RAPID URBAN EXPANSION AND ITS IMPLICATIONS ON LIVELIHOOD OF FARMING COMMUNITIES ON PERI-URBAN AREA: THE CASE OF SEBETA TOWN

BY:

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Acronyms

CSA	**Central Statics Authority**
DFDI	**UK Department for International Development**
ECA	**Economic Commission for Africa**
GEC	**Global Environmental Centre**
IHDP	**Integrated Housing Development Project**
IHDP	**International Human Development Programme on Global Environmental Change**
LDC	**Less Development Countries**
LEPO	**Land and Environmental protection office**
NGO	**Non-government Organization**
OBoFED	**Oromia Bureau of Finance and Economic Development**
ODI	**Overseas Development Institute**
OSZSF	**Oromia Special Zone Surrounding Finfinne**
OUPI	**Oromia Urban Planning Institute**
PUI	**Pri-urban Interface**
STEPS	**Social, Technological and Environmental Pathways to Sustainability**
SLF	**Sustainable Livelihood Frame Work**
SPSS	**Statistical Package for Social Scientists**
WB	**World Bank**

ABSTRACT

Small towns of Oromia Special Zone Surrounding Addis Ababa are expanding tremendously in recent years. The main factors for expansion of these towns are their high potentials in attracting investments mainly due to their high proximity to the national market and accessibility to various types of infrastructures. An expansion of these towns has been made in expense of conversion of agricultural and green lands.

This study was under taken at peri-urban area of Sebata town to analyze a rapid expansion of the town and its implication on farming communities. Hence, a sample of 60 households who has previously displaced from their land due to the town expansion was taken. In addition, secondary data from various sources were complimented in order to understand the magnitude of the town's expansion. Primarily data collected from sampled households were processed and analyzed by using the Statistical Package for Social Scientists (SPSS).

The result from the findings showed that an expansion of the town during the last few years made significant impacts on livelihood of farming community on peri-urban area: shortage of agricultural land, land insecurity, and losses of assets. For instance, 50 percent of sample households possess and operated on agricultural land size less than 1 hectare and only 4.5 percent of them hold land size above 3 hectares. This indicates that the average land holding of sample household is the lowest to sustain their livelihood from agriculture. Although, proximity to urban center benefits peri-urban farmers in terms of accessibility to infrastructures, markets finance and off farm employment opportunities, farmers in peri-urban areas of Sebeta town did not fully take opportunities that were come up with the town expansion and development. This is mainly due to shortage of land size and lack economic options that absorb them. In addition, rehabilitation mechanisms used by the town municipality mainly an arrangement of cash compensation for evicted people is found inadequate to replace the resource base, which is land. As a result, most of the families exposed to further economic, social and cultural impoverishment.

Therefore, to ensure sustainable city development, government should make sound planning prior to displacement without treating farmers' livelihood living on the edge of the urban area. These include pursuing appropriate compensation packages and implementing even those available to rehabilitate the livelihood of evicted households.

CHAPTER ONE

INTRODUCTION

1.1 Background of Study

Today's world is rapidly urbanizing, particularly radical urban expansion predicted in developing countries (STEPS, 2009). Although urbanization in developing countries is low, the pace of urbanization is at fastest rate. Approximately 25 percent of Africa's population lived in towns and cities in 1975. In 2000, 38 percent of the continent's population lived in urban areas and the proportion is expected to increase to 47% by 2015 and to double by 2050 (A.D.Thou, 2010). Such rapid urban expansion has a great impacts on the peri-urban area in terms of changing in land use, new forms of household composition, differential access to urban benefits (such as health infrastructure and employment) and increased pressure on common natural resources (STEPS, 2009).

According to Redman and Jones, 2004, basically urban growth is a combination of three basic processes. First is rural-urban migration: it is a key source of urban growth since the origin of cities. Rural-Urban migration is driven from perceived economic opportunities, insecurity in rural areas, climate or economic problems, etc. Second is natural increase: this is a combination of increased fertility and decreased mortality rate. Third is re-classification of land from rural to urban categories: Many cities are rapidly growing into their fringe, engulfing former villages and farm lands and transforming them into urban development. The rate of natural increase is generally slightly lower in urban than in rural areas. However, the principal reasons for raising the level of urbanization and city growth are rural-urban migration, geographical expansion of urban areas through annexation and transformation and re-classification of rural village into small urban settlements (Cohen, 2006).

Rapid population increase, urbanization and changing socio-economic pattern are deriving forces that influenced special change in peri-urban areas (Jongkroy, 2009). Peri-urban areas are those areas adjacent to build up areas of high population concentration, zones where traditional farming activities come into conflict with alternative economic, residential and recreational interest (Mander et al., 2010).

Peri-urban area is contiguous space to the city, affected favorably and unfavorably. It is an area neither urban nor rural but an interface where there is increasingly less provision of various urban services when compared to urban system and increasingly less provision of ecological services when compared to rural system (Adeboyejo et al., 2007). Due to diverse land uses, most population here comprises of heterogeneous groups including original residents, farmers, migrant residents, recreational land users, industrial users, investors and speculators, developers and builders (A.D.Thou, 2010). In any case, the peri-urban communities are dominated by low income earners that rely on resource from rural areas and cities in constructing their livelihood.

Following outward urban expansion, peri-urban land use pattern would change from the one dominated by agriculture to a multiple landscapes. The problem of rapid and uncontrolled urban growth and its consequence on regional landscape in developing countries have been a serious concern for various scholars. Perhaps more worrisome is happened when there is surreptitious city encroachment on fertile agricultural land and other socio-economic implication on peri-urban areas of most cities (Adeboyejo et al., 2007). The magnitude and scope of problem of urbanization goes higher when the wastes are damped on peri-urban areas with health and vegetative cover implications. In most cases governments and their agencies excludes and marginalized this groups of communities from schemes of urban and regional policies (ibid).

Ethiopia is characterized by low level of urbanization even by African standard, where only 16% of populations live in urban area. Despite this, it has recorded a relatively high growth rate of urban population (4% annually), double that of rural areas. However, such high growth rate is not often accompanied by development in socio-economic services and infrastructure, and economic and employment capacity of the urban centers to support the growing population (Teller and Assefa, 2010).

Moreover, urban growth and urbanization process in Ethiopia is characterized by high primate city development. In1994 Population and Housing Census indicate that Addis Ababa has 28.4 percent of the national urban population and is twelve times larger than the second largest city, Dire dawa (Feyere, 2005). However, recently Addis Ababa as functional primate city is declining recently mainly the emergence of regional capitals as competitors (Teller and Assefa, 2010).

1.2 Statement of the Problem

In Ethiopia, commercial farms, protection of parks, villagization, resettlement, road construction, urban expansion, and similar state organized national plans were caused population displacement (Feleke, 1999). Particularly, as most private investments has so far concentrated around the main urban centers, notably Addis Ababa and its surrounding, the problem of displacement is becoming the primarily concern. An out ward expansion of these centers contributed to encroachment of fertile agricultural land in which most farming community depend their livelihood.

Particularly, small towns surrounding Addis Ababa in Oromia Special Zone are expanding tremendously in terms of population and physical size. The main reason for the development of these towns is derived from favorable reform in the country in terms economic policy that has created conducive environment for private investments and the proximity of these towns to the centre and national market (Addis Ababa). The expansion of these towns created numerous opportunities as well as challenges for surrounding farming communities. These opportunities include: advantages from employment opportunities, access to urban services, and urban-rural linkages or trickledown effect of development (OUPI, 2008).

Despite these opportunities, rural communities around the city faced the problems of socio-cultural, economic challenges, environmental deterioration and land tenure insecurity (Fayera, 2005). City expansion programme in Ethiopia is neither participatory nor supportive to farmers in periphery, and thus has negative impact on people livelihood where women and youth are the major victims. Moreover, the non-farm based economic sector was not developed to absorb displaced farming communities. Therefore, the non-integrative type of urban expansion or development induced displacement has negatively affects those marginalized rural communities and forces them to live in poverty, food insecure and hopelessness (World Bank, 1993).

Little attention has been given for the peri-urban interface, due to the fact that such areas are neither being under the control of urban authorities nor under the control of rural authorities. Yet only a handful of people are made rich, while the majority is excluded from the opportunities that peri-urbanisms come along with. Hence, urbanization disproportionately affects the livelihood of poor people by diminishing the natural resource available to them (ibid).

Sebeta town is recently expanding in terms population and physical size. The population size of the town was estimated to be 61,461. The total area that is covered with the current base/topographic map of the town is estimated to be 7.41 sq Km (CSA, 2010). Sebeta is situated near to Addis Ababa with a distance of 24 Km. Due to its proximity to Addis Ababa and national market, large numbers of people come to the area for residence and investments. Moreover, access to infrastructures such as roads and electricity exhibit an important role in the attraction of private investment (OBoFED, 2010). Hence, large tracts of land have been expropriated from local farming community and have been utilized for private investments and urban residence. Therefore, peri-urban areas of Sebeta town once covered by crop and grass lands are now became industrial area.

Even though, these investments play a crucial role in boosting the local as well as national economy in terms of creating employment opportunities for local people and enhance the country to earn foreign exchange, it resulted in displacement of numerous peasants from their lands and affected their livelihood (OUPI, 2008). In order to mitigate the problem, the municipality of the town has so far promoted the option of cash compensation for the development of affected rural people. However, monetary compensation argued by many people that it is not an appropriate mechanism to rehabilitate an affected people and even the payment of cash are minimal and rate of compensation seems inadequate (Feleke, 1999). As a result, most displaced families can be exposed to further social and economic impoverishment. If expansion urban areas and industrial complexes continue in this way, we can expect that large number of displaced household people will soon face considerable problems.

In Ethiopia, previous studies on peri-urbanism for instance ; study by Fayera, 2005 on 'impacts of Addis Ababa expansion on farming community on peripheral area', indicated that the city's expansion programmes implemented in different period of time were not participatory and negatively influence the livelihood of farmers on peri-urban area. Study by Feleke, 1999 entitled 'Impact of urban development on peasant community in Ethiopia; a community dispossessed by Ayat real estate' on the other hand found that displacement of peasant community with appropriation of cash compensation exacerbated their dominant livelihood and expose them for further economic, social and cultural impoverishment. Moreover, study by Ermias, 2009 on 'prospect and challenges of real estate development on livelihood of rural communities: the case of Leag Tefo Lega Dadi' further found that an establishment of the real estate on the area

affected the livelihood of farmers by reduction of farm size holding and the community participation in planning and implementation in the programme was also negligible. Generally, all these studies conclude that urbanization process in Ethiopia has not been participatory and negatively influenced the livelihood of farming community living on the peripheral area.

This study has focused on the challenges and opportunities as well as prospects come up as a result of the Sebeta town expansion over periphery areas. Moreover, it concentrate mainly on determining the cope-up mechanism pursued by evicted household and assess appropriateness of compensation packages provided to mitigate the problem. Therefore, this research can be expected to have an important role in filling knowledge gap on this area and motivate future researcher; as well as input for urban planner for planning sustainable urban development that do not threaten marginal groups of people located on periphery.

2. *Objective of Study*

2.1 General objective

General objective of study is to assess an impact of rapid expansion of Sebeta town and its implication on the livelihood of farming communities in peri-urban area/periphery.

2.2 Specific Objectives

- To assess impacts (both negative and positive) of Sebate town expansion on livelihood of farming communities on peri-urban area.
- To identify and determine livelihood strategies pursued by farming communities after rapid expansion of the town.
- To identify factors that contributed rapid expansion of the town over peripheral area during the last few years.
- To assess the perception of evicted community on appropriateness of compensation packages pursued by government in order to rehabilitate their livelihood.

3. *Research Questions*

1. What are the factors that contribute to rapid expansion Sebate town over peripheral rural villages in recent years?
2. What are the impacts (both negative and positive) being brought by town's expansion on the livelihood of farming communities?
3. What is the perception of the affected community on the appropriateness of benefit packages provided to compensate for the dispossessed material and disturbed or lost social values?
4. What are the present household coping mechanisms and livelihood strategies of the affected farming communities?

4. Research Methodology

Research design: it is the logical sequence that connects an empirical data to the study's research questions and ultimately to its conclusion. It dealt with a study's questions, data relevance and collection and analysis and interpretation of the finding (Phuong, 2007). In this study, House hold Survey research design, where a questionnaire for a sample of evicted households were administered in order to assess an impact of the urban expansion on livelihood of farming community on periphery area Sebeta town.

Target Population: Farmers located at periphery of the Sebeta town and those who lost their lands for urban land uses.

Sample Selection Criteria: According to information obtained from the town municipality and other related sources, there were three major expansion areas where the town expanded intensively and a high number displacement of peri-urban farmers taken place. However, the municipality of the town did not know an exact number of peasant household who lost their land. Hence, a total of 60 displaced household was selected purposely from the three major expansion areas. Data collector who knew the area well was first selected to carry out data collection activities together with the researcher.

4.1 Methods of Data Collection

In order to assess the impacts and prospects of urban expansion on livelihood of farming communities in peri-urban areas of Sebate town, the researcher collected information from primary and secondary data sources. Primarily data were collected through the combination of structured interviews, personal observation and questionnaires. Secondary data were collected from government reports and publication, books, articles, and reports of related institutions.

Survey method is administered to collect information from the target group or those farmers who were displaced from their land for urban land uses mainly for industrial and residential purposes. Survey questionnaires were prepared to acquire data on socio-economic, demographic dynamics, impacts and coping strategies of target households. The survey was administrated at the villages and areas where most farmers have already been dispossessed their land and are likely to be displaced and areas where the number of farmers to be evicted in larger and the problem is more

critical. According to information obtained from the town's municipality and other relevant sectors, there were three major expansion areas in the last few years where large tracts of land were given for industrial and residential purposes. These are Dima, Selam Delati and Furi areas. Therefore, survey questionnaire was administered through face to face interview for a total of 60 displaced house hold in these areas. Both open and close ended questions were included in the questionnaires to capture more information on research gap (Dima, Selam Delati and Furi).

Sometimes a retrospective data collection method was used where respondents were asked to provide present in formation and remember and reconstruct significant events and /or aspects of their assets, strategies and poverty. However, some limitations such as the ability to remember events from the past can interfere with the accuracy of the data.

Key informant interview was also carried out with those individual who have wider concept and idea on the issue. Key individuals from: community leader, Kebele administration, experts from the towns Land Administration and Environmental Protection Office and other relevant regional bureaus such as Oromia Urban planning Institute and Oromia Land administration Environmental Protection Office were interviewed. Hence, a total of 12 key informant interviewers (3 from community leader, (1 from each three expansion areas), 2 from the Sebeta town land administration Environmental Protection Office, 2 from the town Investment office, 3 from Oromia Urban planning Institute and 2 from Oromia Land Administration and Environmental Protection bureau) were carried out. To obtain relevant and sufficient information and to administer key informants around the issue, check list was prepared. The check list prepared includes issues like challenges and opportunities derived from horizontal expansion of the town over the farmer's land, compensation package, involvement of community in the programme and their future perception on the expansion.

4.2 Sampling Frame

The study population includes agriculture based households those displaced from their farm lands and give way for urban land uses. It concentrated on areas and rural villages where major expansions were taken. Hence, a sample of 60 household's heads was purposively selected for the study. The Sampled households were selected from three major expansion areas namely Dima, Selam Delati and Furi.

Table 1.1 Sample Frame work of Target Population

Types of Land- Use	Sample Areas			Total
	Delati	Dima	Furi	
Residential	5	6	10	21
Industrial	15	4	-	19
Flower farm	-	10	5	15
Total	**20**	**25**	**15**	**60**

4.3 Data Analysis

Primarily data collected from sampled household was processed and analyzed by using the Statistical Package for Social Scientists (SPSS). Prior to analysis, completed questionnaires were coded, inputted and organized. A coding system of some variables was already prepared at the time of the questionnaire design. After the completion of coding, all valid questionnaires were inputted in a coherent format of SPSS database. Finally, survey data were interpreted by using descriptive statistics such as frequency distribution, central tendency and cross-tabulation.

During data analysis and interpretation, qualitative and quantitative data were combined in explaining, confirming, refuting and enriching data from one approach to another. Hence, quantitative data gathered by survey were used to determine changes in assets, while qualitative data obtained from informant interviews, and observation and assessment of the researcher were used to explain such changes and identify determinants of change, including adaptive strategies and issues related to urban expansion.

