



USAID
FROM THE AMERICAN PEOPLE

QUARTERLY REPORT 09 – April to June 2008

AGRIBUSINESS AND TRADE EXPANSION PROGRAM (USAID-ATEP)

“Increasing Rural Incomes and Employment”
“የገጠር ገቢዎችንና የሥራ ዕድልን መጨመር”



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USAID Agribusiness and Trade Expansion Program

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1.0 Executive Summary

This is the ninth quarterly report for the Ethiopia Agribusiness and Trade Expansion Program (USAID-ATEP, the project) covering the period April to June, 2008. The project works with public and private sector partners throughout Ethiopia to improve agricultural sales and competitiveness, as well as helping create new employment. Areas of emphasis include improving agronomic practices, introducing value-added and productivity-enhancing technologies, promoting investments, establishing grades and standards, improving access to inputs, better transport, and other infrastructure upgrades. We assist in creating linkages with buyers in East African, Middle Eastern, European, Japanese and US markets.

Major achievements this quarter include:

- \$9.7 million in client and partner investments leveraged to date in improved agricultural production and processing technologies (production systems, processing equipment, infrastructure, etc.).
- 31,724 farmers, processors, collectors, suppliers and extension agents trained, including 9,481 this quarter in 100 different events.
- The big increase in trainings this quarter is mainly attributable to the first Millennium Sesame Campaign in Amhara and Tigray. A total of 7,971 farmers were trained over 3 weeks in improved production methods, IPM, harvesting, storage and quality control. This will contribute to improved yields, quality and exports in the coming harvest this November.
- The Millennium Sesame Campaign also saw the incorporation of HIV/AIDS and malaria control and prevention into trainings. This was provided throughout the campaign in cooperation with regional bureaus of health.
- In the HSL sector, over 67,000 sheep and goats were treated for ectoparasites in the Lalogera Pilot Project during the 3rd round of treatment. In addition to improving HSL quality, this activity is also promoting demand for treatment by Community Animal Health Workers as BDS providers.
- The Horticulture and Oilseeds and Pulses sectors held a successful field day at Melkassa Agricultural Research Centre (MARC) that involved more than 300 participants including commercial and smallholder farmers, researchers, international inputs suppliers, MoARD officials and kebele development agents.
- Horticulture sector investments by the project's lead clients amounting to US\$5.8 million, mainly in infrastructure such as irrigation systems, and plant breeding materials.
- A visit to Cameroon was made to investigate large-scale commercial banana export operations in anticipation of launching a similar program in Ethiopia. MoARD, private sector clients, and ATEP agronomists participated in this.
- Ethiopia was the "portrait country" at this year's Specialty Coffee Association of America conference in Minneapolis during the first week of May. There were over 40 Ethiopian delegates attending this including MoARD State Minister HE Yaekob Yalla and our lead client exporters. Clients were able to meet with their US buyers to plan orders following the upcoming harvest in October. After Minneapolis, Fintrac invited HE Yaekob Yalla to their offices in Washington DC and high level meetings with USAID and the US Chamber of Commerce.
- The 10th Coffee Stakeholders Forum was arranged by the program in June. Proposals were made for a second Millennium Coffee Campaign to focus on production issues.
- HSL sector manager Teshome Kebede played a leading role in the first ever PACF (Pan African Competitiveness Forum) held in Addis in April. ATEP was able to showcase its work on forming a leather cluster, and thereby add Ethiopia to the map of successful industrial clusters in Africa.

- Fintrac senior entomologist, Dr Richard Pluke, and EIAR's Dr Geremew, carried out a specialized IPM training program in northwest Ethiopia. This training of trainers course prepared 17 MoARD experts and development agents to provide IPM training to sesame smallholders in Humera.
- Additional program successes in horticulture and coffee are detailed in four success stories included in the Annex.

