

## Seminars and Workshops

### ESSP-II Symposium:

#### Addis Ababa, October 24

- Presentation on “Agriculture and the Rural-Urban Transformation in Ethiopia: Implications for Development Strategy” by Paul Dorosh and Emily Schmidt
- Debate on Agricultural Policy and Future Development Strategies in Ethiopia between Prof. John Mellor, Prof. Stefan Dercon and Dr. Alemayehu Seyoum Taffesse
- **John Mellor** presented the case for an agriculture-first strategy, emphasizing potential growth linkages that can spur rural non-farm and urban growth
- **Stefan Dercon** argued for greater attention to stimulating urban economic growth to provide necessary market demand for agricultural products
- **Alemayehu Seyoum Taffesse** highlighted several development priorities including improving healthcare and access to education in rural areas, and increased emphasis on agricultural technology research

### ESSP-II Policy Conference 2009: Addis Ababa, October 22-23

- Presented current research outputs from ESSP-II in collaboration with local partner institutions

### Ethiopia Rural Household Survey (ERHS) Workshop 2009: Lalibella, October 26-28

- Discussion of preliminary findings of 2009 survey data analysis
- Planning for further analysis of ERHS data and further survey work

## Training

### Economic Policy Analysis using GAMS and CGE Software: Addis Ababa, September 22-25

- Intensive four-day course on economic policy analysis using computable general equilibrium (CGE) modeling with GAMS software

### Introduction to GIS:

#### Addis Ababa, October 7-8

- Intensive two-day course on mapping techniques and spatial analyses tools



## Upcoming Events

Regional Strategic Analysis and Knowledge Support System (ReSAKSS): Addis Ababa, November 23-24, 2009

## News!

Eleven draft ESSP-II Discussion Papers were released during the ESSP-II Policy Conference. Contact Mahlet Mekuria for softcopies of the discussion papers: [Mahlet.mekuria@cgiar.org](mailto:Mahlet.mekuria@cgiar.org)

Photo (left): Ato Newai Gebre-Ab presenting certificate of achievement to graduate of the CGE course

## Highlights of Presentations and Discussion Papers: ESSP-II Policy Conference

**Trends and Determinants of Agricultural Productivity:** Alemayehu Seyoum Taffesse & Alejandro Nin-Pratt (IFPRI)

- Approximately half of farmers use fertilizer (teff, wheat and maize); farmers using both seed and fertilizer have moderately higher yields (CSA Ag Sample Survey)
- Controlling for agro-ecology, use of improved seed, access to credit and other factors, regression analysis of CSA national data indicates average and marginal productivities of chemical fertilizer are positive but relatively low

**Public Expenditures on Agriculture:** Alemayehu Geda (Addis Ababa University)

- Evaluations show that capacity strengthening is needed to assess returns on proposed projects and link micro-level planning to the macro-economic and sectoral planning

**Agricultural Extension and Rural Water Supply:** Tewodaj Moges, Zelekawork Paulos, Regina Birner (IFPRI), Fanaye Tadesse (EEA) & Mamusha Lemma (EEA)

- Analysis reports that 32% of study households have access to safe drinking water
- Ag Extension strategies are needed to better target female farmers; including: linking extension with women's groups and increasing female staff among extension agents

**Weather Insurance for Farmers: Experimental Evidence** Ruth Vargas Hill (IFPRI)

- Results suggest that insurance would increase farmer investments in agricultural inputs
- Access to credit is a constraint on farmer use of fertilizer and potential use of insurance

**Food Consumption Patterns and Determinants:** Zeleka Paulos and Kibrom Taferre

- 2004/05 data from the national Household Income Consumption and Expenditure Survey show large variations in consumption patterns by urban/rural and agro-ecology; as well as by per capita expenditure level
- Econometric analysis shows household food consumption is in general very responsive to price changes

**Trends in Household Food Security in Ethiopia:** Emily Schmidt (IFPRI)

- Substantial improvement in food security seen across all regions between 2000 and 2005
- When new nationally representative data are available, analysts will be able to determine the extent to which these positive trends have continued

**Implications of Price Shocks on Household Food Security:** S. Robinson (Sussex), Dirk Willenbockel (Sussex), Hashim Ahmed (EDRI), Paul Dorosh (IFPRI)

- A region's share of national commodity production and the share of value added in household income largely determine the magnitude of effects on national prices, incomes and consumption
- Regional production shocks have limited effects on national markets; thus, local level monitoring is crucial for identifying and responding to sub-national production shocks

**Household Income and Welfare Dynamics: Evidence from the ERHS Surveys:**

John Hoddinott (IFPRI)

- Initial findings from the 2009 ERHS data show substantial improvements in households' perceived welfare, various household assets, child education (both boys and girls)

