

FOOD RESERVE SYSTEM IN ETHIOPIA: ASSESSMENT OF THE CURRENT IMPLEMENTATION TECHNICALITIES AND POLICY RECOMMENDATIONS

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ABSTRACT

The overriding purpose of this paper is to review the food reserve policy frameworks in Ethiopia and come up with policy recommendations so as to guide increased advocacy to develop and incorporate the right to food perspective in the existing food security strategies and promote the participation of Civil Society Organizations (CSOs) and accountability of public authorities in the decision making process. In order to achieve this objective, related legal and policy frameworks were reviewed to demonstrate the regulatory frameworks in food reserve systems in Ethiopia. Moreover, some resource persons were communicated to augment the data obtained from secondary sources. Both quantitative & qualitative research approaches were employed to gather and interpret the data. It is found that the food reserve system in Ethiopia is operating well particularly in case of emergency responses as compared to some other sub-Saharan countries such as Malawi and Uganda. The guidelines for withdrawing grain from the reserve, for instance, are more clearly spelled out in Ethiopia. Therefore, designing a comprehensive food reserve policy that will enable the country to build a more decentralized, considerably autonomous, sectorally integrated, contextualized and capable institutions for food reserve system, in addition to boosting agricultural production, price stabilization and liberalization, is pivotal for policy formulation and implementation processes in food reserve system in the country.

Keywords: Food Reserve, Food Security, Policy, Strategic Grain Reserve, Ethiopia

INTRODUCTION

A decade after the beginning of the new millennium has witnessed skyrocketing and volatile global food prices resulting in numerous adverse impacts such as prevalent undernourishment, food insecurity and massive resettlement particularly in developing countries. The price of food item is more than doubled in most parts of the sub-Saharan African countries to which Ethiopia is part, that has adversely affected their socio-economic situations.

Various literatures (Ivanic, 2008; Mitchell, 2008; Minot, 2010; IATP, 2012) documented that a number of factors contributed to the existing skyrocketing food prices. One of the major factors is rapid expansion of food consumption in developing countries as a result of strong global economic growth. A dietary transition from cereals toward more animal protein has also increased demand for feed crops, such as maize, in emerging economies. By contrast, the supply of food and agricultural products slowed down due to various biophysical factors and low investment. Recurrent bad weather conditions also reduced production levels in many important exporting countries, notably Australia (one of the major wheat exporter), over the last two years. World cereal stocks as a proportion of production also declined to one of their lowest levels in recent years, exacerbating the crisis. Besides, a high oil price (though alarmingly decreasing very recently) has resulted in higher costs of food production and transportation. The weakening of US dollar, speculative price rises and some erroneous trade policies have also been thought to have great contribution to the observed high food prices. To this effect, many countries have tried to employ different techniques (such as strategic food reserve and improved distribution systems) to cope with the adverse impacts of this ever-increasing and volatile food prices.

In fact, maintaining grain reserves was, and in many countries still is, an integral part of agricultural price policies (interchangeably termed as food price stabilization, buffer stock policies or dual pricing policies) in developing countries for several decades. There has been renewed interest both by government and development partners in instituting Strategic Grain Reserves (SGR) in developing countries since the global food crisis of 2007/08, when 75 to 80 million people were caught into hunger and poverty. Actually, the sharp hikes in international food prices took place again in 2010/11 (IATP, 2012). The roles of such programs in dealing with food price volatility are being highlighted by both national governments and high level global forums, such as G-20 countries and the United Nation's High Level Panel of Experts on Food Security. The role of CSOs has also been imperative in this regard.

While there appears to be broad consensus about the needs for strategic food reserve, little has been done so far regarding how to make such programs efficient and effective. There exists a considerable difference among countries in the formulation, implementation and monitoring of food reserve systems. This holds true, for example, among Ethiopia, Malawi and Uganda. The food reserve and distribution system in Ethiopia seems working better compared to the cases in Malawi and Uganda. On the other hand, the Government of Malawi is attempting better compared to the case in Uganda where the issue of food reserve is minimally touched. The food reserve and distribution institution in Ethiopia is a relatively independent entity under the ambit of the Ministry of Agriculture. In case of an emergency, the institution releases the required quantities of food grains on the basis of formal promissory note by an eligible donor agency or the government to replace this quantity within an agreed period of time. In this way the overall quantities remain the same over time and their quality remains good

through these frequent rotations. The borrower (can be governmental or non-governmental organization) has to cover all handling and distribution costs in Ethiopia which is not the case in some sub-Saharan countries such as Malawi and Uganda.