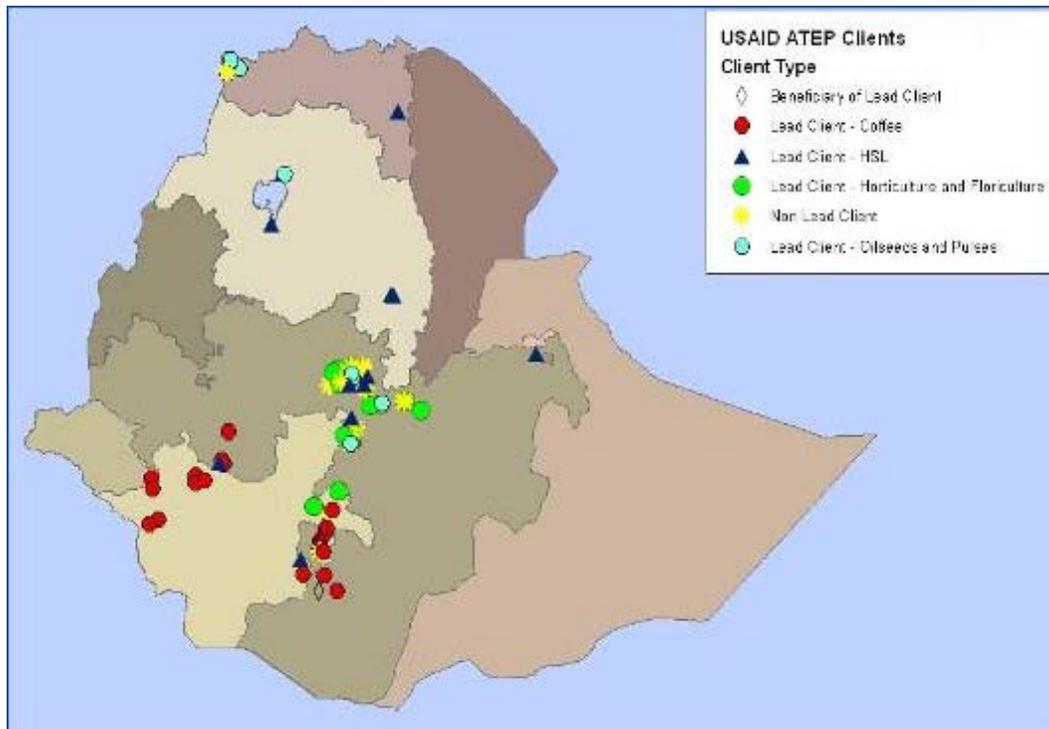
Project expenditures are on target. To date, \$7,622,711 or 73 percent of the project budget has been expended. The updated PMP is attached as an annex to this report. This document and all other project publications are available to USAID through the password-protected ATEP intranet site: www.fintrac.com/ethiopia.

