

# Impacts of Climate-Smart Agricultural Practices on Crop Productivity in North Wello Administrative Zone, Northern Ethiopia

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**Abstract:** *In most Sub-Saharan African countries, the agriculture sector drives the economy. However, this sector primarily relies on rain-fed farming practices, which are highly vulnerable to climate change-related risks. Different agricultural technologies have been introduced to increase agricultural production in the changing climate. However, it has not yet been sufficiently documented which technologies will provide better crop yields when used in isolation or combination. As a result, the current study is intended to examine the impact of climate-smart agricultural practices on crop productivity in Northeast Ethiopia. The study followed a cross-sectional research design, with data collected through survey questionnaires from randomly selected rural household heads. A multinomial endogenous switching regression model was employed to estimate the adoption of multiple climate-smart agricultural practices and their impacts on crop yield. For this purpose, 411 farm household heads were surveyed across three agro-ecological zones of the North Wello Administrative zone, Northern Ethiopia. The result reveals that farmers who implemented a single or full package of climate-smart agricultural practices had a higher crop yield per hectare than those who did not. Adopting multiple climate-smart agricultural practices produces more crop yield than a single practice. Adopting input-based crop management practices combined with water management practices achieved a greater yield per hectare than any other practice, either in isolation or in combination. However, when climate risk reduction measures such as early warning weather information and adjusting planting dates are used in conjunction with other packages, they have no significant impact on crop yield. The non-significant effect of climate-risk reduction measures in all cases suggests that agricultural risk reduction measures may not be climate-smart.*

**Keywords:** Climate-smart agricultural practices, multinomial endogenous switching regression model, crop productivity, crop management, water management

## I. INTRODUCTION

Climate change is a global problem affecting food security in many developing countries (Alemu and Mengistu, 2019; Kassie et al., 2017). The problem is more acute in Sub-Saharan Africa, where 62 percent of the population lives in rural areas and is primarily dependent on rain-fed agriculture (Calzadilla et al., 2013). Despite its importance to the overall economy, agricultural production in Sub-Saharan Africa is being hampered by increasing temperatures and varying precipitation (Ferede et al., 2013). Climate extremes particularly seasonal droughts are undermining the economies of Horn of Africa countries, with agriculture hardly hit (Lipper et al., 2014; Shiferaw et al., 2018). East African countries are arguably the most at risk from climate change impacts, and land degradation exacerbates the negative impacts on agricultural production (Evangelista et al., 2013; Wubie, 2015).

Agriculture dominates the Ethiopian economy (Alemu and Mengistu, 2019; Alemu et al., 2003; Yalew et al., 2018); which contributes, on average, 44 percent of the GDP and employs over 80 percent of the population (Shiferaw 2017; Gebreegziabher et al., 2016; Wubie, 2015). Crop production accounts for more than 60% of agricultural GDP, while livestock accounts for the remaining 20% (Solomon et al., 2021). Ethiopian agriculture is rainfed, with



irrigation agriculture accounting for less than 1% of total cultivated land (Di Falco et al., 2012; Robinson et al., 2013). The vast majority (95 percent) of cropped area is under small-scale rain-fed farming, which accounts for 95 percent of national annual crop production (EPCC, 2015; Solomon et al., 2021).

Ethiopia's agriculture is highly vulnerable to climate change-related risks (Di Falco et al., 2012). Evidence suggests that the average annual temperature rose by 1.3 °C, or 0.28 °C, between 1960 and 2006 (Gashaw et al., 2014; Wubie, 2015). In terms of precipitation, Ethiopia experiences inter-annual and inter-decadal variability (Admassie et al., 2008; Debalkie and Solomon, 2014; Bewket, 2009; Zeleke et al., 2013). The country is also frequently hit by extreme events like droughts and floods, in addition to rainfall variability and increasing temperatures, which contribute to adverse impacts on livelihoods (EPCC, 2015; World Bank, 2021). Recently, drought caused by climate change-induced El Niño resulted in food insecurity for 10 million people in 2015/16 (Alemu and Mengistu, 2019). Unpredictable climate variability contributes increasingly to low agricultural productivity and production (Deichert et al., 2017). Previous studies at the national level show that the impacts of climate change on crop production have been negative in Ethiopia (Bryan et al., 2009; Kassie et al., 2014; Wubie, 2015; Yalew et al., 2018). According to the World Bank (2010) report, climate change-related risks could reduce the national GDP by 2-6% by 2015 and up to 10% by 2045 when compared to a baseline scenario in Ethiopia. This means that climate variability hurts agricultural production systems in Ethiopia, where the climate-sensitive sector is the primary source of income.

The agriculture sector has a significant potential to contribute to the solution, assisting people not only in feeding themselves but also in adapting to and mitigating the effects of climate change (FAO, 2013; Fenta et al., 2019). Adopting climate-smart agriculture appears to be an appropriate strategy for increasing agricultural productivity while mitigating and adapting to climate-related risks (FAO, 2013). Ethiopia's government now emphasizes climate-smart agriculture (CSA) for enhancing resilient and adaptive systems to climate change (Yirgu et al., 2013). Sustainable intensification practices that build on existing agricultural lands, as one example of CSA technologies, have significant adaptation potential. Because they reduce cropland expansion at the expense of forestland and shrubland, they improve livelihoods as well as mitigation potential (Lipper et al. 2014). There are also in situ and ex situ water harvesting technologies; integrated soil fertility management through the use of legumes to improve nitrogen fixation and the efficient use of mineral fertilizers; precision agriculture, which optimizes soil and water management to locally specific conditions; and the incorporation of conservation agriculture (CA) into in situ crop residue management (Hadguet et al., 2019). To increase crop production, local demand and context-specific CSA technologies and practices, such as drought tolerant, early maturing, and drought resistant crops and incorporating multipurpose tree/shrub species that provide multiple benefits practiced in northern Ethiopia (Georgise et al., 2019). Climate-smart practices are critical for reducing land degradation, mitigating the effects of climate change and variability, and improving crop productivity and nutrient availability (Araya, 2019).

Empirical studies from Ethiopia have shown that CSA technologies can increase agricultural productivity and farm income. For instance, the decision to practice row planting, use of chemical fertilizers, crop diversification, soil and water conservation, improved crop seeds, integrated soil fertility management, minimum tillage, cereal-legume intercropping, small-scale irrigation, and improved livestock management practices have a significant positive impact on agricultural productivity and farm income (Sedebo et al., 2022; Tesfaye et al., 2020; Asrat & Simane, 2017; Komarek et al., 2019; Teklewold et al., 2019; Habtewold, 2021). Similarly, other studies from various regions of Ethiopia show that CSA practices and technologies improve soil fertility and organic carbon levels (Araya, 2019; Tadesse et al., 2021; Teklewold et al., 2017). However, when estimating the crop yield effects of CSA technologies in most of these studies, adopters are defined as having used at least one of the identified CSA technologies (Adego et al., 2019; Sedebo et al., 2022; Fentie & Beyene, 2019; Sedebo et al., 2021). Empirical evidence suggests that the benefits of combining agricultural technologies increase when compared to adopting technologies alone (Di Falco & Veronesi, 2013; Kassie et al., 2015; Teklewold et al., 2017; Teklewold et al., 2019). As a result, rather than a piecemeal approach, a package approach is required to maximize the synergies implicit in various climate-smart practices in Ethiopia (Teklewold et al., 2017).

It is critical to consider locally demanded CSA technologies and practices in the study area, such as drought tolerant, early maturing, and drought resistant crops, as well as integrating multipurpose trees that provide multiple benefits to



crop productionsystems (Georgise et al., 2019). Empirical evidence on the impacts of these new agricultural practices will help in the filling of knowledge gaps in the areas of CSA technology implementations. Because of differences in topography, microclimate, and socioeconomic factors, the adoption of CSA practices and their impact on crop productivity varied across geographical settings. Therefore, a context-specific study of CSA adoption and its impact on crop productivity is required considering the varied agro-ecological conditions. Though important evidence has been provided more recently about the effect of row planting on teff yield in the study area (Fentie & Beyene, 2019), it was only focused on the method of sowing (Teff row planting) instead of evaluating the effects of improved seeds, fertilizer, soil, and water conservation, agroforestry, crop diversification, small-scale irrigation, and integrated pest management adoptions in isolation or in combinations.

As a result, the objective of this study is to provide rigorous empirical evidence for the effect of a set of climate-smart agricultural practices implemented in isolation as well as in combination on crop productivity using a multinomial endogenous switching regression model. The following two research questions were addressed by this study: How do climate-related and socioeconomic factors influence farmers' decisions to adopt climate-smart practices, either individually or in combination, and what effect does this have on crop productivity in the North Wello Zone? The authors of this study do this by controlling for selection bias using a multinomial endogenous switching (ESR) treatment effects model.

## **II. RESEARCH METHODOLOGY**

### **Description of the Study Area**

The study was conducted in the North Wello Administrative Zone because the North Wello region is one of the most drought-prone and populated areas in Ethiopia. The area is located lies between 11°30'0'' to 12°30'0'' N latitude and 38°30'0'' to 40°0'0'' E longitude (Figure 1). Its elevation ranges from 900 to 4265 meters above sea level, and there are three major agroecological zones: hot (lowland), temperate (middle), and cool (highland). The North Wello zone is distinguished by a distinct bimodal precipitation pattern, Belg in April-May prior to the primary wet season, Kermit, from July to September (Conway 2000). The temperature varies depending on the season, with average minimum temperatures ranging from 9.5°C to 15.6°C during the rainy season and from 30°C to 33°C during the dry season. May and June are the hottest months in the study area. Dominant soils include Cambisols, Luvisols, Vertisols, Xerosols, Leptosols, Regosols and Nitisols.

The agricultural system of the study area is a mixed farming system. Cereals represented 85.06% of all cultivated land in the study area (1865.27 ha). Teff, wheat, sorghum, barley, and maize accounted for 30.48% (approximately 56,859.09 hectares), 25.41% (approximately 47,412 hectares), 25.39% (47,350.99 hectares), 15.3% (28,499.58 hectares), and 3.41% (6,406.00 hectares) of the grain crop area, respectively. In 2020–21, pulses represented 14% of the total area under cultivation. The most common pulses include beans, peas, lentils, and chickpeas (CSA, 2021). Livestock is inextricably linked to the farming system and is mainly used for plowing and transportation.