Therefore, this paper has attempted to briefly review policy frameworks related to food reserve systems in Ethiopia. Three tasks have been elucidated in this paper briefly: (i) the evolution and concept of food reserve system (interchangeably called Strategic Grain Reserve System /SRG/), (ii) review of related policy documents, and (iii) briefing policy recommendations related to food reserve systems in Ethiopia. In so doing, it is expected that this paper will foster an understanding of the necessity, policy frameworks, implementation processes, and challenges of food reserve system in Ethiopia. This, no doubt, is vital to come up with thoughtful policy options in food reserve systems so as to enhance the food security status of the people in the country.

STATEMENT OF THE PROBLEM

Ethiopia is one of the countries with precarious food supply systems. Most of the people in the country are vulnerable to food shortfalls owing to bad biophysical conditions (such as temporal and seasonal rainfall variability, recurrent drought and environmental degradation) and unstable food prices. As a result, maintaining grain reserves has become an integral part of emergency responses and price stabilization system in Ethiopia since 1950s when the first grain board was instituted. However, there is no comprehensive policy for food reserve system in Ethiopia though a wide range of reforms in policies/strategies are in place since the fall of the *Derge* (military junta) regime in 1991. Issues related to food reserve system are addressed only in related policies/strategies such as National Policy and Strategy on Disaster Risk Management (2009/2013), a Plan for Accelerated and Sustained Development to End Poverty (PASDEP) and Growth and Transformation Plans (GTP 1 and GTP 2). Lack of such an appropriate policy framework for food reserve system, no doubt, adversely affects an attempt to address the need of the community at closest distance and function.

OBJECTIVES OF THE PAPER

The overriding purpose of this paper is to review the food reserve policy frameworks in Ethiopia and come up with appropriate policy recommendations so as to guide increased advocacy for the development and revision of existing food security and agricultural strategies incorporating the right to food perspective and promote the participation of CSOs and accountability of public authorities in planning, implementation and decision making processes.

RESEARCH METHODS

This paper is based principally on a desk review of legal/policy frameworks of Ethiopia in order to deeply investigate the role and implementation processes of food reserve systems in the country. As a result, materials from related websites, documentation centers and online libraries have been reviewed in depth. Moreover, resource persons were identified and communicated in order to get first hand data in this regard. Mixed research approach (quasi-quantitative & qualitative) was used to gather and interpret the data. The quasi-quantitative (descriptive) approach involved description of numerical values, conditions and circumstances uncovered from the numerical data. The qualitative method focused on gathering data for the

purpose of explaining perceptions, understandings, attitudes, motives and approaches of targeted informants. Direct observations were made in Addis Ababa and nearby towns focusing on specific physical settings of the food reserve warehouses, organizational capacity of the main actors, key operation components, food items reserved for future use and delivery systems.

THE CONCEPT, ORIGIN AND EVOLUTION OF FOOD RESERVE SYSTEM

The term *food reserve or strategic food reserve* refers to a stock of food for security reasons as an insurance against food shortfalls due to adverse socio-economic, policy and biophysical factors such as extreme weather conditions, social instability, price shocks and lack/inadequacy of farm inputs (such as fertilizer, labor and technology) (McKee, 2012; Rashid and Solomon, 2012). As regard to the origin of Food Reserve System (FRS), reserve stocks of staple food is as old as human civilization. Strategic food reserves were practiced in ancient Egypt (since 1750 BC), China (since 498 AD) and the Roman Empire as indicated in Action Aid's (2011) document entitled 'Food reserves as key to preventing food crises' (2011). Nowadays, a number of countries practice national food reserve system meant for price stabilization, emergency preparedness, export buffering and to 'buying up' political good will. According to the information from Share the World's Resources /SWR/ (<http://www.stwr.org>), the issue of food reserves has received renewed attention from policymakers, initiatives and CSOs following the dramatic spikes in grain and oil prices since late 2006. It was highly debated at numerous forums organized by reputed organizations such as G20 and World Food Program (WFP).