**Constraints on the Rural Non-farm Economy: An Analysis of the Hand Loom Sector:**

Gezahegn Ayele (EDRI), Lisa Moorman (IFPRI), Xiabo Zhang (IFPRI), and others

- Greater infrastructure is associated with more complex marketing networks and greater marketing linkages between rural and urban markets
- Controlling for other factors, access to electricity raises productivity of rural hand-loom enterprises by 55 percent relative to those without electricity

**Real Exchange Rates, Growth and Income Distribution:** Paul Dorosh (IFPRI), Sherman Robinson (Sussex) and Hashim Ahmed (EDRI)

- Foreign exchange rationing results in an appreciation of the real exchange rate
- The major beneficiaries of this policy are those who receive economic rents generated from rationing

## Ethiopia Strategy Support Program II

### Research Initiatives 2008-09:

- Determinants of agricultural productivity
  - Analysis of farm-level data from Central Statistical Agency (CSA)
  - Extension of Ethiopian Rural Household Survey (ERHS)
    - Includes analysis of agricultural input use, gender issues, household response to high food prices
- Government agricultural spending efficiency
  - Review of past government projects
  - Institutional analysis at local level (public service delivery/governance)
- Rural non-farm clusters (hand-looms)
- Land tenure and watershed management
- Determinants of market prices of cereals
  - Operational multi-market model
- Book on Ethiopian food and agricultural policy
- Rural-urban transformation
  - Rural-urban migration
  - Structural changes in the economy
  - Implications of infrastructure investments

### Capacity Building Initiatives 2008-09:

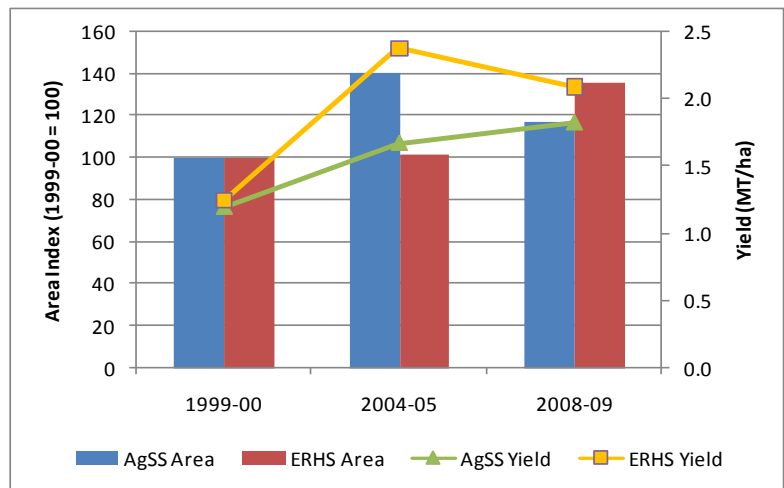
- **Ethiopian Development Research Institute**
  - Joint research on rural non-farm clusters
  - Support to EDRI SAM/CGE Analysis
  - Support to short-term policy analysis on cereal markets, inflation, and economic growth
  - Joint seminar series
  - International PhD (5) training (planned)
- **Central Statistics Agency (CSA)**
  - Support to GIS analysis (census)
  - Creation of operational geo-database
  - Federal and regional GIS training
  - Strengthening of data dissemination through REKSS
- **Ministry of Agriculture and Rural Development**
  - Support to agricultural and food security policy analysis
  - Creation of operational agricultural policy data base
  - Training on agricultural policy analysis

## Initial Results from 2009 Ethiopian Rural Household Survey (ERHS)

Researchers from Addis Ababa University, Oxford University and IFPRI have collected data from the same households in 15-18 villages (located in a variety of agro-ecological zones) since 1994. Initial results from the latest survey (May to July, 2009) show:

- For the rainfall sufficient highlands outside of SNNPR, wheat yields have increased since 1999-2000
- Average wheat yields in this ecology have increased faster in the ERHS sample than in the much larger and nationally representative Agricultural Sample Survey (AgSS)
- In contrast, in this same ecology, teff yields in the ERHS sample have fallen, while teff yields in the AgSS increased from 1999-00 to 2008-09

**ERHS 2009 and AgSS Data - Wheat Area and Yield (Rainfall Sufficient Cereal-Based Highlands)**



## Initial findings from the 2008-09 ERHS also show substantial improvements in households' perceived welfare:

- In 1994, 41 percent of the households in the ERHS sample reported that they considered themselves to be "destitute" or "poor"
- By 2004, this percentage had fallen to only 21 percent; in 2009, only 13 percent considered themselves to be "destitute" or "poor"
- Moreover, the share of households considering themselves to be "comfortable" or "rich" rose steadily from about one-quarter in 1994 to over 40 percent in 2009

**ERHS: Self-Reported Perceptions of Poverty**

