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YOUTH LIVELIHOOD STRATEGIES AND ITS DETERMINANT FACTORS IN RURAL

ETHIOPIA: THE CASE OF GUBALAFTO WOREDA, NORTH WOLLO, ETHIOPIA

By

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ADDIS ABEBA

Ethiopia

Youth Livelihood Strategies and Its Determinant factors in Rural Ethiopia:

The Case of Gubalafto Woreda, North Wollo, Amhara Regional State, Ethiopia

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CHAPTER ONE

1 INTRODUCTION

1 .1. Background of the Study

CTA(2010) found that the flow of low level of production and entrepreneurship as well as decreasing involvement of youth in agriculture to be resulted from low level of agriculture skills and limited access to financial resources. Rural Households worldwide engaged in a variety of non-farming activities to generate income (Meludu et al, 1999, World bank 2003). In Ethiopia agriculture is the primary means of rural household's livelihoods which contributes 45% of GDP, more than 80% of employment opportunities and over 90% of the foreign exchange earnings of the country (MOA, 2010). However, farming as a primary source of income has become failed to guarantee sufficient livelihood for most farming households in Sub-Saharan African countries (Babatunde, 2013). This is because the agricultural sector in Sub-Saharan African countries is highly characterized by decreasing farm size, low levels of output per farm, and high degree of subsistence farming (Jirstrom et al., 2011). The agricultural activities in rural Ethiopia is also dominated by smallholders, the majority cultivating less than 0.5Ha and producing mostly basic staples for the subsistence of their households. Furthermore, their agricultural activities are characterized by backward agricultural technologies, small fragmented land size, irregular rainfalls, increasing soil erosion, land degradation, aridity in some regions and high incidences of tropical diseases(Arega et al.,2013). In this cases in rural Ethiopia there are youths who are living independent of their family and their agriculture is characterized as of mentioned above.

Sosina Bezu and Stein Holden, 2013 explained that Access to agricultural land is constitutional right in Ethiopia where it has also served a safety net in Ethiopia. But increasingly it has become difficult to fulfill this right for the young generation.

Sosina and stein (2013) explained that Ethiopia faces land scarcity in parts of high lands where population densities have become very high and farm sizes very small. As a result, land as safety net is eroding and landless emerging among the youth who are unable to stay on their parents land. The children there for either have to co- manage the land with their parents or leave the farm. The institutional responses to the challenge include distribution of communal land to youth and voluntary resettlement.

Azene and Chilot Yirga (2014) explained that the majority of the youth in Ethiopia live in rural areas where farming has been traditionally the main livelihood of the people. As the state owns all

land in Ethiopia, rural residents have been guaranteed access to land through a law that grants them a right to obtain agricultural land for free. However, it has become increasingly more difficult to fulfill this right for the young generation. Ethiopia currently faces severe land scarcity in parts of the highlands where population densities have become very high and farm sizes have become very small. As a result, land as a safety net is eroding and landlessness is emerging among the youth who are unable to stay on their parents' land.

(Adal 2000, Adal 2003, Rahmato 2004, Teklu and Lemi 2004) stated that land distribution was implemented in 1990. In much of the Amhara region, however, land was distributed following the Rural Land Administration Proclamation of 1997. After the land distribution of 1997 in Amhara region there was no land redistribution due to the fear of land fragmentation and low productivity of land. However after 1991 land distribution in areas of Amhara region like north Wollo , large number of people are emerged in which those who were young during land distribution now becomes above 42 years and even the age of the proclamation is 24 years. In this case there are large numbers of people including youths who are without land ownership. And even after the proclamation of land distribution of 1997 there are large numbers of youths that are without land ownership. In this case it is important to know how new generation and young people are living and what livelihood strategies are they employing in order to survive. Besides it is important to understand the opportunities and challenges of youths in fulfilling their livelihood so that policy makers can have evidence for designing of appropriate policies and strategies for the survival of the poor in particular and youths in general.

1 .2 Statement of the Problem

Rural areas are the center of the economy of developing countries and contribute to the overall economic growth for creation of jobs and supply of food and raw materials for the growth of other sectors of the economy. It is known that rural areas are the most marginalized and characterized by poverty (Alemu, 2012). Hence poverty remains the predominantly the rural phenomenon despite rapid urbanization observed in most developed and transition countries (IFAD, 2001).

In developing countries agriculture provides a base for a major share of employment and constitutes the main sources of livelihoods for a large portion of the population (Vargas-lundius and Lanly, 2007). However in Ethiopia it is before 25 years where land distribution was made youths have the access of land and now youths do not have land access.

Agriculture plays significant role for majority of the rural population's livelihood in developing countries. It has been the predominant activity for most rural households in sub-Saharan Africa which offers a strong option for stimulating growth, overcoming poverty and enhancing food security (World Bank, 2008) in this case in rural area there are large number of youths who are coming to agriculture sector to use as livelihood strategy the problem is it is more than 25 years where land was distributed to the rural people (Adal 2000, Adal 2003, Rahmato 2004, Teklu and Lemi 2004).

Khan (2003) explains the role of formal and informal institutions in livelihood strategies of the poor. Khan concluded that formal institutions both governmental and nongovernmental, neglect the poor. The poor are usually unaware of their rights to benefit from formal institutions and as such largely dependent on informal institutions for their livelihoods. In this case the researcher is highly interested to know the role of formal and informal institutions for the livelihood strategies of youths.

Based on USAID Comprehensive Youth and Work force Development Assessment Report in Rural Ethiopia, of June, 2012 rural youth in Ethiopia commonly face a number of challenges, including narrow skills sets, high levels of illiteracy, restricted access to land and other productive assets, and limited formal sector employment. While agriculture is clearly prioritized as the engine for overall economic development in Ethiopia, the sector is still characterized by small-scale farming with low levels of productivity, and most rural youth have poor prospects of working on their own land.

On top of this now a day's food security studies and researches are mainly focusing at household level however there are youths who are living by themselves which needs attention. With the intension of these the researcher is intended to know the livelihood strategies of youths and what determines for their choices of livelihoods. Now a days different government institutions and non-government agencies are approaching youths to solve their problems. But there are little evidences on youth food security and livelihood strategies. Hence there is a need to investigate and document the food security and livelihood strategies, opportunities and challenges of rural youths so that there will be evidence for the development practitioners to work with rural youths in general.

1.3.Objectives of the Study

1.3.1 General Objective

The overall objective of the research is to examine the livelihood strategies of rural youths and to analyse determinants of livelihoods strategies in the study area.