Moreover, secondary data obtained from various data sources were organized and analyzed to compliment the survey results. This includes statistical reports of the central statistical authority, Sebata town Investment office, and the town municipality, and other relevant secondary data sources.

5. Significant of Study

Currently, rapid urbanization phenomenon attracts attention of various policy makers and urban planners at global and national levels. There is a debate among academicians over an impact of current urbanization process. In Ethiopia, there were no satisfactory works on urbanization process and its side effects, particularly on marginalized groups particularly farming communities living on the edge of the cities.

Hence, this study will be concerned with rapid expansion of Sebeta town and its implication on the farming community on peri-urban areas. Therefore, the study is intended to fulfill the gap left by previous studies and supplement the past literature. The study is significant for policy makers, urban planners and researcher as input in planning sustainable city development without threaten marginal groups of people living on periphery.

6. Scope of Study

The study was conducted at peri-urban areas of Sebeta town. The town has been expanding horizontally over the peripheral areas to include lands that were previously under the rural village. With the town's expansion, land use pattern was also changed from agricultural land use to industrial and urban residential purposes. Therefore, the study concentrates on an implication of rapid expansion of the towns and respective land use changes for farming communities who earn their livelihood from farm land. The study covers people located at periphery of the town who previously lost their farm land due to the town expansion and continue to earn their livelihood directly and indirectly from agriculture.

7. Limitation of Study

Challenges in obtaining previously recorded secondary data from the town's municipality; particularly data on land allocation for residential and total number of displaced households who obtained compensation by years has been a major challenge during data collection time. During interview, obtaining staffs in municipal with sufficient know-how and experience on the area was a difficult task. Even, those who interviewed were reluctant to give relevant information due to the serious land administration problems in the area during data collection time.

Moreover, there were challenges to easily obtain displaced households particularly those who encroach in between the town. These households are either completely lose their land and become landless and shift their livelihood to urban mode of life.

8. Organization of the Theses

Chapter one focuses on the statement of the problems which explore the research gap of study area. It also highlights the objective of the research and methodology pursued by researcher in order to attain an objective set. In addition, the challenges faced the researcher in carrying out the research was included in this chapter.

Relevant review literatures, models and conceptual frame work for study are components included in chapter two. Chapter three describes the trends of Sebeta town expansion, factors contribute the expansion, land allotted for urban land use and magnitude of the town expansion. Chapter four present major finding that obtained from sample household survey. Finally, chapter five summaries the main finding of the research and forward the concluding remarks.

CHAPTER TWO

REVIEW LITERATURE

2.1 Urbanization and Urban growth

The world reached a turning point in 2008, for the first time in history that more than half of its human population, 3.3 billion people live in urban areas. Such rapid urban expansion is particularly notable in Africa and Asia where the urban population will double between 200 and 2030. By 2030, the towns and cities of developing countries will make up 81 percent of urban humanity (UN habitat, 2010).

While cities command an increasingly dominant role in the global economy as centers of both production and consumption, rapid urban growth throughout the developing world is seriously outstripping the capacity of most cities to provide adequate services for their citizens. Over the next 30 years, virtually all of the world's population growth is expected to be concentrated in urban areas in the developing world (Cohen, 2006). This growth has a major implication in land use pattern, energy and water consumption as well as socio-economic aspects in household consumption and inequality (GEC, 2009).

The concept of urbanization can be viewed and perceived to mean a lot of thing by different peoples. Most commonly it can be viewed as characteristics of social and economic progress and interaction affecting both population and land use. For instance, physical scientists particularly ecologists define urbanization from stand point of the built-up environment (Haregewoin, 2005). Hence, urbanization has powerful social and physical transformation force throughout the world. It became the driving force for settlement change in periphery area.

Urban growth is basically a combination of three basic processes. First is rural-urban migration: it is a key source of urban growth since the origin of cities. Rural-Urban migration is driven from perceived economic opportunities, insecurity in rural areas, climate or economic problems, etc. Second is Natural increase: this is a combination of increased fertility and decreased mortality rate. Third is Re-classification of land from rural to urban categories: Many cities are rapidly growing into their fringe, engulfing former villages and farm lands and transforming them into urban development (Redman and Jones, 2004).

The rate of natural increase is generally slightly lower in urban than in rural areas. However the principal reason for raising the level of urbanization and city growth are rural-urban migration, geographical expansion of urban areas through annexation and transformation and re-classification of rural village into small urban settlements (Cohen, 2006). On the other hand, the expansion of metropolitan periphery can be caused both by arrival of new migrants and by sub-urbanization of middle class out of central city. The relative importance of each of various causes of urbanization and sub-urbanization varies both within and between different regions and countries (ibid).

If well managed, city offer important opportunities for economic and social development. They are centers of economic growth, innovation, and employment. Cities provide large efficiency benefits, which result in unprecedented gain in productivity and competiveness. They are the centre of knowledge, innovation and specialization of production and services. High concentrations of peoples in cities generate more opportunities for interaction and communication, promotes creative thinking, creates knowledge spillovers and develops new idea and technologies (UNHABITAT, 2008). Nevertheless, as cities grow, managing them becomes increasingly complex. Particularly, the speed and sheer of scale of urban transformation in developing countries presents formidable challenges on surrounding environment, natural resources, health conditions, social cohesion and individual right (Cohen,2006).

The degree as well as type of urbanization in developed and developing countries are contrast sharply. Rapid urbanization is being observed in less developed countries resulted in out ward expansion of urban centers toward the countryside; a phenomenon usually referred to as urban sprawl. This phenomenon occurred at the expense of prime agricultural land (Ermias, 2009). Unlike the developed world where urbanization process trigged by industrialization, the urbanization process in developing countries is characterized by demographic changes such as rapid natural population growth and rural-urban migration, which in turn stimulate by urban growth. Poor African countries are not often capable of managing rapid urban growth. Planning, land allocation, infrastructure and service are inadequate to cope up such situation. As a result, an increasing part of urban population lives in unplanned, often illegal, shanty-towns with limited access to basic needs and with environmental condition that threaten health (UN HABITAT, 2010).

Ethiopia is characterized by low level of urbanization even by African standard, where only 16% of populations live in urban area. Despite this, it has recorded a relatively high growth rate of urban population (4% annually), double that of rural areas (Teller and Assefa, 2010). The growth of cities presents enormous challenges as well as opportunities for the nation. With little or no industry and manufacturing in rural areas, urban centers are the main areas for non-agricultural production in Ethiopia. However, urban centers in Ethiopia are characterized by massive housing problem around 70-90% of urban population are living in sub-standard housing, low economic activities, growing population, inadequate upgrading, etc. To reduce the problem the government has implemented the project, Integrated Housing Development Programme (IHDP) where houses are constructed by low cost for medium and low income groups. The goal is to reduce the proportion of slum-dwellers by 50% by 2010 (UN habitat, 2008).

2.2 Defining Peri-urban Interface

A number of alternative terms have been used to describe the geographical area termed as peri-urban. These are: the urban fringe, the periphery, inner rural and rural commuting zone (Mandere, 2010). They further describe it as an area adjacent to built up areas of high population concentration (that is urban) and zone where traditional farming activities come into conflict with alternative economic, residential and recreational interest. Others (Maconachie and Binns, 2006) define peri-urban areas in context of Africa as an area with great dynamism and competition for basic resources and characterize with a "blurring" between rural and urban. Peri-urban interface refers to the urban fringe and geographic edge of cities which play an important role as a physical place for the movement of goods and services and a transition place from rural to urban context.

The STEPS working paper 35 published in 2009, entitled as 'on the edge of sustainability: Perspective on Peri-urban dynamics' characterized peri-urban areas as " an area characterized by high and often increasing population density, small land holdings, rich country side homes, poor slums, diverse source of income, lack of regulation, contested land tenure rights, uncoordinated conversion of farm land to housing, pollution, environmental problems, intensified resource exploitation, considerable economic dynamisms and severe lack of service provision" (STEPS, 2009:3). Moreover, proximity to the city, rural values and tradition, proximity to high ways,

industrial development, commercialization, urban 'vices' and changing agricultural practices are all the features of peri-urban zones.

Strategic Environmental Planning and Management for the Peri-urban Interface Research Project by DFID, 2009 use some general principle or approaches that can be followed in order to conceptualize 'peri-urban interface'. These are

The PUI as the periphery of the city: this is the common definition used in most literatures. It implies that the peri-urban interface comprises the area surrounding the city in the process of being urbanized. Proximity to urban areas and lack of urban attributes, such as urban infrastructures are the underlying criteria to define the PUI.

The PUI as a socio-economic system: This approach move away the conceptualization of PUI from its physical feature and focus on its socio-economic characteristics. Peri-urban communities are those which have dual urban-rural orientation in social and economic terms. Peri-urban areas are areas of rapid social change, in which rural settlements adjust socially to urban influence, both opportunities and threats and the existing population are added to by in migrants from either the inner city or other parts of the country. Peri-urban communities are usually assumed as socially and economically disadvantaged and often engaged in informal and agricultural activities.

The PUI as the interaction of Rural-Urban flow: This approach attempts to explain peri-urban interface by looking at the dynamics of rural-urban links and flows at regional level. Peri-urban interface are assumed to be areas where urban-rural linkages, changes and conflict (economic, social, and environmental) are most intense. The definition focuses on 'process rather than 'state' and seem to be more appropriate to deal with the shifting nature of PUI, considering the broad and multidimensional process affecting changes there. Rural-urban linkages and flows related to social, economic, and political factors rather than place (DFID, 2009).

2.3 Driving Forces for Urbanization and Changes Peri-urban area

Economic, legal, and private sectors participation are forces that derive urbanization and change in settlement pattern on peri-urban zones. Each of these forces can either positively or negatively influence the livelihood of farmers in peri-urban area. The intervention of central government was considered as the primarily factor for expansion of peri-urban Bangkok (Jonkory, 2009).

According to this study, the intervention of central government for instance through public policy such as large scale infrastructure development which aims to reduce congestion in inner zone of metropolis is the primary driving force for the growth of peri-urban zone. Due to government intervention by installation of large scale infrastructure to increase the supply of serviced land and accommodate urban growth, the demand for new economic activities was raised. Accordingly, large parts of predominantly agricultural lands have therefore converted to residential, commercial, industrial and other urban land uses. The land conversion influences the change of economic base of the peri-urban areas.

Various factors are contributed in rapid change in peri-urban areas. However the pattern and pace of change in developed and developing countries are quite different. The main deriving forces in Europe and America are: re-distribution of companies in peri-urban areas with relatively cheap land price, more activities of research and development located in the areas with beautiful scenery and environment, and demand of low density residential lands leads to sprawl towards peri-urban areas. On the other hand, the factors that lead to peri-urbanization in East Asian countries were foreign direct investment, easily availability of cheap labor force and development of residential houses with cheap land prices (*Yuan H. et al.*, 2008).

According to DFDI project 1999, the economic, social, political and environmental changes taken place on peri-urban areas are increasingly shaped by the process of territorial specialization encouraged by globalization. At the same time it also determines the condition of competitiveness, equity, and sustainability. However, this is not the case in the process of urbanization in countries of south. Rapid urbanization in many of Asia, Africa, and Latin America has been historically characterized by weak relationship between development urban system, their hinterland, and their insertion in modernization process. In contrast, experiencing high levels of urbanization and economic growth is often accompanied by uneven distribution with urban regions and at the expense of increasing environmental costs and threat the long term sustainability of the region.

Different process characterizes the emergence and transformation of peri-urban areas, demanding context specific approach. For instance, in Latin America during 1950s and 60s, the migration flow from the country side to urban areas resulted a great imbalance on their carrying both in terms of natural resources and physical infrastructure. Since then, the expansion of urban

areas over natural resources and agro productive system has been characteristic process which has resulted in emergence of new landscapes with mixed urban and rural features.

On the other hand, the process of social and environmental changes taking place in the peri-urban is determined by the complex rural-urban interaction and flows of people, goods, income, capital, natural resources and wastes. The flows can be either urban or rural oriented and driven by factors and decision at different levels. For example, migration to the peri-urban interface might be promoted by high population densities in rural areas, shortage of cultivated land, declining soil fertility, increasing commercialization of agricultural land markets, inequitable land ownership patterns and exploitative land lord-tenants relations as well as government support for cash crops. Although these are rural problems, decreasing opportunities in rural areas can be largely the result of commercialization of crop production driven by city based demand (ibid).

In summary, the use of environmental resources and ecological services in peri-urban interface might be shaped or reshaped by:

- *Local conditions*: For instance the competition between urban development and agriculture for land or increasing pressure of extractive activities as a response to the city demand for building materials.
- *Regional and national condition:* promotion of industrialization and
- *International condition:* the fall price of export crops increasing the migration of impoverished farmers from rural areas to the peri-urban interface in search of alternative livelihood (Jongkroy, 2009).

On the other hand, DFID Peri-urban research project summarizes the following major factors considered in changing land-use on peri-urban interface. These are:

- In migration of rural poor who settle in the peri-urban interface
- Urban poor moving towards the outskirts where rents and land prices are lower
- Land speculation
- Industrial location policies: the studies Mandizles and Huli-Dharward indicates that regional strategies aiming at decentralization of industrial development from the main urban centers to protect the pollution and nuisance play a great role in the process of land

conversion. This process has implication for poverty and access to healthy, safe and productive environment (DFID, 2009).

2.4 Land Use Changes and its Impact on Livelihood of Farming Community in Peri-urban Area

Rapid urbanization process is demanding a transformation of land use in surrounding rural area to cater the needs of urban areas (DFID, 2000). Land is the primary asset that can be affected by intense pressures of land conversion process in peri-urban areas. Changes in land use from rural to urban activities affects the physical form of environment as well as economic and social features of peri-urban interface (DFID 1999).

The agricultural land is an important source of new land for industry and service sectors. In most cases, particularly in developing countries, some negative consequences that come with land conversion and displacement is not critically considered. Yet, it can have adverse effects on displaced households in terms of livelihood disruption, and social and cultural consequences (Phuong, 2009).

Administration body of developing countries cities expropriates peasant agricultural land by appropriation of minimum compensation. The compensation given for land and removed asset is not valued based up on the market value. That means in most developing countries, the compensation given is valued based on the legal price called 'state price' in that the price is fixed by the government body which resulted very low compensation (Phuong, 2009). On the other hand, the money received as compensation spends quickly on unplanned expenditure and unproductive goods such as consumer able goods (Fayera, 2005). Moreover, lack of education and skill training prohibit them to obtain non- agricultural jobs especially middle age and older people. In sum, loss of land is equivalent to loss of livelihood (Phuong, 2009)

Basically, poor people living in peri-urban interface develop multi-stranded, risk reducing livelihood Portfolio that enables them to cope with the changes within interface. However, factors such as lack of education, skills and means to access credit facilities to start new income generating activities limit the poor in peri-urban interface. Therefore, the poor usually engage in low paid casual employment, petty trading and other low return activities (DFID, 2008).

Research finding on peri-urban Nyhururu, Kenya indicated that agriculture is still one of the predominant economic sectors in the area although its economic significance is declining. According to this finding, the reason for declining economic importance of agriculture sector is due to (1) reduction of agricultural land holding size (2) low returns from investments in agriculture mainly due to declining per unit area and high cost of agricultural input coupled with low market prices for the output. In this area due to sale of part of the household land to new developers and land bequests, land available for agriculture has declined rapidly (Mandere et al., 2010).

Due to the decline in economic conditions of agriculture, farming community are not solely based their livelihood on subsistence agriculture. Hence, many farm families have sought alternative pathway of farm development. One alternative pathway is diversification of agricultural production such as adopting new types of crops/ livestock and increasing focus on quality products in response to market demand as survival strategy (short food supply chain) (Busck et alt., 2006). In addition, farmers have shifted from traditional extensive agriculture towards more intensive agricultural farm practice (Mandere et al., 2010).

However, majority of farmers on area lack sufficient land and resources to purchase all the production input necessary in order to effectively exploit the possibilities offered by the proximity to urban markets. In most cases, the process of land conversion plays a key role in transfer of resources (land and financial) from poorer farmer to the richer groups such as larger farmer, developer, speculator, and other people (DFDI, 2009).

Hence, urbanization disproportionately affects the livelihood of poor people by diminishing the natural resources available to them. The rapid conversion of land for non-agricultural purpose is threatening the dominant agricultural activities that are the main source of livelihood for people who reside in the peri-urban areas (Ampong et al., 2005).

