2.2 percent) than males (1.3 percent) (CSA, 2011). In 2011 enrolment in primary school was reported at 75.3 percent, and only 16 percent in secondary school (*vis-à-vis* the national average of 64.5 percent for enrolment in primary school and 13.7 percent in secondary school) (CSA, 2011).

The Tigray region comprises three geographic regions: the central highland, the western lowland and the eastern desert plain. Lowlands in the west of the region are relatively fertile but prone to outbreaks of malaria. Average rainfall is highest in central and south-western Tigray, and lowest and unpredictable in the eastern part of the region (Frankenberger *et al.*, 2007), where Hintalo Wajirat *woreda* is found. Agriculture is the backbone of the economy, with around 80 percent of the population engaged in subsistence agriculture supplemented by animal husbandry (BOLSA Tigray, 2011a). The major crops produced are teff, sorghum, wheat and maize; other crops are sesame, horse beans, lentils, cotton and spices (WFP, Tigray Regional Government and UNICEF, 2009). According to the Bureau of Agriculture, the region is spread over an area of 53 386 km² (5.34 million ha), of which 1.08 million ha (20.23 percent) is suitable for agriculture; nearly all (92 percent) of the arable land is cultivated, which means that virtually no arable land is left for further expansion of the sector (*ibid.*).

Seasonal rainfall in Tigray is typically sparse and unevenly distributed, and the region has suffered from repeated drought shocks. Drought is one contributing factor to the chronic low production and productivity of the agricultural sector. Other factors include small land holdings (on average 0.5 ha per household), low agricultural inputs (labour, including oxen for ploughing, seeds, fertilizer), land degradation, low soil fertility, high prevalence of crop pests and livestock diseases (Frankenberger *et al.*, 2007; BOLSA Tigray, 2011a). As a result household agricultural production typically sustains Tigray rural families for no more than 3-4 months per year (Frankenberger *et al.*, 2007). Structural constraints to agricultural development are a key driver of poverty: according to BOLSA, Tigray is home to the highest percentage (32.8 percent) of people living under the poverty line in the country (BOLSA Tigray, 2011a).

As Box 1 below shows, the 1975 land reform and subsequent federal and regional laws vested small holders in Tigray with perpetual land user rights. Despite a relatively equal allocation of farm land and relatively secure⁸ land tenure, land rental markets in Tigray, as in other settled agricultural areas of Ethiopia, are very active and characterized by sharecropping arrangements (Deininger *et al.*, 2007; Holden *et al.*, 2011). Sharecropping arrangements typically entail poor, input-constrained small holders, both males and females, renting out their land to tenants – usually able-bodied men, including relatives, who bring agricultural inputs in return for a share of the crops produced on the land. A recent countrywide rural socio-economic survey found that in Tigray around 35 percent of farm households rent land from other households and around 7 percent sharecrop out (CSA and WB, 2013). Structural constraints to agriculture production highlighted above, and also confirmed by study respondents, underpin the high prevalence of largely unfavorable sharecropping arrangements as a result of low agricultural productivity and small share received of crops produced, particularly among female landowners in Hintalo Wajirat as discussed in depth in Section 5.2.

Box 1 Land ownership and distribution in Tigray

Driven by the “land to the tiller” ideology, in 1975 the Marxist Derg regime (in power in the country from 1974 to 1987) implemented a land reform which eliminated the wealthy rural landlord elite and related feudal order and changed landowning patterns in favour of peasants and small landowners (Holden *et al.*, 2011). The reform also established Peasant Associations (PA) which were in charge of distributing land to households on the basis of their family size, needs and ability to cultivate. Following the fall of the Derg regime, the enforcement of the current Constitution of Ethiopia in January 1995 vested land ownership exclusively in the state, with people only having usufruct⁹ rights. This new federal land proclamation was followed by regional land proclamations, which allowed for some variation in land laws across regions as long as they did not violate the federal land law. In 1997 Tigray passed a regional land law which reinforced land ownership in the hands of the state, prohibited land sales, stopped land redistributions, but vested smallholders with perpetual user rights and allowed them make short-duration land rental contracts (*ibid.*).

The already fragile economic base of the region has been further aggravated by decades-long conflict, the effects of which as highlighted in the following section continue to be felt today. In 1974 the rebel movement Tigray People’s Liberation Front (TPLF) started to wage a struggle against the Derg regime and for the following 17 years Tigray became a hotspot of the Ethiopian Civil War (1974-1991). The protracted conflict was followed by another conflict, the Ethiopia-Eritrea border war which erupted in 1998 and lasted for two years and once again put Tigray at the epicentre of a war.

Insufficient agricultural production and the effects of decades of conflict were often indicated by research participants, both in Hintalo Wajirat and in Abi Adi, among the key drivers of the growing phenomenon of rural to urban migration, by males and FHHs. According to the 2007 Ethiopia Population and Housing Census, the rate of urbanization in Tigray is 19 percent, slightly higher than the national rate of 17 percent (CSA, 2007). Typically, FHHs living in rural areas are either landless or, if they own land, they are faced with gender-based constraints to cultivate land on their own that further hinder their ability to achieve sufficient levels of agricultural productivity (see Section 5.2 for an in-depth discussion). Unable to attain satisfactory agricultural livelihood outcomes and with limited opportunities for livelihoods diversification in rural areas, many FHHs – including landowners – migrate to towns and cities, or to rural areas that are close to the main road and to markets (such as Adi

⁸ As discussed in Box 1 land ownership rests exclusively in the hands of the state, with people only having usufruct rights.

⁹ Usufruct is the right to enjoy the use and advantages (profit or benefit) deriving from a property that is titled to another person or entity.

Keyih), attracted by greater (or perceived as such) livelihood opportunities and availability of basic services and infrastructure, such as health, education and electricity.

4.2. Hintalo Wajirat *woreda*

4.2.1 *Woreda* profile

Hintalo Wajirat *woreda*, located in the south east of Tigray, borders the Afar region to the east, Enderta *woreda* on the north, Raya Azebo *woreda* to the south and Endamehoni and Alaje *woredas* to the west. Hintalo Wajirat is crossed by the main tarmac road that connects Mekelle to Addis Ababa via Dessie. Adi Guddom is the *woreda* capital, where *woreda* institutions including WOLSA are located. Thanks to its location along the main tarmac road, close (37 km) to the regional capital Mekelle and to services available (e.g. hosts one of the only two secondary schools found in the whole *woreda*), Adi Guddom was indicated by a number of interviewees as a rapidly expanding hub. Apart from hosting a few other small towns such as Hintalo, May Nebri, or Debub, Hintalo Wajirat is a predominantly rural *woreda*. Some *tabias*, including *tabias* targeted by the SCTPP (e.g. Sebebera, Tsehafti and Gonka), are located in remote rural areas far from the main tarmac road and the markets that fall along the road (Berhane *et al.*, 2012).

According to the 2007 Ethiopia Population and Housing Census the total population of the *woreda* is 153 505, of which 59 percent are under the age of 18 or over 60 years old (79 594 and 10 855 individuals respectively) (CSA, 2007). A total of 6 878 (8 percent of the *woreda* total child population) are orphans and 2 420 have a disability (*ibid*). Reflecting the inadequate availability of secondary schools in the *woreda* (see Table 8 and Section 5.1), the enrolment rate in secondary school is only 42 percent (BOLSA Tigray, 2011a: 10). Hintalo Wajirat hosts 53 265 households; almost half (45 percent) are headed by women (24 006). Research participants attributed the high percentage of FHHs in Hintalo Wajirat, Abi Adi (see below) and in Tigray more broadly to two main factors. First, and as mentioned above, Tigray has been affected by decades of conflict which have left many women widowed. Second, divorces, separations or abandonments by husbands who, as a result of rising poverty levels in rural areas migrate to urban areas in Tigray and beyond and lose contact with their families in rural areas, were mentioned to be increasingly frequent today. Migration of married women was not reported as a phenomenon in the areas under study. As discussed in the following sections however the migration of FHHs (both landless and landowners) to urban areas or to rural areas located close to main roads and markets in search of a better life and livelihood opportunities was indicated as an important phenomenon.

The main source of livelihood in the *woreda* is rain-fed, subsistence agriculture; the main crops produced are sorghum, wheat, teff, and barley. Alongside crop cultivation, livestock rearing – mostly cattle, sheep and goats – is an important source of draught animal power, income and food. Livestock is kept by households as a safety net to reduce the risks associated with lean harvesting. Cattle, predominantly owned by medium and better-off households, are an important source of food (milking cows) and draught power (oxen) to cultivate land. Non-farm activities are mostly found in the *woreda* towns or rural areas close to the main road and consist of petty trading, casual labour in construction sites or in hotels and restaurants, and business activities such as running shops, bars, tea houses, lodgings, and brewing and selling *tella*.¹⁰

¹⁰ *Tella* is a home-brewed local beer made from grains such as *teff*, maize, sorghum and *gesho*, a local plant used in a similar manner as hops.

As the discussion in the previous section has highlighted, agricultural production in Hintalo Wajirat is risky. Farming activities for example depend on the *belg* (February to May) and *kiremt* rains (July to September), but the *woreda* is characterized by dry climatic conditions and unreliable rainfall. In 2013 the performance of the *belg* rains in Tigray as a whole was poor, but together with Emba Alaje, Hintalo Wajirat was the most affected *woreda* (UN OCHA, 2013). Small land holdings ranging 0.5-0.9 ha and poor soil fertility also affect productivity (BOLSA Tigray, 2011a).

According to BOLSA data, Hintalo Wajirat is among the 20 most food insecure *woredas* in Tigray, with most households being able to cover their food needs through crop production for only half of the year (BOLSA Tigray, 2011a). Poverty in this *woreda* is defined as “chronic and extreme” (ibid: 10), with over 45 percent of the total *woreda* population living below the poverty line (ibid.). According to WOLSA staff, the eight *tabias* targeted by the SCTPP are particularly drought prone and suffer from chronic food shortages.

Customary traditional leadership in Hintalo Wajirat, as in other rural areas of Tigray, coexists alongside state authority. Traditional authorities are elders, both male and female, who play a key role in conflict resolution both at household (e.g. between wife and husband) and community levels (e.g. between neighbours, community members). Women community members typically seek assistance from female elders, and men from male elders. The role of customary authorities was reported to be stronger in rural areas such as Hintalo Wajirat than in urban areas such as Abi Adi. Respondents identified two main reasons for this. Firstly, some rural communities are found in remote areas, far from formal institutions for conflict resolution such as the police or courts. Secondly, elders were perceived as providing fairer resolutions than formal authorities mainly because they are recognized as community members themselves, part of the community fabric, and closely follow community affairs.

4.3. Research community profiles

4.3.1 Adi Keyih *kushet*

Adi Keyih, selected because of its good market access, is located on the main road from Mekelle to Addis. The tarmacking of the portion of the road passing through Adi Keyih (from Hiwane to Mekonne town) was completed in 2013. Another (unpaved) road cuts across the *kushet* connecting Adi Keyih to Sebebera and Bahr Tseba. Adi Keyih *kushet* comprises four residential settlements, the most populated one is located directly on the main road and the other three are found nearby. The majority of FHHs were reported to be living in the main settlement on the tarmac road to avail of income-generating opportunities.

Agriculture is the main economic activity; the main crop produced is sorghum, followed by barley and maize. Agricultural production however was reported to be increasingly unpredictable and unreliable, as shown in Table 6. The overwhelming majority of respondents, both beneficiaries and non-beneficiaries, repeatedly stressed that recurrent droughts were having devastating effects on crop production. Declining soil fertility, small land holdings, and large household sizes were also mentioned as contributing to rising food insecurity and poverty in the area. As one CCC member stated “demand is larger than supply, and agricultural supply is becoming more and more scarce”.

During FGDs, participants also constantly lamented the loss of an important coping strategy over the past 4-5 years. Cactus fruits, once abundant in the area, were a critical supplement to the household diet between May and September/October, a source of income in the form of sales of cactus fruit, and served as livestock fodder as the tender cactus leaves were burnt and fed to cattle. The spread of a pest (cochineal) however has led to the severe deterioration of virtually all cactuses in Adi Keyih and surrounding *tabias*. While cactus fruits were still available in Daerete (and some of the production was

also sold in Adi Guddom town), participants frequently expressed fears that the pest would also spread in the area.

Participants concurred that the tarmacking of the road in 2012 greatly increased access to the *kushet* and boosted trading activities and income-generating opportunities. Since then, many more people and vehicles, including lorry drivers, were reported as passing through the *kushet*. New businesses, such as tea and *tella* houses which are typically run by women and small shops had opened, to cater to the increasing number of passers-by.

The boost to economic activity was in general considered as offering interesting opportunities for livelihoods diversification especially in light of the increasingly inadequate farming outcomes. At the same time however, during group discussions, participants made it clear that greater opportunities for income-generating activities were ultimately only benefiting a relatively small number of people. For example participants highlighted that not every person or household had the initiative, skills and start-up capital to establish and run a business, or even small-income generating activities such as selling oil at the Saturday open market, as one female beneficiary remarked. Pragmatically, a number of participants also noted that Adi Keyih is a small rural *kushet* with a small market; even if more people would take up trading or small businesses, competition would eventually lead to poor profits. As discussed in Section 6 the construction of the road as well as manipulation of prices by traders were constantly reported as underpinning rampant inflation in this *kushet*, with consequent declined purchasing power and increased poverty.

Adi Keyih has two primary schools, one health centre, one church and one DECSI branch; it also a SCTPP payment point for Adi Keyih and Tsehafti *tabias*.

Table 6 Livelihoods matrix analysis with female traders in Adi Keyih *kushet*, Hintalo Wajirat *woreda*

Occupation	% of HHs engaged in occupation	Average monthly income (ETB)	Reliability Score 1-4 (1=high)	Overall preference Score 1-4 (1=high)
Agricultural activities (subsistence crops and livestock rearing)	64	700	4 Highly unreliable because of recurrent droughts.	1 Most people rely on this as their main source of income. They have no other option.
Income-generating activities (<i>tella</i> sales, running tea houses, selling butter, oil)	26	300	2 Reliable, but not easy for poor farmers to start a business, lack of start-up capital, skills, and entrepreneurship are entry barriers.	1 For those who can these are reliable and less risky income sources than agriculture as they are not affected by drought as much. "Traders look at their own interest and will try hard to make a profit."
Day labour (seasonal agricultural labour, construction, mill operator)	18	250	3 Unreliable, not available every day. Agricultural labour is seasonal.	3 Provides an income, albeit sporadic. It is for poor people who are mostly engaged in day labour.

Daerete *kushet*

Daerete, the remote location, is found in a valley surrounded by hills and cactuses. This *kushet* presents a marked contrast to Adi Keyih both in terms of accessibility and livelihoods security.

Daerete is reached by a gravel road that leads off the main tarmac road around 10 km before Adi Guddom (from Mekelle). It takes more than two hours on foot to reach the road from Daerete and part of it is quite steep making it difficult to use during the rainy season. Remoteness was constantly indicated as a challenge, particularly for the elderly and disabled, and in the event of health-related emergencies such as pregnant women in labour. Daerete comprises two settlements; one of these, which is also more populated, has access to an irrigation scheme.

Economic activity is overwhelmingly concentrated on subsistence farming and livestock rearing; cash crops are produced by only a minority. Unlike in Adi Keyih, respondents in Daerete widely indicated agriculture as a highly reliable activity. The area was not reported as being affected by recurrent droughts and there were no specific mention of problems related to soil fertility. Except for three small, home-based grocery shops, no other trading activities were reported as taking place in the *kushet*. The nearest market centre to Daerete is Adi Guddom which hosts a Saturday open market where some Daerete residents come to sell cactus fruits, vegetables, grains and eggs.

Research participants in Daerete, as well as in all other communities in Hintalo Wajirat and Abi Adi, recognized three wealth groups among their local population; the poor (*dika*), medium (*makalay*) and better-off (*haftam*) (see Table 7 for one example). In line with the discussion above respondents in Daerete (and Adi Keyih) concurred that the poor cannot farm their own land because of lack of inputs and the majority are forced to enter into sharecropping arrangements, often with better-off households for whom sharecropping-in land plots is an important source of income. As discussed in Section 5.3,

sharecropping out was widely considered a last resort coping mechanism and FHHs were categorized among the poorest precisely because of their inability to farm their plots on their own.

As evidenced in Table 7 below, the poor were widely described as eating one or two poorly nutritious meals a day, living in poor houses, owning only one set of clothes and not owning livestock. Participants felt that more than half of Daerete residents fell into the lowest wealth category, the poor. There were no reports of inclusion errors, with no medium or poor households indicated as SCTPP beneficiaries (see also Section 8). The community well-being exercise conducted in Adi Keyih revealed very similar perceptions and all reported that only poor households (100 percent) were targeted by the SCTPP. Daerete has two primary schools – one in each settlement, a church and a health post.