1.3.2. Specific Objectives

The specific objectives of the research are summarized as follows:

1. To assess livelihood strategies pursued by rural youth households in the study area,
2. To identify the determinant factors of rural youth livelihood strategies in the study area
3. To identify challenges of rural youths in attaining their livelihood strategies
4. Assess the youth households coping strategies in meeting their livelihood needs;

1.4.Research Questions

The overall aim of this study was to assess the livelihood strategies pursued by youths in rural Ethiopia in particular in rural areas of Gubalafto Woreda of north Wollo zone. Besides, the study focuses to identify challenges of youths in fulfilling their livelihood strategies. More specifically, the study sought to answer the following key questions:

1. What are the leading livelihood strategies pursued by rural youths in the study area?
2. What are the demographic, socio-economic and institutional factors that determine their choice of livelihood strategies?
3. What are the challenges and opportunities of rural youths in addressing their livelihoods
4. What are youth households coping strategies in meeting their livelihood strategies
5. What are the opportunities and challenges in the study area in view of current and future youths' livelihood goals?

1.5. Significance of the Study

USAID Comprehensive Youth and work force development assessment report of June of USAID, 2012 approximately 20% the population of rural Ethiopia is youths between the age of 18 and 24. North Wollo plan and Economy office of Amhara region (2015) states that 4.6 million people of the region are in the age category of 15-29 from this 359 382 youth exists in north Wollo and 40,175 of them are in Gubalafto Wored. In line with this evidence there are large number of youths in the country whereas the problem of youth is untouched in which it needs to know the way of living of this portion of the population. Besides apart from the standard definitions of

youth, in north Wollo it is locally agreed that those portions of the population who are born after the land redistributions which was conducted in 1997 who are now above 40 years of age and those without land and other natural assets are considered as youth. This definition is given by local leaders and the communities of the area just to differentiate those people who have land and who have no land for farming.

Researching of rural livelihood in particular livelihood diversification in rural t areas is help full in designing of policies and strategies that promote resource effective livelihood diversification (Ellis, 1999). Therefore, the findings of this study will provide valuable information to researchers, policy makers and development institutions working in the area of designing and developing effective and sustainable rural youth livelihood strategies.

Researching of rural youth livelihood strategies help to develop locally appropriate, acceptable and feasible strategies to minimize the problem of livelihood insecurity based on the recommendations of the research. Notably, the finding of this study suggests possible mechanisms in reducing the food insecurity of rural youths of the country.

The researcher strongly believes that understanding the livelihood strategies of the strategies to rural youths, as well as the potentials and constraints associated with the different livelihoods strategies will be a contribution to potent planning, monitoring and evaluation process of local development programs and ultimately for a wider dissemination of the approach for similar programs elsewhere in other problem areas.

Besides, the outcome of the research will have a contribution to the existing knowledge of rural youths by showing opportunities, challenges and options of rural youths in perusing their food security. In this regard the study contributes in filling the gap in knowledge of rural youth livelihood strategies. Moreover, this research will demonstrate the importance of micro-level enquiry to properly understand how rural youths are living in drought prone areas like north Wollo particularly Gubalafto Woreda.

1.6. Scope and Limitation of the Study

This study has been conducted in Gubalafto Woredea of north Wollo zone of Amhara region Ethiopia. Due to time and budget limitations the research has been carried out in three Kebeles which includes all the agro-ecological zones of the area which traditionally includes Kolla for the hot areas, Woyina-Dega which has medium temperature and Dega for the cold areas.

Based on north Wollo and Gubalafto agricultural offices there are limited livelihood opportunities of rural youths in which land is the main livelihood opportunity for rural people in the study area but it is in 1984 E.C where land was distributed with the fear of land fragmentation. In this case it is more than 20 years where the land is distributed in which youths who were living with their parents are now more than 40 years of age and they are trying their choices with limited opportunities in the study area. As the result of this one of the major limitations of this study was delineating the age of youths. In the study area traditionally those people who are above 18 years of age and who have no farm land are considered as youth, besides in some literature the age of youths is between the age of 14 to 24, in others it is from 19 to 29 and in others it reaches up to 35 years of age. In this case age delineation was one of the challenging task for the study.

The other limitations of the study were: time constraint that hinders the researcher to make repeated and staged field survey because of distance of the study area from the researcher; some sampled households were not cooperative, transport problem to go to remote Kebeles and financial constraint faced to sample more number of household. The study mainly focuses the livelihood strategies of rural youths and the determinant factors of rural youth's influencing livelihood diversification practices. The study examines selected alternative livelihoods that can help to enhance the livelihood opportunities of rural youths in terms of their contribution towards income generating and wellbeing and reducing poverty and vulnerability and the determinant factors of livelihood strategies.

1.7. Determinants of Livelihood Diversification

Hussein and Nelson 1999, Ellis 2000 in their livelihood literature suggested that though exogenous trends and shocks play an important role in pushing rural people towards diversified livelihood strategy diversification choices are also firmly rooted in the microeconomic logic of farming households.

Different researchers such as (Dercon and Krishan 1996; Abdulai and Crole Rees 2001) mentioned that availability of key-assets (like that of savings, land, labor, education and/or access to market or employment opportunities, access to common property natural resources and other public goods) is an evident requisite in making rural households and individuals more or less capable to diversify.

The dependent variables of the research are:

Y=0, AG Agriculture alone

Y=1, AG+OFF Agriculture and off farm combination

Y=2, AG+NF Agriculture and nonfarm combination

Y=3, AG+OFF+NF Agriculture, off farm and non-farm

Some of the possible variables of livelihood strategies are age, sex, education, marital status, family size, agroecology, livestock size, family size, access to credit, market distances, bank savings, access to communication materials, own land in hectare, accessibility to technology, and total cash income.

Table 1: List of Independent variables that affect livelihood strategies of rural youths

S/N	List of independent variables	Variable characteristics	Effect /Hypothesis of variables
1	Youth age	Continues	+
2	Youth Sex	Dummy	+
3	Educational status	Continues	+
4	Marital status of youth	Dummy	+
5	Youth family size	Continues	+
6	Agro ecology	Continues	+
7	Having own farm land	Dummy	+
8	Having own house	Dummy	+
9	Having farm tools	Dummy	+
11	Livestock Size	TLSU	+
11	Access To Credit	Dummy	+
12	Market distances	Dummy	+
13	Bank saving	Dummy	+
14	Having Mobile	Dummy	+
15	Own land in Hectare	Continues	+
16	Input utilization	Dummy	+
17	Total Cash income	Continues	+
18	Own skills for livelihood	Dummy	+
19	Facing food gap of youths	Dummy	+

CHAPTER TWO

2. LITERATURE REVIEW

2.1 Livelihood and Livelihood Strategies

According to (Degefa 2005), a livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living. He stated that a livelihood is sustainable if it can cope with and recover from disaster and shocks, maintain or enhance its capabilities and assets and provide sustainable livelihood opportunities for the next generation, and which contributes net benefits to other livelihoods at the local and global levels and in short and long terms.