2.0 Introduction

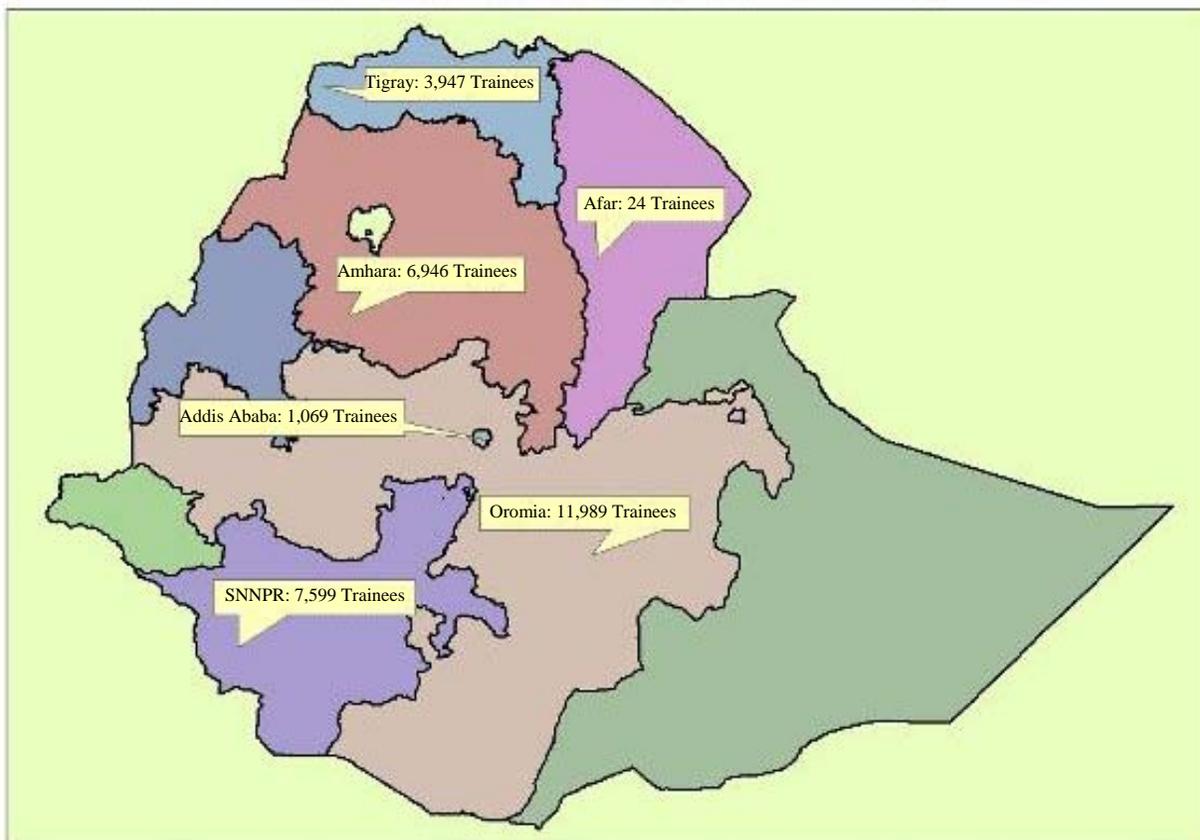
The Agribusiness and Trade Expansion Program (“the project”) is a three-year initiative of the United States Agency for International Development (USAID) that is improving the productivity and sales of thousands of Ethiopian farmers, processors, traders and exporters. These clients produce and export a wide range of products, including horticulture, coffee, oilseeds, pulses, and hides, skins and leather goods. Project technicians are providing training and technical assistance to producers, traders, processors, and exporters, including over 68,853 smallholder producers.

In the twenty-six (26) months since project inception, export quality from participating coffee, sesame, and hides producers has increased; model packhouses, collection centers, and cupping labs have been built; export programs for new fresh produce items have been established; and more buyers from around the world are sourcing Ethiopia’s agricultural exports. In addition, the project addresses cross-cutting issues in policy, organizational development, BDS/partner alliances, gender mainstreaming, environmental management, and HIV/Malaria awareness and prevention. Its geographic coverage includes the regions of Tigray, Amhara, Oromia, SNNPR, and Addis Ababa.

USAID-ATEP Clients by Region – June 2008



USAID-ATEP Training by Region – June 2008



3.0 Progress to Date

This section provides a summary of activities carried out in each sector, pegged to the performance monitoring plan (PMP Version 16) approved by USAID and the Project Advisory Committee (Annex I).

3.1 Section 1: Startup, Communications, and Reporting

Three Monthly Bulletins were completed and distributed to USAID, Steering Committee members, and counterparts. Four new success stories were published this quarter. The Performance Monitoring Plan was updated as of June 30th 2008. Financial reports on monthly expenditures against the obligated budget were submitted with each monthly invoice. These reports along with the updated inventory list, approved Partner and Technology Fund agreements and expenditures, and Level of Effort reports are all available at the project's intranet site: www.fintrac.com/ethiopia

3.2 Section 2: Monitoring & Evaluation Activities

The project continues to monitor technical assistance, training, client sales and investments achieved to date in the Client Impact and Results Information System (CIRIS). CIRIS reports are available to be downloaded at the project's Intranet site: www.fintrac.com/ethiopia. The PMP is updated on a quarterly basis using data from CIRIS and other M&E reports coming in from the field, interviews with clients etc.

3.3 Section 3: Marketing and Investment Activities

Clients are provided with market information, trade mission support, and assistance in preparing business plans and loan applications with the three private banks (Dashen, Bank of Abyssinia, and Awash) participating in the USAID Development Credit Authority (DCA) loan guarantee program in Ethiopia.

Market Information

EPOSPEA members continue to receive weekly international oilseed prices from *Oilworld* magazine. Grape growers have begun receiving regular price information from the *Fresh Produce Journal*.