Table 7 Community well-being analysis, Daerete *kushet*, Hintalo Wajirat *woreda*

Poor (<i>Dika</i>)	Medium (<i>Makalay</i>)	Better-off (<i>Haftam</i>)
Eats one-two meals a day, “low quality” food, such as <i>injera</i> ¹¹ with salt or spices only and no stew. Cannot drink coffee regularly.	Eats two meals a day. Drinks coffee twice a day.	Eats three meals a day. Drinks coffee three times a day.
No livestock assets.	Owens around five sheep/goats, one ox.	Owens > five shoats, two oxen, one milking cow< “the rich does not even know how many chicken he has”.
Sharecrops out land. “All FHHs are poor.” “The poor cannot accomplish his/her interest.”	Sharecrops out land, some can farm on their own. May engage in small trading activities (e.g. selling vegetables, eggs at the market).	Owens large plots of land (0.75 ha or more) and also sharecrops-in land. Some are involved in trading activities or livestock fattening.
Owens only one set of clothes.	Owens two sets of clothes.	Owens more than two sets of clothes.
Lives in poor quality house with thatched roof and only one room.	Lives in house with two rooms in fairly good condition.	Lives in good house with corrugated iron roof and three or more rooms
Share of population		
54%	30%	16%
Targeted by the SCTPP		
100%	0%	0%

Mainy *kushet*

The comparison community of Mainy *kushet* shares some features with Adi Keyih: it is relatively close to the tarmac road, around 20 minutes on foot, and it relies predominantly on agriculture. The closest market centre is Hiwane town, a busy and rapidly expanding trading centre, also thanks to the tarmacking of the road in 2012. The main crops produced are wheat, barley and sorghum and a small

¹¹ *Injera*, the national dish of Ethiopia, is a flatbread with a soft and spongy texture and slightly sour taste used as a base for dishes and to scoop up food and sauces. *Injera* is made of grain. The most valued and also most expensive *injera* is made of the locally grown *teff*; cheaper, but also more nutritious, *injera* can be made of sorghum, maize, barley or a mix of those grains.

production of broad bean. Despite being located not far from Adi Keyih (around 30 km on the main road) respondents did not complain of recurrent droughts. They did however indicate crop pests and hail storms as recurrent risks to agricultural production in the area. Mainy comprises four settlements, two of which have access to an irrigation scheme; households in the latter settlements own bigger land plots (of more than 0.75 ha) and the land is fertile. The majority of the better-off residents were indicated as residing in these two settlements.

There is one primary school but no health post or centre; the health centre located in Hiwane town was reported as easily accessed and used by residents of Mainy.

Table 8 Profile of Hintalo Wajirat and Abi Adi woredas

	Tigray Region	
<i>Woreda</i>	Hintalo Wajirat	Abi Adi
Population*	153 505	16 115
Poverty status **	45%	13.7%
Language	Tigrinya	Tigrinya
Dominant religion	Christian Orthodox	90% Christian Orthodox, 10% Muslims
SCTPP beneficiary households***	Hintalo Wajirat: 3 018 (Female: 70.5% or 2 128; Male: 29.5% or 890) Sebebera <i>tabia</i> : 256 Adi Keyih <i>tabia</i> : 424	Abi Adi: 749 (Female: 80% or 600; Male: 20% or 149) <i>Kebele</i> 01: 392 <i>Kebele</i> 02: 229 <i>Kebele</i> 03: 128
Basic agro-physical context	Semi-arid and predominantly arid rain-fed subsistence agriculture, small-scale cash crops. Hilly and mountainous terrain. (> 2 000 metres above sea level).	Town surrounded by cliffs and hills to the north and eastern part (1 800 metres above sea level).
Main livelihood activity	Agriculture-based mixed farming production system. Crop cultivation (notably wheat, barley, <i>teff</i> , sorghum) practiced along with livestock rearing. Limited non-farming activities include petty trading and casual labour.	Wide range of urban livelihoods: day labouring, skilled work, income-generating activities, trading, crops from ownership of land in rural areas.
Infrastructure, public services and institutions****	74 primary schools (30 schools grade 1-4; 44 schools grade 5-8), two secondary schools (one in Bahr Tseba, one in Adi Guddom), seven health centres, 20 health posts, no hospital.	Two primary schools, two secondary schools. One public hospital, one health centre, one commercial bank, one microfinance institution (DECSI), two weekly markets (on Wednesday and on Saturday), one public library, two bus stations.
Basic governance-leadership	Divided into 22 <i>tabias</i> with representation in the <i>woreda</i> council (the body governing the <i>woreda</i>). <i>Tabias</i> are headed by	Divided into three <i>kebeles</i> with representation at the <i>woreda</i> council (the body governing the <i>woreda</i>). <i>Kebeles</i> are headed by <i>kebele</i> administrators who are

structure	<i>tabia</i> administrators who are elected by local constituencies and are in charge of (3-5) <i>kushets</i> in each <i>tabia</i> . Strong customary traditional leadership coexists alongside formal authorities and consists of male and female elders in charge of intra-household and intra-community conflict resolution.	elected by local constituencies and are in charge of (3-5) <i>ketenes</i> in each <i>kebele</i> . Weak customary traditional leadership coexists with formal authorities and consists of male and female elders in charge of intra-household and intra-community conflict resolution.
Sociocultural characteristics	<p>Equal distribution of farm land, male and female smallholders vested with land usufruct rights. Cultural norms against women ploughing land is a key driver of high number of FHHs sharecropping out their land.</p> <p>General reports of gender equality, harmonious and joint decision-making processes at household level (between husbands and wives), but also indications of men being primary decision-makers and retaining authority in some households.</p> <p>Most important social networks are family and community-based offering an important network of support entrenched in tradition, customary law, and reciprocity. CCCs and the social support mechanism that they manage play a central role. Churches and mosques are also important providers of support to the poor.</p>	<p>Widespread ownership of land in rural areas among male and female urban residents; crop production from sharecropping arrangements is an important source of income. Livelihood activities are many and varied, including day labouring, skilled work, a wide array of income-generating activities.</p> <p>General reports of gender equality, harmonious and joint decision-making processes at household level (between husbands and wives), but also indications of men being primary decision-makers and retaining authority in some households.</p> <p>Familial relations of mutual aid are weak and linked to the nature of relations in the urban context. Most important social networks are community-based (friends, neighbours), providing an important network of support entrenched in norms of solidarity and reciprocity. CCCs and the social support mechanism that they manage play a central role. Churches and mosques are also important providers of support to the poor.</p>
<p>* Central Statistical Agency (CSA) Population and Housing Census 2007.</p> <p>** For Hintalo Wajirat: BOLSA, 2011a. For Abi Adi: Ministry of Finance and Economic Development, 2012 Interim Report on Poverty Analysis (2010/11). NOTE: No data on poverty status for Abi Adi <i>woreda</i> was found; the above source is for poverty status in urban areas of Tigray not for Abi Adi specifically.</p> <p>*** Beneficiary list provided by UNICEF; percentages of male/female beneficiaries provided by BOLSA.</p> <p>**** Bureau of Planning and Finance 2012 Statistical data for the region.</p>		

Abi Adi *woreda*

Abi Adi town is located west of the Tigray regional capital Mekelle on the main road from Mekelle to Adwa and Axum. The town is surrounded by Kola Tembien *woreda*, which borders on the south and eastern part with Abergele and Degua Tembien *woredas*, and on the north and western part with Naeder Adet and Werie Lehe *woredas*.

The 2007 Population and Housing Census estimated a total urban population of 16 115 people, of which 7 057 were under 18 years of age and 880 over the age of 60 (CSA, 2007). According to

BOLSA, in 2010 there were 280 individuals living with a disability in Abi Adi and 882 orphans (BOLSA Tigray, 2011a). The town hosts a total of 5 316 households of which just under half (48 percent) are headed by women.

Abi Adi is an ancient town; according to some respondents it was established 400 years ago, before Mekelle. The town is surrounded by steep cliffs and hills to the north and the east. The oldest settlements, Maylomin and Dedebit *ketenes* in *kebele* 01, were established at the foot of cliffs to provide protection to its inhabitants. In recent years the city has experienced a rapid expansion from the east - *kebele* 01 to the northwest, *kebele* 02 – and more recently *kebele* 03 – towards flatter areas largely to facilitate building constructions. Respondents concurred that greater availability of key infrastructure and services including electricity, the opening of a commercial bank and DECSI, ongoing construction and, more recently, the tarmacking of the Mekele-Abi Adi-Adwa road (completed in 2012), have all contributed to the rapid urban growth. Many also agreed that these developments, the tarmacking of the road in particular, have contributed to driving up prices of commodity goods, services and house rental. For example one CCC member stated that before the construction of the road a rented room without latrine in *kebele* 01 would cost 25 ETB (US\$1.27) a month, whereas today it costs 100 ETB (US\$5.08).

There were also widespread perceptions that the urban population was expanding. In addition to natural population growth, migration was indicated by many as a main driver of urban population growth. Rural to urban migration as a result of both push and pull factors was mentioned as a key driver. As already indicated livelihoods insecurity and poverty in rural areas pushed a high number of men and FHHs to move to urban areas, including to Abi Adi. Indeed, FHHs make up almost half of the population. At the same time availability of livelihood opportunities, services and infrastructure also acted as a magnet, attracting male and female poor migrants in search of a better life. The availability of a secondary school was also indicated as drawing a high number of children from rural areas to take up residence in town. Rich individuals, whether farmers or residents of other urban areas, or Ethiopians living abroad, were also reported as being attracted by the investment opportunities offered by Abi Adi, e.g. in trade, construction or traditional gold mining.

Today Abi Adi is a bustling business centre with a vast array of retail and catering shops, hotels and two weekly markets (on Saturday – the principal market day, and on Wednesday) where grain, livestock, vegetables and other products and goods are sold, attracting sellers and buyers from the town and surrounding rural areas.

The economic activities and livelihoods of male and females urban dwellers are many and varied and include day labouring (construction work, slaughtering, food preparation, cleaning, grinding mill operating and seasonal agricultural labour in surrounding areas), skilled work (ceramics, metal-working, carpentry, brick-making, weaving), a wide array of income-generating activities (basketry, yarn cotton-making, *tella* brewing and selling, hairdressing) and trading and businesses activities of varying size (petty trading, shopkeeping, running lodges, tea houses and restaurants).

As also confirmed during FGDs with beneficiaries and non-beneficiaries, many Abi Adi residents, both males and females, also own land in rural areas and crop production from sharecropping arrangements is an important source of income. Similarly the baseline survey found that 26 percent of beneficiaries from Abi Adi owned agricultural land and the majority of them sharecropped out (80 percent) (Berhane *et al.*, 2012). Prostitution was also indicated as an important occupation in town; as one non-beneficiary female put it, “there are so many of them”. During a livelihood analysis with female traders in *kebele* 02 participants explained that in *kebele* 01 prostitutes typically work from home, while in *kebele* 02 from hotels. They estimated that the average monthly income of a prostitute is 300 ETB (US\$15.26), similar to the monthly income of a day labourer (which they estimated at 350

ETB-17.80 US\$) regardless of where they work. According to them prostitution was an unreliable occupation, not only because of the difficulties in finding regular customers, but also because of the high risk of contracting HIV and of being abused and beaten by customers.

4.4. Research community profiles

Kebele 01

As highlighted above *kebele 01* is the oldest part of the town. *Kebele 01* is characterized by high population density, old buildings and infrastructures (such as the site of the Saturday open market) and it is visibly unplanned, standing in stark contrast to the newer, more organized and less congested *kebeles 02* and *03*. The recently constructed tarmac road from Mekelle to Adwa cuts through *kebele 01*, and a high number of houses, mainly inhabited by rich people, as well as business establishments (lodges, shops, tea houses) are concentrated in this area. Houses, catering and retail shops are also scattered throughout the three *ketenes* that comprise this *kebele*. The majority of elderly and poor people were reported by opinion leaders to be living in the oldest and also cheapest part of the *kebele*, in Dedebit *ketene*, next to the cliffs. Fieldwork discussions revealed that during the two wars the caves that are found in those hills were used by town dwellers as shelters. Today these caves offer inadequate housing to a number of vulnerable and extremely poor individuals, including programme beneficiaries, who are unable to afford rent in town (see Box 5). Approximately ten years ago the municipality constructed houses in *kebele 03* to eradicate the problem of cave dwellings. Yet despite these efforts some families continue to live in caves out of necessity.

Discussions with participants in *kebele 01* (but also in *kebele 02* and with non-beneficiaries in *kebele 03*, the comparison community) revealed that perceptions of well-being and wealth among urban residents differed from the perceptions of rural communities interviewed in Hintalo Wajirat. While, as discussed above, study participants in Daerete and Adi Keyih defined wealth in terms of asset(s) owned, and mainly labour to farm own land and livestock, in all *kebeles* in Abi Adi wealth was defined in terms of engagement in income-generating activities, family size (with better-off reported as having smaller families than the poor) and housing (in terms of ownership of housing or ability to afford good quality housing) (see Table 9) (see also Berhane *et al.*, 2012 for a similar finding).

Kebele 01 has one primary and one secondary school, one health centre, three churches and one open market where vegetables, livestock and other goods and products are sold, and one bus station.

Table 9 Community well-being analysis, *kebele 01, Abi Adi woreda*

Poor (<i>Dika</i>)	Medium (<i>Makalay</i>)	Better-off (<i>Haftam</i>)
Eats once a day. Food of poor nutritional value such as <i>injera</i> with salt or spices with no stew. Drinks one cup of coffee or none a day.	Eats twice a day. <i>Injera</i> with stews, but rarely meat (only during festivities). Drinks coffee twice a day.	Eats three times a day. Varied diet including meat. Drinks coffee three times a day.
Cannot work and resorts to prostitution or begging.	Engages in petty trade.	Engages in medium to large trade activities or other big businesses (e.g. restaurants or hotels).
Does not own any livestock assets, not even chickens.	Owns some livestock assets (goats or sheep).	Owns livestock assets and also milking cows to produce and sell milk and butter.
Has large family size of five or more members.	Has families of four members.	Has small families of less than four members.
Owns only one set of clothes.	Owns two sets of clothes.	Owns more than five sets of clothes.
Lives in a poor quality, rented room or in cave dwelling.	Owns a house or can rent a house.	Owns a big house with several rooms and has house(s) and/or rooms to rent out.
Not a member of <i>Iddir</i> (burial society).	Member of <i>Iddir</i> and/or <i>Iqqub</i> (informal rotating saving group).	Member of <i>Iddir</i> and <i>Iqqub</i> .
Share of population		
50%	34%	16%
Targeted by the SCTPP		
100%	0%	0%

Kebele 02

Kebele 02 was defined by an opinion leader during a social mapping exercise as “the heart of Abi Adi”. The main road from Mekelle to Adwa cuts through the centre of town and of *kebele 02*. The *kebele* comprises five *ketenes* (*ketenes 01, 02, 03, 04* and *05*). The majority of the population, including FHHs, is concentrated in *ketenes 01, 02,* and *05* because of the close proximity to the main tarmac road, the busy commercial area and consequently opportunities for productive activities. *Ketenes 01* and *02*, in particular, host a relatively high number of hotels, restaurants and tea and *tella* houses. A gravel road separates *ketenes 01, 02,* and *05* from *ketenes 03* and *04*. The majority of the poor live in *ketenes 03* and *04*; these were described as marginal and cheap neighbourhoods owing to their relative distance from the centre of town. According to interviewees a rented room in *ketene 01* costs around 200 ETB (US\$)10 a month, while in *ketenes 03* and *04* it costs only 50 ETB (US\$2.54). The majority of the Muslim population of Abi Adi is also found in this *kebele*; according to respondents, 50 percent of the *kebele* populations are Christian Orthodox and 50 percent Muslim.

The main services and *woreda* institutions are concentrated in *kebele* 01, and in *ketenes* 01, 02 and 05 in particular. There are two primary schools, one health centre, one hospital, one public library, one DECSI branch, one kindergarten, three mosques and two churches. The town municipality and one commercial area, including the Saturday market, are also found here.

Table 10 Livelihoods matrix analysis with female traders in *kebele* 02, Abi Adi *woreda*

Occupation	% of HHs engaged in occupation	Average monthly income (ETB)	Reliability Score 1-4 (1=high)	Overall preference Score 1-4 (1=high)
Income-generating activities and trade (<i>tella</i> sales, restaurants, hotels, selling vegetables, <i>injera</i> baking).	72	800	1 Highly reliable because of high urban demand. Stress on businesses of different sizes, from hotels to small stalls selling vegetables.	1 "It is a good way to earn an income." "If you work hard you can get good results."
Prostitution	20	300	4 Highly unreliable, they may not find customers regularly.	4 It is very risky: prostitutes can contract HIV, be beaten and abused by customers.
Day labour (housemaids, construction, mill operators)	40	350	2 Not available every day.	1 When available it is a good source of income.
Hairdressing	20	200	2 It is reliable because there is a lot of demand.	1 It provides a regular source of income.
Crop production (from sharecropped out land in rural areas)	6	150	1 It varies in quantity from year to year but is reliable.	1 It is a good source of food for the household.

Kebele 03

Established in 2009, *kebele* 03, the comparison community, is the newest *kebele* of Abi Adi. It originally comprised three *ketenes*, Haftom, Alula and Dr Ataklit. In September 2013 Haftom was split into two and a fourth *ketene*, Aynalem, was established. The urban master plan for Abi Adi was indicated by a number of interviewees as comprising an industrial zone for future development, which is located in *kebele* 03. Currently however there is no industry in the zone, only a few carpentry and metal workshops.

Respondents explained that up until 2009 *kebele* 03 was a rural area. In 2009 following requests for land for house construction by demobilized soldiers, the municipality allocated land plots to around 400 demobilized soldiers in *kebele* 03 and their families. In addition to demobilized soldiers, today *kebele* 03 is home to other urban dwellers who have taken up residence in this newly established

neighbourhood. Its growth was reported as exponential. Perhaps exaggerating, one opinion leader estimated a total population of 4 000 people living in *kebele* 03.