Livelihood strategies are strategies that peasants undertaken to maintain the viability and food security of their households in a sustainable fashion (Chambers 1989). Chambers and Conway (1992) define a livelihood system as comprising the capabilities, assets (including both material and social resources) and activities required for a means of living. The chosen combination of assets and activities, undertaken usually at the household level, is often referred to as the household's 'livelihood strategy'. A livelihood strategy encompasses not only activities that generate income but many other kinds of elements, including cultural and social choices (Ellis 2000).

Livelihoods approaches illustrate how, in different contexts, sustainable livelihoods can be achieved through access to a range of livelihood assets (e.g. natural, social, financial, physical and human capital) which, within the context of personal, institutional and environmental provisions and constraints, are combined in the pursuit of different livelihood strategies. Within the sustainable livelihoods framework (Chambers and Conway 1992; Scoones 1998) context is framed within the 'vulnerability context' which includes issues of 'seasonality', 'trends' and 'shocks'.

A livelihoods approach allows the examination of a plurality of dimensions of wellbeing whereby noneconomic dimensions such as social and human indicators are given equal emphasis to economic indicators. However, as Beall (2002, 73-74) has recently emphasized, livelihoods analysis should pay attention to gender and generation differences in determining individual household member's access to various assets and capability to use those assets. Since the asset status and livelihood strategies of individual household members are subject to gendered differences wellbeing too becomes gendered.

Carney (1998) explains that "a livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base". This interpretation of sustainability relates strongly to definitions that consider the 'resilience' of social-ecological systems.

A livelihood comprises the capabilities, assets (including both material and social resources) and activities utilized by a household for a means of living. A household livelihood is secure when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and productive asset base.

Livelihood strategies are often based on a set of assets available and accessible to households. These assets are both tangible (e.g. land, labour, credit, and livestock) and intangible (e.g., skills, knowledge, social networks). Through a combination and transformation of these assets, households are able to pursue different strategies that can, in principle, improve their household welfare (Integrating “Livelihoods” into Food Security and Vulnerability Analysis (Initial Guidance, ODAV (VAM) – WFP, Rome, and January 2005).

2.2. The Sustainable Livelihoods Framework

Sustainable rural livelihoods are not solely dependent on income obtained from agricultural activities, but are often supplemented by non- and off-farm activities (Reardon, 1997; Ellis, 1998, 2000; Carswell, 2000).

Based on Sustainable Livelihood framework (SL), a livelihood is defined as ‘the activities, the assets, and the access that jointly determine the living gained by an individual or households’. Rural livelihood diversification is then defined as ‘the process by which households construct a diverse portfolio of activities and social support capabilities for survival and in order to improve their standard of living (Ellis, 1998; Ellis, forthcoming).

Sustainable Livelihoods Approach was developed by the UK Department for International Development (DFID), which provided a framework for studying livelihoods of the poor.

In the livelihood framework the key objective is to increase the sustainability of poor people’s livelihoods by strengthening their assets to respond to opportunities and risks, minimize vulnerability and maintaining, smoothing or improving wellbeing.

As an analytical framework, DFID’s Sustainable Livelihood Framework appears to be the most comprehensive, putting emphasis equally on vulnerability, livelihood assets, structures and processes, livelihood strategies and livelihood outcomes. In Chambers’ argument, an external and internal dimensions of vulnerability and indicate that no effective policy or program can be drafted without a sound understanding of the factors affecting “people’s asset status and the options that are open to them in pursuit of beneficial livelihood outcomes” (DFID, 1999). DFID’s guidance sheets stress the importance of achieving a good understanding of how structures (levels of government and private

sector) and processes (laws, policies, culture and institutions) shape the vulnerability context and condition people's access to assets (tangible and intangible) and claims.

This section will take up an in-depth look to the Sustainable Livelihoods Framework (SLF) on which this study hinges as constructive information to draw out key linkages in urban livelihood systems of youth households.

2.2.1 Assets

The sustainable livelihoods approach proposes new thinking in terms of viewing people as having strengths or assets as conceptual remedy to traditional paradigms which view poor people as 'deprived' or 'passive'. The proponents of the approach put forward that for more conceptual, empirical and practical understanding of livelihoods of poor people, it would be appropriate to start with an analysis of strengths as opposed to an analysis of needs in order for spotting what opportunity they may offer or where limitation may lie (DFID 1999). Accordingly, though they may not have financial capital poor people may have vital material and non-material assets: the quality and quantity of labor (the knowledge, skills, physical and mental health), the social ties and networks, and other physical resources to draw and build their livelihoods.

The SL approaches is concerned first and foremost with seeking accurate and realistic understanding of how people combine and nurture assets or capital endowments and convert them into livelihood outcomes. Thus, the approach has identified five categories of assets (human, financial, social, physical, and natural) and presented them visually in the framework as a pentagon to bring to life the inter-relationships between the assets.

Ellis (1999) assets in SLF include a list of human capital (the education, skills and health of household members); physical capital (e.g. farm equipment or a sewing machine); social capital (the social networks and associations to which people belong); financial capital and its substitutes (savings, credit, cattle, etc.); and natural capital (the natural resource base).

2.2.1.1. Human capital:

The human capital represents the skills, knowledge, ability to labor and good health that together enable people to pursue different livelihood strategies and achieve their livelihood objectives. The human capital refers to the labor resources available to households, which have both quantitative and qualitative dimensions. The former refers to the number of household members and time available to

engage in income-earning activities. Qualitative aspects refer the level of education and skills and the health status of household members.

2.2.1.2. Social capital:

The social resources (networks, membership of groups, relationships of trust and reciprocity, access to wider institutions of society) on which people draw in pursuits of livelihoods. ‘Social capital’ is defined as the norms and networks that enable people to act collectively. Several useful measures suggested by researchers are: membership of informal and formal associations and networks; interpersonal trust and changes over time; norms and values that facilitate exchanges, reduced transaction costs, reduced cost of information, the ability to trade in the absence of contracts, and the encouragement of responsible citizenship; and the collective management of resources (Woodcock and Narayan 2002).

2.2.1.3. Natural capital:

The natural resource stocks from which resource flows useful for livelihoods are derived, including land water, and other environmental resources, especially common pool resources. Natural capital is the term used for the natural resource stocks from which resource flows and services useful for livelihoods are derived. These refer to endowments with natural resources and institutional arrangements controlling access to common property resources. Natural assets are probably the most valuable asset in rural livelihood context. Although the question of land rights and tenure security are essential determinants of livelihood security, land is highly contested and politicized physical asset as well as political tool in some contexts.