Business Planning & Loan Applications

To date, the project has helped current and prospective clients develop a total of 54 business plans including feasibility studies for production and value-added processing activities. There have been 15 loan applications (including 3 to PTA bank in Nairobi) on behalf of clients so far, leading to \$2,216,544 in loans having been granted to our clients.

Trade Missions, Special Events and Market Linkages

A total of 76 international buyer linkages have been initiated to date through trade shows, round table meetings, and farm visits. Major events this quarter include:

- **Specialty Coffee Association of America (SCAA).** At the beginning of May, USAID-ATEP played a leading role in Ethiopia's participation at this year's SCAA conference and exhibition in Minneapolis, Minnesota. Ethiopia was this year's "Portrait Country" (the first from Africa). Over 8,000 visitors from 40 countries attended the show, and this was an ideal venue for Ethiopia to show of its great potential as a specialty coffee producer.
- **Banana Study Tour in Cameroon.** Lead clients and MoARD officials were hosted by GDA partners Maersk Seafreight Logistics to learn what will be required to move Ethiopian banana production and marketing into a large-scale commercial export program.
- **South African Table Grape Buyers Visit.** South African companies 5 Star Producers and 4 Seasons were assisted in making visits to program table grape clients. This included visits to production areas in the Rift Valley and Mekelle. Ethiopia's first grape exports to Europe are expected later this year.
- **Tesco Supermarkets.** Buyers from Tesco, the largest supermarket chain in the UK, and Sunripe Kenya's managing director visited lead client Jordan River Herbs and showed initial interest in beginning an import program.

3.4 Section 4: High-Value & Added Value Horticultural Program

The project continued its intensive training and technical assistance activities with lead clients and beneficiaries in support of vegetable and diversified floriculture exports, as well as local market supply of vegetable crops to fresh and processing buyers.

Clients

To date, 29 lead clients including producers, farmer groups, exporters, etc. and 420 beneficiary farmers (working directly with lead clients) are receiving ongoing technical assistance and training from the program's field technicians. Export crops include snow peas, sugar snap peas,

baby corn, chillies and courgettes, as well as smallholder flowers. New crops added to the program include raspberries and table grapes. Major crops produced for the domestic market include tomatoes, potatoes, onions, chillies and cabbage.

Lead clients achieved an average increase of 173% in their cumulative incremental sales since the beginning of the project, reaching \$7,006,801. Total sales since baseline have reached \$15,543,125. Clients and counterparts have invested a total of \$5,598,932 to date in infrastructure and equipment.

Technical Assistance

Trials and demonstrations have been carried out at 41 locations. Seedlings continue to be produced at Melkassa Research Center and the varieties are under observation for future registration.

A new strategy in Tigray for smallholders is under development. Training was provided at Muna Farm on improved horticultural practices for commercial and smallholder farmers.

The project has carried out 1,425 (181 this quarter) technical assistance visits to horticulture client farms to date, that have focused on land preparation, mulching, seedling production, drip irrigation, pest and disease control including IPM, use of hybrid seeds, and other agronomic areas for crops under production, as well as postharvest handling and analysis of production costs and margins. Technical assistance provided this quarter is supporting the current planting season. Five horticulture technical bulletins on strawberries, snow peas, tomatoes, BRC, and GlobalGAP have been completed and disseminated this quarter.

Africa Juice continued to receive assistance for passion fruit development, and the company is finalizing an agreement with GoE to take over Tibila State Farm in Upper Awash. ATEP have assisted with the planning of this project and will help 2,000 outgrowers in the surrounding areas to supply the plant.

Lead client Gadco received a Technology Fund award for the purchase of two diesel pumps for an irrigation system pumping water from Lake Abaya into the company's banana plantation near Arba Minch. This should help him increase yields throughout the year and supply existing orders in the local market, with a view to getting into exports later.

Training

Field days continued for farmers with training in improved production, postharvest handling and GAP protocols. A total of 167 on-farm production training events covering horticulture crops have been carried out to date for 2,178 participants. Trainings this period included vegetables, strawberries and grape production.

