

HAWASSA UNIVERSITY
COLLEGE OF LAW AND GOVERNANCE
SCHOOL OF GOVERNANCE AND DEVELOPMENT STUDIES



IMPLEMENTATION, CHALLENGES, AND BENEFITS OF
URBAN PRODUCTIVE SAFETY NET PROGRAM IN HAWASSA
CITY, SIDAMA NATIONAL REGIONAL STATE, ETHIOPIA

MA THESIS

WONDIMU OROMO

JUNE 2025
HAWASSA, ETHIOPIA

**IMPLEMENTATION, CHALLENGES, AND BENEFITS OF
URBAN PRODUCTIVE SAFETY NET PROGRAM IN HAWASSA
CITY, SIDAMA NATIONAL REGIONAL STATE, ETHIOPIA**

**BY
WONDIMU OROMO**

**ADVISOR
Dr. ASFAW GNEFATO (PhD)**

**A THESIS SUBMITTED TO THE SCHOOL OF GOVERNANCE AND
DEVELOPMENT STUDIES, COLLEGE OF LAW AND GOVERNANCE,
SCHOOL OF GRADUATE STUDIES,**

**IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE
OF MASTER OF ARTS IN GOVERNANCE AND DEVELOPMENT STUDIES**

(SPECIALIZATION: DEVELOPMENT MANAGEMENT)

**JUNE 2025
HAWASSA, ETHIOPIA**

DECLARATION

I, **Wondimu Oromo**, hereby declare that the thesis titled “**Implementation, Challenges, and Benefits of the Urban Productive Safety Net Program in Hawassa City, Sidama National Regional State, Ethiopia**” is my original work. This thesis has been prepared independently under the close supervision and guidance of my advisor. I confirm that this work has not been submitted for any degree or diploma at any other institution, and that all sources consulted and cited in this thesis were properly acknowledged.

Name of the Student

Signature

Date

Wondimu Oromo

ADVISOR APPROVAL SHEET

I, the undersigned thesis advisor, hereby certify that I have thoroughly reviewed and evaluated the thesis titled “**Implementation, Challenges, and Benefits of Urban Productive Safety Net Program in Hawassa City, Sidama National Regional State, Ethiopia**” prepared by **Wondimu Oromo** under my supervision. This thesis is submitted in partial fulfillment of the requirements for the degree of **Master’s with specialization in Development Management** within the Graduate Program of the **School of Governance and Development Studies**. Based on my assessment, I confirm that the student has met all the necessary requirements and is hereby approved to submit the thesis to the school for further consideration.

Name of Advisor	Signature	Date
Dr. Asfaw Gnefeto (PhD)	_____	_____

ACKNOWLEDGEMENT

First and foremost, I would like to express my deepest gratitude to my advisor, Dr. Asfaw Gnefato, for his invaluable guidance, insightful feedback, and unwavering support throughout this research. His expertise and encouragement were instrumental in shaping this study.

I extend my sincere appreciation to the kebele administrators of Chefasine, Gameto Galle, and Finchawa for facilitating access to beneficiaries and providing essential information. Their cooperation was crucial in ensuring the smooth execution of this research.

Special thanks go to the data collectors for their dedication and hard work in gathering primary data under challenging conditions. Their efforts were vital in ensuring the accuracy and reliability of the study's findings.

Most importantly, I am profoundly grateful to the respondents, the beneficiaries of the Urban Productive Safety Net Program (UPSNP), who generously shared their time, experiences, and insights. Their contributions form the foundation of this research.

Lastly, I acknowledge Hawassa University and the School of Governance and Development Studies for providing the academic environment and resources necessary to complete this study.

TABLE OF CONTENTS

CONTENTS	PAGES
Declaration	i
Advisor Approval Sheet.....	ii
Acknowledgement	iii
Table of Contents	iv
List of Tables	vii
List of Figure.....	viii
Abbreviations and Acronyms.....	ix
Abstract	x
CHAPTER ONE	1
INTRODUCTION.....	1
1.1. Background of the Study	1
1.2. Statement of the Problem	3
1.3. Objectives of the Study	4
1.3.1. General objective of the study	4
1.3.2. Specific objectives of the study	4
1.4. Research Questions	4
1.5. Significance of the Study	5
1.6. Scope of the Study.....	5
1.7. Organization of the Study.....	6
CHAPTER TWO	7
REVIEW OF RELATED LITERATURE.....	7
2.1. Introduction	7
2.2. Concepts Literature Review	7
2.2.1. Concepts of Social Safety Net	7

2.2.2. Classification of Social Safety Net.....	8
2.2.3. Concepts of Urban Productive Safety Net Program	9
2.2.4. Concepts of Urban Destitute.....	10
2.2.5. An Overview of Ethiopian Productive Safety Net Program.....	11
2.2.6. Rational for the productive Safety Net Program	12
2.2.7. Urban productive safety net program in Ethiopia	13
2.2.8. Urban productive safety net program Design and Implementation.....	16
2.2.9. Impact of UPSNP on Poverty Reduction and Food Security	19
2.2.10. Graduation and Long-Term Sustainability	24
2.2.11. Challenges and Constraints	25
2.3. Theoretical Literature Review	28
2.3.1. Social risk management approach	28
2.3.2. Basic needs approach.....	28
2.3.3. Asset based approach.....	29
2.3.4. Right based approach.....	29
2.3.5. Transformative social protection approach	30
2.4. Empirical Literature Review	31
2.5. Theoretical Framework	34
CHAPTER THREE	35
RESEARCH METHODOLOGY	35
3.1. Introduction	35
3.2. Description of the Study Area	35
3.3. Research Design	37
3.4. Research Approach.....	37
3.5. Target population of the Study	38

3.6. Data Sources	38
3.7. Sampling Design and Technique	38
3.8. Data Collection Methods	41
3.9. Data Analysis and Presentation	42
3.10. Ethical Consideration	42
CHAPTER FOUR.....	44
RESULT AND DISCUSSION.....	44
4.1. Introduction	44
4.2. Socio-Demographic Information.....	44
4.3. Implementations of Urban Productive Safety Net Program.....	47
4.4. Challenges of the Urban Productive Safety Net Program	50
4.5. Benefits of the Urban Productive Safety Net Program	58
CHAPTER FIVE.....	68
SUMMARY, CONCLUSIONAND RECOMMENDATIONS.....	68
5.1. Summary of Major Findings	68
5.2. Conclusion.....	71
5.3. Recommendations	72
REFERENCES.....	75
APPENDIX.....	83
Appendix A: Survey Questionnaire.....	83
Appendix B: Interview Guideline	90
Appendix C: Checklist for Discussion	92
Appendix D: Sample FGD Members	94

LIST OF TABLES

Table	Page
Table 3.1: Distribution of Sample Household Heads by Kebele	40
Table 4.1: The Demographic Information of Respondents.....	44
Table 4.2: The Social Information of Respondents	45
Table 4.3: Nature and Utilization of Support.....	48
Table 4.4: Program Targeting and Satisfaction	49
Table 4.4: Targeting and Eligibility Challenges	51
Table 4.4: Benefit Disbursement Challenges.....	52
Table 4.4: Community Engagement & Decision-Making	53
Table 4.4: Training and Awareness	55
Table 4.9: Graduation and Post-Program Support	56
Table 4.10: Gender Sensitivity & Inclusion.....	57
Table 4.11: Food Security & Basic Needs Fulfillment.....	58
Table 4.12: Economic Stability & Asset Building.....	60
Table 4.13: Empowerment & Decision-Making.....	62
Table 4.14: Social Inclusion and Equity	64
Table 4.15: Long-Term Impact & Sustainability	66

LIST OF FIGURE

Figure	Page
Figure 2.1: Theoretical Framework of the Study	34
Figure 3.1: Study area Map.....	35
Figure 4.1: Distribution of Respondents by Duration of Being a Beneficiary	47

ABBREVIATIONS AND ACRONYMS

BoFED	Bureau of Finance and Economic Development
CSA	Central Statistical Agency
DFID	Department for International Development
IFPRI	International Food Policy Research Institute
ILO	International Labor Organization
MDG	Millennium Development Goal
MoARD	Ministry of Agriculture and Rural Development
NGO	Non-Governmental Organization
OFSP	Other Food Security Program
SPSS	Statistical Package for Social Science

ABSTRACT

This study examines the implementation, challenges, and benefits of the Urban Productive Safety Net Program (UPSNP) in Hawassa City, Sidama National Regional State, Ethiopia. The UPSNP, a social protection initiative, aims to alleviate urban poverty by providing cash transfers, skills training, and livelihood support to vulnerable households. The researcher used descriptive type of research design. Using a mixed research approach, the researcher collected data from 316 beneficiaries and 15 key informants through surveys and interviews, respectively. Furthermore, three focus group discussions were undertaken. The findings reveal that the UPSNP has improved food security and stabilized household incomes for many beneficiaries, with 69.9% receiving cash transfers primarily used for consumption. However, significant challenges persist, including delays in benefit disbursement, excluding eligible households, and inadequate training on resource utilization. Only 19% of beneficiaries reported receiving comprehensive training, while 48.7% received none, limiting the program's potential for long-term impact. Additionally, issues such as inconsistent support for female, weak community engagement, and insufficient graduation support hinder the program's effectiveness. Despite these challenges, the UPSNP has contributed to asset protection and reduced immediate economic shocks for 46.5% of respondents. The study highlights the need for reforms in targeting mechanisms, beneficiary participation, and post-program support to enhance the UPSNP's sustainability. Recommendations include strengthening community-based targeting, introducing structured exit strategies, and improving transparency in beneficiary selection.

Keywords: Urban Productive Safety Net Program, social protection, poverty alleviation, food security, Ethiopia

CHAPTER ONE

INTRODUCTION

The chapter comprehensively talks foundational components, including a contextual overview, a precise articulation of the research challenge, and a clear delineation of both overarching and specific research aims. Moreover, the chapter meticulously examines the research's significance and its well-defined scope, constituting essential components for the development of a robust research.

1.1. Background of the Study

Recognizing the inextricable link between poverty reduction and social protection, a growing body of evidence from developing economies underscores the pivotal role of social protection in mitigating poverty, fostering economic growth, and enhancing the overall well-being of vulnerable populations within low- and middle-income nations (International Labor Organization [ILO], 2010, p. 25). Social protection encompasses a spectrum of policies and interventions designed to bolster the resilience of impoverished and vulnerable populations, enabling them to extricate themselves from poverty, effectively navigate risks, and mitigate the impact of shocks. These mechanisms address both chronic poverty and vulnerabilities exacerbated by unforeseen events (ILO, 2010, p. 30). Moreover, social protection enhances household capacity for nutrition, healthcare, and education (Bissell, 2009, p. 14).

Ethiopia has historically relied heavily on emergency food aid programs for over a decade (Gilligan et al., 2008, p. 75). Recurring droughts and food shortages have been the primary catalysts for appeals for emergency relief interventions (Devereux & Cipryk, 2009, p. 56). A substantial segment of the Ethiopian population has experienced chronic food insecurity, struggling to ensure adequate food access even during periods of favorable agricultural conditions. According to World Bank data, the number of individuals requiring emergency food assistance surged from approximately 2.1 million in 1996 to a staggering 13.2 million in 2003 before gradually declining to 7.1 million. The World Bank (2008, p. 12) reports

that approximately 850 million individuals worldwide experience food insecurity, with sub-Saharan Africa uniquely characterized by a persistent escalation in food insecurity (Shimelis, 2009, p. 89). This pervasive food insecurity necessitated the provision of long-term support to affected households (Pankhurst, 2009, p. 43).

The Productive Safety Net Program (PSNP), launched in 2005, represents a flagship initiative spearheaded by the Ethiopian Government. This program aims to address chronic poverty and hunger through a transformative approach that transitions from reactive emergency responses to a more predictable, multi-year resource allocation framework. The program strives to fulfill the basic food requirements of food-insecure households while concurrently fostering rural development. This includes mitigating the long-term consequences of consumption shortfalls, stimulating household production and investment, and invigorating market development by enhancing purchasing power. By providing targeted transfers to chronically food-insecure districts, the PSNP safeguards household assets from depletion and facilitates the creation of community-level assets, thereby addressing both immediate and long-term developmental needs.

The UPSNP constitutes a social protection initiative specifically designed to address urban poverty and vulnerability within Ethiopia (Ministry of Urban Development and Housing [MUDHo], 2023, p. 18). This program integrates cash transfers, skills training, and access to microfinance to empower urban households experiencing poverty, enhance their livelihoods, and strengthen their resilience to economic shocks. MUDHo has formulated a comprehensive Urban Food Security and Job Creation Strategy, which received official government approval on May 8, 2015. This strategy aims to significantly reduce urban poverty and vulnerability within a ten-year timeframe.

The Ethiopian government's implementation of the PSNP at regional, zonal, or household levels necessitates a comprehensive evaluation of the program's opportunities and challenges. Building upon this foundation, this study endeavors to investigate the implementation, challenges, and benefits of the Urban Productive Safety Net Program within Hawassa City, located in the Sidama National Regional State, Ethiopia.

1.2. Statement of the Problem

Ethiopia has a long history of rural poverty and food insecurity, which have been the subject of extensive research and policy interventions (Mulugeta & Eriksen, 2016, p.24). However, the growing urbanization and the rise of urban poverty in the country have been less explored, with the assumption that urban areas provide better access to physical and social amenities (Tolossa, 2010, p.32).

Urban destitution remains a significant challenge in Ethiopia, particularly in rapidly growing cities like Hawassa. The urban poor, often characterized by their lack of stable income, limited access to basic services, and vulnerability to shocks, face persistent socio-economic challenges. To address these issues, the Ethiopian government implemented the Productive Safety Net Program (PSNP), initially designed for rural areas and later expanded to urban settings, aiming to alleviate poverty, enhance food security, and build community resilience through cash or in-kind transfers and public works. The PSNP in Ethiopia aims to address food insecurity and poverty but faces various implementation challenges (Kebede & Muluembet, 2024, p.17).

Previous studies such as Mulugeta and Eriksen, (2016), Abera et al. (2020), Awoke et al., (2022), and Tolossa (2010), have been conducted on rural poverty and food insecurity in Ethiopia, the growing urban poverty and food insecurity have received relatively less attention. The limited knowledge of how the challenges of safety net programs affect the poor urban residents gain access to food and secure healthy and nutritious diets is a significant research gap.

In Hawassa City, a hub of economic activity and urban migration, understanding the opportunities provided by the program, such as its role in reducing poverty and building resilience, alongside its challenges is crucial for designing more effective social protection systems. Therefore, the study assesses the implementation, challenges, and benefits of the urban productive safety net program in Hawassa City, Sidama National Regional State, Ethiopia.

1.3. Objectives of the Study

1.3.1. General objective of the study

The general objective of this study was to assess the implementation, challenges, and benefits of the urban productive safety net program in Hawassa City, Sidama National Regional State, Ethiopia.

1.3.2. Specific objectives of the study

The study aims to address its objective through the following specific objectives.

1. To assess the implementation of the PSNP program in Hawassa city.
2. To examine the challenges faced during the implementation of the program in the study area.
3. To explore the perceptions of beneficiaries regarding the program's benefit on food security and asset building.
4. To explore the perceptions of stakeholders regarding the program's benefit on food security and asset building.

1.4. Research Questions

The study aims to address the following research questions, which aligned with its objectives to uncover key findings related to each specific objective.

1. What does the implementation of the program look like in Hawasa City?
2. What challenges are encountered during the implementation of the program in the study area?
3. How do beneficiaries perceive the benefit of the program on food security and asset building?
4. How do stakeholders perceive the benefit of the program on food security and asset building?

1.5. Significance of the Study

This study is significant as it provide valuable insights into the implementation, challenges, and benefits of the Productive Safety Net Program (PSNP) in addressing urban destitution, specifically in Hawassa City. By identifying the program's strengths and weaknesses, the findings contribute to improving the design and implementation of urban social protection policies. The study also benefits policymakers by offering evidence-based recommendations for enhancing the program's effectiveness and sustainability in urban settings. Furthermore, it aid stakeholders, including non-governmental organizations and local governments, in better understanding the needs and perceptions of beneficiaries, fostering more targeted interventions. Ultimately, the research contribute to academic literature by addressing the relatively underexplored area of urban safety net programs in Ethiopia, serving as a resource for future studies and initiatives aimed at alleviating urban poverty.

1.6. Scope of the Study

The scope of this study defined across several dimensions. Conceptually, it focused on examining the implementation, challenges, and benefits of PSNP in addressing urban destitution with particular attention to its effectiveness in improving beneficiaries' livelihoods and the challenges faced during its implementation. The study explores the perceptions of stakeholders regarding its benefits on food security and asset building. Geographically, the study confined to Hawassa City, Ethiopia, targeting the Hawella Tula sub city. Methodologically, the research adopted a descriptive design with both quantitative and qualitative approaches. Data gathered through questionnaire and interviews, providing a comprehensive analysis of the program's implementation, challenges and benefits. The time scope of the study span from January to June 2025, covering both data collection and analysis phases, thereby capturing the current status of the program in the city.

1.7. Organization of the Study

This thesis is structured across five distinct chapters. Chapter one serves as the foundation, providing a comprehensive introduction. This chapter delineates the study's context, articulates the research problem, clearly defines the objectives and research questions, elucidates the study's significance and scope, and concludes with a detailed overview of the research methodology employed. Chapter Two embarks on a comprehensive review of relevant literature, exploring prior scholarly investigations pertaining to the urban Productive Safety Net Program (PSNP), the multifaceted dimensions of urban poverty, and the diverse range of social protection programs. Chapter Three delves into the methodological underpinnings of the study, providing a detailed account of the research design, target population, sampling techniques, data collection methodologies, and the analytical tools utilized to analyze the collected data. Chapter Four presents a meticulous analysis of the collected data and presents the key findings, meticulously interpreting the results in relation to the research questions posed at the outset. Finally, Chapter Five serves as the culmination of the study, offering a concise summary of the key findings, formulating insightful recommendations for future research and policy interventions, and identifying areas warranting further investigation.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Introduction

This chapter explores the concept of social safety nets, their classifications, and the various approaches adopted to address vulnerabilities and promote resilience among communities. It delves into the theoretical frameworks underpinning social safety nets, such as managing risks, addressing basic needs, building assets, ensuring rights, and fostering transformative social protection. The chapter also provides a detailed examination of Ethiopia's Productive Safety Net Program, highlighting its rationale and significance in mitigating food insecurity and supporting sustainable development. Furthermore, it reviews empirical studies that offer insights into the effectiveness, challenges, and outcomes of social safety net programs, both globally and in the Ethiopian context, to provide a comprehensive understanding of their role in reducing poverty and improving livelihoods.