However, planned and sustainable peri-urban development comes up with various opportunities which enhance to reduce poverty. Due to expansion of the business and market centers, infrastructure such as electricity, roads, telephone services, new schools and health centers are easily access by local people (Mandere et al., 2010). These all created new employment opportunities and thereby increase immigration to the city. Particularly, road is the main factors that increase the probability for peri-urban community to engage in business and thereby

increase the possibility to increase their income. However, the socio-economic opportunities available on peri-urban areas are determined and depend on the level the type of developers involved and their initiatives. Hence, the processes of peri-urban development that accomplish a reduction in poverty for household in turn depend on the level of infrastructure and availability of high productive jobs opportunity. This in turn depends on the government policy and private developers who will be attracted to the region (ibid).

2.5 Dynamic Complexity of Rural-Urban Interaction and Adaptation Pursued by Peri-Urban Farmers

Generally peri-urban areas of developing countries are characterized by high incidence of poverty. This is because low income populations have been attracted to the periphery by inexpensive, but mostly illegal land for housing (Martinez, 2007). However, most of peri-urban poor are low income groups who are originally resided in the area before the urban encroachment and have rural back ground. Some of these groups depend to some degree on agricultural livelihood to make a living. These groups of people referred as 'Campesion' by various literatures. These communities are very vulnerable to the urban growth, since the expansion of population puts pressures on their agricultural land which they depend most for agricultural production.

The interactions of rural and urban assets determine community in peri-urban areas to build or enhance in adapting various livelihood strategies and fulfill their needs. In some instances, these interactions will be mutually supportive and reinforcing to increase access to the multiple assets necessary to satisfy the basic needs of individuals/households. There are other cases, however, where interactions present conflicts and access to assets is decreased.

The concept of vulnerability focuses on a mutually reinforcing process in which vulnerability is not only a cause but also an effect of poverty. There are two aspect of vulnerability by which most literatures used. These are external and internal. The external side of vulnerability corresponds to changes in the environment while the internal side refers to the capability of individuals, households and communities to adapt, which is defined by access to different assets (ibid).

External side of vulnerability

External side of vulnerability refers to environmental changes increase, reduce or perpetuate poverty over time. Environmental changes include ecological, economic, social or political; all of them take the form of sudden shocks, trends and seasonal cycles, over which poor people have no control (Martinez, 2007.

Although it is difficult to conclude that all environmental changes bring negative consequence to poor individual, rapid changes occurred by physical setting in peri-urban areas often affect the resource available for the poor and hence their livelihood. In peri-urban settings, the main sources of external vulnerabilities are the rural-urban interactions or linkages that provoke socio-demographic, economic, physical, environmental and political organisational transformations in the peri-urban interface. Such transformations burden the poor because they affect their capital assets.

As shown in the table 2.1, one of the vulnerabilities common in peri-urban areas, and provoked by economic transformations, is the increase of cash dependency. Hence, labour and cash income become more relevant among the peri-urban poor as cash dependency increases. Farmers become more reliant on casual works, or informal sector trading and service occupation. However, these sectors lack sufficient absorptive capacity in relation to the increase in the number of potential employees. In addition, as dependency on cash income increases and multiple employment opportunities appear, more members of poor households tend to engage in jobs, leaving school earlier, compromising the asset base in the long terms.

Physical transformations such as conversion of agricultural land to urban land use increase the extent of vulnerability of the poor which contributes to land fragmentation and soil erosion. Due to reduction of farm land, most farmers use of fertilizers and pesticides to boost their produce. However, this practice has a long term effects on productivity, which leads to reduce land fertility, increasing soil contamination, decreasing the safety of food products, reducing productivity and food security and, finally, reducing the potential of agriculture as a livelihood for the peri-urban poor.

Social capital in peri-urban areas tends to be affected by conflicts in access and use of land. Existence of heterogeneous populations leads to the erosion of traditional authority and

community structures and weakening of social networks. Finally, environmental hazards such as air, soil and water pollutions are common problems in peri-urban areas. As pointed out in the table 2.1, urbanization, industrialization and vehicular traffic pollute the air, affecting not only crop yields, but also health, soil and fore.

In addition, water depletion and pollution is the most common feature of this area. The increased demands of water for domestic, agricultural and industrial activities usually decrease ground water levels, provoking shortages in water supply and conflicts between settlers for water use and preferences. Water pollution is another problems caused by the lack of sewerage systems and lack of control over industrial discharge in peri-urban areas (ibid).

Internal side of vulnerability (Internal adaptation)

The internal side of vulnerability is intended to capture not only the ownership of assets, but also the ability of individuals, households and communities to mobilize them and manage them in the face of hardship. Poor individual/communities are not always passive to change. They search various types of adaptation strategies to mitigate minimize risks. Livelihood adaptation has been defined as the "*dynamic process of constant changes to livelihoods which either enhance existing security and wealth or try to reduce vulnerability and poverty*" (Davies and Hossain; 1997).

Assets and capabilities play a critical role in the selection of positive adaptive strategies for most of poor people. The more assets and capabilities the poor own, the more options available for them in selecting appropriate livelihood strategies and less vulnerable they are and vice versa(Martinez, 2007).

Table 2.1 **External vulnerabilities common among the poor in peri-urban areas**

RURAL-URBAN LINKAGES		External Vulnerability	Capital asset affected
People Goods and services Environmental resources Manufacture and imported goods Information Money Wastes	Economic transformation	Cash dependency increase. Thus, farmers tend to rely increasingly on casual work, informal sector trading and service occupations. Salaries are low and employment is not secure.	Off-farm Cash income
		As cash dependency increases, more members of households leave school to engage in economic activities	Formal education Informal social networks (kinship)
	Physical transformation	Land is either converted to new developments, becomes smaller in area or soil is degraded.	Agricultural land Food security
		Illegal housing is common. Provision of infrastructure and services is a problem due mainly to location and cost.	Public and private basic services and housing
	Socio-demographic transformations	Health is affected due to higher levels of pollutants in the environment.	Health
		Social relationships in peri-urban areas tend to be conflictive in access and use of land and livelihoods. Social networks also tend to weaken	Informal and formal networks
	Natural environment transformations	Air pollution is a common problem in peri-urban areas, due to the high increase of vehicles and industries affecting not only crop yields, but also the health of farmers	Air Water Soil
		The high use of pesticides in agricultural land and high levels of pollution in sources of water reduce soil fertility, increase soil contamination, decrease the safety of food products, reduce productivity.	Food security
	Political/organizational	Peri-urban areas usually have different jurisdiction, increasing inequality among residents.	Infrastructure Formal and informal social networks

Adapted from Martnez, 2007: ***Understanding the nature of poverty in peri-urban areas***

The 2.2 shows that households in peri-urban settings implement adaptive strategies by combining the rural and urban assets they control in order to pursue their priorities. In pursuing priorities, some strategies are adopted by necessity rather than choice. These strategies may increase the asset base and security of all members of the household in the long-term, but possibly increase vulnerability and poverty in the short term (for example sending children to school, subsistence agricultural production, or medical treatment). Conversely, other adaptive strategies may have benefits in the short term but, in the long term, undermine the asset base or not always benefit all members of the household or society (for example withdrawing children from school, activities that undermine the health of people, or activities that impact negatively on the environment) (ibid).

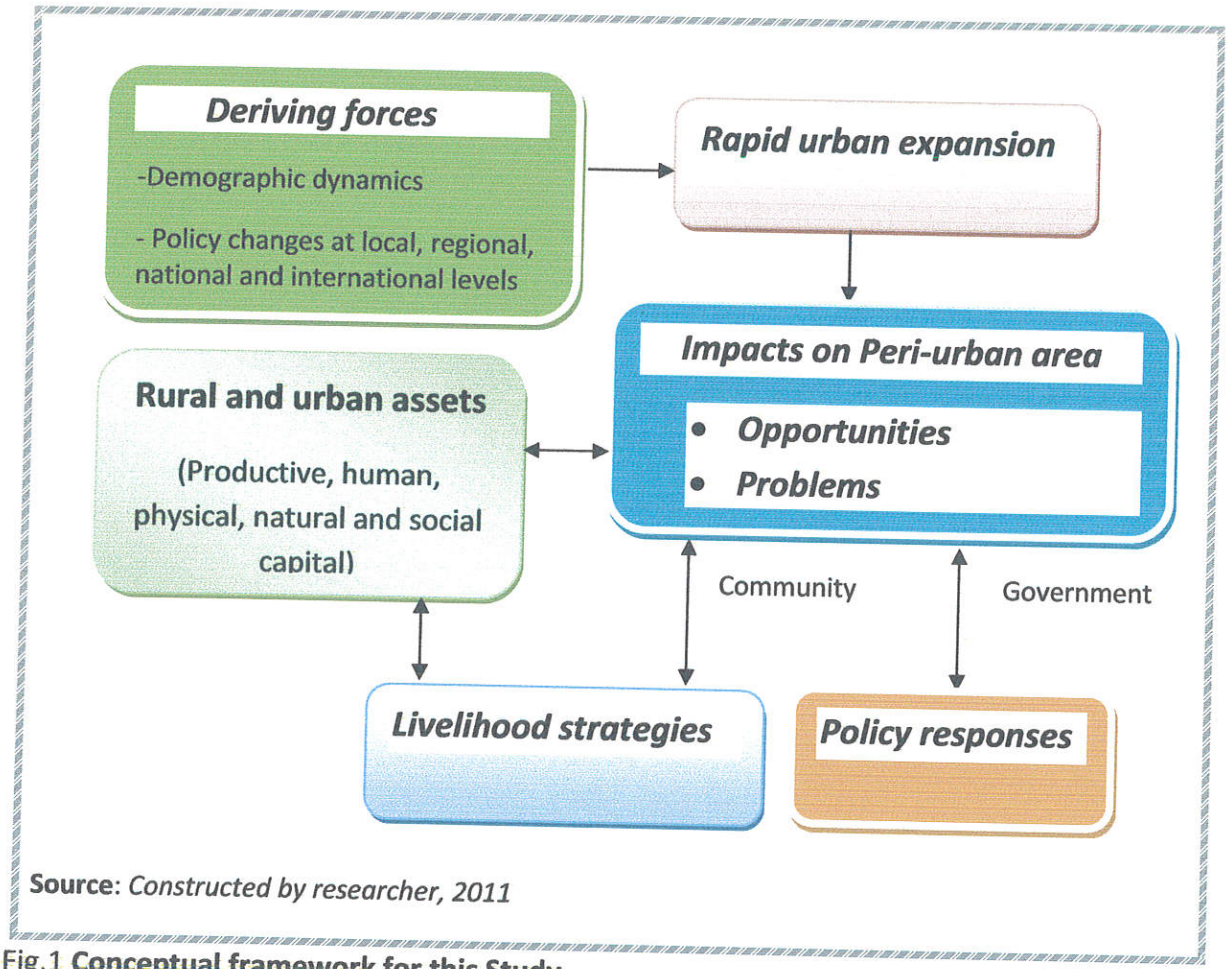
Table 2.2 some strategies used by the poor in peri-urban areas

	Examples of priorities	Some strategies used by the poor	Assets implicated
	Raising and securing income	•Dual labour market • Increasing number of working members in the household in the formal and informal sector • Increase working hours • Commercialisation of agricultural and animal production • Animal and agricultural intensification • Intensification of agricultural technology • Renting parcels • Renting accommodation • Home based enterprises	Human capital (education, skills and health) Rural assets (land, infrastructure, animals, land) and cash Land and household infrastructure including house, water, electricity
	Lowering expenditures	• Creation of semi-informal or informal enterprises for collection of household waste, recycling, composting • Withdrawing children from school • People remain ill	Labour (women), social and productive capitals Human capital
	Education	Keeping children at school	Social and productive capitals
	Investing in infrastructure	Family cohesion to obtain infrastructure Accommodation for extended family Buying illegal land for housing	Social capital Productive capital
	Social cooperation	Local community organization Moral support Intensification of social networks	Labour and social capitals

Adapted from Martnez, 2007: ***Understanding the nature of poverty in peri-urban areas***

2.6 Conceptual Frame Work

The following conceptual frame work illustrates five interrelated elements that interacts each other to determine the livelihood of community living in peri-urban areas. Rapid urban expansion driven by forces at local, regional, national and international level brings either problems or opportunities for farming communities on peri-urban areas. To cope up with these changes, communities pursue various livelihood strategies and government can take various policy responses to mitigate the problems. *In line with this framework, the study assessed an impact of rapid expansion of Sebeta town and its impacts on the livelihood of farmers* living in periphery.



Source: *Constructed by researcher, 2011*

Fig.1 **Conceptual framework for this Study**

Urban growth: Absolute increase in the physical size and total population of urban areas (**Martínez**, 2007).

Deriving forces: Various forces at local, regional, national and international level are considered for the horizontal expansion of city over the surrounding peri-urban areas. For instance, the intervention of central government through public policy such as large scale infrastructure development which aims to reduce congestion in inner zone of metropolis is the primary driving force for the growth of peri-urban zone (Jongkroy, 2009).

The other forces include population growth, technology and change in institutions (political, markets, culture, and social), and land laws determine the changes on peri-urban area. On the other hand, change driven by national and international conditions such as promotion of industrialization and falling the price of export crops factors contribute the changes in peri-urban areas (DFID, 2000).

Impacts: the pressure driven by change in land use over peri-urban interface results severe loss of agricultural land. The study finding from Saharanpur City, India indicated that a total estimated loss of food grain production due to urban expansion on area was about 50,490 quintals between 1988 and 1998. The city was expanding by about 168 hectares annually. This again affects the poor more than others, because agricultural production tends to be an important factor in their livelihood (*Shahab Fazal, 2000*).

The horizontal expansion of the cities on urban interface results an environmental damage on the area. According to the study from Ghana, the land around the old villages in peri-urban area of Accra which previously covered with forest was cleared by local community members for agricultural purposes ,firewood harvesting and later by new comers who acquired land for residential purposes (Yankson and Gough, 1999). On the other hand, the toxic fluids coming from industries at peri-urban area causes water pollution which harms health condition of human, plant, animal living on area.

However, planned and sustainable peri-urban development comes up with various opportunities which enhance to reduce poverty. As various commercial and industrial activities established in the area, local communities may engage in employing and earning income to improve their livelihood. In addition, expansion of infrastructures particularly road benefits local community to sell their produce with sound price. On the other hand, existence big investors on the area sometimes support local community in improving infrastructure and social service development. However, the possibility of peri-urban development to create socio economic opportunities and

hence reduce poverty is depend on infrastructure development, types of developers involved and government policy (Mandere et al., 2010)

Capital assets: These consist of tangible and intangible capital assets farmers use to satisfy their basic needs. Human, productive (Economic), physical, social and natural capital consider to be an asset needed in building individual's livelihood (**Martínez**, 2007).

Livelihood strategies: People living on peri-urban area develop a multi-strand, risk reducing livelihood portfolio to come with the changes in the interface. For instance, the people on the peri-urban area of Nyuhururu, Kenya shifted from extensive to intensive farming practice in response to declining agricultural land. Previously, a fallow system was practiced where crop land was rotated with grazing field, a practice that optimizes soil nutrient utilization and regeneration. With reduction in farm lands, fallow system has largely abandoned and shifted to intensive system where crops are grown in the same piece of land year after year (Mandere et al., 2010).

On the other hand, decline in agricultural land triggers peri-urban farmers to produce high value crops in response to urban market. In addition, some families often diversify their livelihood by engaging in various forms of off-farm activities available in the area. However, lack of education, skills and means to access to credit facilities are factors that limit the opportunities of the poor on the peri-urban to start new income generating activities. Therefore, the poor are generally engage in low paid casual employment, petty trading and little returns from farming activities (DFDI, 2008).

Policy Responses: In response to urban expansion over the peripheral area, government can take various measures to mitigate the problem. Government provides benefit packages such as cash compensation and deferent skill development trainings for those who evicted (people on peri-urban area who displaced and loss their farm lands due urban expansion).

Enhanced skill development for the people on interface to engage in establishment of cottage industries is a key role to improve their livelihood and economic status. It is oblivious that most people on peri-urban areas are engaged in informal sectors such as petty trading, daily labor, carpets and other construction activities. Therefore, skill development and trainings on this sector increase productivity, quality, diversity and occupational safety and hence, lead to reduces poverty (DFDI, 2008).

CHAPTER THREE

EXPANSION OF SEBETA TOWN AND FACTORS THAT CONTRIBUTED

3.1 Description of Study Area

Sebeta town is situated on a fertile area known for natural resources. The area is surrounded by different chain of hills and mountains like Wachacha, Hoche and seasonal marshy plains including Furi-Gara-Bello, Gejja Ballachis and Jammo(OUPI, 2008).