The *kebele* has two primary schools, no health centre, one teacher raining college.

Table 11 Profile of the study communities

	Hintalo Wajirat			Abi Adi		
	Sebebera	Adi Keyih	Freweiny	Kebele 01	Kebele 02	Kebele 03
Research communities	Daerete	Adi Keyih	Mainy	All <i>Ketenes</i>	All <i>Ketenes</i>	Haftom, Aynalem
Market access	Away from main roads and markets	Close to main road and market	Close to main road and market	Urban <i>kebele</i> /close to main road and market	Urban <i>kebele</i> /close to main road and market	Urban <i>kebele</i> /close to main road and market
SCTPP beneficiary households in each research community*	94	168	N/A	392	229	128
Total households in each research community**	480	500	N/A	1 359	2 372	1 587
Main livelihoods	Farming, mainly subsistence crops (barley, wheat sorghum and <i>teff</i>) and livestock rearing. Small-scale cash crop, limited non-farming activities.			Day labouring, skilled work, income-generating activities, trading, crops from ownership of land in rural areas.		
Infrastructure, public services and institutions	One primary school, one health post, one grinding mill, three water hand pumps, one irrigation scheme, one church.	Two primary schools, one health centre, four grinding mills, three water hand pumps, one church, one DECSI branch.	One primary school, eight water points, one irrigation scheme, one grinding mill, two churches.	One primary and one secondary school, three churches, three churches, one health centre, one open market.	Two primary schools, one health centre, one DECSI branch one hospital, one public library, one kindergarten, three mosques, two churches. The town municipality and one commercial area.	Two primary schools, no health centre, one teacher training college.

* For Hintalo Wajirat based on beneficiary list provided by WOLSA, for Abi Adi based on data provided by UNICEF, see Table 3

** For Hintalo Wajirat based on total household number provided by opinion leaders in each research community, for Abi Adi based on data provided by UNICEF, see Table 3.

5. Research Findings

This section presents synthesized findings from the qualitative research in Hintalo Wajirat and Abi Adi *woredas*. The narrative is organized according to the four research themes, with findings presented under a series of subheadings linked to the research hypotheses introduced above.

5.1. Household economy

At the household level the research explored the impacts of the SCTPP transfer on beneficiary household welfare and negative coping strategies. Beyond this, the research focused on the hypothesis:

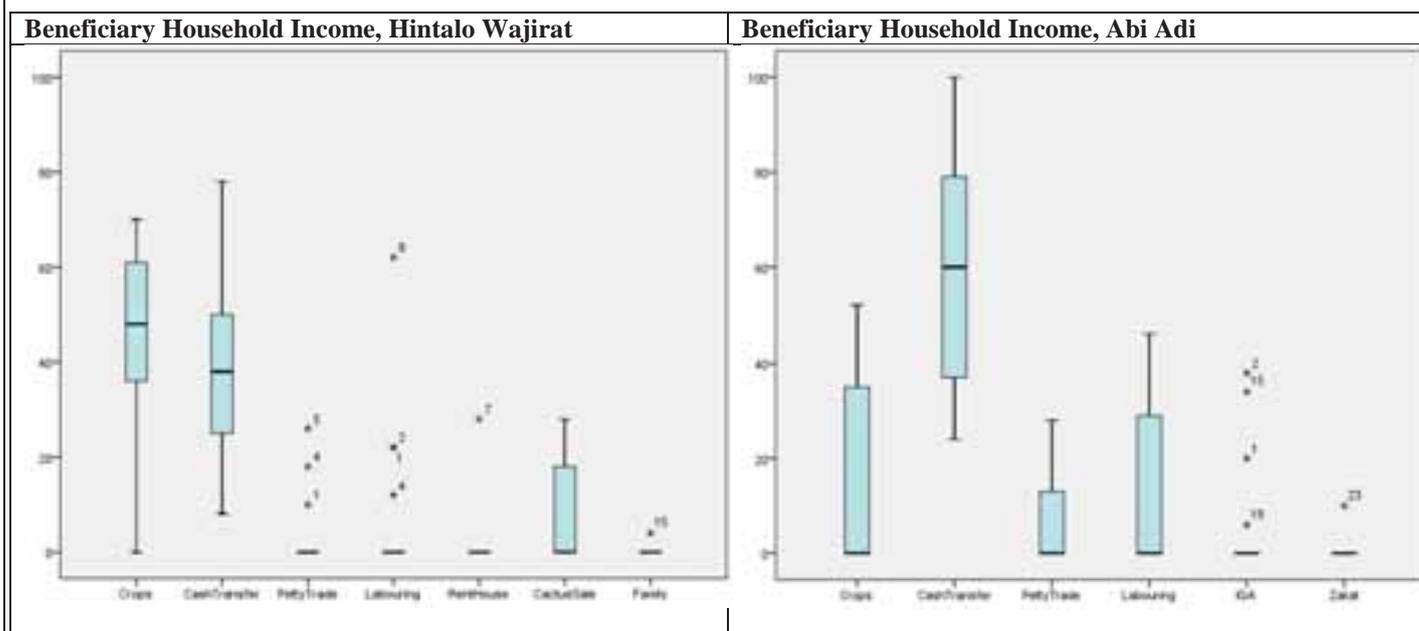
The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash.

As discussed in Box 2 below, the cash transfer represented a major source of income for beneficiary households; almost 40 percent of income for beneficiaries in Hintalo Wajirat and over 60 percent for beneficiaries in Abi Adi. How the transfer was used and what expenditures were prioritized ultimately depended on the poverty status, asset base and capability of the household, as well as on the broader economic environment. For most of labour constrained, chronically poor households (e.g. the elderly and the disabled) and for the great majority of beneficiaries interviewed in Adi Keyih *kushet* where poor agricultural outcomes and livelihood insecurity were prevalent, the cash transfer represented a safety net mechanism to help smooth consumption. For some of the households capable of engaging in productive activities in Daerete *kushet* and the town of Abi Adi the cash transfer has enabled beneficiaries to create or scale-up income-generating activities and to save.

The findings pointed to welfare gains from regular and predictable monthly cash injections, which facilitated household budget planning and expenditure allocations and minimized negative coping strategies. Knock-on positive outcomes on beneficiaries' confidence, feelings of self-esteem and involvement in social networks were also found.

Box 2 The distribution of beneficiary households' income sources

To understand typical experiences and behaviour of beneficiaries in Hintalo Wajirat and Abi Adi, the research conducted individual analyses of male and female beneficiaries' household income and expenditure. In Hintalo Wajirat *woreda* the tool was applied in discussions with 23 beneficiaries across Daerete and Adi Keyih *kushets* (a sample of 9 percent of the total 262 beneficiaries in those *kushets*). In Abi Adi, the tool was facilitated with 23 beneficiaries from *kebele* 01 and *kebele* 02 *ketenes* (a sample of 4 percent of the total 621 beneficiaries in those *ketenes*). The data provided an overview of the range of incomes and expenditures among male and female beneficiaries in each context and allowed the qualitative analysis to take into account the “average” experience while also interpreting and explaining differences in behaviour.



In Hintalo Wajirat there was a strong reliance on the cash transfer (almost 40 percent of income) as a key income source. Their main income source however was crop production for household consumption (not sale), which represented on average almost 45 percent of their income. As discussed in Section 4.3 land productivity and recurrent droughts in Adi Keyih represented higher risks to production than in Daerete. In Daerete respondents stated that crop production represented an average of 56.5 percent of their income, whereas in Adi Keyih respondents reported an average of only 32 percent. Sixteen out of 23 beneficiaries in Hintalo Wajirat also reported income from sales of cactus fruit, petty trade and labouring, which contributed an average of over 15 percent to their household income. Petty trade and labouring was only reported by (seven) beneficiaries in the more market-connected Adi Keyih. Petty trade consisted of baking and selling *injera* as well as sales of oil and butter at the weekly open market in Adi Keyih, predominantly women’s activity, whereas labouring by both men and women beneficiaries was reported in construction activities and agricultural labour. In remote Daerete, (nine) beneficiaries reported sales of cactus fruits only. As discussed in Section 4.3 this is no longer a viable income source for residents of Adi Keyih.

In Abi Adi the analysis indicates that beneficiaries relied more on the cash transfer as their main source of income than their counterparts in Hintalo Wajirat. A small number of beneficiaries (five) stated that the cash transfer represented their only source of income. On average respondents stated that the transfer represented over 61 percent of their annual income. This was supplemented by crop production which provided an average of around 15 percent of household income, with almost half of beneficiaries (10 out of 23) stating that they owned land in rural areas and sharecropped it out. Reflecting the many and varied economic activities of town dwellers (see Section 4.4), more than 70 percent of beneficiaries (17 out of 23) reported some earnings from petty trade, including sales of vegetables and grain mainly by women and labouring, including fetching wood for sale, cooking, washing clothes, cutting wood and slaughtering for both males and females. Petty trade and labouring together contributed to an average of 18 percent of beneficiaries’ household income. During FGDs a small number of beneficiaries explained that since the introduction of the cash transfer they had been able to scale up existing business activities, start new ones or engage in day labour (see above discussion). To a large extent beneficiaries, mainly women, said this was due to having more “time” now to engage in income generation, whereas before the SCTPP, most of their time was spent begging and seeking help from others.

5.2. Household well-being

Improved household food consumption

Underlying their poverty status, the research found that beneficiaries in all communities in both *woredas* spent almost half of their income on food, as Box 3 below also shows. Regular cash injections enabled beneficiaries to improve the quantity and for some the quality of food consumed in the household.

The number of meals consumed before the SCTPP largely depended on the vulnerability status and asset base of the household; some reported skipping meals for days on end, others eating one or two meals a day and others reducing quantities of food. The SCTPP transfer has enabled beneficiaries and their household members to increase their number of meals per day, for example from one to two meals, and/or to increase the quantity of food consumed. One disabled male beneficiary in *kebele* 02 in Abi Adi, divorced and living with his three children, recalled:

“My children and I used to eat only once a day. Sometimes we would stay without food for days. Thanks to the cash transfer we now buy food and eat every day, twice.”

In addition to increasing quantity, the SCTPP transfer has enabled some beneficiaries and their household members to improve the diversity of their diets. Again, what beneficiaries consumed before and after the introduction of the transfer largely depended on their vulnerability status and asset base. Some stated that their diet consisted of merely *injera* (the typical Ethiopian flatbread, see footnote ¹¹) with either *berbere*¹² or salt for prolonged periods of time. Others, unable to even afford the basic ingredients for cooking *shiro*¹³, the staple food of the poor in Ethiopia, were resorting to mixing ground pulses with water. The transfer has enabled some to introduce new items in their diets such as oil, vegetables, pasta and rice and stews. In both *woredas* many reported being able to cook “tastier”, and no doubt more nutritious, “*shiro* with all the ingredients”, including oil, onions and tomatoes.

Changes in beneficiaries’ dietary habits were also noted by a shopkeeper in *kebele* 01 in Abi Adi. Some of his regular customers are beneficiaries; before the transfer they were only buying coffee and sugar, since the transfer they have started to also purchase pasta, rice, wheat flour and vegetables.

Referring to the improved diet and well-being of beneficiaries, one male non-beneficiary in *kebele* 02 Abi Adi observed:

“Before the cash transfer we would greet them [referring to current SCTPP beneficiaries] and ask them ‘How are you?’ They would stare at us and reply ‘What?’ They were so hungry and tired that they could barely hear us. But these days they answer and say, “I am fine, thank God!”

During group discussions, male and female beneficiaries both in Hintalo Wajirat and Abi Adi also frequently indicated that thanks to the cash transfer they were able to either purchase coffee, which they could not afford previously, or purchase greater quantities of coffee and sugar. As discussed in Section 7.2, these purchases had important knock-on effects on their social ties and involvement in community life.

¹² Spice mixture typical of Ethiopia, also called *mitmite*.

¹³ A stew made with ground pulses (e.g. chickpeas, broad beans), vegetables (e.g. onions, tomatoes), oil and spices.

Improved personal hygiene

The ability to buy items of personal hygiene, such as soap, or an additional set of clothes were reported as having enhanced beneficiaries' well-being and enabled them to "re-establish" social ties, thanks to renewed confidence in interacting with others without feeling ashamed.

In Abi Adi a number of respondents, both males and females, stated that acute levels of deprivation meant that before the transfer they could not afford to buy soap and bathe regularly. As the following quotes show, poor personal hygiene was affecting their confidence and feelings of self-worth, with negative repercussions on social interactions.

"When we were dirty other community members would ignore us, they did not greet us, but now they do." (Female beneficiary, *kebele* 02, Abi Adi)

"When you and your children are dirty close relatives may tell you directly in your face 'you are dirty!' Neighbours or friends may not tell you directly but will gossip behind your back. Before I was shy to speak to people, for example I would not go to bars, sit down and drink *tella* for fear that others would smell me and see that I am dirty. But I now do. I can now buy soap and bath every week, I feel better." (Male beneficiary, *kebele* 02, Abi Adi)

"The poor are not invited to celebrations such as weddings because they are dirty and only own one set of clothes which they use during working days and Sundays." (Male non-beneficiary, *kebele* 03, Abi Adi)

Similarly, non-beneficiaries in Daerete explained that before the introduction of the transfer some elderly men and women had fleas because they only owned one set of clothes and could not change into clean clothes. This was making them uneasy and embarrassed to even speak to relatives and other community members. Since becoming cash transfer beneficiaries a number of them have managed to buy an additional set of clothes and to get rid of fleas. In turn their confidence has been restored.

"Now they [elderly beneficiaries] are clean; you look at their faces, and they are happy! We also feel happy for them." (Male non-beneficiary, Daerete, Hintalo Wajirat)

Improved housing conditions

Unlike in Hintalo Wajirat where the majority of beneficiaries interviewed owned their own houses, house rent in Abi Adi represented a substantial monthly expenditure. Lack of regular income or asset ownership was often indicated as an impediment to renting a house or a room. On the one hand, concerned with default risks on rent payments, landlords were often reluctant to rent out a property to the poor. In the words of a shopkeeper interviewed in *kebele* 02 in Abi Adi, "obviously a landlord would question, how a poor person is going to pay the rent if he/she has nothing." At the same time acute levels of deprivation meant that some of poorest and most vulnerable segments of the population were simply unable to enter the increasingly buoyant house rental market of Abi Adi (see Section 4.4). Indeed, as shown in Box 5, some poor families, including beneficiaries, to date continue to live in the caves found in *kebele* 01.

There were indications that the SCTPP transfer contributed to covering house rent expenditures and to improved housing conditions. As indicated by a number of interviewees in *kebele* 01, and confirmed by WOLSA staff, monthly cash injections had enabled some of the poorest families to move out of the caves in *kebele* 01 and to afford house rent. Other beneficiaries who were already renting before the cash transfer reported being able to move from the outskirts of *kebeles* to more central and expensive

areas of town to gain access to better livelihoods opportunities, as explained by a number of female beneficiaries who did so to boost their *tella* businesses.

This finding reinforces the argument that different SCTPP beneficiaries were experiencing different levels of poverty and that beneficiaries also had different capabilities and resources. Indeed while some were not able to afford adequate housing even after regular cash injections, others – albeit a small number – were in a position to choose where to live and used the transfers to upgrade to more expensive neighbourhoods to maximize their productive activities.

Improved access to education and academic performance

In addition to helping to meet with immediate needs, beneficiaries with children attending school invested in education. In all communities school expenses were considered a household budget priority after food (see Box 3). Education was perceived by the overwhelming majority of beneficiaries, both men and women, as instrumental for human capital development, pivotal for upgrading standards of living and as a way of securing the future of their sons and daughters. The following quotes show how beneficiaries articulated the value of education in their own words:

“Through education children can improve their lives. One day they may even become the leaders of our country!” (Female beneficiary, Adi Keyih, Hintalo Wajirat)

“The school is as important as the mother; it takes care of children and of their development.” (Female beneficiary, *kebele* 01, Abi Adi)

“I am poor; I want my children capable of living a better life than me.” (Female beneficiary, *kebele* 02, Abi Adi)

While Ethiopia guarantees free primary and secondary education, indirect costs of education such as stationery and school uniforms¹⁴ represent a significant barrier of access for the poor. Unlike in Abi Adi where a secondary school is available in town, the absence of secondary schools in Adi Keyih and Sebebera *tabias* meant that families had to bear additional costs – transport, house rent and food – to send their children to live and study either in the town of Adi Guddom or in Bahr Tseba *tabia*, where the only two secondary schools available in Hintalo Wajirat are found. Not surprisingly these costs – house rent for students in these two areas for example was indicated at around 50 ETB (US\$2.54) per month – can be prohibitive for poor households and were identified as a key reason for the limited school enrolment and retention beyond primary level in the *woreda*.

The majority of beneficiaries in both Adi Keyih and Daerete *kushets* concurred that the transfer had helped to minimize school dropout and absenteeism at primary level. That said, the majority also agreed that the cash transfer was contributing to, but only partially covering, secondary school expenses, especially in Adi Keyih, where declining purchasing power and rising poverty (see Section 6) were widely indicated as negatively affecting beneficiaries’ (and non-beneficiaries’) household economy and well-being.

“It is a help, but do you think that 35 birr for school expenses really helps us to send our children to school? The sandals that they wear cost 35 birr!” (Female beneficiary, Adi Keyih, Hintalo Wajirat)

¹⁴ Respondents indicated that in the majority of schools uniforms are compulsory after class 5 and cost more than 200 ETB (US\$10).