There has been concern for over half a century about the high prevalence of hunger and malnutrition in a world that has the capacity to feed its people. Many international conferences have been convened to find solutions to persistent food insecurity, famine and undernourishment in many parts of the world. One of such conferences was the United Nations Conference on Food and Agriculture (1943) with the objective of achieving 'an adequate diet for all'. Others like the United Nations World Conference (1974), International Conference on Nutrition (1992) and World Food Summits (1996 & 2002) were follow-up meetings to address the primary problem of inequitable food distribution and the resultant macro- and micro-nutrient malnutrition especially among children and women. The World Summit for Children (1990), specifically convened to discuss issues of child development, gave a specific commitment to improve the nutrition of children. Many international treaties and conventions also recognize that the right to adequate food is a fundamental human right. Article 25 (1) of the Universal Declaration of Human Rights and Article 11(1) of the International Covenant on Economic, Social and Cultural Rights (ICESCR) both provide for the right of everyone to an adequate standard of living including adequate food. Article 11(2) of the ICESCR recognizes the need for more immediate and urgent steps to ensure the fundamental right to freedom from hunger and malnutrition.

The threat of world food gap and price inflation/volatility has pushed the issue of food reserves to the top of the political agenda at present, with several proposals being put forward for a system of globally- and/or regionally-managed food stocks. High-level discussions on this issue have been taking place at global and regional levels. For instance, frequent discussions have been held in 2009 at G8 Agriculture Ministers' Meeting, the United Nations General Assembly and the World Grain Forum held in Russia on 7 December 2011. Mainly the literatures and/or discussions related to food reserve systems at global

or regional levels have tried to address two vital issues: the imbalance between supply and demand contributing to recent price volatility, and the need for reliable emergency food supply in the world.

In fact, many related literatures and the viewpoints of experts suggest that international agricultural and trade policies in many of the major exporting countries promote over-production of staple agricultural commodities. Such excess output, encouraged by subsidies and decoupled payments to export businesses, can flood poorer country markets (such as Ethiopia, Uganda and Malawi) at artificially low prices. A good example is the tremendous low prices for agricultural products in Ethiopia in 2000/01 when a quintal of maize was sold at about 18.00 ETB (<1.00 USD at current exchange rate). A quintal of wheat was as cheap as about 30.00 ETB (about 1.67 USD at current exchange rate) only 3-6 months before the government announced food shortfalls in some parts of Ethiopia. This cheap price for the products discouraged local production and productivity which could have been mitigated through fair food stocking approaches by the government and/or CSOs so as to safeguard the local economies. With farming or rural labor providing the economic base for most of the poor and hungry people, lack of proper food reserve is especially detrimental to poverty reduction efforts. At the same time, governments of developing countries come under intense pressure in subsidizing farm inputs in case of price imbalance between the inputs and agricultural outputs.

This crisis prompted the policy thinking that led to the idea of holding strategic food reserve (SFR) as an additional food security measure. The implementation of SFR was mostly supported by FAO. Following this push, some countries developed separate SFRs programs (such as Ethiopia and Malawi) and some countries added strategic reserve as additional mandates to the marketing board (such as Kenya and Zambia). In the 1980s, the World Bank- and IMF-supported Structural Adjustment Programs (SAP) that brought about significant policy changes in terms of reducing government control over markets. Although some African countries continued to maintain some level of SGRs, many countries made significant changes to reduce public interventions. Since there were no serious climatic events in the 1990s, and there were no major food security challenges, SFRs and food price policies were almost forgotten by the policy makers and the development partners (Rashid, 2006).

SFRs more largely attracted the attention of the governments in Africa after 2007/08 because of the then global food crises. The crisis has led many countries (such as Ethiopia and Malawi) to increase their stock levels under Strategic Grain Reserves (SGRs). Apart from 2007/08 food crisis, countries in Africa continued enhancing their SGR capacities because the size of their food insecure population appears to be rising due to drought, crop failures, HIV/AIDS, low pace of agricultural productivity and other manmade and biophysical causes.

