LSMS—Integrated Surveys on Agriculture
Ethiopia Socioeconomic Survey (ESS)

2015/2016

A Report by the Central Statistical Agency of Ethiopia in Collaboration with the National Bank of Ethiopia and the World Bank

February 2017

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Acronyms

AgSS	Annual Agricultural Sample Survey
CAPI	Computer Assisted Personal Interviewing
CSA	Central Statistical Agency
EA	Enumeration Areas
ERSS	Ethiopia Rural Socioeconomic Survey
ESS	Ethiopia Socioeconomic Survey
LSMS	Living Standards Measurement Study
LSMS-ISA	Living Standards Measurement Study-Integrated Surveys on Agriculture
NFE	Non-Farm Enterprises
PSNP	Productive Safety Net Program
SACCO	Savings and Credit Cooperative Organization

Executive Summary

Survey Objectives and Design: The Ethiopia Socioeconomic Survey (ESS) is implemented in collaboration with the World Bank Living Standards Measurement Study (LSMS) team as part of the Integrated Surveys on Agriculture program. The objectives include the development of an innovative model for collecting agricultural data, interinstitutional collaboration, and comprehensive analysis of welfare indicators and socioeconomic characteristics. ESS is a nationally representative survey of over 5,000 households living in rural and urban areas. It is integrated with the CSA's Annual Agricultural Sample Survey (AgSS); the rural households included in the ESS are a sub-sample of the AgSS sample households. ESS is a panel survey. The first and the second waves were implemented in 2011–2012 and in 2013–2014 respectively. The third wave was implemented in 2015–2016. This report compiles a set of basic statistics from the third wave. The statistics presented here are a highlight of very few selected indicators. The results are disaggregated by location variables—region and place of residence. Place of residence includes rural, small towns and large town areas. When applicable, some results are presented by gender and age group. In some tables, the number of observations is too small to interpret the results.

Demographic Characteristics: The survey finds that average household size in rural, small town and large town areas is 5.2 and 4.3 and 3.7 persons per household respectively. Average dependency ratio at the country level is 88 percent. It is higher in rural areas (100 percent) than in small town (69 percent) and large town areas (48 percent).

Education: Educational outcome of household members (age 5 years and above) is captured in the survey by self-reported literacy, attainment, attendance/enrollment, and constraints such as proximity to primary and secondary schools and school expenses. The survey finds that the literacy level (for reading and writing in any language) is 64 percent for males while it is 48 percent for females. For school age population (ages 7–18 years), approximately 30 percent of boys and girls are not in school. Primary and secondary enrollment rates are similar for both sexes. Approximately 64 percent are enrolled in primary schools and the remaining few (less than 6 percent) are enrolled in secondary schools.

Health: Survey questions gathered information on prevalence of illness, disability, health care facility utilization, and child anthropometrics. Prevalence of self-reported illness for the four weeks preceding the survey is 9 percent for males and 12 percent for females. Disability, measured by difficulties of hearing, seeing, walking or climbing, remembering or concentrating, self-care including washing, dressing and feeding, and communicating or understanding, is higher for the oldest group (ages 51 and above), with females exhibiting more disabilities than males in that age group. The overall health care utilization for treatment or checkups (measured over the four weeks preceding the survey) is approximately 8 percent for males and 11 percent for females. The most important facilities visited are health centers (40 percent) followed by clinics (21 percent) and hospitals (15 percent). People also visited pharmacies (10 percent), health posts (6 percent), traditional healers (5 percent), and others (4 percent). However,

not all went to a health facility. The reasons for not seeking consultation include distance and affordability. However, the most important reason is that people do not normally go to health facilities for regular checkups.

Child anthropometrics results, for children ages 5–59 months, show that, at the national level, child stunting, underweight and wasting are 42 percent, 24 percent and 10 percent respectively. Child malnutrition rates are higher in rural than in urban areas.

Housing Characteristics: The survey collected information on housing tenure and characteristics as well as other assets that are owned by the household. The finding shows that about 80 percent of households live in their own houses. The rest live in either rented houses (13 percent) or houses obtained in other arrangements (5 percent). A number of housing quality indicators show that the majority live in congested houses that have poor flooring, walls and roofing structures, and lack basic utilities. As expected, households in urban areas live in much better quality houses than those in rural areas.

Household Assets: Households were asked if they owned farm implements, furniture and kitchenware, entertainment and communication equipment, personal items such as jewelry, as well as vehicles, tools and machineries. As expected, farm implements are common assets in rural areas while ownership of furniture and electronic items is more common among households in urban areas.

Agriculture: The ESS agriculture modules cover crop farming and livestock rearing. The implementation closely follows the CSA's annual Agricultural Sample Survey (AgSS) with some modifications on content of the questionnaires and the scope of the survey. Agriculture (crop or livestock) is practiced approximately by 98 percent of the rural as well as 64 percent of the small town households. On average, a farm household has 11 fields. The average household land holding is 1.38 hectares which varies by place of residence and the gender of the household head.

The most commonly used modern agricultural input is fertilizer. For the top five major cereal crops, the use of any types of fertilizers ranges from approximately 38 percent of sorghum to 83 percent of wheat grain fields. Improved seed is relatively common for maize (31 percent). Improved seed application in the remaining crops ranges from 2 to 8 percent of crop fields.

Estimations based on self-report yield by field show that in 2015/16 meher season productivity for five major crops was as follows: maize 18 quintals per hectare; wheat 14 quintals per hectare; barley 10 quintals per hectare; sorghum 8 quintals per hectare; and teff 7 quintals per hectare.

The crop disposition pattern of the five major crops shows that production is mainly for consumption (from 60–80 percent). Sales account for 8–21 percent of crops produced. The composition varies by crop type. Farm households tend to sell more of high value crops such as teff and wheat and consume more of low value cereal crops such as sorghum and maize.

Approximately 90 percent of rural households and 48 percent of small town area households are livestock holders. Cattle are the most important type of livestock owned by both rural and small town households and most are indigenous breeds. Modern input use in livestock other than immunization is limited.

Non-Farm Enterprises: Non-farm enterprises (NFEs) are important in the lives of households and their number is increasing. Nationally, about 25 percent of households have one or more NFE. The three primary constraints to establishing NFEs include lack of financial services (35 percent), access to markets (30 percent), and transportation (14 percent).

Other Income and Assistance: Cash and food transfers are the most common types of other incomes available to households. Approximately 19 percent of households received cash transfers from friends and relatives with an annual median amount of Birr 2,000 (approximately USD 90). Households also receive food, cash or

other nonfood in kind assistance from government and nongovernment programs.

Time Use: The time use section collected information on time spent collecting fuelwood or water or working on agricultural activities, non-farm activities, temporary/casual work or salaried job. Household members were also asked about time spent on apprentice/unpaid type of activities. Time use patterns vary by gender and place of residence. Over half of female household members participate in water or fuelwood collection compared with less than a quarter of male household members. As expected, agricultural activities are more important in rural areas than in urban areas. Male household members are more likely to participate in agriculture activities than female members. Conversely, non-farm enterprise activities are more important in urban than rural areas. These activities are more likely to be carried out by female than male household members.

Consumption, Expenditure, Food Security, Shocks and Coping: The survey included questions on expenditure on food and nonfood items, food security, shocks, and coping mechanisms. Cereals (rice, sorghum, barley, wheat) are the most important food items with over 90 percent of all households reporting consuming one of these items in any form in 6 of the last 7 days on average. The survey also finds that, when compared with rural households, small and large town households consume a more diverse diet.

Clothing and shoes are the most important nonfood expenditure items. Households also spend substantial amount on laundry soap, kerosene, fuelwood, charcoal, transport, and taxes and levies. The average household level expenditure is higher in urban areas than in rural areas.

Food availability is seasonal. Major planting seasons—April to October—are major slack months. Rural households tend to be the most affected by seasonal food shortage.

Major shocks that affect households negatively are illness of a household member, drought, rise in the price of food items, and an increase in the price of inputs in order of importance. Households mainly deplete savings or sell livestock to cope with major shocks.

Finance: Banking, Savings, Insurance and Credit: Approximately 22 percent of adults (18 years and older) have accounts from formal financial institutions. Financial inclusion at the household level is higher, at approximately 35 percent. Public commercial banks and microfinance institutions are the first and second most widely used institutions for financial services. Approximately 32 percent of individuals and 48 percent of households saved money in the past 12 months. Respondents also reported that they primarily saved in case of emergency. Regarding knowledge of financial procedures, approximately 45 percent of account owners know where to complain and 31 percent know what to do in the case that a financial service provider files for bankruptcy. Households take loans more frequently from informal sources (relatives, friends, neighbors) than formal sources. At the national level, the median household-level loan for a one-year period is 1000 Birr (45 USD).

Survey Objectives, Design and Implementation

1

Key Messages:

- The Ethiopia Socioeconomic Survey (ESS) is implemented in collaboration with the World Bank Living Standards Measurement Study (LSMS) team as part of the Integrated Surveys on Agriculture program.
- ESS objectives include development of an innovative model for collecting agricultural data, inter-institutional collaboration, and comprehensive analysis of welfare indicators and socioeconomic characteristics.
- The survey is integrated with the CSA's Annual Agricultural Sample Survey (AgSS); the rural households included in the ESS are a sub-sample of the AgSS sample households.
- ESS is a panel survey. The first wave was implemented in 2011–2012, the second wave was carried out in 2013–2014 and the third wave was implemented in 2015–2016
- The first wave covered only rural areas and small town areas. The second and third waves covered rural areas, small towns, and large towns.
- ESS uses a nationally representative sample of over 5,000 households living in rural and urban areas. The urban areas include both small and large towns.
- This report presents descriptive results from the third wave of data.

1.1 Objectives

The Ethiopian Socioeconomic Survey (ESS) is a collaborative project between the Central Statistics Agency of Ethiopia (CSA) and the World Bank Living Standards Measurement Study-Integrated Surveys on Agriculture (LSMS-ISA) team. The objective of the LSMS-ISA is to collect multi-topic, household-level panel data with a special focus on improving agriculture statistics and generating a clearer understanding of the link between agriculture and other sectors of the economy. The project also aims to build capacity, share knowledge across countries, and improve survey methodologies and technology.

The specific objectives of the ESS are:

- Develop an innovative model for collecting agricultural data in conjunction with household data;
- Strengthen the capacity to generate a sustainable system for producing accurate and timely information on households in Ethiopia;
- Develop a model of interinstitutional collaboration between the CSA and relevant federal and local government agencies as well as national and international research and development partners; and
- Generate comprehensive analysis of household income, well-being, and socioeconomic characteristics of households in Ethiopia.

The ESS contains several innovative features, including:

- Integration of household welfare data with agricultural data;
- Creation of a panel data set that can be used to study welfare dynamics, the role of agriculture in development, and the changes over time in health, education, and labor activities, inter alia;
- Collection of information on the network of buyers and sellers of goods with which the household interacts;
- Expanding the use of GPS units for measuring agricultural land areas;
- Involvement of multiple actors in government, academia, and the donor community in the development of the survey and its contents as well as its implementation and analysis;
- Implementation of a Computer Assisted Personal Interviewing (CAPI) application;
- Creation of publicly available micro datasets for researchers and policy makers.

1.2 Survey Design

The ESS is designed to collect panel data in rural, small town, and urban areas on a range of household- and community-level characteristics linked to agricultural activities. The first wave was implemented in 2011–12, the second wave was implemented in 2013–14, and the third wave was implemented in 2015–2016. The first wave, (originally referred to as ERSS, but since retitled ESS1), covered only rural and small town areas.[1] The second and the third waves, ESS2 and ESS3, respectively, added samples from large town areas.[2] ESS2 and ESS3 are nationally representative. The planned follow-up ESS surveys will continue to be nationally representative.

Table 1.1 presents the ESS sample by region and rural/urban classification. The sample is a two-stage probability sample. The first stage of sampling entailed selecting primary sampling units, or CSA enumeration areas (EAs). A total of 433 EAs were selected based on probability proportional to size of the total EAs in each region. For the rural sample, 290 EAs were selected from the AgSS EAs. A total of 43 and 100 EAs were selected for small town and urban areas, respectively. In order to ensure sufficient sample size in the most populous regions (Amhara, Oromiya, SNNP, and Tigray) and Addis Ababa, quotas were set for the number of EAs in each region. The sample is not representative for each of the small regions including Afar, Benshangul Gumuz, Dire Dawa, Gambella, Harari, and Somalie regions. However, estimates can be produced for a combination of all smaller regions as one "other region" category.

During the second wave 100 urban EAs were added. The addition also included one more region to the sample, Addis Ababa. In each EA 15 households were selected. The addition of urban EAs increased the sample size from 333 to 433 EAs and from 3,969 to 5,469 households.

The second stage of sampling involved the selection of households from each EA. For rural EAs, a total of 12 households were sampled from each EA; of these, 10 households were randomly selected from the sample of 30 AgSS households. The AgSS households are those involved in farming or livestock activities. Another two households were randomly selected from all other nonagricultural households in the selected rural EA (those not involved in agriculture or livestock). In some EAs, there is only one or no such households, in which case, less than two nonagricultural households were surveyed and more agricultural households were interviewed instead so that the total number of households per EA remained the same.

[1] The ESS rural sample is integrated with the CSA's Annual Agricultural Sample Survey (AgSS). The ESS 290 rural Enumeration Areas are sub-samples of the AgSS.

[2] The CSA defines small towns based on population estimates from the 2007 Population Census; a town with the population of less than 10,000 is categorized as a small town. Large towns include all other urban areas with the population of above 10,000. The small and large town classification used in this survey is due to the modification/expansion of the sample size from Wave 1 to Wave 2.

TABLE 1.1 • Ethiopia Socioeconomic Survey Sample Enumeration Areas

			Urban	
	Total EAs	Rural EAs	Small Town EAs	Large Town EAs
National	433	290	43	100
Regions				
Tigray	49	30	4	15
Afar	13	10	2	1
Amhara	86	61	10	15
Oromiya	85	55	10	20
Somali	26	20	3	3
Benishangul-Gumuz	11	10	1	0
SNNP	99	74	10	15
Gambella	12	10	1	1
Harari	14	10	1	3
Dire Dawa	18	10	1	7
Addis Ababa	20	NA	NA	20

In the small town EAs, 12 households were selected randomly from the listing of each EA, with no stratification as to whether the household was engaged in agriculture/livestock activities. The same procedure was followed in large town EAs. However, 15 households were selected in each large town EA.

Households were not selected using replacement. Thus, the final number of households interviewed was slightly less than the planned 5,469. In this wave (ESS3) 4,954 households were found and interviewed.

1.3 Instruments, Training and Fieldwork

The survey comprised questionnaires at six different levels: household, water quality, community, post-planting agriculture, livestock, and post-harvest agriculture.

The household questionnaire gathered information on basic demographics; education; health (including anthropometric measurement for children); labor and time use; partial food and nonfood expenditure; household nonfarm income-generating activities; food security and shocks; safety nets; housing conditions; assets; banking and savings; credit; and other sources of household income.

The water quality questionnaire was added for ESS3. In addition to what was already included in the household module, this module includes further questions focusing on drinking water quality at the household and source level. This questionnaire also included microbial and chemical tests.

The community questionnaire gathered information on access to infrastructure; community organizations; resource management; changes in the community; key events; community needs, actions and achievements; and local retail price information.

Post-planting and post-harvest agriculture questionnaires were completed in those households where at least one member of the household engaged in crop farming on owned or rented land. The post-planting and post-harvest agriculture questionnaires focused on farming activities and solicited information on land ownership and use; farm labor; inputs use; GPS land

area measurement and coordinates of household fields; agriculture capital; irrigation; and crop harvest and utilization.

The livestock questionnaire interviews were implemented in households where at least one member was engaged in livestock rearing. The livestock questionnaire collected information on animal holdings and costs, and production, cost and sales of livestock byproducts.

Field staff training took place during July–August 2015 and January–February 2016. The July/August training sessions covered content training on the post-planting, livestock, and crop-cut questionnaires; the January/February training focused on the post-harvest, household, and community questionnaires.

Data collection began in September 2015 with the first of the two visits. The visits followed the AgSS fieldwork schedule. In the first visit enumerators conducted inventory of households using the household tracking questionnaire in rural areas and large and small town areas to locate panel households. They also conducted the post-planting and livestock interviews with those households who practiced agriculture (farming and/or livestock). The second visit took place in February–April 2016. During the second visit, enumerators administered the household, community, and post-harvest agriculture questionnaires.

1.4 Data Entry and Cleaning

The interviews were carried out using pen-and-paper (PAPI) as well as computer-assisted personal interviewing (CAPI) method. A concurrent data entry arrangement was implemented for PAPI. In this arrangement, the enumerators did not wait until all the interviews were completed. Rather, once the enumerators completed approximately 3–4 questionnaires, supervisors collected these interviews from enumerators and brought them to the branch offices for data entry. This process took place as enumerators continued administering interviews with other households. Then questionnaires were keyed at the branch offices as soon as they were completed using the CSPro data entry application software. The data from the completed questionnaires were then checked for any interview or data entry errors using a STATA program. Data entry errors were flagged for the data entry clerks and the interview errors were then sent to back to the field for correction and feedback to the ongoing interviews. Several rounds of this process were undertaken until the final data files were produced. Additional cleaning was carried out, as needed, by checking the hard copies. In ESS3, CAPI (with a Survey Solutions platform) was used to collect the community data in large town areas.

More detailed information on the instruments, modifications and new additions, as well as fieldwork issues, is provided in the survey's Basic Information Document (BID). The BID, this Basic Report, questionnaires, and manuals are available online along with the data.

1.5 Organization of the Survey Report

This survey report is a statistical abstract that presents a description of various socioeconomic variables covered in the survey. The results presented have been weighted to be nationally representative for rural areas, small towns, and large towns. For regional estimates, results are presented for five regions and the remaining six regions (Afar, Benshangul-Gumuz, Dire Dawa, Gambella, Harari and Somali regions) are grouped into an "other region" category. The values reported for the "other region" category should be interpreted with caution as they reflect averages for these six regions. These regions are different in their levels of development. As a result, the combined average obtained for this category may not be intuitive for some regions in the group.

The rest of the report is organized as follows: Chapter 2 presents demographic information as well as education

and health outcomes. Chapter 3 presents information on housing characteristics and household assets. Chapter 4 presents information on agriculture activities, and Chapter 5 includes information on nonfarm economic activities. Chapter 6 covers time use and labor. Chapter 7 focuses on consumption, food security and shocks. Chapter 8 summarizes data on financial inclusion. There is a separate report for results from the Water Quality Survey.

Demography, Education and Health

2

Key Messages:

- Average household size is 5.2 persons in rural, 4.3 persons in small town and 3.7 persons in large town areas. Dependency ratio is higher in rural areas (100 percent) than in small town (69 percent) and large town areas (48 percent).
- Self-reported literacy (for reading and writing in any language) is 59 percent for males and 43 percent for females. Gender inequality in literacy is observed in all age groups and all regions.
- About 30 percent of boys and girls aged 7–18 years are not in school. Approximately 65 percent are enrolled in primary schools and the remaining 6 percent are enrolled in secondary schools.
- Prevalence of self-reported illness for the 4 weeks preceding the survey is 9 percent for males and 12 percent for females.
- Disability, defined as having difficulty hearing, seeing, walking or climbing, remembering or concentrating, self-care including washing, dressing and feeding, and communicating or understanding, is higher for the oldest group (aged 51 and above), with females exhibiting more disabilities than males in that age group.
- Overall health care utilization for treatment or checkups (measured over the 4 weeks preceding the survey) is approximately 8 percent for males and 11 percent for females. Frequently cited reasons for not seeking consultation include distance, affordability, and the fact that individuals do not normally go to health facilities for a regular health checkup.
- Under-5 stunting, underweight and wasting prevalence falls at 42, 24, and 10 percent respectively.

2.1 Household Demography

2.1.1 Average Household Size, Age Distribution, and Dependency Ratio

Table 2.1 presents information about household size, dependency ratio, and age distribution by place of residence. The average household size in Ethiopia is 4.8 persons. Average household size is higher in rural areas (5.2 persons per household) than in small towns (4.3 persons) and large towns (3.7 persons). Regional differences are also observed; SNNP and Oromiya have the highest average household size with 5.2 persons per household. The combined average for the other regions category is 5 persons per household. Amhara and Addis Ababa have the smallest average household size, at 4.2 persons/household.

Although there are some differences by place of residence, the age distribution, in general, shows that the Ethiopian population is young. Those who are under 15 years old account for more than 43 percent of the total population. Persons aged 65 and above account for only 4 percent of the total population. The working age population (15–64 years) makes up 52 percent of the population.