### **Sampling design and procedures**

The study relied on primary data sets gathered from rural households via cross-sectional survey methods. We used a multistage sampling method to select household heads who could participate in the study and to select the kebeles from which data would be collected. First, rural administration districts are classified according to their agroecology. Second, three representative districts were purposefully chosen to represent the three dominant agroecological areas: Habru in the lowlands, Gubalafto in the midlands, and Gidan in the highlands. Third, in consultation with agronomic experts in the study area, the kebeles that had the dominant characteristics of each sampled district were identified and aggregated. This third step is crucial to exclude kebeles that do not share the prevailing micro-climatic and agricultural characteristics of the sampled districts. Following this, six kebeles, which were two kebeles from each sampling district, were selected using a stratified sampling technique. About 421 randomly selected farm households in the three districts using proportional sampling methods were interviewed from March to May 2024. However, we used only 411 of the survey participants who filled in the questionnaires correctly and used them for the data analysis.



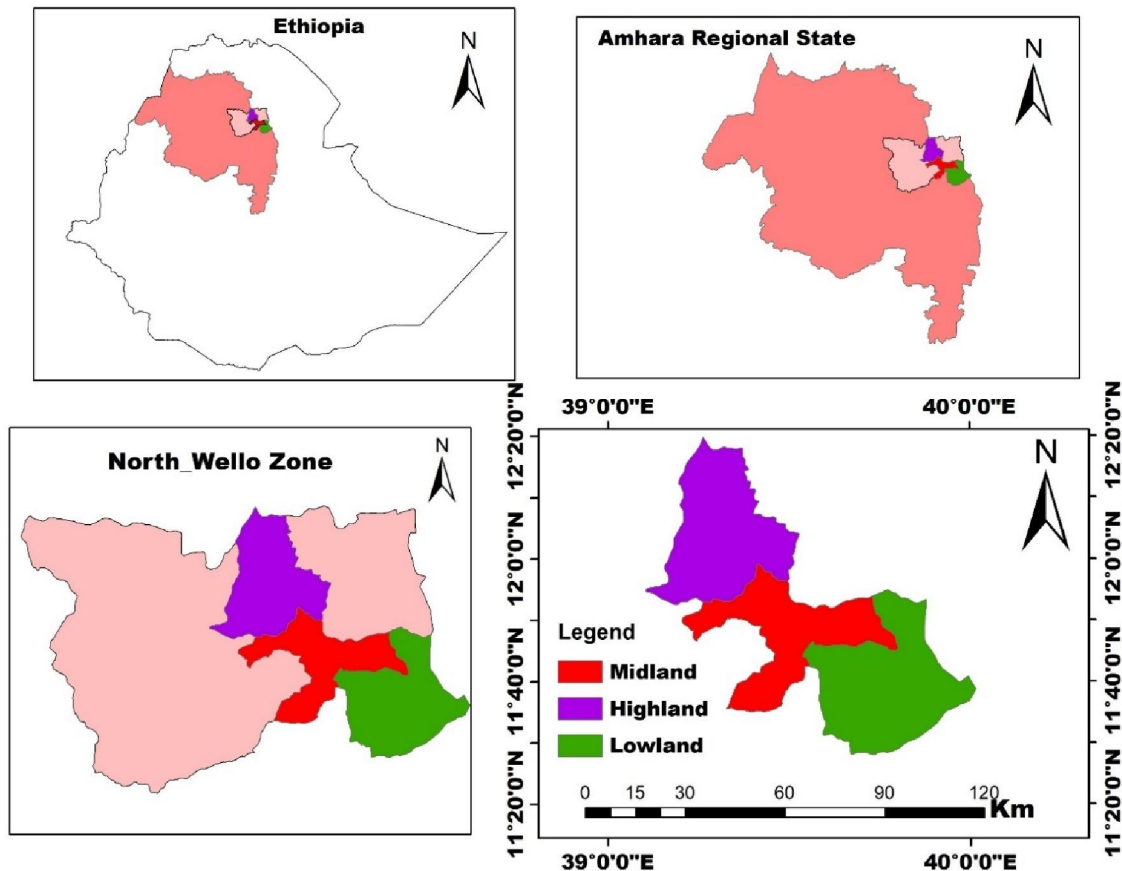


Figure.1: Location of Study Area (source: author,2024)

#### Data Sources and Collection Methods

Cross-sectional data for the study were collected from the randomly selected households in various agro-climatic zones of the North Wello administrative zone using open and closed-ended questionnaires. The household and plot level data collected through a structured questionnaire provides household demographic and socio-economic characteristics and different typologies of climate-smart agricultural practices. The plot level data included biophysical characteristics of a plot, crop production level per plot, and the types of climate-smart agricultural practices applied to each plot. These data were mainly used to analyze the impact of climate-smart agricultural practices on crop productivity based on household-level information.

To identify the CSA practices used in the study area, the authors first compiled a list of all CSA practices by consulting with agronomic experts in each sampled district before including all CSA practices used by farmers in the questionnaire. As well, to supplement the quantitative data, a series of in-depth group discussions and interviews were conducted. A total of six focused group discussions (FGDs) were conducted, one in each sampled kebele. The discussants were farm household heads selected in consultation with agricultural extension experts working in each kebele, considering their farm experiences, active participation in farmers' associations in the kebele, and implementing agricultural technologies introduced in the kebele. At every FGD meeting, participants were restricted to 6–8 persons. A total of 45 participants in the focus group were present in the six kebeles, of which only three were women, indicating that men were dominant. The first author led each focus group using a checklist.



### Description of variables

Farm households in the study sites have undertaken a number of CSA practices, including improved crop varieties, organic and inorganic fertilizers, agroforestry, adjusting the cropping calendar, using early warning weather-related information, adopting soil conservation measures, and adopting water strategies such as water harvesting and small-scale irrigation (Table 1).

**Table 1: Identified climate-smart agricultural practices in the study sites**

| Climate-smart agricultural practices   | Frequency | Percent |
|--|-----------|---------|
| Crop diversification   | 159       | 38.69   |
| Improved crop varieties  | 80        | 19.46   |
| Organic fertilizers (compost, and or manure)                                 | 150       | 36.5    |
| In-situ water conservation practices (infiltration ditches, soil/stone bund) | 384       | 93.43   |
| Small-scale irrigation practices   | 97        | 23.60   |
| Minimum tillage practices  | 68        | 16.55   |
| Agroforestry   | 45        | 10.95   |
| Rainwater harvesting practices (pond construction and geomembrane)           | 36        | 8.76    |
| Inorganic fertilizers  | 272       | 66.18   |
| Crop rotation  | 176       | 42.82   |
| Use of early warning weather information (crop harvesting)                   | 157       | 38.2    |
| Adjusting planting dates (cropping calendar)                                 | 115       | 27.98   |

Source: Authors survey, 2024

The explanatory variables in this study were chosen using a random utility framework and empirical literature on CSA practices and factors of agriculture technology uptake (Deressa & Hassan, 2009; Asrat & Simane, 2017; Asfaw et al., 2018; Fentie & Beyene, 2019; Teklewold et al., 2017; Tsige et al., 2020; Beyene et al., 2017; Miheretu & Yimer, 2017; Kassie et al., 2015; Pender & Gebremedhin, 2008). These include demographic factors (education, age, gender, and household size), plot characteristics (plot number, farm distance, slope, soil, and tenure), asset-related (farm size, TLU, and irrigable land), and other CSA-related training, extension, infrastructure, and institutional support variables. The descriptions of the selected variables and descriptive statistical measures are presented in Table 2 below.

**Table 2: Explanatory variables included in The Endogenous Switching Regression Model**

| Variable          | Description   | Measurement                          | Mean      | SD        |
|-------------------|---|--------------------------------------|-----------|-----------|
| Yield/ha          | Crop productivity (value of crop production per hectare) in ETB     | Continuous                           | 41,067.17 | 19,673.47 |
| Gender            | Sex of the household head   | Dummy = 1 if male 0 = female         | .87       | -         |
| Age               | Age in years of the household head                                  | Continuous                           | 46.9      | 9.74      |
| Education         | Education status of the household head                              | Dummy = 1 if literate 0 = illiterate | 0.35      | -         |
| Family size       | Household size of the respondents                                   | Discrete                             | 5.56      | 2.02      |
| Social Membership | Household head membership of social organization (Edir, Equb, etc.) | Dummy = 1 if member 0 = not          | .88       | -         |
| TLU               | Livestock herd size in tropical livestock unit                      | Continuous                           | 4.01      | 2.18      |
| Farm size         | Total farm size that the farmers owned in hectares                  | Continuous                           | 1.10      | .56       |
| Parcel number     | Number of plots of cultivated land                                  | Discrete                             | 2.94      | 1.18      |
| Gentle slope      | The slope of farmland is perceived as moderate in ha                | Continuous                           | .37       | .35       |
| Steep slope       | The slope of farmland is perceived as very steep in ha              | Continuous                           | .12       | .24       |
| Land rent         | Sharing of cropland from another farm                               | Dummy = 1 if yes 0 = not             | .314      | -         |





|                      |   |                                |        |        |
|----------------------|---|--------------------------------|--------|--------|
| Farmdistance         | Walking distance from home to farmland in minutes   | Continuous                     | 37.7   | 19.38  |
| Media access         | The presence of a radio in the home   | Dummy = 1 if yes 0 = not       | .817   | -      |
| Extension            | Distance from home to extension services in minutes   | Continuous                     | 47.62  | 36.91  |
| Market               | Distance from home to nearest market in minutes   | Continuous                     | 99.64  | 125.24 |
| Credit               | Credit services available to households   | Dummy = 1 if yes 0 = otherwise | .70    | -      |
| Training             | Access to agricultural training for household heads   | Dummy = 1 if yes 0 = not       | .42    | -      |
| Climate information  | Climate information is obtained from extension services and other media                       | Dummy = 1 if yes 0 = no        | .25    | -      |
| Age dependency ratio | The proportion of household members under 15 and over 64 compared to those between 15 and 64. | Ratio                          | 2.08   | 1.52   |
| Soil fertility       | Farmland soil fertility is perceived to be low  | Dummy = 1 if yes 0 = otherwise | .11    | -      |
| Belg rainfall        | Belg (short rain season) rainfall (mm) of the year 2019                                       | Continuous                     | 135.26 | 60.09  |
| Meher rainfall       | Meher (long rain season) rainfall (mm) of the year 2019                                       | Continuous                     | 294.11 | 15.85  |

**Source: Authors survey, 2024**

#### **Data analysis**

Using both household and plot-level data, the researchers investigated how multiple climate-smart agricultural practices affect crop productivity. The authors primarily used quantitative data, which they analyzed using basic descriptive statistics, principal component analysis methods, and an econometric model. Descriptive statistics were used to summarize the respondents' socioeconomic, demographic, plots, assets, and institutional characteristics. When a large and extensive database is available, Principal Component Analysis (PCA) is used to investigate CSA practices (Wekesa et al., 2018). PCA was applied in this study to standardize variables and condense all of the data from the original interconnected variables into a smaller set of factors known as principal components (Chatterjee et al., 2015). To place fewer highly correlated variables under each factor and make interpretation easier, factors were rotated using orthogonal rotation (varimax method) (Wekesa et al., 2018). All factors with eigenvalues greater than one were retained and interpreted using Kaiser's criterion (Kaiser, 1958). Following Kaiser's criterion, four principal components out of a possible eight were extracted with eigenvalues greater than one (Kaiser, 1958). Table 3 shows how the identified CSA practices were grouped using a principal component analysis.