A GLANCE AT FOOD RESERVE SYSTEMS IN ETHIOPIA

Agriculture is the backbone of the Ethiopian economy. Its contribution to total gross domestic product is estimated to be slightly above 40 percent at present. Cereal production is the dominant sub-sector within agriculture in Ethiopia. Its production and marketing are the means of livelihoods and food security for millions of people. Cereal production on average

accounts for 30% of overall national income, 60% of rural employment, 80% of total cultivated area, 60% of calorie intake, 62% of agricultural GDP and 40% of food expenditure (CSA, 2001-13; MoFED, 2013).

Maintaining food reserves is an integral part of sustainable food supply and food price stabilization strategy in Ethiopia for several decades in the past. Practices and legal frameworks related to food reserve in Ethiopia date back to early 1950s when the first grain board was instituted. In fact, the real control over food markets began when the *Dergue* government (the military junta) came to power in 1974. Consistent with its ideology, *Dergue* instituted a wide range of controls over grain production and marketing between 1974 and 1991. These included determination of annual quotas per rural household, restrictions on private grain trade and interregional grain movement, determination of days on which the local markets had to be held, and rationing of grain to urban consumers. Wholesale prices of cereals were administratively set for many provincial markets that changed little between 1976 and the late 1980s (Rashid and Solomon, 2012).

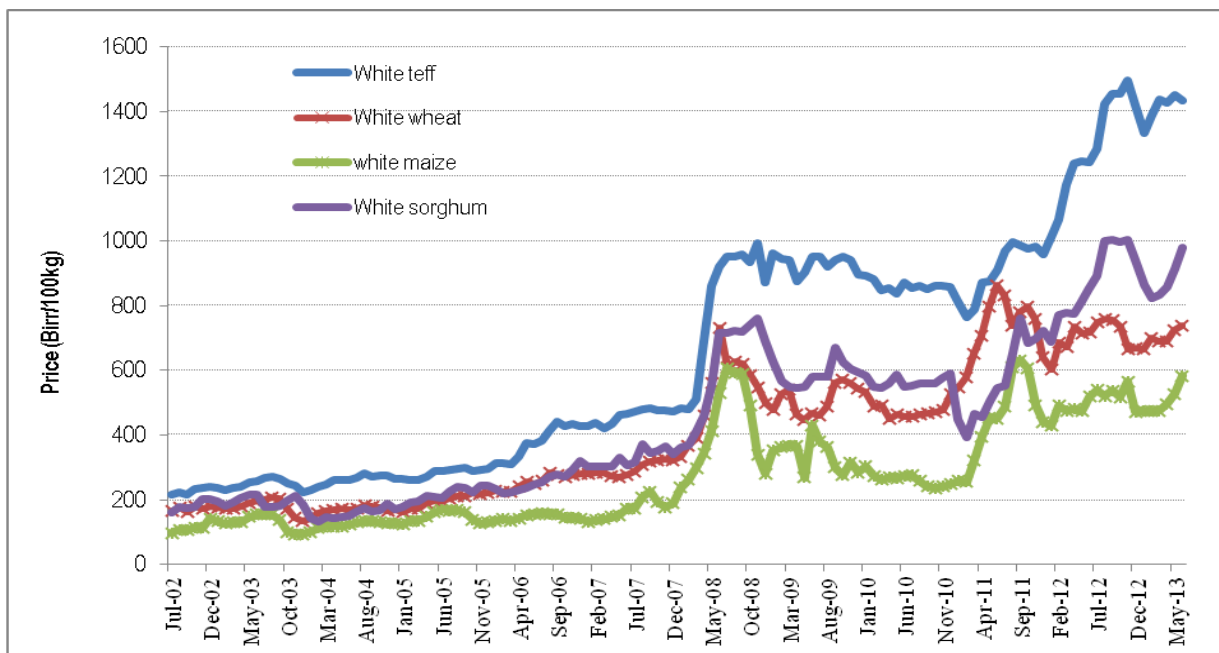


Figure 1: Price trends of the major cereals for Addis Ababa market (Source: Computed based on raw data obtained from Ethiopian Grain Trade Enterprise /EGTE/ Database)

The current government in power in Ethiopia pursued Agricultural Development Led Industrialization (ADLI) as a major policy framework for national development since 1991 which mainly focuses on national food security and poverty reduction. All sectoral policies and strategies were aligned to support the objectives of ADLI. Towards this end, the government identified and implemented multiple policy instruments to achieve this broad strategy. Some of them include focused infrastructure investments, especially in roads, telecommunications, urban and rural electrification, intensified efforts to strengthen the flow of development finance, building administrative capacity, increased efforts in agricultural extension, increased use of fertilizer and improved seeds, and foreign capital inflows and expansion of agro-processing industries, and

expansion of health and education sectors. These interventions together with good weather condition enabled the country to enjoy remarkable growth in agricultural production, food security and overall real incomes since 2004/05 (MoFED, 2013).