TABLE 2.1 • Demographic Characteristics
Average Household Size, Dependency Ratio and Age Group by Place of Residence, Ethiopia 2016

			Percentage of Population by Age Group				
	Average HH Size	Dependency Ratio	0–5	0–9	0–14	15–64	65+
Tigray	4.6	0.83	14.1	25.2	40.5	53.5	5.9
Amhara	4.2	0.75	13.2	24.0	39.1	55.9	5.1
Oromiya	5.2	0.97	16.0	28.6	46.0	50.3	3.7
SNNP	5.2	0.97	16.9	29.5	46.3	50.4	3.3
Addis Ababa	4.2	0.42	9.9	15.9	24.9	70.3	4.8
Other regions	5.0	0.96	18.7	31.7	46.8	50.4	2.8
Rural	5.2	1.00	16.1	29.1	46.4	49.3	4.3
Small town (urban)	4.3	0.69	12.2	23.0	38.1	58.6	3.4
Large town (urban)	3.7	0.48	12.7	19.2	29.4	67.2	3.4
Country	4.8	0.88	15.3	27.2	43.3	52.7	4.1

The dependency ratio in rural areas is much higher than that of small and large town areas (100 percent, versus 69 and 48 percent respectively).3 Most of the dependents in rural areas come from the lower end of the age distribution, likely driven by higher fertility in rural areas. By region, dependency ratio ranges from 42 percent in Addis Ababa city administration to 97 percent in Oromiya and SNNP regions.

2.1.2 Religious Affiliation

Table 2.2 shows religious affiliations of household members aged 10 years and above. Approximately half of the respondents are Orthodox Christians. Muslims and Protestants comprise 26 and 22 percent of respondents, respectively. Orthodox Christians are the majority in Tigray and Amhara with 96 and 82 percent, respectively; 73 percent of the population is Muslim in the Other regions category (Afar, Benshangul Gumuz, Dire Dwawa, Harari, Gambella and Somali regions combined). Muslims are also the majority in Oromiya (40 percent). Protestant followers are the largest in the SNNP region, with 64 percent of the population.

2.1.3 Marital Status

Table 2.3 summarizes the marital statuses of respondents aged 10 years and above. More than 47 percent have never been married and 42 percent are in a monogamous marriage. Five percent of respondents are widowed, while divorced and separated persons account for 4 percent of the relevant population.[4] Polygamous marriages are rare (less than 1 percent). The proportion of those who have never been married is the highest in Addis Ababa (53 percent) and is the lowest in Amhara region (42 percent).

2.1.4 Parental Characteristics: Education and Occupation

For all household members less than 18 years, information was collected on the education and occupation statuses of biological parents (Table 2.4 Panel A and B).

[3] Total dependency ratio is defined as population that is not of working age (<15 and >64) divided by total number of working age persons (15–64 years). The value is then multiplied to express it in percent. Households with no working persons were excluded in the dependency ratio computation. A dependency ratio that is above 100 means that there is, on average, more than one dependent (young or elderly person) in the household for each prime-age adult member to support.

[4] Age 10 years and above.

TABLE 2.2 • Religious Affiliation

Percent of Population, by Region and Place of Residence (Ages 10+), Ethiopia 2016

	Percent of Population by Religion					
	Orthodox	Catholic	Protestant	Muslim	Waqifata	Other
Tigray	96.4	0.1	0.1	3.3	0.0	0.0
Amhara	82.0	0.0	0.6	16.4	0.0	1.0
Oromiya	37.5	1.2	20.0	39.8	1.3	0.2
SNNP	21.6	2.8	64.4	9.1	0.0	2.1
Addis Ababa	76.1	0.9	9.8	13.0	0.1	0.1
Other regions	18.5	1.0	7.1	73.2	0.0	0.2
Rural	45.5	1.3	23.4	28.2	0.6	1.0
Small town (urban)	54.2	0.9	16.6	27.9	0.0	0.4
Large town (urban)	66.3	0.6	15.5	17.4	0.2	0.1
Country	49.7	1.1	21.6	26.3	0.5	0.8

TABLE 2.3 • Marital Status

Percent of Population by Region and Place of Residence (Ages 10+), Ethiopia 2016

	Percent of Population by Marital Status					
	Never Married	Married (monogamous)	Married (polygamous)	Divorced	Separated	Widowed
Tigray	47.3	38.6	0.2	5.8	1.7	6.4
Amhara	41.5	44.8	0.1	7.3	0.5	5.7
Oromiya	50.1	42.5	1.0	1.1	0.6	4.7
SNNP	50.5	42.5	1.6	0.8	0.6	4.0
Addis Ababa	52.9	33.9	0.2	3.6	1.5	7.8
Other regions	45.1	41.7	3.1	3.7	1.7	4.6
Rural	47.1	43.7	1.0	2.7	0.6	4.8
Small town (urban)	49.4	38.5	1.0	4.2	1.5	5.5
Large town (urban)	49.5	38.1	0.5	4.8	1.3	5.8
Country	47.7	42.4	0.9	3.2	0.8	5.0

For the majority respondents less than 18 years, both biological parents either do not have any education or have only some primary level education. Mothers' educational attainment is much lower than that of fathers'. Approximately 60 percent of fathers have completed at least primary school, while only 33 percent of mothers did the same. In both cases, most of this educational attainment is limited to primary level. As expected, education levels are higher for parents in large towns as compared with small towns and rural areas.

Agriculture is the main occupation for both the fathers and mothers in rural areas with 97 and 50 percent, respectively, engaging in this activity. It is also the most important occupation for small town residents. However, parental occupations in large towns are more diverse. Other occupational sectors, such as trade, education, professional/scientific, manufacturing and construction are more common in both large and small towns.

TABLE 2.4 • Education and Occupation of Biological Parents

Percent of Education and Occupation of Fathers and Mothers of Children (<18 years), Ethiopia 2016

	Country		Place of Residence					
			Rural		Small Town (urban)		Large Town (urban)	
	Father	Mother	Father	Mother	Father	Mother	Father	Mother
Panel A: Education level								
No education	40.4	67.1	44.7	73.9	27.4	48.8	15.1	25.3
Primary	49.0	27.0	50.8	24.6	42.7	31.2	38.8	42.4
Secondary	7.1	4.8	3.6	1.3	14.2	16.4	29.8	25.5
Above secondary	3.5	1.1	0.9	0.2	15.7	3.6	16.3	6.8
Panel B: Occupation								
Agriculture	87.4	43.9	97.1	49.9	64.0	26.4	45.8	19.5
Mining	0.2	0.1	0.1	0.1	0.1	0.2	0.6	0.0
Manufacturing	0.9	1.1	0.1	0.8	2.3	2.4	4.3	2.4
Professional/scientific	1.0	0.2	0.1	0.1	5.0	0.8	4.3	1.0
Electricity	0.2	0.0	0.1	0.0	0.4	0.1	0.6	0.0
Construction	1.0	0.2	0.2	0.0	1.9	0.0	4.5	0.8
Transportation	0.9	0.0	0.3	0.0	1.0	0.0	3.9	0.1
Buying and selling	3.0	3.2	0.6	0.8	10.2	10.9	12.8	13.0
Financial services	0.5	0.1	0.1	0.0	1.2	0.1	1.9	0.8
Personal services	1.1	0.5	0.2	0.1	2.5	1.8	4.7	2.1
Education	1.1	0.6	0.4	0.2	3.5	2.1	4.2	2.1
Health	0.3	0.2	0.0	0.1	0.5	0.2	1.4	0.9
Public administration	1.2	0.4	0.2	0.1	2.4	0.9	5.9	1.7
Household chores, housewife	0.2	48.9	0.1	47.7	0.7	51.7	0.5	54.0
Other	1.2	0.6	0.3	0.2	4.3	2.5	4.5	1.6

2.2 Education

2.2.1 Literacy

Information on literacy, the ability to read and write in any language, was collected for all household members 5 years and older (Table 2.5). The respondents were not tested for their ability to read or write. Therefore, the percentages presented in Table 2.5 are based on self-reported ability to read and write.

There is substantial gender inequality in literacy across age groups and regions. At the national level, more than half (64 percent) of males are literate, compared to 48 percent of females. The oldest (30+ years old) cohorts tend to be less literate than younger age groups. This might be due to a recent expansion in primary and secondary education, an opportunity that was not available for the oldest cohort (30+ years old).

By region, literacy rates are highest for both males and females in Addis Ababa (97 and 87 percent, respectively); literacy is lowest in the Other regions category. In all other major regions, literacy rates range from 44 percent for females in Amhara to 71 percent for males in Tigray. By place of residence, as expected, literacy is the highest in large towns followed by small towns and rural areas.

TABLE 2.5 • Literacy

Percent of Literate Individual, by Age Group, Place of Residence, and Region

	Males						Females					
	Age Group						Age Group					
	All	5–9	10–14	15–19	20–29	30+	All	5–9	10–14	15–19	20–29	30+
Tigray	71.3	37.8	82.8	93.4	89.9	62.3	51.9	41.0	88.7	91.0	69.4	20.4
Amhara	59.7	30.3	80.2	86.0	76.8	45.6	44.6	39.5	82.9	86.0	52.0	15.7
Oromiya	63.7	29.9	71.1	81.1	80.8	63.1	45.8	24.6	71.2	81.5	62.3	21.6
SNNP	64.1	29.1	73.4	87.4	87.0	61.3	45.9	22.6	70.1	78.4	58.8	26.3
Addis Ababa	96.7	(90.8)	(100.0)	(100.0)	(100.0)	95.2	87.1	(79.2)	(92.4)	(98.0)	98.3	78.7
Other regions	56.6	30.1	71.8	66.4	72.2	52.3	41.2	29.4	68.0	63.3	51.7	23.1
Rural	58.5	28.2	72.7	80.9	76.7	51.1	39.0	24.8	71.7	77.5	45.9	14.0
Small town (urban)	76.2	44.2	84.0	86.9	92.4	73.1	62.1	49.4	85.2	90.0	77.4	39.0
Large town (urban)	90.0	58.6	93.3	98.2	96.8	90.9	79.7	60.2	90.4	95.8	92.6	64.2
Country	64.1	31.6	75.0	83.9	82.2	59.1	47.5	29.3	74.7	82.4	60.9	24.3

Note: Values in parentheses are based on less than 100 observations.

2.2.2 Enrollment

Enrollment for school age population (ages 7–18 years) is shown in Table 2.6. Overall enrollment for boys and girls in primary and secondary schools is approximately 70 percent. The majority of this enrollment is at the primary level; the contribution of secondary enrollment to the total enrollment is about five percent. Interestingly, female and male enrollment levels are comparable in both primary and secondary school.[5]

2.2.3 School Types and Proximity

Almost all pupils who are currently attending school go to government schools (Table 2.7). However, non-government schools are important in large towns; the proportion of the school-age population attending non-government schools in large towns is approximately 28 percent. By region, the share of nongovernment schools is the highest in Addis Ababa (46 percent). In the rest of the regions, the share of nongovernmental schools ranges from less than 2 percent in Amhara to 9 percent among the Other regions category.

Proximity to school for students currently attending school is measured in minutes, regardless of the mode of transportation used to go to the school (Table 2.7). At the country level, approximately 79 percent of students reach their nearest primary school in less than 30 minutes. Similarly, 71 percent of the students attending secondary school get to school within the same amount of time.

Also, as expected, school children in urban areas are closer to both primary and secondary schools. Approximately 61 percent of large town area students and 69 percent of small town area students get to their primary school within 15 minutes, while only 36 percent of students in rural areas reach their primary school in this same amount of time. A similar profile is observed for secondary school proximity.

[5] The figures in Table 2.6 are not enrollment rates. The percentages indicate values from the total school age population and shows where children in that age cohort are now by education level.

TABLE 2.6 • Enrollment

School Enrollment by Gender, Level, Region and Place of Residence (ages 7–18), Ethiopia 2015/16

	Males (%)			Females (%)		
	Not Enrolled	Primary	Secondary	Not Enrolled	Primary	Secondary
Tigray	26.9	65.5	7.6	22.7	67.9	9.5
Amhara	27.5	67.5	5.0	23.4	69.0	7.6
Oromiya	32.9	63.1	4.1	34.6	61.1	4.2
SNNP	29.9	64.9	5.2	29.1	66.4	4.5
Addis Ababa	(11.6)	(61.5)	(26.9)	15.0	66.6	18.4
Other regions	33.8	58.2	8.0	38.1	55.5	6.4
Rural	32.5	64.8	2.7	33.0	64.4	2.6
Small town (urban)	19.0	63.1	18.0	16.4	68.9	14.7
Large town (urban)	16.4	61.1	22.5	17.7	60.7	21.7
Country	30.2	64.3	5.5	30.0	64.2	5.8

Note: Values in parentheses are based on less than 100 observations.

TABLE 2.7 • School Types and Travel Time to School

Percent among Enrolled Students (Ages 7–18), by Place of Residence Ethiopia 2015/16

	School Type		Travel Time (minutes)							
			Primary School				Secondary School			
	Gov't	Nongov't	0–15	16–30	31–60	61+	0–15	16–30	31–60	61+
Tigray	96.9	3.1	43.3	27.5	25.8	3.4	(53.9)	(29.8)	(9.7)	(6.6)
Amhara	98.4	1.6	37.6	34.1	25.1	3.2	29.6	34.1	25.6	10.7
Oromiya	96.7	3.3	35.9	44.3	17.8	2.0	38.3	29.1	25.3	7.4
SNNP	94.9	5.1	42.3	39.9	15.8	2.0	38.4	28.4	22.7	10.4
Addis Ababa	53.5	46.5	57.3	33.6	6.6	2.5	(49.6)	(34.1)	(16.3)	(0.0)
Other regions	90.7	9.3	66.5	22.6	9.5	1.4	(49.4)	(33.3)	(15.7)	(1.5)
Rural	99.0	1.0	35.6	40.0	21.8	2.6	22.1	21.4	39.7	16.8
Small town (urban)	94.7	5.3	69.2	25.5	3.6	1.6	(53.4)	(33.1)	(10.8)	(2.6)
Large town (urban)	71.6	28.4	61.4	32.9	5.0	0.8	49.4	38.8	10.4	1.3
Country	95.1	4.9	40.3	38.4	18.9	2.3	39.5	31.1	21.9	7.5

Note: Values in parentheses are based on less than 100 observations.

2.2.4 Reasons for Absenteeism

Students were asked if they missed classes for more than a week during the month preceding the survey (approximately some time between January and March 2016). Approximately 13 percent of those enrolled in school missed classes for more than a week. Table 2.8 summarizes reasons for absenteeism. Death or illness in the family was the most commonly cited reason (60 percent), followed by work (30 percent). Eleven percent of the respondents mentioned other reasons.

2.2.5 School Expenses

School expenses for the academic year preceding the survey are shown in Table 2.9. Approximately 52 percent of those in primary schools pay less than 100 Birr on average. Secondary schools require higher school

TABLE 2.8 • Reasons for Absenteeism

Percent among Enrolled Students (Ages 7–18) by Gender, Region and Place of Residence, Ethiopia 2015/16

	% of Enrolled Students Absent	Reason for Being Absent		
		Work	Illness or Death in the Family	Other
Tigray	6.8	(25.0)	(70.6)	(4.4)
Amhara	14.3	(17.2)	(72.8)	(10.0)
Oromiya	18.9	(28.5)	(55.3)	(16.2)
SNNP	4.3	(63.4)	(35.9)	(0.7)
Addis Ababa	2.2	(67.4)	(0.0)	(32.6)
Other regions	4.8	(61.5)	(37.9)	(0.6)
Rural	14.4	27.5	60.9	11.6
Small town (urban)	9.8	(41.9)	(55.3)	(2.8)
Large town (urban)	3.3	(66.0)	(27.1)	(7.0)
Country	12.6	30.3	58.8	11.0

Note: Values in parentheses are based on less than 100 observations.

TABLE 2.9 • School Expenses

Percent among Enrolled Students (Ages 7–18) by Level of Education, Region and Place of Residence, Ethiopia 2015/16

	School Expenses (Birr)									
	Primary School					Secondary School				
	<50	50–100	101–150	151–500	500+	<50	50–100	101–150	151–500	500+
Tigray	17.7	32.7	18.4	27.1	4.1	(2.1)	(4.2)	(3.7)	(66.6)	(23.4)
Amhara	33.4	34.0	13.6	16.1	2.9	5.7	3.3	7.4	55.3	28.3
Oromiya	19.8	24.0	17.5	31.2	7.5	0.7	3.8	0.7	47.6	47.3
SNNP	24.7	31.2	14.3	21.5	8.3	6.7	3.7	0.5	39.6	49.6
Addis Ababa	0.8	2.9	2.6	21.8	71.8	(0.0)	(0.0)	(0.0)	(12.5)	(87.5)
Other regions	17.5	23.4	10.0	37.8	11.3	(4.1)	(7.8)	(5.4)	(58.9)	(23.8)
Rural	26.8	30.9	15.7	22.8	3.8	3.4	5.2	2.1	55.8	33.5
Small town (urban)	7.5	24.3	15.1	44.3	8.8	(3.2)	(1.8)	(2.3)	(60.4)	(32.3)
Large town (urban)	5.8	7.6	11.1	34.1	41.5	3.4	2.9	3.8	34.5	55.3
Country	23.4	28.0	15.1	25.3	8.1	3.3	3.6	2.9	47.2	42.9

Note: Values in parentheses are based on less than 100 observations.

expenses; 90 percent paid more than 150 Birr a year. The level of school fees increases with urban density: primary school fees are higher in Addis Ababa than anywhere else in the country. This could be due to the higher share on nongovernment/private schools in Addis Ababa than in all other regions.

2.3 Health

2.3.1 Prevalence of illness

Table 2.10 presents information on self-reported health problems in the 4 weeks preceding the survey. At the national level, self-reported prevalence of

TABLE 2.10 • Health Problems in the Past 4 Weeks

Percent of Population Reporting Any Self-Reported Health Problems in the Past 4 Weeks by Gender, Age Group, Region and Place of Residence, Ethiopia 2016

	Males					Females				
		Age Group					Age Group			
	All	0–9	10–17	18–59	60+	All	0–9	10–17	18–59	60+
Tigray	8.9	9.6	4.6	9.7	(16.4)	12.9	10.6	2.8	16.0	26.4
Amhara	11.0	8.1	5.1	14.3	21.4	14.3	11.6	9.3	15.6	27.4
Oromia	8.7	8.2	5.5	8.6	24.3	11.0	9.1	3.9	14.6	25.4
SNNP	7.4	8.4	4.3	7.5	16.7	9.3	7.8	3.2	12.3	25.7
Addis Ababa	13.7	(18.7)	(9.7)	11.3	(37.5)	12.9	(10.8)	(5.8)	13.8	(22.6)
Other regions	13.0	18.3	5.7	11.8	21.1	15.9	15.0	8.4	19.8	22.4
Rural	8.4	7.8	4.8	9.0	22.2	11.2	9.6	5.0	13.9	24.1
Small town (urban)	11.9	15.4	7.3	12.8	(4.5)	12.6	10.0	5.7	14.9	(32.7)
Large town (urban)	14.1	17.9	7.4	13.8	25.8	15.1	12.0	5.9	17.4	31.1
Country	9.4	9.3	5.2	10.2	21.8	11.9	9.9	5.2	14.8	25.8

Note: Values in parentheses are based on less than 100 observations.

illness is slightly higher for females (12 percent) than males (9 percent). Prevalence of illness also differs by region. For females, health problems are least prevalent in SNNP and most prevalent in 'other regions'; for males, prevalence is lowest in SNNP and highest in Addis Ababa. There are also considerable age-group differences. For males and females, the proportion of those in the oldest age group (60 years and older) with health problems is more than twice the average seen in all other age groups.

2.3.2 Disability

Information on health difficulties is collected from all members of the household ages 5 and older. These questions pertain to disabilities in six areas: hearing, seeing, walking or climbing, remembering or concentrating, self-care (washing, dressing and feeding), and communicating or understanding. Table 2.11 summarizes disability prevalence for three different age groups.

Approximately 1 percent of male and females in the youngest age group have some disability (Table 2.11 Panel A). Prevalence is similar for the next age group (18–50 years old) (Table 2.11 Panel B). However, health disabilities appear to be more common among the oldest age group (51 years old and above) (Table 2.11 Panel C).

2.3.3 Consultation for Health and Type of Facility Visited

All respondents were asked if they went to a modern health facility or a traditional place for treatment or checkup during the past 4 weeks regardless of illness. Table 2.12 presents the results. Overall, approximately 8 and 12 percent of males and females, respectively, sought a health consultation in the past 4 weeks. At the national level, the majority of those who reported visiting health facilities or traditional places fell mostly within the 60 and above age group. By region, health facility utilization is the highest in Tigray and Addis Ababa for males and in Tigray and other regions for females.