The econometric model was used to estimate the CSA technology adoption decision on crop productivity. Using the full information maximum likelihood (FIML) estimation technique, we used the ESR model to determine who was more likely to benefit from the adoption of CSA practices.

#### **A. Econometric Framework and Estimation Strategy**

A micro-econometric structural Ricardian model was employed to assess the impact of CSA technology on crop productivity, assuming that farmers use a combination of CSA practices to maximize their expected profits. However, estimating the impact of technology adoption on crop productivity based on non-experimental observations is difficult because we do not observe the outcome of plots with CSA technologies if they did not have CSA technologies, or we do not observe the counterfactual (Asfaw et al., 2012; Kassie et al., 2007; Kassie et al., 2008). Furthermore, farmers' decisions to implement or not implement CSA technologies on their farm plots are voluntary and may be based on individual self-selection (Di Falco et al., 2011; Asfaw et al., 2012), and farmers who decide to implement multiple CSA technologies may have different characteristics than those who do not. Besides that, unobservable characteristics of farmers and their farms may influence both the adoption of climate-smart agricultural technologies and the farm



outcome, resulting inconsistent estimates on the effect of climate-smart agricultural technology practice on crop productivity (Di Falco et al., 2011; Asfaw et al., 2012; Kassie et al., 2008). All of this implies that using observational data to assess the ex-post effects of CSA technology adoption is difficult due to possible selection bias from observed and unobserved plots and household characteristics (Kassie et al., 2008; Kassie et al., 2007). Unless sample selection bias is taken into account, this leads to an incorrect estimate of the adoption effect on crop productivity (Teklewold et al., 2019; Teklewold et al., 2013). Hence, estimating the impact of CSA technology users with ordinary least squares leads to biased estimates.

There are several econometric models for addressing sample selection bias, such as using the Instrumental Variable (IV), the Heckman two-step method, or a non-parametric estimator (propensity score matching) method (Abebe & Bekele, 2014; Heckman et al., 2004; Zingiro et al., 2014), and each has its own set of limitations. Heckman selection and IV methods, for example, enforce a functional form assumption by assuming that farmers' decision to use CSA technologies only causes an intercept shift in the outcome variables rather than a slope shift (Tambo & Wünsch, 2016). Though propensity score matching (PSM) addresses the above issue by avoiding functional form assumptions, it assumes selection is based on observable variables, but there is likely to be unobserved heterogeneity because farmers' decisions to adopt CSA technologies are likely to be influenced by their expected benefits from the technologies. When there are unobservable factors influencing both agricultural technology adoption decisions and outcome indicators, PSM produces biased results (Tambo & Wünsch, 2016).

We used the endogenous switching regression (ESR) model to address these issues. Based on the selection equation, the ESR method specifies separate outcome equations for each regime. The ESR model estimates a two-outcome equation corresponding to users and non-users in a two-stage framework. Using a random utility conceptual model, it is assumed that farmers are risk-neutral, and their decisions to use CSA or non-use are based on their expected net benefits. As a result, decisions to use or not to use CSA practices in crop production systems are made based on their expected maximum net benefits. The net benefit in this study is defined as a latent variable ( $\mu_i^*$ ) capturing the difference between crop yield derived from CSA practices ( $y_{1i}$ ) and without CSA practices ( $y_{0i}$ ). It is assumed that the  $i^{th}$  household will use a combination of CSA practices or a single CSA practice if the net crop yield difference with CSA practices and Without CSA practices is positive, described as:

$$\mu_i^* = y_{1i} - y_{0i} > 0 \quad eq(1a)$$

Where,  $\mu_i^*$  is determined by observable factors (such as socio-economic conditions of the household, the biophysical conditions of the farm plot, and institutional factors) and unobservable factors (such as farmers' farm management ability, soil fertility, risk preference, etc.). The CSA use decisions in the latent variable framework are specified following Kassie et al. (2014); Adegbo et al., (2019) as: ( $\varepsilon_{ij}$ ):

$$U_i^* = X_i \beta_j + \varepsilon_i, \quad eq(1b)$$

Where ( $X_i$ ) is observed exogenous variables (socio-economic conditions of farmers and biophysical characteristics of farm plot);  $\beta$  is the vector of the parameters to be estimated, and  $\varepsilon_{ij}$  is unobserved characteristics. As previously stated, a switching regression model was used to estimate the impact of CSA technology adoption on crop yield or productivity while accounting for sample selection bias in CSA technology adoption participation. The researcher does not observe  $U_i^*$ , rather the actual adoption status can be only observed ( $U_i$ ), expressed as:

$$U_i = \begin{cases} 1, & \text{if } U_i^* > 0 \\ 0, & \text{if } U_i^* < 0 \end{cases} \quad eq(2)$$

Where  $U_i$  is a binary dummy variable, which equals 1 for CSA uses by the  $i^{th}$  household, and zero, otherwise. Furthermore, due to the household decide to use CSA or not, the yield benefits of with CSA and without are specified as an endogenous switching regime model conditional on  $U_i$ , like that:

$$CSA \text{ users regime: } y_{1i} = \beta_1 X_{1i} + \mu_{1i}, \quad \text{if } \mu_i = 1 \quad eq(3a)$$

$$CSA \text{ non-users regime: } y_{0i} = \beta_0 X_{0i} + \mu_{0i}, \quad \text{if } \mu_i = 0 \quad eq(3b)$$

The left-hand side variables  $y_{1i}$  and  $y_{0i}$  refers the crop yield amount per hectare expressed in the regional price in Ethiopian Birr (ETB) corresponding to the two regimes users of CSA and non-users of CSA respectively. The right-hand side,  $\beta_1$  and  $\beta_0$  are vectors of parameters to be estimated;  $X_{1i}$  and  $X_{0i}$  are vectors of determinants of crop yield for



the  $i^{th}$  household,  $\mu_{1i}$  and  $\mu_{0i}$  are the error terms. The error terms  $\varepsilon$  in  $eq(1b)$ , and the two  $(\mu_{1i}, \mu_{10})$  in  $eq(3a)$  and  $eq(3b)$  have a trivariate normal distributions with zero mean and a non-singular covariance matrix (Adego et al., 2019) expressed as follows:

$$Cov(\varepsilon_i, \mu_{1i}, \mu_{0i}) = \begin{bmatrix} \sigma_1^2 & \sigma_{10} & \sigma_1 \varepsilon \\ \sigma_{10} & \sigma_0^2 & \sigma_0 \varepsilon \\ \sigma_1 \varepsilon & \sigma_0 \varepsilon & \sigma_\varepsilon^2 \end{bmatrix} \quad (4)$$

Where  $\sigma_1^2 = \text{var}(\mu_1)$ ,  $\sigma_0^2 = \text{var}(\mu_0)$ ,  $\sigma_{10} = \text{cov}(\mu_{1i}, \mu_{0i})$ ,  $\sigma_1 \varepsilon = \text{cov}(\mu_1, \varepsilon)$ ,  $\sigma_0 \varepsilon = \text{cov}(\mu_0, \varepsilon)$ , and  $\sigma_\varepsilon^2 = 1$ . the regimes  $\mathcal{Y}_{1i}$  and  $\mathcal{Y}_{0i}$  outcomes cannot be simultaneously observed for a farmer and hence the covariance  $(\sigma_{10})$  is assumed zero (Maddala, 1983; Amadu et al., 2020).

Moreover, due to the presence of selection bias, the expectations of the error terms in  $eq(3a)$  and  $eq(3b)$  are different from zero. Applying ordinary least squares (OLS) regression would therefore result in biased estimations of  $\mathcal{Y}_{1i}$  and  $\mathcal{Y}_{0i}$  (Amadu et al., 2020). bracketsve assumption, the truncated error terms  $[\mu_{1i}/U_i = 1]$  and  $[\mu_{0i}/U_i = 0]$  have the following expected values:

$$E[\mu_{1i}/U_i = 1] = \sigma_1 \varepsilon \frac{\phi[\beta x_i]}{\Phi[\beta x_i]} = \sigma_1 \varepsilon \lambda_{1i} \quad eq(5a)$$

$$E[\mu_{0i}/U_i = 0] = -\sigma_0 \varepsilon \frac{\phi[\beta x_i]}{1 - \Phi[\beta x_i]} = -\sigma_0 \varepsilon \lambda_{0i} \quad eq(5b)$$

$$\text{Where } \lambda_{1i} = \frac{\phi[\beta x_i]}{\Phi[\beta x_i]} \text{ and } \lambda_{0i} = \frac{\phi[\beta x_i]}{1 - \Phi[\beta x_i]};$$

Where,  $\phi$  is the standard normal probability distribution and  $\Phi$  is the standard normal cumulative distribution.  $\lambda_{1i}$  and  $\lambda_{0i}$  are interpreted as the inverse mill's ratios (Heckman, 1979) evaluated at  $\beta x_i$  and used in  $eq(3a)$  and  $eq(3b)$  to correct for selectivity bias through the two stage estimation techniques. But this technique produces the heteroscedastic residuals that is not efficient in generating consistent standard errors (Lokshin and Sajaia, 2004). The two-stage instrumental variable procedure is a widely used method for estimating self-selection (Maddala, 1983). However, this technique is incorrect and heavily criticized because it requires some adjustment to derive consistent standard errors and performs poorly when the covariates of the selection equation and the covariates of the outcome equation are highly multi-collinear (Maddala, 1983).