Similarly, the *tabia* manager in Adi Keyih noted that the school grant of 35 ETB (US\$)1.78per child (see Section 2.4) was simply not enough to cover secondary school expenditures, precisely because children were required to live in Adi Guddom or Bahr Tseba. He suggested that many families were resorting to allocating the bulk of the monthly transfer (155 ETB/US\$7.88) to cover secondary school costs and the school grant of 35 ETB (US\$1.78) to cover immediate household needs (see Table 4 for a breakdown of SCTPP transfer values).

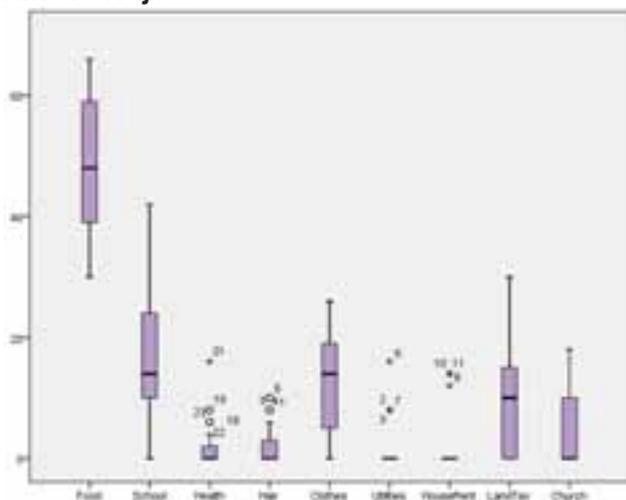
In Abi Adi, where access to secondary school was not a problem as in Hintalo Wajirat, beneficiaries mostly viewed the contribution of the cash transfer to education in terms of improved academic performance (see also Box 10). In Abi Adi a number of female beneficiaries indicated that their children used to go to school on an empty stomach; the cash transfer has enabled them to give them breakfast which has contributed to improved performance and progress at school. According to one woman beneficiary in *kebele* 02 during the monthly parents meeting the teacher told her that her son is “doing better” and she attributed this improvement to daily breakfast intake. A schoolteacher interviewed in Abi Adi also noted improvements in the academic performance and self-confidence of beneficiaries’ children, as showed by one girl who now, unlike before, “confidently speaks in front of others”.

Better academic performance and increased confidence of children attending primary school was also reported by in Hintalo Wajirat and was linked to the increased ability of families to purchase stationery material on credit from local vendors. Respondents explained that before the introduction of the transfer their children would go to school without pens or notebooks. Some children would ask teachers or other pupils to borrow pens or notebooks, though at times they were refused. Others were too ashamed to ask and would simply sit and listen to the teacher, unable to write and follow the discussion; their academic progress was clearly compromised. During a FGD with opinion leaders in the comparison community of Mainy participants also confirmed that children of poor families typically go to school hungry, without shoes and stationery, and feel ashamed as a result. In some cases they are ridiculed by better-off children. After explaining how the cash transfer enabled purchases of school stationery on credit one female beneficiary in Adi Keyih concluded: “these days my children are happier in the morning and want to go to school; they no longer have to beg for pens!”

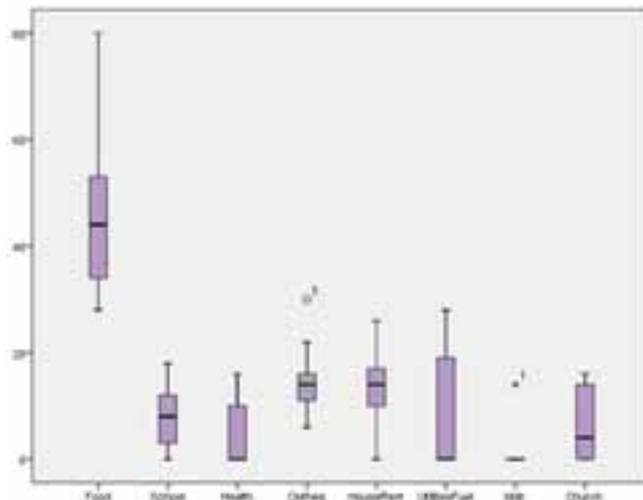
Box 3 The distribution of beneficiary households' expenditure

The research team asked beneficiaries to estimate the distribution of their expenditure on different items. The recall period was the previous month, since the SCTPP transfer is distributed on a monthly basis. The results are presented visually here (see Box 2 for a description of the sample size and an interpretation of box plot diagrams).

Beneficiary household expenditure, Hintalo Wajirat



Beneficiary household expenditure, Abi Adi



Overall, respondents in Hintalo Wajirat spent an average of 48 percent of their budget on food, with school expenditures (16 percent) and clothes, which include school uniforms (13 percent), making up the other major consumption items. As discussed in Section 5.1 regular and predictable cash transfers have provided a boost to beneficiaries' household economy, helping them to cover these key expenditures. There was negligible difference in food costs as percentages of their annual incomes between beneficiaries from the more remote Daerete (47 percent) and the more market integrated Adi Keyih (49 percent). Health costs were almost completely absent (2 percent) from beneficiary household budgets, reflecting the access afforded by free primary health care in Ethiopia for the poor (see Section 10). Twelve out of the 23 respondents reported that land tax represented 17 percent of their annual spending. A small number of beneficiaries (three) from Adi Keyih indicated house rent and utilities (electricity and water) as annual expenditures, reflecting lower levels of asset ownership (houses and land) in Adi Keyih *vis-à-vis* Daerete. Church contributions were mentioned only by beneficiaries in Daerete, and represented an average of 10 percent of their annual expenditure.

In Abi Adi beneficiaries spent an average of 45 percent of their budget on food, with school costs (8 percent) and clothes, which include school uniforms (14 percent), making up the other major consumption items. Except for school costs – Abi Adi beneficiaries spent half the amount of beneficiaries from Hintalo Wajirat (8 percent vs 16 percent) – their main expenditures were similar to their counterparts in Hintalo Wajirat. As highlighted in the above section, the higher school costs as a proportion of total household budget borne by beneficiaries in Hintalo Wajirat reflect the limited availability of secondary schools in their *woreda*, which translates into additional costs (house rent, food, transport) incurred by families wanting to send their children to secondary school. The school grant of 35 ETB (US\$1.78) was widely considered as insufficient to cover the considerable education costs in Hintalo Wajirat. The other main consumption expenditures for beneficiaries in Abi Adi were on house rent (average 12 percent) and utilities (water, electricity and fuel) (9 percent). As in Hintalo Wajirat, health costs (4 percent) were not a significant burden on beneficiaries and church contributions were reported at almost 6 percent.

5.3. Reducing negative coping strategies

The cash transfer has lessened the likelihood of beneficiary households resorting to negative coping strategies that increase vulnerability. These included prostitution, living in cave dwellings, begging, dropping out of school and absenteeism, reducing the number of meals eaten per day, dietary diversity or eating less high-value foods (as highlighted above), sharecropping out land and migration for work. In this section the discussion focuses on the positive effects of the cash transfer in avoiding begging and asking for support, and sharecropping out land.

5.3.1 Begging and asking for support

For the poorest of the poor, begging (for food, grain, clothes, cash) was reported as an important coping mechanism, particularly in Abi Adi where the poor are more reliant on the cash economy. Fieldwork discussions revealed that begging took different forms; begging at public establishments (e.g. bars and restaurants) or at the church on Sundays and religious holidays, entering neighbours' homes hoping to receive food and drinks, or standing outside homes asking to be helped. Beyond begging asking for support from relatives and community members was also reported as a survival strategy frequently adopted by the poorest.

There were reports that the regular injection of cash and the increased ability to cover basic needs – food in particular – had enabled some beneficiaries to stop begging as illustrated in Box 4 below, or asking for support from relatives, with positive consequences on their feelings of self-worth and inclusion.

Box 4 Restored dignity of an elderly woman begging in Abi Adi

During a group discussion with female beneficiaries in *kebele* 01 in Abi Adi one elderly woman recounted how before the cash transfer she used to knock on the door of neighbours' houses, enter and wait (and hope) to be given food. She explained that since it is not culturally appropriate to directly tell her to leave some neighbours who were unwilling or unable to assist her, would start to vent their anger at their own children, for example yelling "move, go away!" She would understand that these messages were meant for her and she would leave. In her own words, "Hunger pushed me to do this. Even if there was a barking dog to guard the house I would not be scared, I would still go ahead and enter, hoping to be given some food. Since I started to receive the cash transfer I no longer have to do this. I feel happier. Before, when I was in the street my neighbours would turn away, fearing that I would ask them for food; now they greet me."

For other beneficiaries the cash transfer helped to reduce the time spent on begging, giving them time to "rest", as Box 5 below shows. Some however were still begging. A number of respondents in Abi Adi and Adi Keyih, explained that begging at times becomes an ingrained "habit" – as in the case of one elderly man beneficiary living in *kebele* 01 who was reported by informants as still begging – and despite the introduction of the cash transfer they were unprepared to forego this income source.

Box 5 Relaxing household economic constraints: impacts on begging

Latebri and her family live in a cave dwelling overlooking the town of Abi Adi. She is 35 years old, has no children, she is blind and a beneficiary of the SCTPP programme. She lives with her younger sister Tsadikan who is mentally disabled and also a beneficiary. Tsadikan has an infant child. A younger, 16-year-old brother also lives with the two sisters; he studies at the Koran school. Living in the cave is also a three-year-old nephew-orphan of an elder brother who lives far away in the rural area; his wife, the mother of the child is deceased. Joining this family in the cave is also a weak elderly man aged 75, and his 15-year-old son who is also blind. They have close relations with Latebri and her family and have no other place to live. This elderly man is also a beneficiary of the programme.

Until the programme started, Latebri had relied nearly exclusively on begging for survival. She would move daily from house to house, even to those she did not know, asking for support. Typically, she would circulate with another household member. During these quests people would provide a meal, drink, sometimes give grains and on rare occasions clothes or other basic items, but seldom money. This food consumed lifted the burden of having enough to eat for others in the household, she reported, and was a vital coping strategy. In addition she would also frequent the church, particularly on holidays, positioning herself near the entrance to beg support from congregation members, who sometimes gave small amounts of cash or modest items such as clothing. The SCTPP programme has significantly changed her begging strategy, she says, decreasing her circulation to households, usually starting at sunrise, and lessening her sittings at the church. This has given her much more time to “rest” which she sorely needs for her health, she explains, while also allowing her to purchase more food – resulting in two meals a day regularly rather than one and now including stew with vegetables (onion, tomato, pepper), bread, coffee and sugar. Latebri explained that she now also keeps some savings from the cash transfer, which she puts aside to buy shoes. She was able to purchase three pairs of shoes for the family last year. Although she has heard CCC messages during payday and the *kebele* meetings she attends advising beneficiaries to start businesses and investing in activities, she feels unable to do this, the money is too little, her needs are too great. She seldom goes into town, she says, only on market day to purchase weekly stocks of grain and vegetables, and soap. Prices have increased she laments, but now with the cash transfer, she is able to buy on credit from a few traders who know her well; “they now trust us,” she reports; she always repays directly after payday. She would never have even asked for credit before the programme, she explains, they would not agree to it. Despite the important help the programme has provided the family, it is not enough to change her situation. She wishes the cash were more: “I cannot work or do income-generating activities, this is why I am not changed significantly.” This explains why the family remains in the cave; they cannot afford rent.



Latebri and her family in front of their cave dwelling.

5.3.2 Gender-based constraints to farming land

Gender played an important role in tying land-owning female beneficiaries into coping rather than productive strategies. As highlighted in Section 4 a range of structural constraints prevented smallholders, both males and females, in Hintalo Wajirat from farming their land on their own and pushed them to sharecrop out their plots. FHHs were widely reported as being confronted with an additional layer of gender obstacles that further hindered their ability to farm on their own. While it is culturally acceptable for women to participate in selected agricultural activities such as weeding and harvesting, there is a cultural rule against women ploughing with oxen, considered a predominantly male task. In the absence of male labour among their immediate family members, and in light of the challenges (including high costs) of sourcing agricultural labourers (plus oxen) through markets, FHHs are often left with no other alternative than sharecropping out their plots. A recent survey found that FHHs in Ethiopia (16.7 percent) are more likely to rent out land than their male-headed counterparts (5.9 percent) (CSA and WB, 2013, see also Holden *et al.*, 2011; Desta *et al.*, 2006).

Such sharecropping arrangements however were frequently indicated by respondents, including non-beneficiaries in the comparison community of Mainy, as being highly unfavourable and as a strategy of last resort which further increased smallholders' vulnerability because of reduced agricultural production. Two main reasons were indicated for this.

Firstly, contractual arrangements (i.e. the share of the crop that each party receives) were considered as favouring the party who sharecrops-in since, as confirmed by respondents in all the locations visited in Hintalo Wajirat, one-third of crop production is allocated to the landowner and two-thirds to the party who sharecrops in. Secondly, agricultural productivity in sharecropped out plots was constantly

reported as significantly less (half) than in owned ones. In Sebebera *tabia* and in the comparison *kushet* of Mainy, FGD participants estimated that approximately one-and-a-half quintal of crop produce can be obtained from 0.25 ha of sharecropped out land *vis-à-vis* three quintals of own farmed land. Different levels of “efforts and care” were indicated as underpinning such productivity differentials. For example respondents explained that to maximize production levels land should be ploughed with oxen at least three times, ploughing and seeding should be timely (linked to the start of the rains), and chemical fertilizer should be applied. People sharecropping-in however often plough only once or twice, prioritize ploughing and seeding on their own land which results in delays in sharecropped in plots, and fertilizer application is often inadequate (i.e. either they do not apply it or they apply it in a patchy way, without covering the whole plot).

The inefficiency in sharecropping arrangements highlighted by our respondents in Hintalo Wajirat is in line with a World Bank study which also found statistically significant gaps in input use between owned and sharecropped plots by the same rural households in a study sample from the Amhara region of Ethiopia. Intensity of family labour and total labour (including hired labour) were found to be 17 and 16 percentage points lower on sharecropped as compared to owned plots, and owned plots received about 38 percent more fertilizer than sharecropped ones (Deininger *et al.*, 2007: 14).

In light of the above it is not difficult to see why FHHs were widely considered by the great majority of study participants as extremely poor. Indeed, FHHs are defined by BOLSA as “the poorest category of people” in Hintalo Wajirat (BOLSA Tigray, 2011a: 10). Similarly, referring to their inability to plough Holden *et al.* (2011: 8) state that “[t]his cultural taboo causes female-headed households in Tigray often to be landlords and among the poorest of the poor”. Constraints to agricultural production and inadequate livelihood outcomes were also widely recognized as key push factors underpinning the migration to urban areas of FHHs who own land in rural areas. Indeed as indicated above many of the FHHs living in Abi Adi reported owning land plots in rural areas but sharecropping them out. As discussed in the following section there is evidence that the cash transfer has contributed to reducing sharecropping out among male and female beneficiaries in Daerete *kushet*.

5.4. Household economic activities and savings

The findings point to the productive potential that regular cash injections had for some beneficiaries. The research elicited evidence of the transfer being used by some beneficiary households, mainly FHHs, to farm their land on their own, scale up their existing businesses or start new ones and to engage in day labour.

In Daerete evidence emerged of the cash transfer enabling a total of 25 beneficiary households, of which 16 were FHHs (according to the *kebele* manager and Das), to increase their farming productivity by stopping sharecropping out their land and starting to farm on their own. Reflecting gender-based constraints to ploughing land, the findings revealed different strategies adopted by male- and female-headed households in this regard.

The injection of cash had enabled some FHHs to ask for *offera* – a traditional social support mechanism where family or community members offer labour in groups in exchange for food and drinks (see Box 9) – to plough their land. The transfer provided FHHs with the ability to supply bread and tea to labourers, which before they could not afford. Some male-headed household beneficiaries were able to hire-in labour for a few days during harvest and ask their relatives for oxen which they used to plough by themselves. One man stated that when he was sharecropping out his land he would only obtain 2.5 quintals of wheat; since farming on his own his produce has increased to 5 quintals.

Thanks to the cash transfer a small number of beneficiaries, both FHHs and the elderly, living close to the irrigation area of Daerete were able to buy seedlings that they had not previously grown and have started to grow vegetables and *gesho*¹⁵ for sale. Others had purchased chickens and had started selling eggs at the Saturday weekly open market in Adi Guddom. For some, engagement in income-generating activities had positive repercussions on their confidence and ability to re-engage in social networks.

Box 6 **Increased production and re-engagement in community life**

One elderly man beneficiary of approximately 60 years of age with no relatives living in Daerete was “isolating himself” by spending most of his day at the church, where he was receiving assistance from other community members and finding comfort in praying “to forget hunger and poverty”. After becoming a SCTPP beneficiary he started to buy *gesho* seedlings and is now regularly selling his produce at the Saturday market in Adi Guddom. He has also started to “feel better and more confident” and is now interacting and socializing more often with other community members, such as drinking coffee with his neighbours.

In stark contrast, in Adi Keyih, where food insecurity and poverty were widely mentioned as rising problems in the area (see Section 4.3), there was no evidence of beneficiaries having used the cash transfer to improve household productivity or start saving. In this community the research found that the cash transfer was used by the majority as a safety net mechanism, with beneficiaries mostly using it to supplement their meagre income and to feed, clothe and school their children, and provide for household needs.