Table 2.13 summarizes the type of health facility visited, among individuals who reported visiting at least one facility in the past 4 weeks. At the national level, the majority of individuals sought services at health centers (40 percent), followed by clinics (21 percent)

TABLE 2.11 • Health Difficulties/Disabilities

Percent of the Population with Any Health Difficulties/Disabilities by Type, Gender, Age, Region and by and Place of Residence, Ethiopia 2016

	Health Difficulty/Disability											
	Hearing		Seeing		Walking/ Climbing		Remembering/ Communicating		Self-Care		Communicating/ Understanding	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
PANEL A: AGED 5–17												
Tigray	0.9	0.6	0.8	0.3	0.2	1.0	1.0	0.8	0.3	0.9	0.9	1.1
Amhara	0.6	0.6	0.3	0.6	0.3	0.2	0.5	0.2	3.8	2.5	1.1	0.4
Oromia	1.0	1.8	0.4	1.3	0.9	0.6	0.3	0.4	0.9	0.7	0.5	0.6
SNNP	0.7	1.0	0.3	0.7	0.6	0.2	0.4	0.5	2.9	3.0	0.8	0.6
Addis Ababa	(1.9)	0.7	(5.4)	4.5	(1.9)	0.7	(3.8)	0.7	(1.9)	0.7	(3.8)	0.7
Other regions	0.3	0.3	0.3	0.3	0.0	0.4	1.1	0.4	2.1	1.9	0.7	0.0
Rural	0.9	1.3	0.3	1.0	0.6	0.5	0.4	0.3	2.2	1.8	0.6	0.5
Small town (urban)	0.2	0.7	1.8	0.6	0.4	0.8	1.9	2.2	1.5	1.7	1.5	1.5
Large town (urban)	0.4	0.5	1.7	1.5	0.4	0.2	1.1	0.2	0.8	0.7	2.3	0.7
Country	0.8	1.2	0.5	1.0	0.6	0.4	0.5	0.4	2.1	1.7	0.8	0.5
PANEL B: AGED 18–50												
Tigray	0.4	0.3	3.6	2.4	0.4	1.6	2.9	1.3	0.6	0.4	0.6	0.4
Amhara	1.3	1.6	3.6	4.8	1.2	2.2	1.4	2.4	2.1	3.0	0.8	0.8
Oromia	1.5	1.1	2.9	3.6	0.9	2.0	0.8	2.1	0.5	0.6	0.7	0.2
SNNP	2.1	1.5	4.3	4.2	2.6	2.7	1.6	1.9	2.1	2.3	1.5	1.1
Addis Ababa	1.2	1.0	3.5	3.4	0.9	2.5	0.9	0.7	0.2	0.6	0.5	0.8
Other regions	1.5	0.9	2.3	1.9	1.2	1.4	1.5	1.3	1.1	1.8	0.8	0.1
Rural	1.4	1.3	2.7	3.5	1.3	2.0	1.3	2.1	1.4	1.9	0.8	0.5
Small town (urban)	2.2	0.7	4.9	3.9	2.5	1.3	3.3	0.6	2.0	0.8	1.9	0.4
Large town (urban)	1.4	1.2	5.4	5.0	0.8	2.7	0.7	1.8	0.3	0.8	1.0	1.0
Country	1.5	1.2	3.4	3.8	1.3	2.1	1.3	2.0	1.2	1.6	0.9	0.6
PANEL C: AGED 51+												
Tigray	13.1	12.3	25.2	27.1	13.0	25.2	9.2	15.3	2.5	7.2	2.9	4.2
Amhara	12.8	15.5	25.1	33.6	10.2	22.0	6.7	15.3	7.6	12.8	1.4	6.6
Oromia	11.9	15.2	22.9	24.5	11.1	13.0	7.6	7.6	3.4	2.8	1.8	3.7
SNNP	7.9	15.0	21.8	27.6	14.0	15.4	6.3	9.1	6.1	6.2	0.2	4.2
Addis Ababa	(6.2)	(7.5)	(29.4)	(34.7)	(12.3)	(24.2)	(4.3)	(9.5)	(1.4)	(1.8)	(0.0)	(2.5)
Other regions	6.4	6.1	18.3	21.2	6.3	16.3	5.0	13.1	2.9	4.0	1.4	2.2
Rural	11.8	14.0	22.6	25.5	11.2	14.5	6.9	10.1	5.2	6.6	1.6	5.1
Small town (urban)	(8.5)	(19.0)	(26.8)	(43.9)	(9.7)	(28.7)	(3.8)	(14.2)	(5.2)	(4.9)	(0.0)	(1.9)
Large town (urban)	7.1	13.2	28.3	37.1	12.0	30.5	8.7	14.8	3.3	7.3	1.1	2.6
Country	11.0	14.1	23.6	28.4	11.2	17.9	7.0	11.1	4.9	6.6	1.4	4.5

Note: Values in parentheses are based on less than 100 observations.

TABLE 2.12 • Health Consultation

Percent from Any Consultation for Treatment or Checkup in Past 4 Weeks by Gender, Age Group, Region and Place of Residence, Ethiopia 2016

	Males					Females				
		Age Group					Age Group			
	All	0–9	10–17	18–59	60+	All	0–9	10–17	18–59	60+
Tigray	14.0	12.8	9.2	14.9	(28.9)	16.2	12.6	9.9	19.6	22.4
Amhara	8.0	3.6	5.1	11.1	13.6	10.6	6.6	8.4	12.7	14.9
Oromia	7.0	6.8	5.0	7.6	12.5	10.3	7.7	4.1	14.1	21.4
SNNP	6.3	6.5	4.1	6.8	10.6	8.6	6.1	4.2	12.3	14.2
Addis Ababa	14.0	(19.0)	(7.0)	11.8	(43.9)	14.3	(7.8)	(5.8)	16.7	(23.8)
Other regions	13.4	17.1	8.0	12.3	23.3	16.3	13.6	10.0	20.9	21.4
Rural	7.1	5.8	5.0	8.2	14.4	9.5	7.1	5.3	12.6	15.8
Small town (urban)	12.7	16.0	8.2	13.9	(4.5)	14.4	12.2	7.7	17.8	(21.0)
Large town (urban)	12.3	16.0	7.0	11.4	28.1	16.0	11.4	7.5	18.8	29.4
Country	8.1	7.4	5.3	9.2	15.3	10.9	7.8	5.7	14.3	18.5

Note: Values in parentheses are based on less than 100 observations.

TABLE 2.13 • Type of Health Facility Visited

Percent among Those Who Visited a Health Facility by Facility Type, Region and Place of Residence, Ethiopia 2016

	Hospital	Health Center	Health Post	Clinics	Pharmacy	Traditional Healer	Other
Tigray	27.9	36.9	7.6	10.5	11.3	2.7	3.2
Amhara	10.7	48.4	9.5	10.4	6.8	5.1	9.1
Oromiya	12.2	36.0	0.7	29.7	14.3	4.9	2.2
SNNP	14.7	38.8	5.2	22.5	7.5	8.5	2.9
Addis Ababa	42.3	28.5	0.0	22.0	1.0	0.0	6.2
Other regions	12.7	44.3	17.2	14.9	5.8	2.8	2.3
Rural	9.7	42.3	7.8	20.2	10.4	6.3	3.3
Small town (urban)	17.1	47.8	0.7	17.7	10.6	3.4	2.7
Large town (urban)	30.5	29.4	0.2	24.1	6.9	1.5	7.3
Country	15.1	39.8	5.5	20.9	9.6	4.9	4.2

TABLE 2.14 • Reasons for Not Consulting

Percent of Population with Sickness That Did Not Seek Consultation by Reason, Region and Place of Residence, Ethiopia 2016

	Lack of Money/Too Expensive	Don't Believe in Medicine	Too Far	No Health Professional/ Poor Service	Did Not Require Medical Assistance	Other Reason
Tigray	(33.0)	(20.5)	(5.1)	(22.7)	(6.2)	(12.5)
Amhara	37.4	10.1	3.6	3.1	23.0	22.8
Oromiya	(71.7)	(1.5)	(2.2)	(5.7)	(9.4)	(9.6)
SNNP	(69.0)	(12.1)	(1.6)	(0.9)	(6.3)	(10.1)
Addis Ababa	(52.9)	(0.0)	(10.9)	(0.0)	(13.4)	(22.8)
Other regions	(62.0)	(8.7)	(6.7)	(5.8)	(13.3)	(3.5)
Rural	53.9	9.4	2.7	4.9	16.3	12.8
Small town (urban)	(76.9)	(0.0)	(0.0)	(4.5)	(10.3)	(8.3)
Large town (urban)	(41.0)	(1.6)	(6.4)	(2.7)	(12.8)	(35.5)
Country	52.4	8.0	3.2	4.6	15.6	16.1

Note: Values in parentheses are based on less than 100 observations.

and hospitals (15 percent). People also visited pharmacies (10 percent), health posts (6 percent), traditional healers (5 percent), and others (4 percent).

As expected, hospitals and health centers appear to be more accessible for urban residents as compared to those in rural areas. The reverse holds true for health posts. Variation in health facility is observed across regions as well; for example, hospitals are utilized more frequently in Addis Ababa and Tigray than in other region.

Table 2.14 presents the main reasons given for not visiting health facilities in the 4 weeks preceding the survey.[6] The majority (52 percent) reported *lack of money/too expensive* as a reason for not consulting. The second most commonly cited reason (16 percent) was not requiring any service; in general, people go to these facilities only when they are ill. Other reasons mentioned include "*don't believe in medicine*" (8 percent), "*no health professional or poor service*" (5 percent), and proximity to the facility is "*too far*" (3 percent).

2.3.4 Child Nutritional Status

Height and weight were measured for all children aged 6–107 months.[7] The data were used to calculate three commonly used child nutritional status indicators for children 6–59 months: stunted, wasted, and underweight.[8] The results for children aged 6–59 months are presented inTable 2.15.

[6] The number of observations are too small to interpret the results by region and place of residence.

[7] In ESS1, anthropometric measurements were only collected for children aged 6–59 months. Age eligibility was extended by two years in both ESS2 and ESS3 to ensure children measured in previous rounds would continue to be measured.

[8] The WHO 2006 growth standards were used to assess children's height-for-age, weight-for-age, and weight-for-height. Measured by these indices, children with a score two standard deviations below (–2SD) the median in the reference population are considered moderately malnourished; children with height-for-age z-scores less than –2 are moderately stunted (short for their age), those with height-for-age z-scores less than –2 are moderately wasted (thin for their age), and children with weight-for- height z-scores less than –2 are moderately wasted (thin for their height).

TABLE 2.15 • Child Malnutrition

Percent of Children (6–59 Months Old) Stunted, Underweight and Wasted, by Gender, Region and Place of Residence, Ethiopia 2016

	All (%)			Males (%)			Females (%)		
	Stunted	Wasted	Underweight	Stunted	Wasted	Underweight	Stunted	Wasted	Underweight
Tigray	46.7	18.6	32.9	47.2	22.4	29.7	46.1	13.8	37.2
Amhara	45.2	9.8	27.5	41.9	14.6	29.0	48.3	5.0	26.0
Oromiya	40.1	9.2	20.9	39.8	10.0	19.4	40.6	8.4	22.7
SNNP	44.1	9.7	25.6	47.9	10.6	26.8	39.8	8.8	24.3
Addis Ababa	(23.6)	(3.9)	(11.5)	(26.6)	(4.9)	(16.5)	(20.8)	(2.9)	(6.5)
Other regions	37.0	16.2	24.4	40.5	17.8	25.5	33.2	14.5	23.1
Rural	43.8	11.1	26.4	44.0	13.2	26.1	43.7	8.8	26.6
Small town (urban)	37.2	9.9	12.5	40.8	(8.7)	(10.9)	(31.3)	(11.6)	(15.2)
Large town (urban)	30.3	5.9	14.0	32.3	7.7	17.1	27.7	3.5	10.1
Country	41.7	10.3	24.0	42.2	12.2	24.0	41.2	8.3	24.1

Note: Values in parentheses are based on less than 100 observations.

Table 2.15 presents disaggregated results by region and place of residence for both male and female children. Nationally, 42, 10, and 24 percent of children ages 6–59 months are stunted, wasted, and underweight, respectively. While stunting and underweight point estimates are comparable between males and females, wasting is marginally more common among males (12.2 percent) than among females (8.3 percent). As expected, all three indicators of malnutrition are highest in rural areas, as compared to small town or large town areas. Regionally, stunting, underweight, and wasting prevalence are lowest in the "other regions" and highest in Tigray.

Housing Characteristics and Household Assets

3

Key Messages:

- Approximately 83 percent of households live in houses they own. The remaining households live in rented houses (13 percent) or houses obtained through other arrangements (5 percent).
- The majority of households live in congested houses with poor quality flooring, walls, and roofing structures that lack basic utilities. Housing quality is higher in urban than in rural areas.
- At the national level, over 75 percent of households report having improved water access during rainy and dry seasons. This figure declines by 10 percentage points when considering enumerator-verified sources.
- Approximately half of the households do not have an improved toilet facility. Additionally, the majority (83 percent) of households do not have a hand-washing facility.
- Firewood remains the most important source of fuel for cooking in both rural and urban areas; at the national level, approximately 74 percent of households depend on firewood for cooking.
- Farm implements are commonly owned assets in rural areas, while furniture and electronic items are more commonly owned by households in urban areas.

3.1 Housing Characteristics: Ownership, Structure and Facilities

3.1.1 Housing Ownership

Table 3.1 presents a summary of housing status by place of residence. Overall, more than 80 percent of households live in their own houses. Except for Addis Ababa, where only 43 percent of households own their house, minimal variation in housing ownership is observed across regions. However, the data highlight considerable differences between rural areas and large towns. For example, 47 percent of large town households live in rented houses compared with only 2 percent in rural areas.

3.1.2 Housing Structure: Number of Rooms and Floor, Wall and Roof Characteristics

Table 3.2 presents information on the quality of housing infrastructure. The data show that 41 percent of dwellings have a single room, 34 percent of dwellings have two rooms, and 25 percent have three or more rooms.

The majority of households use a traditional kitchen located separately from the main dwelling house (42 percent). Approximately 27 percent of rural households do not have a kitchen, compared to only 18 percent of households in medium large town areas. At the

TABLE 3.1 • Housing Ownership

Percent of Households by Region and Place of Residence, Ethiopia 2016

	Privately Owned	Free of Rent	Rented
Tigray	72.0	8.4	19.6
Amhara	81.6	6.3	12.1
Oromiya	86.8	2.7	10.5
SNNP	89.0	2.5	8.5
Addis Ababa	43.2	9.3	47.5
Other regions	80.9	7.0	12.2
Rural	95.4	2.5	2.1
Small town (urban)	66.0	7.0	27.0
Large town (urban)	41.6	11.2	47.2
Country	82.5	4.6	13.0

TABLE 3.2 • Housing Characteristics

Percent of Households by Place of Residence, Ethiopia 2016

		Place of Residence		
	Country	Rural	Small Town (urban)	Large Town (urban)
Number of rooms				
One	40.8	42.7	26.2	38.7
Two	33.9	35.2	34.2	29.3
Three or more	25.3	22.1	39.5	32.0
Kitchen/place for cooking				
No kitchen	24.7	27.2	18.4	17.7
Traditional kitchen inside the house	30.0	34.8	19.8	15.5
Traditional kitchen outside the house	41.5	37.0	55.0	53.7
Modern kitchen inside the house	2.6	0.8	4.0	8.9
Modern kitchen outside the house	1.2	0.2	2.8	4.2
Flooring material				
Mud/dung	84.4	96.1	72.7	46.4
Cement screed	11.8	2.7	23.0	40.5
Other	3.9	1.2	4.3	13.1
Wall material				
Wood and mud	77.6	79.0	83.8	70.7
Wood and thatch	4.5	5.9	1.2	0.7
Stone and mud	7.5	8.9	3.0	3.8
Other	10.4	6.2	12.1	24.8
Roofing material				
Corrugated iron sheet	64.8	54.6	90.8	92.7
Thatch	28.1	37.8	6.8	0.6
Wood and mud	2.9	3.6	1.6	0.9
Other	4.2	4.0	0.9	5.8

national level, less than 4 percent of households have a modern kitchen inside or outside the main dwelling; this figure reaches 13 percent in large and medium town areas.

Looking at housing material, wall materials are made of mud/wood for a large majority of houses in rural and small towns. Approximately 41 percent of households in large towns have a cement floor, compared with only 3 percent of households in rural areas. More than 90 percent of houses in small towns and large towns have corrugated iron sheet roofing. In contrast, the majority of houses in rural areas have roofs made of corrugated iron sheet (55 percent) or thatched roofing material (38 percent).

3.1.3 Utilities

a) Sources of drinking water

In ESS3, the household questionnaire's Housing Characteristics module included additional water and sanitation questions. In addition, as mentioned earlier, a separate water quality module was implemented. There is a separate survey report on ESS Water Quality. This section presents information on self-reported and enumerator-confirmed drinking water access only.

Table 3.3a summarizes results for three types of water source data. The first two are self-reported sources during the dry and rainy seasons. The third is based on enumerator observation of the source during the Water Quality survey that was implemented two months later. Although respondents were asked about their water source and time taken to collect water for both the rainy and dry seasons, only 6 percent of households reported different sources across seasons. The majority of these households lived in rural areas. As a result, the proportion of improved water sources is more or less the same for dry and rainy seasons. At the national level, 75 percent of households have access to improved water sources considering the self-reported results collected for rainy and dry seasons. The proportion of households with improved water sources declines to 67 percent when sources are verified by enumerators. Access to improved water is significantly higher (almost 20 percentage points) in urban areas than in rural areas.

Table 3.3a also presents the total time taken to collect water. The time is reported in minutes and includes travel time to the source, waiting to collect water, and return travel time. At the national level, 76 percent of households reported that it takes less than 30 minutes to collect drinking water. Average times vary greatly by place of residence; approximately 97 percent of large town households reported 30 minutes or less compared with 69 percent of rural households reporting the same.

b) Sanitation facilities

Table 3.3b presents information on types of toilet and hand washing facilities. Flush toilet, ventilated pit latrine, pit latrine with any type of slab and composting toilet are considered improved toilet facilities. At the national level, approximately half (53 percent) of households have access to an improved toilet facility. Forty-five percent of households in rural areas have access to an improved toilet, 62 percent have access in small towns, and 76 percent in large town areas.