2.2. Concepts Literature Review

2.2.1. Concepts of Social Safety Net

The discourse surrounding social safety nets has undergone a significant evolution since the 1990s, transitioning from a narrow focus to a broader, more encompassing framework. The World Bank's 1990 definition, which centered on income insurance as a mechanism to mitigate temporary hardships and unforeseen calamities, has given way to a more nuanced understanding. The term "social safety net" has gradually become synonymous with the broader concept of "social protection," signifying a shift towards a more holistic approach. Scholars like Subbarao et al. (1997, p. 45) have further refined this understanding, characterizing safety nets as a crucial safeguard against two primary economic vulnerabilities: chronic poverty, characterized by an enduring inability to secure gainful employment, and a precarious state of marginal existence, defined by limited subsistence resources and a tenuous hold on economic security. Similarly, Haddad and Zeller (1996, p. 78) have argued that, in its broadest interpretation, the concept of "social safety net" is

inextricably linked to "social security," encompassing a comprehensive range of social insurance and social assistance programs. From a static perspective, social safety nets are primarily understood as mechanisms for transferring income and consumption support to individuals and households chronically trapped in poverty. These individuals often lack the resources to effectively mitigate the adverse impacts of unforeseen and unmitigated livelihood shocks, such as natural disasters, economic downturns, or health crises.

2.2.2. Classification of Social Safety Net

Social safety net programs are designed to achieve a variety of objectives. These diverse goals necessitate a range of implementation strategies. These strategies encompass direct income support through cash transfers, food-based assistance programs, price subsidies for essential goods and services, initiatives focused on enhancing human capital, public work programs that provide employment opportunities and income generation, and the facilitation of access to microfinance and informal insurance mechanisms for vulnerable groups. A detailed exploration of each of these approaches will be undertaken in the following sections.

2.2.2.1. Cash transfer program

Cash transfer programs aim to bolster the resilience of impoverished households by providing direct financial assistance. This support seeks to mitigate the risk of these households becoming entrenched in a cycle of poverty. Cash transfer programs can be categorized into two primary models: employment-generating programs and universal programs. Universal programs distribute a portion of income to impoverished households, granting them the autonomy to allocate these resources towards their most pressing needs. The nature of a cash transfer program, whether statutory or voluntary, is contingent upon the specific beneficiary group. For example, in South Asia, food-based safety net programs have been employed as a mechanism for channelling resources to impoverished and vulnerable segments of society. The primary objective of these programs is to ensure that all members of society, both urban and rural, attain a minimum threshold of food consumption (Haddad & Zeller, 1996, p. 65).

2.2.2.2. Food for work program

The economic justification for food-for-work programs, which utilize food as a form of remuneration for labor employed in public works projects, stems from the readily available surplus of food often found in rural regions. The implementing agency can efficiently procure these surplus food supplies and seamlessly integrate their distribution into the existing public work program framework (Subbarao et al., 1997, p. 53).

2.2.2.3. Public work program as social safety net

Subbarao (1997, p. 78) in his seminal work, have meticulously outlined the critical design elements necessary for the successful implementation of effective public work programs. Their research concludes that to maximize poverty reduction outcomes, public work programs must establish wage rates that are commensurate with prevailing wage levels within the local communities.

2.2.3. Concepts of Urban Productive Safety Net Program

The UPSNP is a comprehensive approach to addressing the multifaceted challenges facing urban populations in developing countries. This program aims to provide long-term empowerment and sustainable livelihoods for urban poor households, recognizing the unique needs and vulnerabilities of urban communities. The UPSNP also recognizes the need for policy-level support and improved regulatory frameworks to create an enabling environment for sustainable livelihoods. Findings from research suggest that changes to existing policies and the introduction of supportive frameworks are necessary to empower urban poor households and build their resilience (Yirga, 2021, p. 45).

One of the key features of the UPSNP is its focus on building human and physical capital, which can lead to improved household income and overall well-being (Prayitno et al., 2018, p. 102). This approach recognizes that the livelihood challenges faced by urban poor households are not solely financial, but often stem from a lack of access to resources, skills, and opportunities. The program emphasizes the importance of community-level

interventions, drawing on the specialized knowledge and resources of local stakeholders. This includes collaborating with community-based organizations, non-governmental organizations, and civil society associations to design and implement tailored solutions that address the specific needs of urban poor households.

The program's approach to urban poverty alleviation is a departure from the traditional area-based strategy, which has often failed to address the multidimensional nature of urban poverty. Instead, the UPSNP advocates for a comprehensive, national-level approach that can be adapted to the unique needs of different urban contexts (Yirga, 2021, p. 88).

2.2.4. Concepts of Urban Destitute

Urban destitution refers to the state of extreme poverty and deprivation experienced by individuals and communities in urban settings. These populations often lack access to basic services, suffer from poor living conditions, and face heightened health and security risks compared to the general urban population (Baker & Schuler, 2004, p. 22).

The notion of "urban destitution" encompasses a multifaceted and complex set of social, economic, and spatial phenomena that plague many metropolitan areas across the globe. This paper aims to critically examine the key conceptual frameworks and analytical approaches that have been developed to understand and address the root causes and manifestations of urban destitution (Mireku et al., 2021, p. 45).

One dominant perspective highlighted in the literature is the "urban context" approach, which emphasizes the unique characteristics of urban poverty that distinguish it from rural poverty. This view underscores the role of factors such as commoditization, overcrowded living conditions, environmental hazards, social fragmentation, and exposure to crime and violence in shaping the experiences of the urban poor (Baker & Schuler, 2004, p. 30).

2.2.5. An Overview of Ethiopian Productive Safety Net Program

PSNP was introduced in Ethiopia in 2005 to address chronic food insecurity through targeted transfers to vulnerable populations. These transfers aimed to protect household assets and build community infrastructure. Beneficiaries were selected using a combination of community-based knowledge and administrative criteria. The program utilized two delivery mechanisms: Public Works (PW), where participants earned wages by contributing to community projects, and Direct Support (DS), which provided assistance to those unable to work. To enhance the program's impact, the PSNP+ initiative was launched in 2009, linking smallholders to financial services and markets, thereby promoting financial independence (Berhane et al., 2011, p. 72).

The primary goal of PSNP is to ensure food and cash transfers reach the food-insecure population in chronically affected districts, preventing household asset depletion and enhancing community resources. Complementary initiatives under the Other Food Security Program (OFSP) provide productivity-enhancing support such as access to credit, agricultural technologies, and irrigation systems. While PSNP secures a basic safety net, OFSP fosters income generation and asset accumulation. However, coverage of OFSP remains limited, with only 32.7% of households involved in public works benefiting from these complementary services, as evidenced by a 2006 survey (Gilligan et al., 2008, p. 55).

The Ethiopian government envisioned PSNP as a shift from reactive emergency food aid to a proactive and predictable safety net mechanism. This strategy aligns with broader developmental goals, including reducing hunger and achieving the Millennium Development Goals (MDGs). The program focuses on building resilience among households, enabling them to adapt to various shocks. PSNP's phased implementation has incorporated lessons learned, with its fourth phase (2015–2020) emphasizing rural safety nets, improved livelihoods, and better nutrition services for food-insecure households (MoARD, 2015, p. 18).

Targeting under PSNP combines community-based and geographic approaches to identify chronically food-insecure households. Criteria include previous reliance on emergency food aid and current asset and income levels. Communities have the flexibility to adjust the beneficiary list annually, ensuring support for households newly affected by food insecurity due to asset losses. The dual approach of public works and direct support ensures inclusivity, with labor-intensive community projects benefiting the able-bodied, while direct transfers assist households without labor capacity (Berhane et al., 2011, p. 74).

PSNP has significantly impacted Ethiopian households, reaching over seven million people with annual funding of nearly USD 500 million. The program has mitigated asset depletion, smoothed consumption, and fostered household resilience. Where PSNP and OFSP are effectively integrated, households have reported increased asset holdings and improved agricultural productivity. This flagship social protection initiative remains the largest of its kind in sub-Saharan Africa, outside South Africa, drawing substantial support from international donors such as the World Bank and USAID (Gilligan et al., 2008, p. 60).

2.2.6. Rational for the productive Safety Net Program

To address the persistent food insecurity among rural households, Ethiopia introduced the Productive Safety Net Program (PSNP) in 2005, transitioning from emergency food aid to a predictable and sustainable response. This shift marked a significant change in governmental strategy, aiming to meet the Millennium Development Goals (MDGs). Unlike emergency aid, which lacked long-term impact and predictable resources, the PSNP leverages multi-year funding to help vulnerable households build resilience and protect their assets. It also focuses on creating community assets, which emergency aid failed to achieve, inspiring similar initiatives in other developing countries to tackle poverty and achieve sustainable development (Wahanga Brief, 2007, p. 14; Gilligan et al., 2009, p. 23).

Social transfers under PSNP address challenges like limited access to credit among the poorest households. Regular and reliable social safety nets enable these households to save

and invest, thereby increasing their financial stability. They can also facilitate access to credit by substituting for traditional collateral requirements, allowing the poor to overcome financial barriers. Moreover, these transfers improve household security by stabilizing consumption and protecting assets, ultimately fostering economic advancement and reducing poverty persistence. Without such interventions, poor households often resort to detrimental measures, such as withdrawing children from school or forgoing healthcare, which perpetuate intergenerational poverty (Barrientos & Scott, 2008, p. 56).

Evidence suggests that well-designed social safety net programs, such as PSNP, significantly improve human capital outcomes among beneficiaries. Conditional transfers have been shown to increase school attendance and enhance health outcomes, leading to higher productivity and earnings. Additionally, these programs promote economic progress by supporting asset creation, protection, and equitable resource distribution. As a complement to pro-poor investments, social safety nets not only address immediate needs but also contribute to sustainable poverty reduction, underscoring their vital role in long-term development strategies (Alderman & Hoddinott, 2007, p. 32; Barrientos & Scott, 2008, p. 58).

2.2.7. Urban productive safety net program in Ethiopia

2.2.7.1. The Need for Urban Safety Nets in Ethiopia

Urban areas in Ethiopia present specific challenges related to food insecurity and poverty, necessitating targeted interventions (Goda, 2023). The rapid urbanization, coupled with economic disparities, creates a unique set of vulnerabilities for urban residents. Unlike rural areas where a significant portion of the population engages in agriculture, urban dwellers often rely on market-based systems for their food supply and livelihoods. This dependence makes them particularly susceptible to economic shocks such as rising food prices, inflation, and unemployment. As urban populations grow, the demand for affordable housing, employment opportunities, and basic services increases, often outpacing the capacity of existing infrastructure and social support systems. Consequently,

urban poverty becomes concentrated in densely populated areas, characterized by inadequate living conditions, limited access to essential resources, and heightened exposure to various forms of insecurity. The need for urban safety nets arises from the recognition that traditional social protection mechanisms, primarily designed for rural contexts, are often inadequate to address the distinct challenges faced by urban populations.

Traditional focus on rural food security assessments has inadvertently overlooked the growing vulnerabilities of urban populations (Goda, 2023). Historically, food security interventions and research efforts in Ethiopia have predominantly centered on rural areas, where agriculture forms the backbone of the economy and livelihoods. This emphasis stems from the understanding that rural communities are particularly susceptible to climate-related shocks, land degradation, and other factors that directly impact agricultural productivity and food availability. However, this rural-centric approach has resulted in a relative neglect of the increasing food insecurity and poverty challenges confronting urban centers. Urban areas, with their complex socio-economic dynamics and reliance on market systems, present a different set of vulnerabilities that require tailored interventions. The oversight of urban vulnerabilities has led to a gap in policy and programmatic responses, leaving a significant portion of the urban population without adequate social protection. As urban populations continue to grow, it becomes imperative to shift the focus and allocate resources to address the unique needs and challenges of urban food security.

Urban poverty is exacerbated by rising food prices and limited livelihood opportunities, making social protection programs essential (Goda, 2023). The increasing cost of food in urban markets places a significant burden on low-income households, who spend a disproportionately large share of their income on food. Fluctuations in food prices, driven by factors such as inflation, supply chain disruptions, and global market trends, can severely impact the food security of urban residents. Limited livelihood opportunities, characterized by high unemployment rates, precarious employment conditions, and lack of access to skills development and training, further compound the problem. Many urban dwellers engage in informal sector activities, which offer little job security, low wages, and limited access to social protection benefits. In this context, social protection programs,

such as cash transfers, public works, and food assistance, become essential in providing a safety net for vulnerable urban populations, helping them to meet their basic needs, improve their living conditions, and build resilience against economic shocks. These programs play a crucial role in mitigating the adverse effects of urban poverty and promoting inclusive and sustainable urban development.

2.2.7.2. Overview of the Urban Productive Safety Net Program (UPSNP)

The UPSNP aims to enhance the income of households in urban areas of Ethiopia to reduce poverty and vulnerability (Abebe, 2018). This initiative recognizes that sustainable poverty reduction requires improving the economic well-being of urban households, enabling them to meet their basic needs and invest in their future. By providing income support, the UPSNP seeks to empower vulnerable households, enhance their purchasing power, and improve their access to essential goods and services. The program's focus on income enhancement reflects a broader strategy of promoting economic development and reducing inequality in urban areas. By targeting the underlying causes of poverty, the UPSNP aims to create a pathway out of poverty for urban households, fostering self-reliance and long-term economic stability.

The program operates through a three-phase graduation process, with initial phases involving public works or direct support transfers (Abebe, 2018). The graduation approach is designed to provide a structured pathway for beneficiaries to transition from dependence on social assistance to sustainable livelihoods. The first phase typically involves providing immediate relief through either public works employment or direct support transfers, depending on the beneficiary's capacity to work. Public works offer temporary employment opportunities in labor-intensive projects, providing income in exchange for work. Direct support transfers are provided to vulnerable individuals and households who are unable to participate in public works due to age, disability, or other constraints. As beneficiaries progress through the program, they receive training, skills development, and access to microfinance, enabling them to start their own businesses or find sustainable

employment. The ultimate goal is to equip beneficiaries with the resources and capabilities they need to graduate from the program and achieve long-term economic independence.

UPSNP is one of Africa's most ambitious social protection initiatives (Borku, 2024). Its scale, scope, and innovative design distinguish it from other social protection programs in the region. The UPSNP represents a significant investment in the well-being of urban populations in Ethiopia, demonstrating the government's commitment to addressing poverty and vulnerability. The program's emphasis on productive inclusion, linking social assistance with livelihood development, reflects a forward-thinking approach to social protection. By combining immediate relief with long-term empowerment strategies, the UPSNP aims to create lasting positive change in the lives of urban residents, contributing to broader national development goals. The program's ambitious nature underscores its potential to serve as a model for other African countries seeking to address urban poverty and promote inclusive growth.

2.2.8. Urban productive safety net program Design and Implementation

2.2.8.1. Targeting and Beneficiary Selection

The UPSNP targets the urban poor who face insecurity by providing predictable support through cash, food, or vouchers (Abdulahi, 2024). This targeting strategy ensures that assistance reaches those most in need, addressing the immediate vulnerabilities of households struggling with poverty and food insecurity. Predictable support is crucial, as it allows beneficiaries to plan their expenditures and investments, fostering greater stability and resilience. The flexibility of providing assistance through cash, food, or vouchers allows the program to adapt to local market conditions and beneficiary preferences, maximizing the impact of the support. By focusing on the urban poor, the UPSNP aims to reduce inequality and promote inclusive growth in urban areas.

Selection processes are generally positive, but negative assumptions exist regarding the adequacy and timeliness of cash transfers (Borku, 2024). While the overall approach to

beneficiary selection is viewed favorably, there are concerns about whether the level of support is sufficient to meet the needs of households and whether the transfers are delivered in a timely manner. Inadequate cash transfers may limit the ability of beneficiaries to purchase essential goods and services, hindering their progress towards food security and livelihood improvement. Delays in the delivery of transfers can disrupt household budgets, forcing beneficiaries to resort to coping mechanisms that may undermine their long-term well-being. Addressing these issues is essential to enhance the effectiveness of the UPSNP and ensure that it provides meaningful support to vulnerable urban populations.

Household characteristics such as age of head, number of children, savings, and house ownership influence participation in the program (Abdulahi, 2024). These factors play a significant role in determining a household's vulnerability to poverty and food insecurity, as well as its ability to benefit from the UPSNP. Older household heads may face challenges in securing employment, while households with a large number of children may struggle to meet their basic needs. Limited savings and lack of house ownership can further exacerbate vulnerability, making households more reliant on social assistance. Understanding the influence of these characteristics is crucial for refining targeting mechanisms and ensuring that the program reaches those most in need.

2.2.8.2. Program Components: Public Works and Direct Support

Beneficiaries are assigned to either public works (PW) or direct support (DS) based on their ability to work (Abebe, 2018). This dual-track approach ensures that the program caters to the diverse needs and capabilities of the urban poor. Public works provide employment opportunities for those who are able to engage in physical labor, while direct support offers a safety net for those who are unable to work due to age, disability, or other constraints. The assignment process takes into account individual circumstances, ensuring that beneficiaries receive the type of assistance that is most appropriate for their needs. This flexible design enhances the program's effectiveness in addressing poverty and vulnerability in urban areas.

Public works groups engage in various activities, while direct support is provided to those unable to work (Borku, 2024). Public works projects typically involve labor-intensive activities such as infrastructure development, environmental conservation, and community beautification. These projects not only provide income for beneficiaries but also contribute to the improvement of urban infrastructure and the creation of public assets. Direct support, on the other hand, provides cash transfers or in-kind assistance to vulnerable individuals and households who are unable to participate in public works. This support helps them to meet their basic needs, such as food, shelter, and healthcare, and to maintain a minimum standard of living. The combination of public works and direct support ensures that the program provides comprehensive assistance to a wide range of urban poor.

The program includes a mandatory savings component, requiring beneficiaries to save 20% of their cash transfers (Woldegebreal, 2019). This unique feature aims to promote financial literacy and encourage beneficiaries to build assets for the future. By saving a portion of their cash transfers, beneficiaries can accumulate capital that can be used for investments, such as starting a small business or purchasing productive assets. The mandatory savings component also instills a culture of saving and financial planning, empowering beneficiaries to take control of their financial lives and build long-term economic security. While this component has the potential to improve financial well-being, some beneficiaries express concerns that the amount of cash provided by the program is too small, making it difficult to save a significant portion.

2.2.8.3. Geographic Coverage and Scale

The UPSNP has been implemented in major cities across Ethiopia, including Addis Ababa, Dire Dawa, Hawassa, Harar, and Jigjiga (Abdulahi, 2024), (Abebe, 2018). This broad geographic coverage reflects the program's ambition to address urban poverty and food insecurity throughout the country. By targeting major cities, the UPSNP aims to reach a significant portion of the urban population in need, providing a safety net for vulnerable households in diverse urban contexts. The selection of these cities also reflects their

strategic importance as economic and administrative centers, where poverty and inequality can have significant implications for overall development.