The FIML technique is the most appropriate and efficient method for estimating the ESR model. In many cases, this technique is preferable to other approaches. Using the `movestay` command in STATA version 14, the FIML method estimates both the selection and outcome equations simultaneously (Lokshin and Sajaia, 2004). Furthermore, it allows for the use of restrictions to be applied and the construction of likelihood ratio tests on the restriction variable (Lokshin and Sajaia, 2004) when similar variables affect the adoption decision (Z) and subsequent outcome equations (X); the absence of model identification will be a problem. We used exclusion restrictions for identification, which means that we need at least one variable that influences farmers' adoption decisions but does not directly affect crop yield or productivity (Asmare et al., 2019; Lokshin and Sajaia, 2004).

The validity of the ESR requires exclusion restriction that is correlated with CSA adoption decision while it does not play a role in the productivity of farmers (Adego et al., 2019; Asfaw et al., 2012; Gorst et al., 2018). Thus, we use access to climate related information, extension services, access to information on CSA agricultural practices and farmers past experience of extreme weather events as selection instruments (selection variables) and are considered as instrumental variables. The authors assumed that these instrumental variables are critically important in determining the adoption decisions to CSA technologies variables but did not directly determine the productivity of farm plots. Empirically, the validity of ESR instruments is tested. The first test is running a probit model for adaptation with instruments and other variables. The instruments are jointly validated as strong predictors for adoption decisions. The second is falsification test that checks whether the instruments played an important role in production. As indicated by Adego et al. (2019), this test indirectly checks whether instruments are correlated with the unobservable. The test confirms that the instruments are not jointly statistically significant drivers of productivity for non-adapters.





### B. The effects of CSA technology adoption on crop productivity

The effect of CSA adoption on the crop productivity was estimated by using endogenous switching regression model following the work of (Adego et al., 2019; Amadu et al., 2019, Kassie et al., 2014, Tekelewold et al., 2013). The multinomial endogenous switching treatment regression model can be used to compute the counterfactual and average adoption effects. The counterfactual is defined as the crop yield of CSA users which would have obtained if the returns (coefficients) on their characteristics had been the same as the returns (coefficients) on the characteristics of the non-users of CSA practices, vice versa (Kassie et al., 2014). From equation (6a and 6b), the following conditional expectations for each outcome variable can be computed:

$$\text{user with CSA (actual): } E(Y_{1i}/U_i = 1) = \beta_1 X_{1i} + \sigma_{1i} \varepsilon_{1i} \quad eq (6a)$$

$$\text{user without CSA (actual): } E(Y_{0i}/U_i = 0) = \beta_0 X_{0i} + \sigma_{0i} \varepsilon_{0i} \quad eq (6b)$$

where, as if those household had not used CSA (counterfactual case), will be specified as:

Users had they decided not to use CSA (counterfactual):

$$E(Y_{0i}/U_i = 1) = \beta_0 X_{1i} + \sigma_{1i} \varepsilon_{1i} \quad eq (7a)$$

Non-user had they decided to apply CSA (counterfactual):

$$E(Y_{1i}/U_i = 0) = \beta_1 X_{0i} + \sigma_{0i} \varepsilon_{0i} \quad eq (7b)$$

Then the average treated impact of yield for those is computed as:

$$ATT = X_{1i}(\beta_1 - \beta_0) + \lambda_{1i}(\sigma_{1i} \varepsilon - \sigma_{0i} \varepsilon) \quad eq (8a)$$

where ATT – represents the average treatment for the treated (with CSA).

Similarly, the impact of the treatment on untreated (ATU) estimated that it actually did not adopt did adopt (6b and 7d).

$$ATU = X_{0i}(\beta_1 - \beta_0) + \lambda_{0i}(\sigma_{1i} \varepsilon - \sigma_{0i} \varepsilon) \quad eq (8b)$$

## III. RESULTS AND DISCUSSION

### 3.1. Characterization of Identified CSA practices

Table 3 displays the descriptive statistics for each component's composition (climate-smart agricultural practices). Water management practice was the first and most widely used component, with 97.32 % of farm households practicing this component. This component includes small-scale irrigation practices as well as in-situ water conservation practices such as soil/stone bund and infiltration ditches. The second major component is crop management practices which is used by 68 % of farm households. Poor soil nutrient management and climate-related risks are the major constraints to crop production in Ethiopia. As a result, 66 percent of study participants reported as they have applied chemical fertilizers to reduce crop loss risks due to low soil fertility conditions in the study area. The third most used component was conservation agriculture practices for increasing crop income, used by 58% of farmers. This component comprised the use of crop rotations and crop diversities. Lastly, 49.4 percent of farm households practiced climate risk management strategies which includes adjusting planting dates and using early warning weather information to harvest crops, which are central to modern farming practices, and are essential in Ethiopian smallholder farmers' adaptation to climate change related-risks.

**Table 3: Characterization of the identified CSA practices**

| Practices                              | Users     |       | Component                       | Percentage of users |            |
|--|-----------|-------|---------------------------------|---------------------|------------|
|  | Frequency | %     |                                 | Frequency           | Percentage |
| Efficient use of inorganic fertilizers | 272       | 66.18 | Input based crop management (I) | 279                 | 67.88      |
| Improved crop varieties                | 159       | 38.69 |                                 |                     |            |
| Crop rotations                         | 176       | 42.8  | Conservation agriculture (C)    | 238                 | 57.91      |
| Crop diversifications                  | 80        | 19.46 |                                 |                     |            |
| Adjusting planting dates               | 115       | 27.98 | Climate risk reduction          | 203                 | 49.39      |



|   |     |       |                      |     |       |
|---|-----|-------|----------------------|-----|-------|
| (cropping calendar)                                       |     |       | measures on crop (R) |     |       |
| Use of early warning weather information to harvest crops | 157 | 38.2  |                      |     |       |
| Small-scale irrigation                                    | 97  | 23.60 | Water management(S)  | 400 | 97.32 |
| Soil/stone bund, infiltration ditches)                    | 384 | 93.43 |                      |     |       |

Source: Authors survey, 2024

Farmers in the study area decided to adopt CSA practices in a wide range of different combinations, and this has implication on household's crop income. Given the set of available packages, understanding what drives an individual to select specific packages is important for policy direction. Table 4 presents different packages (combinations), whereby 14 out of 16 possible combinations/packages were used for further ESRM estimations. Few farmers (1.2%) did not use/adopt any CSA package. About 18.7 % of farmers used package  $I_1C_1R_1S_0$ , which contained Input based crop management practices, conservation farming practices and farm risk reduction measures. Approximately 18.3 % of farmers used package  $I_1C_1R_1S_1$  with all the four groups of CSA strategies. Further, 28% of farmers used package  $I_0C_1R_1S_1$ , which contained conservation farming practices, farm risk reduction measures and water management practices. About 28.5 % used package  $I_0C_1R_1S_0$ , which contained conservation farming practices and climate-risk reduction measures only. Moreover, 31 % of the respondents used package  $I_1C_0R_1S_1$ , which had input-based crop management practices, climate-risk reduction measures, and water management practices. About 31.6 % used package  $I_1C_0R_1S_0$ , which comprised input-based crop management and climate-risk reduction measures. Another 48.9% of them used package  $I_0C_0R_1S_1$ , which had climate risk reduction measures and water management practices. Moreover, 43 % used package  $I_1C_1R_0S_0$ , which had input-based crop management and conservation farming practices.

A significant number of household heads (49.5%) used package  $I_0C_0R_1S_0$ , which contains only climate-risk reduction practices. Another large share of farmers (57%) used package  $I_0C_1R_0S_1$ , which had conservation practices and water management practices. About 58% used package  $I_0C_1R_0S_0$ , which had only conservation farming practices. Further, 66.4% of farmers used package  $I_1C_0R_0S_1$ , which contains input-based crop management and water management practices. Another 68 % of the farmers used package  $I_1C_0R_0S_0$ , which contains only input based crop management practices. Almost all of the farmers in this study (97.32%) used package  $I_0C_0R_0S_1$ . This package included water management measures. Water management practices in this study refer to soil bund/stone bund, infiltration ditches and the application of small-scale irrigation practices. In this study area, farmers primarily used water management and fertilization practices to boost crop productivity in a climate-friendly manner.