The majority of households (83 percent) do not have a hand-washing facility. Only 6 percent of households have hand-washing facilities in their dwelling and approximately 11 percent of households have such a facility within their compound. Similar to other amenities, hand-washing facilities are more common in urban than in rural areas.

c) Source of light and fuel

Table 3.3c presents summary statistics for sources of light, electricity payments, and electricity interruptions as well as sources of fuel for cooking. Electricity is the most important source of light in urban and small town areas. Approximately 89 percent of large town and 80 percent of small town households use

TABLE 3.3a • Drinking Water Source

Percent of Households by Place of Residence

	Rainy Season				Dry Season				Enumerator Observation			
		Place of Residence				Place of Residence				Place of Residence		
	Country	Rural	Small Town (urban)	Large Town (urban)	Country	Rural	Small Town (urban)	Large Town (urban)	Country	Rural	Small Town (urban)	Large Town (urban)
Water source												
Piped water into dwelling	2.6	0.5	4.7	9.6	2.7	0.5	4.9	9.8	0.5	0.0	0.6	2.4
Piped water into yard/plot	16.1	1.8	36.5	60.7	16.9	2.9	36.7	60.7	18.4	2.9	45.9	69.4
Piped water public tap standpipe	28.1	31.9	36.0	12.1	28.6	32.6	36.7	11.9	12.0	12.1	17.2	9.6
Piped water kiosk/retailer	2.7	0.9	3.7	9.0	2.9	0.9	5.6	9.1	2.3	0.8	6.1	6.6
Tubewell/borehole	5.0	6.3	0.4	1.9	6.2	7.8	0.4	2.3	14.0	17.7	7.0	2.0
Protected dug well	7.1	8.8	9.1	0.1	7.1	9.2	4.5	0.3	4.0	4.7	5.5	0.8
Protected spring	12.4	16.6	3.1	0.6	11.9	16.0	3.3	0.4	13.6	17.9	4.5	0.1
Rain water	0.8	1.0	0.3	0.1	0.4	0.5	0.0	0.2	1.2	1.4	1.8	0.4
Bottled water	0.1	0.1	0.0	0.1	0.1	0.1	0.0	0.1	0.6	0.1	0.6	2.4
Total improved	***75.0***	***67.9***	***93.8***	***94.3***	***76.9***	***70.5***	***92.1***	***94.8***	***66.5***	***57.6***	***89.1***	***93.8***
Unprotected dug well	3.3	4.3	1.4	0.5	3.4	4.4	1.4	0.5	2.8	3.0	3.2	1.9
Unprotected spring	12.3	16.4	2.3	0.8	11.3	15.2	1.7	0.7	19.2	25.2	1.0	1.8
Tanker truck/cart with small tank	0.4	0.2	0.0	1.4	0.5	0.2	1.8	1.3	1.2	1.2	0.9	1.7
Surface water	8.1	10.7	2.3	0.5	6.9	9.1	2.8	0.2	9.2	11.9	5.5	0.0
Other	1.0	0.6	0.2	2.5	1.0	0.6	0.2	2.5	1.0	1.1	0.4	0.9
Time to water source												
< 15 min	45.3	30.7	71.2	89.8	45.3	30.7	71.2	89.8				
15–30 min	30.7	38.3	19.2	7.0	30.7	38.3	19.2	7.0				
31–45 min	9.2	11.9	3.1	1.0	9.2	11.9	3.1	1.0				
46–60 min	7.9	10.3	2.9	0.8	7.9	10.3	2.9	0.8				
61–90 min	3.2	4.2	0.6	0.6	3.2	4.2	0.6	0.6				
91–120 min	2.2	2.9	0.6	0.2	2.2	2.9	0.6	0.2				
> 120 min	1.7	2.0	1.3	0.5	1.4	1.6	2.3	0.5				

TABLE 3.3b • Toilet and Hand Washing Facilities
Percent of Households by Place of Residence

	Country	Place of Residence		
		Rural	Small Town (urban)	Large Town (urban)
Toilet facility				
Flush toilet	4.0	0.5	4.4	16.1
Pit latrine, ventilated (VIP)	3.2	0.4	2.9	13.3
Pit latrine with slab	44.7	43.3	53.4	46.8
Composting toilet	0.8	1.0	0.9	0.1
Any improved	***52.6***	***45.2***	***61.6***	***76.3***
Pit latrine without slab	20.2	21.2	23.3	16.0
Bucket	0.5	0.3	0.2	1.1
Field/forest	26.5	33.3	14.5	6.3
Other	0.1	0.0	0.4	0.3
Shared toilet facility	47.7	47.7	43.4	43.3
Hand washing facility				
In dwelling	6.0	3.8	5.1	14.3
In yard/plot	11.1	7.4	17.1	22.1
None	82.9	88.8	77.8	63.6

electricity as their primary source of lighting. In rural areas, drycell batteries, solar energy, kerosene lamps, and fuelwood are the most common sources of light, comprising 90 percent of light sources.

Those households with electricity were asked about their monthly payments. Nationally, more than 85 percent of households pay less than 100 Birr (about 5 USD) per month for electricity. Households were also asked if they faced any outages in electricity during the 7 days preceding the survey. About 9 out of 10 households reported to have had at least one disruption, with disruptions being almost equally common in rural and urban areas.

Firewood remains the most important source of fuel for cooking in both rural and urban areas. Although the source varies significantly between the two, while 77 percent of rural households collect their firewood, only 35 and 14 percent do the same in small town and urban areas, respectively. Comparatively, 47 and 33 percent of households in small town and urban areas, respectively, purchase their firewood.

3.2 Household Assets

Asset ownership is considered an important measure of welfare; the acquisition of assets can signal improving living standards, while the depletion of assets can indicate shrinking household wealth and thus a decline in welfare. Information on ownership of selected assets, including modern and traditional farm implements, home furniture, communication and entertainment equipment, household durables and a few other items such as automobiles, bikes and jewelry, was collected from households. Table 3.4 summarizes household ownership of these assets.

TABLE 3.3c • Source of Light, Payment for Electricity, Disruptions to Electricity and Source of Fuel for Cooking

Percent of Households by Place of Residence, Ethiopia 2016

	Country	Place of Residence		
		Rural	Small Town (urban)	Large Town (urban)
Main source of light				
Private electric meter	14.0	4.4	39.1	40.1
Shared electric meter	16.8	5.7	41.3	48.4
Solar	12.1	16.4	1.7	0.2
Dry cell light with switch	26.4	34.9	9.5	1.5
Kerosene lamp	23.1	30.9	3.2	1.8
Firewood	5.2	6.9	1.3	0.4
Other	2.4	0.8	3.9	7.6
Monthly payment for electricity				
None	20.2	7.4	14.4	27.1
1–50 Birr	54.2	84.1	69.3	37.8
51–100 Birr	12.7	5.4	10.5	16.2
101–500 Birr	12.4	3.0	5.7	18.2
> 500 Birr	0.4	0.0	0.0	0.7
Number of times electricity interrupted (last 7 days)				
None	11.2	9.1	3.3	14.3
One	10.3	7.0	6.7	12.6
Two	20.3	20.5	19.7	20.4
Three	12.2	8.9	11.6	13.7
Four or more	46.0	54.5	58.7	39.0
Source of fuel for cooking				
Collected firewood	61.5	77.2	34.6	14.0
Purchased firewood	12.1	3.2	46.7	33.0
Charcoal	5.2	0.5	6.4	21.7
Crop residue/leaves	6.8	8.9	0.7	1.3
Dung/manure	6.6	8.2	2.1	2.0
Electricity	5.2	0.1	4.5	23.3
None	0.9	0.3	2.3	2.8
Other	1.8	1.7	2.7	1.9

3.2.1 Farm Implements

Given that subsistence agriculture is a primary economic activity in almost all of the rural areas covered by this survey, most of the rural households own traditional farming tools such as sickle, axes, *Mofer, Kenber,* and other traditional ploughs. Very few rural households (less than 3 percent) have modern plows or improved farming equipment and machineries such as carts and water pumps.

3.2.2 Household Furniture

Approximately 88 percent of small town households and 73 percent of rural households own a mattress. Other commonly owned household durables,

TABLE 3.4 • Household Assets

Percent of Households Owned the Asset by Place of Residence, Ethiopia 2016

	Country	Place of Residence		
		Rural	Small Town (urban)	Large Town (urban)
Farm implements				
Sickle (Machid)	61.6	77.4	34.0	14.2
Plough (traditional)	49.4	64.9	18.5	4.1
Pick axe (Geso)	38.7	47.8	29.0	9.5
Axe (Gejera)	33.5	40.7	30.0	9.2
Plough (modern)	2.4	3.1	1.1	0.5
Water storage pit	6.2	6.6	6.0	4.7
Furniture				
Blanket/Gabi	91.3	90.0	90.8	96.2
Mattress and/or bed	78.4	72.9	88.0	95.1
Shelf for storing goods	16.5	8.2	29.2	42.3
Mitad-power saving (modern)	11.3	6.1	19.4	27.3
Kerosene stove	4.9	0.9	10.6	17.4
Wardrobe	16.9	8.7	28.7	42.1
Sofa set	9.1	2.3	15.1	31.5
Refrigerator	7.0	0.5	12.6	28.2
Electric stove	9.9	2.2	13.8	36.2
Biogas stove (pit)	1.7	1.5	1.5	2.4
Butane gas stove	1.0	0.2	0.2	4.5
Mitad-Electric	7.7	0.6	10.8	31.9
Electronics				
Radio/radio and tape/tape	30.5	24.8	42.6	47.3
Television	17.8	3.3	41.8	61.8
CD/VCD/DVD/Video deck	11.0	1.5	26.4	40.0
Satellite dish	13.1	2.2	33.8	45.3
Mobile telephone	54.4	42.6	75.8	89.3
Fixed line telephone	6.3	2.1	15.5	18.5
Personal items				
Wristwatch/clock	17.5	12.6	23.5	33.0
Silver	14.6	8.9	29.7	30.0
Gold	16.4	11.3	22.1	32.8
Other assets				
Water pump	3.0	1.0	4.1	9.7
Bicycle	1.9	0.8	5.8	4.8
Motorcycle	1.0	0.7	3.1	1.7
Private car	2.0	0.4	4.3	6.8
Cart (animal drawn)	2.9	3.3	2.4	1.8
Cart (hand pushed)	1.8	1.1	4.9	3.1
Sewing machine	1.5	1.0	4.1	2.2
Weaving equipment	1.1	0.3	6.0	2.4

particularly in large towns, include sofa set, shelves, wardrobe and kitchen items such as refrigerators, electric *mitads,* and kerosene stoves.

3.2.3 Entertainment and Communication Equipment

Although the data suggest ownership of communication-based assets has increased over time, significant gaps between urban and rural areas remain. While 89 and 76 percent of households in large and small towns, respectively, own mobile phones, only 43 percent of households have this asset in rural areas. Similarly, while 19 percent of large town households have landlines, this figure drops to 2 percent among rural households. Radios or tape recorders are owned by 43 percent of small town households and 25 percent of rural households. Unsurprisingly, television sets, satellite dishes, and CDs are significantly more likely to be found in small town and urban areas as compared to rural areas.

Agriculture 4

Key Messages:

- Agriculture (farming or livestock) is practiced by 98 percent of rural households and 64 percent of small town households.
- On average, households own 1.38 hectares of land, though this figure varies by place of residence and gender of the household head.
- Fertilizer is applied in approximately two-thirds of maize, wheat, barley and teff fields, but only applied in 35 percent of sorghum fields. With the exception of maize and wheat, improved seed coverage is very low.
- According to self-reports of crop yield by field, average productivity in the 2015/16 *meher* season for maize, wheat, barley, sorghum, and teff was 18 quintals/hectare, 14 quintals/hectare, 10 quintals/hectare, 8 quintals/hectare, and 7 quintals/hectare, respectively.
- The majority (60–80 percent) of cereal crop production is used for consumption; sales account for 9–21 percent of cereal crop production. Harvest use varies widely by crop type. Farm households tend to sell higher value crops such as teff and consume lower value cereal crops such as sorghum.
- Cattle are the most common types of livestock owned by both rural and small town households. Over 90 percent of households that own livestock have cattle. The majority of owned cattle are indigenous.
- Approximately half of livestock-owning households reported utilizing immunizations services in the 12 months preceding the survey.

4.1 Agricultural Households

The ESS3 sections on agriculture cover farming and livestock rearing in rural and small town areas. The questions and implementation of the ESS agriculture modules closely follow the CSA's annual Agricultural Sample Survey (AgSS), with some modifications to content and scope of the survey.

Like the AgSS, the ESS data provide information at the holder level. A holder, in the context of the CSA surveys, *is a person who exercises management control over the operations of the agricultural holdings and makes the major decisions regarding the utilization of the available resources. S/He has technical and economic responsibility for the holding. S/he may operate the holding directly as an owner or as a manager*. Households may have more than one holder. Therefore, the agriculture modules were administered to each holder in the sampled households.

Table 4.1 presents household activities by place of residence. The data show that, at the national level (rural and small towns),[9] 91 percent of households cultivate land, 87 percent rear livestock, and 83 percent are

[9] Agriculture (post-planting and post-harvest) were implemented in rural and small town areas.

TABLE 4.1 • Prevalence of Farming and Livestock Activities

Number and Percent of Households in Farming and Livestock Activities by Place of Residence, Ethiopia 2015/16

	Number of Households	Any Farming	Any Livestock	Both	Farming Only	Livestock Only	Farming or Livestock	Neither
Tigray	390	86.4	80.5	75.9	10.6	4.6	91.0	9.0
Amhara	794	89.3	84.4	81.9	7.4	2.5	91.8	8.2
Oromiya	738	94.1	89.8	87.8	6.3	2.0	96.1	3.9
SNNP	935	97.3	84.0	83.6	13.6	0.4	97.7	2.3
Other regions	795	63.3	88.2	57.3	6.0	30.9	94.2	5.8
Rural	3,235	94.7	89.8	87.0	7.6	2.8	97.5	2.5
Small town (urban)	417	50.9	47.5	34.1	16.8	13.4	64.2	35.8
Country	3,652	91.1	86.5	82.8	8.4	3.7	94.8	5.2

engaged in both livestock and farming activities. The table also shows that 95 percent of households practice at least one of the two agricultural activities; 5 percent of households neither farm nor rear livestock at the national level. Approximately 98 percent of rural households engage in agricultural activities compared with 64 percent of households in small town areas.

4.2 Crop Farming

4.2.1 Land Tenure

Table 4.2 presents information on land tenure arrangements for households engaged in farming activities. Households were asked if the fields they managed were owned or rented. They were also asked if they rented out their own fields to other households.

Approximately 94 percent of farm households own at least some of the land they cultivate, with 18 percent of households reporting they rented out some of their land in the last 12 months. Eight percent of households reported borrowing land for free from others, 15 percent of households rented in their land, and 15 percent of households acquired their cultivated land through other land tenure arrangements.

Land rental is most common in Amhara (31 percent of farm households rent out and 22 percent rent in land) followed by Tigray region (23 percent of farm households rent out and 25 percent rent in land).[10]

4.2.2 Fields and Field Size

Table 4.3 provides field information by place of residence and gender of the household head. All the fields cultivated during the 2015/2016 major season are included in this computation, whether owned or rented.

Rural households cultivate an average of 12 fields, which are 0.13 hectares on average. The total household land holding in rural areas is 1.48 hectares; approximately 1.12 hectares are cultivated. As expected, this figure is much lower in small town areas. The total land holding in small towns is 0.21 hectares (of which 0.12 hectares are cultivated).

Male-headed households have more fields and larger land holdings compared with female-headed households. On average, male-headed households cultivate approximately 12 fields, while female-headed households cultivate 8 fields. Similarly, male-headed households own an average of 1.17 hectares of cultivated

[10] The method of calculation changed compared to the 2011 survey

TABLE 4.2 • Household Land Tenure

Percent among Land Owning/Renting Households by Tenure, Region, Place of Residence and Gender of the Household Head, Ethiopia 2015/16

	Owned		Rented Out[11]		Free Use		Rented In		Other	
	% of HH	Size (ha)	% of HH	Size (ha)	% of HH	Size (ha)	% of HH	Size (ha)	% of HH	Size (ha)
Tigray	88.3	0.08	22.8	0.00	5.1	0.00	25.3	0.02	12.1	0.01
Amhara	96.2	0.10	31.4	0.00	5.3	0.00	21.8	0.02	23.8	0.01
Oromiya	92.6	0.15	14.3	0.01	10.4	0.01	13.2	0.01	14.2	0.01
SNNP	99.0	0.07	7.3	0.00	2.3	0.00	7.1	0.00	6.3	0.00
Other regions	72.6	0.06	8.4	0.00	27.0	0.01	10.1	0.01	7.2	0.01
Rural	95.2	0.12	18.0	0.01	8.1	0.00	14.0	0.01	15.8	0.01
Small town (urban)	74.4	0.01	15.9	0.00	6.0	0.01	25.4	0.00	3.1	0.00
Country	93.5	0.11	17.8	0.01	7.9	0.00	14.9	0.01	14.8	0.01
Male-headed households	94.8	0.12	14.3	0.00	7.9	0.00	16.7	0.01	17.5	0.01
Female-headed households	89.7	0.08	29.9	0.01	8.1	0.00	8.7	0.00	5.8	0.00

TABLE 4.3 • Field Size

Average Number of Field Holdings and Field Size by Place of Residence and Gender of the Head, Ethiopia 2015/16

	Total # of Measured Fields	Average # of Fields per Household	Average Field Size (ha)	Average Total Household Land Holdings (ha)	Average Total Cultivated Land Holdings (ha)
Tigray	2,789	7.8	0.15	1.15	1.04
Amhara	6,947	9.9	0.14	1.34	1.07
Oromiya	8,314	12.8	0.15	1.84	1.34
SNNP	10,601	10.9	0.07	0.77	0.57
Other regions	4,651	5.3	0.17	0.87	0.62
Rural	31,886	11.5	0.13	1.48	1.12
Small town (urban)	1,416	3.7	0.06	0.21	0.12
Country	33,302	10.8	0.13	1.38	1.04
Male-headed households	26,910	11.6	0.14	1.53	1.17
Female-headed households	6,277	8.3	0.11	0.87	0.63

land, compared to only 0.63 hectares of land owned by the average female-headed household.

Table 4.4 summarizes information on field utilization. Respondents were asked whether the fields they managed were used for crop cultivation, pasture, forest, etc. At the national level (rural and small towns), approximately 70 percent of the fields were used for cultivation. Regionally, a large proportion of land in Tigray (77 percent) is used for crop cultivation, while slightly less land is used to cultivate crops in Amhara, Oromiya, and SNNP (71, 69, and 69 percent of fields).

[11] Rent-out and rent-in arrangements include share cropped out and share cropped in respectively.

TABLE 4.4 • Field Use

Percent of Fields by Use, Region, Place of Residence and Gender of the Head, Ethiopia 2015/16

	Percent of Fields						
	Cultivated	Pasture	Fallow	Forest	Prepared for Short Rainy Season (belg)	Homestead	Other
Tigray	76.8	2.2	4.1	1.0	0.0	13.2	2.8
Amhara	71.1	8.5	2.8	4.7	0.7	11.0	1.1
Oromiya	69.2	8.3	4.4	2.8	1.8	10.3	3.2
SNNP	68.9	8.7	3.3	4.8	1.3	11.3	1.7
Other regions	62.5	4.1	4.8	0.8	0.6	25.0	2.1
Rural	70.1	8.2	3.8	3.6	1.2	10.7	2.3
Small town (urban)	56.8	2.6	1.1	3.8	2.7	29.9	3.2
Country	69.8	8.1	3.8	3.6	1.3	11.2	2.3
Male-headed households	70.1	8.2	3.8	3.7	1.3	10.7	2.3
Female-headed households	68.4	7.6	3.5	3.3	1.4	13.5	2.4

4.2.3 Input Use

Table 4.5 summarizes traditional and modern input use for fields on which the top five major grains (barley, maize, sorghum, teff and wheat) are cultivated. Inputs considered here include seeds, fertilizers, herbicides, and insecticides. Information on inputs is collected at the field level, and thus the figures below refer to fields for which at least one of these five grains is grown.

Traditional seeds are used on more than 81 percent of fields where grains are planted. Traditional seeds are used for almost all sorghum, barley, and teff fields. Improved seeds are utilized in 31 percent of fields with maize, 8 percent of fields with wheat, 3 percent of teff fields, and 2 percent of barley fields.

Fertilizer of any type is applied in approximately at least three-fourths of teff, maize and wheat fields. Inorganic fertilizer is applied in approximately 76 and 70 percent of wheat and teff fields, respectively. Inorganic fertilizer is also used on approximately 48 percent of maize and 50 percent of barley fields. Organic fertilizers are

TABLE 4.5 • Input Use

Seed Type, Fertilizer, Pesticide, and Herbicide Use by Crop Type, Ethiopia 2015/16

	Percent of Producing Households							
	Seed Use		Fertilizer Use			Pesticide Use	Herbicide Use	Fungicide Use
	Traditional	Improved	Any	Inorganic	Organic			
Barley	98.7	2.4	63.7	49.6	28.2	3.1	26.5	1.3
Maize	81.3	30.6	75.9	47.6	58.3	2.4	9.5	0.8
Sorghum	99.8	0.6	38.4	21.5	26.4	4.8	10.7	0.3
Teff	98.6	2.8	73.6	70.0	12.0	5.7	44.4	1.8
Wheat	95.0	8.2	82.9	76.2	19.6	6.5	47.5	8.3

Note: Values under seed traditional and seed improved do not add to 100 as households might use traditional seeds for one plot of crop, and improved seeds for another.

used on over half of maize fields (58 percent) and in 12–28 percent of the remaining major crops.

The data show use of herbicides to control weeds, fungus, pests and insects, is also common. Herbicides are used in 48 percent of wheat, 44 percent of teff, and 27 percent of barley fields. Herbicides are also used in approximately 10 percent of maize fields and 11 percent of sorghum fields.

4.2.3 Crop Yield

During the post-harvest interview, farmers who harvested any crop during the 2015/16 main production season (*meher*) were asked to estimate the amount harvested by field. The response summarized here thus reflects self-reported output. These self-reports were not verified by the enumerator, but still provide important information about yield.

Table 4.6 presents self-reported yield in kilograms per hectare. On average, maize yields were approximately 1,760 kilograms or 17.8 quintals per hectare, wheat yields were 1,403 kilograms or 14 quintals per hectare, sorghum yields were 833 kilograms or 8.4 quintals per hectare, barley yields were 1,012 kilograms or 10.1 quintals per hectare, and teff yields were 650 kilograms or 6.5 quintals per hectare.