The program is a large-scale social safety net, reaching a significant portion of the urban population in need (Gilligan, 2009). As one of the largest social protection programs in urban Ethiopia, the UPSNP represents a substantial investment in the well-being of urban residents. Its scale allows it to address poverty and vulnerability on a systemic level, providing assistance to a large number of households and communities. The program's reach extends beyond individual beneficiaries, contributing to broader social and economic development by improving living conditions, promoting economic activity, and fostering social cohesion. The UPSNP's large scale underscores its potential to serve as a model for other social protection programs in urban areas.

Spatial distribution of beneficiaries shows good access to cash or food from UPSNP in Addis Ababa, SNNPR, Amhara, and Oromia regions (Demsash, 2023). This indicates that the program is effectively reaching its target population in key regions of the country. The concentration of beneficiaries in these areas reflects the high levels of urban poverty and food insecurity in these regions, as well as the program's commitment to addressing these challenges. The spatial distribution also highlights the importance of tailored implementation strategies, taking into account the specific needs and context of each region. By ensuring good access to assistance in these key areas, the UPSNP is making a significant contribution to poverty reduction and food security in urban Ethiopia.

2.2.9. Impact of UPSNP on Poverty Reduction and Food Security

The UPSNP is designed to support poor households and establish urban safety mechanisms (Assefa, 2024). This design reflects a commitment to providing a stable foundation for vulnerable urban families, helping them to meet their basic needs and build resilience against economic shocks. By offering predictable income support, the UPSNP aims to reduce the financial strain on poor households, enabling them to allocate resources to essential expenses such as food, housing, and healthcare. The establishment of urban safety

mechanisms is crucial for preventing households from falling into deeper poverty and for promoting inclusive urban development.

Cash transfers from the program have positive effects on monthly savings, expenditures, and seed money for business start-ups (Tareke, 2022). These effects demonstrate the potential of cash transfers to empower beneficiaries and stimulate economic activity. The increase in monthly savings allows households to build assets and prepare for future uncertainties, while the rise in expenditures boosts local demand and supports economic growth. The availability of seed money for business start-ups enables beneficiaries to engage in income-generating activities, creating opportunities for self-employment and economic independence. These positive effects highlight the importance of cash transfers as a tool for poverty reduction and economic empowerment in urban areas.

The program enhances food access, expenditure, and savings capacities of beneficiary households (Tareke, 2022). This enhancement underscores the holistic impact of the UPSNP on the well-being of urban families. Improved food access ensures that households can meet their nutritional needs, promoting better health and productivity. Increased expenditure reflects a greater ability to purchase essential goods and services, improving living standards and stimulating local economies. Enhanced savings capacities empower households to build assets, invest in their future, and cope with unexpected expenses. These interconnected benefits demonstrate the effectiveness of the UPSNP in addressing the multiple dimensions of poverty and vulnerability in urban Ethiopia.

The UPSNP improves the food consumption status of beneficiary households by enhancing food availability and stability of access (Filmon, 2023). This improvement is achieved through the provision of cash or in-kind assistance, which increases the purchasing power of vulnerable households, enabling them to acquire adequate amounts of food. Enhanced food availability ensures that households have access to sufficient food supplies in their local markets, while stability of access ensures that they can consistently obtain food throughout the year, regardless of seasonal fluctuations or economic shocks. By addressing

both the supply and demand sides of food security, the UPSNP contributes to a more resilient and equitable food system in urban areas.

Beneficiaries often spend the majority of the money received from the program on food, mostly staples (Woldegebreal, 2019). This spending pattern reflects the immediate priority of meeting basic food needs among poor urban households. The focus on staples, such as grains and cereals, indicates that beneficiaries are primarily concerned with ensuring an adequate caloric intake to avoid hunger. While this spending pattern addresses immediate food security concerns, it also highlights the need to promote dietary diversity and improve nutritional outcomes. The program can encourage beneficiaries to diversify their diets by providing nutrition education, promoting access to affordable fruits and vegetables, and supporting local food production initiatives.

The program can improve dietary diversity and reduce the occurrence of acute malnutrition, but has limited effect on stunting reduction (Oumer, 2025). This mixed outcome suggests that while the UPSNP can address immediate nutritional deficiencies, it may not be sufficient to address the underlying causes of chronic malnutrition, such as inadequate sanitation, poor hygiene practices, and lack of access to healthcare. The program's impact on wasting, a form of acute malnutrition, indicates that it can effectively address short-term food shortages and nutritional emergencies. However, the limited effect on stunting, a chronic form of malnutrition, highlights the need for complementary interventions that address the long-term determinants of child nutrition. These interventions may include promoting breastfeeding, improving sanitation and hygiene, and providing access to essential healthcare services.

Participation in the UPSNP is associated with significant asset accumulation, both at home and in the community (Assefa, 2024). This association underscores the program's potential to empower beneficiaries and promote long-term economic development. Asset accumulation can take various forms, including the acquisition of productive assets such as tools, equipment, and livestock, as well as the improvement of housing conditions and access to basic services. The accumulation of assets not only enhances household income

and productivity but also increases resilience to economic shocks and improves overall well-being. The program's focus on asset accumulation reflects a broader strategy of promoting sustainable livelihoods and reducing dependence on social assistance.

Demographic and socio-economic variables such as education, access to credit, and extension services positively influence household consumption (Assefa, 2024). These factors play a crucial role in determining a household's ability to generate income, manage resources, and improve their living standards. Education enhances human capital, increasing employment opportunities and earnings potential. Access to credit enables households to invest in productive activities and expand their businesses. Extension services provide technical assistance and training, improving agricultural productivity and promoting sustainable farming practices. By addressing these underlying factors, the UPSNP can create a more enabling environment for household consumption and economic development.

Beneficiary households participating in asset-building programs alongside transfers significantly improve their food security status (Filmon, 2023). This finding highlights the importance of integrating asset-building components into social protection programs. Asset-building programs provide beneficiaries with the skills, knowledge, and resources they need to accumulate productive assets and generate sustainable income. By combining cash transfers with asset-building activities, the UPSNP can empower beneficiaries to break the cycle of poverty and achieve long-term food security. This integrated approach reflects a growing recognition that social protection programs should not only provide immediate relief but also promote long-term economic empowerment.

The UPSNP aims to support poor households in establishing sustainable urban safety mechanisms (Assefa, 2024). This support goes beyond providing immediate relief and focuses on empowering households to create long-term economic stability. By establishing sustainable safety mechanisms, the program aims to reduce dependence on social assistance and promote self-reliance. This approach recognizes that true poverty reduction

requires addressing the underlying causes of vulnerability and promoting economic empowerment.

The program encourages beneficiaries to engage in nutrition-sensitive jobs, such as urban agriculture (Woldegebreale, 2019). This encouragement reflects a growing recognition of the importance of integrating nutrition considerations into livelihood development programs. Urban agriculture not only provides beneficiaries with a source of income but also enhances their access to nutritious foods, improving dietary diversity and health outcomes. By promoting nutrition-sensitive jobs, the UPSNP aims to create a synergistic effect, addressing both poverty and malnutrition in urban areas. This innovative approach demonstrates the potential of social protection programs to contribute to multiple development goals.

Cash transfers provide seed money for beneficiaries to start businesses, enhancing their economic opportunities (Tareke, 2022). This provision empowers beneficiaries to take control of their economic lives and create sustainable livelihoods. By providing access to capital, the program enables beneficiaries to overcome financial barriers to entrepreneurship and pursue their own business ideas. The success of these businesses not only generates income for beneficiaries but also creates employment opportunities for others in the community, contributing to broader economic development. The UPSNP's focus on entrepreneurship reflects a commitment to promoting inclusive growth and empowering marginalized populations.

The program can be linked with existing national nutrition initiatives and organizational structures to engage beneficiaries (Woldegebreale, 2019). This linkage creates a more comprehensive and coordinated approach to addressing poverty and malnutrition. By leveraging existing resources and expertise, the program can enhance its reach and impact, providing beneficiaries with access to a wider range of services and support. The integration of nutrition initiatives and organizational structures also ensures that the program is aligned with national development priorities, promoting greater efficiency and sustainability.

Public works component offers employment opportunities, contributing to household income and stability (Abebe, 2018). These opportunities provide beneficiaries with a source of income, enabling them to meet their basic needs and improve their living conditions. The public works projects also contribute to the improvement of urban infrastructure and the creation of public assets, benefiting the entire community. By offering employment opportunities, the program empowers beneficiaries to participate in the local economy and contribute to the overall development of their communities.

The program can improve beneficiaries' access to credit and extension services, further enhancing their livelihood options (Assefa, 2024). This improvement enables beneficiaries to invest in productive assets, expand their businesses, and adopt new technologies. Access to credit allows them to overcome financial constraints and pursue opportunities for economic advancement, while extension services provide them with the technical assistance and training they need to succeed. By enhancing access to these essential resources, the program empowers beneficiaries to diversify their livelihoods and achieve long-term economic stability.

2.2.10. Graduation and Long-Term Sustainability

The UPSNP envisions a three-phase graduation process, aiming to move beneficiaries out of poverty and into sustainable livelihoods (Abebe, 2018). This structured approach provides a clear pathway for beneficiaries to transition from dependence on social assistance to self-reliance. Each phase of the program is designed to build upon the previous one, providing beneficiaries with the skills, knowledge, and resources they need to progress towards economic independence. The graduation process ensures that beneficiaries are not simply provided with short-term relief but are empowered to achieve long-term economic stability.

Graduation determinants include factors such as integrated agricultural packages, household head characteristics, and access to credit (Gebresilassie, 2013). These determinants highlight the importance of addressing multiple factors to ensure successful

graduation from the program. Integrated agricultural packages provide beneficiaries with the inputs and training they need to improve their agricultural productivity, while household head characteristics, such as education and skills, influence their ability to generate income. Access to credit enables beneficiaries to invest in productive assets and expand their businesses. By addressing these key determinants, the program can increase the likelihood of successful graduation and long-term sustainability.

Graduated households demonstrate better food security status than both beneficiary and non-beneficiary households (Merkeb, 2024). This outcome provides evidence of the program's effectiveness in promoting long-term food security. By equipping beneficiaries with the skills, knowledge, and resources they need to generate sustainable income, the program enables them to achieve food security even after they have graduated from the program. The improved food security status of graduated households demonstrates the potential of social protection programs to create lasting positive change in the lives of vulnerable populations.

2.2.11. Challenges and Constraints

2.2.11.1. Adequacy and Timeliness of Transfers

Negative assumptions exist regarding the adequacy and timeliness of cash transfers provided by the UPSNP (Borku, 2024). These assumptions highlight a critical challenge in ensuring that the program effectively meets the needs of its beneficiaries. If cash transfers are too small or delivered irregularly, they may not be sufficient to enable households to meet their basic needs, such as food, shelter, and healthcare. This can undermine the program's overall effectiveness and reduce its impact on poverty reduction and food security.

The amount of cash provided may be too small to improve maternal and child nutrition significantly (Woldegebreel, 2019). This limitation is a significant concern, given the program's potential to improve the health and well-being of pregnant women, lactating mothers, and young children. If cash transfers are insufficient to enable households to

purchase nutritious foods, they may not be able to address the underlying causes of malnutrition. This can limit the program's impact on key nutritional outcomes, such as stunting, wasting, and underweight.

Delays in resource transfers can undermine the effectiveness of the program (Filmon, 2023). These delays can disrupt household budgets, forcing beneficiaries to resort to coping mechanisms that may undermine their long-term well-being. For example, households may be forced to reduce their food consumption, sell productive assets, or take on debt to meet their immediate needs. These actions can have long-lasting consequences, making it more difficult for households to escape poverty and achieve food security.

2.2.11.2. Targeting Errors and Inclusion/Exclusion Issues

There are inclusion and exclusion errors in the beneficiary selection process, leading to some dissatisfaction among potential recipients (Arega, 2012). These errors can undermine the program's equity and effectiveness, as they result in some households who are in need of assistance being excluded, while others who are less vulnerable being included. Inclusion errors can strain the program's resources, reducing the amount of assistance available to those who are most in need. Exclusion errors, on the other hand, can leave vulnerable households without the support they need to meet their basic needs.

The criteria used for beneficiary selection may not always be clear or consistently applied (Arega, 2012). This lack of clarity can lead to confusion and mistrust among potential recipients, as well as inconsistencies in program implementation. If the selection criteria are not transparent and well-defined, it can be difficult to ensure that the program is targeting those who are most in need. This can undermine the program's legitimacy and reduce its impact on poverty reduction and food security.

Full targeting problems can lead to beneficiaries focusing on consumption smoothing rather than livelihood improvement (Alemaw, 2024). This focus can limit the program's long-term impact, as it does not address the underlying causes of poverty and vulnerability.

If beneficiaries are primarily concerned with meeting their immediate needs, they may not have the resources or incentives to invest in productive activities, such as starting a small business or improving their agricultural practices. This can perpetuate their dependence on social assistance and prevent them from achieving long-term economic self-sufficiency.

2.2.11.3. Program Implementation and Coordination

Weak supplementary services and declining size and value of payments are shortcomings of the program (Tareke, 2022). These shortcomings can limit the program's effectiveness in addressing the multiple dimensions of poverty and vulnerability. Supplementary services, such as nutrition education, healthcare, and skills training, can enhance the impact of cash transfers by empowering beneficiaries to improve their health, increase their income, and build their assets. Declining size and value of payments can reduce the program's ability to meet the basic needs of beneficiaries, undermining its impact on poverty reduction and food security.

Lack of tailored support and limited coverage of households hinder the program's effectiveness (Filmon, 2023). This lack of tailoring can result in the program failing to meet the specific needs and circumstances of individual beneficiaries, while limited coverage can leave many vulnerable households without assistance. To enhance the program's effectiveness, it is important to provide tailored support that addresses the unique challenges faced by each beneficiary and to expand coverage to reach a larger proportion of the urban poor.

Coordination between program managers and zonal-level team leaders is essential to engage with beneficiaries and monitor the support system (Borku, 2024). This coordination ensures that the program is implemented effectively and that beneficiaries receive the support they need to succeed. Regular communication and collaboration between program managers and zonal-level team leaders can help to identify and address implementation challenges, monitor beneficiary progress, and ensure that the program is responsive to the evolving needs of the local population.

2.3. Theoretical Literature Review

2.3.1. Social risk management approach

The Social Risk Management (SRM) approach to social protection, as outlined by the World Bank (2008, p. 45), provides a dynamic model that aligns with and reinforces a rights-based approach (RBA) in several ways. First, SRM adopts an ex-ante perspective on poverty as vulnerability, emphasizing structural causes of poverty, a focus shared with RBA. The SRM framework identifies various risks and responses, mapping these against basic human rights and state obligations, including preventing human rights violations and fulfilling fundamental rights. Additionally, SRM explicitly acknowledges that social protection is necessary for welfare, not just economic reasons. While not always expressed in human rights terms, several initiatives proposed by the World Bank align with RBA principles. These include collaborating with the ILO to enhance skills and promote equitable labor markets, eliminating harmful child labor with guidance.

2.3.2. Basic needs approach

Social protection tools frequently contribute to a variety of developmental benefits that go beyond traditional social protection outcomes. These include enhanced educational attainment, improved health and nutrition, strengthened livelihoods, and the promotion of pro-poor, inclusive economic growth. By augmenting the purchasing power of impoverished populations, social protection measures, such as cash transfers, exert a powerful ripple effect throughout the local economy. These transfers not only empower individuals to fulfill their basic needs but also act as a catalyst for economic growth by stimulating demand for goods and services within local markets. Additionally, various policy sectors play a role in advancing social protection goals. Investments in human capital help mitigate the risk of chronic poverty, while livelihood programs expand and diversify household economic opportunities, reducing both poverty and vulnerability (Harkins & Egan, 2012, p. 56).

2.3.3. Asset based approach

The Glasgow Centre for Population Health (2011, p. 32) outlined the key aspects of asset-based approaches to health improvement, emphasizing their focus on leveraging the collective resources available to individuals and communities to protect against adverse health outcomes and promote well-being. These health assets, inherent to every person, may not always be intentionally utilized. By emphasizing and valuing the unique skills, knowledge, connections, and potential within a community, asset-based approaches foster a strengths-based approach to development, cultivating a sense of collective capacity and fostering strong social bonds. They seek to balance addressing needs with nurturing the strengths and resources of people and communities. By identifying protective factors that enhance health and well-being, these approaches aim to improve both the quality and longevity of life by strengthening self-esteem and coping abilities. Importantly, asset-based approaches are not intended to replace investments in service improvement or efforts to tackle the causes of health inequalities.

2.3.4. Right based approach

Rights-Based Approaches (RBAs) to development encompass a diverse spectrum of definitions. This analysis adopts a framework grounded in “DFID's 2000 Human Rights Target Strategy Paper (TSP), Realising Human Rights for Poor People, and the 2003 UN Inter-Agency Common Agreement”. DFID's TSP underscores the paramount importance of empowering individuals to exercise agency in decision-making processes, rather than passively accepting externally imposed choices. The overarching objective is to cultivate an environment where individuals can actively engage as citizens, endowed with both rights and responsibilities, and empowered to demand access to opportunities and services facilitated by pro-poor development initiatives. This approach is operationalized through three core tenets: participation, inclusivity, and the fulfilment of obligations. A defining characteristic of RBAs, distinguishing them from other development paradigms, is their normative foundation. This foundation is deeply rooted in a framework of rights and obligations that govern the interactions between individuals, groups, and the state. These

globally recognized standards mandate that states effectively regulate labor and financial markets, ensure equitable access to essential services such as healthcare and education, and empower households to effectively manage risks and enhance their overall well-being (Conway & Norton, 2002, p. 45).

2.3.5. Transformative social protection approach

In the early 2000s, IDS pioneered the framework of Transformative Social Protection (TSP), significantly broadening the conventional understanding of social protection. Unlike traditional approaches that primarily focused on economic safety nets and mitigating the impact of livelihood shocks; TSP emphasizes a more holistic approach. It recognizes that social protection should not only address poverty but also encompass broader concerns such as marginalization and inequality, thereby serving as a crucial instrument for social justice. According to Devereux and Sabates-Wheeler (2004, p.112), social defense encompasses a wide range of public and private initiatives. These initiatives aim to provide income or consumption support to impoverished populations, safeguard helpless groups against living risks, and promote the social status and rights of marginalized communities, ultimately striving to reduce their economic and social vulnerabilities.