In Abi Adi the SCTPP transfer had however helped some women beneficiaries to open or scale up their existing businesses, such as *tella* brewing and the sale of vegetables or grain, or yarn cotton-making as Box 5 below illustrates. For example, yarn cotton-makers started to purchase two kilograms of cotton – whereas before the transfer they used to purchase only one kilogram – of better quality (i.e. whiter and more resistant). There were indications that some beneficiaries purchased the goods (cotton, vegetables and grains) on credit from local vendors, settling their debt once they have sold them.

¹⁵ Gesho is a local plant, similar to hops used to brew *tella*



Yarn cotton-making in Abi Adi.

Box 7 **Scaling up business activities**

Before the introduction of the cash transfer one HIV positive woman beneficiary living in *kebele* 01 used to borrow the container for brewing *tella* in exchange for the *tella* residue, which is used as livestock fodder. Since becoming a cash beneficiary she joined an informal rotating saving groups (*iqqub*, see Section 7 for an in-depth discussion) and with the loan has bought her own container. She now sells the *tella* residue for 14 ETB (US\$0.71) and her weekly profit has increased from 20 to 34 ETB (US\$1 to US\$1.72).

Some women beneficiaries in Abi Adi also reported that regular transfers enabled them to cover basic household needs particularly food, allowing them to reallocate time from searching for food or asking for support to engaging in productive activities including day labouring as cleaners, cooks, fetching wood for sale, or petty trade to generate income for the household.

5.4.1 Savings

In both Hintalo Wajirat and Abi Adi, the study found that regular cash injections enabled some beneficiaries to save. From our sample of male and female beneficiaries in Abi Adi a total of six beneficiaries (three in *kebele* 01 and three in *kebele* 02) stated that they had opened a savings account at DECSI where they were depositing between 5 to 20 ETB (US\$) 0.25 to US\$) 1 on a monthly basis or, as Box 8 below shows, some were saving more informally in their homes.

Box 8 Beneficiaries' enhanced ability to save

During an income expenditure analysis with male beneficiaries in *kebele* 02 one man said that his wife had started to brew and sell *tella* a few months after he became a SCTPP beneficiary. Asked why they had decided to start up this business activity he replied that compared to other businesses, such as opening a small restaurant, *tella* brewing requires minimum start-up capital, of around 200 ETB (US\$10.17). He estimated that the *tella* business generates an average profit of 150 ETB (US\$7.63) per month. He stated that he and his wife have decided to allocate 50 ETB (US\$2.54) for food expenses, and set aside 100 ETB (US\$5.08) at home “for emergencies” such as illness.

In Sebebera a number of women beneficiaries joined local *iqqub*, took out loans and purchased livestock. One woman beneficiary for example said that with a loan of 5 000 ETB (US\$ 254.40) that she purchased a milking cow; the cow gave birth to one calf which she sold for 3 000 ETB (US\$152.64). Other beneficiaries in Sebebera reported having purchased sheep and goats, which are considered as precautionary savings in the face of shocks such as drought or emergencies such as illnesses.

5.5. Gender relations and decision-making within the household

The research sought to understand whether the cash transfer transformed gender relations within the household and investigated patterns of decision-making processes over resources, including the cash transfer, in both female- and male-headed households. The findings indicate that in both *woredas* the introduction of the transfer did not significantly alter gendered household decision-making processes.

Across all locations respondents explained that during the Derg regime decision-making over resource allocation and other matters rested solely in the hands of husbands, with wives expected to obediently follow their decisions. Since the establishment of the current government however a focus on gender equality and sensitization efforts by government authorities on the importance of women's inclusion and empowerment were reported by the majority as having changed society's attitudes toward gender roles and expectations. In the words of a woman beneficiary in Adi Keyih, “before [during the Derg regime] wives were slaves to their husbands, today they are wives”. To underline the government commitment on gender issues, a number of informants in Hintalo Wajirat referred to the “government's slogan ‘Leave no women behind’”, referring to the joint UN-Government programme “Leave no women behind” implemented in the Tigray and Amara.¹⁶ Both men and women, beneficiaries and non-beneficiaries, concurred that today wives are regularly consulted on all household matters and that wives and husbands jointly decide on resource allocations and expenditures, including the use of the cash transfer.

Against this backdrop of reported gender equality and harmonious decision-making processes at the household level, further probing during FGDs with male and female participants and interviews with key informants however revealed that the situation is not so clear-cut or sharp, and in some households, husbands do not always consult their wives, and they do in fact retain de facto decision-making power over resources, including the cash transfer. In *kebele* 02 in Abi Adi where half of the population was indicated as Muslims, beneficiaries and key informants for example reported that in Muslim families, husbands typically control and manage household assets, income sources and

¹⁶ The ‘Leave no women behind’ programme is implemented by the Ministry of Women's Affairs (MoWA) and Bureaus of Women Affairs (BoWA) through regional, *woreda* and local level structures, with support of the United Nations Population Fund (UNFPA) and the World Food Programme (WFP) and seeks to empower women through complementary interventions that combine livelihoods, access to education, access to health services and social mobilization For more information see http://www.unwomen.org/mdgf/B/Ethiopia_B.html.

expenditures, with wives having “nothing to do”, as one informant put it, with control of cash in the household.

Discussions with FHHs, also triangulated with other study participants, indicated that in both Hintalo Wajirat and Abi Adi, FHHs specifically make household economic decisions independently. In this context it was reported that FHHs’ management and control of their income sources, including the cash transfer, was culturally acceptable. Since the majority of beneficiaries are FHHs, the cash transfer can be seen as having had the net effect of increasing FHHs’ access to and control over resources, and the potential of enhancing their empowerment in the long run. As discussed in the above section this was particularly evident amongst FHHs who had increased productive investment in agriculture or had scaled up or started small income-generating activities since the introduction of the transfer.

5.5.1 Attitudes to risk

The discussion so far suggests that predictable cash injections had enabled some households to take on prudent risks. Some of the productive activities and investments taken up by beneficiaries for example have an element of risk. Purchases of livestock may indeed be precautionary savings against future risks, but there is also a risk that sheep and goats may die. Buying goods on credit such as vegetables for sale may run the risk of a loss if vegetables are unsold and deteriorate. For example, one FHH beneficiary in Abi Adi reported borrowing on credit from more shopkeepers now (from three different owners rather than two) and is planning on adding yet another. Some from whom she borrows are actually her *tella* clients and trust her. They know she is a beneficiary, which adds to this base of trust. Nonetheless she admits that although she would like to take on more credit, she is careful because she is not completely sure of her sales and of market prices. The increased creditworthiness of beneficiaries as a result of the transfer is discussed in-depth in Section 6 below.

The findings therefore suggest that the cash transfer and the nature of payments, which were widely reported to be regular and reliable, may have contributed to a certain degree (limited and perhaps unconscious) of risk-taking among beneficiaries.

6. Local economy

Beyond the household level the study explored the impacts of the SCTPP programme on the local economy and the hypothesis:

The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.

6.1. Economic exchanges and market dynamics

6.1.1 Price changes

Across all locations beneficiaries and other community members concurred that the prices of food (e.g. sugar, coffee, tea, oil) and other commodities (e.g. kerosene) had risen significantly since 2007-08¹⁷, and that prices had remained high since then. The perceptions of research participants are confirmed by existing data which indicate that in 2007-08 Ethiopia experienced an unprecedented acceleration of food and basic commodity prices as a result of both the negative effects of failed *belg* rains in 2008 and rising prices of imported food driven by the global surge in food prices (Sabates-Wheeler and Devereux, 2010). Between June 2007 and June 2008, for instance, the nominal price of maize in the country shot up by a staggering 202 percent and wheat and sorghum by 83 percent.¹⁸

In both Adi Keyih *tabia* in Hintalo Wajirat *woreda* and in Abi Adi *woreda*, the recent construction of tarmac roads was seen as having contributed to driving up prices, as also indicated in Section 4.4. In Adi Keyih beneficiaries and non-beneficiaries indicated that local vendors often hoard stocks of commodities (e.g. sugar), prompting artificial shortages and rising prices. This finding triangulated with a livelihoods matrix analysis conducted with local vendors themselves, who confirmed this practice. Rampant inflation was frequently stressed by respondents in Adi Keyih, and frustration with eroded purchasing power and consequent deepening poverty was often palpable during group discussions. In the more remote Daerete *kushet* participants confirmed that the great majority of residents, including SCTPP beneficiaries, purchased food and non-food items in the town of Adi Guddom where rising prices were also mentioned as an ongoing trend. Unlike in Adi Keyih however Daerete residents did not report to be substantially affected by inflation, largely because their household needs were better covered by their higher levels of agricultural production than their counterparts in Adi Keyih, as also discussed in Section 5.1.

In all locations both beneficiaries and non-beneficiaries concurred that rising prices were linked to the external factors outlined above, not to the SCTPP transfer. Similar price trends were confirmed in the comparison communities, including Mainy, which did not experience the cash injection. In Adi Keyih for example enquiries around possible effects of the transfer on local prices were often met with surprise because the transfer amount was considered extremely small. The *kebele* manager asked, “we are talking about a transfer of only 155 ETB, how can it affect food and other prices?”

Even if inflation was not perceived to have been triggered by injections of cash into the local economy, the effect on beneficiaries (and non-beneficiaries) was ultimately the same; their purchasing power was

¹⁷ Grain prices (wheat, *teff*, sorghum, barley) were widely described as fluctuating from season to season, largely dependent on crop productivity linked to weather events. Grain prices in Ethiopia are known to fluctuate in predictable cycles each year, being lowest after harvest and highest in the pre-harvest months (Sabates-Wheeler and Devereux, 2010).

¹⁸ <http://www.fao.org/isfp/country-information/ethiopia/en/>

eroded. Indeed decreased purchasing power as a result of high inflation was a key reason why many beneficiaries, unsurprisingly many in Adi Keyih, expressed a preference for food rather than cash.

6.1.2 Aggregate SCTPP transfer increased economic exchanges

While price increases were not attributed to monthly cash injections, the findings indicate that the aggregate SCTPP transfer intensified economic exchange in local markets and provided a marginal boost to local businesses. There were no reports however that this had led to changes in the variety of goods and services on offer.

In both Hintalo Wajirat and Abi Adi the cash transfer prompted an increase in trading transactions on payment days. Female owners of tea houses for example were all aware that DECSI in Adi Keyih served as a payment point for beneficiaries from Adi Keyih and Tsehafti *tabias* and explained that after collecting the payment many consumed bread and tea before returning to their homes. A number of shopkeepers also said that beneficiaries usually purchased one-third of a kilogram of sugar and one-third of a kilogram of coffee after collecting the transfer. Since, as discussed in Section 5.1 above, a number of families were reported as having used a high portion of the transfer to send their children to secondary schools in Adi Guddom and Bahr Tseba, part of the cash transfer was also injected in those local economies in the form of house rents, food and other expenses. As also mentioned above, Daerete beneficiaries stated that they purchased basic household food and non-food items (e.g. coffee, sugar, soap) in Adi Guddom. The research team asked a number of shopkeepers and other traders in Adi Guddom if they knew about the SCTPP transfer and whether they had noted a change in their trading activities as a result of purchases by beneficiaries from Daerete *kushet* (and Sebebera *tabia* more generally). No indications however were found that shopkeepers in Adi Guddom knew about the cash transfer or had noticed any change in their businesses as a result.

In Abi Adi there were similar reports that economic exchanges intensified on payment day. One small shopkeeper selling food items interviewed in *kebele* 02 for example estimated that on payment day the volume of sales at his shop doubled. He added that beneficiaries, who are among his regular customers, typically bought sugar, coffee and oil on payment day and so he prepared ahead to ensure that these items were in stock. Furthermore as beneficiaries bought on credit from local shopkeepers throughout the month (see following section), the transfer could also be viewed as a constant cash flow into local markets.

The qualitative findings on increased economic activity around the cash transfer, more marked still in the context of rural economies, is confirmed by accompanying research conducted under the PtoP project. The FAO Local Economy-wide Impact Evaluation (LEWIE) of the SCTPP found that each Birr transferred can generate 1.84 ETB (US\$0.09) and 1.26 ETB (US\$0.06) of real total income for the treated areas of largely rural Hintalo Wajirat and urban Abi Adi, respectively (Kagin *et al.*, 2013).



Shopkeeper in *kebele* 01, Abi Adi.

6.1.3 Beneficiary creditworthiness increased

There was compelling evidence that the cash transfer had substantially increased the creditworthiness of male and female beneficiaries in all communities visited for this study.

In Hintalo Wajirat where a large portion (70 percent according to BOLSA informants at regional level) of SCTPP beneficiaries were former PSNP beneficiaries, many acknowledged that the SCTPP transfer had enabled them to buy goods on credit from local shopkeepers and borrow cash from neighbours, which previously as PSNP beneficiaries they could not do. Beneficiaries and non-beneficiaries, including local vendors explained that improved creditworthiness was closely linked to the regularity and reliability of SCTPP payments and to the fact that assistance was delivered in cash. Indeed many noted that because PSNP assistance was in kind (wheat, oil, soy and cornmeal blend – *fafa*) and irregular, as PSNP beneficiaries they could only access a limited amount (two to three kilograms) of credit in kind (mostly wheat) from better-off households or other PSNP beneficiaries, but could not obtain credit in cash from local vendors.

Similarly the cash transfer boosted the creditworthiness of beneficiaries in Abi Adi. The findings indicate that, as mentioned above, some were already accessing credit from local shopkeepers before the introduction of transfer. They were however paying hefty interest rates, as explained by one male beneficiary in *kebele* 02:

“if we paid in cash we would get five kilos of sugar for 50 ETB (US\$2.54), if we paid on credit we would still pay 50 ETB but we would get only four kilos.”

Regular and reliable monthly transfers enabled more beneficiaries to access (interest-free) credit from local vendors, with the latter confidently supplying goods to beneficiaries on credit, trusting that they would pay back on time when they received the transfer (see also Box 5 and 10).

There was an unequivocal message from beneficiaries in all study areas that their newly acquired creditworthiness was highly valued, helping them to smooth consumption throughout the month. Terms such as “feeling more confident” or “feeling safer” were often used by male and female

beneficiaries during group discussions to describe how the ability to obtain food (coffee, sugar, oil, grain) and other items (clothes, school stationery) when needed was an important risk management mechanism. While it was clear that beneficiaries were drawing on this resource to meet their household needs, a certain degree of prudence was also exercised when buying on credit. For example, no beneficiary reported having borrowed the equivalent of his/her cash transfer amount; on average borrowings were equivalent to around one-third or half of the transfer. As one elderly woman in Adi Keyih stated, “I don’t want to borrow an amount of money that is beyond my resources”.

Improved access to credit related more to informal rather than formal mechanisms. A number of beneficiaries for example reported that they had tried to obtain a loan at DECSI but were refused. One male beneficiary in *kebele* 02 said that DECSI did not accept his application because of his advanced age and, shown in Box 10 below, one female beneficiary was also refused a loan because of lack of collateral and a guarantee from a group.

6.2. Limited effects on labour patterns

Discussions with study participants in Abi Adi, also in the comparison community visited in *kebele* 03 revealed that, as a result of the expanding urban economy and ongoing construction development projects, job opportunities in town were in general perceived to be on the rise. Some even noted a shortage of labour supply in some sectors, for example skilled work such as weaving or in construction work. As also highlighted below, the study found general perceptions that those able to work, including beneficiaries, could find work as labourers or take up income-generating opportunities with relative ease. As discussed in Section 5.3 there were also indications that some female beneficiaries did enter the casual wage labour market as cooks or cleaners as the transfer freed up their time from searching or begging for food. Given their relatively small number however the effect on the urban labour supply cannot be seen as significant.

There were no reports of beneficiaries having hired labourers. Furthermore in Abi Adi there were also some indications that the transfer had contributed to decreasing child labour. It was reported by a school director in *kebele* 02 that some child labour does exist but seems to be decreasing, in part as a result of the SCTPP which was noted as easing some of the cash constraints. Poorer households sometimes pull children out of school to earn an income (activities include carrying water, washing clothes, cleaning houses). The SCTPP was noted as easing some of these cash constraints for the poorer families.

There were no reports of beneficiaries having entered the labour market in Hintalo Wajirat. The findings however pointed to increased hiring among some male beneficiary households in Daerete. In the same community 16 FHHs were also reported as having availed of *offera* – the traditional social support mechanism of labour in exchange for food and drinks – to plough their land, which could be seen as a quasi-form of labour hiring. Again, however, given the small number of beneficiary households involved in these hiring-in practices, their effects on labour demand in Daerete *kushet*, where around 480 households are living, can only be seen as marginal.

7. Social networks

In this section we examine the research hypotheses around social networks and economic impacts:

Cash transfers increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity).

Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision-making processes (including through an increased ability to make “social contributions”) and increasing their “entitlement set” and livelihood choices.

7.1. Risk-sharing relationships in the study areas

7.1.1 Nuclear and extended family relationships

Research findings indicated that the dynamics and perceptions of family relations appeared to vary between urban and rural settings, resulting in variations in reliance on (risk sharing) and alliances with family members versus community support mechanisms. As discussed in the following section, the cash transfer seemed to heighten these norms and practices.