In spite of these positive achievements, the country experienced unprecedented price inflation of major cereals (*teff*, wheat, maize and sorghum) and also price fluctuations. Since late 2005, prices of cereals have increased rapidly and reached to level highest in the past 30 years in the late 2008. It stabilized in 2009 and 2010 and then started to hike for the second time since early 2011 that approached the historically highest level in the late 2012. The recent sharp increase in food prices in Ethiopia more or less followed global food price trends. However, the Ethiopian price continued rising though global food prices declined since January 2011 (FAO, 2013).

The Government of Ethiopia decided to maintain strategic grain reserve procedure of its preceding socialist-oriented government, despite the changes in ideology and substantial market liberalization since 1991. But there have been little movements to design legal and policy frameworks related to food reserve in the country. All concerned governmental organizations and CSOs have no well defined food reserve related policy frameworks. This, no doubt, hampers any attempt to food price stabilization and food security enhancement attempts in the country though Ethiopia has for a long time been one of the world's most food-insecure countries. The brief study by Häberli (2013), for instance, shows that multiple objectives assigned to food reserves as well as the present management structure in Ethiopia may not be well-suited at a time of high world market prices and when international food aid is dwindling, and as the international regulatory trade and investment environment remains a matter of unfinished business from a global food security perspective. Efforts by the government and a multitude of sponsors including CSOs have contributed little in stabilizing food prices and are unable to mitigate the negative impact of production and supply disruptions though an array of institutions and instruments have been developed. Some attempts, such as public stockpiles, are not well structured to solve the problem in the country.

The main food reserve scheme in Ethiopia is the Strategic Food Reserve Agency (SFRA), formerly known as Emergency Food Security Reserve Administration (EFSRA), mainly stocking wheat, maize and sorghum with storage sites located in different food insecurity-prone areas. EFSRA (in different nomenclature) was set up in 1972 after a very extensive and devastating famine in Ethiopia. It was reorganized in 2000 and 2013 (Häberli, 2013). The restructuring of EFSRA (under Council of Ministers Regulations No. 67/2000) was said to be a major modification in its operation as it was reorganized as an autonomous governmental organization/administration with significant changes in its operational procedures by the legal directives issued by the prime minister. EFSRA was established in May 2013 for the establishment of a better food stockholding system and strategic management in Ethiopia. The agency is run under the MoA. Currently, SFRA broadened its scopes and is working on various food related matters like relief and emergency responses, price stabilization in collaboration with Ethiopian Grain Trade Enterprise /EGTE/ and Productive Safety Net Program /PSNP/. It works with EGTE in case of surplus production to safeguard farmers' outputs from deflationary gap. Moreover, it is planning to export excess cereals in collaboration with EGTE in the near future.

According to the information obtained from Storage and Distribution Department Head of the agency on 11 March 2015, the organizational structure of SFRA is simple and flexible to be able to respond to emergency needs. It has five departments (namely, storage and distribution, quality control, finance and audit, and human resources departments) overseen/managed by a director general, accountable to MoA. SFRA does not engage itself with buying, selling, transporting and distribution of grain. The government and the donors made pledges to build up the stock, mainly through food aid and imports.

The data from the same source indicates that SFRA is a vital partner of donors (such as WFP) and governmental organizations (such as Disaster Risk Management and Food Security Sector /DRMFSS/) in implementing food-related emergency activities in the country. It maintains a rotating stock of cereals (mainly wheat, maize and sorghum). Once pledges from donors are confirmed, both non-governmental (such as WFP) and the governmental organizations borrow cereals for distribution. When the pledge arrives in the country, it is repaid to the EFSRA. This mechanism helps as an invaluable tool in reducing the time between donor pledges and actual distribution of the cereal. SFRA has been supported by many organizations such as Canadian International Development Agency (CIDA), British Official Development Assistance (ODA), United States Aid for International Development (USAID), World Food Program (WFP) and the European Union (EU).

