PASTORAL PRODUCTION AND MARKETING SYSTEM IN ETHIOPIA: RETROSPECTS AND PROSPECTS

A Paper Presented on
Panel Discussion Organized by IPADS, JJU
themed on ***COMMERCIAL PASTORALISM***
CHALLENGES, OPPORTUNITIES AND WAY FORWARD

By
Habtamu Girma Demiessie
(Assistant Professor of Economic Policy Analysis, Department of Economics, Jigjiga University)

October 4, 2019
Jigjiga, Ethiopia

OUTLINE

- Introduction to pastoral production system
- The essence of Pastoralism
- Pastoral production and marketing in Ethiopia: facts & figures, characteristics
- Missing Points in Pastoral production and marketing in Ethiopia
- Way forwards

Brainstorming Queries!

- **Perhaps, pastoral communities are the most studied sections of societies**
- **Billions of dollars have been set aside to pastoral development endeavors**
  - there was USD 4.4B donors support to build resilience (USAID 2017) since 2012.
  - PSNP investment over five years is US$3.3 billion (Tigray, Amhara, Afar, Oromia, SNNP, Harari, Dire Dawa, Somali)
  - The above doesn't include the government budget!
- **But, the problems of pastoralists years back still persists today even in more serious level.**
- **But why?**

1. A Glimpse into Pastoral Production System

- ***Pastoralism: A way of Life or Livelihood system?***
  - "The underpinning issue in pastoral development theories & practices has been pastoralism is traditional lifestyle and backward system
  - Hence, The government policies has been transforming the pastoralists to farmers.
  - As years evolve, the teachings and policy has taken for granted pastoral development synonymous with pastoral development

Pastoral Production System….

- Hence, government prioritized transforming the traditional livestock production system in to modern and improved production system!
- Recent developments acknowledges Pastoralism a way of life and sophisticated production system
- Implying humanistic elements integral part of pastoral development programs.

Pastoral Production System….

- **The Pillars of Pastoral Production System**
  - The three pillars in the pastoral production system are:- people, livestock and environment resource base (natural and human made).
  - The complexity of this livelihood system is getting exacerbated, driven by multiple factors:
    - droughts, degradation of rangelands, active conflict and insecurity, constrained livestock mobility and access to key resources etc.

2. Why Pastoral Development?

- The essence of Pastoral Production System:
  - Economic Justifications
    - Source of Employment/livelihood
    - Source of Consumption
    - Source of export
    - For an efficient Land use system of arid and semi-arid areas
  - Sociological Justifications
    - Custodian of cultural heritages and genetic resources (FAO, 2010)
  - Ecological Justifications
    - Protecting and developing environment and natural resources for centuries

Why Pastoral Development…..

- **Scope for Production and Productivity involves a number of interrelated factors to play:**
  - Augmenting Production inputs, technology , human capital development, animal health care system
  - Legal & Institutional development
  - Market Development
  - Financial Development
  - Cross Cutting Issues
    - Gender mainstreaming
    - Well to do Disaster and Risk Management endeavors
    - Conflict Management
    - Environmental Conservation
    - Climate Change and resilience

3. Pastoral Production and Marketing System in Ethiopia

Facts and Figures

- Livelihood system and a way of life for a total of 14.3m people (NDRMC 2018)
- Residing in 183 Woredas (appx. 23% of total woredas) in five Regional States, which encompasses about 60% of nation's total landmass.
- 42% total TLU of the country's livestock resources
- TEV of 10% of the GDP
- 20% of draft animals in the highlands are obtained from the pastoral lowlands

The Economic Value of Pastoralism in Ethiopia

- **Direct values –** milk, meat**,** hides/skins, sales, exports **– 11 billion Birr/Y**
  - **N.B: Approximately half of these livestock sector exports are not recorded and not recognized by the National Bank of Ethiopia due to illegal cross-border trade**
- **Indirect values:-** traction/ manure, tourism, incense/gums – 4.1 billion
- **Meat –** 150,000 MT/year, 29% national production
- **Milk –** 1.1 billion liters/year, 41% of national production

Total Economic Value of Pastoral Livelihood System in SRS

- Somali Region has 17 rural livelihood areas
  - Most common rural livelihood systems are pastoral or agro-pastoral activities
- Rural livelihood system takes 70% share of the regional GDP
- Livestock rearing is the dominant economic activity in pastoral livelihood system
- Total livestock population of SRS (2015/16 estimate) 26.8 million.