Sebata is the capital town of Sebata Awas Woreda located in Special Central Zone Surounding Finfinne of Oromia Regional State. It is situated at 24km west of Addis Ababa along Jimma road. Sebata town is located within approximate geographical coordinates of $8^0$53'58.50''N_$8^0$59'58.17''N latitude and $38^0$35'11.91E_$38^0$39'33.75E longitude. With regard to relative location, it shares common boundaries with Addis Ababa in North, North east and east, Burayu town in the north, and rural villages of Sebata Awas district to the south and west (ibid). The total area that is covered by the current topographic map of the town is estimated to be 7.41 sq Km (CSA, 2010).

The town has five Kebeles which includes Sebeta (01), Alemgena(02), Walete(03), Furi(04) and Dima(05). The population and housing census of CSA of 2010 estimated the total population of Sebata town to be 61,461. However, the report obtained from Sebata town Finance and Economic Development Office indicate that the total population of the town and rural village administrated under municipality is 114,674 (FEDO, 2011).

3.2 Historical background of Sebate Town

The present Sebata town encompasses three major neighborhood entities; Sebeta 01, Alemgena, and Walate that were previously developed as separate centers, even though Alamgena and Walate did not have municipality of their own. However, they are highly interconnected through socio-economic activities and administrative structure (OUPI, 2008).

Therefore, since the town encompasses three centers that developed separately, understanding of the towns' history requires looking each of them separately. Sebata 01 emerged as a town before

invasion of Italian in 1935. Its foundation can be traced back to Menelik period. Menelik II attracted by the areas fertility, cool and attractive climate when he took rest while returning back from the Walaita campaign in 1894. Hence, he made a temporary encampment at the place called 'Qarsa Ana' and finally obtained a plot of land from local leader. On the other hand, an established a Liquor factory around Sebata area by Turksh people paved the way and the base for emerge Sebata town (ibid).

The construction of a palace around 1942 was also another event which marked the development of the area into the town. For the construction of this palace Haile Sillassie dislocated local people called 'Wara Fatu'. Mean while the palace become transformed to Nunnery (Sebata Getsemany Betedengel Tebabat) in 1960 by Etege Menen Asfew, the wife of Emperior H/Sillassie for this service. Sebeta got municipal status in 1953/4. It was after that period that the town began to serve as a seat of Alemgena district. Prior to that period the seat of Alemgena district was Alemgena town(OUPI, 2008).

Alamgena also emerged as a separate settlement just before the Italian occupation. During Italian occupation (1936-41), Alamgena took more urban character as a result of occupying Italian force in the area and hosted as a truck repair shop. This became a base for the Imperial Road Authority Trainning Center which was established in 1956. Hence, this village town has been chosen as a district seat even after the time of liberation until Sebata took this position at the end of 1950th.

Walate was a rural peasant settlement area with small scale commercial transactions all through the 1950s, 1960s and 1970s as the area is very close to Addis Ababa and nearby the main road from Jimma to the capital (OUPI, 2008). It was under the administration of Managesha Awraja, Alemgana district. The development of settlement gradually made the area a centre of the villages called Karabu, Qorke and Raphi. During the revolutionary period it began to take a sub-urban character and intensive settlements took place. Since in 1990s, Walate has characterized as a full-fledged urban area that is part of Sebata town (ibid).

3.3 Factors contributes for the towns' Expansion

3.3.1 Demographic factors

Growth of urban population is determined by several factors which includes increasing tendency towards natural demographic growth of urban population, the migratory movements from more

or less remote areas towards the cities, the development of small rural towns into the status of urban centers and finally the absorption of rural settlement on the edge of growing towns (WORLD HABITAT, 1996).

Natural increase due to the combination of increased fertility and decreased mortality is probably the greatest numeric to urban growth. Hence, global life expectance during the last 50 years increases from 46 to 66 reflects a major reduction in infant mortality and extension of the normal life span. However, in cities where more female are educated and enter the work force the fertility rate is decreasing which balance this figure.

On the other hand, migration motivated by perceived economic opportunities, economic or climatic problems in country side, political program of resettlement, and perceived excitement of city life has been the key sources of urban growth. In addition, reclassification of land from rural to urban is also a real process of urbanization. Many cities are rapidly growing at their fringes, engulfing former villages and farm lands, transforming them into dense, industrial areas, shanty towns or less-dense suburban developments (PERNC, 2004).

Urbanization and urban growth in Ethiopia was dominated by primate city development. It is a situation where the capital city dominates other centers in terms of population size and attracting people for various reasons. For instance, in1994 Population and Housing Census indicate that Addis Ababa has 28.4 percent of the national urban population and is twelve times larger than the second largest city, Dire Dawa (Feyere, 2005). Although Addis Ababa is still the primate city, its functional primacy is diminishing in recent years. Addis Ababa's relative decline in primacy could be attributed to the emergence of regional capitals as competitors (Teller and Assefa, 2012). For instance in 2007 Population and Housing Census, Addis Ababa takes a share of 22.9 of total urban population of the country and is eight times larger than the second largest city, Dire Dawa.

On the other hand, many small towns are registering faster growth rates than medium-sized towns, and both are witnessing a much faster increase than Addis Ababa (ibid). Particularly those towns located in Oromia Special Zone Surrounding Addis Ababa which includes Burrayu, L/Tafo, Sululta, Dukem, Sebate, Sendefa, Holeta, and Galen are growing tremendously in terms of population and physical size. Hence these eight towns accounted **228,420** population sizes by

themselves. Generally, three factors; **natural increase, net migration and reclassification** contributed for the population increase where net migration takes a lion share **(BoFED, 2010).**

Table 3.1 Total urban Population projection of OSZSF (2007 – 2015)

Name	2007	2008	2009	2010	2011	2012	2013	2014	2015
Burayu	63,873	66,526	69,293	72,180	75,191	78,333	81,610	85,030	88,598
L/tafo /Town/	0	0	12,686	13,270	13,880	14,518	15,186	15,885	16,616
Sululta-/town	12,452	13,025	13,624	14,251	14,906	15,592	16,309	17,059	17,844
Dukem Town	6,669	6,976	7,297	7,632	7,983	8,351	8,735	9,137	9,557
Sebeta/Town/	56,131	58,713	61,414	64,239	67,194	70,285	73,518	76,900	80,437
Sendafa/Town/	10,750	11,245	11,762	12,303	12,869	13,461	14,080	14,728	15,405
Holeta Town	30,823	32,112	33,456	34,859	36,323	37,850	39,444	41,107	42,842
Galaan	-	0	9,260	9,686	10,132	10,598	11,085	11,595	12,128
Total				**228,420**					

Source: Oromia Bureau of Finance and Economic Development, 2010

Sebata town is one of these towns showing tremendous expansion in terms of population and physical size. The population and housing census conducted by Central Stastical Authority and the report obtained from Sebata town administration office considered here to show the trend of the population size of the town. In 1994 population and housing census, the total population of Sebata town was 14,076(OUPI, 2008) and the 2007 population and housing census indicated that the population size of the town was 56,131. Based on 2007 figure, CSA estimated the population of the town in 2010 is 61,461(CSA, 2010).

However, the data from the Sebeta town Finance and Economic development Office indicates that population size of town and rural villages recently administrated under the municipality of town is 114,674. Between 1984 and 1994 the population size of the town was growing on the average by 4.11 percent per annum while during 1994- 2007 the growth rate has increase to 4.8 percent per annum. This rate further increased to 5.6 per annum during 2007/2008 (OUPI, 2008).

Accordingly, on the bases of the current growth, it can be possible to compute the doubling time of the population of the town and compare and contrast with the national overall doubling time.

Doubling time(t)= 70/r

Where, r=annual growth rate, and

70= the constant number through exponential progression

Hence, the doubling year of Sebeta town (t) =70/5.6= 12.5 year. This indicates that the population of the town doubles itself in every 12.5 years which is relatively high with the country's figure of doubling time which is 24 years.

With regard to migration, ***there is serious in and out - migration, whereby in - migration outshining out - migration.*** This is mainly due to the construction and establishment of new industries and residential houses. Many people came as daily laborers from the surrounding rural areas and others as employees for these newly established businesses and for residence. Nearness to the capital Addis Ababa also facilitated to settle there for business and residence (BoFED, 2010).

The report produced by CSA present only inward movements of population while it is necessarily to have both inward and outward movements as it is the balance of these two movements that would show us the influence of migration on population size.

Table 3.2: Net Migration of the Sebeta town

Sex	Non-migrants	Migrants	Total population	Percentage of migrant population
Both sexes	27,862	27,566	56,131	49.1
Male	13578	13,578	27,862	48.7
Female	13988	13,988	28,269	49.5

Source: Computed from CSA, 2007 census report

According to the report from 2007 CSA, large number of residence of the town are migrant who either move from the rural areas or nearer Addis Ababa and other towns. Accordingly, as indicated in the above table, out of the total population of the town, migrants accounted almost near to half (49.1 %) and most of them are migrated from urban areas 59.1% (CSA, 2007). This

indicates that the town has various pull factors which includes the fast growing of industrial expansion, development and expansion of social services, good policy direction over access to land plots, and other factors contributes for exacerbating high migration to the town. Moreover, push factors of Addis Ababa, mainly high demand and low supply of urban land has resulted increase the magnitude of migration (OUPI, 2008).

On the other hand, reclassification where horizontal expansion of the town made encroachment of rural villages into urban settlement contributes in increasing of the population of the town Horizontal expansion of the town during the last few years contributed encroachment rural villages and made to administer under the town municipally. For instance, from 2007 onwards the total population of rural villages that come under the town administration is 37,452.

Table 3.3 Population of rural villages recently engulfed by the town, 2007 census

Name	**Both sex**	**Male**	**Female**	**Household size**
Jemo	4,147	2,057	2,090	838
Kerabu Harbu	11,677	5,841	5,836	3,001
Dima Guranda	3,265	1,655	1,610	737
Korke	7,939	4,321	3,618	1,962
Roge Atebela	6,448	3,253	3,195	1,450
Daleti	3,976	2,026	1,950	863
Total	**37,452**	**19,153**	**18,299**	**8,851**

Source: Computed from CSA, 2007

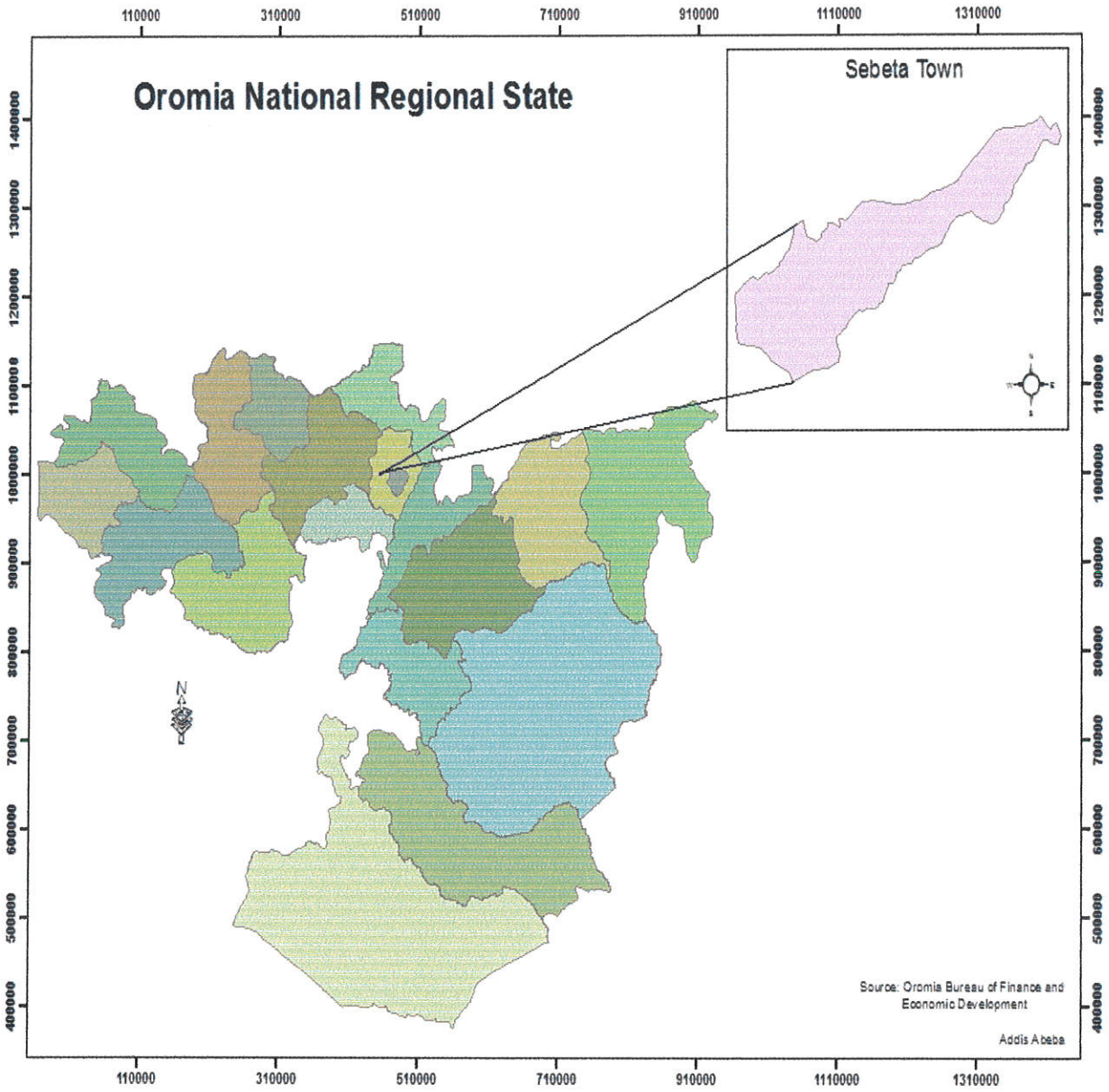


Fig. 2 Map of Study Area

3.3.2 Physical Expansion

During the last few years, the town was expanded towards an already vacant land and peasant agricultural land holdings. The vacant pocket areas were found within the municipal boundary, mainly in the west and southwest parts of the town. These areas include different open grazing and eucalyptus tree areas along the road to Jimma especially between Welete and Alemgena, Alemgena and Sebata, and Sebata and Dima areas.

On the other hand, expansion areas that were already under the holding of farming community includes: areas along Buta Jira road called Daleti, open spaces found in the West (east of Furi mountain), south west (along Sebata and Dima river catchment areas), and North West of Dima rural village direction (OUPI, 2008). For instance, in 1994 population and housing census, the total area that covered by topographic map of the town was 2.1 sq Km (OBoFD, 2010). Due to horizontal expansion of the town, this figure becomes more than tripled and the total area that is covered by current topographic map of the town increased to 7.41 sq Km (CSA, 2010).

The main feature for the physical expansion of the town is contributed by its high potential in attracting investment in area. The investment attraction potentials of the town include:

- Its proximity to national market and potential land that attracts potential investors
- Easy access to infrastructure such as roads, electricity, etc
- Minerals identified from the existence of many quarry sites in and around the town
- Its land escape to create attractive recreation area
- Expectation of future expansion of the town, etc

Moreover, cheap land lease price combined with proximity to the national markets offers a high potential for attracting various types of investments to the area. Oromia Special Zone Surrounding Addis Ababa Administration Office recently charged different lease price for various investment activities in those towns which given first level and administered by lease policy. These tows are nine in number which include:

1. Burayu
2. Sebata
3. Holota
4. Legatefo Legadadi
5. Sululta
6. Sendafa
7. Gelan
8. Dukem
9. Menagesha

As shown in tables 3.4 and 3.5, there is a huge difference in land lease price between Addis Ababa and Oromia Special Zone Surrounding Finfinne. Land lease price for Oromia Special Zone Surrounding Finfinne offers low price relative to Addis Ababa. This is why various investment activities has been highly concentrate in the area.