As a result, the agency (formerly administration) remains the only immediate source of food supplies in many drought years such as 1999/2000, 2002/3, 2008/9 and 2012 when both government and relief agencies heavily relied on the reserves to combat scarcity of food. In fact, EFSRA stock declined from more than 200,000 tons at the start of 2008 to only about 17,000 tons in September 2008 owing to unusually sharp increase in food prices. During these drought years things would have been worse if the country did not have the emergency reserve.

In case of emergency, SFRA releases the required quantities on the basis of a formal promissory note by an eligible donor agency or the government to replace this quantity within an agreed period of time. In this way the overall quantities remain the same over time and their quality remains good by such frequent rotation. The borrower (can be governmental organization or CSOs) has to cover all handling and distribution costs. A case in point is the arrival on the market of a governmental organization, termed Ethiopian Grain Trade Enterprise (EGTE), in 2011 as a borrower of EFSRA stocks in order to stabilize market prices. EGTE buys mainly wheat on the world market (with some purchases from local farmers *e.g.* for pasta flour production). It sales wheat at reduced prices to millers/bakers in order to get the bread prices down when bread prices are too high. In case of urgent action, it borrows the necessary quantities from EFSRA. In fact, there may be some losses incurred by the government in these operations. Besides, the import quantities are also decreed by the government, based on EGTE's estimate of supply and demand. Even more importantly it appears that food price stabilization by EGTE and EFSRA has a price-depressing effect for domestic producers. Currently SFRA administers about 460,000 metric tons of food grains sufficient to feed 7 million people for a six-month period.

Currently, SFRA is working to increase its national food reserve six-fold from the current 460,000 metric tons to 3,000,000 metric tons. This will have the capacity to feed about 40 million people for six months. The UN World Food Program (WFP), Sudan, Turkey, Germany and UK will all involve in the EFSRA's efforts to achieve this objective within the next three years.

A budget of 13 billion birr (about 650 million US dollars) has been allocated for construction and expansion of depot as part of the plan to increase the reserve. EFSRA is planning to include edible oil, oil seed and legumes to its usual types such as maize, sorghum and wheat (EPA, 2014).

In case of subsidized grain management, the Ethiopian Grain Trade Enterprise (EGTE) is sole body in floating tenders for procurement, awarding contracts, signing contracts, transporting, storing and distributing subsidized wheat through its branch warehouses located in the major towns all over the country, mainly in the major cereals production areas. Each beneficiary (such as flour mills, unions and consumer cooperatives) collects its quota from its closest warehouse. Flour mills which were selected on the basis of their capacity to process and distribute obtain their monthly quota from their closest EGTE warehouses twice in a month (every fortnight) and account their earlier amount of flour distribution for beneficiaries linked with them before obtaining next round.

Regional and zonal Bureau of Trade and Transport oversees the day to day distribution of flour mills and bakeries; monitor their performance; and issue letter for flour mills before obtaining the next round wheat. EGTE only allows beneficiaries when flour mills and other beneficiaries submit letter of permission to get the following round. Flour mills and other food processing industries which were not selected to process and distribute subsidized wheat, purchase wheat from open market and also from EGTE on the basis of auction paying market prices and also sale their products on the market prices.

Currently, SFRA has no food reserve policy. It uses the establishment proclamation and guideline for food stockholding system and strategic management. In fact, it is planning to streamline its organizational structure and capacitate its human power (both in qualification and quantity) based on suggestions by Ethiopian Management Institute very recently. But there is no substantial plan to formulate a food reserve policy for Ethiopia at present. Hence, SFRA currently uses strategy documents formulated by MoA and/or DRMFSS such as National Policy and Strategy on Disaster Risk Management, Joint Government and Humanitarian Partners' Document, and Productive Safety Net Program Implementation Manuals and Graduation Guidance Note.