This study primarily applies the Social Risk Management (SRM) approach and the Transformative Social Protection approach as its theoretical foundations. The SRM framework (World Bank, 2008) guides the analysis of how UPSNP mitigates short-term shocks like food insecurity while attempting to build long-term resilience, though findings reveal gaps in addressing structural poverty. Simultaneously, the transformative approach (Devereux & Sabates-Wheeler, 2004) critically examines systemic inequities, such as exclusion errors and gender disparities, highlighting the program's limited success in empowering marginalized groups. By bridging these frameworks, the study positions UPSNP as a hybrid intervention that partially fulfills SRM's risk mitigation goals but falls short of transformative social protection's ambitions evidenced by weak beneficiary participation and inconsistent long-term impacts. This dual lens underscores the need for reforms that combine immediate safety nets with structural solutions to urban poverty.

2.4. Empirical Literature Review

Mesfin and Bamako (2024) conducted a comprehensive investigation into the multifaceted impacts of the PSNP on vulnerable households residing in Ethiopia's Wolaita Zone. Employing a rigorous quasi-experimental method and advanced treatment effects models, the researchers meticulously analyzed the program's influence on a spectrum of outcomes, encompassing access to essential services, income generation, food expenditure, asset accumulation, adaptive capacity, and the diversity of household diets. The study involved a meticulously selected sample of 300 respondents, comprising 150 PSNP beneficiaries and an equal number of non-beneficiaries. The analysis relied on sophisticated statistical techniques, including regression adjustment, inverse probability weighting, and propensity score matching. While the findings did not reveal a statistically significant impact of the PSNP on access to basic services or income across all three analytical approaches, the study uncovered a significant and concerning negative effect on both food expenditure and asset accumulation among program beneficiaries. Furthermore, a notable disparity emerged between non-members and PSNP members, with the latter group demonstrating significantly higher asset values. This observation strongly suggests that PSNP membership exerts a discernible influence on asset ownership patterns.

Abduselam's (2017) research aimed to comprehensively evaluate the multifaceted impacts of Ethiopia's PSNP on household livelihoods within the Babile district. The study utilized primary data meticulously collected during January and February 2017 from households participating in the PSNP (treatment group) and a carefully selected control group. Descriptive statistical analyses, coupled with the robust Propensity Score Matching technique, were employed to rigorously assess the program's impact. The study identified eleven key variables that significantly influence an individual's decision to participate in the PSNP. Notably, the findings revealed a positive and highly significant impact of the program on household consumption, with a substantial increase of 1269.11 kilocalories attributable to program intervention. Although no significant differences were observed between groups in terms of income, study unequivocally demonstrated that PSNP

participation exerts a positive and significant effect on food consumption, thereby significantly enhancing household livelihoods.

Tagel and Castila (2016) embarked on a rigorous investigation to assess the multifaceted impacts of Ethiopia's PSNP on family dietary variety and child nutrition. Leveraging two waves of the comprehensive Ethiopian Socio-economic Survey, the researchers employed a sophisticated methodological approach for identification. To estimate the program's influence on household dietary diversity, the study ingeniously utilized the exogeneity of fluctuations in the amount of financial resources allocated to kebeles (local administrative units) for distribution among program beneficiaries. This allocation is significantly influenced by donor support. The study identified a discrete jump in kebele budgets between 2012 and 2014, leveraging this change in PSNP transfers as an instrumental variable to estimate the program's impact. To ensure robustness, the findings were further validated using generalized propensity score matching with a continuous treatment variable. The results unequivocally demonstrated no discernible effect of an increase in PSNP transfers on household dietary diversity.

Anwar's (2015) research delved into the profound impacts of the PSNP on household food security within Fadis District, situated in the East Hararghe Zone of the Oromia Regional State. The study employed a multi-stage sampling technique to meticulously select 209 respondents, encompassing both PSNP participants and non-participants. Data collection was facilitated through the use of a rigorously validated questionnaire administered by trained enumerators. The analysis relied on a combination of simple descriptive statistics, including mean, standard deviation, and percentages, and the powerful Propensity Score Matching technique. Through the application of propensity score matching, the study revealed a significant increase in calorie intake among participating households, amounting to a substantial 24.5% (850.5 kilocalories) compared to non-participating households. To identify key determinants of calorie intake, multiple regression analysis was conducted. The results of this analysis unequivocally demonstrated that livestock ownership exerts a significant and positive influence on household calorie intake, while family size and dependency ratio exhibit a negative correlation.

The research conducted by (2013) aimed to comprehensively assess the multifaceted impacts of the PSNP on asset growth and the adoption of Sustainable Land Management (SLM) practices within the eastern Hararghe district of Haramaya. This research employed a robust methodological framework, integrating both descriptive analyses and sophisticated econometric models to comprehensively assess the impact of the PSNP. The study focused on two key indicators: asset accumulation, encompassing both productive and non-productive assets, and the adoption of sustainable land management practices, such as the implementation of soil and stone bunds and the utilization of both chemical and organic fertilizers. Econometric estimations revealed that participation in the PSNP was significantly influenced by a range of household demographic factors, including the gender of the household head, family size, the active labor participation of women, housing conditions, and the frequency and duration of food shortages experienced by the household.

Habtamu (2011) conducted a comprehensive analysis to estimate the multifaceted impacts of the PSNP on five critical outcomes: food consumption, household welfare, labor supply, asset holdings, and private transfers. Employing a rigorous methodological approach that combined double differencing with fixed effects and propensity score matching techniques, the study meticulously matched participants with non-participants to ensure unbiased impact estimates. The study's findings revealed a concerning trend: PSNP participation was associated with a decline in household welfare, food consumption, asset holdings, and private transfers compared to non-beneficiary households. However, the study observed a notable increase in labor supply towards off-farm markets among PSNP beneficiaries. Furthermore, the analysis identified family size as a significant factor negatively impacting household welfare, while access to credit was found to have a positive effect on asset accumulation.

Yibrah (2010), utilizing the powerful Propensity Score Matching (PSM) technique, investigated. The study's findings revealed that PSNP intervention played a crucial role in enabling beneficiary households to safeguard and even increase their asset holdings. Notably, PSNP beneficiary households demonstrated significantly higher livestock

holdings compared to non-beneficiary households. This finding strongly suggests that the PSNP program effectively contributes to asset protection and accumulation among beneficiary households.

2.5. Theoretical Framework

UPSNP in Ethiopia aims to address urban poverty through a multifaceted approach. However, its implementation faces challenges such as limited coverage, targeting errors, and sustainability concerns. Ensuring adequate funding and effective governance is crucial for the program's long-term success. Despite these challenges, the UPSNP presents significant opportunities to improve livelihoods.

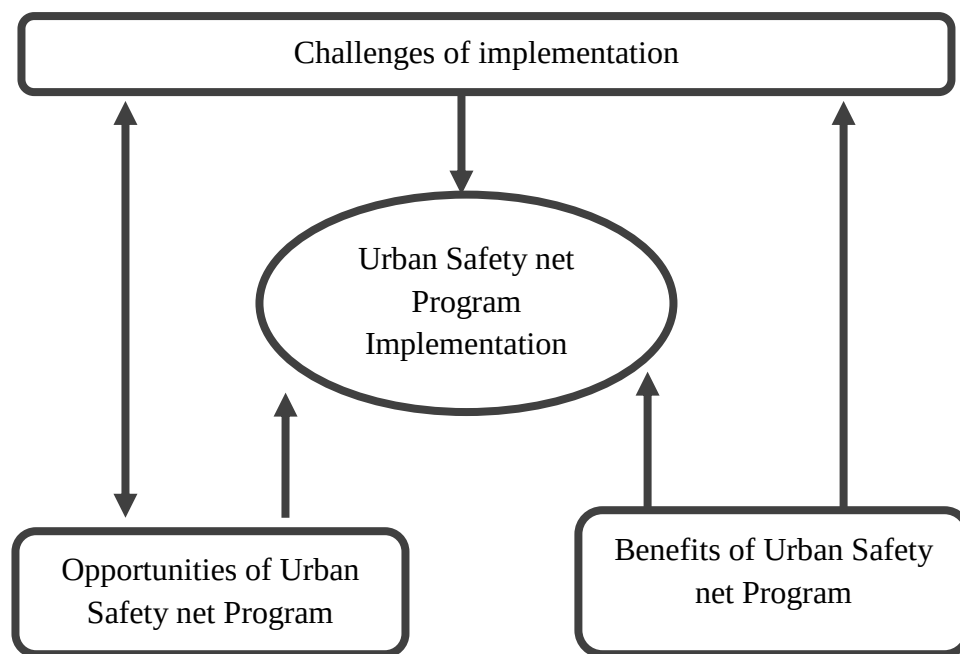


Figure 2.1: Theoretical Framework of the Study

Source: Constructed by the Author (2024)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

In this study, key aspects detailed within this section include a study area description, data sources, research design, sampling techniques, sample size determination, data collection instruments, data processing and analysis methodologies, and a discussion of ethical considerations.

3.2. Description of the Study Area

3.2.1. Location

This study undertaken within the administrative boundaries of Hawassa City. Situated approximately 275 kilometers south of Addis Ababa, Hawassa is geographically positioned between 6°54' and 7°60' North latitude and 38°48' and 38°33' East longitude. The city encompasses a total area of 157.25 square kilometers. The administrative structure of Hawassa City comprises eight distinct sub-cities (HCATID, 2024).

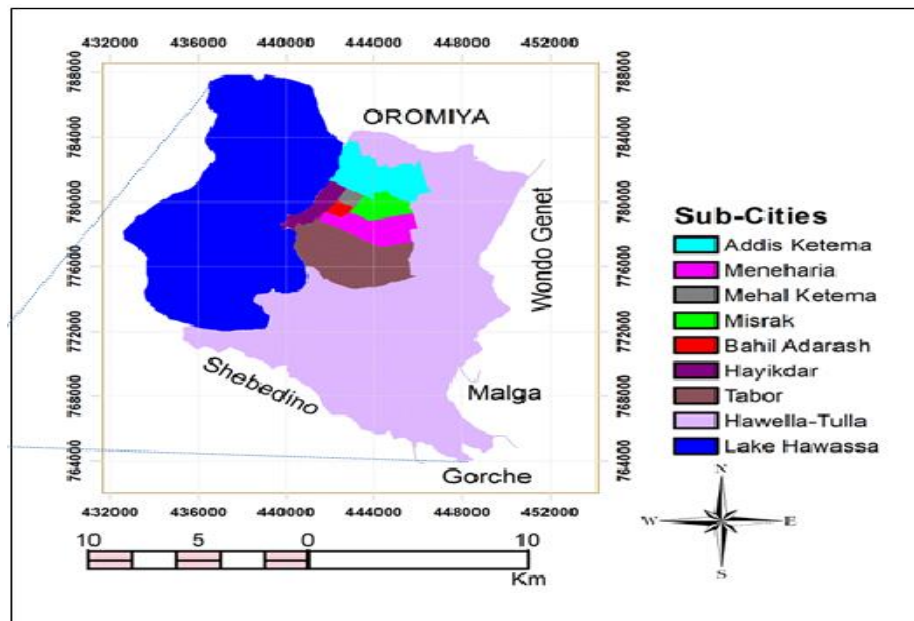


Figure 3.1: Study area Map

Source: BoFED, 2024

3.2.2. Administrative division

Hawassa City, a vibrant urban center, exhibits a diverse urban landscape. Its administrative structure is characterized by a hierarchical division into eight sub-cities and further subdivided into 32 Kebeles, with 20 classified as urban and 12 as rural (BoFED, 2016). This diverse urban fabric encompasses three distinct settlement types. Well-defined residential and industrial areas, characterized by planned development and infrastructure, coexist with older, more established Kebeles that reflect the city's historical growth. Furthermore, the city is experiencing rapid expansion, with the emergence of new, informal peri-urban settlements. The city center itself is strategically zoned, with designated areas for industrial, residential, and commercial activities, reflecting the city's evolving economic and social dynamics (HCATID, 2024).

3.2.3. Altitude, climate, and land use patterns

Hawassa City enjoys a diverse climate characterized by significant temperature fluctuations, ranging from a cool 6°C to a warm 34°C. The average annual temperature hovers around a comfortable 24°C, while the region receives an average annual rainfall of 933.4 mm, contributing to its fertile landscape. The geological foundation of the Lake Hawassa catchment area is primarily composed of Pliocene-age volcanic rock. This unique geological formation, characterized by significant faults and ground cracks, has resulted in highly permeable soil, creating a conducive environment for the development of productive, unconfined aquifers. The depth of the static groundwater level varies considerably across the region, ranging from a few meters in low-lying areas to depths of up to 40 meters in elevated terrains, as documented by the BoFED in 2024. With a total administrative land area of 15,720 hectares, Hawassa City encompasses a significant expanse of territory. However, the municipal boundary, encompassing the urban kebeles, covers a more concentrated area of 6,465 hectares (BoFED , 2024).

3.2.4. Demography

Hawassa City, Ethiopia, experienced a burgeoning population of 351,469, exhibiting a robust annual growth rate exceeding 4%. This dynamic urban center is characterized by a youthful demographic, with a significant proportion of the population, approximately 65%, falling within the under-25 age bracket. Conversely, the elderly population, comprising individuals over 50 years of age, constitutes a relatively smaller segment at around 5.5%. Among the city's eight sub-cities, Hawella-Tulla emerged as the most populous, accommodating a substantial 119,058 inhabitants. Tabor and Menehariya followed closely, with respective populations of 61,395 and 34,523 (BOFED, 2024).

3.3. Research Design

The study adopted a descriptive research design, which is appropriate for exploring the current status of the urban PSNP and its benefit on urban destitution in Hawassa City. A descriptive design allows for a detailed and accurate portrayal of the characteristics of the program, the challenges faced by its beneficiaries, and the perceptions of stakeholders involved. This design enabled the study to systematically gather and analyze data on various aspects of the program, including implementation, challenges, opportunities, and benefits, without manipulating the study environment. By using this approach, the study focused on providing a comprehensive understanding of the phenomena under investigation, relying on both qualitative and quantitative data collection methods to capture a broad range of perspectives and experiences.

3.4. Research Approach

The study employed both qualitative and quantitative research approaches to provide a comprehensive understanding of the research problem. The qualitative approach involved subjective assessments of opinions, attitudes, and behaviors, allowing for an in-depth exploration. This approach helped to capture the underlying perceptions and experiences of the participants and stakeholders offering valuable insights into the social context. On the other hand, the quantitative approach focused on generating numerical data, enabling the

examination of relationships among variables and testing objective theories. By utilizing both approaches, the study aims to triangulate the data, enhancing the robustness and validity of the findings. According to Kothari (2012), qualitative research is primarily concerned with understanding subjective phenomena, while quantitative research, as noted by Creswell (2009), seeks to test theories and hypotheses by analyzing numerical data and identifying patterns in the relationships between variables. This mixed approach allowed the study to address the research questions from multiple perspectives, contributing to a more holistic understanding of the subject matter.

3.5. Target population of the Study

The target population of the study is urban safety net program beneficiaries and stakeholders.

3.6. Data Sources

The data for this study obtained from primary and secondary sources. The primary data were collected directly from the beneficiaries of the PSNP in Hawassa City, as well as from key stakeholders, including program implementers, local government officials, and community leaders. This data provided first-hand insights into the implementation, challenges, opportunities, and benefits of the program. Secondary data gathered from relevant documents, reports, and publications, including government and program evaluation reports, scholarly articles, and previous studies on social protection programs and urban poverty.

3.7. Sampling Design and Technique

A meticulously designed sampling strategy is crucial for any research endeavor. This strategy outlines a precise plan for selecting a representative subset from the broader population. Key components of this design include determining the optimal sample size and selecting the most appropriate sampling technique. Sample size determination involves calculating the number of participants necessary to ensure the research findings is

statistically significant and representative of the larger population. The choice of sampling technique dictates the specific method used to select individuals from the population for inclusion in the study.

3.7.1. Sample size determination for Survey Respondents

The information about urban productive safety program beneficiaries was obtained from Hawella Tula subcity (2024). According to the information obtained from the sub-city, there are 1506 PSNP beneficiaries from three Kebeles of the subcity. Therefore, the formula developed by Yamane (1967) is found to be appropriate for determining the representative sample size.

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{1506}{1 + 1506(0.0025)}$$

$$n \approx 316$$

A multistage sampling technique were employed to select the beneficiaries for this study. In the first stage, Hawassa's eight sub-cities were considered, and Hawella Tula sub-city were purposively selected, as the majority of beneficiaries were available. In the second stage, three kebeles Chefasine, Gameto Galle, and Finchawa were randomly selected from Hawella Tula sub-city. In the third stage, the Probability Proportional to Size (PPS) method were used to determine the number of respondents to be selected from each kebele. This method ensures that the number of respondents is proportional to the size of the PSNP participants in each kebele. Accordingly, 113 respondents were selected from Chefasine, 109 from Gameto Galle, and 94 from Finchawa, resulting in a total of 316 respondents for the study. The fourth stage of the sampling process involves employing a systematic random sampling technique to select individual respondents from the sampling frame. This method ensures that each individual within the population has an equal probability of being included in the study, thereby enhancing the rigor and validity of the research findings.

Table 3.1: *Distribution of Sample Household Heads by Kebele*

Sample Kebeles	Population	Sample
<i>Chefasine</i>	540	113
<i>Gameto Galle</i>	519	109
<i>Finchawa</i>	447	94
Total	1506	316

Source: Tula Sub city, 2024

3.7.2. Sample size selection for key informant interview

For this study, key informant interviews were conducted with 15 individuals. Purposive sampling were employed to select participants from various sectors and levels of government involved in the UPSNP implementation. This technique allows for the selection of individuals with in-depth knowledge and experience, such as government officials from regional levels, local government officials (e.g., city administrators, social workers), representatives from implementing agencies (e.g., NGOs, community-based organizations), and beneficiaries of the program. Face-to-face interviews were conducted in a confidential setting to allow for open and honest discussions.

3.7.2. Sample size selection for focus group discussion

FGDs offer the advantage of facilitating group dynamics and eliciting rich, in-depth information on shared experiences, perceptions, and concerns related to the program's implementation. For this study, three focus group discussions (FGDs) were conducted, with each FGD comprising 6-8 participants. Purposive samplings were employed to select participants from each Kebele, ensuring the inclusion of diverse perspectives from beneficiaries of the Urban Productive Safety Net Program (UPSNP).

3.8. Data Collection Methods

Data for this study were collected primarily through a combination of survey questionnaires, in-depth interviews, and focus group discussions. These data collection methods enhance the robustness and validity of the findings by providing a comprehensive and multifaceted view of the research topic.