Table 3.4 Land lease price of OSZSF for various types of investment activities

Type of activities	Maximum price (Birr/M2)	Minimum price(Birr/M2)
Private residence	8.4	4.8
Hotel	13.6	6
Resort	12.8	3.9
Commercial	7.7	4.2
Manufacturing industries	6.5	3.9
Agro-processing	7	4.2
Other various types of industries	7.5	4.5
Social services	7.7	4.2
Real estate	12	4.11

Source: *Brochure prepared by OSZSF, 2010*

Table 3.5 Minimum urban land - lease prices in Addis Ababa

No.	Zone	Grade of Lease Land	Minimum price (Birr /M2)	Multipliers to determine negotiable prices by width of roads (meter)			
				No road	Less than 10	10 up to 20	Above 20
1	Central Business Zone	1	1686	1.2	1.5	1.7	1.9
		2	1535	1.2	1.5	1.7	1.9
		3	1535	1.2	1.5	1.7	1.9
		4	1085	1.2	1.5	1.7	1.9
		5	894	1.2	1.5	1.7	1.9
2	Transitional Business Zone	1	1035	1.2	1.3	1.4	1.5
		2	935	1.2	1.3	1.4	1.5
		3	935	1.2	1.3	1.4	1.5
		4	685	1.2	1.3	1.4	1.5
		5	555	1.2	1.3	1.4	1.5
3	Expansion Zone	1	355	1	1.2	1.3	1.4
		2	355	1	1.2	1.3	1.4
		3	217	1	1.2	1.3	1.4
		4	191	1	1.2	1.3	1.4

Source: Ethiopian Investment Agency

3.4 Land Allocated for Different Types of Investment Activities from the year 2004/2005-2008/2009

Table 3.6 shows the types of investment and land size that were allocated for various types of investment activities. Accordingly, from 2004-2009, on average 76.3 hectares of land was given for various types of investment activities where most lands are agricultural lands at peripheral area. However, most land given for social services, commercial and hotel and tourism are located in the town by dislocating other urban settlements or from other vacant areas.

However, lands given for the purpose of manufacturing, agro-industry, flower farm, real estate and private residence were located at periphery that was previously under peasant holdings. These takes the highest share where on average 62.11 hectares of land during 2004-2009 were given from peripheral area for the purpose of manufacturing, agro-industry, flower farm, real estate(without including land given for private residence).

Table 3.6 Total land allocated for various types of investment activities (2004/2005-2008/2009)

Types of Investment	Land size in Hectare					**Total**
	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	
Manufacturing	8.36	9.28	40.22	32.42	23.43	**113.71**
Agro-industry	24.42	0.3	21.24	18.77	3.8	**68.53**
Social services	4.34	0.26	3.86	8.3	3.88	**20.64**
Commercial	5.33	1.52	3.31	3.72	0.22	**14.1**
Hotel and tourism	0.45	20.86	3.85	3.64	7.4	**36.2**
Real estate				3		**3**
Flower farm	47	61.3		17		**125.3**
Total	**89.9**	**93.52**	**72.5**	**86.85**	**38.73**	**381.5**
Private Residence	22.66	46.67	-	-	297	-

Source: *Sebeta Town Investment Office and Sebeta Town LAEPO*

Therefore, without including land given for private residence, during 2004-2009 the town expanded towards peripheral areas by encroaching on average 62.11 hectares of agricultural land

per year. From total land allocated for various types of investments, land allocated for commercial agricultural proposes holds highest share (32.8%) and land allocated for manufacturing industries holds the second (29.8%). On the other hand, huge amounts of lands were given for private residence due to intense demand for residence land in the area.

Table 3.7 Total investment activities in Sebeta town and its peripheral area

Types of Investment	In operation			Under construction			Not started yet		
	No.	Land size (Hec.)	Job oppor.	No.	Land size (Hec.)	Job oppor.	No.	Land size (Hec.)	Job oppor.
Manufacturing	103	80.9	17,368	66	28.72	6047	123	76.95	10,096
Agro-industry	6	11.61	591	16	11	1766	42	46.72	3,283
Social services	7	6.83	272	3	2.3	79	23	82	684
Commercial	14	1.98	339	23	5.7	560	34	5.78	666
Hotel and tourism	5	0.93	-	20	12.4	654	30	73.11	910
Real estate	3	13.65	188	2	43.55	356	7	16.45	373
Flower farm	11	121.36	278	1	2	68	2	22	43
Total	***149***	***237.26***	***19,036***	***131***	***105.67***	***9,530***	***261***	***323.01***	***16,055***

Source: Sebata town investment office 2010

As shown in table 3.8, currently, huge investment activities operating in the town and its peripheral area. From those in operation, manufacturing took the leading role in creating large number of employment opportunities in the area. However, they did not capable to absorb marginalized group of people living on the edge, particularly farmers. The type of investment activities that most farmers in the area employed are flower farms where farmers in the area employed themselves in the form of daily labor with low wage. On the other hand, this sector created few job opportunities in the area relative to the other.

According to information obtained from the Sebata town investment office, large number of investors took land for investment but stay a long year without engaging in any activities. High land speculation is the other feature that characterize the area where private developers takes the land and stay a long time to sell with the highest price.

CHAPTER FOUR

RESULTS AND FINDINGS

Rapid Urban Expansion and its Implication on Farming Community in Peri-Urban Area of Sebeta Town

4.1 Demographic Characteristics of Sample Population

Demographic characteristics of the sample dislocated respondents by age, gender, marital status, educational status, and total household members are shown in Table 4.1 below.

Table 4.1 Demographic characteristics of study population

	Sample Areas				
Name	Dima	Selam delati	Furi	Total	Percent (%)
Number of respondents	**25**	**20**	**15**	**60**	**100**
Sex	**25**	**20**	**15**	**60**	**100**
Male	18	10	6	44	73.3
Female	7	4		16	26.7
Age	**25**	**20**	**15**	**60**	**100**
20-32	6	4	3	13	21.7
33-45	5	8	3	16	26.7
46-58	6	4	4	14	23.3
59-71	3	5	4	12	20.0
71 and above	2	2	1	5	8.3
Education level	**25**	**20**	**15**	**60**	**100**
Not educated	10	8	7	25	41.7
Primarily(1-8)	7	8	7	22	36.7
Secondary(9-12)	4	3	4	11	18.3
Higher edu. (12+)	1	1	-	2	3.3
Marital status	**25**	**20**	**15**	**60**	**100**
Married	15	12	11	48	6.7
Not married	2	5	1	8	13.3
Divorced	3	1	-	4	80
Family Size	**25**	**20**	**15**	**60**	**100**
1-4	8	6	3	17	28.3
5-8	10	8	9	27	45
9 and above	4	10	2	16	26.7

Source: Survey data

Demographic characteristic has a key role in research study to understand an implication of development effort and plan for future. Table 4.1 shows the demographic characteristics of 60 sample households selected for the study. Most of them are between the ages 33 to 45 with the average family size of 5 to 8. Regarding the sex of the sample house hold, 44 male and 16 female were included for the study. Low literacy rate with 42 percent of sample households were illiterate.

4.2 Socio-economic Profile of Study Population

High illiteracy rate, poor water facilities and high percentage of subsistence farmers are characteristics of the peri-urban area. Moreover, food insecurity is another feature that characterizes peri urban areas which derives from the pressure of agricultural land fragmentation for urban land uses (DFID, 2008).

4.2.1 Agriculture

The presence and importance of Urban and peri-urban agriculture (UPA) is being recognized world widely in maintenance of food security and local food production for nearby urban population. It is widely practiced by vulnerable groups of people with little political power (Parker, 2009). Urban and peri-urban agriculture is quite different. Peri-urban agriculture refers farm units close to town, which operate intensive semi or fully commercial farms to grow vegetables and other horticultural products, raise chickens and other livestock, produce milk and egg. Urban agriculture refers to small area within the city used for growing crops and raising small livestock for sale in neighborhood. Agriculture is the main occupation and economic base of peasant farmers living on the peri-urban area of Sebeta town.

4.2.1.1 Crop Production

Crop production continues to provide a significant source of subsistence both as a major and supplementary source of income for the farmers on the peri-urban area of Sebata town. The majority of farmers who highly depend on crop production are those who live in more rural parts and fewer of them located in intermediate and urban locations. This is because of greater magnitude of landless and land loss with increasing proximity to Sebeta town. The main

reason for the continued significance of crop farming in the area in spite of reduction in farm land includes the fact that crop farming has traditionally been the mainstay of the community. On the other hand, the study on the peri-urban interface of Kumasi in Ghana, indicated that crop farming remains practiced widely in the area because it requires low startup capital compared to non-farm activities such as trading (DFDI, 2008). Moreover, lack of awareness of the risks and benefits arising from new non-farm activities is also one of the reasons for the reluctance of poor people to venture into unfamiliar non-farm activities.

Most farmers on peri-urban areas of Sebata town are subsistence in that production they obtained from agriculture often spends on consumption. Due to horizontal expansion of the town, available land for agriculture was fragmented where production from agriculture is decreasing from year to year. Average land holding size of sample household is the lowest to survive their life. Hence, some households are employed in daily labor and other income earning activities to compliment their agricultural income. However, old age farmers are still highly depend on farm land either by renting or enter share copping to other farmers who has the capacity to farm and take the share of the produce from their land.

Table 4.2 Size of land holding for sample household

Farm size in Hectare	Frequency	Percent	Valid Percent	Cumulative Percent
Below 0.5	9	15.0	20.5	20.5
0.5-1	13	21.7	29.5	50.0
1-3	20	33.3	45.5	95.5
3 and above	2	3.3	4.5	100.0
Total	**44**	**73.3**	**100.0**	
Landless	16	26.7		
Total	**60**	**100.0**		

Source: Survey data

As shown table 4.2, 50 percent of sample household possess and operated on agricultural land size less than 1 hectare and only 4.5 percent of them hold land size above 3 hectares. This indicates that the average land holding of sample household is the lowest to sustain their

livelihood from agriculture. As landholding declines, per capita food production and farm income also decline, indicating that extremely small-sized farms cannot be made productive even with improved technology (Samuel, 2006). This has in turn has a negative implication to attain food security in the area. On the other hand, 26.7 percent of sample household were land less and earn their livelihood by engaging in off-farm activities. Moreover, some of them also involve in producing vegetable on small plots at their residence compound.

In addition, production and productivity with available land is also very low in the area. Farmers in the area are producing subsistence crops such as Teff, Wheat, Barley, Bean, etc for their own consumption rather than supplying for markets. However, very few households have been producing vegetables and cash crops such as 'chat' for markets and earn income for their survival. Particularly, significant number of farmers recently shifts from producing crops to 'chat' production in order to earn better income.

Table 4.3 shows the total production of crops for sample households. It indicates that majority of household earn an average production between 2 and 8 quintals per year from their agricultural plots and this account 28 percent. Those households who earn between 8 and 14 take a share of 18 percent. However, those farmers who earn 15 and above quintal per year are insignificant as indicated in the table 4.3. Therefore, low crop production characterizes the sample house hold mainly due to land scarcity in the area.

Finally, those who represented in missing value indicate those farmers who have not produce crops. These are farmers who have been completely lost their farm lands and give way for urban land use. Thus, they earn their livelihood by engaging on daily labor and other alternative activities or produce vegetables and cash crops on small plot at their residence. Some of these groups are also earn their livelihood from livestock production through milk and milk products and poultry production. This groups accounts 33 percent from the total sample house hold.

Table 4.3 Crop Production

Production in quintal		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2-8	22	36.7	55.0	55.0
	8-14	10	16.7	25.0	80.0
	14-20	4	6.7	10.0	90.0
	20-26	1	1.7	2.5	92.5
	26-32	2	3.3	5.0	97.5
	32-38	1	1.7	2.5	100.0
	Total	40	66.7	100.0	
Missing	System	20	33.3		
Total		60	100.0		

Source: Survey data

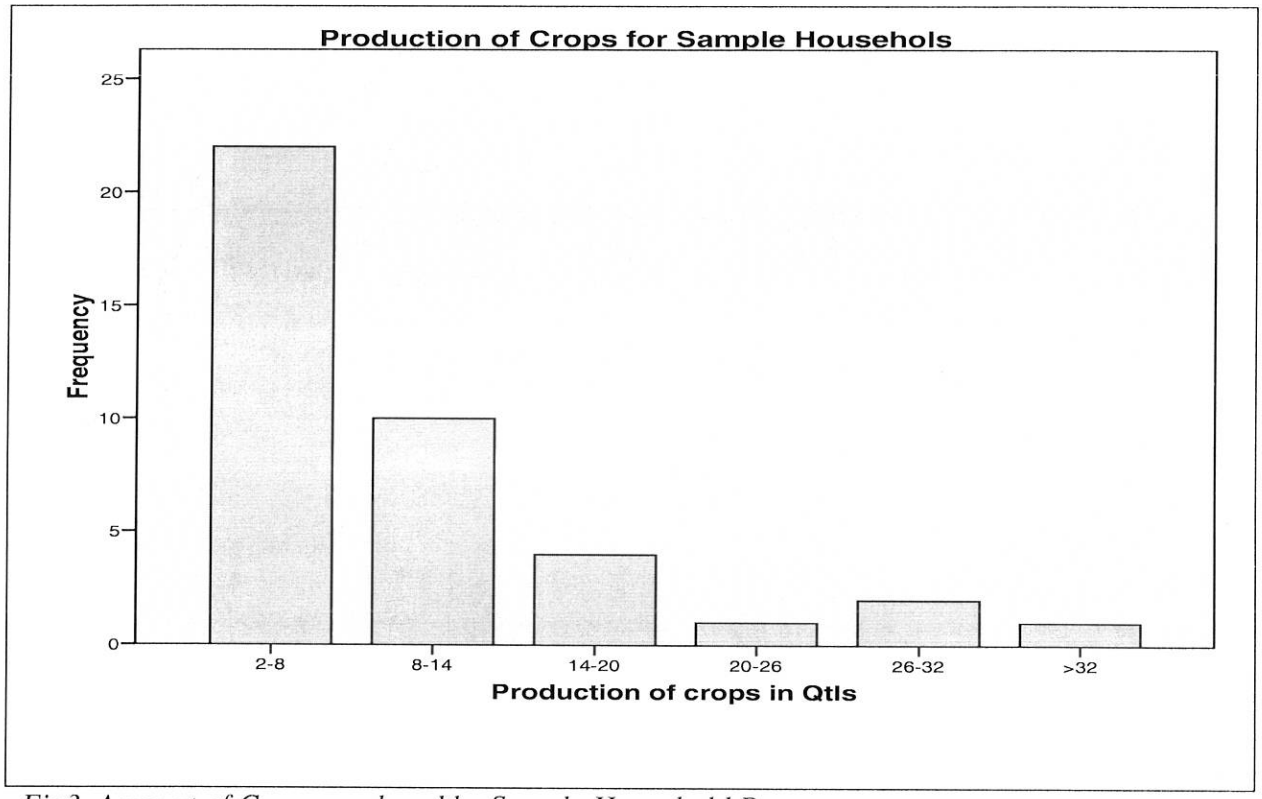


Fig3. Amount of Crops produced by Sample Household Per year

4.2.1.2 Vegetable Production

Vegetable production is widely practiced among peri-urban farmers in order to compliment their agricultural income. Due to their proximity to urban center and market place, vegetable production has an important livelihood strategy. It has more positive impact on the livelihood of the poor relative to other crops (DFDI, 2008). The type of vegetables that have widely

produced by farmers in peri-urban areas of Sebata towns includes Onion, cabbage, Spices, 'Chat', 'Gesho' and other traditional vegetables consumed by local peoples.

However, in the study area there is a lack of awareness among the local people on the role of vegetable production in enhancing their livelihood. Vegetables productions are widely practiced by farmers who located nearer to the town and possessed lower agricultural land. Most of them grow Cash crop; 'Chat' as coping-up strategy in order to earn higher income from limited land.

Table4.4 shows that from the total sample households, only 16 farmers have been grown vegetable to compliment their income. Greater share of house hold who are growing vegetables earn low income from vegetable growing where 75 percent of them earn income between 1,000 to 5,000 birr per year. This indicates that there is lack awareness among the community on the role of vegetable production for sustaining their livelihood.

Table 4.4 Average yearly income earned from vegetable growing for sample house holding

Income in Birr	Frequency	Percent
1000-5000	12	75.0
5000-10000	3	18.8
>10,000	1	6.3
Total	**16**	**100.0**

Source: Survey data

4.2.1.3 Live stock Production

Livestock productions that are commonly practiced by local farmers include Oxen, Cows, Sheep, Goats, Donkeys, Horses, etc. Like any other Ethiopian farmers, farmers in the area commonly use their livestock for farming. Those who located near to the town earn income from milk and milk products. In addition, some farmers use their donkey and horses for transportation of goods and people. However, farmers located far away from the centre have not got these opportunities.

