

Designing for Livelihoods

RESILIENCE IN PASTORAL AREAS (RIPA), ETHIOPIA— SPECIAL HIGHLIGHT ON GUJI ZONE



Human-Centered Enterprise Development Research and Design

RESEARCH BACKGROUND The RIPA project (Resilience in Pastoral Areas) aims to improve the lives of pastoralist communities in the southern lowlands of Ethiopia through rangeland management, livelihood diversification, improved food security, and improved livestock and crop production. iDE is specifically working with people transitioning out of pastoralism (ToPs) to pursue alternative, less climate-vulnerable livelihoods. In order to understand the specific needs and interest of women and youth ToPs, iDE conducted intensive research, called a deep dive, to understand how they might diversify their livelihoods through other income-generating activities and businesses.

METHODOLOGY The deep dive utilizes an approach known as human-centered design (HCD), which is

a methodology used to design and deliver holistic offerings - usually a combination of products, services, marketing, and financing. The HCD process starts by developing a deep understanding of users or entrepreneurs needs, aspirations, and constraints. In the RIPA deep dives, HCD principles and methods were utilized to better understand how pastoralist women and youth engage in different value chains and markets.

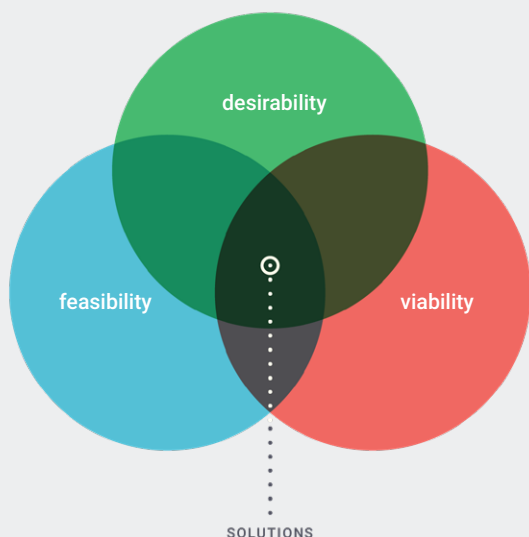
The HCD process involves **hearing** and soliciting perceptions, concerns, insights, and ideas, **creating** solutions with diverse stakeholders, and **delivering** and refining the co-created ideas in the field via rapid prototyping and early testing.

This approach focuses on market-based solutions, while ensuring that each solution is **socially desirable, technically feasible, and economically viable**. Meeting these criteria leads to higher likelihood of adoption of the solution, long term sustainability, and scalability.



Photo: Ephrem Abebe / ide / 2021

DESIGN CHALLENGE – HOW MIGHT WE CREATE SUSTAINABLE LIVELIHOOD DIVERSIFICATION OPPORTUNITIES FOR TOPS THROUGH STRENGTHENED MARKETS AND VALUE CHAINS, AND IMPROVED ACCESS TO BUSINESS AND FINANCIAL SERVICES FOR SMES AND ENTREPRENEURS?



We explored:

- ToPs' current engagement with and perception of alternative livelihood options
- Current constraints and opportunities in existing markets and value chains
- The stakeholders, infrastructure, and resources of current markets in pastoralist regions

INTERVENTIONS

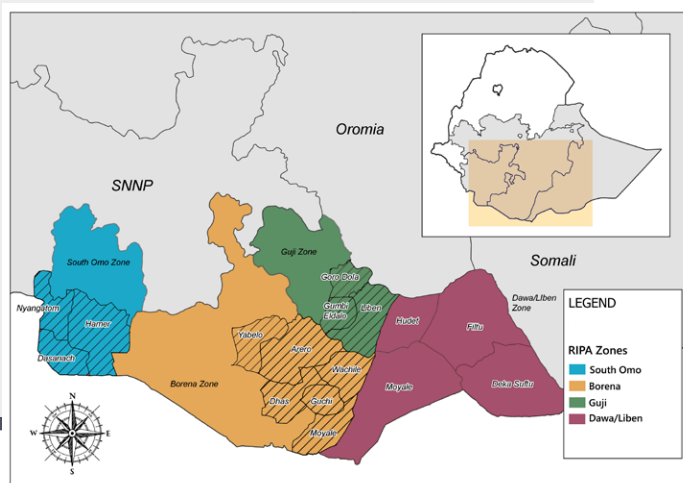
Value chains identified:

- Livestock fattening & trade
- Fodder production
- Commercial agriculture
- Dairy processing
- Honey production
- Poultry production
- Gums & Incense

RESEARCH AND DESIGN ACTIVITIES

The research used various methods from HCD and Design Thinking, from in-field interviews with relevant stakeholders to active observation of markets and business activities. In order to comprehensively understand the context in which women and youth pastoralists are engaging in business, we met 20+ individuals in selected kebeles of Liben woreda of Guji zone. In addition to meeting with representative women and youth, we met community elders, model businesspersons and cooperatives, government officials, financial institutions, traders, and consumers. Given security issues in Liben woreda during the time of the deep dive, team members in Negelle conducted the research activities in relatively safer areas of Liben woreda with support from the design team in Addis.