2.2.1.4. Physical capital:

Physical or produced capital refers to basic infrastructure (transport, housing, water, energy, communication etc.) and production equipment and means which enable people to pursue their livelihoods. For our purpose, physical capital comprises the basic infrastructure and producer goods needed to support livelihoods. Infrastructure in our context may include affordable transport, access to health service (free or low cost), adequate water supply and sanitation, affordable energy, and access to communication.

2.2.1.5. Financial capital:

The financial resources available to people, (saving, credit, remittances, and pensions) which provide them with different livelihood outcomes (Rakodi and Lloyd-Jones 2002). Financial capital denotes the financial resources that people use to achieve their livelihood objectives. There are two main sources of financial capital: available stocks (savings, stocks) and regular inflows of money.

2.2.2. Vulnerability Context

Implicit within the vulnerability is the responsiveness and ability to mobilize resources to resist risks households face during such negative changes (Chambers and Conway 1992, Moser 1998). The main threat to livelihoods includes shocks, stresses, trends, and seasonality. Shocks refer to unpredictable, sudden, and traumatic impacts; stresses are predictable, continuous, cumulative pressures; trends are frequent changes in macroeconomic variables, population, and technology; while seasonality refers to recurring changes of employment opportunities and prices (Chambers and Conway 1992, Moser 1998, Rakodi & Lloyd-Jones 2002).

The vulnerability context is usually external and out of people's immediate control. People's ability to respond to external changes and resist or recover from the negative effects of the changing environment depends on the asset base and opportunities open to them (Rakodi & Lloyd-Jones 2002). Therefore, vulnerability is closely linked to asset base and capabilities; thus the weaker the asset base the higher the vulnerability and vice versa (Moser 1998, Rakodi & Lloyd-Jones 2002). In other words, the stronger the asset status over which people have control and the more the options open for them, the better the capacity to avoid or reduce vulnerability.

Furthermore, the ability to cope and reduce vulnerability depends on private action composed of positive competence, the ability to perceive, predict and adopt and mobilize resources, exploit opportunities, and transform assets (Chambers and Conway 1992). Thus vulnerability depends on the stock of human capital available in order to make use of the other types of assets (Rakodi & Lloyd-Jones 2002).

2.2.3. Transforming Structures and Processes

Transforming structures or organizations public and private formal and informal institutions and processes such as policies, norms, and laws are identified in the livelihoods framework as incentives or barriers that shape access, control and use of livelihood assets and influence livelihood systems (Rakodi & Lloyd-Jones 2002). They operate at household, local, national, as well as international arena, and in all spheres (DFID 1999). Processes are what influence or transform how organizations and individuals interact which embody power relations and have a significant impact on the access of the poor to all types of assets.

Processes also influence entitlements and may open incentives or constrain access thus influencing people's ability to manage their portfolio, take advantage of opportunities and cope with stresses and shocks (DFID 1999, Rakodi & Lloyd-Jones 2002). Moreover, processes such as markets and legal restrictions determine what livelihood opportunities and activities are available and influence access

and the effective value as well as return of the assets (DFID 1999). Gender relations and social capital are also important elements closely twined to structures and processes (Rakodi & Lloyd- Jones 2002). In a nutshell, transforming processes and structures have direct impact to the vulnerability context; can restrict people's choice of livelihood strategies thus having detrimental impact on livelihood outcomes (DFID 1999).

2.2.4. Livelihood Strategies

Thus livelihood strategies can be defined as activities people carry out and choices they make in order to achieve their livelihood goals (DFID 1999). People's livelihood strategies are dynamic thus change with the context of the external environment over which they have little control (Cahn 2002). 'Livelihood strategies are composed of activities that generate the means of household survival' (Ellis, 2000:40). Livelihood strategies change as the external environment over which people have little control changes. Economic Livelihood strategies refer to income earning strategies that seek to achieve economic goals (increased income/asset growth, etc) by engaging in income generating activities. Thus alternative livelihoods would include those economic activities that provide households with alternative income sources from their predominant means of livelihoods.

Livelihood strategies in rural setting are pronominally based on natural resource where agriculture and animal keeping are two broad categories. Carney (1998) lists these categories of livelihood strategies as natural resource based, non- natural resource based and migration, while Ellis (2000), in his framework, categorizes livelihood strategies as natural resource based activities or non -natural resource based activities and income sources (including remittances and other transfers).

Scoones (1998) identifies three types of rural livelihood strategies: agricultural intensification, livelihood diversification including both paid employment and rural enterprises, and migration (including income generation and remittances).

Understanding the dynamics and outcomes of people's livelihood strategies is important to trace back their impact on the resource and assets the household and the community call for (Rakodi & Lloyd-Jones 2002). In this study, the researcher will explore activity portfolios, how and why they change over time, by using a range of quantitative methods. What are the ways land-constrained youth households make (or not make) to secure income, what activities do these people pursue to compose their livelihoods and maintain or enhance their asset base.

2.2.5. Livelihood Outcomes

(Rakodi & Lloyd-Jones 2002) within the SLF, livelihood outcomes are identified as the end results or achievements of people's livelihood strategies, affected by the livelihood strategies that they adopt and the available opportunities. Positive outcomes of the livelihood strategies adopted by the poor should improve incomes, reduce vulnerability, increase well-being and be socially and environmentally sustainable.

On the other hand, the outcomes of livelihood strategies may be ineffective for example if long term consumption declines, assets are lost permanently, or if they are socially or environmentally unsustainable (Rakodi & Lloyd-Jones 2002).

2.3 Rural youth and its definitions

Age and location are the two key defining characteristics of rural youth. Age definitions of youth vary quite considerably. The United Nations defines youth as all individuals aged between 15 and 24. The 2007 World Development Report, which focuses on the next generation, expands the definition of youth to include all young people aged between 12 and 24. Similar definitional variations exist with regard to location. Distinguishing between who is rural and urban is increasingly difficult, especially with the expansion of 'per-urban' areas where large proportions of the population rely on agricultural activities to meet their livelihood needs (Promoting Livelihood Opportunities For Rural Youth, Paul Bennell, February 2007).

Kevin Waldie in LEISA magazine 2004 defined youth as every culture or society has its own concepts of youth and he explained that it is determined by traditions, roles and status rather than physical age. Based on the above definition currently in north Wollo zone people are using access of land for the definition of youths in which those people who have no land regardless of their age are considered and defined as youths.

