

FEEDIFUTURE

The U.S. Government's Global Hunger & Food Security Initiative



Responding to Crisis Using Market-Facing Approaches

Anticipatory Action

Using crisis modifiers to respond to multiple and recurring shocks in the livestock system with pastoral and agro-pastoral communities in Southern Ethiopia

December 2023







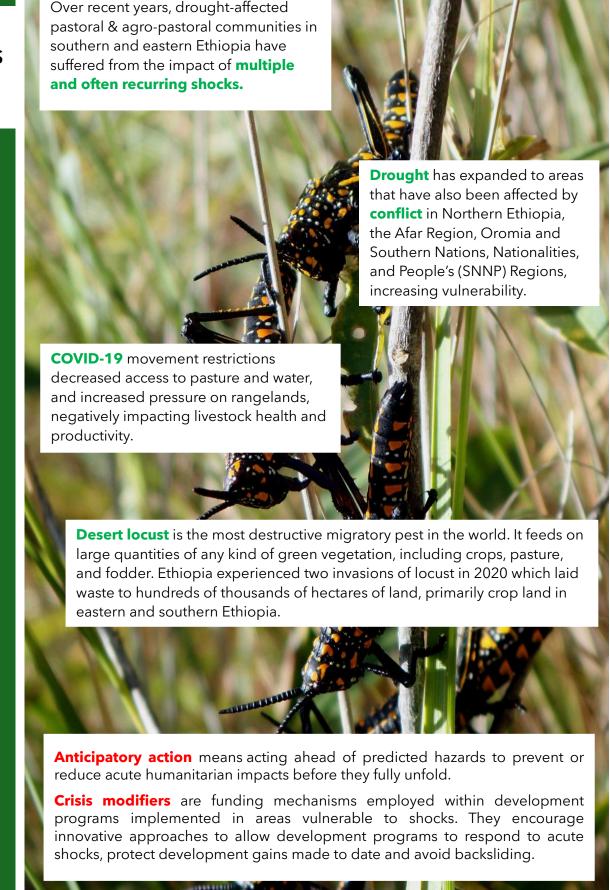




RESILIENCE IN PASTORAL AREAS - SOUTH (RIPA-S)

Zones:

- Borena
- East Borena
- South Omo
- Liben
- Dawa





BRIEF BACKGROUND

With support from USAID Ethiopia, and in partnership with Global Communities and International **Development Enterprise** (iDE), GOAL is coimplementing Resilience in Pastoral Areas - South (RIPA-S), a five-year Activity targeting pastoral and agropastoral communities in Southern Ethiopia. The purpose of RIPA is to improve resilience through improved food security and inclusive economic growth. **GOAL** uses a Market **Systems Development** (MSD) approach in livestock, crop, and financial systems to intensify and sustain pastoral and agro-pastoral production and marketing.

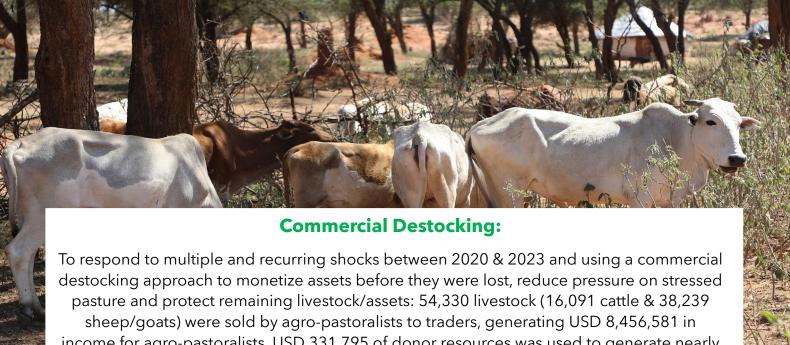
Livestock are a major source of food security and income for the pastoral and agro-pastoral communities. The desert locust infestation and drought substantially reduced pasture and, consequently, the health and productivity of livestock. Movement restrictions due to COVID-19 and conflict disrupted markets by reducing off-taking (buying), resulting in larger herds. The impacts of these shocks caused livestock to lose condition (production, productivity) and market value, threatening the loss of pastoralists' and agro-pastoralists' main assets.

Between 2020 and 2023, and alongside a development livestock system program, GOAL utilized program **crisis modifiers** to assist pastoralist and agro-pastoral communities to cope with multiple and recurring shocks.

Commercial destocking is an evidence-based response to drought when livestock would otherwise deteriorate and die. It allows potential livestock losses to be converted into cash or meat. Reducing livestock in times of stress relieves pressure on scarce feed, grazing and water supplies to the benefit of remaining livestock. It can also create market linkages, between traders and livestock producers and is one of the most cost-effective drought interventions as it does not involve agencies directly purchasing livestock, but rather works with the market actors to support destocking.



Livestock Emergency Guidelines and Standards (LEGS): LEGS are a set of international standards and guidelines for the assessment, design, implementation, and evaluation of livestock interventions, in support of people affected by humanitarian crises. GOAL used LEGS to implement commercial destocking for drought affected communities in Southern Ethiopia.



destocking approach to monetize assets before they were lost, reduce pressure on stressed pasture and protect remaining livestock/assets: 54,330 livestock (16,091 cattle & 38,239 sheep/goats) were sold by agro-pastoralists to traders, generating USD 8,456,581 in income for agro-pastoralists. USD 331,795 of donor resources was used to generate nearly USD 8.5 million in income for crisis affected agro-pastoral communities. This market systems development approach demonstrates how local private sector actors can support crisis responses, can amplify rather than replace market actors, can reach scale, and how we can use donor resources to achieve more when compared to direct delivery approaches.

| | 54,330 livestock were sold by agro- pastoralists to traders (16,091 cattle & 38,239 sheep/goats). |
|--------|--|
| =(\$=) | Generating USD 8,456,581 in income for agropastoralists. |
| \$ | USD 331,795 of donor resources was used to generate nearly 8.5 million dollars in income for crisis-affected agro-pastoral communities. |
| 1 // | USD 149,042 income earned by other market actors from the sale of livestock at risk. |
| | USD 64,999 in revenue generated by the local Government from the sale of livestock at risk. |

Households used the income to buy **feed for remaining livestock**, **food for their family**, and to pay for **healthcare**.