3.8.1. Survey Questionnaire

The questionnaire was developed, revised, and distributed specifically for survey respondents, focusing on the specific objectives of the study. Initially prepared in English, the questionnaire was translated into the local language (Sidaamu Afoo) to ensure clarity and understanding for the beneficiaries. To ensure data quality and enhance the reliability of the findings, a pre-test of the translated questionnaire were conducted with 30 PSNP participants in a kebele excluded from the final sample. This pilot test assessed the clarity and comprehensibility of the questions and identified any potential issues that may arise during data collection. Based on the feedback from the pre-test, the questionnaire was finalized with necessary adjustments. To facilitate data collection, three data collectors were hired, chosen for their fluency in the local language to ensure effective communication with the PSNP beneficiaries.

3.8.2. Key Informant Interview

Semi-structured interview questions were prepared. Key informant interview participants were selected based on their expertise and firsthand experience in the implementation of the Productive Safety Net Program (PSNP). Their insights were critical for assessing the program's implementation, benefits, and challenges in the sub-city.

3.8.3. Focus Group Discussion

The objectives of the Focus Group Discussions (FGDs) were to gather in-depth information on the implementation, challenges, and benefits of the Urban Productive Safety Net Program. On average, each discussion lasted approximately two hours. The

principal investigator moderated the discussions, which were held in a private and quiet environment to ensure comfort and confidentiality. The discussions were fully tape-recorded, and notes were taken simultaneously to capture all relevant information.

3.9. Data Analysis and Presentation

The data collected through survey questionnaires underwent editing to ensure completeness and consistency, followed by coding to categorize responses for streamlined analysis. After coding, the data were entered into SPSS for Windows (version 26) for statistical processing. Descriptive statistics such as frequency and percentage were employed to summarize respondents' demographic characteristics and their perspectives on the program's implementation, challenges, benefits, and opportunities. The quantitative findings were presented in tables and graphs for clarity.

For qualitative data obtained from key informant interviews and Focus Group Discussions (FGDs), content analysis was conducted. This involved systematically interpreting textual data, identifying key themes, patterns, and relationships to extract meaningful insights. By integrating both quantitative and qualitative analyses, the study provided a comprehensive understanding of the issues and perceptions surrounding the Urban Productive Safety Net Program (PSNP), ensuring a robust interpretation of the findings.

3.10. Ethical Consideration

To ensure ethical research practices, this study prioritizes participant autonomy and well-being. Ethical considerations related to the research questionnaires were thoroughly discussed with the researcher's advisor and other relevant stakeholders. The study, incorporating a comprehensive literature review, underwent rigorous scrutiny and received approval from the department. Subsequently, necessary permissions were obtained from all relevant authorities within Hawassa City to conduct the research. Prior to any participation, respondents were asked for the potential implications of their involvement. This ensured that participants possessed a thorough understanding of the research endeavor before

making an informed decision. This unwavering respect for participant autonomy and the freedom to withdraw from the study at any point are fundamental ethical principles that were strictly adhered to throughout the research process. To further safeguard participant rights, oral informed consent was secured from all respondents, ensuring their voluntary participation. This adherence to ethical principles is paramount throughout the data collection process. Finally, the valuable contributions of all participants in the data collection process were duly acknowledged.

CHAPTER FOUR

RESULT AND DISCUSSION

4.1. Introduction

This chapter plays a crucial role in examining and interpreting the study's results. It carefully analyzes both quantitative and qualitative data to provide a detailed perspective on the execution, difficulties, and advantages of the urban Productive Safety Net Program in Hawassa City, located in the Sidama National Regional State of Ethiopia. By methodically evaluating the empirical data and qualitative feedback, it offers deeper insights into the program's impact.

4.2. Socio-Demographic Information

The Socio-demographic section of this research offered essential background on the participants' key traits, including gender, age, educational attainment, marital status, and household size. This data helped establish a clear profile of the study population.

Table 4.1: The Demographic Information of Respondents

Variables	Categorical	n	%
Sex	Male	112	35.4
	Female	204	64.6
	Total	316	100
Age	Below 25	51	16.1
	25-44	161	50.9
	45-64	82	25.9
	Above 64	22	7.0
	Total	316	100

Source: Own survey, 2025

The data presents a breakdown of participants by sex and age in a study involving 316 individuals. In terms of gender distribution, females constitute the majority at 64.6%, while males made up 35.4%. The socio-demographic distribution highlighted notable patterns in the study population. Women significantly outnumber men, representing nearly two-thirds of respondents. Key informants noted that female-headed households face greater economic vulnerability in urban areas due to limited employment opportunities and wage discrimination, making them more likely to qualify for social assistance.

Regarding age groups, the largest proportion falls within the 25–44 range (50.9%), followed by those aged 45–64 (25.9%). Younger participants (below 25) account for 16.1%, and the smallest group consists of those above 64 years old (7.0%). The majority of participants are of working age group suggesting that PSNP beneficiaries have a chance to create sustainable jobs for their family.

Table 4.2: The Social Information of Respondents

Variables	Categorical	n	%
Educational status	No formal education	82	25.9
	Grade1-6	79	25.0
	Grade 7-8	69	21.8
	Grade 9-12	51	16.1
	Certificate	35	11.1
	Total	316	100
Marital status	Single	53	16.8
	Married	156	49.4
	Divorced	31	9.8
	Widowed	76	24.1
	Total	316	100
Family size	1-2	19	6.0
	3-4	84	26.6
	4-6	131	41.5
	Above 6	82	25.9
	Total	316	100

Source: Own survey, 2025

The educational background of PSNP beneficiaries reveals significant disparities in schooling levels. A quarter (25.9%) had no formal education, while another 25.0% attended only primary school (Grade 1-6). Nearly 22% reached Grades 7-8, and 16.1% completed secondary education (Grades 9-12). Only 11.1% hold a certificate-level qualification, indicating that the vast majority (72.7%) had either no education or only primary-level schooling. This suggested that limited access to higher education among beneficiaries can be a challenge for providing the necessary training that enables them to create job and enhance business sustainability.

Marital status distribution showed that nearly half (49.4%) of PSNP beneficiaries were married, while 24.1% were widowed, a notably high proportion that might reflect vulnerability among single-income households. Only 16.8% were single, and 9.8% were divorced. The high percentage of widowed individuals suggests that many beneficiaries, particularly women, might depend on PSNP due to the loss of a spouse, reinforcing the program's role in supporting marginalized groups.

Family size among beneficiaries varies, with the largest group (41.5%) having 4-6 members, followed by 26.6% with 3-4 members. A significant portion (25.9%) had more than six dependents, indicating large households that likely faced higher economic strain. Only 6% had 1-2 members, suggesting that most beneficiaries support multiple dependents, which might increase their reliance on PSNP for basic needs. This highlighted the program's importance for larger, economically vulnerable families. Key informants from local administrations added that multi-generational households are common due to urban housing shortages and unemployment, forcing relatives to depend on a single breadwinner. A kebele official stated: *"The PSNP prioritizes these large families because they're most at risk of hunger when shocks occur."* However, some FGD participants criticized the program for not adjusting transfer amounts to household size, leaving bigger families struggling despite receiving support.

4.3. Implementations of Urban Productive Safety Net Program

The implementation of the Urban Productive Safety Net Program (UPSNP) in urban areas such as Hawassa City aims to reduce poverty and enhance livelihoods through targeted support for vulnerable populations. Effective implementation depends on coordination among stakeholders, availability of resources, and the capacity of local administrations to deliver services efficiently.

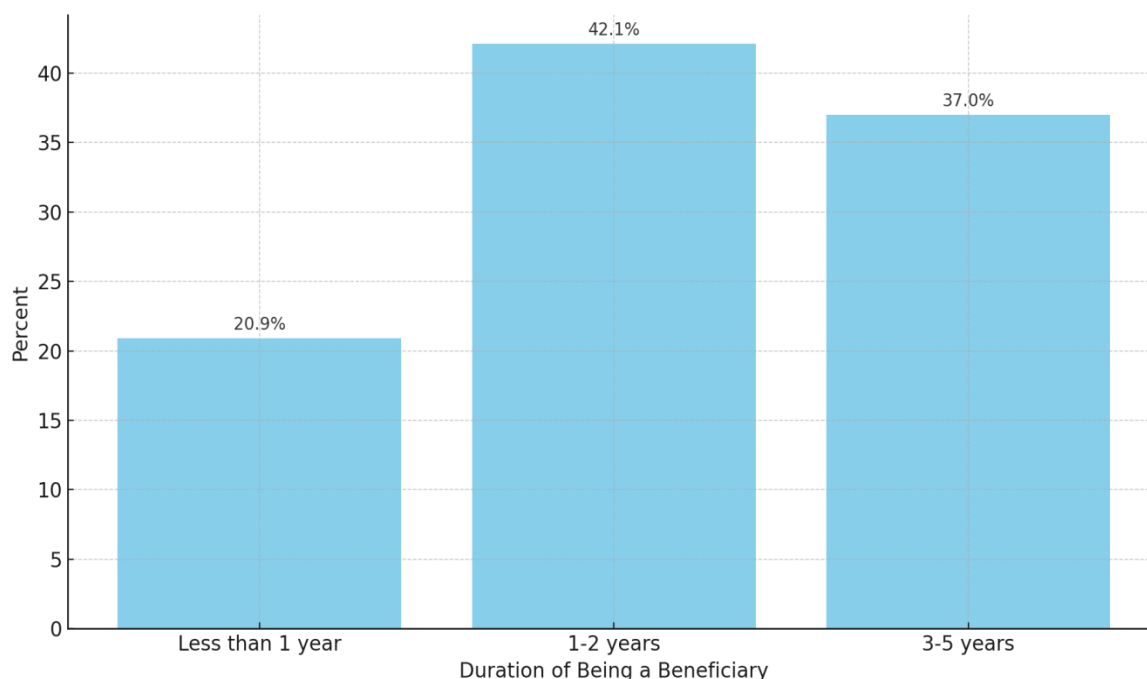


Figure 4.1: Distribution of Respondents by Duration of Being a Beneficiary

Source: Own survey, 2024

The bar graph illustrated the duration of beneficiaries' participation in the program, showing that 42.1% of beneficiaries had been enrolled between 1-2 years, while 37% had participated for 3-5 years. The remaining 20.9% likely fall into less than 1 year. This distribution suggested that the program had a relatively balanced mix of both new and longer-term beneficiaries, with a slight majority being get the benefit 1-2 years. Insights from Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs) corroborate the quantitative distribution of program participation duration. Several FGD participants noted that their recent enrollment was primarily driven by increased household

vulnerability following job losses or inflation-related hardships in the urban economy. A female participant stated, “I joined the program about a year ago after my husband lost his job. Without this support, managing household expenses would have been impossible.” Similarly, KII respondents, including kebele officials and program implementers, emphasized that the program's targeting mechanism aims to include both long-standing vulnerable households and newly affected ones. One official explained, “We see a steady flow of new beneficiaries every year, often due to new economic shocks, but some households stay for up to five years before they stabilize or graduate.”

Table 4.3: Nature and Utilization of Support

Variables	Categorical	n	%
Type of support received	Cash payment	221	69.9
	Both food and cash	95	30.1
	Total	316	100
Use of cash assistance (if received)	Consumption	191	60.4
	Investment	33	10.4
	Debt repayment	31	9.8
	Health cost	42	13.3
	Others	19	6.0
	Total	316	100
Use of food assistance (if received)	Consumption	274	86.7
	Investment	13	4.1
	Sold	15	4.7
	Others	14	4.4
	Total	316	100

Source: Own survey, 2025

The primary form of assistance was cash payments (69.9%), reflecting a preference for flexible aid delivery, while the remaining 30.1% received both food and cash, likely

tailored to specific needs or vulnerabilities. The dominance of cash-based support aligns with global safety net trends emphasizing beneficiary autonomy. However, the significant minority receiving combined assistance.

Cash assistance was predominantly used for consumption (60.4%), underscoring its role in meeting immediate basic needs. Smaller portions went to health costs (13.3%), debt repayment (9.8%), or investment (10.4%), revealing secondary priorities. Food assistance was overwhelmingly consumed directly (86.7%), with minimal resale (4.7%) or investment (4.1%), confirming its effectiveness in addressing food security. The key informants also added that the program is primarily serving immediate needs while hinting at untapped potential for longer-term economic resilience.

Table 4.4: Program Targeting and Satisfaction

Variables	Categorical	n	%
Reason for beneficiary selection	Low income	150	47.5
	Unemployment	94	29.7
	Lack of asset	60	19.0
	Others	12	3.8
	Total	316	100
Assigning authority for beneficiaries	Development Agents	67	21.2
	Kebele administration	186	58.9
	Community	45	14.2
	Others	18	5.7
	Total	316	100
Satisfaction with program implementation	Dissatisfied	67	21.2
	Neutral	96	30.4
	Satisfied	153	48.4
	Total	316	100

Source: Own survey, 2025

The data reveal that nearly half of beneficiaries (47.5%) were selected due to low income, followed by unemployment (29.7%) and lack of assets (19.0%). This indicates a strong focus on economic vulnerability in targeting, with income level serving as the primary criterion. The small proportion falling under "others" (3.8%) suggests the selection process is relatively standardized, with few exceptions.

The majority of beneficiaries (58.9%) were assigned by Kebele administration, highlighting its central role in implementation. Development Agents (21.2%) and community representatives (14.2%) also contributed, reflecting a multi-tiered approach to beneficiary identification. The limited role of "others" (5.7%) implies that external actors have minimal influence, reinforcing a locally driven process.

A plurality of beneficiaries (48.4%) reported being satisfied with program implementation, while 21.2% expressed dissatisfaction. The significant neutral group (30.4%) may indicate either limited awareness of program objectives or moderate effectiveness in meeting expectations. The overall positive skew suggests reasonable success in delivery; though room for improvement remains, particularly in addressing the concerns of the dissatisfied minority.

4.4. Challenges of the Urban Productive Safety Net Program

Despite its critical role in poverty alleviation, the Urban Productive Safety Net Program (UPSNP) faces significant implementation challenges that hinder its effectiveness. These challenges stem from systemic, administrative, and contextual factors, including targeting errors, limited funding, bureaucratic inefficiencies, and fluctuating beneficiary needs in urban settings. Additionally, gaps in coordination among stakeholders and weak monitoring systems further complicate program delivery. Addressing these obstacles is essential to enhance the program's impact, ensure equitable resource distribution, and improve the long-term resilience of urban poor households. This section examines these challenges in detail, providing insights into the operational and structural barriers that influence the UPSNP's outcomes.

Table 4.5: Targeting and Eligibility Challenges

Variables	Categorical	n	%
Perception of targeting committee fairness	Yes	195	61.7
	No	121	38.3
	Total	316	100
Observation of ineligible beneficiaries	Yes, frequently	72	22.8
	Yes, occasionally	88	27.8
	No	156	49.4
	Total	316	100
Exclusion of eligible households	Yes	93	29.4
	No	164	51.9
	Not sure	59	18.7
	Total	316	100

Source: Own survey, 2025

The Urban Productive Safety Net Program (UPSNP) faces several critical challenges in its implementation, as revealed by beneficiary perceptions and program observations. A significant portion of respondents (38.3%) questioned the fairness of targeting committees, indicating potential transparency issues in beneficiary selection. Furthermore, half of respondents (49.4%) reported observing ineligible beneficiaries in the program, with 22.8% encountering this issue frequently and 27.8% occasionally. Perhaps most concerning, 29.4% of respondents confirmed the exclusion of eligible households, while another 18.7% remained uncertain about such exclusions. These findings highlight systemic challenges in the program's targeting mechanism, including issues of inclusion errors (ineligible recipients) and exclusion errors (eligible non-recipients), which undermine the program's effectiveness and equity.

The results of the key informants and the focus group discussants attributed these errors to three main factors: (1) outdated beneficiary registries that fail to reflect current household

circumstances, as noted by a local administrator who stated "Our lists haven't been properly updated since the program began"; (2) Kebele leaders interference in selection processes; and (3) inadequate verification mechanisms, described by a program officer as "relying too heavily on community testimony without proper documentation checks." These systemic flaws in targeting fundamentally compromise both program efficiency and equity, diverting resources from intended beneficiaries while leaving vulnerable households without critical support.

Table 4.6: Benefit Disbursement Challenges

Variables	Categorical	n	%
Time taken to receive benefits	Less than a week	53	16.8
	1-2 weeks	91	28.8
	3-4 weeks	94	29.7
	More than a month	78	24.7
	Total	316	100
Experience of missed/incomplete payments	Yes, more than once	198	62.7
	Yes, once	60	19.0
	No	58	18.4
	Total	316	100

Source: Own survey, 2025

The implementation of the Urban Productive Safety Net Program faces significant operational challenges, particularly regarding benefit delivery timeliness and payment consistency. The data reveals substantial delays in benefit distribution, with only 16.8% of beneficiaries receiving support in less than a week, while the majority (54.5%) waited between 1-4 weeks, and nearly a quarter (24.7%) experienced delays exceeding one month. More critically, payment irregularities affected 81.7% of beneficiaries, with 62.7% experiencing multiple instances of missed or incomplete payments and another 19.0% encountering this issue at least once. These systemic delays and payment inconsistencies undermine the program's reliability as a social safety net, potentially forcing beneficiaries

to seek alternative coping mechanisms during waiting periods and creating financial instability for households that depend on timely assistance. The key informants indicated that the high prevalence of payment issues is administrative bottlenecks in disbursement that require urgent programmatic attention to maintain program effectiveness.

Table 4.7: Community Engagement & Decision-Making

Variables	Categorical	n	%
Frequency of staff visits for monitoring	Weekly	28	8.9
	Monthly	90	28.5
	Quarterly	96	30.4
	Rarely	64	20.3
	Never	38	12.0
	Total	316	100
Household involvement in PSNP decisions	Active	49	15.5
	Minimal	68	21.5
	None	199	63.0
	Total	316	100
Frequency of community meetings	Monthly	63	19.9
	Quarterly	102	32.3
	Rarely	106	33.5
	Never	45	14.2
	Monthly	63	19.9
Primary decision-makers for PSNP	Local government officials	161	50.9
	Community leaders	55	17.4
	PSNP staff	47	14.9
	Beneficiaries themselves	31	9.8
	I don't know	22	7.0
	Total	316	100

Source: Own survey, 2025

The frequency of staff visits for monitoring the Urban Productive Safety Net Program (UPSNP) shows varying levels of engagement. Only a small proportion of respondents (8.9%) reported weekly visits by program staff, while the largest group (30.4%) indicated that monitoring occurs quarterly. Monthly visits account for 28.5% of responses, suggesting that while regular oversight exists, it is not uniformly frequent. Notably, 20.3% reported that staff rarely visits, and 12.0% stated that there is no monitoring at all, indicating potential gaps in follow-up and accountability mechanisms.