The project wrapped up its June activities hosting a **vegetable production field day** organized at Melkassa Agricultural Research Center (MARC). The field day introduced farmers to new technologies and new high yield and disease resistant vegetable varieties. It also established linkage between growers and 13 inputs supply companies, including Netafim, General Chemicals, Hearts Ethiopia, Seminis, Hagbes, Ethio-Africa, Axum Greenline, Bejo, Murphy, Omex, who demonstrated their inputs and products. Over 300 farmers, researchers, MoARD staff, commercial growers, local woreda officials and kebele development agents participated. The event was covered by TV, radio and electronic print media. Seminis' regional agronomist attended the MARC field day in June and took many new orders, especially for the new high performing tomato variety Anna.

Lead clients Almeta, Luna, and Elflora Farms received training on grape production (dormancy, trellising, irrigation and crop nutrition) from South African based grape consultant Emil van Wyk. Training on irrigation in vineyards was also provided by consultant FG van Eeden.

A total of 123 farmers have also been trained in safe use of chemicals to date.

3.5 Section 5: Coffee Program

Coffee assistance this quarter focused on ensuring correct production techniques and finalizing sales from last year's harvest. We are now planning to assist with training for the coming harvest due to start at the end of September.

The project organized and held the 10th Coffee Industry Forum, as we continued to get stakeholder buy-in to agreeing future strategy. This focused on discussing the impact of the first Millennium Coffee Campaign and the planning of a second campaign.

USAID-ATEP contribution to the success of Ethiopia's participation at the SCCA in Minneapolis as mentioned above. The United States Ambassador, HE Donald Yamamoto, hosted a meeting at his residence following the return of the participants with leading exporters and HE Yaekob Yalla, State Minister of MoARD. Discussions were held on the outcomes of SCAA, and future potential for coffee exports.

An electronic auction is being planned with our consortium partner Willem Boot for September and samples are being cupped and gathered from 20 coffee exporters.

Clients

The project works with 26 lead coffee partners (as well as 6 non-lead clients), comprised mostly of millers/exporters, and 17,987 beneficiary farmers.

The project has leveraged \$1,007,036 of new client and counterpart investments in the coffee industry, consisting of mills, processing equipment, drying tables, etc.

Lead clients achieved an average increase of 184% in their cumulative incremental sales since the beginning of the project, reaching \$18,148,344. Total sales since baseline have reached \$37,066,954.

Technical Assistance and Training

To date, the project has trained 15,751 farmers over 169 events in the coffee sector. The majority of technical assistance for coffee farmers is provided through group trainings at cooperative farms and coffee mills. To date, a total of 391 technical assistance visits were made to lead client farms. Training emphasis was on pruning, stumping, sucker growth thinning, as well as postharvest management, wet and sun dried processing, bagging and moisture control.

An assessment on the impact of low-cost sun-dried coffee technologies provided by the program under its Technology Fund was made for four processor/exporter clients. The results showed a dramatic increase in coffee quality: while volumes sold increased 159%, the value was substantially higher at 255% after using the sun-drying method. We will continue to promote sun drying to our clients.

Sector manager Abayneh Alemu and investment and markets adviser Bruck Fikru attended the 4C (Common Code for the Coffee Community) program for training of trainers in certification.

Cupping Activities

A practical cupping training session was organized at ECEA in May by USAID-AATEP by CQI trainers David Roche and Marty Curtis for the current group of Q graders. Eighteen lots prepared for the upcoming electronic auction were tested and graded for the first time ever under the Q system by Ethiopian cuppers.

Certification

Lead client Alfoz was awarded a Technology Fund award to invest in upgrades in order to comply with ISO certification so the company can roast at source and export to Japan. This will add substantial value to the company's coffee exports.

Rainforest Alliance certification of coffee farms continues, with over 15,400 hectares certified to date belonging to 9,394 farmers. In total, 21,356 hectares have been certified benefitting 13,141 farmers, of which 5,956 are organically certified.

3.6 Section 6. Hides, Skins & Leather Program

Clients in the HSL sector include all members of the value chain: farmers, abattoirs, tanners, traders and finished product manufacturers. The project continues its field-based training of rural livestock technicians in order to improve the quality of skins supplied to the industry, adding value to farmer sales in the process. The project is also working with abattoirs, tanners and traders in improving the quality and sales of HSL products on an industry level.