Therefore, agricultural income of study population is low although it is the main livelihood for most of the farmers in the area. Low income from agriculture production is mainly driven

by reduction of the farm land which in turn aggravated by horizontal expansion of the town over the farm land. Here, agricultural income in this study refers to income obtained from crops production, livestock

4.3 Impact of the Town Expansion on Farmers Located in Peri-urban areas

4.3.1 Agricultural Land Scarcity

Agricultural lands in periphery of cities serve as a transition zones from natural and rural habitat to urban landscape. It serve as supplier of vital ecosystem services such as food, clean air, soil, and water to the urban areas, and as a buffer zones to diminish negative effects of the urban systems on the natural environment (Hakan Doygun, 2008). The ever increasing demands of peri-urban land, brought by rapid urbanization have led to the gradual squeezing out of farming as a means of livelihood to peri-urban community. This intense pressure decreases available agricultural land in the area which has a negative implication in enhancing food security.

During the last few years, agricultural lands at peri-urban area of Sebata town were widely converted to urban land uses such as residential, industrial, and commercial agricultural activities. In relation with the area's proximity to the national markets and cheaper land price relative to Addis Ababa, the town has become huge potential for attracting investment activities. Moreover, in ward migration of people from other areas and Addis Ababa for permanent and temporary residence are also the other reason for an expansion of the town towards rural village and encroachment of agricultural land. Hence, large tracts of agricultural lands of peasant households have been converted to urban land uses.

As a result, large numbers of the farmers living on the edge of the town were lost their farm land and became landless with appropriation of low cash compensation. During survey, it was possible to observe farmers who lost few m^2 to those who totally dispossessed their agriculture lands and shift agriculture as their mainly livelihood to other income earning activities. Many farmers in the area engaged in off-farm activities mainly daily labor in order to cope-up the problem. On the other hand, others enter a traditional share cropping practice with other land owners who located in rural village and far away from the town in order to

secure their livelihood. Renting is also another common means of accessing land, but the costs were rising with increasing urbanization which cannot be afforded by most of the poor household.

Table 4.5 **Land Size Lost in Hectare for Sample house holds**

Land size in Hectare		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 0.5	12	20.0	20.7	20.7
	0.5-1	23	38.3	39.7	60.3
	1-2	13	21.7	22.4	82.8
	2-5	10	16.7	17.2	100.0
	Total	58	96.7	100.0	
Missing	System	2	3.3		
Total		60	100.0		

Source: Survey data

As shown in the above table, from the total sample household displaced, 20 percent of them lost land size below 0.5 hectors while 38, 22, and 17 percent of sample house hold lost land size between 0.5-1, 1-2, and 2-5 hectors respectively. As clearly shown in table 4.6 most of them lost land size between 0.5 and 1 hectors. From the total land expropriated, agricultural lands used for the purpose of crop and vegetable production in which most of the farmers depends their livelihood take larger share. The table shown below indicated the types of land lost.

Table 4.6 **Types of Land Lost**

		Types of land lost average		
		Grass land	Agricultural	Residential land
N	Valid	22	52	13
	Missing	38	8	47
Mean		.55795	1.18115	.23315

Source: Survey data

From the total land lost, agricultural land holds the highest share which on average 1.2 hectares. Agricultural land includes crops land, cash crops and vegetable plots. Grass land is the land which farmers in the area use for grazing their livestock. This type of land take on

average a share of 0.56 from the total land lost next to agricultural land. Residential land is the land farmers hold for the purpose of residence which comprises houses, trees and various types of farmer assets. It takes the lower share from the total land lost which is 0.22 on average. From this it is possible to conclude that expansion of the town marginalize a large amounts of farm land in which most peri-urban farmers build their livelihood.

***Table 4.7* percentage of land lost types lost**

	Cases					
	Valid		Missing		Total	
Type of land	N	Percent	N	Percent	N	Percent
Crop land	52	86.7%	8	13.3%	60	100.0%
Grass land	22	36.7%	38	63.3%	60	100.0%
Residential land	13	21.7%	47	78.3%	60	100.0%

Source: Survey data

Table 4.8 shows number of sample household by the type of land lost. From total household 86.7, 36.7 and 21.7 percent of them lost farm, grass and residential land respectively. High percentage of households (86.7) lost farm land for which they highly depend their livelihood and which in turn has a negative impact on agricultural production in order to attain food security in the area. The table 4.9 shows the gross agricultural income lost for sample household in relation to their loss of their land.

***Table 4.8* Yearly agricultural income lost**

Income in Birr		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 5000	19	31.7	32.8	32.8
	5000-15,000	33	55.0	56.9	89.7
	15,000-25,000	4	6.7	6.9	96.6
	25,000-35,000	1	1.7	1.7	98.3
	35,000-45,000	1	1.7	1.7	100.0
	Total	58	96.7	100.0	
Missing System		2	3.3		
Total		60	100.0		

Source: Survey data

Agricultural income lost in this study refers income obtained from land lost due to the town expansion over the farmers land. This includes income obtained from crop production,

vegetable, and grass land. To get this information, retrospective data collection method was used where respondents were asked to provide present in formation and remember their previous income from their land lost in current price. As shown in the above table, a larger share of sampled household (55%) lost yearly income between 5,000-15,000 Birr in relation to displacement from their land.

4.3.2 Loss of Other Assets

Other assets in this study include livestock such as Oxen, Cows, Sheep, Goats, Donkeys, Horses, poultry production, etc which have a great role for farmers in order to construct their livelihood. On the other hand, assets such as trees, houses, and various materials which provide farmers for carrying out traditional agricultural activities are lost due to agricultural land fragmentation.

As some of the sampled farmers explained during interview, previous assets which have direct relationship with the size of land holding were decreased. For instance, the numbers of livestock were declined due to shortage of grass land. Particularly, the size agricultural oxen were decline due to decline of farm lands. Moreover, those farmers who lost their residential land lost their trees, houses, and other property on the land. However, even though these assets have a direct relationship with land lost, it does not take critically in to consideration during the valuation of compensation. During survey, some of the respondent complained that valuation of compensation for removed assets on the land was not based on the current price in the market. Therefore, expansion of the town has various consequences on farmer's assets beyond marginalizing agricultural land in the area.

4.3.3 Impact on Land Tenure

Land tenure may defined as the terms and conditions under which land is held, used and transacted (Adams, 2001). The nature and strength of property rights are a pre-condition for economic decision making. This is because it has significant effects on people's expectation in investment of labor and capital.

Various evidences showed that secure property rights, particularly appropriate land tenure security is linked with higher propensity to invest in tree planting, manuring soil and water

conservation and other 'permanent' improvements. Conversely, insecure tenure is associated with the rapid destruction of natural resources and land degradation. Hence, pursuing appropriate land tenure system has a great importance in increasing the productivity that accrues from the land resources (ibid).

However, transformation of agricultural land for housing and urban development in peri-urban and urban areas creates upward pressures on the land values and rising insecurity for those who depends their livelihood on the farm land (ECA, 2006). In addition, various complex and poorly legal land allocation and registration procedures practiced by LDC cities fosters another tenure insecurity among urban and peri-urban farmers and finally leads to food insecurity (Olofin et al., 2000).

Evidences from key informants show that, there is serious land tenure insecurity among most farmers in peri-urban areas of Sebata town. Due to serious land insecurity in the area, particularly farmers who possess farm land located near to the town, sell their agricultural land with low price with an expectation that their land is likely expropriated by municipality. Hence, many farmers become landlessness and engage in low income earning activities mostly in daily labour. If such circumstance continues in this way, serious food security problems in the area will be created for those highly depend their livelihood on agriculture.

4.3.4 Access to Urban Infrastructures and Social Services

One of the positive sides of peri-urbanisms is linked with proximity and accessibility of area for strong urban influence such as access to markets, social services and urban job opportunities. However, lack of wage opportunities, limited access to investment funds, poor levels of education and a declining access to natural resources restrict the ability of the poor community to accumulate savings and easily access these infrastructures (DFDI, 2008).

With regard to the study area, some farmers in peri-urban areas particularly those who located nearby the town access social services such as electricity, school, health centers, water supply, urban markets, telephone and other. However, for poor farmers it becomes difficult to access some of these services due their very low income to afford them. For instance, from total sample household, 30 of them use telephone services. During field work, it can be possible to observe electric accessibility even among farmers in rural village a bit far away from the

town. As shown from table 4.9, 61.7 % of sample house hold access electricity service in their home.

Easy access to nearby urban market is one of the main economic advantages for peri-urban farmers in order to sell their agricultural product with sound price. Moreover, the location of various types of financial institutions such as banks and saving and credit facilities in the nearby urban centers create additional opportunities for the farmers to strengthen their economic base. Employment opportunities in off-farm income generating activities are also the other advantage for the farmers located on the edge of the urban centers.

However, this is not the case for farmers of peri-urban areas of Sebata town. Because, most farmers in the area produce crops with in small plot of lands left from displacement. For those farmers who lost their agricultural land, it is difficult to meet their own family's consumption from limited land and supply for market. In addition, those who possess enough agricultural land commonly produce subsistence crops such as Teff, Wheat, Bean, Burley, etc for their own family's consumption.

Table 4.9 Access to social infrastructure and urban service

Perceived Benefit	Frequency	Percent
Access to electricity	37	61.7
Access to road	54	90
Access to pure water	42	70
Access to schools	60	100
Access to telephone	18	30
Access to markets	44	73.3
Access to credit facility	11	18.3

Source: Survey data

Very few farmers produce vegetable with in small plot for urban market although income obtained from this is very low. In connection with absence of river and water bodies in the area, irrigation is rarely practiced in the area among the farmers. Significant numbers of

farmers produce 'Chat'- the type of cash crop that enables them to obtain higher income to supplement their livelihood.

Supplying credit facilities for the displaced household has a central role in re-establishing and improving their livelihood and to start-up new business activities that support their lives. Although proximity to the urban center exposes the area in accessing many types of financial institutions operating in rural and urban area, there was lack of awareness among the farmers take this advantage. High collateral requirement by credit and saving institutions was also the other reason for low accessibility of credit facilities. As shown in table 4.10, low percentage of sample household (18 %) benefited from credit facilities available on the area.

4.4 Farmer's Response for the Town Expansion and their Livelihood Strategies

Livelihood in the SLF approach, refer to more than income, encompassing:

> *'... the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress 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 the long and short term' (ODI, 2002:1).*

Livelihood strategies include coping strategies designed to respond to shocks in short term, and adaptive strategies designed to improve circumstances in long terms. Livelihood strategies are determined by assets and opportunities as well as choices and preferences of people. Various circumstances are eligible for the change of livelihood in peri-urban areas. These are:

- Diminishing the natural resources bases including; land which most people in the area depend their livelihood.
- Direct and indirect opportunities presented by new infrastructure in the area and
- Changes in social structure (DFID, 2000).

Rapid conversion of land for non-agricultural purposes is threatening the dominant agricultural activities that are the main sources of livelihood for the people who reside in PUI. As the farm size in Peri-urban interface reduced, the city centre tends to become increasingly essential for people livelihood. A person living in this area usually develops a multi-strand, risk reducing livelihood portfolio that enables them to cope with the changes in interface. However, various factors such as lack of education, skills and means to access credit facilities to start new income generating activities hinder people to develop a multi-strand, risk reducing livelihood portfolio that enables them to cope up with the changes in interface. Therefore, poor people predominantly farmers, are engaged in low paid casual employment, petty trading and little returns from farming activities (ibid).

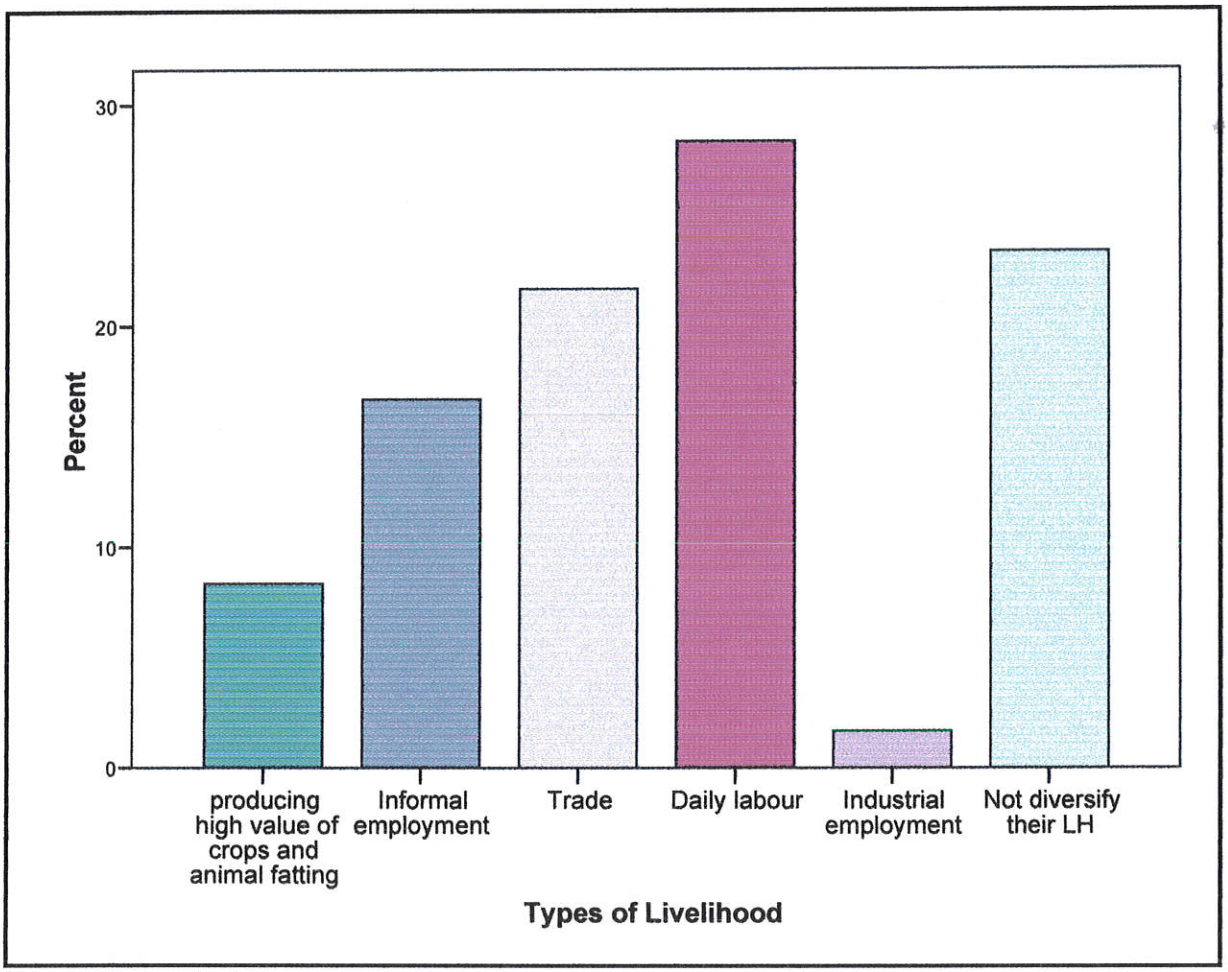
Farmers in peri-urban areas of Sebata town diversify their livelihood by engaging in various farm and off-farm activities available in area. In the study area, livelihood diversification is mainly determined by size of land, education, age and skill of individual's possess. Depending on the survey result, the researcher determined about five types of livelihood strategies where most evicted farmers engage in. These are: daily labor, trade, informal employment producing high value of crops and animal fatting and Industrial employment.

Table 4.10 Livelihood Diversification for Sample Households

Livelihood Diversification	Frequency	Percent	Valid Percent	Cumulative Percent
Producing high value of crops and animal fatting	5	8.3	8.3	8.3
Informal employment	10	16.7	16.7	25.0
Trade	13	21.7	21.7	46.7
Daily labor	17	28.3	28.3	75.0
Industrial employment	1	1.7	1.7	76.7
Not diversify their LH	14	23.3	23.3	100.0
Total	**60**	**100.0**	**100.0**	

Source: Survey data

Fig. 4 Livelihood Diversification



Source: Survey Data

As shown in graph 4.11 and table 4.11, daily labor is the dominant employment categories that people in the area widely participate and earn their livelihood. Hence, 28 % of sample households engage in this employment category. This type of employment does not require any skill and training. The youth with the age of 20s to 30s widely participate in this employment category. This employment category includes: employment in flower farm, quarry, buildings, etc. However, these household are the poorest one as their earning falls bottom in relative to the others.