Household involvement in decision-making processes related to the PSNP appears limited. A significant majority (63.0%) of households reported having no involvement in program-related decisions, while 21.5% indicated minimal participation. Only 15.5% of respondents stated that they are actively engaged in the decision-making process. This suggests a top-down approach in the program's implementation, with limited opportunities for beneficiaries to influence key aspects affecting their livelihoods.

Community meetings, which are important for transparency and local engagement, are held infrequently according to the data. Only 19.9% of respondents said these meetings occur monthly, while 32.3% reported quarterly meetings. The largest proportion (33.5%) stated that meetings are rarely held, and 14.2% said such gatherings never occur. This limited frequency of community interaction may weaken the feedback loop necessary for responsive and inclusive program management.

When it comes to decision-making authority within the PSNP, half of the respondents (50.9%) identified local government officials as the primary decision-makers. Community leaders were mentioned by 17.4%, followed by PSNP staff (14.9%). Only 9.8% of respondents believed that beneficiaries themselves had a decisive role, and 7.0% indicated uncertainty about who makes these decisions. These results reinforce the earlier findings of minimal household involvement with limited beneficiary influence. The FGD members contextualized as: "We are told when and how much we will receive, never asked what we need. They call meetings after decisions are made, just to inform us." This statement

highlights the top-down nature of program communication, where beneficiaries feel excluded from discussions that directly affect their lives.

Table 4.8: Training and Awareness

Variables	Categorical	n	%
Received training on benefit usage	Comprehensive	60	19.0
	Minimal	102	32.3
	None	154	48.7
	Total	316	100
Awareness of graduation criteria	Yes, clearly informed	75	23.7
	Yes, but unclear	120	38.0
	No, not informed	121	38.3
	Total	316	100

Source: Own survey, 2025

The data on training received regarding benefit usage under the Urban Productive Safety Net Program (UPSNP) reveals a significant information gap among beneficiaries. Only 19.0% of respondents reported receiving comprehensive training, while a larger proportion (32.3%) received minimal guidance. Alarming, nearly half (48.7%) indicated that they received no training at all. This lack of adequate orientation can hinder beneficiaries from utilizing program benefits effectively.

Similarly, awareness of graduation criteria, key for tracking progress and ensuring sustainable transitions from support, appears to be insufficient among participants. Only 23.7% reported being clearly informed about these criteria, while 38.0% were aware but lacked a clear understanding. Another 38.3% stated that they had not been informed at all. These figures suggest a serious communication gap between implementers and beneficiaries, which may lead to confusion, unprepared exits from the program, and diminished long-term outcomes.

Table 4.9: Graduation and Post-Program Support

Variables	Categorical	n	%
Received support for graduation	Yes, skills training	55	17.4
	Yes, access to savings	38	12.0
	No support	223	70.6
	Total	316	100
Households graduated in last 12 months	Yes, several	26	8.2
	Yes, a few	54	17.1
	No, none	164	51.9
	I don't know	72	22.8
	Total	316	100

Source: Own survey, 2025

Support for graduation from the Urban Productive Safety Net Program (UPSNP) appears to be notably limited among the surveyed households. Only 17.4% reported receiving skills training to aid their graduation, and an even smaller portion (12.0%) gained access to savings mechanisms. A substantial majority (70.6%) stated they received no support at all aimed at helping them transition out of the program. This lack of graduation support raises concerns about the program's ability to promote long-term self-sufficiency among beneficiaries. The data on actual household graduations in the past year reinforces these concerns. Just 8.2% of respondents observed that several households had graduated, while 17.1% noted a few graduations. Over half (51.9%) reported that no households had graduated within the last 12 months, and 22.8% were unaware of any outcomes. This suggests that either graduation efforts are largely ineffective or poorly communicated, highlighting a need for clearer monitoring of progression within the program.

A female beneficiary in Gameto Galle argued that, "They call it 'graduation,' but it feels like abandonment, we are cut off without tools to survive." Others described a "cycle of dependency", where the lack of livelihood training forced households to deliberately remain poor to retain benefits.

Table 4.10: Gender Sensitivity & Inclusion

Variables	Categorical	n	%
Prioritization of female-headed households	Yes, always	102	32.3
	Yes, sometimes	114	36.1
	No	100	31.6
	Total	316	100
Mechanism for gender-related issues	Yes, active mechanism	71	22.5
	Yes, but ineffective	118	37.3
	No mechanism	127	40.2
	Total	316	100

Source: Own survey, 2025

The data on the prioritization of female-headed households within the Urban Productive Safety Net Program (UPSNP) indicates a moderately inclusive approach, but with room for improvement. About one-third of respondents (32.3%) stated that female-headed households are always prioritized, and 36.1% reported that such prioritization occurs sometimes. However, 31.6% noted that no special consideration is given to female-headed households. The result suggests inconsistency in gender-sensitive targeting, potentially undermining the program's goal of equitable access for vulnerable groups. When examining mechanisms to address gender-related issues within the program, the findings point to significant gaps. Only 22.5% of respondents acknowledged the presence of an active and functional mechanism, while 37.3% recognized that a mechanism exists but deemed it ineffective. Alarming, 40.2% reported the absence of any gender-specific mechanism. This lack of reliable structures for addressing gender concerns can reduce the program's responsiveness to the unique challenges faced by women.

Key informants revealed structural barriers to equitable implementation: "Our gender quotas exist on paper, but we lack the staff training and budget to enforce them". FGDs member female beneficiaries indicated that "They call us 'priority' but give us the same amount as male-headed households, though we have more children to feed".

4.5. Benefits of the Urban Productive Safety Net Program

The Urban Productive Safety Net Program (UPSNP) is a critical social protection initiative designed to address poverty and vulnerability among urban populations. By providing direct financial support, skills training, and livelihood opportunities, the program aims to enhance the economic resilience of low-income households. The UPSNP not only alleviates immediate financial hardships but also fosters long-term self-reliance through employment initiatives and community projects. This essay explores the key benefits of the program, including poverty reduction, improved food security, and sustainable urban development, demonstrating its vital role in empowering disadvantaged communities.

Table 4.11: Food Security & Basic Needs Fulfillment

Item No.	Items	Categories	n	%
1	The PSNP program has improved my household's ability to access sufficient food.	Strongly disagree	30	9.5
		Disagree	45	14.2
		Neutral	94	29.7
		Agree	97	30.7
		Strongly agree	50	15.8
		Total	316	100
2	The cash/food transfers provided by the program are adequate to meet my household's basic needs.	Strongly disagree	42	13.3
		Disagree	74	23.4
		Neutral	98	31.0
		Agree	78	24.7
		Strongly agree	24	7.6
		Total	316	100
3	The program has helped my household avoid food shortages during difficult times.	Strongly disagree	38	12.0
		Disagree	47	14.9
		Neutral	76	24.1
		Agree	106	33.5
		Strongly agree	49	15.5
		Total	316	100

Source: Own survey, 2025

The first item assesses whether the PSNP has improved households' access to sufficient food. A combined 46.5% of respondents agreed (30.7%) or strongly agreed (15.8%) that the program has enhanced their food access. However, a significant portion remained neutral (29.7%), while 23.7% expressed disagreement to varying degrees. These mixed responses suggest that while the program has had a positive effect for many, a substantial number of households either do not perceive significant improvement or are uncertain about the program's impact on their food security. The FGD members indicated that the cash keeps our children in school instead of begging for food.

The second item evaluates the adequacy of the cash or food transfers in meeting basic household needs. Here, responses skew more critically: only 32.3% agreed or strongly agreed that the support was sufficient, while a larger group (36.7%) disagreed or strongly disagreed. The highest proportion of respondents (31.0%) chose a neutral stance, possibly reflecting variability in household size, needs, or local prices. These figures indicate that the level of support may be insufficient for many beneficiaries to meet their essential needs consistently. The key informants indicated that the transfer calculation hasn't been updated since 2019 despite 300% food inflation.

The third item highlights the program's role in helping households avoid food shortages during difficult periods. A more favorable response pattern is observed, with nearly half of respondents (49.0%) agreeing (33.5%) or strongly agreeing (15.5%) that the program has provided a buffer against food insecurity. Only 26.9% expressed disagreement, and 24.1% remained neutral. This suggests that while the program may not always meet all needs, it does provide a critical safety net during periods of hardship, which aligns with one of its core objectives. During focus group discussions, beneficiaries acknowledged the PSNP's crucial role as a safety net during crises. One participant explained, "The PSNP kept food on our table when my husband lost his daily wage work during the political unrest." However, program administrators revealed alarming gaps in the system's effectiveness. "We are observing a dangerous trend where desperate families sell their PSNP identification cards to local traders for immediate cash, sacrificing their future food security for present survival."

Table 4.12: Economic Stability & Asset Building

Item No.	Items	Categories	n	%
1	The program has stabilized my household's income and improved my financial security.	Strongly disagree	41	13.0
		Disagree	62	19.6
		Neutral	92	29.1
		Agree	75	23.7
		Strongly agree	46	14.6
		Total	316	100
2	The program has enabled me to invest in productive assets (e.g., livestock, farming tools, small business ventures).	Strongly disagree	64	20.3
		Disagree	82	25.9
		Neutral	94	29.7
		Agree	52	16.5
		Strongly agree	24	7.6
		Total	316	100
3	Participation in the program has helped me build assets that will support my family in the future.	Strongly disagree	41	13.0
		Disagree	64	20.3
		Neutral	97	30.7
		Agree	84	26.6
		Strongly agree	30	9.5
		Total	316	100

Source: Own survey, 2025

The first item explores the extent to which the PSNP has contributed to stabilizing household income and enhancing financial security. About 23.7% of respondents agreed and 14.6% of respondents strongly agreed with this statement, suggesting that for some beneficiaries, the program has positively influenced financial conditions. However, a notable proportion that was 19.6% disagreed and 13% strongly disagreed, while 29.1% remained neutral. This division indicates inconsistent financial impacts across households, likely due to variations in the adequacy of support or differences in household financial management capacities. FGD participants explained this gap between support and sustainability, stating: “The cash helps pay debts when emergencies come, but we can't save any of it.” This highlights how the assistance, while helpful in crisis situations, falls

short of fostering long-term resilience. The key informants also argued that “Without linking to financial literacy training, the transfers just circulate in survival economies.”

Regarding the ability to invest in productive assets such as livestock, tools, or small businesses (Item 2), the responses show a generally low level of asset-building outcomes. A combined 46.2% of respondents disagreed or strongly disagreed that the program enabled such investments, while only 24.1% agreed or strongly agreed. A significant number (29.7%) held a neutral position, potentially reflecting limited exposure to or availability of investment opportunities. These results suggest that the PSNP may be falling short in its livelihood promotion objective, which aims to empower beneficiaries beyond short-term relief. The FGD members argued that the program performed poorly in enabling productive investments. “How can I buy sheep when the entire transfer goes to rent?” asked one male participant, highlighting the tension between immediate consumption needs and long-term asset building. Key informants echoed these concerns, admitting design shortcomings: “The ‘productive’ in PSNP is theoretical; we give cash for consumption, but no startup capital for businesses.” These perspectives reveal a critical gap between the program's intended goals and its actual implementation, particularly in promoting sustainable livelihoods.

Item 3 assesses long-term asset accumulation through program participation. While 36.1% of respondents reported agreement (26.6% agree, 9.5% strongly agree) that they have built future-supporting assets, 33.3% disagreed to some extent, and 30.7% remained neutral. This indicates modest success in helping participants establish longer-term resilience. The relatively high neutrality again may imply that many beneficiaries either do not clearly perceive the asset-building benefits or have yet to experience them tangibly. FGD participants revealed that most of the assets they acquired were low-value items, such as cooking pots, rather than sustainable, income-generating assets. One participant shared, “We bought a goat last year, but had to sell it during the drought now we're back to zero.” Another added, “When shocks hit, years of asset-building vanish in weeks.” These insights underscore the fragility of the gains made through the program and highlight the need for more resilient, long-term asset-building support.

Table 4.13: Empowerment & Decision-Making

Item No.	Items	Categories	n	%
1	PSNP has provided opportunities for me to improve my household's economic situation.	Strongly disagree	35	11.1
		Disagree	86	27.2
		Neutral	105	33.2
		Agree	62	19.6
		Strongly agree	28	8.9
		Total	316	100
2	The support from the program has empowered me to make better long-term economic decisions.	Strongly disagree	62	19.6
		Disagree	78	24.7
		Neutral	100	31.6
		Agree	50	15.8
		Strongly agree	26	8.2
		Total	316	100
3	The PSNP program encourages households to become more self-reliant over time.	Strongly disagree	50	15.8
		Disagree	64	20.3
		Neutral	85	26.9
		Agree	86	27.2
		Strongly agree	31	9.8
		Total	316	100

Source: Own survey, 2025

Item 1 investigates whether the PSNP has created opportunities for beneficiaries to improve their household's economic situation. While 28.5% of respondents agreed or strongly agreed with this statement, a greater proportion (38.3%) disagreed or strongly disagreed. The largest group (33.2%) remained neutral, suggesting uncertainty or a lack of noticeable economic progress for many households. These findings reflect mixed perceptions of the program's ability to generate meaningful economic advancement beyond subsistence support. FGD participants explained this disparity, stating: "We survive month-to-month, but never get ahead," pointing to the program's limited impact on long-term economic progress. Key informants echoed this concern, admitting: "Our metrics count meals served, not livelihoods created." This reveals a fundamental disconnect

between short-term relief and sustainable development, emphasizing the need to shift program goals toward measurable improvements in self-reliance and income generation.

In Item 2, beneficiaries were asked whether the program's support empowered them to make better long-term economic decisions. Here, the responses leaned more negatively: 44.3% disagreed or strongly disagreed, compared to only 24.0% who agreed or strongly agreed. About one-third (31.6%) stayed neutral. This indicates that while some individuals may feel a sense of improved economic decision-making, the majority either do not feel empowered or have not experienced such outcomes, highlighting a gap in the program's effectiveness in fostering economic autonomy. The FGD members noted that *"They tell us 'save the cash' but don't show how,"* highlighting a gap between program advice and practical support. Key informants acknowledged this design flaw, stating that *"Financial literacy training reaches less than 15% of beneficiaries due to budget cuts."* This limited outreach undermines the program's potential to foster financial independence and long-term resilience among participants.

Item 3 explores perceptions of the program's encouragement toward self-reliance. Responses were more balanced here: 37.0% agreed or strongly agreed that the PSNP fosters greater independence, while 36.1% disagreed or strongly disagreed. Meanwhile, 26.9% of respondents were neutral. This even distribution suggests that the program's messaging and outcomes regarding self-reliance are not uniformly perceived across households, pointing to variability in implementation and possibly unmet expectations around long-term empowerment. Key informants indicated inconsistency in program delivery, noting that while some field agents provide business skills training, others focus solely on cash distribution. This uneven implementation has contributed to a troubling perception among beneficiaries, as revealed in the FGDs. Many participants viewed the PSNP as a form of *"permanent aid"* rather than a stepping stone toward self-reliance. One mother captured this mindset, stating, *"Why risk a small business when the program guarantees food?"* This reflects how the absence of a clear exit strategy and supportive services may unintentionally discourage productive risk-taking and reinforce dependency.

Table 4.14: Social Inclusion and Equity

Item No.	Items	Categories	n	%
1	The PSNP program ensures that vulnerable and marginalized groups are fairly included.	Strongly disagree	33	10.4
		Disagree	39	12.3
		Neutral	95	30.1
		Agree	90	28.5
		Strongly agree	59	18.7
		Total	316	100
2	Female-headed households are adequately supported by the program.	Strongly disagree	41	13.0
		Disagree	71	22.5
		Neutral	91	28.8
		Agree	85	26.9
		Strongly agree	28	8.9
		Total	316	100
3	The program has promoted social inclusion and reduced inequality in the community.	Strongly disagree	29	9.2
		Disagree	41	13.0
		Neutral	108	34.2
		Agree	83	26.3
		Strongly agree	55	17.4
		Total	316	100
4	The PSNP selection process is transparent and fair to all eligible households.	Strongly disagree	53	16.8
		Disagree	58	18.4
		Neutral	96	30.4
		Agree	80	25.3
		Strongly agree	29	9.2
		Total	316	100

Source: Own survey, 2025

Item 1 assesses whether the PSNP ensures fair inclusion of vulnerable and marginalized groups. A combined 47.2% of respondents agreed or strongly agreed, reflecting a relatively positive perception. However, 22.7% disagreed or strongly disagreed, and a significant 30.1% chose a neutral response. This suggests that while many beneficiaries view the program as inclusive, there remains a sizable portion either unconvinced or uncertain about

the extent of equity in program delivery. FGDs indicated that the disabled and elderly get pushed to the back of the line.

In relation to support for female-headed households (Item 2), perceptions were more critical. While 35.8% of respondents agreed or strongly agreed that female-headed households receive adequate support, a greater share (35.5%) disagreed or strongly disagreed. Again, a substantial 28.8% remained neutral. These divided views point to possible inconsistencies in gender-sensitive implementation and raise questions about whether female-headed households are sufficiently prioritized in practice, despite stated program objectives. FGD participants described systemic barriers: "To register as female-headed households, we need male relatives to verify our status; how is that empowering?"

Item 3 explores whether the program has promoted social inclusion and reduced inequality in the community. A modest 43.7% of respondents agreed or strongly agreed, suggesting that some positive changes are being felt. However, 22.2% disagreed or strongly disagreed, while the largest group (34.2%) remained neutral. This ambivalence implies that while the program has made strides in promoting inclusion, its broader impact on community-level inequality remains unclear or unevenly experienced. The key informants argued that except for well-known reason the Kebele tried its bet to avoid inequality.

Finally, Item 4 deals with perceptions of fairness and transparency in the selection of PSNP beneficiaries. Only 34.5% of respondents agreed or strongly agreed that the process is fair and transparent, while a concerning 35.2% disagreed or strongly disagreed. A further 30.4% chose neutral, signaling either a lack of awareness or skepticism about the selection mechanism. These findings highlight a trust gap and underline the need for clearer communication and improved transparency to foster community confidence in the program's integrity. The focus group discussants argued that the beneficiary selection process lacked transparency and community involvement. They noted that the committee simply posts the list of selected names after decisions have already been made, offering no opportunity for input or discussion. As one participant put it, "There's no consultation, just announcements."