TABLE 4.6 • Yield in Kilogram per Hectare

Self-Reported Yields in Kilograms per Hectare for Five Major Cereal Crops, 2015/16

	Self Reported Yields in kg/ha	
	Untreated	Winsorized at 2%
Barley	1,411	1,012
Maize	2,049	1,760
Sorghum	898	833
Teff	856	650
Wheat	1,634	1,403

Note: The respondents provided their estimate—amount harvested by field. While their estimate was never verified by other means, the land area that went into this calculation was measured by either GPS or rope and compass.

4.2.4 Crop Disposition/Utilization

Table 4.7 presents information on crop disposition for the five major grain crops. The majority of harvest is used for home consumption; 60 percent of wheat, 61 percent of teff, 66 percent of barley, 79 percent of maize and 80 percent of sorghum harvests are used for this purpose.

Almost none of the harvest is used for wages in-kind of animal feed. The remaining harvest is saved for seed (7 to 21 percent, depending on the crop) or sold (6 to 21 percent, depending on the crop). Farmers are more likely to sell high value food grains like teff and consume low value food grains like sorghum.

TABLE 4.7 • Crop Disposition

Percent for Five Top Major Crops by Crop Type in the 2015–16 Meher Season, Ethiopia 2015/16

	Share of Total Harvest Used for . . .					
	Household Consumption	Wages in-Kind	Animal Feed	Saved for Seed	Sale	Other
Barley	66.0	1.1	1.2	20.9	8.5	2.3
Maize	79.0	0.8	0.7	7.4	9.7	2.5
Sorghum	80.0	1.4	0.4	8.8	6.4	3.0
Teff	60.7	1.7	0.1	13.4	20.5	3.5
Wheat	60.1	1.0	0.2	18.9	16.5	3.4

TABLE 4.8 • Livestock Holding Types

Percent among Livestock Owning Households by Livestock Type, Region and Place of Residence, Ethiopia 2015/16

	Cattle	Sheep	Goats	Horses	Donkeys	Mules	Camels	Poultry	Beehives
Tigray	82.8	27.3	35.4	0.2	45.1	0.4	3.7	77.5	18.3
Amhara	88.7	38.4	24.0	7.5	36.7	4.1	2.0	61.5	10.6
Oromiya	87.8	41.7	31.0	10.6	48.1	1.6	2.0	60.0	8.9
SNNP	85.9	36.2	27.2	9.4	15.1	2.9	0.7	58.8	6.3
Other regions	61.9	47.6	65.5	1.2	43.8	0.8	19.8	31.7	2.7
Rural	87.9	39.9	31.1	8.5	40.0	2.6	2.9	60.3	9.1
Small town (urban)	52.6	28.9	29.4	4.7	11.1	0.0	4.5	51.8	9.5
Country	85.9	39.3	30.6	8.4	38.0	2.4	2.9	59.5	9.0

Note: The percentages are out of those households who reported livestock ownership, not from the total sample.

4.3 Livestock

4.3.1 Livestock Holding Types

Table 4.8 shows the proportion of livestock households owning each type of livestock.[12] The most common livestock type owned is cattle; approximately 86 percent of households that own any livestock, reported owning at least one cow. Poultry are the second most commonly owned livestock type.

Table 4.9 summarizes information on exotic/hybrid cattle. Most of the cattle are local or indigenous breeds. Only approximately 3 percent are exotic/hybrid.

TABLE 4.9 • Cattle Breed (exotic hybrid)

Percent among Cattle Owning Households by Region and Place of Residence, Ethiopia 2015/16

	Percent of Cattle Owning Households Only Some Exotic/ Hybrid Cattle	Overall Percent of Exotic/ Hybrid Cattle
Tigray	9.3	3.7
Amhara	7.8	2.8
Oromiya	8.5	3.4
SNNP	3.9	1.5
Other regions	1.9	0.9
Rural	6.8	2.6
Small town (urban)	12.4	4.9
Country	7.2	2.8

4.3.2 Livestock Inputs: Development Extension Packages and Immunizations

The data show that livestock vaccinations reflect one area where links to modern input use are low. Table 4.10 summarizes vaccination coverage for livestock in the sample. Overall, half of livestock owning households (49 percent) reported their livestock had been vaccinated against at least one disease during the 12 months preceding the survey. While some differences in vaccination coverage are observed by place of residence, a regional comparison would be misleading as the disease risk profiles and vaccination needs differ from one area to another. Among diseases livestock are

[12] The percentages are calculated out of those who reported ownership of one or more livestock at the time of the interview.

TABLE 4.10 • Livestock Vaccinations

Livestock Vaccinations and Preventive Care among Households Who Own Livestock by Region and Place of Residence, Ethiopia 2015/16

	Any Vaccination for Any of the Livestock	Brucelosis	CBPP	Lumpy Skin Disease	FMD	Anthrax	BQ	Other Vaccines	Anthelmintics	Tick/ Parasite Treatment
Tigray	54.4	1.4	12.2	11.5	1.8	16.7	26.4	19.4	17.9	32.9
Amhara	41.9	2.4	4.5	4.7	2.8	17.3	15.6	19.0	15.0	23.0
Oromiya	55.9	7.4	12.0	10.7	6.0	24.4	27.3	14.9	26.9	25.7
SNNP	44.4	0.9	10.3	5.3	5.4	16.0	21.7	11.0	20.6	13.7
Other regions	40.5	1.2	20.4	7.2	7.1	7.4	5.5	20.7	18.0	25.0
Rural	49.1	4.0	9.9	7.5	4.8	19.9	22.1	15.8	20.9	22.6
Small town (urban)	43.9	4.6	15.3	15.1	4.5	13.2	15.2	15.4	30.8	27.9
Country	48.7	4.0	10.1	7.8	4.8	19.3	21.6	15.9	21.3	22.9

vaccinated against, anthrax, rinderpest (for sheep and goats), and anthelmintics are relatively more common.

4.3.3 Livestock Disposition: Sales, Slaughters, Deaths and Offerings

Table 4.11 shows the profile of livestock disposition among livestock owning households, in the 12 months preceding the survey. More than half of households (56 percent) sold at least some livestock in the past 12 months. As reported in Chapter 7 of this report, livestock selling is an important coping mechanism from shocks. Approximately 28 percent of households reported slaughtering at least one type of livestock during the reference period.

While the pattern is similar by region and place of residence, slight differences are worth noting. For example, the selling of livestock appears to be more common in rural than small town households.

TABLE 4.11 • Livestock Acquisition and Disposition

Percent of Livestock by Region and Place of Residence, Ethiopia 2015/16

	Having Any Born	Buying Any	Receiving Any as Gift	Giving Away Any	Losing Any	Selling Any Alive	Slaughtering Any
Tigray	85.5	30.4	1.9	6.1	42.7	56.2	33.2
Amhara	82.4	47.0	2.9	6.1	33.5	61.3	53.4
Oromiya	87.2	37.6	5.1	10.0	42.2	55.9	16.4
SNNP	85.5	34.3	6.7	5.5	26.6	42.1	9.1
Other regions	92.2	33.6	8.3	10.8	67.2	66.8	48.5
Rural	86.3	39.3	4.9	8.0	38.7	56.2	28.5
Small town (urban)	77.9	36.3	3.4	7.8	43.7	41.9	27.8
Country	85.7	39.0	4.8	7.9	38.4	55.5	28.4

Note: Households who reported owning the animals currently, or owning some 12 months ago, or dealing in them (buying, selling, etc.) at some point over the past 12 months.

TABLE 4.12 • Livestock Utilization/Disposition

Percent of Livestock by Region and Place of Residence, Ethiopia 2015/16

	Having Any Born	Buying Any	Receiving Any as Gift	Giving Away Any	Losing Any	Selling Any Alive	Slaughtering Any
Cattle	83.3	24.7	3.2	5.8	25.4	40.2	2.9
Sheep	73.0	21.5	2.4	2.9	30.9	43.0	29.6
Goats	82.8	18.6	4.1	6.5	32.4	43.6	24.5
Horses	0.0	6.1	0.0	0.0	22.5	0.0	0.0
Donkeys	25.0	0.0	0.0	14.4	1.9	1.4	0.0
Mules	0.0	89.5	89.5	0.0	0.0	0.0	0.0
Camels	46.7	6.1	1.0	1.5	20.0	7.6	10.1
Poultry	54.2	35.1	2.5	1.2	55.0	33.2	34.4

Note: Households who reported owning the animals currently, or owning some 12 months ago, or dealing in them (buying, selling, etc.) at some point over the past 12 months.

Table 4.12 presents livestock disposition by livestock type. Selling live livestock is most common for cattle, sheep goats, and poultry. Slaughtering livestock is less common than selling, but is still reported by 30, 25, and 34 percent of households owning sheep, goats, and poultry, respectively. The data reveal that losing livestock is also common for these same types of livestock.

Non-Farm Enterprises, Other Income, and Assistance

5

Key Messages:

- Nationally, approximately 25 percent of households have one or more non-farm enterprises (NFEs).
- The three primary constraints to establishing NFEs include lack of financial services (35 percent), access to markets (30 percent), and transportation (14 percent).
- Approximately 12 percent of households reported cash income in the last 12 months, with the median reported income falling at Birr 2,000.
- Four percent of rural households received assistance under the Productive Safety Nets Program (PSNP) which targets chronically food insecure woredas.

5.1 Non-Farm Enterprises

5.1.1 Types of Non-Farm Enterprises

Table 5.1 summarizes ownership of non-farm enterprises (NFE) by type. Detailed information was collected on households' NFE activity during the 12 months preceding the survey. Nationally, 25 percent of households have at least one NFE; and, as expected, NFEs are more common in urban than rural areas. Approximately 54 percent of households in small town areas and 37 percent of households in large town areas reported having one or more NFE, compared with only 18 percent of households in rural areas.

The three most common NFE activities include nonagricultural businesses or services from home (10 percent), selling of processed agricultural products including food and local beverages (6 percent), and trading business such as selling goods on a street or in a market (4 percent).

Unsurprisingly, nonagricultural businesses are most common in Addis Ababa and almost no NFEs in the capital are of an agricultural nature.

5.1.2. Constraints to Establishing Non-Farm Enterprises

All households were asked to identify constraints to establishing an NFE, regardless of whether or not they owned an enterprise at the time of data collection. Table 5.2 summarizes the barriers cited. The top three constraints are lack of financial services (35 percent), access to markets (30 percent), and transportation (14 percent).

However, considerable variations exist by place of residence. As expected, reports of market and transportation constraints decrease with urban density.

TABLE 5.1 • Types of NFEs

Percent of Households Reporting One or More NFE by Type of NFE, and Place of Residence, Ethiopia 2015/16

	Any NFE	Non-Agricultural Business/ Services from Home/ Shop	Processed Agricultural Products (flour, tella, enjera, . . .)	Trading Business on a Street or in a Market	Firewood, Charcoal, etc.	Profes-sional	Taxi/ Pick-Up Truck	Bar/ Restaurant	Other Small Business
Tigray	27.9	10.8	5.6	5.1	0.6	0.3	0.5	2.1	7.2
Amhara	23.6	10.8	7.0	3.7	1.4	0.2	1.2	1.2	3.3
Oromiya	22.0	8.9	6.1	2.6	2.3	0.2	1.9	0.1	4.0
SNNP	27.2	8.7	7.8	6.5	2.4	0.2	0.8	1.0	6.4
Addis Ababa	26.5	18.4	0.8	5.8	0.7	3.0	3.3	3.8	3.3
Other regions	30.7	12.4	3.3	5.9	5.1	0.2	1.0	0.7	14.0
Rural	18.4	6.5	5.8	2.4	2.1	0.0	1.0	0.2	3.7
Small town (urban)	53.8	25.6	15.9	10.2	2.5	0.8	2.3	2.8	13.3
Large town (urban)	36.9	18.3	4.9	8.4	1.6	1.0	2.7	2.9	7.1
Country	24.5	10.1	6.2	4.2	2.1	0.3	1.4	0.9	5.0

TABLE 5.2 • Constraints to Open an NFE Business

Percent of Households Reported Constraints to Open an NFE Business by Place of Residence, Ethiopia 2015/16

	Financial Services	Markets*	Transportation	Electricity	Technology	Water	Registration and Permits	Postal Services	Safety	Government	Telecommunication	Taxation	Other
Tigray	38.8	24.9	18.6	13.5	12.6	6.9	13.8	4.2	0.0	8.9	1.6	14.4	10.5
Amhara	39.6	35.7	8.1	11.6	8.8	5.6	9.0	1.1	1.1	1.9	0.2	6.2	25.2
Oromiya	28.5	29.4	13.1	19.4	4.1	13.6	9.8	5.2	0.3	6.6	1.3	8.8	12.4
SNNP	34.1	25.3	20.3	9.5	3.0	1.7	5.8	3.0	1.9	14.1	2.9	7.6	19.7
Addis Ababa	(36.4)	(16.6)	(2.0)	(5.1)	(2.8)	(0.0)	(8.1)	(1.9)	(0.0)	(10.9)	(0.0)	(14.1)	(37.3)
Other regions	33.3	36.8	19.0	9.5	3.1	5.4	7.6	7.5	0.9	6.8	1.7	17.8	17.4
Rural	35.0	36.5	16.9	11.7	7.6	7.1	7.0	3.6	1.1	5.5	1.1	7.6	16.7
Small town (urban)	(35.7)	(29.8)	(9.0)	(16.1)	(2.2)	(9.1)	(12.9)	(5.6)	(1.8)	(17.8)	(1.9)	(22.4)	(19.7)
Large town (urban)	33.4	14.8	7.5	15.5	3.0	5.9	12.0	2.8	0.3	8.9	1.6	9.8	24.2
Country	34.6	29.8	13.7	13.1	5.9	6.9	8.8	3.5	0.9	7.3	1.3	9.2	19.0

*Markets include access to markets (distance and cost), difficult to obtain information on your product's market, and low demand for goods and services produced.

Note: Values in parentheses are based on less than 100 observations.

5.2 Other Income Sources

Table 5.3 highlights the various forms of nonagricultural income received in the last 12 months. Cash transfers remain the most common form of nonagricultural income. Twelve percent of households reported receiving cash transfers and gifts, with the average (median) household receiving 2,000 Birr through this method. Food and nonfood transfers were received by 7 and 5 percent of households, respectively. Seven percent of households reported generating rental income from land; approximately 5 percent reported earning income from renting out shops, stores, houses, and vehicles.

The main sources of other income are shown in Table 5.4. Private transfers are more important in large towns than in small towns and rural areas (35 percent compared to 22 percent and 14 percent respectively). Rental income is more widespread in Tigray, Amhara, and Addis Ababa (19, 18, and 24 percent respectively). About 18 percent of households in Addis report income from pensions and investment, compared to 3 percent at the national level.

5.3. Assistance from Government and Nongovernmental Agencies

Household's receipt of cash or food assistance provided by governmental and nongovernmental agencies is presented in Table 5.5. The Productive Safety Nets Program (PSNP), one of the largest nationwide programs, targets chronically food insecure woredas. In addition to PSNP, households may also receive food and nonfood assistance for free, or in conjunction with food for work or inputs for work.

TABLE 5.3 • Household Other Income by Source

Percent of Households Reporting and Median Income Received by Source, Ethiopia 2015/16

	Households Reporting Source %	Average (Median) Income Received in the Last 12 Months *Birr*
Transfers/Gifts (from individuals)		
Cash	12.3	2,000
Food	7.3	500
Nonfood in-kind	4.6	730
Rental income from . . .		
Land	7.0	1,500
Shop, store, house, car, truck, other vehicle	4.7	3,600
Transport animals	0.6	(1,200)
Agricultural tools	0.3	(460)
Pension and investment income		
Interest or other investment income	0.7	(500)
Pension income	2.4	3,600
Revenue from sales of assets		
Income from real estate sales	0.7	(4,900)
Income from household nonagricultural asset sales	0.6	(3,500)
Income from household agricultural/fishing asset sales	0.1	(1,700)
Other income		
Inheritance, lottery, gambling winnings	0.4	(1,500)

TABLE 5.4 • Households' Other Income

Percent of Households Reporting Other Income by Source and Place of Residence, Ethiopia 2015/16

	Transfers/Gifts	Rental Income	Pension and Investment	Revenue from Sale of Assets	Other Income
Tigray	21.6	19.0	4.2	2.0	0.2
Amhara	19.1	18.4	3.4	1.0	0.3
Oromiya	16.2	7.6	1.7	1.0	0.2
SNNP	18.3	7.5	1.3	2.5	1.0
Addis Ababa	33.4	24.1	18.1	0.3	0.8
Other regions	20.8	10.1	2.4	1.3	0.3
Rural	13.8	11.0	0.8	1.1	0.3
Small town (urban)	22.2	15.3	7.3	3.9	1.4
Large town (urban)	35.4	15.6	9.7	1.5	0.3
Country	18.8	12.2	3.1	1.3	0.4

Four percent of rural households reported receiving assistance through PSNP. Regional coverage varies considerably, with 8 percent of households receiving assistance in Tigray, compared to 3 percent nationally.

Assistance in the form of free food is most prevalent, with 12 percent of rural households and 8 percent of small town area households receiving this type of aid. Free food is distributed to 30 percent of households in 'Other regions' and 12 percent of households in Tigray. Food or cash-for-work programs are more common in Tigray compared to other regions.

TABLE 5.5 • Assistance

Percent of Households Who Received Assistance by Type and Place of Residence, Ethiopia 2015/16

	Assistance Source				
	PSNP	Free Food	Food-for-Work or Cash-for-Work Program	Inputs-for-Work Program	Other
Tigray	7.6	12.2	5.9	0.9	1.1
Amhara	5.0	10.4	2.7	0.2	0.4
Oromiya	1.0	9.6	0.7	0.2	1.1
SNNP	4.0	3.1	2.5	0.7	0.0
Addis Ababa	0.0	1.4	0.0	0.0	0.4
Other regions	5.1	30.4	1.5	0.1	3.0
Rural	4.4	11.9	2.3	0.4	0.8
Small town (urban)	1.2	7.6	2.2	0.2	1.9
Large town (urban)	0.0	2.0	0.4	0.1	0.3
Country	3.3	9.6	1.9	0.3	0.8

Time Use and Labor

6

Key Messages:

- The time use data demonstrate the diversity of the rural economy. Households in rural areas spend time on both agricultural and nonagricultural activities.
- Females are significantly more likely than men to spend time collecting water and fuelwood. Approximately 54 percent of female household members spend time on these activities on a daily basis. Comparatively, only 22 percent of male members reported spending time on fuel and water collection for the household.
- As expected, agricultural activities are more important in rural areas than in small and large town areas. These activities are carried out by both male and female household members. However, male household members are more likely than female household members to participate in agriculture activities.
- Conversely, non-farm activities are more important in small and large town areas than in rural areas.

6.1 The ESS Time Use Data

Time use surveys compile data to show how different individuals, i.e., women and men, girls and boys, rural and small town residents, spend their time on different activities. The time use activities in the ESS3 reflect the post-harvest period from February to May 2016, during which the interviews were carried out. It is important to note the timing when reviewing the results. For example, rural individuals spend more time on agricultural work during the planting and harvesting season. Other activities such as temporary jobs, unpaid work, or apprentice activities can also be affected by the season.

The survey collected information on time use for different activities for all household members ages 7 years and above (Table 6.1). Each eligible member was asked to recall the time spent on the activity in a given period. Engagement in productive activities varies within households by age groups and gender. The following sections present time use information on different activities disaggregated by age and gender vis-à-vis place of residence.

6.2 Time Spent on Collecting Water and Fuelwood

Table 6.2 summarizes the proportion of household members age 7 and above who spent time collecting water and fuelwood the day before the interview. Approximately 54 percent of female household members spend some time collecting fuelwood or water for the household on a daily basis. In contrast, only 22 percent of male members reported spending time on these same activities. This gender disparity holds in all regions as well as in rural, small town, and large town areas.