Trade is the second livelihood strategies (22%) for the sampled communities living in peri-urban interface of Sebata town. It is the type of petty trading where peri-urban farmers bring agricultural and non-agricultural products from other areas and sell to the town. Moreover, women are widely involved in local alcohol selling and making to earn their livelihood.

Informal employment category is also another livelihood diversification for some people on the area where 17% of sample households engage in it. Informal employment in this study refers to people recruit themselves in the form of carpenter, builder, and various types of handcrafts. Most people in this type of employment category enhance these skills from their previous family members or local neighborhood rather than capacitate by formal education and training. It is not a secured employment type. Most of the individuals who engage in these employment type as a par timer. However, people who possess limited agricultural land and landless take the job permanently.

Producing high value crops and animal fatting is another livelihood strategies perused by few households (8%) in peri-urban area in order to mitigate the risk of urban expansion. Few farmers in study area have been started in producing high value crops such as oil seed (Nug), Cash crops including 'Chat' and others. Others engage in practicing animal fatting and sell in high price.

Most of the respondents who did not diversity their livelihood strategies are old aged and households who have relatively enough agricultural land and widely practice farming. Hence, land size has a crucial role in determining diversification of livelihood for farmers living on peri-urban areas of Sebata. However, this finding is contrary to the finding of peri-urban areas of other countries. For example, the study from peri-urban areas of Nyahururu, Kenya revealed that the larger the household's land ownership, the more the diversification particularly in crops and the higher the annual household income (Mandere et al., 2010).

Although huge number of industries is operating in the area, they create little in creation of employment opportunities for local people. Various sources from the local authorities also approve that, most of industries operating in the area employ human resource from other areas and most of them from Addis Ababa. This is due to the fact that, skill and education level they require is not compatible with local communities. Even for those who employed in factories are recruited in position which requires low skill and education such as: guard, daily labor, cleaner, etc and receive low payment.

According information obtained from key informant with people of Sebeta town investment office, creation of employment opportunities for local people is one of the criteria considered prior to land given for investment purposes. However, this has not been still put into practice

by many of investors in the area mainly due unavailability of required skilled man power in local area. On the other hand, there was a gap by office to carry out the required follows up in order to attain the objective. Finally, the livelihood diversification based on the age, sex, education level and household land size is presented in Tables 4.10, 4.11, 4.12 and 4.13.

Table 4.11 **Livelihood diversification by age category**

Livelihood Diversification	Age category					Total
	20-32	33-45	46-58	59-71	71 and above	1.00
Producing high value of crops and animal fatting	0	3	2	0	0	5
Informal employment	4	2	3	1	0	10
Trade	0	7	2	3	1	13
Daily labor	8	2	3	3	1	17
Industrial employment	0	1	0	0	0	1
Not diversify their LH	1	1	4	5	3	14
Total	**13**	**16**	**14**	**12**	**5**	**60**

Source: Survey data

As shown in the table 4.11, most youth with the age 20-32 engage in daily labor. Old people with 60s and 70s do not change and diversified their livelihood. Since, most of employment opportunities available in the area are daily labor which is beyond their capacity to engage in. Therefore, they highly depend on agricultural land and remittance obtained from their children.

In table 4.12, illiterate and low educated sample households (1-8) made little livelihood diversification compared well educated respondents. Those who diversified were also engage in daily labor and trade. Most households with secondary and higher education levels diversify their livelihood by engaging in informal employment and trade.

Table 4.12 **Livelihood diversification by Education level of respondents**

Livelihood Diversification	Education level of respondents				Total
	Not educated	Primary (1-8)	Secondary education(9-12)	Higher education(12+)	
producing high value of crops and animal fatting	1	3	1	0	5
Informal employment	3	3	2	2	10
Trade	7	3	5	0	15
Daily labor	6	6	3	0	15
Industrial employment	1	0	0	0	1
Not diversify their LH	7	7	0	0	14
Total	**25**	**22**	**11**	**2**	**60**

Source: Survey data

Table 4.13 shows livelihood diversification of sample household based on sex. Hence, most men diversify their livelihood by engaging on informal employment and daily labour and most female are engaging in daily labor and trade.

Table 4.13 **Livelihood diversification by Sex of the respondents**

Livelihood Diversification	Sex of the respondents		Total
	F	M	
producing high value of crops and animal fatting	0	5	5
Informal employment	1	9	10
Trade	6	7	13
Daily labour	7	10	17
Industrial employment	0	1	1
Not diversify their LH	2	12	14
Total	**16**	**44**	**60**

Source: Survey data

Table 4.14 **Livelihood diversification Land size**

Livelihood Diversification	Land category (Hect.)			Total
	< 1	1-4	4 and above	
producing high value of crops and animal fatting	0	5	0	5
Informal employment	7	2	0	9
Trade	8	4	1	13
Daily labor	11	5	1	17
Industrial employment	0	1	0	1
Not diversify their LH	4	9	1	14
Total	**30**	**26**	**3**	**59**

Source: Survey data

As we observe in table 4.15, family member's with high land size made little livelihood diversification relative to those who posses few and no farm land. Those household with few land size often engaged in various off-farm income earning activities, most of them employed daily labor. Most of the youth in the area often employed in flower farm as daily labor in order to supplement low agricultural production from reduced land size. According to information obtained from the respondents engaged in this sector, flower farms operated in the area employ the local people with low payments (they pay on average 15 birr per day). Although, they complain about low payment, they did not obtain other alternative income earning activities to engage and improve their livelihood. Moreover, there was a gap by relevant government agencies to protect the life of vulnerable groups of community living on the edge of the town.

Therefore, land size, age, sex and education level have critical role for the families living in peri-urban area of Sebata town in determining their livelihood diversification in order to cope-up an impact of rapid expansion of the town.

4.5 Compensation Packages Available and procedures Followed in Payment of Compensation on the Study Area

From the year 1997- 2002 the procedure used for payment of the compensation to evicted farmers whose land expropriated for various types of development activities was carried out based on directive enacted by Oromiya National Regional state on October, 1997. In this directive, the base of estimation was made to consider agricultural productivity of the land in monetary value. Compensation amount was computed by taking the previous five years of average production from the land and multiplying by 10 (year factor). Until at the end of 2002 this directive was used as guidelines for payment of compensation for evicted households.

However, from the end of 2002 to 2006, the year factor was reduced from 10 to 5 followed by decision made by regional executive. This is mainly due to reason that the compensation cost was beyond region's capacity to cover. Therefore, during those years the amount of money paid for evicted household 0.7/m^2. In addition, the compensation payment process did not considered any property situated on the land and improvement made to the land by the land holder.

In 2006, executive council of Oromiya National regional State has revised the compensation payment in accordance with the amendment of proclamation no.455/2005. In this revised directive factor year was increased from 5 to 10 and the compensation procedure was made to consider properties situated on the land and improvements done on the land by the land holders. Therefore from 2006 onwards, based on this directive the compensation amount for one m^2 land loss has been increased from 0.7 birr to 5.50 birr.

On the other hand, the directive also incorporated other issues in addition to the issues in proclamation No.455/2005 of the constitution of Federal government. This includes:

- Farmers displaced by investment projects should get special consideration in order to sustain their life. During the project approval, concerned line of government should ensure whether the proposed investment project involve local people in terms of creating employment opportunities for displaced farmers.
- Ensure that project prepared should be compatible with socio-economic situation of the local. For instance, whether the investment project uses local raw material

so that the local community befitted by supplying locally produced raw material. In this case, agro-industrial projects have been widely promoted.

- Ensure that relevant training should be given for the farmers regarding the way to utilize the money they obtained from the compensation.

According to information obtained from survey, although payment is made for the properties lost in the land, there are complains on the appropriateness of evaluation procedures. Some evicted households points out that the current evaluation procedures used by the municipality for the properties lost on the land does not consider actual value of property. On the other hand, there are other cases that some farmers did not obtained compensation payment for the properties lost on the land. However, compensation for improvement made or previous investment on the land has not been considered and implemented on study area.

According to information obtained from key informants from Sebeta town Land Administration and Environmental protection Bureau, generally four compensation packages are widely available for evicted farmers. These are:

a. **Cash compensation**: cash compensation is mostly used for the land lost and properties located on the land expropriated. This is made by multiplying the average earning obtained from the land during the last five years by ten (10).
b. **Residence land in urban Area**: Farmer who loses his residence land can get land in urban area in his name and for each of his family. If the size of the residence land lost is 500/m2 and above, the husband and wife of the family to gather can get 500/m2 from the urban administration. If the land lost is below 500/m2, they obtain 200/m2. In addition, each child in the family with the age of 18 and above can obtain 140/m2 from urban area.
c. **Employment Creation:** Relevant line government offices of the town like the town's Micro and Small Scale Enterprise, social affair, and Land Administration and Environmental protection offices are the responsible institutions to rehabilitate the livelihood of evicted peri-urban farmers. Their responsibility include organizing evicted farmers , give skill development training and appropriate place of work and made favorable condition to engage private investment activities.

d. **Special Incentives Local Farmer Investors:** Special consideration is given for the local farmers who have minimum capital set for investment activities. This includes prior condition is given by allotting the land for investment.

However, information from informant interviews and survey revealed that compensation types that have been fully practiced by municipality are cash compensation and provision of residence land for evicted families. The other compensation packages have not still put into practice and implemented by any of concerned government bodies.

4.5. 1 Total Number Evicted Farming Community in the Study Area and Compensation Given (2006/2007- 2009/2010)

Table 4.15 shows the number of evicted farming community who lose their land for various types of urban land uses. As shown in the table from 2006/2007-2009/2010, the total number of peri-urban farmers who lost their land is 549. Expropriation of large number of farmer's land was carried out during 2008/2009 where 252 peasant household lost their land and compensated with a total amount of birr 18,478,346.20.

Table 4.15 Number Evicted Farming Community in the Study Areas from 2006/2007-2009-2010

Year	Total number of evicted farmers	Total land expropriated (Hectare)	Compensation money given (in Birr.)
2006/2007	53	61.46	3,364,900
2007/2008	54	71.19	3,950,100
2008/2009	252	324.23	18,478,346.20
2009/2010	190	252.93	13,929,764.15
Total	**549**	**709.81**	**39,723,110.35**

Source: *Sebeta Town LAEPO, Sebeta Town Investment office and Sebeta Town FEDO*

4.5.2 Reaction of Farmers on an Appropriateness of the Compensation

Most of the farmers who lost their land to investors and new settlers, complained about low compensation and lack of other economic options to make a living. According to the respondents, prior to dislocation, people from the government bodies came and convince the people by telling them as there are various compensation packages provided for the land lost. These include: employment creation and skill development. They told them as skill development is provide for them by organizing them and provision of appropriate working place and made favorable conditions to employ in investment activities in the areas.

However, the respondents who lost their land complained that they did not get any training and working place so that to recruit themselves. At last, people from local government bodies came to the area and order them not to harvest from the land. During interview, some respondents complain that even the time for preparedness was not given for them. However, in some cases orientation regarding the way to utilize cash compensation has been given by people from urban administration.

Compensation valuation is different based on the type of land, assets on the land, and family age structure/composition. Information from the sampled households revealed that their land was evaluated with a range between 0.70/ m^2 birr and 5.50 birr/ m^2. Those who took compensation 0.70 cent/m^2 were those who dislocated from their land many years before and particularly for flower farm investments. Most these households are located in Dima area. However, currently valuation of compensation cash was improved to 5.5 birr/ m^2. However, most farmers who lost their land were not satisfied even with the current compensation because it is not enough to re-establish their economic base, that is land.

Table 4.14 shows reaction towards the compensation for sample house hold who obtained compensation benefit. Hence, most of the households (63%) were highly dissatisfied with the compensation provided. No one from the sampled households were satisfied with compensation obtained. Their reason for the dissatisfaction is that the compensation provided was not enough to sustain their livelihood and replace their income that was previously earned from agricultural land.

Table 4.16 **Reaction towards Compensation**

Level of Satisfaction		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Dissatisfied	19	31.7	35.2	35.2
	Highly dissatisfied	34	56.7	63.0	98.1
	Indifference	1	1.7	1.9	100.0
	Total	54	90.0	100.0	
Missing system		6	10.0		
Total		60	100.0		

Source: Survey data

Although, in some case awareness was given on the way to use the compensation money .But this was not done in integrated manner. This is why most of the money that was received from compensation was mostly spend on consumption rather than investment. Some respondents put the money in the bank and draw it for consumption rather than investing on agriculture or other type of investments.

Table 4.16 shows the use of compensation money by sample households. Generally farmers who obtained compensation money spent it on every day needs, constructing and renovating houses and investing on agricultural activities. As shown in the table 4.16 most (45%) farmers spend their compensation money on daily consumption. Some respondents put their money in bank and with draw it to purchase consumption goods including grain in the period where their production from limited land is finished.

On the other hand 40% of sample house hold spent their compensation money unproductive investment like constructing corrugated iron roofing and renovating the old one. The rest of them (15%) spent their money by investing in agricultural activities such as buying improved crops and fertilizer, buying improved livestock and rent land from other farmers to increase their agriculture production.

Table 4.17 The Use of Compensation Money by Sample Households

Types of Expenditure with compensation money	Frequency	Percent
Spending in every day needs	24	45
Constructing and renovating houses	22	40
Investing on agricultural activities	8	15
Total	**54**	**100**

Source: *Survey data*

CHAPTER FIVE

CONCLUSION AND RECOMMENDATION

5.1 Conclusion

Recently small towns of Oromia Special Zones surrounding Addis Ababa namely; Burrayu, L/Tafo, Sululta, Dukem, Sebate, Sendefa, Holeta, and Galen are growing tremendously in terms of population and physical size. Rural-urban migration and re-classification are the main factors contributed for an increase the population size of these towns.

On the other hand, their proximity to national markets and cheap land lease price relative to Addis Ababa are other factors that contributed for the physical expansion of these towns. Moreover, favorable topography of an area for investment activities is the other factor which contributed for an attraction of national and foreign investor in to the areas. Hence, during the last few years large tracts of land were transformed from agricultural use to urban land uses such as industrial, residential, and commercial farms. Therefore, peasant farmers living on edge of these towns were loss their fertile agricultural land with minimum appropriation of compensation packages. This phenomenon seriously influences their livelihood which was the main interest of this study.

This research was undertaken in Sebata peri-urban area where large numbers of farmers were displaced in previous years due to rapid expansion of the town. The town was expanding in all direction over the surrounding rural villages and vacant area that were previously covered by forest and green land. Hence, rapid expansion of the town further exacerbate marginalize farming community who depend their livelihood on agriculture.

To assess an impact of rapid expansion of Sebeta town and its implication for the livelihood of farmer's communities living on the edge of the town, a sample of 60 displaced household from three major expansion areas were taken. Moreover, to analyze the magnitude and phase of town expansion, secondary data obtained from various sources were used.

Therefore, the finding indicate that most farmers locate at the edge of Sebata town are subsistence where most them practice crop production for their own family's consumption. Although, most of peasant farmers possess low land holding, crop production continues to be

a significant source of subsistence both as a major and supplementary source of income. The majority of farmers who highly depend on crop production are those who live in more rural parts and fewer of them located in intermediate and urban locations. However, the average land holding of sample household is the lowest to sustain their livelihood from agriculture. For instance, 50 percent of sample household possess and operated on agricultural land size less than 1 hectare and only 4.5 percent of them hold land size above 3 hectares. Hence, most of them particularly youth employed themselves in off-farm activities to supplement their income. However, old age farmers are still highly depend on agriculture either by renting their parcel of land or enter share cropping practice.

Although vegetable production is not practiced widely in the area, those who produce were found to be higher earning than those who depend only producing crops. Those widely grow vegetables production are farmers who located at nearer to the town and possessed lower agricultural land. 'Chat' is widely growing widely relative to other vegetables in the area due to the fact that it gives high market price. This has another implication that there is some lack of awareness among the community on the role of vegetable in terms of enhancing to improve their livelihood and earn higher income from limited land.

The rapid expansion of the town over rural village located on the edge has found to be a tremendous economic, social, political and environmental impact in recent years. One is land scarcity to widely engage in agricultural activities. Due to marginalization of agricultural lands, it became difficult for the farmers in the area to satisfy their family's consumption let alone to obtain higher production and supply for markets. The survey results of sampled households indicated that the loss of crop lands in which most farmers depends their livelihood holds the highest share from the total lands lost. This has a negative implication in terms of in attaining food security in the area.