(World Bank, 2008) for landless youths with labor as the main asset of the poor, landless and near-landless households have to sell their labor in farm and nonfarm activities or leave rural areas. Making the rural labor market a more effective pathway out of poverty is thus a major policy challenge that remains poorly understood and sorely neglected in policy making.

Paul Bennell (February 2007) the global population of young people aged 12-24 is currently 1.3 billion. The youth population is projected to peak at 1.5 billion in 2035 and it will increase most rapidly in Sub-Saharan Africa (SSA) and South East Asia (by 26 percent and 20 percent respectively between 2005 and 2035).

FAO estimates that around 55 percent of youth residing in rural areas, but this figure is as high as 70 percent in Sub Saharan Africa and South Asia. In Sub Saharan Africa, young people aged 15-24 comprise 36 percent of the entire labour force, 33 percent in the Near East and North Africa and 29 percent in South Asia.

2.4. Rural Youth and policy

In Ethiopia, the current food security policies and “sustainable poverty reduction” strategies acknowledge the importance of non- and off-farm activities to ensure livelihoods security. However, the implementation of these intervention measures varies from place to place. Studies done in some parts of Ethiopia suggest different outcomes. Some perceive non- and off-farm activities as potential areas of growth that can link agriculture to the non- agricultural sector (Tegegne, 1995) while others treat them with reservation or consider them as mere survival strategies at best (Mulatu and Teferi, 1996).

To address these challenges, the Government of Ethiopia has instituted various strategies focusing on poverty alleviation for youth, with a particular focus on the equitable integration of women and girls into income-generating opportunities, micro and small enterprise development (MSE) and general investment promotion within the agricultural sector. The Micro and Small Enterprise Development Strategy was first formulated in 1997 and revised in 2010/11 with renewed interests and more ambitious targets on employment and number of entrepreneurs and transition to medium size level. The direct policy support includes access to markets, access to finance, access to industrial extension, access to training and technological support (Berihu Assefa, et al, 2014).

2.4.1. The National Employment Policy and Strategy of Ethiopia

The 2009 national employment policy and strategy of Ethiopia¹ emphasizes the growing labor supply and limited employment-opportunity generation as the main causes for unemployment and underemployment. The document also acknowledges the need to guide and implement strategies to increase labour productivity, integrate women and youth and other vulnerable populations (i.e., HIV+ populations) in a coordinated manner.

2.4.2. The Growth and Transformation Plan (GTP)

The GTP of Ethiopia recognizes the importance of the agricultural and industrial sectors as major opportunities for economic and inclusive growth. Though the plan does not explicitly incorporate specific strategies regarding youth employment in rural areas, it recognizes the importance of the promotion of gender and youth empowerment as key factors for the country’s economic and equitable

development. For instance, the plans in GTP I (2010/11-2014/15) was to create three million new jobs in the MSE sector in the five years growth and transformation period.

In rural Ethiopia, public works are implemented in the form of food-for-work (FFW), and cash for-work (CFW) programs. As part of a major food security program popularly known as the Productive Safety Net Program (PSNP), public work programs already play an important role in employing the rural poor in building roads and other infrastructure during times of food shortages. About 5 million impoverished farmers were targeted public works such as afforestation, road construction, soil and water conservation activities.

2.4.3. Ethiopia's Agricultural Sector Policy and Investment Framework (PIF)

The PIF of Ethiopia identifies priority areas for investment that will result in increased incomes for those involved in the agricultural sector. Priority areas for investment include transitioning agricultural activities from subsistence farming to larger scale and more commercial farming practices through increased production and productivity, rural commercialization, natural resource and disaster risk management, and food security.

2.4.4. National Technical Vocational Education and Training (TVET)

Launched in 2000, the TVET program is aimed at encouraging and equipping youth (through a strong skills-based training program) to become self-employed is an important way to reduce youth unemployment. The TVET Strategy focuses on the relevance and quality of TVETs to develop the workforce based on labour market needs. To achieve this objective, the Ethiopian Government has identified a number of guiding principles including: (i) a demand-orientation; (ii) equal access and opportunity; (iii) pathways; (iv) flexibility; (v) life-long learning; (vi) gender sensitivity; (vii) contributing to the fight against HIV/AIDS; and (viii) contribution to environmental protection.

Though the number of technical and vocational schools has increased considerably in Ethiopia the outcome of the program is not fully documented. According to Guarcello and Rosati (2007) the impact of having participated in a training program appears to be very large.

2.5 Key Features of Rural Youth Livelihoods

Bennell ,(1999) explained that most rural youth are either employed (waged and self-employed) or 'not in the labour force'. The issue, therefore, is not so much about unemployment, but serious under-employment in low productivity, predominantly household-based activities. Rural youth tend to be poorly educated, especially in comparison to urban youth. The extent of 'urban bias' in the provision of publicly funded education and training services is large in most low-income developing countries.

2.5.1. Income Diversification and Off-Farm/Non-Farm Development

Ellis (2000), the term off-farm refers to income from wage or exchange labor on others' farms. It includes labor payments in kind such as harvest share systems, income obtained from local environmental resources such as firewood, charcoal, house building materials, and wild plants. On the other hand, non-farm income refers to non-agricultural income sources and these include non-farm rural wage or salary employment, non-farm rural self-employment, rural income obtained from leasing land or property, urban-to-rural remittances arising from within national boundaries, and other urban transfers to rural households such as pension payments to retirees and international remittances arising from cross border and overseas migration (Gesese S. Kune and Ignatius Mberengwa 2012, *Journal of Sustainable Development in Africa*).

Increased landlessness in rural areas and a very poor private sector to absorb the urban youth and rural migrants, employment in agriculture is the prime means of employment in rural Ethiopia where 84% of the total population resides and land is owned by the state. However, in most parts of Ethiopia land distribution was made before two decades. This excludes today's youth as only those who attained majority in the early 1990s benefited from land distribution.

Reardon (1997) income diversification in rural Africa, off-farm and non-farm activities provide up to 30 to 50 per cent of the total rural household income , In Ethiopia, compared to other African countries, off-farm and non-farm activities contribute only in a limited way to the overall income of rural agricultural households as a recent study has shown.

The Ministry of Labour and Social Affairs (MoLSA,1996) 43.9 per cent for all five regions (Amhara, Oromia, SNNPR, Tigray and Afar) are generating income from off-farm and non-farm activities and in Amhara region 54.2 per cent of income is generated from off-farm and non-farm activities. The higher percentage in the Amhara Region is presumably connected to the lower agricultural incomes of this region. (MoLSA, 1996) conclude the share of agricultural wage employment and non-farm income in the country is only 10.2 per cent; in the case of the Amhara region, the share is slightly higher which is 11.3 per cent.