To respond to multiple and recurring shocks between 2022 & 2023 and by working with local market actors (veterinary input wholesalers, Private Veterinary Pharmacies and Community Animal Health Workers), 205,615 livestock (7,882 camels, 72,323 cattle & 125,410 sheep & goats) were treated to preserve critical assets for 16,040 vulnerable households using USD 408,863 of donor resources. Combining a market systems approach with a vouchers system demonstrates how private sector actors can support crisis responses, can amplify rather than replace market actors, can reach scale, can target vulnerable households and can use donor resources to achieve more when compared to direct delivery approaches.

| \Diamond | | 16,040 vulnerable households identified by their communities (30% women headed). | | | | |
|------------|---|---|-----------------|--|--|--|
| | | Vouchers used to target vulnerable households with remaining livestock at risk. | | | | |
| | | | | | | |
| 60 | 125,400 Sheep & Goats | 71,520 Cattle | 7,760 Camels | | | |
| \$ | USD 613,712 of donor resources were used to treat 204,680 livestock twice. | | | | | |
| | USD 0.55/head | USD 3.7/head | USD 4.4/head | | | |
| n—n/ | Veterinary services were provided based on a business model. | | | | | |

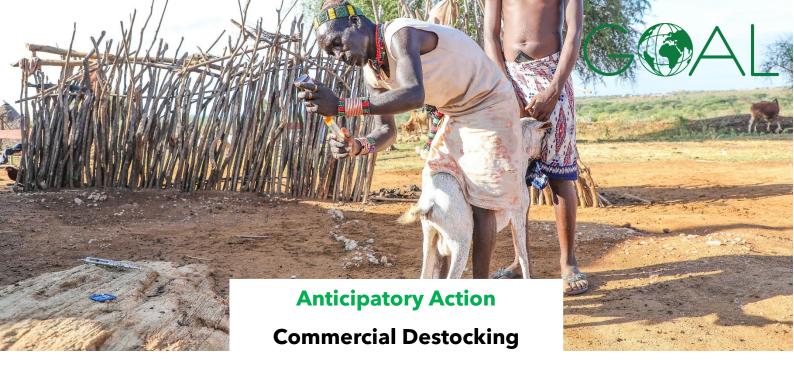
Wetaga Int. Pharma & Agribusiness PLC

Est. in 2013, Wetaga are an **importer & wholesaler** of veterinary inputs. GOAL and Wetaga partnered in 2021 to increase access to veterinary services by extending the supply chains to:

36 Private Veterinary Pharmacies engaged and each of them earned USD

1,080 from the provision of emergency veterinary services and

183 Community Animal Health Workers provide service on fee and each of them earned USD 482 from the provision of veterinary services to agro-pastoralists.



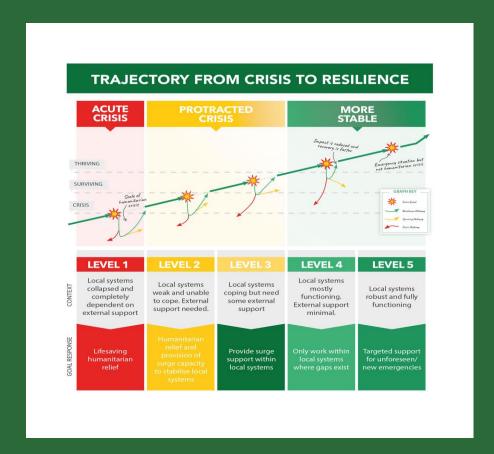
| Date | 2020 | 2021 | 2022 | 2023 | Total |
|---|---------|---------|-----------|-----------|-----------|
| # of cattle purchased by traders | 2,199 | NA | 3,767 | 10,125 | 16,091 |
| # of sheep & goats purchased by traders | NA | 9,479 | 8,509 | 20,251 | 38,239 |
| Income earned by agro- pastoralists from sale of livestock (USD) | 516,730 | 324,623 | 2,142,456 | 5,472,772 | 8,456,581 |
| Average price paid for cattle (USD) | 235 | NA | 361 | 395 | - |
| Average price paid for goat/ sheep (USD) | 3.86 | 4.55 | 6.60 | 6.55 | - |
| Donor resources used to catalyst destocking (USD) | 8,482 | 43,131 | 81,073 | 199,109 | 331,795 |
| Income earned by other market actors from sale of livestock (USD) | 40,202 | 18,521 | No data | 90,319 | 149,042 |

USD 1 of donor resources created USD 25.49 in income for agro-pastoralists assisting then to cope with multiple and recurring shocks





GOAL's strategic intent is to assist communities to move from **Crisis to Resilience**, providing life-saving emergency assistance and building resilience by stabilizing and strengthening systems.



References/ Citations:

- Locust Invasion in Ethiopia; Scope & Impact, World Bank
- <u>Shock Responsive Programming and Adaptive Mechanisms</u>, USAID, 2017
- Drought response plan Sept 2022
- <u>Livestock Emergency Guideline and Standards (LEGS)</u>

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