Moreover, expansion of the town has another implication on the other assets in connection with the reduction of land size. This includes livestock, tree plants, and other that enhance farmers to carry out agricultural activities. Finding from the survey results indicated that most evicted families decrease the number of livestock due to decrease in size of farm lands and

shortage grass land. Tree plants are also other farmers' asset which affected after displacement.

On the other hand, one of the critical issues found from the survey and other close sources is issues of land security among peri-urban farmers who possess land nearby the town and a prospects to loose in the future due to further expansion of the town. In relation to land insecurity, some farmers located near to the town sell their agricultural land to low prices to land speculators prior to expropriation by urban authority.

One of the advantage come up with expansion of urban centre for per-urban farmer is easy access to infrastructure such as roads, electricity, markets, etc. With regard to study area, during field work it was possible to observe electric accessibility even farmers located at rural village. Moreover, it was possible observe rural roads that connect rural villages with the others and the town. However, there are limitation in fully taking advantages of some social services like telephone, credit facilities and markets among peri-urban farmers due to their low income to afford and lack of awareness.

Due to the reduction in farm size, farmers in peri-urban areas of Sebata town change and diversify their livelihood by engaging in various forms of off-farm and on farm income earning activities. However, agriculture still continues to be the dominant livelihood for most farmers in the area. Lack of skill, education and land size constrained them to diversify livelihood to higher income earning activities. Family's with relatively high land size is made little livelihood diversification relative to low land holdings and non farm land.

Most households engaged in casual work usually employ themselves in daily labour. Although high numbers of industries located and operated in the area, they did not absorbed local communities by creating employment opportunities. This is because local people lack skill and education that required by these industries. Hence, most of industries operated in the area employed human resource from other areas and most of them come from Addis Ababa. Therefore, there was a gap among the concerned local government institutions in terms of rehabilitating the livelihood of evicted household.

The sample survey result on the other hand indicated daily labor is the dominant livelihood strategies for the sampled communities living in peri-urban interface of Sebata town. Trade is

the second livelihood strategies for the sample household. Informal employment category is another livelihood diversification that has been widely practiced by this community.

Informal employment in this study refers to people recruit themselves in the form of carpenter, builder, and various types of handcrafts. However, industrial employment takes the least share in employing the displaced communities. Moreover, those who have enough land size to support their livelihood and old age group of people were the least one in terms of changing and diversifying their livelihood.

Finally, assessment was made on reaction towards the compensation given for those who dispossessed their land due to the town expansion. During survey, most dislocated house hold complained on the inappropriateness on the amount and types of compensation given. In most cases, monetary compensation was given for the households that displaced from their land. However, the compensation money given does not replace resource base that is land. Some respondents also complained on other compensation mechanisms like skill development that was promised by government but not put into practice.

5.2 Recommendation

- Urban development is ongoing process that comes up with various types of opportunities and challenges. Development induced displacement in peri-urban area is one of the challenges derived by horizontal expansion of urban centers over surrounding periphery. To ensure sustainable urban development, government should make sound planning prior to displacement without treating marginalize communities' livelihood living on the edge of the urban area. Hence, urban development policy should take into account an interest and view of this group of community in policy formulation. These include pursuing appropriate compensation packages and implementing even those available to rehabilitate the livelihood of evicted households.

- Due to the fact that farmers in peri-urban area of Sebeta town constrained with scarcity of land to widely engage in agricultural activities, some of them diversify their livelihood in off-farm activities. Therefore, skill development and training has central role increases factors as productivity, quality, diversity and occupational safety and improves health, thereby increasing incomes and hence leading to reductions in poverty levels for these peoples. Understanding this fact, government and other relevant stakeholders should work on this area to sustain livelihood of displaced household living on peri-urban area of the town.

- Other mechanisms that mitigate the negative impact of displacement such as production of high value crops and growing vegetables on limited land to increase agricultural income of displaced farmers should be promote. Hence, responsible government bodies and NGOs should work on this area and enhance the livelihood of farming community peri-urban area of the town.

- Moreover, supplying credit facilities for the displaced household has a central role in re-establishing and improving their livelihood and to start-up new business activities that support their lives. Although proximity to the urban center exposes the area in accessing many types of financial institutions operating in rural and urban area, there

was lack of awareness among the farmers take this advantage. Hence, concerned institutions should support the community in terms of provision of trainings, supplying market information and better infrastructure to improve their productivity and enhance their livelihood.

- Issue of land security in relation to land expropriation is another problem that has been happened on the area. Farmers living on the edge of the town and in urban area who possess agricultural land fear an expectation that their land will be expropriated by urban authority. Hence, they sell their land with low prices and many of them became landless. Therefore, concerned government bodies should work on these issues to improve tenure security among farmers in order to improve production and productivity.

- In principle, concerned local government offices of the town like the town's Micro and Small Scale Enterprise, social affair, and Land Administration and Environmental protection offices are the responsible institutions that rehabilitate displaced peri-urban farmers. These includes the responsibility to identify evicted farmers and give skill development training, appropriate the place of work and made favorable condition to engage private investment activities. However, no works were done on this area by any of local government bodies. Therefore, concerned local government institution should put into practice their responsibility in rehabilitating evicted households.

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Appendix: 1

A Guideline for Key Informant Interview

Name of Respondent_____

Zone _____ Kebele _____

Occupation _____

Position_____

Level of Education _____

1. Do you notice the phase and rate of urban expansion in Ethiopia particularly Addis Ababa and the surrounding towns of oromiya region?
2. What do you think the factors that contributed for the rapid expansion of these towns during the last 10 years or more?
   - ❖ Access to infrastructures such as roads, electricity, water, etc
   - ❖ Proxy to national and international markets
   - ❖ Cheap land lease price relative to Addis Ababa
   - ❖ Promotion to private investment by regional as well as national government, etc
3. Are there other factors that differentiate Sebeta town from other Towns in the regions?
4. What are the challenges and opportunities created for farmers on peri-urban zone due to the towns' expansion?
   - ❖ Displacement of farmers from their land
   - ❖ Loss of livelihood
   - ❖ Environmental impact
   - ❖ Social impact, cultural and social influence and adptability
   - ❖ Economic impact
   - ❖ Employment opportunities created
   - ❖ Access to social service such as water, health service, education attainment ,et
5. What are the main current and future challenges or problems of peri-urban agriculture in this area in terms of attaining food security?

6. What were the government policy responses to mitigate the problem related to displacement of house hold from their land?
    - ❖ Provision of compensation packages in terms of money and skill development given for displaced household
    - ❖ Alternative land given for settlement
    - ❖ Others
7. Do the community by itself alter their livelihood to cope up with the changes occurred on the per-urban areas?
    - ❖ Change their main occupation
    - ❖ Decrease the full time given for agriculture to other activities
    - ❖ Engage in off-farm activities
    - ❖ Altering the types of crops and vegetables grown in terms of producing high value crops and vegetables
8. What has the government done/ plans to do in improving the lives of people? What do you expect the government to do?
9. What are the other players (NGO's, civil society organizations), in the field to enhance the livelihood of the people?
10. What is your idea about an appropriateness and relevance of compensation packages given for displaced household in terms of sustaining their future livelihood?
    - ❖ Whether the skill and knowledge developed in the community enabled them to run private /group business ventures
11. What are the criteria considered in determination of compensation packages?
12. Before determining compensation packages, did the relevant stakeholders involve in the issue?
    - ❖ Community leaders
    - ❖ Relevant professionals and local government bodies, etc
13. Up to what level did the awareness given for the community prior to the displacement of the community?
14. What are the complaints raised from the community in relation to compensation given so far and what are the response given by relevant government bodies?

Appendix: 2

A Questionnaire for Sample Household Survey

Participation and giving your answer without any hesitation is a precondition for this research to attain its goal. It is only based up on your own consent to respond the questions. The purpose of the research is to assess impact of rapid urban expansion and its implication for livelihood of farming community on peri-urban area.

The survey questions will revolve around challenges as well as opportunities come up with recent horizontal expansion of Sebata town. Hence, it hoped that the research helps the policy makers; planners and researchers as input in planning sustainable urban development without threaten marginal groups of people on peri-urban areas.

To be filled by house Hold head

I. Personal details of Respondent

1. Name of respondent (if willing)_____
2. Zone_____
3. Kebele _____
4. Name of farmer association_____
5. Age_____
6. Sex: a. Male ☐ b. Female ☐
7. Marital status: a. Single ☐ b. Married ☐ c. Divorced ☐

   d. Widowed☐ e. Separated ☐

8. Religion: a. Christian ☐ b. Muslim ☐ c. Other specify _____
9. Occupation_____
10. Level of education: a. Illiterat☐ b. Read and write ☐

    c. Primary (1-8)☐ d. Secondary (9-12) ☐ e. Tertiary (12 +) ☐
11. Position in your family: a. Household head ☐ b. Children ☐

c. Kinship [ ] d. Other (specify) _____

12. Total number of the family in your household_____

II. *Socio-economic profiles*

1. What is the total size of land your households hold (in Hector)?

   _____

   a. Crop land_____ b. Grass land_____

   C. Residential land_____ d. Other_____

2. Mention the type of crops produced and yearly production on your land holdings

No.	Type of crops	Size of land (Hector)	Yearly production (in Kuntals)	Yearly income (in birr)
Total				

3. Do you have grow vegetable on your plots? _____

4. If yes, what are the types of vegetables you are growing and yearly production?

No.	Type of Vegetables	Hector	Yearly production (in Kuntals)	Yearly income (in birr)
Total				

5. Mention the type of livestock your family possessed and yearly income from it.

No.	Type of livestock	Number	Yearly income (in birr)
1	Cattles		
2	Sheep		
3	Goats		
4	Donkeys		
5	Horses		
6	Chickens		
Total			

6. Other assets your family possesses

No.	Other type of assets	Units	Yearly income (in birr)
1	Tree plants		
2	Homes		
3			
4			
5			
6			
Total			

7. Total yearly income(2+4+5+6)_____

III. Impact of Displacement

1. Did you have lost your land due to an expansion of Sebata town?
   a. Yes ☐ 2. No ☐
2. If yes, how much hectors did you lost? _____
3. What type of land did you lose due to urban expansion

☐

a. Agricultural land ☐ b. Residential land c. Grass land ☐

d. Other (specify) _____

4. For what purpose did the land you displaced from?

a. Industrial ☐ b. Real estate ☐ c. Residential ☐

d. Commercial agriculture ☐ e. Others (mention) _____

5. Was the loss of your plot of lands affect on your yearly production?

a. Yes ☐ b. No ☐

6. If yes, what is the total amount of production that decreases due to the loss of your agricultural land?

No.	Types of land lost	Size of land lost (in Hectors)	Production lost (in quintal)	Production lost (in birr)
1				
2				
3				
Total				

Keys: 1= Agricultural land 2= Grass land 3= Residential land 4=Tree land

5. Others (specify) _____

7. What are other assets that affected due to displacement from your agricultural land? Specify your total asset possession before and after displacement?

Types of assets	during displacement	currently
a. Oxen (in number)	----------	----------
b. Cows(in number)	----------	----------
c. Sheep(in number)	----------	----------
d. Goats(in number)	----------	----------
e. Tree plants(in number)	----------	----------

f. House (in number of rooms)

Thatched house ---------- ----------

Corrugated iron sheets ---------- ----------

g. Other assets(specify) ---------- ----------

8. Which types of the social services previously did not accessed and access easily after the towns' expansion beyond its territory and includes you rural villages?

Types of social services	Accessed	Not accessed
a. Electricity	☐	☐
b. Roads	☐	☐
c. Water supply	☐	☐
d. School	☐	☐
e. Telephone	☐	☐
f. Markets	☐	☐
g. Public transport	☐	☐
h. Credit services	☐	☐
i. Other services (specify)	☐	☐

9. What are the reasons for those social services you did not accessed till now?
   a. Not accommodate by your current income
   b. Did not reach your area till now
   c. Other reasons(specify) _____

IV. Livelihood strategies

1. Have shifted your previous occupation due to the town expansion?
   a. Yes ☐ b. No ☐
2. If yes, what were your previous occupation and your current income earning activities?

Previous income earning activities Current income earning activities

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3. What are the reasons that forced to change your previous income earning activities?
   a. Due to reduction in production from your current land size
   b. Present occupation is pleasant and higher in payment than the previous one
   c. Both
   d. Other reasons_____
4. What are types of off-farm activities available in your area where you and local people engage in to obtain additional earning during the last ten years due to an expansion of the town and increase of industries in and around the town?
   a. Daily laborer
   b. Employment in factory
   c. Self employment in cottage industries, such as hand crafts, etc
   d. Employment in government organization
   e. Employment in non-government
   f. Others(specify)_____
5. In which of the above income earning activities did most of local people engaged widely? _____
   Why?_____
6. What are opportunities that enhance you and challenges that inhabit you in engaging employment in off-farm activities in you vicinity?
   a. Opportunities_____
      _____

b. Challenges_____

_____

7. Is it possible for local community to get sufficient credit from credit and saving institutions operated in the area to start new business?

   a. Yes ☐ b. No ☐

8. If no, what are the problems and opportunities in relation to obtaining saving and credit service in the area?

   Opportunities_____

   _____

   Problems_____

   _____

9. Can it be possible to obtain employment opportunities in big industries and higher income for you and other local people like you?

10. Yes ☐ b. No ☐

11. If no, what are factors inhabit you in employing in big industries and earn higher income in you vicinity?

    a. Because it requires higher level of skill and talent

    b. Because it does have a risk in your body

    c. Other reasons(specify)_____

12. What is your feeling about the change occurred related to the town expansion and the change in your life style?

    _____

V. *Compensation Package*

1. Have you obtained the benefit package due to the loose of your land?

   a. Yes ☐ b. ☐

2. If yes, in what kind did you compensated?

   a. In monetary term

   b. Alternative land

   c. Training to develop skill

   d. Others(mention)_____

3. What is your reaction on the amount and kind of benefit package allotted to you?

   a. Highly satisfied ☐ b. Satisfied ☐ c. Indifferent ☐

   d. Highly discouraged and dissatisfied ☐

4. In which of these skill acquired training did you have participate?

   a. Own business development, management and supervision ☐

   b. Financial management/ saving ☐

   c. Basic skill training ☐

   d. Technical training for livelihood means ☐

5. Could the compensation packages you obtained were enough to support your livelihood in sustainable base?

6. If no, what is the reason?

   _____

7. In which one these training/trainings you pleased most and why?

   a. _____, _____

   b. _____, _____

8. In the above compensation packages which one you promised but did not obtained? _____

9. Have you ask concerned body about compensation package promised but did not provided and what were the responses you obtained for?

   _____

   _____

10. Have you any other additional comments and recommendations on the compensation packages?

    _____

    _____

    _____

Appendix: 3

Template

Objective	Indicator	Parameter	Methodology
To analyze the challenge as well as opportunities of rapid expansion of Sebeta town and its implication on the livelihood of farming communities on peri-urban area.	Background data	-Address -Sex -Age -Marital status -Religion -Level of education -Family size -Occupation	Survey questionnaire
	Socio-economic profile	- Size of land holding -Type of crops and vegetables produced -Number of livestock -Total production in Quintals -Income from crops production -Income from vegetables produced -Income from the other assets -Total Yearly earnings	Survey questionnaire and group discussion

	Impact of urban expansion on peri-urban zone	-Loss of land in Hector due to urban expansion(grass land, crops land and residential land) -Other asset lost - Tree plant - Livestock -Loss livelihood due to urban expansion -Change in life style -Socio- economic services after proximity to urban areas - Electricity - Water supply - School - Telephone, etc -employment opportunities created	Survey questionnaire, key informant interview and focus group discussion
	Change in livelihood and coping mechanisms	-Change in previous occupation -Change of the time spend in engaging in agricultural activities -The shift in the types of crops and vegetables grown -Types of off-farm activities the farmers engage -Opportunities and challenges obtaining off-farm activities	Survey questionnaire key informant interview and Focus group discussion

	Policy response for displacement	-Types of compensation packages - In monetary term - Skill and knowledge developed - Others if any -ways of determining of compensation -Involvement of all concerned stakeholders in the issue	Key informant interview and Focus group discussion

Declaration

I, the undersigned, declare that this thesis is my original work and has not been presented in any other university, and that all sources of material used for the thesis have been duly acknowledged.

Name: Dejene Nigusie

Signature: _____

June, 2011

Confirmation

This thesis can be submitted for examination with my approval as a university advisor

_____

Issac Paul (PhD)

June, 2011