2.5.2. Off-farm activities (agricultural wage labour)

This form of activity deals with agriculture (including livestock), but takes places outside the person's own farm. According to the MoLSA survey, only 15.4 per cent of the households in the five regions of Ethiopia (Amhara, Oromiya, Tigray, and SNNPP) included persons who in the year prior to 1997 involved in agricultural wage labour. In the Amhara Region, the percentage is slightly higher, 16.4 per cent (Federal Democratic Republic of Ethiopia 1997).

The category includes in the main two types of activities: local wage labour / sharecropping, and migratory labour. According to the MoLSA survey, local wage labour is the most common kind of wage labour. Thus, 80.5 per cent of the household selected in the five regions participating in agricultural wage labour indicated that they were working locally, whereas the remaining 18.5 per cent of household members migrated (or stayed outside their home more than one week) in order to search for wage labour.

In the Amhara Region, local wage labour was even more important, thus 87.3 per cent of the households involved in agricultural wage labour indicated that they were working locally. These sorts of wage labour do, however, play a minor role compared to the agricultural wage labour on smallholder farms. In the Amhara Region, smallholder farms are in 83.6 per cent of the cases the employer of the labourers compared to 6.7 per cent for government establishments and 2.5 per cent for NGOs.

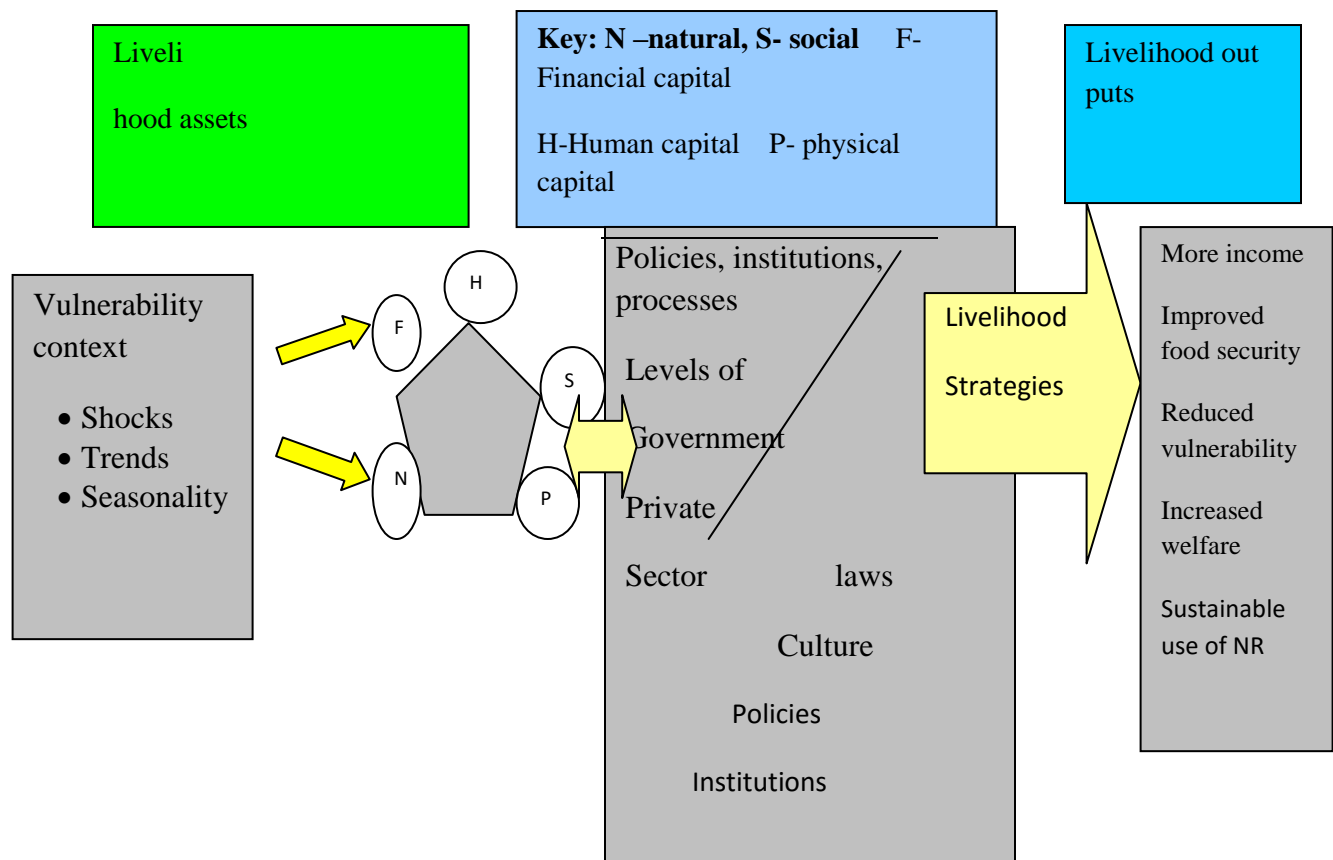
2.5.2. Non-farm activities

This form of activity takes place outside the agricultural sector, and includes the following activities: handicraft, petty trade, transport, small industry, services, and assorted non-farm activities (collection of fuel wood, collection of water for payment, production and sale of charcoal, the collection and sale of timber, stones, etc.) (The Impact Study Group of the Joint Ethio-Danish Development Programme in North Wollo Copenhagen August 2004). Literature indicates in Africa, non-farm sources account for 40-45 % of average household income.

2.6. Conceptual Framework for Livelihood Strategy Analysis

The livelihoods framework provides a comprehensive, and complex, approach to understanding how people make a living. It can be used as a loose guide to a range of issues which are important for livelihoods or it can be rigorously investigated in all its aspects (Kanji *et al*, 2005). Livelihood Approaches (LA) emphasizes understanding of the context within which people live, the assets available for them, livelihood strategies they follow in the face of existing policies and institutions, and livelihood outcomes they intend to achieve (DFID, 2000).

The key question to be addressed in any analysis of livelihood is given a particular context (of policy setting, politics, history, agro ecology and socio-economic conditions), what combination of livelihood resources (different types of 'capital') result in the ability to follow what combination of livelihood strategies (agricultural intensification/ intensification, livelihood diversification and migration) with what outcomes? (Scoones, 1998).



Source: Adapted from DFID, 2000.