Economic Value of Pastoralism in SRS…

- Livestock sub-sector accounts, on average (2015/16 estimate):
  - **94% of agricultural GDP**
  - Total milk produced (camel, cattle, goat, and sheep) in Liters: **10,150,527**
  - Total meat Production (in Tones) : **33759**

Characteristics of Pastoral Livelihood System in SRS

- Pastoralists are vulnerable to weather fluctuations.
  - Extreme variability and unreliability of rainfall yearly and between different places in the same year,
  - Scarcity and seasonal inconsistency of grazing resources and the vulnerability to drought.
  - For pastoralists, mobility is a form of response to such seasonal variations.
  - Consequently, such mobility may cause competition and conflicts for the scarce resources.
- Pastoralists are also vulnerable to markets

Livestock Marketing: Features and Challenges

- **Basic Features of Livestock Market in Ethiopia:**
  - Livestock and livestock product markets are not developed and organized.
  - Live animal export highly affected by the prevalence of different diseases,
  - infrastructures like market place, weighing scale, watering point, stock routes etc. are not well developed,
  - Shortage of specialized transport system for both live animals and animal products
  - Absence of market information,
  - Inadequate facilities to handle and process animal products
  - shortage of appropriate technology for the production and processing and marketing of animal products in the rural areas and
  - lack of institution to organized producers and facilitate market.

4. Missing points in Pastoral Production & Marketing Governance & Policies

- Pastoralism as a livelihood system was less acknowledged
- The interventions lacked to be human-centric, where pastoral development has taken for granted livestock development.
- Hence, human factors were either belittled or ignored altogether in pastoral community development endeavors.

Missing points…..

- Some show cases:
  - Involuntary sedentarization programs.
  - Very minimal community engagements & sense of ownerships in PDPs.
  - Resistance to interventions by pastoralists.
  - Investments in PDPs often failed to deliver expected outcomes.

Missing points …..

- Pastoral development policies and projects are either counterfeiting or lacked foundations in the context that integrating the very features of the pastoralists
- Projects aimed at enhancing the livelihood of pastoralists have been poorly planned and implemented.
  - Projects lacked essential policy references.
  - Segmented & fragmented
  - Implementing agents have little awareness about pastoralism.
  - Many projects remained impotent in adding welfare to target pastoral communities

5. Way Forwards to Improving Pastoral Production & Marketing System

- **In Relation to Governance: Policies & Strategies**
  - A comprehensive and integrated approach, rather than discrete interventions, that addresses multiple dimensions of livelihood system: human, livestock, socio-cultural, natural environment
  - intervention strategies should adhere to Community Driven Development approach

Way Forwards…..

- **In Implementing**
  - The rule of the game in implementing pastoral development endeavors should be:
    - Promoting Structural and Economic Transformation through human-centered, participatory, and ethnographic and/or formative research evidences’

Way Forwards….

- **People:**
  - Improve access and utilization of basic social and economic services on needs & contexts of target communities
  - Develop indigenous knowledge
  - Acknowledge value system of communities
  - Promote social capital
- **Livestock**
  - Improving productivity and commercialization of pastoral and agro-pastoral production system,
  - Water harvesting
  - Basic animal health services
  - Small scale irrigation in lowland areas, and
  - Promoting livestock markets
  - livelihood diversification.

Way Forwards….

- **Natural and Socio-economic Environment:**
  - Create enabling environment for rangeland management,
  - Improve Pastoral risk management through:
    - inclusive pastoral finance system: saving, credit, insurance
    - Reduce Natural Resource Degradation and Improve its Productivity
    - Forestry, Mines & Energy Development, eco-tourism
    - Ensure Food Security, Disaster Risk Management and Enhance Preparedness Capacity
    - Enhance Research and Development Capacity

THANK YOU !!!