

PRIME Ethiopia: Feeding more mouths than one with animal fodder

Pastoralists in Ethiopia have a long history of grazing their animals. However, this is becoming less viable, with recent droughts having put extreme stress on herders and their animals. PRIME is working at the intersection of relief and development, supporting companies to distribute animal fodder. By sparking behaviour change in the use of feed to keep animals healthy and productive, PRIME is contributing to increased incomes and improved health for people living in poverty.

Improving livelihoods for pastoralists

Livestock is key to the livelihoods of Ethiopian pastoralists. Their animals form the backbone of both their diet and income. Drought puts these both at risk, with emergencies presenting a particular challenge for governments and donors to keep livestock alive without undermining local markets.

When drought hits, available pasture for grazing is drastically decreased. This means less feed for animals, which produce less milk as a result. Simultaneously, pastoralists need to replace the nutrients they are no longer getting through milk. Because livestock is their main asset, they start to sell off part of their herd to be able to afford extra food. The underfed animals at this point have declined in weight and thus sell at a lower price, losing as much as 30 per cent of their value. This

creates a vicious cycle for farmers, whose assets are dropping in value at the time when they most need to sell them.

PRIME is a 5-year USAID funded project that launched in 2012 to improve resilience and livelihoods of Ethiopian pastoralists. The project has used the **Emergency Market Mapping and Analysis (EMMA) toolkit** to understand the structure of the key market systems influencing pastoralists. Fodder is one of these critical markets, as the availability of affordable, quality feed can stop the vicious cycle of farmers selling off their animals at low prices.

There are market failures in the fodder system related to unequal access to information at multiple levels. Pastoralists do not understand the full impact that feeding their animals has on weight, health, output and especially their own nutrition as they drink the milk. Commercial fodder producers do not have information on the real demand for fodder among subsistence producers. They are further reluctant to enter the market because free distributions during emergencies undermine their attempts to sell fodder. The emergency relief handouts also reinforce the idea that fodder is a public good that pastoralists are not willing to pay for. Even in non-emergency situations, the open market price for fodder is out of reach for the poorest pastoralists. The poor road network and long travel distances mean very high transportation costs (28 per cent of final price) in rural areas.

Pushing commercial fodder

PRIME's vision is that commercial fodder producers will establish distribution channels into poorer rural areas, and effectively market and sell fodder to pastoralists, even during emergency situations. Pastoralists that can recognise the return on investment from proper use of fodder will avoid selling their assets at low prices, and instead keep their animal productivity relatively stable by supplementing pasture grazing with additional purchased fodder.

Emergency presents opportunity

In August 2014, late in PRIME's second year of implementation, a major drought hit Ethiopia. This presented both an opportunity and a challenge for the programme to influence how emergency aid would be delivered and to minimise market distortion.

PRIME reached out to major market centres in the key areas where it worked, and found willing retailers who would sell fodder given a stable supply. In turn, PRIME connected these retailers with wholesalers of commercial fodder in Addis Ababa, establishing a business relationship based on commission for sales. To balance the desire to build a market with the gravity of the emergency situation, PRIME subsidised the fodder being sold through this new market channel by 50 per cent.

This was intended to demonstrate the ability of pastoralists to pay at least some of the costs.

As the 2013 drought subsided, and natural pasture became more available, PRIME shifted from its strategic subsidy of fodder to a set of other interventions designed to influence pastoralist behaviours. These included a cleverly produced series of radio shows designed to stimulate household level discussion around a variety of topics, including animal feeding. PRIME also worked to stimulate the supply side of the fodder market by working with businesses that supplied improved seeds and inputs for farmers growing fodder.

10,000 animals covered

The initial emergency intervention led to the sale of 4,300 bales of fodder to 6,500 farmers for around 10,000 animals. An important sign of the sustainability of the new distribution channel is that relationships between distant fodder producers/wholesalers and local retailers have continued beyond the subsidy. PRIME interviews with retailers have revealed that there has been a spike in interest and demand from pastoralists to purchase fodder in the future.

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