TABLE 6.1 • ERSS Time Use Data: Activities, Recall Period and Time Unit

Activity Type	Activity Detail	Recall Period	Time Unit
Fetching water and fuelwood	Time spent on fetching water or collecting fuelwood by eligible member	One day—the day before the interview date	Minutes
Agriculture work	Time spent for all agriculture activities: farming, livestock, fishing, etc., for household consumption or sale	7 days preceding the survey date	Hours
Non-farm enterprise work	Nonagricultural, non-fishing household business for the member or for the household	7 days preceding the survey date	Hours
Casual part-time/temporary work	Time spent on any work on casual, part-time, or temporary work by eligible household member	7 days preceding the survey date	Hours
Work for wage or salary or commission	Any work for a wage, salary, commission, or any payment in kind, excluding temporary by eligible household member	7 days preceding the survey date	Hours
Apprentice/unpaid work	Unpaid or apprenticeship type of work by eligible household member	7 days preceding the survey date	Hours

TABLE 6.2 • Any Time Spent Collecting Water and Fuelwood

Percent of Population (age ≥7) Who Spent Any Time Collecting Water and Fuelwood in the Previous Day by Gender, Region and Place of Residence, Ethiopia 2016

	Males				Females			
	Age Group				Age Group			
	All	7–14	15–64	65+	All	7–14	15–64	65+
Tigray	16.6	22.9	14.3	(9.1)	44.3	38.7	48.7	(19.4)
Amhara	19.5	21.8	19.8	6.6	52.6	44.6	57.5	27.7
Oromiya	20.2	29.7	16.7	1.8	54.9	45.1	61.2	(33.6)
SNNP	30.8	45.0	24.2	17.9	59.5	56.0	62.3	(41.2)
Addis Ababa	8.2	(2.7)	9.6	(0.0)	35.0	(21.8)	39.1	(16.7)
Other regions	20.3	21.5	20.5	(8.0)	50.9	40.9	56.3	(38.9)
Rural	23.0	31.3	19.9	6.6	57.8	49.2	64.1	32.8
Small town (urban)	18.8	24.6	17.1	(8.9)	39.5	31.8	43.2	(26.8)
Large town (urban)	14.1	14.6	14.3	(5.7)	39.8	30.9	42.6	24.2
Country	21.5	29.6	18.7	6.7	53.5	46.3	58.2	30.9

Note: Values in parentheses are based on less than 100 observations.

6.3 Time Spent on Agricultural Activities

Table 6.3 summarizes the proportion of individuals ages 7 years and above who reported working on agricultural activities, including farming, livestock, and fishing activities, in the 7 days preceding the survey. These activities may have supported the generation of items for sale or for home consumption.

As expected, agricultural activities are more important in rural areas than in small as well as large town areas. The data show that agricultural activities are more commonly carried out by male than female household members. In rural areas, 59 percent of males engaged in agricultural work compared to 41 percent of females. During the same period, approximately 14 percent of males and 9 percent of females reported working on agricultural activities in small town areas, while only

TABLE 6.3 • Any Time Spent on Agricultural Activities

Percent of Population (age ≥7) Reporting Any Time Spent on Agricultural Activities in the Past 7 Days by Region and Place of Residence, Ethiopia 2016

	Males				Females			
	Age Group				Age Group			
	All	7–14	15–64	65+	All	7–14	15–64	65+
Tigray	45.5	53.1	41.9	(41.6)	28.5	37.9	26.5	(12.4)
Amhara	56.4	57.5	56.3	51.4	32.2	39.5	31.0	14.3
Oromiya	50.5	47.4	52.0	52.3	35.7	35.2	36.5	(27.8)
SNNP	50.1	38.9	54.7	68.5	36.5	27.8	40.7	(40.1)
Addis Ababa	0.2	(0.0)	0.2	(0.0)	0.1	(0.0)	0.2	(0.0)
Other regions	37.8	34.6	38.6	(50.3)	33.4	37.8	32.2	(14.7)
Rural	59.2	52.6	63.2	57.5	41.3	39.4	43.2	27.9
Small town (urban)	14.4	12.9	14.7	(20.3)	8.9	7.6	9.8	(0.0)
Large town (urban)	6.4	4.3	6.6	(14.5)	5.2	4.2	5.5	4.1
Country	48.8	46.7	49.6	52.4	32.8	33.9	33.0	21.9

Note: Values in parentheses are based on less than 100 observations.

6 percent of males and 5 percent of females in large town areas reported the same. Among males, participation in agricultural activities is highest in Amhara; among females, engagement is in SNNP and Oromiya. Participation in Addis Ababa is almost nonexistent for both males and females.

6.4 Time Spent on Non-Farm Enterprise Activities

Table 6.4 presents information on the proportion of household members aged 7 years and above who reported spending time on non-farm enterprise (NFE)

TABLE 6.4 • Any Time Spent on Non-Farm Enterprise Activities

Percent of Population (age ≥7) Reporting Any Time Spent on Non-Farm Enterprise Activities in the Past 7 Days by Region and Place of Residence, Ethiopia 2016

	Males				Females			
	Age Group				Age Group			
	All	7–14	15–64	65+	All	7–14	15–64	65+
Tigray	5.2	2.7	6.8	(3.2)	6.8	1.4	9.0	4.5
Amhara	6.6	1.3	9.5	3.3	7.1	1.4	9.5	2.2
Oromiya	6.9	0.6	10.5	4.1	6.2	1.5	8.7	4.9
SNNP	8.4	2.7	11.8	2.8	5.7	1.8	7.9	2.6
Addis Ababa	11.0	(0.0)	12.9	(15.2)	6.0	(0.0)	7.7	(0.0)
Other regions	7.9	0.5	11.6	(8.7)	10.5	2.6	14.8	(0.0)
Rural	4.5	0.9	6.7	2.5	3.9	1.0	5.6	1.8
Small town (urban)	18.3	5.2	23.4	(19.6)	17.7	7.7	21.9	(10.0)
Large town (urban)	17.8	3.0	21.4	(12.3)	14.1	2.9	17.0	6.0
Country	7.2	1.3	10.5	4.0	6.6	1.6	9.1	3.1

Note: Values in parentheses are based on less than 100 observations.

activities in the 7 days preceding the survey. In rural areas, approximately 5 and 4 percent of male and female household members, respectively, spent time on NFE activities. This proportion reaches as high as 18 percent in small and large towns. The data also show that participation in NFE activities is highest among 15–64 year olds, regardless of gender.

6.5 Time Spent on Casual, Part-Time and Temporary Work

Table 6.5 shows the proportion of household members aged 7 years and above who allocated at least some of their time to casual, part-time or temporary work activities in the 7 days preceding the survey. Allocation of time to these activities is approximately similar between rural, small town, and large town areas, but the data show these activities are slightly more common for men than women. The survey finds that this type of work is most common in Tigray (6 percent of male and 5 percent of female household members), followed by Amhara (5 percent of male and 2 percent of female household members).

6.6 Time Spent on Work for Salary and Wages

Table 6.6 summarizes the proportion of household members aged 7 years and above who spent time on salary- and/or wage-based work in the 7 days preceding the survey. This category comprises any work, excluding temporary jobs, for which a salary, wage, or commission is paid. Such activities can include informal work, such as jobs that do not offer a formal contract or benefits.

TABLE 6.5 • Any Time Spent on Casual, Part-Time, or Temporary Work

Percent of Population (age ≥7) Who Spent Any Time on Casual, Part-Time, or Temporary Work in the Past 7 Days by Gender, Region, and Place of Residence, Ethiopia 2016

	Males				Females			
	Age Group				Age Group			
	All	7–14	15–64	65+	All	7–14	15–64	65+
Tigray	5.9	0.8	8.9	(3.7)	5.2	3.0	6.4	(0.2)
Amhara	5.2	1.3	7.3	3.5	2.3	1.5	2.5	3.4
Oromiya	3.1	0.4	4.7	2.3	1.6	0.7	2.1	(1.3)
SNNP	4.7	0.6	6.8	6.4	2.4	0.8	3.2	(0.8)
Addis Ababa	0.4	(0.0)	0.5	(0.0)	1.5	(0.0)	2.0	(0.0)
Other regions	3.1	0.5	4.3	(3.7)	1.3	0.4	1.9	(0.0)
Rural	3.9	0.7	5.9	3.5	2.0	1.1	2.6	1.3
Small town (urban)	5.7	0.6	7.8	(3.5)	2.4	0.2	3.1	(5.7)
Large town (urban)	3.8	0.6	4.6	(2.6)	2.5	0.8	2.9	1.4
Country	4.0	0.7	5.8	3.5	2.1	1.0	2.7	1.6

Note: Values in parentheses are based on less than 100 observations.

TABLE 6.6 • Any Time Spent on Working for Salary/Wages

Percent of Population (age ≥7) Who Spent Any Time Working for Salary/Wages in the Past 7 Days by Gender, Region and Place of Residence, Ethiopia 2016

	Males				Females			
	Age Group				Age Group			
	All	7–14	15–64	65+	All	7–14	15–64	65+
Tigray	3.7	0.0	5.9	(1.5)	2.8	0.0	4.1	(0.2)
Amhara	3.4	0.2	5.2	0.9	2.8	0.2	4.0	0.0
Oromiya	3.8	0.6	5.7	2.0	2.1	0.3	3.2	(0.0)
SNNP	4.2	0.1	6.5	1.6	1.8	0.1	2.7	(0.0)
Addis Ababa	27.3	(1.8)	32.6	(12.4)	17.4	(0.0)	22.3	(0.0)
Other regions	9.5	0.0	14.6	(3.3)	4.1	0.0	6.3	(0.0)
Rural	1.5	0.3	2.3	0.6	0.7	0.1	1.1	0.0
Small town (urban)	13.7	1.0	19.3	(3.9)	5.5	0.7	7.7	(0.0)
Large town (urban)	20.6	0.8	25.2	(14.5)	12.4	0.6	15.7	0.1
Country	5.0	0.4	7.7	1.9	3.1	0.2	4.6	0.0

Note: Values in parentheses are based on less than 100 observations.

Salaried jobs are more common in large towns than in small towns and rural areas; participation is also higher among men than women. Engagement in large town areas is approximately 21 percent for males and 12 percent for females. In small town areas, approximately 14 and 6 percent of men and women, respectively, engage in salaried work. Regionally, salaried jobs are most common in Addis Ababa (27 percent of males and 17 percent of females).

Considering salaried jobs are a form of formal employment, they are, by definition, a viable option for the economically active population (15–64 years old) only. Therefore, participation among other age groups is low. Almost no individuals in the youngest (7–14 years) and oldest (65 and above) age groups reported spending any time on this activity.

6.7 Time Spent on Apprentice and Unpaid Work

Table 6.7 presents information on the proportion of household members aged 7 years and above who spent time on apprentice or unpaid work in the 7 days preceding the survey. Engagement in this type of work is extremely rare; effectively no household members participated in apprentice or unpaid work. This pattern holds for rural, small town, and large town areas, as well as for all regions.

TABLE 6.7 • Any Time Spent on Apprentice/Unpaid Work

Percent of Population (age ≥7) Reporting Any Time Spent on Apprentice/Unpaid Work in the Past 7 Days by Region and Place of Residence, Ethiopia 2016

	Males				Females			
	Age Group				Age Group			
	All	7–14	15–64	65+	All	7–14	15–64	65+
Tigray	0.7	0.0	1.1	0.0	0.5	0.0	0.7	0.2
Amhara	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oromiya	0.2	0.0	0.4	0.0	0.0	0.0	0.1	0.0
SNNP	0.6	0.3	0.7	1.9	0.1	0.1	0.1	0.0
Addis Ababa	0.7	0.0	0.9	0.0	1.3	1.3	1.5	0.0
Other regions	1.0	0.3	1.3	0.0	0.7	0.3	0.9	0.0
Rural	0.1	0.0	0.1	0.4	0.0	0.0	0.1	0.0
Small town (urban)	2.2	1.0	2.8	0.0	0.8	0.6	0.9	0.0
Large town (urban)	0.9	0.0	1.1	0.0	0.6	0.3	0.6	0.1
Country	0.3	0.1	0.5	0.3	0.2	0.1	0.2	0.0

Consumption, Food Security and Shocks

7

Key Messages:

- Cereals (rice, sorghum, barley, wheat) are the most commonly consumed food items, with 90 percent of all households reporting consumption of at least one of these items in any form in 6 of the last 7 days on average.
- Teff is another cereal grain commonly consumed, with 57 percent of households reporting consumption of enjera for at least 6 days a week. Approximately 75 percent of small town households and 91 percent of large town households eat Enjera regularly. However, a little less than half of rural households eat Enjera more than 6 out of 7 days.
- When compared with rural households, small and large town households consume a more diverse diet.
- Clothing and shoes are the most important nonfood expenditure items. Households also spend substantial amount on laundry soap, kerosene, fuelwood, charcoal, transport, and taxes and levies. The average household level expenditure is higher in urban areas than in rural areas.
- Food availability is seasonal. Major planting seasons—April to October—are major slack months. Rural households tend to be the most affected by seasonal food shortage.
- Major shocks that affect households negatively are illness of a household member, drought, rise in the price of food items, and an increase in the price of inputs in order of importance. Households mainly deplete savings or sell livestock to cope with major shocks.

7.1 Consumption

7.1.1 Food Consumption: Past 7 Days

Table 7.1 presents households' consumption patterns over a one-week period. Specifically, the table shows the proportion of households who reported consumption of the food item under consideration in the seven days preceding the survey, as well as the average number of days the item was consumed. Consumption of a given food item was collected at the household level and defined if at least one member in the household consumed the item in the seven days preceding the survey.[13]

Cereals (rice, sorghum, barley, wheat) are the most commonly consumed food items, with 90 percent of all households reporting consumption of at least one of these items in any form in 6 of the last 7 days on

[13] Information was collected from households during the months of February–April 2014, in the post-harvest period when food is more abundant than other times of the year.

TABLE 7.1 • Food Consumption

Household (HH) Consumption and Number of Days in the Past Seven Days by Place of Residence, Ethiopia 2016

	Country		Rural		Small Town (urban)		Large Town (urban)	
	Consumed (%, HHs)	# of Days	Consumed (%, HHs)	# of Days	Consumed (%, HHs)	# of Days	Consumed (%, HHs)	# of Days
Cereals (rice, sorghum millet, barley, wheat)	89.5	5.9	93.3	6.1	85.4	5.2	77.5	5.3
Oils, fats, butter	87.6	6.5	84.9	6.4	92.6	6.8	95.5	6.8
Beans, lentils, nuts	77.5	5.2	75.7	5.5	77.0	4.5	84.1	4.8
Vegetables	64.9	4.4	60.3	4.7	68.5	3.6	79.9	3.7
Enjera (teff)	56.9	6.1	45.7	5.8	75.0	6.3	91.1	6.6
Milk, yogurt, cheese, other dairy	37.5	4.4	37.6	4.5	32.9	4.4	38.7	4.2
Sugar or sugar products (honey, jam)	50.4	5.7	40.8	5.5	64.5	5.7	79.9	6.1
Beef, sheep, goat, other red meat	21.6	2.3	15.5	2.2	31.9	2.5	40.2	2.2
Potatoes	51.5	3.5	42.9	3.7	69.3	2.8	76.7	3.1
Kocho, bula	16.6	4.9	19.6	5.3	13.4	(3.5)	7.1	(2.1)
Fruits	26.5	2.4	19.7	2.5	35.3	2.2	48.0	2.3
Eggs	14.1	2.1	9.2	2.0	21.0	(2.3)	29.3	2.1
Pasta, macaroni, biscuits	23.3	2.3	14.3	2.1	37.8	2.6	50.8	2.4
Poultry	2.8	1.6	1.8	(1.6)	2.8	(1.6)	6.4	(1.6)
Fish	1.1	3.6	0.9	(3.8)	2.2	(3.3)	1.8	(3.3)
Other condiments	94.3	6.9	94.7	6.9	90.8	6.8	93.9	6.8

Notes: Number of days is conditional on consumption.

Values in parentheses are based on less than 100 observations.

average. Teff is another cereal grain commonly consumed, with 57 percent of households reporting consumption of Teff Enjera for 6 days a week on average.[14]

A substantial proportion of households (88 percent) also reported consumption of edible oils, fats or butter for six days a week. Approximately 78 percent of households consumed beans, lentils or nuts for five days a week on average. Other important food items consumed by over a third of households include vegetables, sugar and sugar products, milk, yoghurt and cheese, potatoes, and meat products, in order of importance.

Two important observations can be noted from households' food consumption over the seven days preceding the survey. First, the dominance of the three food categories cereals, edible oil and fat, and legumes (beans, lentils and nuts) characterizes the typical Ethiopian meal. Second, the data show significant differences in dietary diversity by place of residence. The survey finds that when compared with rural households, small and large town households consume more diverse items for a greater number of days. For example, 75 percent of small town households and 91 percent of large town households eat Enjera every day. However, only 46% of rural households eat Enjera at least 6 days of the week. Third, the proportion of households consuming a food item at least once in the past 7 days is approximately 20 to 30 percentage points higher in small and large

[14] Teff is an important ingredient to a main local staple food called Enjera.

TABLE 7.2 • Expenditure on Nonfood Items

Households (HHs) Reporting Any Expenditure, and Average Expenditure (Birr) over Past Month, by Place of Residence, Ethiopia 2016

	Country		Rural		Small Town (urban)		Large Town (urban)	
	HHs (%)	Mean Expenditure (Birr)	HHs (%)	Mean Expenditure (Birr)	HHs (%)	Mean Expenditure (Birr)	HHs (%)	Mean Expenditure (Birr)
Laundry soap	93.4	28	92.5	23	96.0	33	95.5	45
Matches	83.5	3	81.4	3	91.2	5	88.6	4
Batteries	57.7	12	69.4	14	42.2	7	20.9	4
Hand soap	24.5	6	28.4	7	16.0	(3)	13.0	7
Transport	42.6	7	31.9	4	60.7	12	75.0	16
Other personal care goods	32.0	6	25.7	3	38.8	5	52.5	15
Candles (tua'af), incense	30.7	4	19.4	2	48.7	6	65.2	11
Kerosene	36.7	40	30.8	26	36.8	58	57.8	82
Firewood	6.1	5	7.3	6	4.8	(4)	2.4	(3)
Charcoal	15.0	16	4.4	6	51.2	55	41.0	42
Cigarettes, tobacco, suret, gaya	23.4	24	6.0	5	57.2	51	74.4	86

Note: Values in parentheses are based on less than 100 observations.

towns than in rural areas, for a number of foods. This is true for vegetables, enjera, sugar and sugar products, potatoes, meat, fruits, eggs, and semi-processed items such as pasta, macaroni, and biscuits.

7.1.2 Nonfood Expenditures: One Month

Table 7.2 presents information on household-level expenditure on selected nonfood items and services over the 30 days preceding the survey. Items covered in this section include matches, batteries, candles, soaps, firewood, charcoal, kerosene, cigarettes, and expenses incurred on transport services.

At the national level, laundry soap, matches, and batteries were the most commonly purchased items over the last month, with more than 50 percent of households purchasing each of these goods. However, while laundry soap and matches are equally prevalent by place of residence, batteries are purchased by a greater share of households in rural areas; 69, 42, and 21 percent of rural, small town, and large town households purchased dry cells batteries in the past one month.[15] Transport is the fourth most important nonfood item purchased, though it is substantially more likely to be purchased by small town and large town households than by rural households.

7.1.3 Nonfood Expenditures: One Year

Table 7.3 summarizes average household expenditure on selected nonfood items during the 12 months preceding the survey. The items included reflect both nondurable goods such as clothing, and durable goods such as equipment and furniture. Also included are taxes and levies, donations, and ceremonial expenses.

Clothing and shoes represent a substantial source of nonfood expenditure among both rural and small town households. Among households that reported

[15] Batteries are used for torch light and radio and tape recorders. Thus difference between rural and small town areas could be due to differences in access to electric power.

TABLE 7.3 • Expenditure on Nonfood Items and Services

Households (HHs) Reporting Any Expenditure, and Average Expenditure (Birr) During Last Year, by Place of Residence, Ethiopia 2015/16

	Country		Rural		Small Town (urban)		Large Town (urban)	
	HHs (%)	Mean Spent (Birr)	HHs (%)	Mean Spent (Birr)	HHs (%)	Mean Spent (Birr)	HHs (%)	Mean Spent (Birr)
Clothing:								
Clothes, shoes, fabric for Women	67.0	630	70.4	538	60.9	636	56.7	955
Clothes, shoes, fabric for men	75.4	533	78.4	445	71.7	566	66.1	835
Clothes, shoes, fabric for boys	59.7	336	66.2	339	52.0	310	38.6	331
Clothes, shoes, fabric for girls	56.8	284	62.3	268	51.0	294	39.0	337
Linens	37.6	168	39.4	149	38.9	197	31.0	228
Taxes, donations, and contributions:								
Taxes and levies	74.8	694	82.2	214	62.9	792	52.4	2372
Ceremonial expenses	72.5	1054	71.3	802	78.9	1215	74.5	1900
Donations to churches or mosques	60.2	186	61.2	191	65.7	177	55.0	170
Contributions to iddir	63.2	151	65.5	95	64.6	172	54.8	344
Equipment and furniture:								
Kitchen equipment	35.0	69	36.7	62	31.2	(87)	30.3	86
Furniture	7.8	143	6.8	73	8.7	207	10.8	373
Lamp, torch	43.0	25	50.5	28	34.4	26	19.2	16

Notes: Mean includes households reporting no expenditure (0) and excludes outliers.