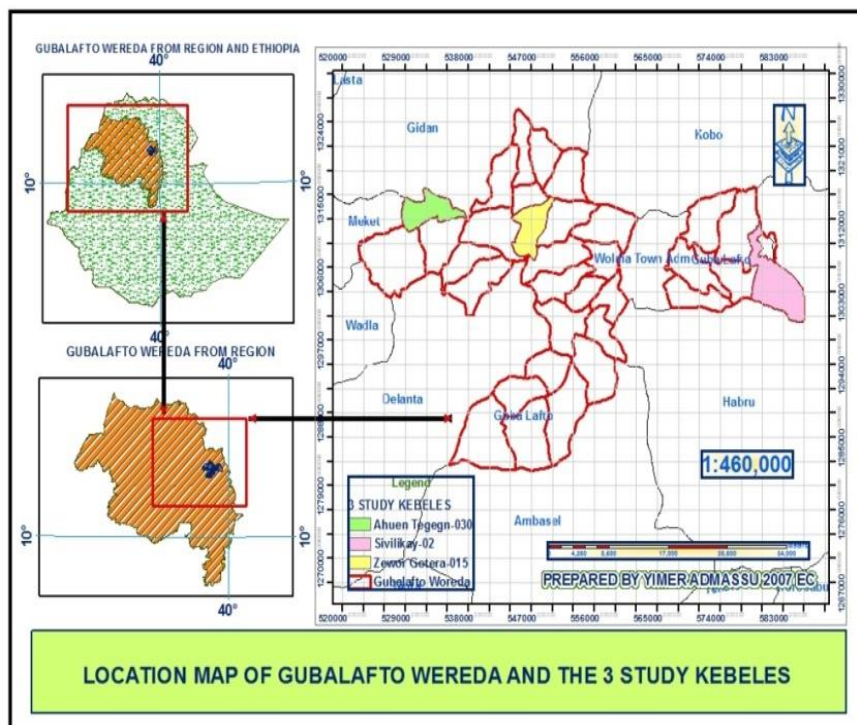
Figure 1: Sustainable livelihood frame work

CHAPTER THREE

3. RESEARCH METHODOLOGY

3.1 Description of The Study Area

Gubalafto Woreda is located in north east of Ethiopia which is 520 Km from Addis Ababa and 420Km from Bahrdar which is the capital city of Amhara regional state. Gubalfto is one of the nine Woredas in North Wollo and lies between 110 36' and 110 58' North latitude and 390 12'' to 390 50'' East longitude. It is bounded by Raya-Kobo District in the north, Habru Woreda in the south and southeast, Gidan in the northwest and Meket in the west (Figure 2). The administrative town of Gubalafto Woreda, Woldeya, is also the administrative town of North Wollo. The Woreda is divided into 34 kebeles of which 3 of them is included in this research. The Woreda has an estimated total population of 161,691 people, of which about 51% are male and 49% are female (Gubalafto Woreda Office of Agriculture, 2014).



Source own data with GPS

Figure 2: Location of Gubalafto Woreda and location of study Kebeles

The agro-ecological zones range from extremely cold (Dega) which lies above 2500 meters above sea level (masl) and receives more than 2500 millimeters (mm), to temperate (woyina dega) which lies

within 1501-2500 masl and receives 1501-2500 mm to hot lowland (Kola) region which is within 500-1500 masl and receives 500 1,500 mm of rainfall (Gubalafto Woreda office of Agriculture, 2014).

3.2 Materials and methods

3.2.1 Sample Size and Sampling Techniques

This study will be employed with multi-stage sampling technique in which both purposive and random sampling was used. In the first stage Gubalafto Woreda is will be selected purposely to represent the three agro ecological zone of Kolla, Dega and Woyina Dega of north Wollo. In the second stage the 34 Kebeles of Gubalafto Woreda will be clustered with agro ecological zones of Dega, Woyina-Dega and Kolla. From the clustered Kebeles with agro ecological zone 3 Kebeles will be selected randomly from Dega, Kolla and Woyina-Dega clusters. The selected Kebeles are Hara-Siblkay from Kolla agroecological zone, Zewer-Gotera from Woyina-Dega agroecological zone and Ahun-Tegegn from Dega-agroecological zones.

Finally a list of youths of each Kebele will be prepared and samples of youths for this research will be selected with systematic random sampling technique.

To determine the minimum number of sample enumeration areas and youth households needed to be able to identify impacts of the food security programs. A number of food security survey sample size are based on power calculations. The 2006 and 2008 Ethiopian Food Security Surveys used 22 to 30 households per kebele. Gilligan et al. (2007) give extended description of the baseline sample and the survey instruments and according to the authors, taking 20-30 households per enumeration area or kebele is suffice to estimate study variables. Based on the literature mentioned above, a total of 120 youth respondents will be selected from 3 kebeles which will be 40 youths from each kebele.

Inclusion Criteria

- Youths who are living in rural area will be included.
- Besides the age of youths should be between 18-35 years, they can be married, single, windowed or divorced and they could be literate or illiterate.

Exclusion criteria

- Youths of urban areas will not be included
- Youths below, 18 years of old and above 35 years, will not be included in this study.

3.2.2 Types and methods of data collection

3.2.2.1 Types of data and data sources

Primary data on youth household socioeconomic characteristics, youth household capital which includes human capital, natural capital, physical capital, social capital and financial capital will be collected from sample youths using structured interview. Besides the livelihood strategies and determinants of youth livelihood strategies will be collected with questionnaire developed for this purpose.

3.3.2.2. Methods of Data Collection

For the collection of data detailed questionnaire on youth livelihood strategies and youth livelihood assets will be prepared and with the support of the questionnaire surveys will be conducted and quantitative data will be collected.

Frank Ellis recommends Smaller-scale sample surveys relating to particular communities or regional populations are of rather more use. He also advocates various different PRA methods (key informants, semi-structured interviews, focus group discussions, Venn diagrams, etc.). Based on Frank Ellis recommendation Key-informant interview will be facilitated with youth families, elders and youth leaders to know the history of the research area in relation to the trends of rural youth livelihoods.

3.4 Methods of Data Analysis

The study will be employed both qualitative and quantitative research methods. The data collected quantitatively was entered to excel sheet. In addition the questionnaire will be coded and will be entered to excel sheet and will be exported to SPSS software and will be analyzed.

3.4.1. Data quality management

Data collection will be carried out by data collectors who have knowledge and experience of working with rural community. The researcher will provide two days training for data collectors on data collection methods and discussion will be made on questioners will be developed for data collection.

The questionnaire will be properly designed and pre-tested. Supervisors will follow and over-see interviewers. They will review the completed questionnaire and will ensure its completeness. The questionnaire will be properly coded and double will be entered by two data encoder. Double data entry will be conducted, checked for its consistency and will be cleaned. Prior to actual survey, pre-test on non-sample respondents will be conducted under the supervision of the researcher and necessary modifications will be made on the basis of the results obtained. The data will be collected from August to October of 2015.