In the remote rural *kushet* of Daerete in Hintalo Wajirat *woreda* familial relations of mutual aid and support to the poor, including to beneficiaries, were linked to a strong sense of kinship obligations. In the words of a non-beneficiary: “They are our family, how can we ignore them and not help?” This contrasts with the situation in urban Abi Adi where familial support appeared to be weaker. In *kebele* 02 one woman beneficiary explained, for example, that her relatives live in rural areas and despite them coming to Abi Adi every Saturday to the market they rarely visit her. She felt that this was because of her poverty, that her relatives felt the burden of having to bring gifts (in kind or in cash) every week. Similarly, one HIV positive woman beneficiary living in *kebele* 01 expressed how even though her relationship with her family was weakened she could rely on the members of the burial society of which she was part (*iddir*, see below for an in-depth discussion):

“My relatives do not come to visit me often when I am sick. But I am a member of the Maylomin *Iddir* Society and I have told them: don’t you worry about me, my *iddir* fellows will take care of my funeral when my time comes.”

The unreliability of family relations as a basis for risk sharing and mutual aid can be interpreted as the result of growing levels of poverty, which make the provision of support increasingly difficult and linked to the nature of relations in urban areas. Unlike rural settings, towns and cities are typically characterized by weak familial relationships, with migration playing a key role in disrupting or even severing kinship networks that traditionally provide personal and familial support. As discussed in the following section, beneficiary and non-beneficiary households in most of the communities visited as part of this study showed, in the absence of strong familial connectedness, a strong reliance on neighbours and other community members and community self-help institutions for support and risk sharing.

7.2. Community-based sources of social support

Across all communities the research found a high degree of social connectedness, with community-based networks of mutual aid and economic collaboration considered as very important by beneficiaries (and non-beneficiaries) and widely relied upon for support. In the words of an elderly man beneficiary in Daerete, “having social relations means respect and inclusion. If you don’t have social relations you feel neglected”. Traditional contribution-based mechanisms included informal rotating savings groups (*iqqub*) and funeral or burial societies (*iddir*). Both are described below.

Iqqub

Iqqub is a short-lived rotating fund governed by oral by-laws and based on norms of trust and reciprocity, where members contribute weekly or monthly a fixed amount of cash to a fund. These contributions are allocated to one member at a time in a rotating order. In Abi Adi there were frequent mentions of *iqqub* groups being established to purchase materials for both welfare (e.g. household assets such as blankets or kitchen utensils) and investment purposes (e.g. a container for brewing *tella*).

Iddir

Iddir societies¹⁹ have been defined as formal and sophisticated “insurance groups” primarily designed to provide payouts in cash and in kind to a deceased relative of a group member (Bold and Dercon, 2009). In addition to providing support in the event of a funeral, in Abi Adi they also supported members during weddings:

“...to help each other at times of happiness and of sorrow.” (Female non-beneficiary, *kebele* 01, Abi Adi)

Unlike *iqqub*, *iddir* societies are permanent social support structures governed by written by-laws and record-keeping of contributions and payouts. *Iddir* societies provide a wide range of support services to their members, including supply and instalment of tents to host the mourners, provision of chairs, cooking utensils, coffee cups and other supplies to serve food and drinks, cash to meet funeral expenses and support the needs of the family of the deceased, including emotional support for the bereaved. As well, there is often support (typically a cash donation) provided for the deceased’s household (notably when it is the male head) to get back on their feet and re-stimulate activities. To benefit from this support provided by the society, members pay regular monthly fees²⁰ and take active part in ceremonies.

The cultural and traditional significance of *iddir* in Christian Orthodox societies was frequently emphasized in FGDs and key informant interviews. This was related to the importance of funerals as religious rites, key life events and social occasions attended by relatives, friends and neighbours to pay respect to the deceased. The chairman of the Maylomin *Iddir* Society interviewed in *kebele* 02 in Abi Adi summed up this clearly:

¹⁹ Respondents in Abi Adi indicated that Muslim communities do not have *iddir* societies. Instead rich community members purchase material to host funeral ceremonies (tent, cups, chairs, etc.) and donate it to the mosque for use by other Muslim community members freely.

²⁰ 10 ETB in Adi Keyih, 20 ETB in Abi Adi as reported by study participants.

“In our culture it is acceptable not to attend a wedding, but you must attend the funeral of a relative, friend, colleague or neighbour. Not attending a funeral would put you in very bad terms with the family.”

Because of this immediate family members of the deceased are under great pressure to host proper funerals and entertain the mourners, which is an expensive undertaking. Membership in *Iddir* societies was highly valued, with the material, financial and emotional support provided to its member seen as an important source of comfort and security:

“As an *iddir* member I feel safe and I don’t worry how my family will afford to give me a decent burial.” (Female elderly beneficiary, *kebele* 02, Abi Adi)

There were indications that participation in *iddir* societies also denoted a certain degree of prestige. Fieldwork discussions in the market centre of Adi Keyih *kushet* in Hintalo Wajirat *woreda* for example revealed that hosting mourners under a tent equipped with chairs typical of *iddir* members, was considered more prestigious than sitting on the ground under a traditional structure made of tree poles and covered with leaves which is typically erected by non-*iddir* members. Hosting a high number of mourners was also a sign of prestige. At the time of the fieldwork visit, the Maylomin *Iddir* Society comprised 213 members, as stated by its chairman. It is not difficult to see how *iddir* members – who have an “obligation” or “responsibility”, in the words of several respondents, to attend the funeral of a group member (or immediate relative) – can quickly boost the number of mourners and be a visible presence at the funeral.

In addition to the benefits highlighted above, *iddir* membership was considered a robust social network to be relied upon, reflecting feelings of inclusion and group belonging. Beyond weddings and funerals for example *iddir* members attended other events together, such as baptisms or university graduations, hosted by members. In the words of a non-beneficiary in Adi Keyih, “they are like family”. Similarly, during a FGD in the comparison community *kebele* 03 in urban Abi Adi, non-beneficiaries noted that *iddir* was important to its members because of the “high levels of socialization” that they enjoyed, as one male respondent explained, adding “they know each other; they meet regularly, and drink coffee and *tella*”.

Iddir societies were found in all communities visited by this research, except in the remote Daerete *kushet*. In Daerete a number of respondents noted that they did not feel the need to establish an *iddir* society. This was linked to the tight-knit nature of families and of the community which meant that close and extended relatives and other community members were reported as providing support – for example to organize the space to host mourners – in the event of a funeral.

7.2.1 Other social support mechanisms

In Hintalo Wajirat, in both Daerete and Adi Keyih *kushets*, the research also found a wealth of reciprocity-based social support mechanisms (see Box 9) which were widely mentioned by respondents as central to rural households’ ability to manage risks and shocks including lack of labour, draught power, damage to property or loss of assets and medical costs. Such mechanisms were based on principles of reciprocity and contribution; if a household could not contribute or reciprocate, they would be left out. As discussed in Section 5 this is the reason why FHHs were not often able to avail of labour-in-kind *offera* before the cash transfer as they could not supply food and drinks in exchange for agricultural labour.

Box 9 Reciprocity-based social support mechanisms in Hintalo Wajirat

Offera: a household who requires labour (e.g. for agricultural activities – ploughing, weeding, harvesting; for constructing or renovating a house) asks for labour from other community members in exchange for food and drinks depending on one’s resources (e.g. the rich may supply *tella* and a full meal, the poor only bread and tea).

Mikishar: if a head of cattle dies by accident (e.g. falling from a cliff), it is cut up and the meat is distributed to community members who in turn pay a given amount of cash (e.g. 1-5 ETB or US\$0.05-0.25). With the money collected the owner can purchase another animal.

Lifinti: reciprocal agricultural labour-sharing arrangement (including provision of ox); as one male beneficiary in Adi Keyih put it “today I work on your land, tomorrow you work on mine”.

Ritben: if a household needs to meet unexpected expenses such as medical costs they prepare *tella* and *shiro* and offer it to community members who contribute with whatever amount they can.

Shugga: labour-oxen exchanges between rich and poor; a rich household lends oxen to the poor to plough in exchange for labour and provision of straw (used as livestock fodder) from the poor.

Gussa: rotational support provided to elderly people where relatives and/or community members host an elderly man or woman for approximately one month, providing food and other items or services (e.g. clothes, medical costs) depending on willingness/capacity.

Underlining the strong social connectedness found across all research areas, the research also found evidence of informal assistance provided from rich to poor, also through religious institutions, as well as from poor to poor.

Churches and mosques represented an important source of spiritual and material support. On Sundays and during religious holidays it was reported to be common practice to take *injera*, grains, coffee, clothes, or cash (0.50-1 ETB) to the church as a donation for the poor. Similarly, collections of food, non-food items and cash were also organized by mosques on Fridays. Muslim respondents in Abi Adi noted that support from rich to poor peaks during the month of Ramadan and Eid el-Fitr.²¹ As one non-beneficiary woman in *kebele* 02 observed, “people rarely eat *iftar*²² alone”, since it is customary to share the meal with extended family members and neighbours, including the poor. During Ramadan Muslims also give *zakat*²³ to the poor and when households slaughter sheep for *Eid*, part of the meat is donated to the poor.

There was also evidence of support provided from poor to poor. Sharing the little food that they have was often mentioned both by beneficiaries and non-beneficiaries as a way for the poor to help each other:

“If I have one *injera* to eat for breakfast and dinner, I prefer to skip breakfast so that a poor neighbour can also eat.” (Female beneficiary, *kebele* 02, Abi Adi)

²¹ *Eid el-Fitr* is an important religious holiday among Muslims celebrating the end of Ramadan.

²² *Iftar* is the evening meal during the month of Ramadan when Muslims break their fast at the time of sunset.

²³ *Zakat* or alms-giving is the practice of charitable giving by Muslims.

This is a somewhat surprising finding in the research: that a number of people, including beneficiaries, confirmed that despite having little the poor still try to give what little they can to others who are poor. In fact, it was noted further that the poor may even be more reliable in helping other poor persons; they are more generous and have “sympathy” (understanding). As a female beneficiary in Adi Abi explained, “if I make some progress, I must share”.

7.3. The effects of the transfer on risk-sharing relationships

7.3.1 Beneficiary social inclusion and entry into contribution-based social networks

Regular cash injections were found to have enabled a number of beneficiaries in both urban and rural contexts to enter contribution-based social networks. In urban Abi Adi some women beneficiaries joined *iqqub* to invest in productive assets, such as a container to brew *tella*. In remote rural Daerete *kushet* in Hintalo Wajirat *woreda* a number of beneficiaries invested the loans obtained through *iqqub* in livestock assets, and increased the productivity of their land plots with the newly acquired ability to enter reciprocal social support mechanisms (*offera*).

With regard to *iddir* some, presumably better-off, beneficiaries were already members and cash injections can be seen as having contributed to maintaining their membership. Given its importance as a key social network reflecting social inclusion, respect and prestige as shown above, this is no doubt important. The cash transfer however did not enable beneficiaries to join *iddir* societies. Despite frequently expressing their desire to join the local *iddir* society, no beneficiaries reported having been able to do so. Across all study sites the joining fee (600 ETB – US\$ 30.45 in Abi Adi, 1,000 ETB – US\$ 50.76 in Adi Keyih) was simply prohibitive and represented a significant financial barrier of access, also for poor non-beneficiaries as evidenced during a FGD with poor men in the control community, *kebele* 03, in Abi Adi.

The findings therefore indicate that the transfer has enhanced beneficiaries’ ability to join *iqqub* and *offera*, thus equipping them with greater opportunities for socio-economic engagement. Social inclusion gains however remain limited by the fact that they have not been able to enter the most important network in their society, *iddir*, particularly so in Adi Keyih *kushet* and Abi Adi *woreda*, where strong social networks represent an important source of support and risk-sharing mechanism. In addition, as one female beneficiary from Abi Adi mentioned, now she can give adequate contributions to the church, which to her, is virtually an obligation. Before, she explains, she gave a normal contribution, while now she can meet her obligation properly.

7.3.2 Beneficiary self-esteem and sense of hope

The positive effects of the cash transfer on beneficiaries’ household well-being, their ability to meet basic needs and minimize negative coping strategies as illustrated in Section 5.1 has also led to improvements in their social and emotional well-being. The findings indicate that a number of beneficiaries were able to “re-enter” social relations with relatives and neighbours, redressing feelings of social isolation and vulnerability and heightening self-esteem and social inclusion.

The positive effect of the transfer on social relations can be explained as the result of both changed attitudes towards beneficiaries on the part of relatives and community members, and a greater sense of self-worth, also arising from enhanced self-reliance and ability for reciprocity emanating from beneficiaries themselves. These two dynamics are discussed below.

A number of examples have already been mentioned where better personal hygiene and reducing or stopping begging has led to improved attitudes, such as greetings, towards beneficiaries. In Abi Adi there were also indications that increased engagement of beneficiaries in productive activities was

positively viewed by other community members who appreciated their efforts to enhance their self-reliance:

“[Referring to himself and other community members] We like to see that beneficiaries are trying hard to make things better for themselves, trying to work. Much better than staying idle or begging!” (Male shopkeeper, non-beneficiary, *kebele* 02, Abi Adi).

As the following examples show, the transfer has also enhanced beneficiaries’ ability to reciprocate, with consequent feelings of self-esteem and confidence.

In Adi Keyih and Daerete before cash injections elderly were moving from house to house every month where they would be hosted under *gussa* arrangements (see Box 9 above). Some families did not made them feel welcome, and elderly would often feel a burden and ashamed of having to depend on others. With the cash transfer several have started to “choose” the family that hosts them and some have managed to settle for few months and “feel proud” to be able to give some of their cash to the family as contribution towards food and shelter.

Across all communities some beneficiaries, possibly those who were relatively better-off, reported being able to buy increased quantities of coffee and sugar (see Section 5.1). Further probing revealed how these purchases afforded beneficiaries greater involvement in community life and improvements in their social ties thanks to the ability to host and join coffee ceremonies. The socio-cultural significance of coffee in Tigray, and in Ethiopia more generally, cannot be overstated. The coffee ceremony is a traditional ritual during which coffee beans are roasted, ground, and boiled to prepare coffee which is then served in three rounds of decreasing coffee intensity as more water is added during each round. In Tigrinya the first and strongest cup is called *awwal*, the second *kalle*, and the third one *baraka*, for good luck and blessings. The ceremony is based on principles of reciprocity, as one female beneficiary in Adi Keyih explained, “in the morning I make coffee and I invite you, in the afternoon you make coffee and you invite me”. It also strengthens social relations as it brings family members and neighbours together up to three times a day.

In line with the ethos of solidarity that characterized the communities visited for this study, beneficiaries both in Hintalo Wajirat and Abi Adi frequently expressed their appreciation for the newly acquired ability – thanks to the transfers – contribute to the monthly contributions collected by the CCC to support the poor (see Section 8 for an in-depth discussion). The ability to contribute to this social support mechanism was seen as increasing opportunities for reciprocity and for offering assistance to others and in turn engendered positive feelings of self-worth. Also, during a FGD with non-beneficiaries one man in Abi Adi said that during the selection process he had initially been included in the beneficiary list, but was then removed because he received remittances from his sons who live in Sudan. Expressing a similar vein of solidarity he stated, “I know they [beneficiaries] deserve more than I do, so let them enjoy [the cash transfer]”.

The positive effects of the cash transfer on household economy and social well-being discussed so far instilled a sense of hope in some beneficiaries, endowing them with a more positive outlook for their future. This is clearly illustrated in Box 10 below. At the same time however positive and hopeful attitudes towards the future were also frequently found among non-beneficiaries, particularly in Abi Adi, indicating that beyond the cash transfer, the buoyant and rapidly expanding urban economy was also playing a role in these attitudes. A non-beneficiary man interviewed in *kebele* 02 for example noted, “I moved to Abi Adi 15 years ago and I see how the town has changed a lot recently – new buildings, new banks, new houses, new developments. I like it very much and I hope this development continues.”

In Hintalo Wajirat and in Adi Keyih in particular, however, there were limited indications that the cash transfer had infused beneficiaries with a renewed sense of hope. As discussed above, in Adi Keyih eroding purchasing power was negatively affecting households' welfare and the transfer ultimately functioned primarily as a safety net. Hence the potential for stimulating optimism and a longer-term view in this context was limited. During a FGD with women beneficiaries in Adi Keyih one participant exclaimed, "You keep asking us for all these changes [i.e. on household and local economy, social networks] but you know that the transfer is only 155 ETB! It is nothing, it is not even enough to buy food for the whole month! Which change can we see in our lives?"