Table 4.15: Long-Term Impact & Sustainability

Item No.	Items	Categories	n	%
1	The benefits of the PSNP program will have a long-term positive impact on my household.	Strongly disagree	33	10.4
		Disagree	45	14.2
		Neutral	91	28.8
		Agree	97	30.7
		Strongly agree	50	15.8
		Total	316	100
2	The program has prepared beneficiaries to sustain themselves without long-term dependency.	Strongly disagree	57	18.0
		Disagree	69	21.8
		Neutral	91	28.8
		Agree	68	21.5
		Strongly agree	31	9.8
		Total	316	100
3	I am confident in the program's ability to support vulnerable households in the future.	Strongly disagree	31	9.8
		Disagree	48	15.2
		Neutral	93	29.4
		Agree	93	29.4
		Strongly agree	51	16.1
		Total	316	100

Source: Own survey, 2024

Item 1 evaluates whether beneficiaries believe that the PSNP will have a lasting positive impact on their households. Nearly half of the respondents (46.5%) agreed or strongly agreed, while 24.6% expressed disagreement, and 28.8% remained neutral. These results suggest a moderate level of optimism among beneficiaries regarding the program's long-term benefits. However, the substantial neutral and disagreeing responses imply that many remain unconvinced or have not yet seen concrete, lasting improvements in their lives. FGD participants expressed reservations about the program's long-term impact, stating, "The help stops when the program ends; how can we call this 'lasting'?" Key informants acknowledged this concern, noting that success is primarily measured by immediate food security outcomes rather than by fostering future resilience or sustainable livelihoods.

Item 2 explores whether the program has adequately prepared beneficiaries to sustain themselves without becoming dependent in the long run. Here, responses skew more negatively: 39.8% disagreed or strongly disagreed, while only 31.3% agreed or strongly agreed. The remaining 28.8% stayed neutral. This reflects significant concern about dependency and suggests that many beneficiaries may not feel sufficiently equipped or empowered to maintain self-sufficiency without continued assistance, highlighting a gap in the program's exit and graduation strategies. Key informants confirmed systemic shortcomings, stating, "Our graduation protocol consists of one home visit and a checklist; it's completely inadequate." Focus group discussions revealed that long-term recipients had reduced their income-generating activities, with many admitting, "Why work harder when they might cut your benefits?" This highlights a critical gap in the program's design that may inadvertently discourage efforts toward self-reliance.

Finally, Item 3 gauges confidence in the PSNP's ability to support vulnerable households in the future. A total of 45.5% of respondents agreed or strongly agreed, while 25.0% expressed a lack of confidence, and 29.4% were neutral. These responses suggest that while there is cautious optimism about the program's future effectiveness, a considerable number of beneficiaries either doubt its sustainability or are uncertain, possibly due to past experiences or inconsistent implementation. FGDs exposed fragile trust among beneficiaries, with participants saying, "Every year we hear rumors of funding cuts; how can we plan ahead?" Key informants acknowledged that reliance on donor-dependent financing makes long-term commitments difficult, undermining the program's stability and beneficiaries' confidence in sustained support.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Summary of Major Findings

The main purpose of this study is to assess the Implementation, Challenges, and Benefits of Urban Productive Safety Net Program in Hawassa City, Sidama National Regional State, Ethiopia. About 316 respondents were included in the study. The data were collected using survey questionnaire, semi-structured interview, and focus group discussion. The quantitative data were analyzed using descriptive statistics such as frequency and percentage whereas the qualitative data were analyzed using narration. Based on what the result shows, what the participants said, and what the analysis revealed, the following summaries are made:

- The findings reveal that most Urban Productive Safety Net Program (UPSNP) beneficiaries in the study had participated for 1–5 years, suggesting a balance between newer and longer-term recipients. Cash was the dominant form of support, primarily used for food and basic consumption, with minimal investment, indicating that the program effectively addresses immediate needs but has limited impact on long-term economic resilience. Food assistance, when provided, was mostly consumed directly, further confirming its role in improving food security. Key informants echoed this, emphasizing that while the program meets urgent needs, its potential for promoting sustainable livelihoods remains underutilized.
- Beneficiaries were primarily selected based on low income, unemployment, and lack of assets, with Kebele administrations playing the leading role in the identification process. This reflects a targeting system focused on economic vulnerability and reliant on local structures. While nearly half of the respondents expressed satisfaction with program delivery, a notable portion remained neutral or dissatisfied, highlighting the need for improved communication, transparency, and responsiveness to community feedback. Overall, the data point to moderate

program success, with opportunities for enhanced targeting, support services, and beneficiary engagement.

- The Urban Productive Safety Net Program (UPSNP) faces significant implementation challenges, particularly in beneficiary targeting and program administration. Nearly 40% of respondents questioned the fairness of selection committees, while half reported inclusion of ineligible beneficiaries and nearly 30% confirmed exclusion of eligible households. These targeting errors undermine the program's effectiveness and equity. Operational challenges are equally concerning, with only 16.8% of beneficiaries receiving timely support (within a week) and 81.7% experiencing payment irregularities. Such systemic delays and inconsistencies force vulnerable households to seek alternative coping mechanisms, defeating the program's purpose as a reliable safety net.
- Monitoring and community engagement emerge as critical weaknesses in program implementation. Only 8.9% of beneficiaries reported weekly staff visits, while 30.4% said monitoring occurs just quarterly. Alarming, 12% reported no monitoring at all. The program also suffers from limited beneficiary participation, with 63% having no involvement in decision-making and only 19.9% reporting monthly community meetings. This top-down approach, where 50.9% identified local officials as primary decision-makers and only 9.8% cited beneficiary input, creates a significant disconnect between program administrators and recipients, weakening accountability and responsiveness.
- Capacity building and graduation support appear severely inadequate. Nearly half (48.7%) of beneficiaries received no training on program benefits, while 38.3% lacked any information about graduation criteria. The program fails to prepare participants for self-sufficiency, with only 17.4% receiving skills training and 12% accessing savings mechanisms. These shortcomings are reflected in dismal graduation rates - just 8.2% observed multiple household graduations, while 51.9%

reported none at all. Without proper exit strategies, the program risks creating dependency rather than sustainable livelihoods.

- Gender sensitivity remains inconsistent, with 31.6% reporting no special consideration for female-headed households. Structural gaps are evident as 40.2% noted no gender-specific mechanisms, and 37.3% found existing mechanisms ineffective. These findings reveal systemic weaknesses across all program components - from flawed targeting and weak monitoring to inadequate capacity building and gender responsiveness. Addressing these multidimensional challenges requires comprehensive reforms to make the UPSNP more transparent, participatory, and effective in achieving its poverty alleviation goals.
- The PSNP demonstrates mixed effectiveness in addressing food security among beneficiaries. While 46.5% reported improved food access, nearly 30% remained neutral and 23.7% disagreed, indicating inconsistent outcomes. The adequacy of transfers was questioned by 36.7% of respondents, with only 32.3% finding them sufficient for basic needs. However, the program performs better as a crisis intervention, with 49% acknowledging its role in mitigating food shortages during difficult periods. These findings suggest the PSNP functions adequately as a short-term safety net but shows variable success in ensuring consistent food security.
- Regarding economic impacts, the program reveals significant limitations in promoting financial stability and asset building. While 38.3% noted improved income stability, nearly one-third reported no such benefits. More concerning, 46.2% felt unable to invest in productive assets, with only 24.1% reporting successful asset accumulation. The high proportion of neutral responses (29-30%) across these measures suggests many beneficiaries experience marginal impacts or remain uncertain about the program's economic benefits. This indicates the PSNP struggles to transition households from basic support to sustainable livelihood improvement.

- The program's empowerment and inclusion outcomes show both progress and persistent challenges. While 47.2% viewed it as inclusive for vulnerable groups, 35.5% questioned its support for female-headed households. Perceptions of economic empowerment were particularly weak, with 44.3% disagreeing that the program improved long-term decision-making capacity. Transparency concerns emerged strongly, as only 34.5% viewed beneficiary selection as fair. These mixed results highlight gaps between program objectives and ground-level implementation, particularly regarding gender sensitivity and community trust.
- Long-term sustainability remains a critical concern for the PSNP. While 46.5% were optimistic about lasting impacts, 39.8% doubted the program's ability to create self-sufficiency without continued support. Graduation strategies appear particularly weak, with only 31.3% feeling prepared for independence. The significant neutral responses (28-29%) across these indicators suggest many beneficiaries remain uncertain about the program's future effectiveness. These findings underscore the need for strengthened exit strategies and more consistent implementation to ensure the PSNP achieves its transformative potential.

5.2. Conclusion

The study assessed the implementation, challenges, and benefits of the Urban Productive Safety Net Program (UPSNP) in Hawassa City, Ethiopia. The findings revealed that while the program has contributed to improving food security and stabilizing household incomes for many beneficiaries, significant gaps remain in its effectiveness. Cash transfers were the primary form of assistance, with most beneficiaries using them for immediate consumption needs rather than long-term investments. Despite some success in reducing food insecurity, delays in benefit disbursement, exclusion errors, and inadequate training on resource utilization hindered the program's full potential. Additionally, beneficiary participation in decision-making was limited, raising concerns about transparency and fairness in program administration.

The study also identified challenges in the program's targeting mechanisms, with reports of ineligible beneficiaries receiving support while some eligible households were excluded. Furthermore, the lack of structured graduation support, such as skills training and access to savings, limited beneficiaries' ability to transition out of dependency. Gender-sensitive approaches were inconsistently applied, with female-headed households not always receiving prioritized support. These issues highlight systemic weaknesses in program design and implementation, which undermine its long-term sustainability and impact on poverty reduction.

Despite these challenges, the UPSNP demonstrated positive outcomes in enhancing food access, stabilizing consumption, and fostering modest asset accumulation for some beneficiaries. The program's role in mitigating short-term economic shocks was evident, but its ability to promote self-reliance and sustainable livelihoods remained constrained. The study underscores the need for reforms in targeting, beneficiary engagement, and post-program support to maximize the UPSNP's potential as a transformative social protection tool in urban Ethiopia.

5.3. Recommendations

- One of the major findings of the study revealed inconsistencies in the targeting of beneficiaries, including both inclusion and exclusion errors. These issues compromise the effectiveness of the Urban Productive Safety Net Program (UPSNP) in reaching the most vulnerable. To address this, it is recommended that community-based targeting be strengthened by actively involving local leaders, community representatives, and current beneficiaries in the selection process. Additionally, implementing regular audits and establishing feedback mechanisms will enhance transparency and fairness. These improvements should be led by local government institutions in collaboration with woreda-level UPSNP offices and development partners.

- Another key issue identified was the lack of structured support for beneficiaries to graduate from the program and achieve long-term self-reliance. Many beneficiaries remain dependent on the program for extended periods due to limited access to livelihood opportunities. To overcome this, structured exit strategies should be introduced, including vocational training, access to microfinance, and savings schemes. Complementary initiatives such as livelihood diversification programs and small business grants should also be expanded to promote sustainable economic resilience. These activities should be implemented by the Ministry of Urban Development and Infrastructure, in partnership with NGOs, microfinance institutions, and local administrations.
- The study also found limited participation of beneficiaries in decision-making processes and highlighted the need for improved gender sensitivity in program delivery. To enhance inclusiveness, regular community meetings and the formation of beneficiary committees are recommended to ensure accountability and continuous feedback. Additionally, specific attention should be given to female-headed households by prioritizing them in resource allocation and designing gender-responsive strategies to address their unique vulnerabilities. These efforts should be spearheaded by municipal social affairs offices and gender bureaus, supported by community-based organizations and NGOs.
- Disbursement delays and the inadequacy of cash or food transfers were frequently reported challenges that undermine the effectiveness of the program. To address these, administrative processes should be streamlined, and the adoption of digital payment systems should be considered to ensure timely and predictable transfers. Furthermore, the value of transfers should be periodically reviewed and adjusted to reflect inflation and the rising cost of living, ensuring they meet the minimum consumption needs of beneficiaries. These improvements fall under the responsibilities of the Ministry of Finance, regional safety net coordination units, and financial service providers involved in the program.

- Lastly, weak monitoring and evaluation mechanisms were observed, limiting the program's ability to track progress and adapt based on evidence. To strengthen this, it is recommended that robust data tracking systems be developed to monitor key indicators such as food security, asset accumulation, and graduation rates. Independent evaluations should also be conducted regularly to identify systemic bottlenecks and inform evidence-based policy revisions. These activities should be managed by the UPSNP national coordination office, in collaboration with academic institutions and independent research organizations.

REFERENCES

- Abdulahi, S. M., Feyisa, H. L., & Ayen, D. D. (2024). Impact of urban productive safety net programme on poverty reduction and food security: Evidence from major cities of eastern Ethiopia (Dire Dawa, Harar, and Jigjiga). *Food and Energy Security*, 13(2), e00535. <https://doi.org/10.1002/fes3.535>
- Abduselam Abdulahi Mohamed. (2017). Impact of Ethiopia's Productive Safety Net Program (PSNP) on the Household Livelihood: The Case of Babile District in Somali Regional State, Ethiopia. *International Journal of Economy, Energy and Environment*, 2(2), 25-31. doi: 10.11648/j.ijeee.20170202.12.
- Abebe, G., Franklin, S., & Meja-Mantilla, C. (2018). Public works and cash transfers in urban Ethiopia: Evaluating the urban productive safety net program. AEA RCT Registry. <https://doi.org/10.1257/rct.3387>
- Abera, E., Yadesa, A., & Gedefa, T. (2020). Problems, prospects, and the role of micro and small enterprises in the economy: The case of Western Hararghe. *International Journal of Engineering Research and Technology*, 9(5). International Research Publication House. <https://doi.org/10.17577/ijertv9is050692>
- Alemaw, A., Kahisu, H. R., Michael, T., Gebre, G. L., Adhana, H., Hailu, A. M., & Zelelew, S. G. (2024). Impacts of productive safety net program (PSNP) on soil and water conservation in Southern Tigray Region, Ethiopia. *Cogent Social Sciences*, 10(1), 2375822. <https://doi.org/10.1080/23311886.2024.2375822>
- Anwar Ahmed Sadik. (2015). Impact assessment of the Productive Safety Net Program on Household Food Security: The case of Fadis District, East Hararghe zone of Oromiya Regional state, Ethiopia (Unpublished MSc. Thesis). Haramaya University, Ethiopia.
- Arega, B. (2012). Productive safety nets program and household level graduation in drought-prone areas of the Amhara region of Ethiopia: A case study in Lay Gaint

- district. *Ethiopian Journal of Environmental Studies and Management*, 5(4), 78–84.
<https://doi.org/10.4314/ejesm.v5i4.s21>
- Assefa, A. (2024). Impact of urban productive safety net program on urban households' asset accumulation and food consumption rate in Dessie City, South Wollo Zone, Amhara Region, Ethiopia. *PLOS ONE*, 19(2), e0308575.
<https://doi.org/10.1371/journal.pone.0308575>
- Awoke, W., Eniyew, K., Agitew, G., & Meseret, B. (2022). Determinants of food security status of households in Central and North Gondar Zone, Ethiopia. *Cogent Social Sciences*, 8(1). *Cogent OA*. <https://doi.org/10.1080/23311886.2022.2040138>
- Baker, J. L., & Schuler, N. (2004). Analyzing urban poverty: A summary of methods and approaches. World Bank Policy Research Working Paper.
<https://doi.org/10.1596/1813-9450-3399>
- Barrientos, A. (2007). Does vulnerability create poverty traps? Manchester, UK: IDPM.
- Barrientos, A., & Scott, J. (2008). Social Assistance in Developing Countries Database'. Version 4.0. Manchester: CPRC.
- Berhane, Guush., Hoddinott, J., Kumar, N., & Seyoum Alemayehu. (2011). The Impact of Ethiopia's Productive Safety Nets and Household Asset Building. *Journal of Food Policy*, 32(3), 372–393.
- Bissell, S. (2009). Child Labour and Social protection –some Key Consideration; European Forum on the Right of Children Protection, UNICEF, Brussels.
- BoFED. (2024). Annual statistical data magazine, Bureau of finance and Economic Development of Hawassa City Administration.
- Borku, A. W., Utallo, A. U., & Tora, T. T. (2024). Contributions of urban productive safety net program to enhancing food security and livelihood diversification: An in-depth analysis of household-level perceptions among urban populations in Ethiopia.

- Computational Urban Science, 4, Article 12. <https://doi.org/10.1007/s43762-024-00149-7>
- Borku, A. W., Utallo, A. U., & Tora, T. T. (2024). Determinants of urban household vulnerability to food insecurity in southern Ethiopia. *Urban Informatics*, 4, Article 110. <https://doi.org/10.1007/s44187-024-00110-x>
- Creswell, J. (2009). *Research Design: Qualitative, Quantitative and Mixed Methods Approaches* (3rd ed.). Sage Publications, Inc.
- CSA. (2015). *Population and Housing Census Report-Country*, Central Statistical Agency, Addis Ababa, Ethiopia.
- Demsash, A. W., Emanu, M. D., & Walle, A. D. (2023). Exploring spatial patterns and identifying factors associated with insufficient cash or food received from a productive safety net program among eligible households in Ethiopia: A spatial and multilevel analysis as an input for international food aid programmers. *BMC Public Health*, 23, Article 16001. <https://doi.org/10.1186/s12889-023-16001-2>
- Dercon, S., & Krishnan, P. (2004). Food Aid and Informal Insurance. Pp.305-330. In: S. Dercon (ed.). *Insurance against Poverty*. Oxford University Press, Oxford.
- Dercon, S., Gilligan, D., Hoddinott, J., & Tasew Woldehanna. (2008). *The Impact of Agricultural Extension and Roads on Poverty and Consumption Growth in Fifteen Ethiopian Villages*. (Discussion Paper 00840). Washington, DC: IFPRI.
- Devereux, S., & Cipryk, R. (2009). *Social protection in Sub-Saharan Africa: A regional review*. Institute of Development Studies.
- Devereux, S., Sabates-Wheelr, R., Tefera, M., & Taye, H. (2006). *Ethiopia's Safety Net Program. Trends in PSNP Transfers within Targeted Households*. Report for DFID Ethiopia, Institute of Development Studies, Brighton.