3.4.2 Data analysis

Descriptive techniques will be employed to analyse the data collected. Descriptive analytical tools such as the frequency distribution, percentages, mean, mode, standard deviation and standard error will be used to analyse the socio – economic and demographic characteristics of the households in the study area. The livelihood activities engaged by the households will be determined by ensuring that each member of the household supply information on the type of activities during the 2014/2015 farming season and income generated. The descriptive data analysis will be conducted using Statistical Package for Social Sciences (SPSS) version 22 and Microsoft office excel spread sheet will be used.

3.4.3. Econometric model

Dependent variable with more than two alternatives in which youths will choose (i.e. unordered qualitative or polychromatic variables), multi nominal logit or multi nominal probit regression model can be used. In this study, a multi nominal logit model specification will be employed to analyze factors influencing youths' choices of livelihood strategies in the context of multiple choices.

The dependent variable in this study will be the selection of different livelihood strategies by youth households that it was identified by categorizing the sample youths into livelihood strategy groups based on their choice. Therefore, the polytomous dependent variable for multi nominal logit will be hypothesized to have the following values:

Table 2: Definitions of Dependent variables, Independent variables and unit of measurement of livelihood strategies if the choices of youth HH lies.

Dependent variables

Y=0, AG Agriculture alone

Y=1, AG+OFF Agriculture and off farm combination

Y=2, AG+NF Agriculture and nonfarm combination

Y=3, AG+OFF+NF Agriculture, off farm and non-farm

Independent variables

Age: Age of youth Households in years

Sex: Sex of youth households head (1=Male 2=Female)

Agro ecology: Agro ecology of the youth household (1= Dega (high land), 2=Woyina-Dega (mid land), 3=Kolla (low land))

Educational status: Education status of youths (0=Not joining school, 1=Joining school)

Marital status: Marital status of youth household (1=Single, 2=Married, 3=Divorced, 4=Widowed)

Having own house: Having own house (0=No, 1=Yes)

Having farm tools: Having farm tools (0=No, 1=Yes)

Distance to Market: Distance to market in Kilometer

Bank Savings: Bank savings (0=no, 1=Yes)

Having mobile: Having Mobile (0=No, 1=Yes)

Having radio: Having radio (0=No, 1=Yes)

Land size: Land size owned by the youth Household in Hectares

Own skills: Own skills for livelihood (0=No, 1=Yes)

Facing food shortage: Facing food gap of youths (0=No, 1=Yes)

Here the variable relationship can be explained as follows $U_{ij} = Z_{ij}\beta + \epsilon_{ij}$ (1)

If the respondent makes choice j in particular, then we assume that U_{ij} is the maximum among the j utilities. So the statistical model is derived by the probability that choice j is made, which is:

$Prob (U_{ij} > U_{ik})$ for all other $K \neq j$ (2)

Where, U_{ij} is the utility to the i^{th} respondent from livelihood strategy j U_{ik} the utility to the i^{th} respondent from livelihood strategy k

If the household maximizes its utility defined over income realizations, then the household's choice is simply an optimal allocation of its asset endowment to choose livelihood that maximizes its utility (Brown et al., 2006). Thus, the i^{th} household's decision can, therefore, be modeled as maximizing the expected utility by choosing the j^{th} livelihood strategy among J discrete livelihood strategies, i.e.(3)

In general, for an outcome variable with J categories, let the j^{th} likelihood strategy that the i^{th} household chooses to maximize its utility could take the value 1 if the i^{th} household choose j^{th} livelihood strategy and 0 otherwise. The probability that a household with characteristics x chooses livelihood strategy j, P_{ij} is modeled as: $P_{ij} = \frac{\exp(\beta_j X_i)}{\sum_{k=1}^J \exp(\beta_k X_i)}$ (4)

With the requirement that for any I Where: P_{ij} = probability representing the i^{th} respondent's chance of falling into category j X = Predictors of response probabilities Covariate effects specific to j^{th} response category with the first category as the reference.

Appropriate normalization that removes an indeterminacy in the model is to assume that (this arise because probabilities sum to 1, so only J parameter vectors are needed to determine the J + 1 probabilities), (Greene, 2003) so that, implying that the generalized equation (4) above is equivalent to for $j = 0, 2 \dots J$ and..... (5)

Where: $y = A$ polychromous outcome variable with categories coded from 0... J. Note: The probability of P_{i1} is derived from the constraint that the J probabilities sum to 1. That is, Similar to multi nominal logit model it implies that we can compute J log-odds ratios which are specified as; (6)

CHAPTER FOUR

4. WORK PLAN

Table 3. Work Plan

Activity	Year 2015						2016					
	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Marc	April	May
Enumerators selection and training			X	X	X							
Interview schedule design and pretesting					X	X						
Collection of secondary data						X	X	X				
Primary data collection						X	X	X				
Data editing, coding and updating literature								X	X			
Data analysis and draft thesis writing									X	X		
Draft thesis submission to advisor											X	X
Final thesis submission												X

CHAPTER FIVE

5. LOGISTICS

Table 2. Stationery Costs

No.	Item	Unit	Quantity	Unit Price	Total Cost
1	Photo Copy Paper	Pkt	6	100	600
2	Printing Paper	Pkt.	5	125	625
3	Laser Jet Cartridge/ toner	No.	1	2000	2000
4	Note Book	No.	8	15	120
5	Marker	Pkt.	1	50	50
6	R-W CD Disk	Pkt.	1	75	75
7	Flash Disk Memory	No.	1	800	800
8	Staples	Pkt	2	10	20

9	Stapler	No.	1	50	50
10	Pencils	No.	10	2	20
	Sub Total				4360

Table 3. Personnel Expense

No	Payable to	Unit	Duration	Rate (Birr per day)	Total Perdiem
1	Advisor/Co-advisor	Days	10	150	1500
2	Enumerators (5)	Days	11	100	5500
3	Researcher	Days	60	150	9000
4	Supervision fee	Days	15	100	1500
5	Driver	Days	15	100	1500
	Sub total				19,000

Table 4. Miscellaneous Expense

No.	Item	Unit	Quantity	Costs
1	Telephone and Fax Charge	LS		1000
2	e-mail & Internet service	Ls		500
3	Fuel and lubricant	Lts	300	5560
4	Thesis binding and photocopy	LS		1500
	Sub Total			8,560

Table 5. Budget Summary

No.	Item	Cost in Birr(ETB)
1	Stationery	4360
2	Personal Expense	19000
4	Miscellaneous expenses	8560
	Sub Total	31920
5	Contingency (5%)	1596
	Grand Total	33516

Budget Source: Self and other sponsors, if any.