**Table 4: Specification of CSA strategy combinations**

| Choice | Binary quadruplicate | Frequency |       |           |       |
|--------|----------------------|-----------|-------|-----------|-------|
|        |                      | Yes       |       | No        |       |
|        |                      | Frequency | %     | Frequency | %     |
|        | $I_0C_0R_0S_0$       | 5         | 1.22  | 406       | 98.78 |
|        | $I_0C_0R_0S_1$       | 400       | 97.32 | 11        | 2.68  |
|        | $I_0C_0R_1S_1$       | 201       | 48.91 | 210       | 51.09 |
|        | $I_0C_1R_1S_1$       | 115       | 27.98 | 296       | 72.02 |
|        | $I_1C_1R_1S_0$       | 77        | 18.73 | 334       | 81.27 |
|        | $I_1C_1R_0S_0$       | 177       | 43.07 | 234       | 56.93 |
|        | $I_1C_1R_1S_1$       | 75        | 18.25 | 336       | 81.75 |
|        | $I_1C_0R_0S_0$       | 279       | 67.88 | 132       | 32.12 |
|        | $I_0C_1R_0S_1$       | 234       | 56.93 | 177       | 43.07 |
|        | $I_1C_0R_1S_0$       | 130       | 31.63 | 281       | 68.37 |
|        | $I_1C_0R_0S_1$       | 273       | 66.42 | 138       | 33.58 |
|        | $I_0C_1R_0S_0$       | 238       | 57.91 | 173       | 42.09 |
|        | $I_0C_1R_1S_0$       | 117       | 28.47 | 294       | 71.53 |



|  |                   |     |       |     |       |
|--|-------------------|-----|-------|-----|-------|
|  | $I_0 C_0 R_1 S_0$ | 203 | 49.39 | 208 | 50.61 |
|  | $I_1 C_0 R_1 S_1$ | 128 | 31.14 | 283 | 68.86 |
|  | $I_1 C_1 R_0 S_1$ | 173 | 42.09 | 238 | 57.91 |

Source: Authors survey, 2024

### 3.2. The Effect of CSA Practices on Crop Yield /Productivity

This section examines the impact of CSA practices on crop yield/productivity as determined by the FIML-ESR model estimation. Table 5 depicts the effect of climate-smart agricultural practices on crop productivity as measured by the value of crops produced per hectare using the endogenous switching regression model's full information maximum likelihood estimates. The ESR model includes a selection equation as well as separate outcome equations for users and non-users that are all evaluated at the same time (Di Falco et al., 2011; Tambo & Wünscher, 2016). The selection equation refers to the determinants of CSA adoption decisions (Table results are presented in appendix, Table 6). The Waldtest of independence is statistically significant at ( $p < .0000$ ). It indicates the presence of selection bias and the need to run separate models for users and non-users.

#### 3.2.1. Determinants of crop productivity

To gain a better understanding of the variables that affect the crop yield effects of CSA practices, we examined a broad set of explanatory variables including household demographic factors, asset holdings, plot level factors, and institutional related variables. As shown in Tables 6, the effect of age is positive and statistically significant on crop yield for only the packages of  $I_0 C_1 R_0 S_0$  and  $I_0 C_1 R_0 S_1$ . These results show that an increase in age is associated with a higher likelihood of productivity for  $I_0 C_1 R_0 S_0$  and  $I_0 C_1 R_0 S_1$  users and lower productivity for non-users, the difference might originate from the availability of large family size for practicing sustainable land and water management practices and large farm size for practicing crop rotation and crop diversifications. Age also increases the likelihood of crop yield for non-users of  $I_1 C_1 R_0 S_1$ ,  $I_1 C_0 R_1 S_1$ ,  $I_0 C_0 R_1 S_0$ ,  $I_0 C_1 R_1 S_0$ ,  $I_1 C_0 R_0 S_1$ ,  $I_1 C_0 R_1 S_0$ ,  $I_0 C_1 R_1 S_1$ ,  $I_0 C_0 R_1 S_1$ ,  $I_1 C_1 R_1 S_0$  and  $I_1 C_1 R_1 S_1$  CSA packages. This is attributed to the fact that older farmers might have better experience or availability of labor for managing the farm. Regarding the gender of the respondents, being male creates more likelihood of yield as compared to being female for users of  $I_0 C_1 R_0 S_0$ ,  $I_1 C_1 R_0 S_1$ ,  $I_1 C_0 R_0 S_1$ , and  $I_0 C_1 R_0 S_1$ , which could be because males are better positioned to have better farm experiences and access to extension services, allowing them to respond more. Even though women are involved in agricultural practices, accounting for more than half of the labor required to produce food consumed in Ethiopia (Tegegne, 2012), it is worth noting the problem that a female farmer is frequently perceived as a co-farmer and plays a minor role in agricultural development, particularly by those with significant influence in extension and development activities.

Plot fragmentation is estimated to decrease crop yield when the packages  $I_1 C_1 R_1 S_0$  and  $I_1 C_1 R_1 S_1$  are used. This result might emanate from the probability that land fragmentation can reduce yields by affecting the efficiency of agricultural inputs. Similarly, Cholo et al. (2018) found that land fragmentation is an obstacle to climate change adaptation measures and reduces yields by changing the marginal outputs of agricultural inputs. The result also shows that farmers who rent land but do not use  $I_1 C_0 R_0 S_1$  are more likely to have lower crop yields. This implies that if farmers rent land and do not use various agricultural inputs that can improve agricultural production, there will be a negative effect on productivity. The model also revealed that farmers who rent land and use  $I_0 C_0 R_1 S_1$  have lower crop yields than farmers who do not, while farmers who do not use it have higher yields.

Farmers who have irrigable land and access to irrigation infrastructure are more likely to practice all types of agricultural technologies, and their productivity is mostly positive. The authors have noticed that farmers with irrigated land and infrastructure have a better experience of using agricultural technologies, and at the same time, their agricultural results are better. Distance from home to farmland, on the other hand, is negatively and significantly correlated with crop productivity for both adopters and non-adopters. Having media access has the likelihood of increasing yield for both adopters and non-adopters of agricultural technologies (Table 6). Consistent with the report by Teklewold et al. (2019), media access helps farmers to become familiar with different agricultural technologies and



has a positive role in crop productivity. Farmers may become more aware of the changing climate conditions and new seeds and crop varieties, livestock breeds, irrigation applications, planting dates, pest and disease control, and livestock vaccinations as a result of radio and television access.

Distance from home to the input market is negatively and significantly associated with the crop yield of farmers who use  $I_0C_0R_1S_0$  and  $I_0C_0R_1S_1$  CSA packages. Longer distances to the market for insecticides and pesticides decrease the information on the appropriate utilization of these inputs and then decrease crop productivity. Because of the increased transportation cost, farmers usually send someone else to buy insecticides and pesticides, and they will not have enough information about the utilization of those inputs. Consistent with this result, Teklewold et al. (2013) noted that apart from influencing market access, distance can also affect the accessibility of new technologies and information, resulting in a negative relationship.

Another variable studied in this study is farm size, which has a mostly positive relationship with crop productivity for both adopters and non-adopters of CSA packages in the study area (Table 6). This suggests that larger farms are more productive than their smaller counterparts. However, this finding contradicted that increasing farm size has the likelihood of reducing yield for both adopters and non-adopters (Adego et al., 2019) and the argument small farm be more productive with their use of all resources (Helfand & Taylor, 2021). This may be due to the direct relationship between labor productivity and farm size, where Ethiopia has higher potential of labor productivity. Farmers who had poor soil fertility conditions had lower yields compared to those who perceived the soil as fertile for  $I_0C_1R_1S_0$  package users only. This is due to farmers frequently cultivating non-fertile land with only certain types of grain each year, such as oil seeds, flax, and sorghum in rotation or intercropping, and frequently without using manure.

Farmers who use the  $I_1C_1R_1S_0$  and  $I_1C_1R_1S_1$  CSA packages on sloping farmland have very low crop productivity. As a result, even if the best agricultural method is used to cultivate sloping land, the efficiency is very low. This implies that using agricultural technology on sloping land has higher production costs because sloping land is prone to soil fertility loss. Conversely, livestock assets influence crop productivity positively in most cases without disaggregating CSA package users and non-users. Livestock plays an important role in crop productivity. This is because farming is done almost entirely using animal labor. In addition, the presence of many cattle is a typical solution to increase the productivity of the land beyond the food security of the cattle in times of crisis. This is because cattle serve as a source of organic fertilizer in the study area.

Summer rainfall increases crop productivity for those who used  $I_0C_1R_0S_0$ ,  $I_1C_1R_0S_1$ ,  $I_0C_0R_1S_0$ ,  $I_0C_1R_0S_1$ , and  $I_0C_0R_1S_1$  CSA packages, while it decreases yields for those who did not use  $I_1C_1R_0S_1$ ,  $I_1C_0R_1S_1$ ,  $I_0C_0R_1S_0$ ,  $I_0C_1R_1S_0$ ,  $I_1C_0R_1S_0$ ,  $I_0C_1R_1S_1$ ,  $I_0C_0R_1S_1$ ,  $I_1R_1C_1S_0$ , and  $I_1C_1R_1S_1$ . The increasing summer rainfall has the likelihood of increasing crop productivity when farmers use a variety of soil and water conservation measures, herbicides, and conservation agricultural practices such as crop rotation and crop diversification. Conversely, when farmers do not use improved crop varieties, crop productivity is more likely to decrease under high summer rainfall. The finding is consistent with the previous finding by Yesuf et al. (2008) that too much or too little rainfall during the main growing season has a negative impact on crop production unless adaptation measures are implemented. However, while climate change is frequently estimated to have a negative overall impact on agriculture, the previous result reaffirms the critical roles that adaptation can play in enabling farmers to cope with, and even benefit from, long-term increases in rainfall (Etwire et al., 2022). The findings show that increases in rainfall have positive effect on the productivity of farmers who adapt to climate change, whereas farmers who do not adapt experience productivity losses when rainfall increases.

Ethiopian farmers lack access to and use of modern agricultural inputs due to insufficient government extension services. Under these conditions, rural social networks could facilitate information exchange, allow farmers to learn from their experiences, and bridge the information gap. The model result of this study suggests that stronger social interactions enable farmers to more efficiently use improved irrigation practices, water management practices, drought-tolerant crop varieties, and chemical fertilizers, resulting in increased agricultural land productivity. Therefore, farmers who do not accessed credit in order to use these technologies is negatively associated with crop yields.