- Filmon, H. H. (2023). Impact of productive safety net program on household food security in Southern Ethiopia: Propensity score matching results. *International NGO Journal*, 18(1), 12–21. <https://doi.org/10.5897/ingoj2023.0371>
- Fitsum Akliu. (2013). Assessing the Impact of Productive Safety Net Program on Asset Building and Sustainable Land Management Practices: A Cross-Sectional Analysis from Eastern Hararghe: Haramaya (Unpublished MSc. Thesis). Mekele University, Ethiopia.
- Gebresilassie, Y. H. (2013). Graduation determinants of productive safety net program beneficiary households: A logistic analysis, Tigray-Ethiopia. *European Journal of Business and Economics*, 8(4), 32–39. <https://doi.org/10.12955/ejbe.v8i4.423>
- Gilligan, D. O., Hoddinott, J., & Taffesse, A. S. (2009). The impact of Ethiopia's productive safety net programme and its linkages. *Journal of Development Studies*, 45(10), 1684–1706. <https://doi.org/10.1080/00220380902935907>
- Gilligan, D., Hoddinott, J., & Alemayehu Seyoum. (2009). Can Social Protection Work in Africa? Evidence on the Impact of Ethiopia's Productive Safety Net Program on Food Security, Assets and Incentives. Washington, DC: IFPRI.
- Gilligan, D., Hoddinott, J., & Alemayehu Seyoum. (2006). Analysis of Productive Safety Nets Program and its linkage. International Food Policy Research Institute 2033 K Street, NW: Washington, D.C. 26-27.
- Gilligan, D., Hoddinott, J., & Alemayehu Seyoum. (2008). The impact of Ethiopia's productive Safety Net Program and its linkages. (IFPRI Discussion paper 00839). Washington, DC: International Food Policy Research Institute.
- Goda, E. T., Boshera, T. D., & Aredo, M. K. (2023). Examining the effect of demographic and socioeconomic factors on household food insecurity in Lideta Subcity, Addis Ababa, Ethiopia. *International Journal of Population Studies*, 9, Article 1060. <https://doi.org/10.36922/ijps.1060>

- Gujarati, D. N. (1999). *Essentials of Econometrics*. 2nd edition. Mc-Graw-Hill Companies.
- Habtamu Ali. (2011). Impacts of productive safety net program on household welfare and labour supply in rural Ethiopia. Unpublished MSc. Thesis, Addis Ababa University, Addis Ababa.
- Haddad, J., & Zeller, M. (1996). How can Safety net do more with less? General issues with some evidence from Southern Africa, IFPRI, Food consumption and nutrition. Discussion paper 16 Washington DC, USA.
- ILO. (2010). Effects of non-contributory social transfers in developing countries: A compendium /International Labor Office, Social Security Department-Geneva: ILO.
- Kassaw, K., & Worku, M. (2024). The contribution of productive safety net program for households food security and asset building in drought prone woredas of northeast Ethiopia. *Heliyon*, 10(3).
- Kothari, C.R. (2012). *Research Methodology- Methods and Techniques*. New Delhi: Wiley Eastern Limited.
- Merkeb, Y., Yasunobu, K., Elias, A., & Endalew, B. (2024). Comparative analysis of household food security and its determinants among productive safety net program (PSNP) beneficiary, graduated, and non-beneficiary in northwestern Ethiopia. *Cogent Food & Agriculture*, 10(1), 2344269. <https://doi.org/10.1080/23322039.2024.2344269>
- Mesfin G. W., and Bamlaku A. A. (2024). Does productive safety net program enhance livelihoods? Insights from vulnerable households in Wolaita zone, Ethiopia. *PLoS ONE* 19(4): e0297780. <https://doi.org/10.1371/journal.pone.0297780>
- Mireku, S. A., Abubakari, Z., & Martínez, J. (2021). Dimensions of urban blight in emerging southern cities: A case study of Accra-Ghana. *Sustainability*, 13(15), 8399. <https://doi.org/10.3390/su13158399>

- MoARD. (2015). Productive safety net programme/PSNP-4. Joint review & Implementation Support Mission: November 23-December 4, 2015, AIDE MEMOIRE.
- Mulugeta, E., & Eriksen, S. H. (2016). Growing up too fast: Rural children working in Addis Ababa. *Eastern Africa Social Science Research Review*, 32(1), 1. <https://doi.org/10.1353/eas.2016.0003>
- Mulugeta, T., Mengistu, B., & Delelegne, E. (2006). Ethiopia Productive Safety Net Program (PSNP). The PSNP Policy, Program and Institutional Linkages, Final report, 2006. IDLgroup, UK.
- Oumer, A., Yigezu, M., Getachew, M. S., & Mekonnen, B. (2025). Effects of productive safety net program on children's nutritional outcomes in Ethiopia: A systematic review without meta-analysis. *BMC Nutrition*, 11, Article 21. <https://doi.org/10.1186/s40795-025-01021-5>
- Pankhurst Alula. (2009). Rethinking Safety net and House Vulnerability in Ethiopia. Implications of Household Cycles, Types and Shocks. World Conference of Humanitarian Studies, Groningen 4-7 February 2009, Ethiopia.
- Prayitno, H. S. H., Santoso, D. B., & Ekawaty, M. (2018). The impact of social safety net programs on poor household income. *Jejak (Jurnal Ekonomi dan Kebijakan)/Jejak*, 11(2), 244-254. <https://doi.org/10.15294/jejak.v11i2.16049>
- Ravillion, M. (1999). Appraising work fair. *The World Bank research Observer*, 14(1), 31-48.
- Scott, R., Ross, L., & Hawkins, P. (2016). Fecal Sludge Management: Diagnostics for Service Delivery in Urban Areas. Report of a FSM study in Hawassa, Ethiopia.
- Shimelis, M. (2009). Impacts of the Productive Safety Net Program on Households' Asset Protection. The Case of Habru and Ambasel District in Ahmara Region, Ethiopia. Unpublished MSc. Thesis Haramaya University, Haramaya.

- Subbarao, K., Bonnerjee, A., Braithwaite, J., Carvalho, S., Ezemenari, K., Gram, C., & Thompson, A. (1997). *Safety Net Programs and Poverty Reduction: Lessons from Cross-Country Experience*. Washington DC: World Bank.
- Tacoli, C. (2017). Food (in)security in rapidly urbanising, low-income contexts. *International Journal of Environmental Research and Public Health*, 14(12), 1554. Multidisciplinary Digital Publishing Institute. <https://doi.org/10.3390/ijerph14121554>
- Tadele Mamo. (2011). *Impact of productive safety net program on asset accumulation and land management practices in the central rift valley: The case of Adamitulu Jido Kombolcha and Meskan districts*. Unpublished MSc. Thesis, Haramaya University, Haramaya.
- Tagel G. & Castila C. (2016). *Impact of Ethiopia's PSNP on household dietary diversity and child nutrition in rural Ethiopia abstract*.
- Tareke, K. M. (2022). Impacts of urban safety net on income, food expenditure and intake capacity of poor households in Addis Ababa City, Ethiopia, 2021. *Frontiers in Sustainable Food Systems*, 6, Article 1031213. <https://doi.org/10.3389/fsufs.2022.1031213>
- Tolossa, D. (2010). Some realities of the urban poor and their food security situations: A case study of Berta Gibi and Gemechu Safar in the city of Addis Ababa, Ethiopia. *Environment and Urbanization*, 22(1), 179. SAGE Publishing. <https://doi.org/10.1177/0956247810363527>
- Wahanga.brief, (2007). *Lessons from Ethiopia on a scale-up national Safety Net program*.
- Woldegebreal, D., Vosti, S., & Engle-Stone, R. (2019). The potential for a conditional cash transfer program in Addis Ababa, Ethiopia to impact maternal and child nutrition: An exploration of facilitating and limiting factors (P10-148-19). *Current Developments in Nutrition*, 3(Supplement_1), nzz034.P10-148-19. <https://doi.org/10.1093/cdn/nzz034.P10-148-19>

- World Bank. (1990). World Development Report 1990: poverty, Oxford university press, New York, USA.
- World Bank. (2008). World Development Report 2008: Agriculture for Development. World Bank: Washington, DC.
- Yibrah, H. (2010). Impact of Productive Safety Net Program on the Rural Households asset Protection and Consumption. Unpublished MSc. Thesis.
- Yirga, B. (2021). The livelihood of urban poor households: A sustainable livelihood approach in urbanizing Ethiopia. The case of Gondar City, Amhara National State. Poverty & Public Policy, 13(2), 155-170. <https://doi.org/10.1002/pop4.306>
- Yisak Tafere & Tassew Woldehanna. (2012). Beyond Food Security: Transforming the Productive Safety Net Program in Ethiopia for the Well-being of Children (Working Paper No. 83). Young Lives: Oxford Department of International Development (ODID), University of Oxford. Queen Elizabeth House, 3 Mansfield Road, Oxford OX1 3TB, UK.

APPENDIX

Appendix A: Survey Questionnaire



HAWASSA UNIVERSITY
COLLEGE OF LAW AND GOVERNANCE
SCHOOL OF GOVERNANCE AND DEVELOPMENT STUDIES

Dear respondents,

I am a master's student at Hawassa University specializing in Development Management and currently conducting research on the topic, **"Implementation, Challenges, and Benefits of the Urban Productive Safety Net Program in Hawassa City, Sidama National Regional State, Ethiopia."** This questionnaire has been designed to collect data from beneficiaries of the Urban Productive Safety Net Program. Your valuable time and honest responses are greatly appreciated. Please be assured that all information you provide will be used solely for academic purposes and will be treated with the utmost confidentiality. If you have any questions or require further clarification while completing the questionnaire, do not hesitate to contact me.

General Instructions

1. You are not required to provide your name.
2. Each question in this survey is equally important for the study's conclusions and includes different types of questions.
3. Please answer the following questions honestly and to the best of your knowledge.
4. It is essential to respond to every question. If a question does not apply to you, please indicate "not applicable."

Part I: Demographic and Social Characteristics of Respondents

1. Sex of the respondent

- 1) Male
- 2) Female

2. Age of the respondent

- 1) Below 25 years
- 2) 25-44 years
- 3) 45-64 years
- 4) Above 64 years

3. Education level of the respondent

- 1) Not Attended
- 2) Grade 1-4
- 3) Grade 5-8
- 4) Grade 9-12
- 5) Certificate
- 6) Diploma
- 7) Degree and above

4. Marital status of the respondent

- 1) Single
- 2) Married
- 3) Divorced
- 4) Widowed

5. Number of family size in each age category

- 1) Number of family members whose age is less than 15 _____
- 2) Number of family members whose age is b/n 15-65 _____
- 3) Number of family members whose age is above 65 _____

Part II: Implementation of the Urban Productive Safety Net Program

1. How long have you been a beneficiary of the Urban Safety Net Program?

- 1) Less than 1 year
- 2) 1-2 years
- 3) 3-5 years

- 4) More than 5 years
2. What types of support do you get from the Productive Safety Net Program?
 - 1) Food items
 - 2) Cash payment
 - 3) Both food and cash
 - 4) Others (specify) _____
3. What are the reasons that your household is assigned to be a beneficiary at UPSNP?
 - 1) Low income
 - 2) Absence of work/unemployment
 - 3) Lack of asset
 - 4) Others (specify) _____
4. Who assigned the households to be beneficiaries of the Productive Safety Net Program?
 - 1) Development Agents
 - 2) Kebele administration
 - 3) The Community
 - 4) Others (specify) _____
5. For what purpose did you expend the money you received?
 - 1) For consumption
 - 2) Investment
 - 4) Debt repayment
 - 6) Paid for health cost
 - 7) Others (specify) _____
6. If you received free food aid, for what purpose did you use the food you received?
 - 1) Consumption item
 - 2) Investment
 - 3) Ate all the food
 - 4) Sold it
 - 5) Others (specify) _____

7. Are you satisfied with the current implementation of the productive safety net program?

1) Dissatisfied

2) Neutral

3) Satisfied

8. If you are not satisfied, what are the reasons? _____

Part III: Challenges of the Urban Productive Safety Net Program

1. Do you think that the targeting committee is transparent and fair?

1) Yes

2) No

If you think that the targeting committee is not transparent and fair? Please explain reasons: _____

3. Have you noticed any households in your community benefiting from PSNP despite not being eligible?

1) Yes, frequently

2) Yes, occasionally

3) No

4. Were any eligible households in your community excluded from the PSNP?

1) Yes

2) No

3) I am not sure

5. How long does it take to receive your benefits after the scheduled disbursement date?

1) Less than a week

2) 1–2 weeks

3) 3–4 weeks

4) More than a month

6. If it is too long, what are the reasons behind and what problems you encounter because of late for receiving benefits? _____

7. Have you ever experienced missed payments or incomplete benefit transfers?
 - 1) Yes, more than once
 - 2) Yes, but only once
 - 3) No
8. How often do program staffs visit your community for program updates or monitoring?
 - 1) Weekly
 - 2) Monthly
 - 3) Quarterly
 - 4) Rarely
 - 5) Never
9. Have you or your household received training or guidance on how to use PSNP benefits effectively?
 - 1) Yes, comprehensive training
 - 2) Yes, but it was minimal
 - 3) No
10. Was your household consulted or involved in the decision about the PSNP in your community?
 - 1) Yes, actively involved
 - 2) Yes, minimally involved
 - 3) No, not involved at all
11. How often are community meetings held to discuss PSNP-related activities?
 - 1) Monthly
 - 2) Quarterly
 - 3) Rarely
 - 4) Never
12. Who primarily makes decisions about the implementation of PSNP in your area?
 - 1) Local government officials

- 2) Community leaders
- 3) PSNP staff
- 4) Beneficiaries themselves
- 5) I don't know

13. Has your household been informed about the graduation criteria from PSNP?

- 1) Yes, clearly informed
- 2) Yes, but it was unclear
- 3) No, not informed

14. Has your household received additional support to prepare for graduation from PSNP?

- 1) Yes, skills training
- 2) Yes, access to credit or savings
- 3) No support provided

15. Has any household in your community graduated from PSNP in the last 12 months?

- 1) Yes, several households
- 2) Yes, a few households
- 3) No, none
- 4) I don't know

16. Are female-headed households prioritized during the selection process for PSNP?

- 1) Yes, always
- 2) Yes, sometimes
- 3) No

17. Is there a mechanism in place to address gender-related issues within PSNP in your community?

- 1) Yes, an active mechanism
- 2) Yes, but it is not effective
- 3) No mechanism exists

Part IV: Perceptions of respondents regarding the program Benefit

To express your level of agreement or disagreement with the statements below, please place a check (✓) in the box corresponding to the most appropriate number on the rating scale. The scale ranges from (1) strongly disagree, (2) disagree, (3) neutral, (4) agree, to (5) strongly agree.

No	Items	1	2	3	4	5
1	The PSNP program has improved my household's ability to access sufficient food.					
2	The cash/food transfers provided by the program are adequate to meet my household's basic needs.					
3	The program has helped my household avoid food shortages during difficult times.					
4	The program has stabilized my household's income and improved my financial security.					
5	The program has enabled me to invest in productive assets (e.g., livestock, farming tools, small business ventures).					
6	PSNP has provided opportunities for me to improve my household's economic situation.					
7	The support from the program has empowered me to make better long-term economic decisions.					
8	Participation in the program has helped me build assets that will support my family in the future.					
9	The PSNP program ensures that vulnerable and marginalized groups are fairly included.					
10	Female-headed households are adequately supported by the program.					
11	The program has promoted social inclusion and reduced inequality in the community.					
12	The PSNP selection process is transparent and fair to all eligible households.					
13	The benefits of the PSNP program will have a long-term positive impact on my household.					
14	The program has prepared beneficiaries to sustain themselves without long-term dependency.					
15	I am confident in the program's ability to support vulnerable households in the future.					
16	The PSNP program encourages households to become more self-reliant over time.					

Thank you for your cooperation!

Appendix B: Interview Guideline

HAWASSA UNIVERSITY
COLLEGE OF LAW AND GOVERNANCE
SCHOOL OF GOVERNANCE AND DEVELOPMENT STUDIES

Dear Key informants,

I am a master's student at Hawassa University, specializing in Development Management. I am conducting research on "Implementation, Challenges, and Benefits of the Urban Productive Safety Net Program in Hawassa City, Sidama National Regional State, Ethiopia." This interview schedule is designed to gather valuable insights from key informants like you. Your time and honest responses are highly appreciated. Please be assured that all the information you provide will be used solely for academic purposes and will be treated with strict confidentiality.

1. How is the Productive Safety Net Program (PSNP) structured and implemented in Hawassa City?
2. What criteria are used to select beneficiaries for the program, and how effective are these criteria in targeting those most in need?
3. How would you assess the roles of various stakeholders, such as government agencies, NGOs, and community leaders, in the implementation of the program?
4. What are the main challenges faced during the implementation of the PSNP in Hawassa City?
5. In your view, how has the PSNP contributed to improving the livelihoods of its beneficiaries in Hawassa City?
6. What opportunities has the program created for beneficiaries to invest in productive assets or increase their income?
7. In what ways has the program contributed to community development or promoted economic empowerment?
8. How effective has the program been in addressing the specific needs of vulnerable groups in urban areas, in your opinion?

9. What do you consider to be the strengths and weaknesses of the PSNP in contributing to poverty reduction?
10. What recommendations would you suggest to improve the PSNP and enhance its impact in Hawassa City?

Thank you for your cooperation!

Appendix C: Checklist for Discussion

HAWASSA UNIVERSITY
COLLEGE OF LAW AND GOVERNANCE
SCHOOL OF GOVERNANCE AND DEVELOPMENT STUDIES

Dear FGD members,

I am a master's student at Hawassa University, specializing in Development Management. As part of my research titled "Implementation, Challenges, and Opportunities of the Urban Productive Safety Net Program in Hawassa City, Sidama National Regional State" Your input will be instrumental in deepening the understanding of how the program is being implemented, the challenges it encounters, and the benefits it offers. All information provided will be used solely for academic purposes. You are encouraged to speak freely; there is no right or wrong answers.

1. Program Structure and Implementation

How do you perceive the structure and implementation of the PSNP program in Hawassa City? Are there specific features that make it effective or present challenges?

2. Beneficiary Selection Criteria

What criteria do you think should be used to select beneficiaries, and do you believe the current criteria effectively reach the most vulnerable groups? Why or why not?

3. Stakeholder Roles and Collaboration

How would you describe the roles of various stakeholders, such as the government, NGOs, and community leaders, in implementing the PSNP? How effective is their collaboration, and where can it be improved?

4. Implementation Challenges

What are the main challenges in implementing the PSNP program in Hawassa City? Can you share any examples related to program delivery or effectiveness?

5. Impact on Livelihoods

How has the PSNP program contributed to improving beneficiaries' livelihoods in your community, particularly regarding food security, income, and overall well-being?

6. Community Development and Empowerment

In what ways has the program contributed to community development or improved local services? Has it promoted economic empowerment? If so, how?

7. Addressing Vulnerable Groups

Has the program effectively addressed the needs of vulnerable urban groups, such as women, people with disabilities, or the elderly? What changes would improve its responsiveness?

8. Strengths and Weaknesses

What do you consider the key strengths of the PSNP in reducing poverty? What weaknesses or limitations do you observe?

9. Recommendations for Improvement

What improvements would you recommend to enhance the PSNP's impact in Hawassa City and make it more effective in supporting sustainable livelihoods and reaching vulnerable groups?

Thank you for your cooperation!

Appendix D: Sample FGD Members