INSTITUTIONAL DESIGN OF FOOD RESERVE SYSTEM AND THE ROLE OF CSOS

Like any other food security program, the effectiveness of strategic food reserve, no doubt, depends on the strength of organizational structure, management of the system and level of involvement of other stakeholders such as CSOs. In countries where the organizational structure of food reserve system (FRS) is simple, flexible and inclusive, the FRS is able to respond to emergency needs and food price stabilization more effectively and efficiently. In this regard, five key aspects appear to be critical for an effective management of strategic food reserve systems. These are (i) its linkage to the country's overall food marketing and distribution systems, (ii) its level of integration with other actors (such as donors, CSOs and Community-Based Organizations) in food security program, (iii) its level of flexibility to respond to emergencies, price stabilization, safety net and environmental protection programs, (iv) its level of involvement in buying and selling of food grains, and (v) its level of inclusiveness of all key actors in all the food security programs (Rashid, 2006; McKee, 2012;

Rashid and Solomon, 2012). Hence, while designing for food reserve, governments would take into account these five aspects and high level of integration of all stakeholders such as CSOs.

In terms of the SGR's flexibility in responding to emergencies and involvement in buying and selling the grains; Ethiopia handles these aspects appropriately. This is perhaps due to the country's long experience in dealing with food emergencies. Given that the Emergency Food Security Reserve Administration (EFSRA) of Ethiopia does not engage in buying and selling grains, its operation is more focused and thus avoids the inefficiencies and corruptions associated with buying and selling grain. Furthermore, the operational guideline of the EFSRA provides enough room for flexibility to effectively respond to emergency needs. For example, the general manager of the EFSRA is authorized to release up to 5,000 metric tons of grain at a time, with a total of up to 25,000 tons, if requested to do so by any recognized relief agency in order to address emergencies. For larger amounts, the general manager is required to receive approval from a technical committee consisting of the general manager of EFSRA, representatives from Ethiopian Grain Trading Enterprise (EGTE), the WFP, and a representative of the national and international NGOs engaged in emergency operations. The technical committee has the authority to approve 5,000-25,000 metric tons, and obtaining approval is fairly simple and quick.

CONCLUSION AND POLICY RECOMMENDATIONS

The food reserve systems are meant for timely responding to the needs of vulnerable or affected citizens with a purpose of saving lives, price stabilization, and tackling social and economic crisis. In most cases, disaster prone and emergency food seeking communities are those who live in remote areas, harsh climates, resource poor and under-served in terms of socio-economic infrastructure and facilities. Hence, this part sets out possible policy recommendations that would help the country put in place more realistic and effective food reserve systems that effectively address food insecurity and price fluctuation challenges.

One of the key issues in this regard is the fact that strategies related to food reserve systems should be based on ground realities in the country. Though different countries share a lot of communalities in terms of socio-economic malaises and institutional setups, there are still country-specific situations that need to be factored while designing food reserve system policy framework. Inarguably, 'one size fits all' kind of thinking in development policy design has practically failed in many developing countries (Rashid, 2006; Rashid and Solomon, 2012; IATP, 2012). Therefore, a detailed and objective analysis of the ground realities (livelihood assets and outcomes, social fabrics, local needs, growth potential, and environmental milieu), existing development policy directions of key sectors (such as agriculture and trade) and their leverage points is important. The food reserve system policy framework development process needs to start with this basic and fundamental step in Ethiopia.

In the light of the aforementioned realities in the country, a food reserve system that is run by a more independent institution with clearer structure to grassroots level (at closer distance and function to the needy community) need to be established. As the institution is entrusted with demanding mandates of saving lives; the decision making processes (bureaucratic requirements) need to be quicker and considerably more autonomous (if not fully). The food reserve system administration

structure and officials need to have adequate autonomy for deciding and effectively delivering its mandate in food reserve systems (procurement, stocking, distribution, replenishment, etc) during normal and emergency situation.

The food storage and distribution centers need to be closer and accessible to communities for whom the emergency support is expected to reach. In situations whereby road networks, freight transport services and other accessibility parameters are not well developed, the food stocks, storage centers and transportation mechanisms need to be well focused in the will be FRS policy document. On the other hand, there has to be higher degree of accountability, transparency and good governance that involves the voices of the vulnerable groups, CSOs, donor agencies, private sectors and public agencies to assure fairness, downward accountability and good governance practices in serving communities under emergency situation. In line with this, the technical, material (infrastructural, stocking, logistics, etc), systemic, administrative setups and financial capacity of the institution need to be built well with regular capacity assessment and enhancement systems in place.