**Table 5: Estimates of crop productivity (Yield in ETB/ha) Equations by Multinomial Endogenous Switching Regression Model**

| VARIABLE S                  | I <sub>0</sub> C <sub>1</sub> R <sub>0</sub> S <sub>0</sub> |               | I <sub>1</sub> C <sub>1</sub> R <sub>0</sub> S <sub>1</sub> |               | I <sub>1</sub> C <sub>0</sub> R <sub>1</sub> S <sub>1</sub> |               | I <sub>0</sub> C <sub>0</sub> R <sub>1</sub> S <sub>0</sub> |           | I <sub>0</sub> C <sub>1</sub> R <sub>1</sub> S <sub>0</sub> |               | I <sub>1</sub> C <sub>0</sub> R <sub>0</sub> S <sub>1</sub> |              |
|-----------------------------|---|---------------|---|---------------|---|---------------|---|-----------|---|---------------|---|--------------|
|                             | Users   | Non-users     | Users   | Non-users     | Users   | Non-users     | Users   | Non-users | Users   | Non-users     | Users   | Non-users    |
| Age                         | 282.86*   | 192.97        | 183.33  | 347.28**      | 5.20  | 389.24**      | 209.81  | 246.51**  | 0.90  | 260.05**      | 159.77  | 593.9***     |
|                             | -147.33   | -126.56       | -163.77   | -123.11       | -169.18   | -117.98       | -152.31   | -124.56   | -240.02   | -105.28       | -107.39   | -164.99      |
| Gender                      | 13,406.55***  | -5096.48      | 18,826.74***  | -5096.19      | 2486.94   | 1853.14       | -5885.01  | 4245.68   | -2074.70  | 2215.14       | 6,238.36*   | -2953.04     |
|                             | -4506.60  | -3175.89      | -5089.46  | -3145.53      | -7471.78  | -2936.80      | -5256.32  | -3188.59  | -9671.81  | -2643.03      | -3117.44  | -4219.74     |
| Family size                 | -36.79  | -347.80       | 752.78  | -21.07        | 433.89  | -525.37       | 438.34  | 100.92    | -111.39   | -312.59       | -548.22   | -423.58      |
|                             | -909.86   | -800.32       | -1027.18  | -767.11       | -1118.07  | -712.48       | -949.78   | -777.41   | -1514.67  | -648.04       | -662.79   | -1033.58     |
| Plot Number                 | 306.74  | 979.30        | 1101.33   | 591.86        | -767.62   | 1607.65       | -452.38   | 1408.26   | -857.29   | 1655.12       | 324.07  | 2905.47      |
|                             | -1370.01  | -1343.59      | -1512.21  | -1281.39      | -1217.94  | -1343.60      | -1189.67  | -1440.11  | -1603.68  | -1143.95      | -1050.27  | -1990.55     |
| Land leasing                | 1585.63   | 1915.21       | 4124.35   | -3844.47      | -917.36   | 99.94         | -4,499  | 5,918.37  | -3528.89  | 1909.99       | 2708.09   | -11,634***   |
|                             | -2810.69  | -2702.47      | -3166.26  | -2669.42      | -2875.26  | -2455.76      | -2314.86  | -2824.82  | -4976.85  | -2190.04      | -2205.16  | -3580.67     |
| Irrigable land              | 13,891.613***   | 327.09        | 15,587.946***   | 3160.94       | 11,464.447***   | 7,964.938*    | 11,785.361***   | 3222.91   | 10165.37  | 6,300.969     | 7,310.248   | 19,369.125*  |
|                             | -4390.69  | -4476.23      | -4811.88  | -4578.28      | -4151.51  | -4474.32      | -3623.73  | -4804.69  | -6839.68  | -3727.51      | -3446.50  | -8739.56     |
| Irrigation - infrastructure | 9,432.592**   | 14,014.182*** | 2523.67   | 20,263.715*** | 4439.41   | 14,044.127*** | 7,793.259*  | 7994.00   | 4424.02   | 12,335.981*** | 7,773.856**   | 10793.22     |
|                             | -4590.89  | -5216.65      | -4873.45  | -5123.31      | -4364.88  | -4733.86      | -4079.23  | -5164.23  | -6065.42  | -4148.85      | -3720.21  | -9324.89     |
| Farm distance               | -14.40  | -64.86        | 105.13  | -43.49        | -150.61*  | -57.10        | -37.47  | -121.55   | -89.46  | -118.5**      | -61.26  | -84.97       |
|                             | -73.16  | -59.94        | -86.57  | -61.57        | -79.85  | -58.37        | -66.97  | -76.30    | -120.00   | -52.29        | -60.30  | -94.39       |
| Give out                    | -5604.82  | -1732.62      | 1764.23   | -6,649        | 5989.32   | -7,748**      | 1628.22   | -5335.99  | 11.91   | -4290.16      | -563.27   | -15,785.8*** |
|                             | -6009.22  | -3390.72      | -7101.20  | -3355.49      | -5262.70  | -3636.67      | -5090.71  | -3786.17  | -10642.7  | -3090.79      | -4023.05  | -5160.24     |
| Media                       | 11,044.6**  | 2947.04       | 12,252.9**  | 4111.63       | 6707.67   | 4,914.5*      | 2322.85   | 6,607.78  | 6674.34   | 5,051.19*     | 4741.47   | 9,156.16**   |
|                             | -3922.39  | -2923.41      | -4666.38  | -2781.66      | -6485.87  | -2816.79      | -4231.40  | -2974.93  | -9037.10  | -2506.25      | -3225.22  | -3959.49     |
| Market                      | -6.50   | -8.44         | -7.00   | -13.22        | -38.55  | -5.61         | -59.98**  | -7.66     | -46.04  | -7.53         | -6.70   | -2.24        |

|                     |            |             |          |            |              |            |             |              |          |             |             |             |
|---------------------|------------|-------------|----------|------------|--------------|------------|-------------|--------------|----------|-------------|-------------|-------------|
|                     | -9.85      | -11.49      | -11.38   | -9.55      | -33.57       | -7.35      | -28.20      | -7.16        | -50.74   | -6.59       | -8.77       | -10.55      |
| Farm size           | 18.25***   | 1.00        | 19.63*** | 6.03**     | 16.44***     | 6.770**    | 17.430**    | -0.21        | 19.817** | 5.76**      | 11.18***    | 7.96*       |
|                     | -3.61      | -3.08       | -4.22    | -2.97      | -5.63        | -2.84      | -5.44       | -4.46        | -8.99    | -2.71       | -3.05       | -4.21       |
| Poor Soil fertility | 2290.54    | -1992.40    | 5055.78  | -3200.50   | -4355.18     | 644.57     | -6183.55    | 2943.08      | -10,130* | 1806.36     | -711.19     | -3982.43    |
|                     | -3981.93   | -5384.09    | -4490.19 | -4489.53   | -4630.39     | -3547.35   | -4153.77    | -3692.41     | -5982.30 | -3303.67    | -3241.57    | -5356.01    |
| Social Members      | 221.12     | -1513.93    | 545.26   | -2186.80   | 1407.41      | -2180.51   | 2440.80     | -3833.89     | 1822.84  | -1186.00    | 1616.81     | -8,736.963* |
|                     | -4700.27   | -3091.98    | -5600.91 | -3075.12   | -3987.62     | -3603.15   | -3291.18    | -4584.06     | -5741.29 | -3070.88    | -3271.61    | -4558.43    |
| TLU                 | 892.71     | 1,392.826** | 587.02   | 1,076.013* | 2,456.656*** | 962.73     | 1,420.354** | 1,388.646*   | 1334.50  | 1,336.952** | 1,386.983** | 1,232.316*  |
|                     | -774.62    | -599.38     | -949.28  | -573.30    | -851.89      | -608.94    | -621.37     | -811.29      | -1085.75 | -551.67     | -661.83     | -740.99     |
| Steep slope         | 1922.00    | 2342.85     | 808.39   | -884.55    | -5140.75     | -817.78    | -3632.58    | 5732.28      | -13584.9 | 3597.26     | 4048.35     | -12014.57   |
|                     | -6693.49   | -6219.12    | -7380.18 | -6164.69   | -6783.71     | -5659.99   | -6373.74    | -6075.69     | -13355.5 | -4948.33    | -4871.07    | -9684.67    |
| Meher rainfall      | 371***     | -52.95      | 283.3**  | -195.4**   | -183.35      | -164.1*    | 174.6*      | -260.9***    | -112.55  | -150.5**    | -122.37     | -117.13     |
|                     | -113.15    | -97.33      | -117.70  | -81.91     | -128.73      | -95.93     | -89.54      | -91.17       | -167.74  | -66.94      | -82.57      | -157.98     |
| Credit constraint   | -5,474.5   | -3031.06    | 3108.21  | 1898.55    | -1183.49     | 2572.57    | -83.87      | 1597.98      | 5504.20  | 171.51      | 2889.71     | 1878.70     |
|                     | -2991.62   | -2718.16    | -3523.49 | -2441.70   | -4095.49     | -2327.79   | -2790.36    | -2701.45     | -5134.48 | -2220.84    | -2344.94    | -3378.87    |
| Age dependency      | 1332.14    | 968.32      | 628.17   | 305.65     | -384.80      | 1171.56    | -565.60     | 1,559.2      | -201.36  | 1,491.26    | 1,692.9     | -224.05     |
|                     | -1038.06   | -991.12     | -1213.81 | -910.27    | -1228.80     | -833.79    | -1063.46    | -916.33      | -1778.99 | -789.67     | -841.31     | -1247.07    |
| Constant            | 73,967.5** | 56,647.1*   | 28031.1  | 83,925.5** | 76391.0      | 64,362.5** | 77,405.4**  | 112,285.4*** | 58786.7  | 68,344.6**  | 45304.9     | 55614.78    |
|                     | -32996.6   | -30037.2    | -37448.8 | -25470.8   | -47676.2     | -29161.5   | -28107.2    | -31996.9     | -48296.9 | -22487.9    | -32576.4    | -46697.41   |