Values in parentheses are based on less than 100 observations.

spending money on clothing and hoes in the past year, those in large town areas spent the most on these items with a reported average expenditure of Birr 2,460 (approximately equal to USD 122), followed by Birr 2,003 (approximately equal to USD 91) in small towns, and Birr 1,739 (approximately equal to USD 79) per year in rural areas.

Taxes and levies also serve as significant expenditure items. Approximately 82, 63, and 52 percent of rural, small town, and large town households, respectively, reported spending money on taxes and levies. On average, rural households spend Birr 214 (approximately equal to USD 8) per year on taxes, small town households spend Birr 792 (approximately equal to USD 36), and large town households spend Birr 2,372 (approximately equal to USD 108).

More than 70 percent of rural, small and large town area households reported expenditures on ceremonial activities. Such activities include weddings, birthdays, and funeral expenses. Average household-level expenditure on these activities is Birr 802 (approximately equal to USD 36) per year in rural areas, Birr 1,215 (approximately equal to USD 55) in small town areas, and Birr 1,900 (approximately equal to USD 86) in large town areas. More than 60 percent of households also make contributions to religious establishments and *iddir* in rural and small town areas; this figure drops slightly to 55 percent for large town households.

7.2 Food Security

Respondents were asked to identify the months over the past 12 months in which they faced food shortages.

Figures 7.1–7.3 present results from these questions. At the national level, approximately 26 percent of households reported facing a food shortage at least once in the 12 months preceding the survey.

Exposure to any food shortage is considerably less severe in large town areas (14 percent) as compared to small town (19 percent) or rural (31 percent) households. Regional differences are observed as well (Figure 7.1). In SNNP, 42 percent of households reported experiencing at least one food shortage in the past year, while only 29, 16, 17, and 12 percent reported the same in Oromiya, Amhara, Tigray, and Addis Ababa, respectively.

As Figures 7.2 and 7.3 demonstrate, food insecurity is a seasonal phenomenon. In almost all regions, June, July, August, and September are flagged as particularly pronounced months of food insecurity. While the seasonality of food insecurity displays a similar pattern according to place of residence, it differs in intensity (Figure 7.3). In large towns, food shortages are very low and almost uniform throughout the year; in rural areas, households face critical levels of food insecurity April to October.

7.3 Shocks and Coping Mechanisms

7.3.1 Shocks

Table 7.4 summarizes the negative shocks households faced during the 12 months preceding the survey. The list of shocks includes both natural disasters and man-made occurrences that negatively impact

FIGURE 7.1 • Food Shortage

Percent of Households Reporting Food Shortage in Any Month by Place of Residence, Ethiopia 2015/16

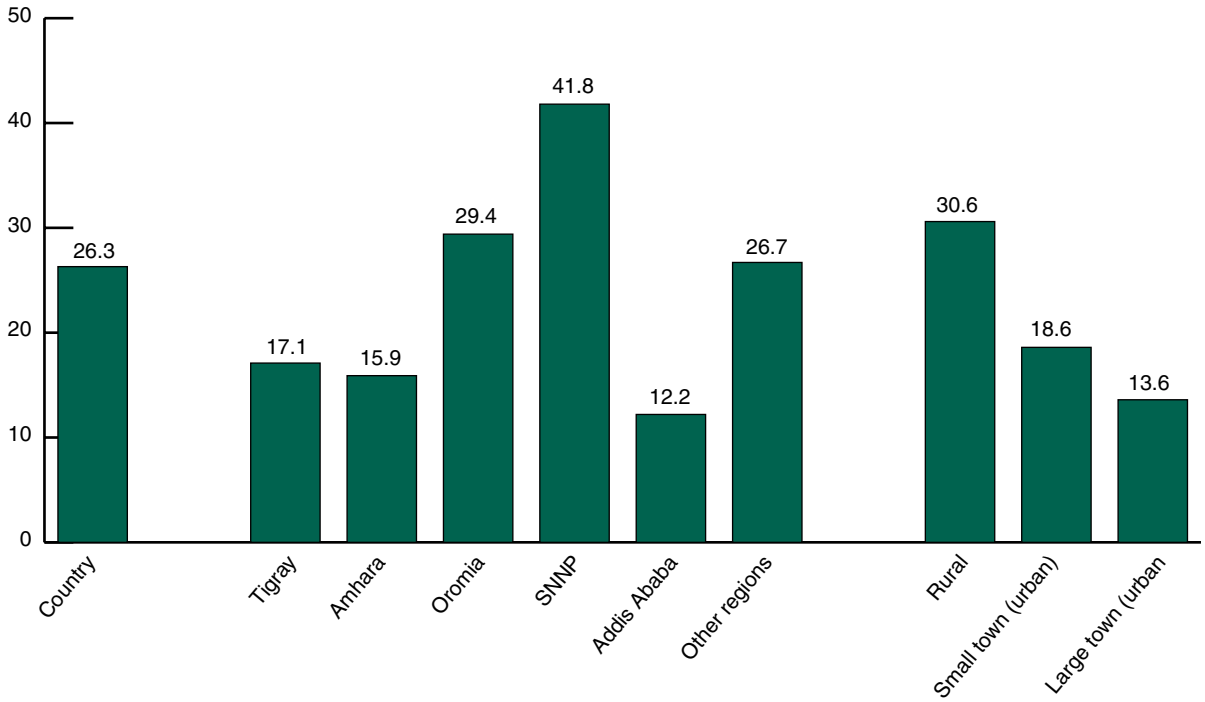

FIGURE 7.2 • Food Shortage by Region (monthly)

Percent of Households Reporting Food Shortage by Region, Ethiopia 2015/16

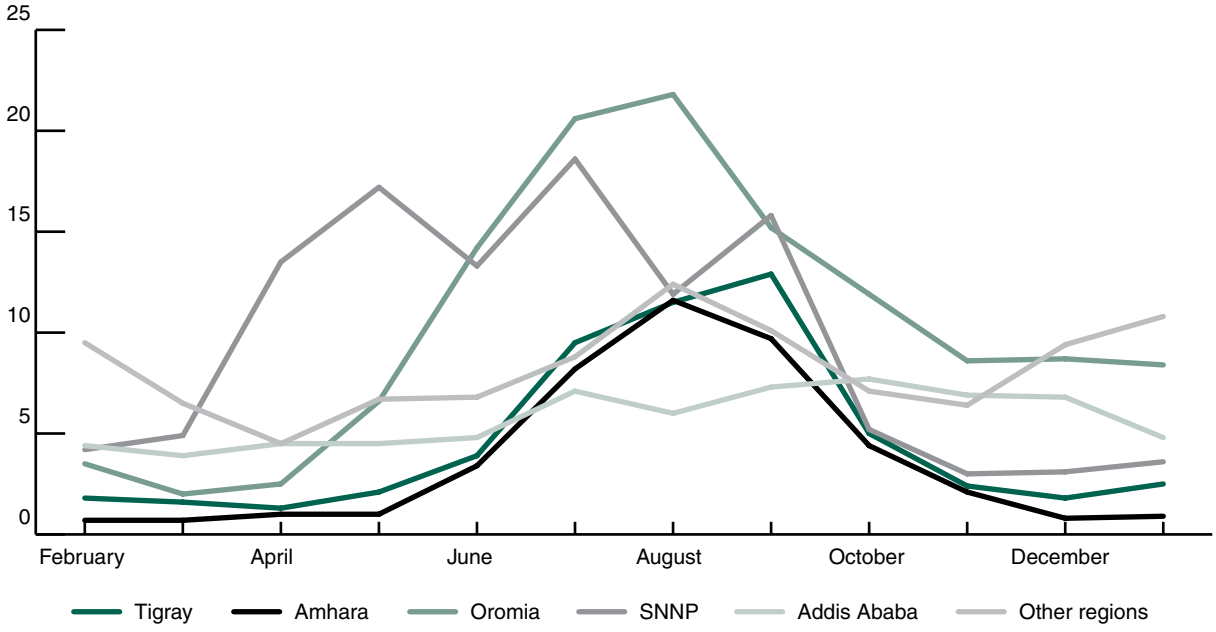

FIGURE 7.3 • Food Shortage by Residence (monthly)

Percent of Households Reporting Food Shortage by Region, Ethiopia 2015/16

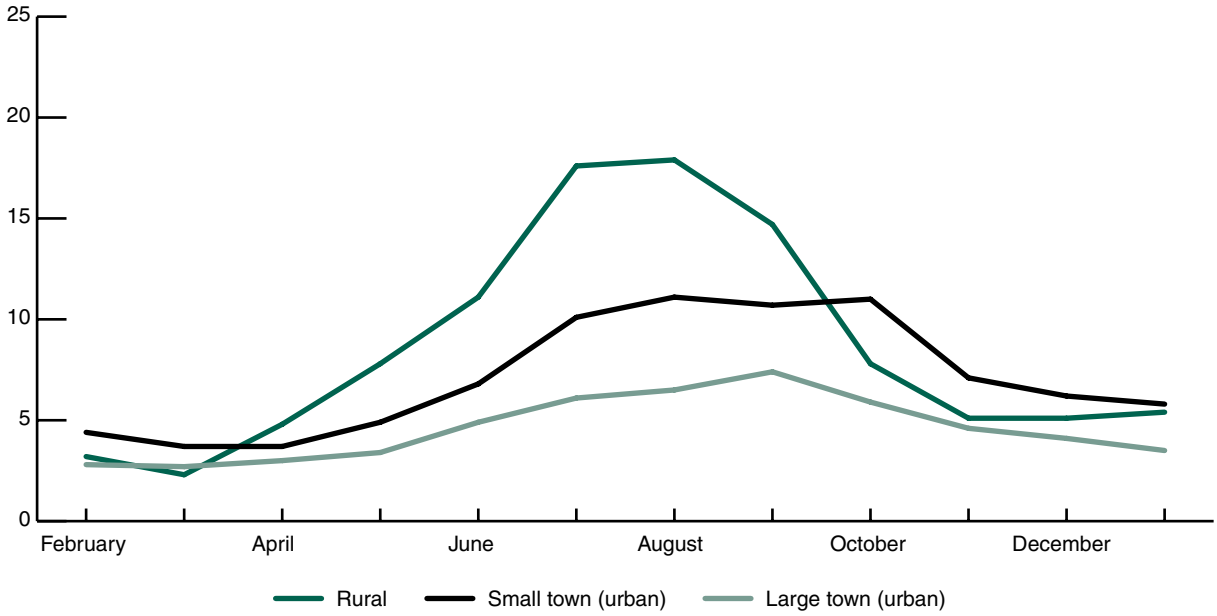

TABLE 7.4 • Shocks

Percent of Households Experiencing Shocks in the Last 12 Months and Ranking of Shocks, Ethiopia 2015/16

		Among Those Who Reported Any Shock, % of Households Reported It as:		
	% of Households Experiencing Shock	1st Most Important	2nd Most Important	3rd Most Important
Illness of household member	23.2	58.0	27.6	14.4
Drought	21.3	76.4	17.1	6.6
Price rise of food items	20.8	31.4	45.9	22.7
Increase in price of inputs (seed, fertilizer)	14.1	41.9	37.3	20.8
Other crop damage	5.8	32.2	50.7	17.2
Great loss/death of livestock	5.2	36.0	40.6	23.3
Price fall of food items	4.6	32.6	53.0	14.4
Death of other household member	2.6	55.7	26.9	17.4
Heavy rains preventing work	2.2	58.4	23.8	17.8
Local unrest/violence	2.2	(25.8)	(28.3)	(45.9)
Death of main bread earner	2.1	76.2	13.7	10.1
Other	1.9	(62.3)	(35.4)	(2.4)
Loss of non-farm jobs of hh member	1.8	(62.6)	(26.9)	(10.5)
Theft/robbery and other violence	1.3	(46.7)	(42.0)	(11.4)
Flood	1.0	(39.4)	(46.3)	(14.3)
Displacement (due to gov't development project)	0.9	(27.8)	(46.3)	(25.9)
Death of children under 5 years old	0.4	(62.5)	(26.5)	(11.1)
Fire	0.4	(64.6)	(26.1)	(9.3)
Involuntary loss of house/land	0.3	(78.5)	(21.5)	(0.0)
Landslides/avalanches	0.3	(50.2)	(24.2)	(25.7)

Note: Values in parentheses are based on less than 100 observations.

households. The most commonly reported shock is *illness of a household member*; approximately 23 percent of households report exposure to this shock in the previous 12 months. *Drought* reflects the second most commonly occurring shock, with 21 percent of households reporting exposure. The percentage of households experiencing drought during 2015/16 is higher than found in previous ESS surveys (13% in ESS1 and 7% in ESS2). In addition, households who experienced drought are more prone to report it as the most severe shock they encountered. It is also noteworthy that *Price rise of food items was experienced* by 21 percent of households. An *increase in price of inputs (seed, fertilizer)* was reported by 14% of households.

7.3.2 Coping Mechanisms

Households cope with shocks in different ways, as shown in Table 7.5. The data show there are also a substantial share of households that do not carry out any coping mechanisms in the face of a shock.

The most common coping mechanisms utilized to address the top three shocks households faced include, in order of importance, using one's own savings, engaging in spiritual efforts, and selling livestock. Thirty-nine percent of households reported utilizing their savings when a household member fell ill, while 34 and 33 percent of households who reported a drought or rise in

TABLE 7.5 • Coping Strategies to Shocks

Percent among Households with Any of the Shock in the Last 12 Months, Ethiopia 2015/16

	Shocks		
	Most Prevalent	2nd Most Prevalent	3rd Most Prevalent
Coping Mechanisms	Illness of Household Member	Drought	Rise in Food Prices
Relied on own savings	39.2	33.7	33.0
Sold livestock	10.1	12.8	14.5
Engaged in spiritual efforts	14.3	17.0	7.9
Obtained credit	3.7	1.7	2.6
Received unconditional help from relatives	5.2	3.6	3.6
Adult members had to find work	0.8	0.7	2.2
Took on more employment	2.5	0.8	2.0
Received unconditional help from government	2.4	15.3	10.3
Changed eating pattern	0.5	0.0	2.5
Sold land, buildings	0.2	0.1	0.1
Sold crop stock	1.1	0.9	1.1
Household members migrated	0.0	0.0	0.4
Received unconditional help from NGOs	0.4	0.7	1.2
Reduced expenditures	0.6	1.0	0.6
Sold agricultural assets	0.0	1.6	2.6
Sold durable assets	0.3	0.4	0.5
Sent children to live elsewhere	0.2	0.1	0.1
Intensify fishing activities	0.0	0.0	0.0
Other	4.2	1.2	1.8
Did not do anything	14.4	8.4	13.1

food prices, respectively, reported using their savings. Engaging in spiritual efforts is the second most important coping mechanism employed by households, used by 8 to 17 percent of households depending on the type of shock experienced. The next most common coping mechanism is selling livestock; between 10 and 15 percent of households used this strategy.

However, it is important to note that coping mechanisms are not always an option for households. For example, 14 percent of households with an ill member, 8 percent of those who faced drought, and 13 percent of those who reported a rise in food prices did not employ any method of coping.

Finance: Banking, Savings, Insurance and Credit

8

Key Messages:

- Approximately 22 percent of adults have accounts from formal financial institutions. Financial inclusion at the household level is higher, at approximately 35 percent.
- Public commercial banks and microfinance institutions are the first and second most widely used institutions for financial services.
- Approximately 32 percent of individuals, and 48 percent of households, saved money in the past 12 months. Respondents reported they primarily saved in case of emergency.
- Regarding knowledge of financial procedures, approximately 45 percent of account owners know where to complain and 31 percent know what to do in the case that a financial service provider files for bankruptcy.
- Households take loans more frequently from informal sources (relatives, friends, neighbors) than formal sources. Microfinance is an important lender in rural areas. At the national level, the median household-level loan for a one-year period is 1000 Birr (45 USD).

8.1 Introduction

The finance module included questions on savings, insurance, credit and banking practices. Most of the savings and insurance related questions were added in this round (ESS3). The questions on credit were also included in the last two rounds (ESS1 and ESS2). Depending on the question, the module collected information at the individual or household levels. Banking, savings, and insurance questions were asked at the member level. Eligible individual respondents included household members 18 years and older at the time of the survey. The credit and loan questions were asked at the household level. The following sections present the main findings of this module.

8.2 Account Owners

In this module, a respondent is said to have an account if he or she is registered in a book at a bank, microfinance institution, SACCO, mobile bank application (M-Birr and hello cash), or other formal financial institution in order to take out a loan, save, transfer money, or receive wages.

Table 8.1 presents account owners by gender, region, and place of residence. The results are reported at member and household levels. Approximately 22 percent of adults (18 years and older) have accounts at formal financial institutions. Financial inclusion is higher at the household level (meaning at least one individual

TABLE 8.1 • Use of Financial Services

Percent of Individuals (ages 18+) and Households Who Used Financial Services by Gender, Region and Place of Residence, Ethiopia 2015/16

	Individual			Any Household Member
	All	Males	Females	
Tigray	28.1	31.3	25.4	45.9
Amhara	27.6	32.3	23.4	41.6
Oromiya	15.2	20.5	10.1	28.6
SNNP	14.9	20.0	10.1	25.9
Addis Ababa	60.5	65.3	56.6	82.8
Other regions	16.9	21.3	12.7	27.4
Rural	11.6	16.0	7.5	22.3
Small town (urban)	38.2	48.2	29.2	58.2
Large town (urban)	54.0	61.5	48.0	74.1
Country	21.8	26.4	17.5	35.2

in the household holds an account), at approximately 35 percent.

Table 8.1 also demonstrates the gender disparity in account ownership. Approximately 26 percent of male adults have a bank account, compared to only 17 percent of female adults. The proportion of adults with bank accounts is also higher in urban areas (54 percent) as compared to small town areas (38 percent). Unsurprisingly, this figure falls to 11 percent in rural areas.

By region, Addis Ababa has the highest percentage of adults with bank accounts (61 percent). Approximately 28 percent in both Tigray and Amhara regions, and 15 percent in both Oromiya and SNPP regions have adults with bank accounts.

8.3 Types of Financial Institutions and Services

Table 8.2 summarizes the types of financial institutions utilized by those who reported holding an account from formal financial institutions. Compared to all other types of financial institutions, public commercial banks are the most common (62 percent) institutions used by individuals for bank accounts; microfinance institutions represent the second most common bank account source (28 percent). Furthermore, microfinance institutions are significantly more likely to be used among rural respondents than those living in small town or large town areas. Commercial banks, either public or private, have proportionally more clients in urban than in rural areas. Among the four largest regions, the share of formal bank account owners is highest in Oromiya for commercial banks, and in Amhara for microfinance institutions.

Table 8.3 summarizes utilization of four key financial services and products by account holders. These services include ATM or debit cards, online banking, mobile banking, and agent banking. At the national level, account owners were most likely to utilize an ATM card (15 percent), as compared to the other three services. Only 3 to 5 percent of account owners reported using these services.

Utilization of ATM or debit cards, and mobile banking applications, is higher in large towns (25 and 7 percent respectively) as compared to rural or small town areas, whereas online banking is highest in small towns.

8.4 Knowledge of Financial Procedures

Account owners were asked whether they know where to file complaints as well as what to do in the case that a financial service provider files for bankruptcy. Table 8.4 summarizes findings from these questions. Approximately 44 percent of account owners know where to complain and 31 percent know what to do if their provider files bankruptcy. Urban residents demonstrate higher levels of financial awareness than rural residents. In all regions and all places of residence there are more individuals who know where to complain than what to do in case of bankruptcy.