The technicalities for the will be FRS policy implementation modality needs to clearly spell out the legal, institutional, structural and operational modalities (service delivery and bureaucratic) with appropriate structure for quick decisions, timely purchase, adequate infrastructure for storage and efficient distribution system at times of crisis. The type, amount and quality of stock need to be regularly checked for quality standard, need of the beneficiaries and effective use by the target groups using transparent and regularly updated operational systems. Hence, capacity of the institution that manages the food reserve of a nation needs to be properly addressed in the policy document.

There should be an accurate tradeoff between food reserve functions of food security and price stabilization in such away that the food reserve system could play a vital role in both scenarios. Care should be taken so as to gear the food reserve functions towards realization of an effective right to food agenda. In this regards, Ethiopia is required to set an optimal level to balance the two objectives i.e. the tradeoff between food reserve for food security and for price stabilization. At this juncture, every stakeholder should participate (the government, funders, CSOs, Community-Based Organizations /CBOs/ and the private sector) to making serious decisions on thresholds, drawdown, release and price limit.

Appropriate combination of both saving lives (through direct food aid, cash for work or any asset transfer) and mitigating natural resource degradations (that would make the base for increasing production of food items or creating assets amidst farming communities) policy objectives need to be thoroughly captured in food reserve systems policy documents and same has to be adequately considered while implementing the policy. In real meaning, the policy recommendation helps in manifolds as it addresses crisis whilst making the future base more resilient to such problems. Emergency support needing communities shall be empowered to think of their bright future beyond responding to their needs during crisis. Among others, working on environmental resources not only reduces the frequency of emergency situations by reducing disaster risks (like flood, drought, etc) but also boosts the ecological services (base for agriculture and basic human needs) that may be needed for asset creation.

Food is a strategic commodity for welfare, security and sustainable development of a nation. The larger public (both urban and rural) need to access sufficient and nutritious food at affordable price for a nation to be in healthy growth curve. Hence, the situations that comprise the capacity to regularly access (supply, cost and infrastructure) food under disaster situation need to be considered in a policy framework governing food systems. The type, amount, quality and timeliness of delivery of food for affected or vulnerable groups should be appropriately designed.

The ultimate source of food items for a give nation needs to be primarily own production (owing to contemporary food security thinking and unpredictable nature of global market); though the role of functional market and other availability mechanisms should not be underestimated. In this regard, food production in a given nation is of paramount importance. It is evident that the producers (mostly smallholder farmers) need to be assured to keep on producing the maximum possible amount by applying modest technologies (including improved seed, fertilizer, machineries, storage and transportation). The market for the surplus agricultural produce should also be functional in a way it pays off the farmers and encourages further investment back into those technologies.

As noted, the largest food producers in the country are smallholder farmers who do not have sufficient technical, institutional and technological resource to improve their productivity in correlation with the growing demands. Thus, interventions in areas of agricultural extension, technological and infrastructural support are critical. Nevertheless, the total production and marketable surplus is still small in the country. This demands sound policy frameworks that boost agricultural investment on smallholder farming by the public, development partners and CSOs.

Commercializing smallholder farming needs to be given more attention through sound agricultural extension, innovation and technology adoption (ranging from production, processing and marketing) to make agriculture meet its anticipated promises. In connection with this, establishing and modestly regulating well-functioning market for agricultural inputs and outputs is fundamental. In fact, the market needs to be functional, free and competitive (with appropriate government intervention in selected/key areas) to fuel up economic growth as per the global reality and ideological framework in each country. In this regard, adoption of 'Developmental State Model' seems a panacea.

Back to practical situations, the involvement of government agencies (like marketing board, and grain trade enterprise) in the country in procurement of food items can be part of the price stabilization. Thus, it needs to be continued based on appropriate precautions in the spatiotemporal contexts of the country. However, the involvement of the government parastatals should not be at the cost of the private sector and other market players as that might have a big repercussion to emerging agricultural investors and operators.

Finally, notwithstanding the need to critically reviewing previous and current development policy orientations of the country, the will be food reserve system policy has to be oriented towards the future in which the country wants to achieve in its sustainable development policy directions. This entails the fundamental notion that food reserve system policy connects the past with the future whilst serving the purpose of the current time in the development efforts of the country.

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