- 1:1 In-field User Interviews
- Active Observation



KEY FINDINGS**Changing Livelihoods**

Most raised livestock, but due to climate change (recurrent droughts) and ethnic conflict, many lost their livestock and moved to towns. In towns, many are engaged in different businesses, including running a cafe or restaurant, selling electronics, doing petty trade, selling milk and milk products, etc.

Crop Cultivation Experience

People still in rural areas have turned to crop production as their main source of income generation - in addition to producing cereals such as teff and maize for home consumption, they also grow wheat and haricot beans for commercial markets. With multiple generations of experience in growing cereals, many Guji youth (Borana, Guji, and Arsi Oromos) have learned production practices from family and community members. While they sometimes learn from Development Agents as well, it is mostly through information sharing rather than practical demonstration, limiting their ability to learn and understand new cultivation methods.

Access to Inputs & Resources

As agro-pastoralists, Guji peoples need stable access to improved seeds and tools for crop cultivation and animal feed for livestock husbandry. However, they often use local seed varieties due to lack of improved seeds, and they may import animal fodder when there is not enough crop residual or concentrate available. Without a stable supply of the best inputs, they are not able to produce higher quality crops and animals. Additionally, crop cultivation in Guji woredas depends on erratic rainfall, leading to unpredictable harvests and income generation.

Those engaged in other value chains also face challenges in accessing important inputs. Dairy production is highly important to meet the population's demand for milk, and yet women selling milk lack shaded areas and storage to preserve the milk with hygiene standards. Poultry producers may access improved breeds, but then lack proper enclosures to manage the chickens and prevent disease.

Business Support

While the TVET and Microinstitutions office in Negelle offer technical training and support to Guji youth, they are not equipped to meet the diverse needs of youth wanting to engage in business. For example, the TVET offers programs in IT, construction, metalwork, and woodwork, but does not have sufficient equipment and materials to provide the practical training. Meanwhile, the Micro-Enterprise office gives priority to youth who completed college, potentially excluding a large portion of young entrepreneurs.

Financial Access

Many youth in Guji are already saving money, either through Ikub or through local institutions, such as Oromia Cooperative Bank. Several small and micro enterprise groups have also taken loans and successfully repaid. More youth are interested in taking loans, however, some lack the required collateral, or are not comfortable with interest-based loans given their Muslim faith. Thus, demand for loans and other forms of startup capital for business purposes is unmet due to the challenges youth face in initially applying for one.

(continued on next page)

GUJI INTERVENTION POSSIBILITY**COMMERCIAL
AGRO-PASTORALISM**

The Guji people are experienced agro-pastoralists — despite shifting climates and challenges in livestock production, they have used their fertile land to produce both staple and commercial crops. As a result, IDE's intervention in Guji will focus on youth group enterprises to scale up their crop production through improved practices and market linkages to traders and consumers.

Opportunities for Business

In addition to fattening livestock and growing cash crops, youth are also successfully engaging in other livelihoods. Some have started a highland water business, an electronics shop, and poultry production. Given the fertile land and critical need of animal feed, there is high potential for growing and selling fodder, which some youth are already engaged in. Additionally, with many people living in towns such as Negelle, there are also opportunities for construction, metalwork, woodwork, and IT, which is supported by the local TVET. Several areas have access to a river, and therefore youth can engage in horticultural production and fishery - high value products demanded in local and regional towns. While these opportunities exist, youth tend to lack the technical know-how and startup capital to start up businesses in these sectors, and therefore need additional support to

Youth Attitude

Already capitalizing on local resources and market linkages, youth in Guji exhibit an entrepreneurial attitude and willingness to try new activities. For example, some poultry producers have already connected with private suppliers from Bishoftu, showing their interest in sourcing the best breeds and inputs for high quality production. Youth engaged in crop production are using a tractor, and therefore may be open to using additional technologies and improving their production practices. Such behaviors reveal that youth in Guji are interested in improving their capacity through exploring new market connections and using new practices, and are therefore likely to capitalize on other opportunities if they are made available.

GUJI INTERVENTION POSSIBILITY



DAIRY PROCESSING

Given the abundance of Borana cattle producing quality milk, we will also engage women to grow their milk trade through improved processing, storage, and transport. We will strengthen and build upon existing market linkages to ensure high quality milk meets the demands of consumers.

This research is made possible by the support of the American people through the United States Agency for International Development (USAID). The contents of this report are the sole responsibility of iDE and do not necessarily reflect the views of the USAID or the United States Government. A very special thanks to our partners, GOAL and PCI, who provided us with their time and contacts so that this research was possible.



iDE creates income and livelihood opportunities for poor rural households across Asia, Africa, and Latin America. iDE builds markets in a range of sectors, including agriculture, water, sanitation, hygiene, and access to finance.

iDE Ethiopia

Olani Wirtu, Country Director, iDE Ethiopia

Phone: +251-11-467-2906

E-mail: Ethiopia@ideglobal.org

Website: ideglobal.org/ethiopia