TABLE 8.2 • Type of Financial Institution

Percent of Account Owning Individuals (18 years and older) by Financial Institution, Gender, Region and Place of Residence, Ethiopia 2015/16

	Private Bank			Public Bank			Microfinance Bank			SACCO			Other		
	All	Males	Females	All	Males	Females	All	Males	Females	All	Males	Females	All	Males	Females
Tigray	13.6	13.7	13.5	51.4	54.7	47.9	34.8	36.1	33.5	16.0	15.2	16.8	1.2	0.0	2.4
Amhara	6.3	8.2	3.9	45.2	47.1	42.8	54.2	51.7	57.3	4.5	4.6	4.4	1.2	1.4	0.9
Oromiya	15.5	14.3	17.8	68.7	70.6	65.0	12.3	13.5	10.1	11.1	9.3	14.6	0.6	0.4	1.0
SNNP	9.5	9.4	9.5	69.2	70.4	66.9	31.8	33.8	28.1	5.9	6.1	5.5	0.1	0.2	0.0
Addis Ababa	29.3	32.8	26.1	80.7	80.0	81.4	1.9	1.7	2.1	2.4	2.5	2.4	0.9	0.9	0.8
Other regions	14.4	12.6	17.4	87.0	91.0	80.7	2.8	1.8	4.3	3.5	2.7	4.7	0.0	0.0	0.0
Rural	4.8	5.5	3.3	38.0	44.9	23.7	47.3	43.2	55.7	12.5	10.3	17.0	0.9	1.0	0.8
Small town (urban)	5.7	7.2	3.5	81.0	84.3	76.1	26.1	24.7	28.2	1.7	1.9	1.4	0.6	0.0	1.5
Large town (urban)	22.5	24.6	20.2	77.7	79.7	75.7	13.8	12.4	15.1	3.7	3.9	3.5	0.7	0.6	0.8
Country	13.6	14.0	13.2	62.4	64.4	59.6	28.4	27.8	29.1	7.0	6.6	7.5	0.8	0.7	0.9

TABLE 8.3 • Type of Financial Services

Percent of Account Owning Individuals (18 years and older) by Financial Services, Gender, Region and Place of Residence, Ethiopia 2015/16

	ATM/Debit Card			Online Banking			Mobile Banking			Agent Banking		
	All	Males	Females	All	Males	Females	All	Males	Females	All	Males	Females
Tigray	7.6	10.2	5.0	2.7	2.0	3.3	3.8	4.6	3.0	3.4	4.1	2.7
Amhara	7.6	9.0	5.9	1.0	1.8	0.0	2.4	3.8	0.7	0.2	0.2	0.2
Oromiya	15.4	17.0	12.4	6.2	6.3	6.2	5.8	7.7	2.2	5.6	6.1	4.7
SNNP	17.2	18.3	15.0	5.4	7.3	1.8	6.5	6.8	6.0	4.4	5.0	3.2
Addis Ababa	32.0	38.2	26.2	2.3	2.9	1.7	8.8	10.1	7.5	1.2	1.8	0.6
Other regions	18.4	18.4	18.3	3.9	3.0	5.3	9.1	8.7	9.8	5.0	5.4	4.4
Rural	4.3	4.8	3.3	1.9	1.6	2.5	3.4	3.9	2.4	3.2	3.6	2.4
Small town (urban)	10.6	13.9	5.6	5.1	5.2	4.9	5.2	7.7	1.4	1.1	1.6	0.4
Large town (urban)	24.9	30.8	18.8	4.2	6.6	1.9	6.7	9.0	4.4	2.9	3.7	2.0
Country	15.2	17.0	12.6	3.4	4.2	2.4	5.2	6.5	3.5	2.8	3.4	2.0

TABLE 8.4 • Knowledge of Financial Procedures

Percent of Account Owning Individuals (ages 18 years and older) with Knowledge of Financial Procedures by Gender, Region and Place of Residence, Ethiopia 2015/16

	Know Where to Complain about Financial Services Provider			Know What to Do If Financial Institution Fails		
	All	Males	Females	All	Males	Females
Tigray	58.9	62.8	54.8	30.6	33.2	28.0
Amhara	26.6	31.4	20.7	19.3	21.1	17.0
Oromiya	52.0	52.8	50.5	40.8	42.4	37.5
SNNP	45.8	47.1	43.4	28.6	28.7	28.4
Addis Ababa	53.2	57.7	49.0	37.8	42.1	33.8
Other regions	66.5	71.2	59.0	48.1	49.9	45.3
Rural	27.7	31.6	19.9	17.9	20.9	11.9
Small town (urban)	52.5	59.2	42.6	43.6	47.0	38.6
Large town (urban)	55.6	61.3	49.7	39.0	43.2	34.7
Country	44.2	47.5	39.7	31.2	33.4	28.0

8.5 Savings

All household members ages 18 years and older were asked if they saved in the past 12 months. Table 8.5 summarizes the results. The values are reported at the individual and household levels. Approximately 32 percent of individual respondents reported saving their money in the formal or informal financial sector; this figure increases to 48 percent at the household level (i.e., households with at least one member who reported any savings over the last 12 months).

By gender, the proportion of savers for adult males is 37 percent compared with 28 for adult females. There are also differences by place of residence. For example, at the individual level, the proportion of those who save is 58 and 46 in large and small towns, respectively. Only 24 percent of individuals in rural areas report having saved in the last 12 months. Regionally, the proportion of individuals who save ranges from a high of 67 percent in Addis Ababa to 25 percent in SNNP.

TABLE 8.5 • Saving

Percent of Individuals (18 years and older) and Households Who Saved Any Amount in the Past 12 Months by Gender, Region and Place of Residence, Ethiopia 2015/16

	Individual			Any Household Member
	All	Males	Females	
Tigray	30.2	33.6	27.4	49.8
Amhara	31.7	36.9	27.1	45.9
Oromiya	31.2	36.7	26.0	48.2
SNNP	24.7	30.2	19.6	40.1
Addis Ababa	67.1	70.5	64.4	85.2
Other regions	33.4	35.8	31.1	46.9
Rural	24.1	28.7	19.6	38.0
Small town (urban)	46.3	55.1	38.3	66.0
Large town (urban)	57.7	64.4	52.4	77.1
Country	32.2	37.0	27.7	47.8

8.6 Reasons for Saving

Table 8.6 summarizes the main reasons cited for saving. The most frequently mentioned reason for saving was to be prepared in case of an emergency (75 percent). Other reasons reported, in order of frequency, include to build assets (e.g., building a home), to start or expand a business, and to save for children, health, education, and old age.

8.7 Method and Frequency of Saving

Respondents who reported saving in the 12 months preceding the survey, were asked questions regarding the location and frequency of these savings. Overall, both informal and formal savings locations were common. While the majority of savings deposits appear to take place irregularly, some individuals report setting aside money weekly or monthly. Monthly savings is also more common than irregular for microfinance and SACCO in formal institutions and associations.

8.8 Capacity to Save

Respondents were asked within what time period they could feasibly save 600 Birr (about 27 USD at the time of the survey) if they wanted to. Nationally, approximately 70 percent of the respondents said that they were unable to save that amount in any time. The capacity to save varied by region, residence, and gender. While 64 percent of individuals in Addis Ababa reported being unable to save 600 Birr, as many as 74 percent reported the same inability in SNNP. The data also show that saving is easier for both men and those living in urban areas.

8.9 Insurance Coverage

Respondents were asked if they had any insurance (formal or informal) in the 12 months preceding the survey. The coverage of formal insurance in Ethiopia is minimal. At the national level, only 1.4 percent of individuals have formal insurance. Penetration is higher than the national average in Tigray (5 percent)

TABLE 8.6 • Reasons for Saving

Percent of Individuals Who Saved Some Money in the Past 12 Months by Gender, Region and Place of Residence, Ethiopia 2015/16

	Emergencies	Health/ Medical Expenses	Start or Grow a Business	Old Age	Education	Children's Future	Asset Building	Other
Tigray	76.6	2.4	10.4	0.6	2.8	1.6	4.6	1.0
Amhara	75.5	1.4	5.1	0.2	2.4	3.9	10.3	1.2
Oromiya	79.4	1.8	5.0	0.0	1.4	2.4	9.9	0.1
SNNP	70.6	2.0	9.8	1.2	1.5	3.5	10.3	1.2
Addis Ababa	63.1	2.1	6.7	0.6	1.9	1.8	22.9	0.9
Other regions	79.5	5.2	7.0	0.6	1.5	0.6	5.1	0.5
Rural	82.0	1.3	4.1	0.2	0.7	1.9	9.1	0.7
Small town (urban)	62.9	5.0	9.3	1.6	3.0	4.7	12.7	0.7
Large town (urban)	67.3	2.3	9.1	0.4	3.1	3.5	13.5	0.8
Country	75.0	2.0	6.4	0.4	1.8	2.7	11.0	0.7
Male	74.0	1.7	7.0	0.3	1.6	2.4	12.4	0.6
Female	76.3	2.3	5.6	0.4	2.0	3.1	9.3	0.9

TABLE 8.7 • Place and Frequency of Savings

Percent of Individuals (ages 18 years and older) Who Saved by Frequency of Savings and Types of Institutions, 2015/16

		Frequency of Savings						
	Use This Method	Daily	Weekly	Monthly	Once in 3 Months	Once in 6 Months	Once a Year	Irregular
Formal								
Private bank	8.1	3.4	11.6	23.0	8.1	3.2	0.7	50.0
Public bank	37.5	1.8	5.8	34.4	7.4	3.2	3.5	44.0
Microfinance bank	15.6	2.1	6.9	43.5	12.2	0.7	4.2	30.3
SACCO	4.3	1.3	14.4	49.7	2.9	2.2	13.2	16.3
Other	0.5							
Informal								
Home (cash)	39.0	8.8	7.6	10.4	2.2	1.2	0.8	69.1
Friends/family	2.8	2.6	13.8	6.2	7.0	3.0	7.3	60.1
Association	4.6	0.8	10.3	68.5	4.1	4.4	4.3	7.7
Equb	22.6	2.8	57.3	35.5	1.4	0.4	0.7	1.9
Other	0.6							

TABLE 8.8 • Frequency of Saving 600 Birr

Percent of Individuals (ages 18 years and older) by Frequency of Savings and Types of Institutions, Ethiopia 2015/16

	Daily	Weekly	Monthly	Once in 3 Months	Once in 6 Months	Once a Year	Cannot Save That Much
Tigray	0.7	1.7	8.7	4.2	4.7	9.5	70.4
Amhara	0.4	1.7	4.6	6.5	6.1	8.1	72.6
Oromiya	0.3	2.4	6.1	9.1	3.7	10.1	68.3
SNNP	0.3	1.4	4.5	6.1	6.4	7.5	73.7
Addis Ababa	0.6	2.8	12.0	11.7	5.2	3.7	63.9
Other regions	0.8	1.8	8.9	9.2	7.6	6.6	65.1
Rural	0.2	1.5	3.7	6.3	4.9	9.7	73.7
Small town (urban)	1.4	2.7	8.7	12.0	7.0	5.8	62.4
Large town (urban)	0.8	3.3	13.9	11.5	6.0	4.9	59.7
Country	0.4	2.0	6.0	7.7	5.2	8.5	70.2
Male	0.6	2.5	8.2	9.2	6.0	8.9	64.5
Female	0.2	1.4	4.0	6.3	4.5	8.1	75.4

TABLE 8.9 • Insurance Use

Percent of Individuals (ages 18 years and older) by Types of Institutions, Region and Place of Residence, Ethiopia 2015/16

		Type of Institution Used					
	Any Formal Insurance	Private Insurance Company	Public Insurance Company	Employer	Microfinance Institution	Other Formal Institution	Uses Iddir
Tigray	4.8	(1.8)	(86.5)	(9.6)	(0.4)	(2.9)	13.8
Amhara	0.9	(14.2)	(79.0)	(12.4)	(5.1)	(0.0)	64.0
Oromiya	1.0	(5.8)	(90.9)	(1.1)	(2.2)	(0.0)	56.9
SNNP	0.9	(5.1)	(87.1)	(2.1)	(5.7)	(0.0)	63.6
Addis Ababa	6.0	(20.5)	(18.5)	(45.4)	(9.8)	(5.7)	40.4
Other regions	0.7	(18.6)	(41.0)	(48.2)	(0.0)	(0.0)	31.0
Rural	0.8	(4.3)	(92.3)	(4.5)	(1.7)	(1.5)	58.4
Small town (urban)	1.8	(9.7)	(70.7)	(12.3)	(10.5)	(0.0)	53.3
Large town (urban)	3.9	(14.2)	(52.7)	(25.5)	(5.5)	(2.5)	42.6
Country	1.4	(10.0)	(69.5)	(16.3)	(4.4)	(1.9)	55.0
Male	1.7	14.4	68.7	14.5	4.8	1.1	54.5
Female	1.2	(4.6)	(70.3)	(18.6)	(4.0)	(3.0)	55.3

Note: Values in parentheses are based on less than 100 observations.

and Addis Ababa (6 percent). Informal insurance is much more widespread; more than half of residents (55%) reported holding a membership in iddir.

8.10 Reasons for Not Using Formal Insurance Services

The primary reason respondents cited for not using formal insurance services was a lack of understanding regarding the purpose of insurance (49 percent). However, in Addis Ababa, the high cost of insurance was the predominant deterrent from utilizing this service.

8.11 Financial Knowledge and Preference

Table 8.11 summarizes adult respondents' knowledge of common finance and banking terms and preferences. The three most widely known terms include 'interest rate' (29 percent), 'ATM' (17 percent), and 'mobile banking' (15 percent). Moreover, 37 percent of respondents report knowing how to open an account in the formal sector.

As expected, the share of respondents who are familiar with various financial terms and the share of those who know how to open an account are both higher in urban areas than in rural and small town areas. Knowledge regarding opening an account is highest in Addis Ababa (83 percent) and lowest in the 'other regions' (29 percent). Additionally, 45 percent of males, compared to only 29 percent of females, know how to open a bank account.

Regarding choice of institution where money is saved, the preference for formal financial institutions is 49 percent. It is slightly lower for informal places (43 percent). Individuals from rural areas prefer to save informally (54 percent) as opposed to formally (38 percent); the reverse is true in urban areas. Preference for formal methods is also higher in Addis Ababa, Tigray and Amhara regions.

TABLE 8.10 • Reasons for Not Using Formal Insurance

Percent of Individuals (ages 18 years and older) Who Did Not Have Insurance by Reason, Region and Place of Residence, Ethiopia 2015/16

	Not Useful	Don't Understand	Doesn't Trust	Too Expensive	Religious Reasons	Prefer Informal	Providers Too Far	No Reason	Other
Tigray	7.9	48.5	0.1	3.1	0.6	0.9	31.1	5.0	2.8
Amhara	18.4	47.9	0.5	4.0	0.5	3.3	17.5	5.2	2.7
Oromiya	10.3	51.2	0.3	5.0	2.3	2.2	21.1	3.8	3.7
SNNP	8.3	52.8	0.4	9.8	0.3	4.0	18.3	4.4	1.6
Addis Ababa	11.7	24.7	1.1	38.3	2.6	1.2	0.9	13.6	5.8
Other regions	10.1	57.3	0.1	1.6	1.6	1.9	21.3	4.8	1.3
Rural	12.4	55.1	0.4	3.7	1.2	3.1	18.8	3.0	2.4
Small town (urban)	7.5	36.1	0.4	3.4	2.3	0.5	40.9	5.3	3.5
Large town (urban)	11.4	32.1	0.6	21.4	1.5	2.0	13.6	12.3	5.1
Country	11.9	49.4	0.4	7.1	1.3	2.7	19.1	4.9	3.0
Male	12.4	46.4	0.5	7.4	1.6	2.7	21.3	4.8	2.9
Female	11.5	52.3	0.3	6.9	1.1	2.7	17.1	5.0	3.0

TABLE 8.11 • General Financial Knowledge and Preferences

Percent of Individuals (ages 18 years and older) by Familiarity and Preference, Region and Place of Residence, Ethiopia 2015/16

	Familiar with					Preferred Method of Saving			Know How to Open Bank Account	Worried about Unexpected Expenses
	Agent Banking	ATM	Mobile Banking	Collateral	Interest	Bank	Informal	Both		
Tigray	13.8	16.1	13.2	12.5	42.1	76.0	16.6	7.4	42.2	65.2
Amhara	7.1	12.0	10.1	13.2	28.1	57.9	35.2	6.9	36.2	63.4
Oromiya	15.2	15.6	13.7	14.9	24.9	43.6	48.3	8.0	34.4	58.6
SNNP	15.2	10.9	8.7	6.8	26.2	34.5	56.3	9.2	27.7	71.9
Addis Ababa	24.7	77.9	65.4	29.2	62.7	91.9	6.5	1.5	83.0	69.3
Other regions	13.1	16.1	16.7	6.2	20.0	26.8	62.4	10.9	29.4	48.4
Rural	9.3	4.5	3.6	6.9	18.2	38.6	53.7	7.7	24.0	61.5
Small town (urban)	20.5	31.0	27.1	18.1	42.3	68.6	23.9	7.5	60.7	59.6
Large town (urban)	26.3	60.5	52.8	34.3	64.1	83.0	9.2	7.8	75.1	68.9
Country	13.4	17.3	14.9	13.0	28.9	49.3	43.0	7.7	36.5	62.8
Male	15.6	20.9	17.5	15.1	32.2	51.0	40.2	8.8	44.6	60.9
Female	11.4	14.0	12.4	11.1	25.8	47.7	45.6	6.7	29.0	64.6

8.12 Loan Source

Respondents were asked if any household member borrowed at least 150 Birr in cash or in kind in the last 12 months. At the national level, only 23 percent of households reported taking a loan during this period; the data show this share is higher in rural (26 percent) than in urban areas (14–19 percent). Regionally, borrowing was least common among households in Addis Ababa (12 percent) and most common in Amhara region (29 percent).

The two primary loan sources include relatives (43 percent) and microfinance institutions (27 percent). Additionally, 10 percent of those who took a loan did so from neighbors. Preferred sources for borrowing vary widely across regions. For example, the proportion of those who received a loan from microfinance institutions ranged from 3 percent in the 'other regions' category to 56 percent in Tigray; borrowing from relatives is most common in Addis Ababa (70 percent) and least common in Tigray (24 percent).

8.13 Loan Amount and Reasons

Table 8.13 summarizes reasons given for borrowing money as well as the amount borrowed in the last 12 months. At the national level, the median loan amount obtained by the household in the past 12 months is 1,000 Birr (approx. 45 USD); the median is higher in urban areas.[16] The median loan amount is as high as 5,000 Birr in Tigray and as low as 643 Birr in SNNP.

The most frequently cited reason for taking out a loan in rural areas was to purchase agricultural inputs. Urban residents were more likely to borrow money in order to expand or start a business.

TABLE 8.12 • Loan Sources

Proportion of Households Who Took Loan in the Past 12 Months by Loan Source, Region and Place of Residence, Ethiopia 2015/16

	hh Had Any Loan	Source of Loan									
		Relative	Neighbor	Grocery/ Local Merchant	Money Lender	Employer	Religious Institution	Microfinance Institution	Bank	NGO	Other
Tigray	23.7	23.5	5.8	2.6	2.0	0.0	0.0	55.8	0.5	4.3	5.4
Amhara	29.3	35.0	3.2	1.6	5.7	0.1	5.1	41.8	0.7	1.8	5.0
Oromiya	21.7	48.8	11.8	6.0	1.6	0.2	0.0	18.7	3.2	6.2	3.5
SNNP	21.0	48.0	16.6	6.1	2.1	0.8	0.4	15.2	0.8	0.7	9.3
Addis Ababa	12.4	(70.0)	(3.9)	(3.9)	(0.0)	(7.3)	(0.0)	(6.4)	(0.0)	(0.0)	(8.6)
Other regions	22.7	52.9	17.6	23.1	1.7	0.3	0.0	2.8	0.0	0.0	1.4
Rural	25.5	41.6	10.7	5.4	3.5	0.0	2.2	26.7	1.3	3.4	5.1
Small town (urban)	14.2	(45.2)	(4.2)	(8.0)	(0.0)	(0.0)	(0.0)	(37.5)	(0.0)	(0.0)	(5.1)
Large town (urban)	19.1	50.1	4.8	4.3	1.6	2.6	0.0	26.2	2.7	2.8	5.0
Country	23.4	43.1	9.5	5.3	3.1	0.4	1.8	27.1	1.5	3.1	5.1

Note: Values in parentheses are based on less than 100 observations.

[16] The base is those households who borrowed at least 150 Birr.

TABLE 8.13 • Reason for Loan

Proportion of Households Who Took Loan in the Past 12 Months by Reason for Loan, Region and Place of Residence, Ethiopia 2015/16

	Reasons for Loan							
	Purchase House/ Lease Land	Inputs for Food Crop	Inputs for Other Crop	Business Start-Up	Expanding Business	Non-Farm Inputs	Other	Loan Principal (median)
Tigray	3.1	29.5	3.4	10.5	13.5	11.6	28.4	5,000
Amhara	4.5	39.2	12.1	7.6	7.0	3.5	26.1	2,500
Oromiya	2.8	28.6	9.3	6.2	6.5	4.5	42.2	1,000
SNNP	1.4	21.3	14.8	6.7	15.0	9.5	31.2	643
Addis Ababa	(13.6)	(11.0)	(14.1)	(8.9)	(11.9)	(2.3)	(38.2)	(4,000)
Other regions	2.4	32.4	5.9	3.5	6.4	9.8	39.5	550
Rural	2.2	36.3	12.8	6.0	5.4	4.2	33.1	1,000
Small town (urban)	(14.6)	(3.5)	(0.6)	(17.0)	(20.8)	(20.2)	(23.4)	(5,000)
Large town (urban)	6.5	10.3	2.9	9.1	21.6	9.8	39.8	2,000
Country	3.4	30.8	10.7	6.9	8.7	5.8	33.8	1,000

Note: Values in parentheses are based on less than 100 observations.


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