Box 10 A hopeful outlook towards the future

Zufan is a 30-year-old widow, living in a rented house in Abi Adi town with her elderly mother and three children (aged 14, 11, and six), all of whom attend school. Education is of primary importance she explains. She herself regrets that she was forced to leave school in grade five because of poverty, and says "I am poor, but I want them capable of living a better life." Her main source of income is the cash transfer and, in addition, she makes *tella* which she has sold from the house since even before the programme. Despite now receiving the transfer, she is not able to increase her sales because more women are selling and competition has increased too much, "people drink at their relatives first, I don't have any relatives." She also collects and sometimes sells firewood when in need. Her mother has a small plot of land (about half hectare) in the rural area, which is sharecropped out (on a one-third harvest agreement). This contributes a small amount of grain to the relatively meagre household food ration. She estimates that the transfer more than doubles her current income; it has been a tremendous boost to the household well-being, she confirms. Most of the cash is spent on buying more food (quantity, but not diversity), allowing for three rather than one or sometimes two meals of *injera* daily, and on school materials. With more food, she sees a noticeable change in the children's behaviour; they are less tired and are attending class more regularly and fighting less. She is also now able to make various contributions (e.g. the Tigray People Liberation Front (TPLF) party membership, (her mother's) land tax, the church and national holiday events), all of which are eminently important in the community she explains. Before the programme she could only manage offerings to the church which according to her beliefs is binding. In difficult times, she says she tries to cope and solve problems herself (e.g. selling wood or using traditional medicine rather than paying hospital fees/medicines), and does not want to turn to others to ask for assistance: "I do not want to ask others for help, most have more problems than me; at least I can work." However, she says, "I am alone." But taking credit is another matter. She has been accessing credit from two shopkeepers since before the programme, and has now added a third, all of whom are *tella* customers. She purchases food items with these loans, such as grains (e.g. barley), coffee, sugar, pepper and salt, but can save nothing. She has increased the amount of her credit (perhaps double) since the programme, up to about 140 ETB at any given time and repays these as quickly as she can, typically within two weeks. She knows she could ask for more credit, but since her income is uncertain and the *tella* market is unsure, she remains hesitant and budgets accordingly. She expresses her great hope, saying, "I would like to start a restaurant-tea house." She has asked DECSI for a loan for this venture but was denied, because she lacks collateral and of a guarantee from a group, nor can she join any various saving groups. She does not feel defeated however, saying: "I now feel I can change my life, I can make a restaurant, even if my *tella* sales are less." Zufan's sense of hope is clear, but not only for her own household well-being, but for others as well, "I have a plan to get credit for my restaurant, then others can be on the programme instead of me." Much needed guidance and direction in realizing her dreams are however lacking, for example she does not recall ever receiving a CCC or social worker visit. As she explains, "I need advice and support to change my life. If I have money, I will think better and engage in business that could allow me to help other poor people."

7.3.3 Jealousy towards beneficiaries

The research elicited some evidence that during the selection process in 2011 the introduction of cash assistance in the communities that were the focus of this analysis engendered a certain degree of intra-community tensions and jealousy towards beneficiaries. This however did not result in overt conflict or significantly altered relationships between beneficiary and non-beneficiaries and there were no indications at the time of fieldwork visits for this study of significant or widespread tensions between beneficiaries and non-beneficiaries. This echoes the findings of the impact evaluation according to which, “the tension appears to have been largest at the time of targeting and to have subsided since then” (Berhane *et al.*, 2012: 34).

In both rural Hintalo Wajirat and urban Abi Adi, non-beneficiaries frequently expressed appreciation for the SCTPP transfer, perceived as an important support for vulnerable beneficiaries who in their opinion deserved to be assisted.

“We feel sorry for them, they cannot even afford clothes or shoes, we are happy for this support.” (Female non-beneficiary, *kebele* 01, Abi Adi).

Across both *woredas* the cash transfer was also frequently indicated as having reduced the need for familial and community support to the poor and therefore as having taken off a burden from beneficiaries’ relatives and better-off households. This was also widely appreciated. During a FGD with male non-beneficiaries in Daerete *kushet* in Hintalo Wajirat *woreda* one man stressed:

“The transfer has taken a burden off our shoulders. Elders are our relatives, and we had to support them. The money is not only helping beneficiaries but also the people who used to support them.”

Referring to beneficiaries who used to ask for assistance by entering in neighbours’ houses (see Box 4), a woman non-beneficiary in *kebele* 01 in Abi Adi acknowledged that thanks to the transfer, “the rich can now eat in private”.

The research did not find reports of jealousy towards beneficiaries in Hintalo Wajirat. However a (small) number of beneficiaries in Abi Adi perceived that they were the objects of jealousy and envy because they were receiving the transfer. This points to lingering resentment and perceptions of unfairness linked to “selective entitlement” and exclusion from the programme. One woman beneficiary in *kebele* 02 responsible for mobilizing her neighbours to join the weekly cleaning day in the *kebele* stated that some neighbours can be hostile, one for example told her “aren’t you are a beneficiary? You go and clean the streets, we have work to do!” Similarly, one female beneficiary in *kebele* 02 who has started to sell eggs at the Saturday open market said that some sellers do not want her close to them, “you go and sell your eggs away from here”.

8. Operational issues

In this section we examine the operational issues arising in relation to the impact of the SCTPP, addressing the following hypothesis:

Cash and in-kind transfers can be improved through a better understanding of likely household and local economic impacts.

8.1. Targeting

8.1.1 Targeting procedure

The research found a high level of community involvement and participation during the selection process, in line with the Manual of Operations of the SCTPP (“SCTPP manual of operations”) which highlights participation as a guiding principle of targeting (BOLSA Tigray, 2011a). Targeting criteria and procedure, as well as programme objective and functioning, were known and clearly understood; terms such as “fair” and “transparent” were frequently used by respondents to describe targeting and selection processes. Clarity around these aspects of programme implementation can also be seen as one reason why the findings did not reveal a high degree of intra-community tensions as a result of cash assistance.

When asked, several respondents highlighted the multiple stages that were followed to select beneficiaries. First, CCC members compiled an initial list of households on the basis of the targeting criteria outlined in Section 2.3. This preliminary list was then presented at a public meeting at the *tabia/kebele* level where the SCTPP and eligibility criteria were introduced and community members given the opportunity to discuss the initial list and put forward suggestions on inclusion/exclusion. In both *woredas* several beneficiaries and non-beneficiaries interviewed for this research indeed reported having attended and joined the discussion.

In *kebele* 01 and 02 in Abi Adi there were reports of heated debates among community members during public meetings as a result of contrasting opinions on inclusion/exclusion. A number of respondents recalled that on these occasions CCC members publicly asked those complaining of exclusion to argue their case by naming a household included in the list and provide an explanation of how their situation was worse than that of the selected household. When asked many refused to do so, not because they became convinced that they did not deserve assistance, but because they wanted to avoid direct confrontation with selected households and other community members. As also discussed in Section 7. above, lingering resentment and jealousy within the community arose from the fact that many equally deserving households had been left out. As one woman beneficiary in *kebele* 02 explained:

“It is not acceptable in our culture to try and take benefits from others. If someone does this, he/she will not be regarded well in the community.”

Zufan’s noteworthy comment in Box 10 reflects this cultural value of sharing and inclusion – with her plan to attain credit and start a restaurant, she can exit the programme allowing others to benefit. This finding triangulated with a key informant interview with WOLSA in Abi Adi, in which respondents reported being aware of these occurrences and acknowledged that the tactic used by CCCs during community meetings could trigger intra-community conflict, but explained that it was used as a “last resort” when excluded people were complaining.

The next step following the first public meeting consisted of household visits conducted by CCC members to verify eligibility. A second public meeting was then held to discuss and agree on the final

beneficiary list. Lastly, the list was submitted to WOLSA for a final verification visit by social workers. As the impact evaluation also recognizes, the targeting procedure described above by study participants follows closely the procedure described in the SCTPP operation manual (Berhane *et al.*, 2012; BOLSA Tigray, 2011).

Since 2011 no retargeting exercise has taken place and the final beneficiary list obtained as above is still used today. If beneficiaries move out of the *tabia/kebele*, pass away, or are found to be no longer meeting targeting criteria they are immediately replaced on the basis of a waiting list held by the CCC in each *tabia/kebele* in which eligible households are ranked and selected for replacement on the basis of their poverty and vulnerability status.

8.1.2 Inclusion and exclusion errors

In all locations virtually all respondents agreed that the SCTPP was indeed targeting the poorest and most vulnerable households in the community who were widely perceived to deserving assistance. While there were no reports of inclusion errors, there were strong feelings across both *woredas* that many families were equally very poor and vulnerable and deserved assistance but were not reached by the programme (exclusion error). The main reason behind exclusion was recognized by the overwhelming majority as linked to the magnitude of needs and the high number of eligible people which outstripped available resources. That said there was overwhelming consensus that the programme should include more of the poor and eligible households. As discussed above, the research did not find that perceptions of exclusions escalated into intra-community tensions, although there were indications of lingering resentment on exclusion and sentiments of jealousy.

8.2. Payments

Across all locations visited for this research, the payment process was indicated as functioning smoothly and efficiently. As already discussed in the above sections, SCTPP payments were widely reported as regular and reliable, enabling beneficiary households to smooth consumption, plan expenditures and access credit thanks to the certainty that the transfer would be delivered on time. Indeed, to emphasize the predictability of the transfer a number of respondents referred to it as “our income”. In the words of one female beneficiary in Adi Keyih, “it is like the salary of a government employee”.

Beneficiaries and non-beneficiaries, including traders (see Section 6), were all aware of the monthly payment date:

“It is always on the 10th of each month [Ethiopian Calendar], if it falls on a Saturday or a Sunday the payment takes places on the following Monday.” (Male non-beneficiary, Adi Keyih)

On the payment day beneficiaries reported queuing at DECSI for an average of two to three hours, and there were no complaints that this was an excessive waiting time. The payment process at DECSI was overwhelmingly described as efficient and well-organized, and a number of beneficiaries added that they were treated “with respect” by DECSI staff.

In Hintalo Wajirat however, and in remote Daerete *kushet* in particular, there were frequent complaints that the payment point was too far, especially for old and disabled beneficiaries for whom walking on foot to collect the transfer was very challenging. The DECSI payment point for Sebebera *tabia* for example was in the town of Adi Guddom, at approximately two hours walk from Daerete. Because of the considerable distance, several old and disabled beneficiaries in Daerete had delegated relatives or other community members to collect the transfer on their behalf. Similarly the SCTPP impact

evaluation also found that the distance to payment point in Hintalo Wajirat, averaging about two hours and 20 minutes, was a problem for elderly and disabled people and was indicated as the most important reason for delegation in this *woreda* (ibid.). By contrast, distance to payment points was not reported to be a problem in either the better-connected Adi Keyih *tabia* in Hintalo Wajirat *woreda* or in urban Abi Adi, because of the presence of DECSI branches in both locations. That said a number of beneficiaries and key informants in Adi Keyih raised the problem of long distance on behalf of beneficiaries from Tsehafti *tabia*, who travelled for more than two hours to collect their cash transfer from Adi Keyih.

During a key informant interview with WOLSA staff in Hintalo Wajirat the research team was informed that to redress this problem there were plans to start cash distributions in each *tabia* already from the month of May 2014 with a cash distribution pilot in two *tabias*.

As already discussed in the above sections and echoing the finding of the impact evaluation (Berhane *et al.*, 2012), the majority of beneficiaries felt that the cash transfer amount was too small. Although it helped to cover some food, school, clothes and other expenses, many, especially in Adi Keyih, stated that it was simply too little in light of the high inflation rates and low purchasing power. The research team was also informed by respondents at regional level that to redress this programme the programme is planning to separate the payment scale according to urban and rural settings respectively.

8.3. CCC role and functioning

As the discussion in Section 7 has shown the communities visited for this research boasted a long tradition of strong reciprocal support mechanisms. In 2010 the regional government asked communities to formalize this support by creating voluntary community-based coalition committees – the CCCs – to serve “as home-grown social protection committees accountable for putting in place community-managed care for those who are unable or should not work, such as orphans, the elderly, disabled, or those who are sick” (UNICEF, 2012: 95). Echoing this, a BOLSA key informant interviewed in Mekelle stated that the creation of CCCs in 2010 was premised on the idea that to better cope with recurrent shocks (e.g. drought, spikes in malnutrition) community members should “be able to support each other without waiting for external assistance,” and that “help should start first and foremost at community level”. He added that today there are over 800 CCCs operating throughout Tigray.

CCC’s primary role as social protection community-based structures is also emphasized in the CCC manual of operations, according to which their “purpose is prevention of social problems and rehabilitation of those persons under difficult circumstances” (Tigray BOLSA, 2011b: 5). As outlined in the same manual, and as also confirmed by respondents interviewed at community and regional levels, CCCs have been tasked with multiple functions. They are the first point of call for external assistance to communities acting as a data bank for all social protection activities in the community (ibid.), they are also in charge of conducting awareness-raising sessions on different topics (such as the importance of saving as discussed below), of mobilizing community resources to support vulnerable households and they are responsible for facilitating SCTPP implementation at the local level. These functions are discussed below.

The research found that in all communities local CCCs were actively involved in community resource mobilization to support the poorest. CCC members organized monthly collections of voluntary contributions by community members in the form of grain (1-2 kilograms) or cash (2-3 ETB – US\$) 0.10-0.15) in Hintalo Wajirat and Abi Adi respectively. In Daerete and Adi Keyih part of the grain collected was distributed to the neediest and part was sold. The money collected from the sales of grain was then deposited by the CCC in a saving account at DECSI. In both *kebeles* in Abi Adi, where contributions were only made in cash, the money collected was deposited in a DECSI savings account.

CCCs also periodically distributed some of the cash collected²⁴ to needy households in the form of grants and interest-free loans. Several examples were collected by the research team of in this regard. In Adi Keyih the local CCC provided a grant of 100 ETB (US\$5.08) to all poor elderly people to cover health expenses, and provided a loan of 2,000 ETB to five orphans to purchase livestock. In Daerete a grant of 150 ETB (US\$7.63) was given to poor families at the beginning of the school year to cover education expenses. In *kebele* 02 the CCC gave a grant of 500 ETB (US\$25.44) to poor individuals affected by diabetes to cover health expenses.

Since the introduction of the cash transfer male and female beneficiaries in all locations reported being able to contribute to this mechanism, which previously they could not do. In line with the ethos of giving and mutual support discussed in Section 7, the findings indicated that their newly gained ability to support other needy households was highly valued by male and female beneficiaries who took great pride in showing their solidarity and giving back to the community. As the SCTPP impact evaluation also noted in this regard, “this level of fund-raising is impressive and it undoubtedly both reflects and contributes to social cohesion” (Berhane *et al.*, 2012). One male non-beneficiary in Adi Keyih stated:

“It is a good help and we are happy to contribute. It is not a lot of money for us, but when all our money is put together and is handed out it can make a big difference in the life of the poor.”

In Abi Adi, but not in Hintalo Wajirat, there were also mentions of CCC members conducting awareness-raising sessions both in public meetings – on issues such as the importance of saving money or HIV prevention, as well as in more closed-up, targeted meetings, for example with prostitutes. In *kebele* 01 a HEW and a member of the local CCC explained that periodically the local CCC gathered prostitutes living in the *kebele* to discuss opportunities for alternative income-generating activities and the importance of the use of condoms.

Coming to their roles as facilitators of SCTPP implementation, the research found that CCCs carried out two main tasks. First, they were responsible for beneficiary identification during the selection process in 2011 and for facilitating public meetings as outlined above. Today they continue to be in charge of targeting but mainly in relation to the replacement of beneficiaries as mentioned above. Second, CCCs were found to be responsible for cash transfer payment management, being present at payment points to facilitate the process and assist with any issues that may arise (see also Berhane *et al.*, 2012). In Abi Adi, but not in Hintalo, beneficiaries also highlighted that on payment day CCC members together with WOLSA social workers also provide advice on the importance of saving to beneficiaries on the queue to collect the transfer.

Institutional analysis conducted in all communities revealed that male and female beneficiaries considered CCCs among the most important institutions in their social circle and viewed them as very easily accessible. Their role as organizers of community-based social support was also frequently mentioned and valued both by beneficiaries and non-beneficiaries, suggesting a clear recognition and appreciation of their efforts to assist the community at large (and beyond SCTPP implementation), with positive spillover effects also on beneficiaries.

That said the research has found a number of areas for improvement around the role and capacity of CCCs as facilitators of programme implementation.

²⁴ Part of cash collected through contributions is kept in the savings account at DECSI, for example in Adi Keyih CCC members told the research team that they had 30 000 ETB in their saving account and in Kebele 01 14 000 ETB.

According to the CCC manual of operations CCCs should “develop an organized care and support system within the communities” (Tigray BOLSA, 2011b). Rather than following a systematic programme of activities in their SCTPP support function and agreed upon work plans. however, they operated in a largely ad hoc manner, in different ways in different contexts. As mentioned above, for example, in Abi Adi CCCs were reported to provide (limited) support to beneficiaries at the payment point in the form of advice on the importance of saving. By contrast the same provision of advice was not reported by respondents in Hintalo Wajirat. Also, the CCC operational manual itself does not contain a guideline for the role, responsibilities and activities of CCCs specifically in relation to SCTPP implementation, but only outlines their roles and duties in broad terms and in relation their support function to the community as a whole. In both *woredas* their role was mostly limited to case management and monitoring payment on payment day. No regular household visits were conducted to provide much needed targeted support and follow-up to beneficiaries, including on household expenditure planning and management, livelihoods opportunities, savings and investments.

8.4. WOLSA social workers

The establishment of a cadre of trained and professional social workers in charge of beneficiaries’ list validation, monitoring progress and processing case management; proactively reaching out to the most vulnerable; and linking beneficiaries with complementary programmes and services are essential for the effective implementation of social protection initiatives and better long-term impacts.

Since its roll-out the SCTPP has fielded social workers. At the *woreda* level social workers report to the head of WOLSA and are currently paid by UNICEF and at *tabia/kebele* level there are voluntary social workers within the CCC structure. The research team was informed that the SCTPP programme is about to recruit 52 new para-social workers (one for two *tabias/kebeles*) as skilled and trained field agents whose role will be to strengthen CCC activities.

The manual of operations (see section Guidelines for the role of Social Workers, p. 25) outlines the role and activities of WOLSA social workers in the initial targeting and selection phase, including provision of support to CCCs during this phase. There is no discussion however of their ongoing role and functions in SCTPP implementation and provision of support to CCCs.