| VARIABLES                 | I <sub>1</sub> C <sub>0</sub> R <sub>1</sub> S <sub>0</sub> |                 | I <sub>0</sub> C <sub>1</sub> R <sub>0</sub> S <sub>1</sub> |                 | I <sub>0</sub> C <sub>1</sub> R <sub>1</sub> S <sub>1</sub> |                 | I <sub>0</sub> C <sub>0</sub> R <sub>1</sub> S <sub>1</sub> |                 | I <sub>1</sub> C <sub>1</sub> R <sub>1</sub> S <sub>0</sub> |                 | I <sub>1</sub> C <sub>1</sub> R <sub>1</sub> S <sub>1</sub> |               |
|---------------------------|---|-----------------|---|-----------------|---|-----------------|---|-----------------|---|-----------------|---|---------------|
|                           | Users   | Non-users       | Users   | Non-users       | Users   | Non-users       | Users   | Non-users       | Users   | Non-users       | Users   | Non-users     |
| Age                       | 9.07  | 389.54<br>***   | 307.91<br>**  | 181.8           | 0.60  | 262.69<br>**    | 204.37  | 252.80<br>**    | -51.70  | 340.85<br>***   | 8.281   | 345.81<br>*** |
|                           | -167.69   | -118.57         | -150.24   | -126.18         | -254.22   | -104.87         | -153.27   | -122.98         | 269.29  | 110.71          | 444.85  | 110.81        |
| Gender                    | 2515.36   | 1810.17         | 12,796.1*<br>**   | -4630.75        | -956.09   | 2211.16         | -5865.80  | 4328.13         | 16,288.4  | 2,006.49        | 17,551.5  | 1,982.20      |
|                           | -7419.75  | -2948.52        | -4565.24  | -3132.95        | -11130.2  | -2630.63        | -5303.10  | -3176.20        | 10,732.5  | 2,679.86        | 11,499.2  | 2,670.3       |
| Family size               | 434.87  | -524.61         | -169.25   | -260.90         | -232.27   | -301.52         | 445.86  | 114.57          | 175.9367  | -591.18         | -34.80  | -591.9        |
|                           | -1108.48  | -715.60         | -928.30   | -775.90         | -1598.95  | -644.73         | -960.38   | -774.39         | 1,538.15  | 648.59          | 1,576.5   | 646.80        |
| Plot Number               | -745.11   | 1586.94         | 504.80  | 815.17          | -891.31   | 1642.41         | -471.18   | 1383.47         | -3,363.0<br>*   | 1,138.4         | -3,477.0<br>*   | 1,141.16      |
|                           | -1209.20  | -1355.68        | -1397.32  | -1319.93        | -1614.12  | -1136.42        | -1202.58  | -1429.12        | 1,771.97  | 1,137.04        | 1,821.2   | 1,128.2       |
| Land leasing              | -782.79   | 82.96           | 2182.02   | 1648.38         | -3239.58  | 1980.20         | -4,632.2<br>*   | 6,087.3<br>**   | 2,203.4   | 92.99           | 3,493.41  | 199.56        |
|                           | -2803.21  | -2467.42        | -2883.01  | -2690.54        | -6855.88  | -2189.67        | -2373.40  | -2813.69        | 6,044.9   | 2,140.78        | 12,738.1  | 2,138.6       |
| Irrigable land            | 11,582.8*<br>**   | 7,864.7*        | 13,364.0*<br>**   | 1059.07         | 10561.6   | 6,190.8<br>*    | 11,774.1*<br>**   | 2945.41         | 19,435.3*<br>*  | 8,594.69*<br>*  | 22,878.7  | 8,591.8<br>** |
|                           | -4080.64  | -4610.23        | -4479.28  | -4290.12        | -8096.63  | -3645.06        | -3722.59  | -4678.92        | 9,266.32  | 3,811.23        | 19,712.6  | 3,716.        |
| Irrigation infrastructure | 4364.05   | 14,058.7<br>*** | 10,282.0*<br>*  | 13,284.8<br>*** | 4856.50   | 12,526.6*<br>** | 7,781.60*   | 8,534.48*       | -2,834.5<br>**  | 15,508.9*<br>** | -4,514.1  | 15,618***     |
|                           | -4210.51  | -4839.89        | -4689.20  | -5123.05        | -7597.56  | -4120.62        | -4241.46  | -5075.41        | 5,591.57  | 4,070.20        | 7,012.3   | 4,015.3       |
| Farm distance             | -144.5*<br>**   | -56.74          | -6.08   | -71.05          | -107.01   | -118.6**        | -39.48  | -123.45         | -177.65   | -94.09*<br>**   | -179.392  | -92.9*<br>**  |
|                           | -78.15  | -58.80          | -74.57  | -59.44          | -133.93   | -51.87          | -67.97  | -76.19          | 130.76  | 50.47           | 153.75  | 50.1          |
| Give out                  | 6160.22   | -7,754<br>**    | -7513.50  | -1106.94        | -1153.80  | -4299.05        | 1619.84   | -5450.93        | 5,985.32  | -6,734<br>**    | 4,917.54  | -6,745<br>**  |
|                           | -5202.79  | -3647.48        | -6302.07  | -3373.93        | -11824.5  | -3080.73        | -5138.14  | -3768.35        | 13,586.6  | 3,172.98        | 15,226.2  | 3,166.9       |
| Media                     | 6819.21   | 4,856.92<br>*   | 10,450.7*<br>**   | 3565.86         | 7659.52   | 5,061.42*<br>*  | 2290.43   | 6,702.50*<br>** | 36,870.9*<br>**   | 5,189.90*<br>*  | 41,038.5*<br>**   | 5,212.7**     |
|                           | -6435.93  | -2823.81        | -3979.46  | -2845.21        | -10869.2  | -2495.65        | -4262.56  | -2963.78        | 13,119.4  | 2,504.47        | 16,903.4  | 2,490.0       |
|                           | -37.95  | -5.67           | -5.17   | -10.09          | -48.95  | -7.50           | -59.78**  | -7.63           | 19.22   | -6.69           | 12.54   | -6.58         |
| market                    | -32.45  | -7.37           | -9.98   | -11.36          | -52.41  | -6.55           | -28.72  | -7.12           | 52.59   | 6.88            | 60.27   | 6.85          |
| Farm size                 | 15.83<br>***  | 6.85**          | 17.4***   | 1.59            | 19.25   | 5.714**         | 18.018**<br>*   | -0.42           | 18.67<br>***  | 8.08<br>***     | 17.25**   | 8.03<br>***   |
|                           | -5.42   | -2.84           | -3.67   | -2.95           | -12.19  | -2.73           | -5.65   | -4.51           | 7.05  | 2.48            | 7.57  | 2.47          |
| Poor Soil fertility       | -4053.1   | 576.23          | 2468.09   | -1826.4         | -10147.   | 1840.32         | -6414.10  | 3008.41         | -1,100.22   | -130.1          | 509.2   | -36.3         |
|                           | -4529.9   | -3552.0         | -4050.70  | -5304.6         | -6462.4   | -3303.9         | -4204.20  | -3686.72        | 7,680.96  | 3,260.67        | 14,158.9  | 3,249.8       |
| Social Member             | 1488.15   | -2183.6         | 290.39  | -1485.7         | 1811.05   | -1254.34        | 2473.22   | -4038.84        | 5,310.65  | -1,687.1        | 5,625.74  | -1,734        |
|                           | -3954.5   | -3614.5         | -4766.9   | -3068.3         | -5830.2   | -3062.45        | -3312.73  | -4569.56        | 7,185.19  | 2,958.46        | 8,629.6   | 2,952.4       |
| TLU                       | 2,422.9**<br>*  | 962.20          | 804.82  | 1,447.3*<br>*   | 1446.56   | 1,334.33*<br>*  | 1,437.27*<br>*  | 1,392.5*<br>*** | 5,303.15  | 889.55<br>**    | 5,604.97*<br>**   | 882.82*<br>** |
|                           | -839.76   | -611.76         | -784.45   | -593.12         | -1138.5   | -549.12         | -626.52   | -809.32         | 1,405.03  | 527.464         | 1,657.67  | 525.60        |
| Steep slope               | -5663.13  | -750.79         | 2371.52   | 2151.67         | -13365.0  | 3512.25         | -3239.07  | 5604.74         | -63,015<br>***  | -4,459.6        | -70,313<br>*  | -4,720.2      |
|                           | -6633.06  | -5680.49        | -6816.18  | -6106.05        | -15786.5  | -4938.50        | -6444.22  | -6029.79        | 23,418.6  | 8,428.6         | 40,327.2  | 8,411.79      |
| Meher rainfall            | -170.99   | -168.13*<br>*** | 377.9<br>***  | -51.65          | -129.36   | -150.9<br>**    | 180.8<br>**   | -257.2<br>***   | 17.81<br>**   | -140.60<br>**   | 47.66<br>**   | -139.97<br>** |
|                           | -124.88   | -95.18          | -115.65   | -96.05          | -190.70   | -66.73          | -91.26  | -90.76          | 161.80  | 67.30           | 213.76  | 67.13         |
| Credit constraint         | -1487.3   | 2544.9          | -5,502.1  | -3124.7         | 5405.2  | 103.40          | 153.96  | 1468.20         | 1,135.5   | 2,640.5         | -117.81   | 2,581.1       |
|                           | -4016.39  | -2346.10        | -3043.39  | -2685.86        | -6744.68  | -2227.02        | -2847.04  | -2704.09        | 5,595.15  | 2,122.4         | 5,922.4   | 2,110.04      |
| Age dependency            | -305.49   | 1173.17         | 1284.27   | 985.21          | -194.98   | 1,469.42        | -625.99   | 1,503.93        | 1,576.82  | 1,193.14        | 2,445.72  | 1,200.989     |
|                           | -1147.05  | -849.40         | -1062.32  | -939.07         | -2026.95  | -771.65         | -1111.91  | -894.05         | 1,802.79  | 771.12          | 2,725.92  | 755.27        |
| Constant                  | 72807.4   | 65,427.3<br>**  | 77,288.1*<br>*  | 54,745.4<br>*   | 61712.5   | 68,594.8*<br>** | 78,621.0*<br>**   | 111,780<br>***  | -54,137   | 59,740          | 9.49<br>***   | 9.6***        |
|                           | -46635.5  | -28980.2        | -33598.8  | -29838.4        | -50229.8  | -22477.2        | -28412.1  | -31777.2        | 75,987.8  | 21,573.5        | 0.23  | 0.04          |

\*, \*\*, and \*\*\* coefficients are significant at 10%, 5%, and 1% levels, respectively. In the parenthesis is standard error,

Number of observations = 411

Source: Authors survey, 2024



### **The effects of CSA practices on crop productivity**

The results from the conditional expected crop yield per hectare derived from an endogenous switching regression analysis for the actual (treated) and counterfactual (untreated) farm plots under different treatments are presented in table (Table 6). The last column (ATT) in the table (Table 6) presents the impact of each CSA package on crop production, which is the treatment effects, calculated as the difference between treated with treatment characteristics and the untreated with untreated characteristics. The estimation result provides a statistically significant positive impact on crop productivity in most of the packages while statistically non-significant impact on crop productivity was observed for the packages of  $I_0C_1R_1S_0$ ,  $I_1C_0R_1S_0$  and  $I_0C_0R_1S_1$ . Results also show that the decision to implement most of the CSA packages, whether jointly or in isolation contributes higher crop productivity per hectare compared with those who decide not to implement (Table 6). In most of counterfactual cases, farm households who actually decide to implement CSA practices gained less crop yield if they had not decided to implement.