Key informant interviews at WOLSA level shed light on the narrow role of social workers in programme implementation. This was also evidenced during institutional analyses with beneficiaries, in which no one mentioned WOLSA social workers or having had contact with them. In Hintalo Wajirat for example social workers reported that their activities and responsibilities revolved around case management and payment processes only. In addition in Abi Adi they indicated provision of advice to beneficiaries in the morning of the payment day (from 7 to 8 a.m. only).

A review of programme documentation revealed that the SCTPP tasked CCCs and social workers specifically with the responsibility to conduct home visits to facilitate beneficiaries’ access to complementary services. “CCCs and the *woreda* social welfare worker will be the front line responders responsible for supporting and facilitating access to basic services. They will also act as a referral mechanism should the participants require additional support services. Home visits will allow the social welfare works to ensure that protection issues (i.e. abuse, neglect, exploitation) occurring within the beneficiary household will be identified and addressed.” (BOLSA Tigray 2011a:14) Similarly to the findings outlined in the previous section, however, the research did not find evidence of ongoing, systematic and targeted support provided to beneficiaries by social workers, including regular home visits.

8.5. Diversity in beneficiary group profiles

The discussion in the above sections has highlighted two main categories of SCTPP beneficiary households: extremely poor lacking productive labour force; and extremely poor but capable of engaging in income-generating activities and making a transformative, productive use of the cash transfer. Beneficiaries belonging to this second group were found to be predominantly FHHs. There were also indications that job and income-generating opportunities in the rapidly expanding urban economy of Abi Adi were on the rise, which meant that for those beneficiaries who were able to work finding opportunities to become more self-reliant was relatively easy.

The findings of this research however did not point to the existence of an agreed, well-defined strategy (e.g. in the CCC manual or elsewhere) nor principles of engagement that take into account the different needs, vulnerabilities and capacities found among beneficiary households and how assistance can be tailored to better support the two main categories of beneficiaries.

8.6. Complementarity with other programmes and services

The promotion of linkages with complementary services or programmes is an important building block of transformative social protection initiatives. SCTPP beneficiary households, like other extremely poor households in the community, can obtain a letter from the *tabia/kebele* manager which exempts them from payment of primary and secondary health services (but not medicines for which they have to pay). Despite a focus of the SCTPP on the establishment of linkages with complementary social services as highlighted above, the research did not find evidence of linkages being developed with other programmes and services. In fact, during discussions at WOLSA level, respondents said enabling beneficiaries to be on two programmes at once was to be avoided as it would cause jealousies. Building synergies among programmes to target the same beneficiaries was therefore particularly ruled out according to these informants.

There is no doubt however that SCTPP beneficiaries in both *woredas* would greatly benefit from access to complementary services and programmes which could contribute to reducing economic and social risks, promote well-being and where possible self-reliance, potentially lifting a number of beneficiaries out of poverty. For example, linking FHHs in Hintalo Wajirat with other initiatives that provide targeted livelihood support could enable more FHHs to cultivate their land on their own. In urban Abi Adi, linking beneficiaries with productive capacity with the government-sponsored Micro and Small Enterprise Programme in urban areas (GOE, 2007) could provide much needed support to existing income-generating activities. Through home visits, CCCs and social workers, including the cadre of para-social workers that the programme is seeking to deploy, could also advise households with productive capacity on potential livelihood opportunities, savings and productive investments, and provide referrals to existing social services and counselling to address needs that go beyond economic vulnerability (e.g. social and psychosocial vulnerabilities).

9. Conclusions

9.1. Household economy impacts

The research addressed the hypothesis:

The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash.

The findings indicate that regular and reliable cash transfers acted as a safety net mechanism enabling beneficiary households to better meet their immediate needs and smooth consumption. Depending on their asset base, level of vulnerability and opportunity within the broader economic environment some were also able to invest in economic activities and savings. The research revealed that the SCTPP transfer:

- helped beneficiaries to become more self-reliant and address households' basic needs by enabling them to purchase more quantities of food and, for some, diversify their diets, and improve personal hygiene, housing conditions, and access to and performance in primary and secondary school, although in some areas some of these gains were limited by the unfavourable broader economic context;
- reduced the likelihood of beneficiary households resorting to negative coping strategies such as begging, sharecropping out land or prostitution that increase vulnerability;
- was a certain and regular source of money that boosted the overall household income and facilitated budget planning and expenditure allocations;
- enabled investments in productive activities, boosted income-generating activities and savings, and enabled a certain degree of risk-taking and forward planning in some of the households capable of engaging in productive activities;
- increased female-headed households' access to and control over resources, but did not alter gender relations or control over resources in male-headed households.

9.2. Local economy impacts

The research addressed the hypothesis:

The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.

Overall, the research found marginal positive effects on economic exchanges in local markets. In all locations there were frequent mentions of rising prices of goods, services and house rent, but this trend was not attributed to the cash transfer largely because of the relatively small amount injected into local economies. The findings indicate that the cash transfer provided a marginal boost to local businesses both on payment day and throughout the month, thanks to beneficiaries' increased creditworthiness and their newly acquired ability to buy on credit from local shopkeepers. The research revealed that the SCTPP transfer:

- marginally stimulated economic exchanges by prompting a surge in economic transactions on payment day in some areas and throughout the month;
- greatly increased the creditworthiness of beneficiaries by enabling them to purchase goods from local vendors on credit, helping beneficiaries to smooth consumption throughout the month;
- was used by beneficiaries to buy on credit, though a certain degree of prudence was also exercised;
- did not play a role in driving up prices, though high prices and consequent negative effects on purchasing power were reported across all communities;
- did not affect demand and supply of labour as the number of beneficiaries hiring in labour or taking up work as day labourers was minimal. This despite general availability of work for beneficiaries capable of engaging in income-generating activities particularly in the booming urban economy of Abi Adi.

9.2.1 Social networks impacts

The research addressed the two inter-related hypotheses:

Cash transfers increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity).

Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision-making processes (including through an increased ability to make “social contributions”) and increasing their “entitlement set” and livelihood choices.

The findings indicate that the cash transfer increased social connectedness and risk-sharing arrangements. This was facilitated by a socio-economic environment characterized by a wealth of community-based networks of mutual aid and economic collaboration which were widely relied upon for support and risk sharing. The research indicates that the cash transfer enabled some beneficiaries to join informal rotating savings groups (*iqqub*) for the first time, endowing them with greater opportunities for socio-economic engagement. Compelling evidence of knock-on positive effects on beneficiaries’ confidence and feelings of self-esteem were also found. Social inclusion gains however remained limited by the fact that beneficiaries were not able to enter the most important network in their society, funeral or burial societies (*iddir*) which reflected social inclusion, respect and prestige. The research revealed that the SCTPP:

- enabled a number of beneficiaries to enter contribution-based social networks (*iqqub*) for the first time with important benefits on household economic activities and welfare;
- did not result in any changes in membership of *iddir* burial societies because of the high joining fee and as such benefits on social inclusion remain limited;
- enabled beneficiaries to “re-enter” social relations with relatives and neighbours, largely enhanced by making regular donations to community contributions, redressing feelings of social isolation and heightening self-esteem and ability to reciprocate:

- instilled a sense of hope in some beneficiaries, endowing them with a more positive outlook for their future, although this was found to be dependent on the level of household vulnerability and level of opportunity within the wider environment;
- engendered some feelings of jealousy in the community but did not generate intra-community conflict or significantly affected the relations between community members.

9.2.2 Operational issues

The research addressed the hypothesis:

Cash and in-kind transfers can be improved through a better understanding of likely household and local economic impacts.

The focus in this research was on the relationship between understanding household and economic impacts and improving operational support for a more transformative, productive use of the SCTPP transfer. The quality of programme implementation particularly concerning targeting and payment was high. The research revealed a high level of involvement of community members and beneficiaries during the selection process and a general understanding of the programme objective, functioning and targeting criteria and procedure. Payments are perceived as regular and relatively easily accessed. That said the findings also indicate the need to focus on strengthening the role and capacity of CCCs and social workers in programme implementation as well as on developing linkages with complementary initiatives for more effective implementation and enhanced long-term impacts. The research revealed that the SCTPP:

- had met its social safety net function by addressing the immediate needs of the poorest and most vulnerable households who overwhelmingly used their cash wisely, resulting in improved well-being and household economic security;
- reached some, but not all, of the poorest households (exclusion error) and did not give rise to perceptions of inclusion errors;
- was backed by an effective cash disbursement mechanism and was providing regular and predictable monthly payments which greatly enhanced beneficiary households' ability to smooth consumption, plan expenditures, and access credit;
- was not sufficiently supported by a strong role and capacity of CCCs and social workers and did not develop linkages with complementary services and programmes, which limited the opportunities to systematically support beneficiaries to make sustained improvements in their living conditions;
- was not supported by a clear strategy and principles on how to address the different needs and vulnerabilities of the chronically vulnerable in comparison with those more capable of engaging in productive activities.

Reverting to the five hypotheses of the research framework (Table 1 above), Table 12 below summarizes the concluding findings.

Table 12 Findings on the research hypotheses

Research theme	Hypothesis	Conclusion
Household economy	The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash.	 <p>Yes, true. The introduction of what was widely defined a small, but regular and predictable, monthly transfer served as a critical safety net for chronically poor and vulnerable beneficiaries, smoothed household consumption and enhanced productive choices for those capable of engaging in productive activities. Decision-making practices at household level have not changed, but cash injections have increased female-headed households' access to and control over resources.</p>
Local economy	The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.	 <p>Partly true. Multiplier effects on local markets were marginal. The cash transfer provided a minimal boost to local businesses on payment day as well as throughout the month thanks to beneficiaries' increased creditworthiness. Because of the small number of both beneficiaries who entered the urban labour market and those who hired-in agricultural labour, the effects on labour markets were negligible.</p>
Social networks (1)	Cash transfers increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity).	 <p>Partly true. The cash transfer enhanced social connectedness and risk-sharing arrangements, enabling some beneficiaries to join informal rotating savings groups (<i>iqqub</i>). This increased their opportunities for socio-economic engagement and had knock-on positive effects on confidence and feelings of self-esteem. Social inclusion gains remained limited by the fact that beneficiaries were not able to enter the most important network in their society, funeral or burial societies (<i>iddir</i>).</p>
Social networks (2)	Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision-making processes (including through an increased ability to make "social contributions") and increasing their "entitlement set" and livelihood choices.	 <p>Yes, true. The transfer enabled beneficiaries to "re-enter" social relations with relatives and neighbours, largely enhanced by making regular donations to community contributions. This had positive spillover effects on redressing feelings of social isolation and heightening self-esteem and social inclusion.</p>
Operations	Cash transfers can be improved through a better understanding of likely household and local economic impacts.	 <p>Yes, true. The SCTPP was found to be performing very well and the quality of programme implementation was high. That said strengthening a number of operational issues - including the role and capacity of CCCs and social workers, developing linkages with complementary initiatives and articulating a strategy that defines how support can be tailored to better respond to the needs of the two main categories of beneficiaries, has the potential to further enhance effectiveness of programme implementation and maximize household and economic impacts.</p>

10. Recommendations

The conclusions reached by the research raise a number of operational recommendations. These are particularly relevant also in view of current plans to scale up the pilot in Tigray and other regions of Ethiopia.

Institutional and capacity strengthening of the CCCs should be a priority, including that of their roles in supporting the community at large and in implementing the SCTPP in particular. Efforts in this area should be made particularly toward reinforcing the institutionalization of the CCC structure and framing its procedures to ensure strategic and systematic operations are in place. Areas of focus should include membership, required capacity and a responsive capacity development programme, a systematic programme of activities (work plans), and agreed upon principles – which could be included in the CCC manual of operations – of how they would tailor support to the two main categories of beneficiaries, those lacking productive labour force and those capable of engaging in income-generating activities. Increasing CCC performance has the potential to have high spillover effects in supporting both the programme and the wider community.

Institutional and capacity strengthening at *woreda* level should also be considered to provide more effective oversight of the programme including critical support to CCCs for better implementation and improving long-term impact. The role and responsibilities of social workers in programme implementation could be included in the Manual of Operations to serve as a clear guideline for their activities.

Promote linkages between the programme and other livelihood initiatives so that other programmes can work with beneficiaries to enable them to access opportunities to improve their household economy and welfare. This recommendation could also provide an exit strategy for the programme and potentially lift a number of capable beneficiaries out of poverty.

Pursue ongoing consultations concerning an exit strategy for the programme particularly targeted to beneficiaries capable of engaging in income-generating activities who have potential for sustainable livelihood growth.

Consider adjusting the CT amount to inflation. This has potential to address the risk of the most vulnerable labour-constrained beneficiaries from depleting their asset base.

References

- Berhane, G., Devereux, S., Hoddinott, J. Nega Tegebu, F., Roelen, K., Schwab, B. & Woldu, T. 2012. Evaluation of the Social Cash Transfers Pilot Programme, Tigray Region, Ethiopia. Baseline Report. FAO, Rome. December 5, 2012.
- Bold, T. & Dercon, S. 2009. Contract design in insurance groups. University of Oxford. CSAE WPS/2009-04 (also available at <http://www.csae.ox.ac.uk/workingpapers/pdfs/2009-04text.pdf>)
- BOLSA Tigray. 2011. Manual of Operations for the Tigray Social Cash Transfer Pilot Program. Tigray Bureau of Labour and Social Affairs (BoLSA), Mekelle, Ethiopia. August 2011.
- BOLSA Tigray. 2011a. Design, Budget and Logical Framework of the Tigray Social Cash Transfer Pilot Program. April 2011-March 2014. Tigray BoLSA in collaboration with UNICEF. August 2011.
- BOLSA Tigray. 2011b. Community Care Coalition Working Manual. October 2002 (Ethiopian Calendar), Mekelle, Tigray.
- Bureau of Planning and Finance (BOPF). 2010. Five Years (2010/11 - 2014/15) Growth & Transformation Plan. Tigray Regional State.
- Central Statistical Agency (CSA). 2007. Population and Housing Census. Ethiopia.
- Central Statistical Agency (CSA). 2011 Ethiopia Demographic and Health Survey. Addis Ababa, Ethiopia. March 2012.
- Central Statistical Agency (CSA) and the World Bank (WB). 2013. Ethiopia Rural Socio-economic Survey (ERSS). Survey Report. May 7th, 2013. (also available at http://siteresources.worldbank.org/INTLSMS/Resources/3358986-1233781970982/5800988-1367841456879/9170025-1367841502220/ERSS_Survey_Report.pdf).
- Deininger, K., Ayalew Ali, D. & Alemu, T. 2007. Assessing the functioning of land rental markets in Ethiopia. *Policy Research Working Paper 4442*. Development Research Group. Sustainable Rural and Urban Development Team. World Bank, Washington D.C.
- Desta, M. G. Haddis & Ataklt, S. 2006. Female-Headed Households and Livelihood Intervention in Four Selected Weredas in Tigray, Ethiopia. DCG Report 44. Drylands Coordination Group.
- Frankenberger, T.R., Sutter, P., Teshome, A., Aberra, A., Tefera, M., Taffesse, A.S., Bernard, T., Spangler, T. & Ejigsemahu, E. 2007. Ethiopia: The path to self-resiliency. *Volume II: Regional Specific Findings*. CHF Partners in Rural Development, Canada.
- Government of Ethiopia (GOE). 2007. Plan for Accelerated and Sustained Development to End Poverty (2005/06-2009/10). Ministry of Works and Urban Development Plan for Urban Development and Urban Good Governance. Federal Democratic Republic of Ethiopia, December 2007.
- Holden, S. T., Deininger, K. & Ghebru, H. 2011. Tenure insecurity, gender, low-cost land Certification, and land rental market participation. *Journal of Development Studies*, 47: 31-47 (2011).

Kagin, J., Taylor, J.E., Alfani, F. & Davis B. 2014. Local Economy-wide Impact Evaluation (LEWIE) of Ethiopia's Social Cash Transfer Pilot Programme, PtoP project report. FAO, Rome and The World Bank, Washington, D.C.

Ministry of Health (MOH) Ethiopia. 2007. Single Point HIV Prevalence Estimate, June 2007. Federal HIV/AIDS Prevention and Control Office. Addis Ababa, Ethiopia

O'Sullivan, M., Rao, A., Banerjee, R., Gulati, K. & Vinez, M. 2014 Levelling the Field: Improving Opportunities for Women Farmers in Africa. The World Bank and the ONE Campaign.

Sabates-Wheeler, R. & Devereux, S. 2010. Cash transfers and high food prices: explaining outcomes on Ethiopia's productive safety net programme. *Future Agricultures Working Paper 004* January 2010. (also available at http://opendocs.ids.ac.uk/opendocs/bitstream/handle/123456789/2344/FAC_Working_Paper_004.pdf?sequence=1)

UNICEF. 2012 Investing in boys and girls in Ethiopia: Past, present and future. Chapter 9: Social Protection. UNICEF Ethiopia and Ministry of Finance and Economic Development. (also available at [http://www.unicef.org/ethiopia/Chapter_9_\(72dpi\).pdf](http://www.unicef.org/ethiopia/Chapter_9_(72dpi).pdf))

UN OCHA. 2013. Revised Humanitarian Requirements, Ethiopia. The United Nations in Ethiopia. <http://www.dppc.gov.et/downloadable/reports/appeal/2013/HRD%202013%20July%20-December%20August-2013.pdf>

WFP, Tigray Regional Government & UNICEF. 2009. Food security and vulnerability in selected towns of Tigray Region Ethiopia. Addis Ababa, September 2009.