Deciding to use input-based crop management practices in isolation provides higher crop production than using other practices in isolation. The productivity-enhancing effect of input-based crop management practices is significantly higher when conservation farming practices are included into the package. However, the decisions to implement the packages of input-based crop management practices with water management practices ( $I_1C_0R_0S_1$ ) provides higher crop yield per hectare than any other packages in isolation or in combinations. For instances, practicing the packages of  $I_1C_0R_0S_1$  as a combination yield the highest benefit (11, 688.09 ETB/ha) among all the other packages. In the counterfactual case  $I_1C_0R_0S_1$ , households who actually decided to use input-based crop management practices combined with sustainable soil and water conservation measures ( $I_1C_0R_0S_1$ ) produced 32% less if they did not treat with  $I_1C_0R_0S_1$  treatments. In the counterfactual case, households that did not receive  $I_1C_0R_0S_1$  treatments produced approximately ETB 4,597 (about 12%) more if they had. These results imply that input-based crop management practices and sustainable soil and water conservation measures significantly increase crop productivity in the study area. The transitional heterogeneity effect is positive; that is, the effect is larger for the households that practiced the package of  $I_1C_0R_0S_1$  relative to those that did not practice the package.

The result implies complementarity among the three climate smart practices (Input based crop management (I), Conservation agriculture (C) and Sustainable Water management (S), which is in line with Di Falco and Veronesi (2013) and Teklewold et al. (2017), who suggest multiple agricultural practices to enhance the productivity of crop under the changing climate. However, households that decided to implement farm risk reduction measures in combination or isolation with other CSA practices yields less crop income per hectare in the study area. For instance, farm risk reduction measures  $I_0C_0R_1S_0$  and  $I_0C_0R_1S_1$  yields less crop production per hectare than any other combination of CSA practices. Furthermore, when input based crop management practices are decided to implement in isolation or in combination with other packages, yields the higher benefits. The estimation also revealed that the higher payoff is not achieved by implementing all four packages jointly. Implementing all four packages together would yield low crop income per hectare (8,127.5 ETB/ha) than implementing the packages  $I_1C_0R_0S_1$  and  $I_1C_1R_0S_1$ . The result implies that productivity decreases when the packages of farm risk reduction measures combined with others, which may be due to less accurate information provided from extension agents. Improving access to climate information and the speed with which it is communicated through agricultural extension experts will enable the early warning system to be more effective and efficient in planting and harvesting crops. However, due to weak infrastructure for weather forecasting in Ethiopia, the early warning work is often not based on accurate information, so the effect on the farmers' crop productivity is equally low. Similarly, Choularton and Krishnamurthy (2019) observe that the lower accuracy of climate forecast data in northeastern Ethiopia affects the accuracy of early warning systems, which in turn affects their effectiveness on rural livelihoods, which are entirely dependent on rain-fed farming systems. Instead, implementing conservation farming practices and intensive farming practices are estimated to have a positive role in increasing productivity.



**Table 6. Treatment effects by CSA package measured by regional price in ETB per hectare**

| CSA packages   | Farm households that | Decisions stage         |                            |                         |
|----------------|----------------------|-------------------------|----------------------------|-------------------------|
|                |                      | Treated characteristics | Un treated characteristics | Treatment effect (ATT)  |
| $I_1C_1R_1S_1$ | users                | 49529.33(1788.13)       | 41401.83(1337.91)          | 8,127.5 (2956.70) ***   |
|                | Non-users            | 44502.63 (2022.866)     | 40305.26 (647.08)          | 4,197.35 (1668.84) ***  |
| $I_1C_1R_1S_0$ | Users                | 50752.62 (1974.092)     | 42987.02 (1220.83)         | 7,765.6 (2676.92) ***   |
|                | Non-users            | 44296.52 (1735.58)      | 40322.53 (649.53)          | 3973.99 (1650.62) ***   |
| $I_0C_0R_1S_1$ | Users                | 50106.16 (1001.4)       | 49742.37 (1123.7)          | 367.79(1509.6) ***      |
|                | Non-users            | 42283.56 (798.0)        | 39897.17 (773.63)          | 2,386.56 (1111.2) ***   |
| $I_0C_1R_1S_1$ | Users                | 49007.79 (1232.3)       | 45648.52 (598.718)         | 3,359.79 (1753.1) ***   |
|                | Non-users            | 46914 (917.32)          | 44717.29 (1528.48)         | 2,196.71 (1229.521) *** |
| $I_0C_1R_0S_1$ | Users                | 45506.99 (848.9)        | 40475.08 (812.9)           | 5,031.91(1205.3) ***    |
|                | Non-users            | 37254.95 (704.7)        | 35257.11 (661.1)           | 1,997.838 (993.6) **    |
| $I_1C_0R_1S_0$ | Users                | 47451.71(1322.5)        | 45191.87 (797.6)           | 2,259.84 (1408.5)       |
|                | Non-users            | 42010.41(1146.8)        | 40628.05 (710.4)           | 1,382.36 (1378.1) ***   |
| $I_1C_0R_0S_1$ | Users                | 47744.76 (1289.5)       | 36056.67(899.5)            | 11, 688.09 (1162.7) *** |
|                | Non-users            | 42613.69 (690.3)        | 38016.51 (1367.5)          | 4,597.18 (2058.3) ***   |
| $I_0C_1R_1S_0$ | Users                | 49811.15 (916.34)       | 48631.5 (1216.98)          | 1,179.65 (1735.8) ***   |
|                | Non-users            | 44599.36 (1506.75)      | 39661.97 (601.42)          | 8,969.56(1223.7) ***    |
| $I_0C_0R_1S_0$ | Users                | 49391.76(791.1)         | 49209.5(1139.2)            | 182.24(513.9) ***       |
|                | Non-users            | 42238.02(992.9)         | 39918.2 (778.63)           | 2,319.82 (1110.0) ***   |
| $I_1C_0R_1S_1$ | Users                | 48058.23(1338.591)      | 45885.9 (793.6)            | 2,172.33(1415.1) ***    |
|                | Non-users            | 42077.92 (1161.43)      | 40606.9 (707.02)           | 1,471.02 (1383.7) ***   |
| $I_1C_1R_0S_1$ | Users                | 44749.61 (987.5)        | 36375.08 (762.49)          | 8,374.56(1228.25) ***   |
|                | Non-users            | 41826.77 (1173.1)       | 38109.13 (791.07)          | 3,717.64 (1364.1) ***   |
| $I_0C_1R_0S_0$ | Users                | 45449.84 (834.5)        | 41025.27(823.8)            | 4,424.57 (1204.8) ***   |
|                | Non-users            | 36642.2(709.9)          | 35185.22 (682.8)           | 1,457(1016.10) *        |
| $I_1C_0R_0S_0$ | Users                | 47022.3(1124.01)        | 42534.73 (543.08)          | 4488.3 (959.79) ***     |
|                | Non-users            | 41933.43 (793.2)        | 37927.33 (1087.8)          | 4006.1(1797.8) **       |
| $I_1C_1R_0S_0$ | Users                | 45004.93 (832.85)       | 38104.11(619.1)            | 6900.82(1065.5) ***     |
|                | Non-users            | 39892.69 (982.4)        | 38874.37(551.66)           | 1018.32(919.9) ***      |

\*, \*\*, and \*\*\*coefficients are significant at 10%, 5%, and 1% levels, respectively. In the parenthesis is standard error

**Source: Authors survey, 2024**

#### IV. CONCLUSIONS AND IMPLICATIONS

The present study was designed to determine the effect of CSA technology adoption on crop yield in the North Wello administrative zone. The study applied cross-sectional farm household-level data collected in 2024 from a randomly selected 411 sample households. The causal impacts of CSA practices are estimated by utilizing the endogenous switching regression model. This helps in estimating the productivity effects of CSA technologies by controlling for the role of the selection problem on production and adoption decisions. The findings revealed that farmers who implemented a single or full package of CSA practices had a higher crop yield per hectare than those who did not. One of the most important findings of this study is that combining CSA technologies produces more crop yield than a single practice. It was also shown that households that adopted input-based crop management practices combined with sustainable soil and water conservation practices achieved a greater yield per hectare than any other CSA, either in isolation or in combination. This means, higher crop productivity was gained by combining improved seed, chemical



fertilizers, and water management practices. The model results showed that the second highest productivity was estimated when input based crop management, conservation farming, and water management practices were adopted jointly. However, it was not predicted that implementing all of the packages together result in increased crop productivity.

The following policy recommendations can be made based on the model results. Adoption of two or more CSA practices in tandem should be encouraged because all combinations result in significant increases in crop net revenue per hectare. Multiple CSA practices should be promoted because they produce more crop net revenue per hectare than single practices. Despite unobserved and observed effects, combining input-based crop management (improved drought-resistant crop varieties and efficient inorganic fertilizer applications) and water management (soil/stone bunds, infiltration ditches, and small-scale irrigation) yields the highest crop net revenue per hectare of any possible combination. The estimation also shows that farmers who used all types of CSA practices considered in this study did not have the best crop income per hectare on average. This could be due to the low effectiveness of climate risk reduction measures, which, when combined with others, have little effect. Furthermore, there are some limitations to this study. We were unable to observe the dynamics of CSA practice adaptation over time because we used cross-sectional farm-level household data.

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For data collection expenses, the first author gained financial support from Woldia University.

#### **Authors' contributions**

The author conceptualized the study, designed it, collected data, analyzed it, and wrote the report.

#### **Declarations**

#### **Ethics approval and statement**

The local research ethics committee at the Woldia University, Ethiopia, waived ethical approval due to the survey nature of the study and the fact that all procedures performed were routine care.

#### **Consent to participate**

First, we received a letter of support from the research committee at the Woldia University. The farmers were then shown and read the letter, and if they agreed, we asked them to fill out the questionnaire.

#### **Competing interests**

The authors claim that they have no competing interests.

#### **Missing Data Availability Statement**

The datasets used in the current study are available from the author.

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