Clients

As of the end of this quarter, 50 lead clients/partners had received technical assistance and training representing thousands of beneficiary farmers. Collectively, donor partners and private sector clients have made investments totaling \$1,160,717 in the sector, including new and upgraded production and processing facilities.

The TAYTU consortium of high-end leather good manufacturers has now achieved \$93,750 in local and export sales under its brand name, with exports accounting for approximately 70 percent of sales.

Technical Assistance and Training

The project's training of Woreda-level technicians in ectoparasite control and improved skinning/flaying techniques is enabling rural producers improve the quality of their hides and skins, leading to reduced product rejection rates at tanneries and increased volumes sold. To date, the project has held 27 trainings for 561 technicians in the area of ectoparasite control, and 40 trainings for 1,332 individuals including abattoir staff, collectors, and woreda-level MoARD technicians in skinning/flaying and post-slaughter care.

From the Lalogera project, the third round of ectoparasite control started slow, but by the end of June Community Animal Health Workers had treated over 68,272 sheep and goats in the 4 woredas, proving that the ETB 0.40/sheep price did not stop the local farmers from treating their animals.

A series of posters have been commissioned by USAID-AATEP and printed in Amharic, Oromifa,

and Tigrina to use in production areas and at farmer meetings, showing the benefits ectoparasite control for sheep, goats, and cattle.

Supply Chain

Among the 30 hides and skins collection centers raised in Addis Ababa, 29 have become fully operational. Notice boards are increasing awareness among collectors and center activity has increased following the fasting season. This is improving quality of raw material and providing employment for individuals managing the collection centers and traders.

Following the needs assessment conducted in Tigray in the previous quarter, a planning and sensitization workshop for public and private business people on how to establish collection centers was held in Mekelle. This was done jointly with our partners, REST (Relief Society of Tigray).

Our efforts in developing a leather cluster in Ethiopia were showcased at the Pan African Competitiveness Forum in Addis Ababa in April, where USAID-AATEP was able to demonstrate how it is strengthening the weak links in the HSL value chain.

Upgrading the hides and skins capacity of Legedadi Abattoir has been completed, leading to increased productivity, sales and improved quality of by-product skins going into tanneries. The upgrading of Sululta Abattoir is continuing while Burayu abattoir is investing to upgrade from manual to mechanical flaying.

Results of our ectoparasite survey have now been published by our local consultant Ato Maru Legas. They show that raw material defects from ectoparasites have decreased from 69% in base year to 53% now. This shows that these problems can be reduced with a well-managed animal health program.

3.7 Section 7: Oilseeds and Pulses Program

The oilseeds and pulses team is helping farmers improve yields and quality in order to qualify for higher grades and increase farm sales and employment.

Clients

The project is working with 26 lead clients engaged in oilseeds production, processing and marketing, including six large Farm Cooperative Unions (FCUs); a commercial farmers association; three investors; five smallholder farmers; and six exporters. These groups represent over 50,446 beneficiary client producers.

Technical Assistance and Training

To date, 100 field-based trainings (including the Millennium Sesame Campaign) have been carried out for 11,435 beneficiary farmers in the areas of production, Integrated Pest Management (IPM), weed control, proper use of pesticides, quality standards and marketing of sesame in the Humera, Armachio, and Metema areas in northwest Ethiopia.

The first Millennium Sesame Campaign was carried out in Amhara and Tigray in May and June for 7,971 participants from 6 woredas, covering over 28 kebeles. Training focused on improved production, IPM, harvesting, storage and quality control. This will contribute to improved yields, quality and exports following the next Meher harvest in October/November 2008. Health training

for all participant farmers on HIV/AIDS and malaria control and prevention was also provided during the campaign in cooperation with regional bureaus of health.

Technical assistance was also provided on production and quality control to two cooperative unions this quarter, Burka Gilete and Afran Kello, both from Eastern Harerge, on haricot bean production.

A series of workshops on sesame production has been given by Kebele development agents trained by USAID-ATEP to 1,260 farmers in Kafta Humera woreda.

On pulses, new varieties of haricot beans (Awash Melka, Awash 1, Argene, Red kidney) were displayed at the MARC field day along with our horticulture trials in June.

Most of the basic haricot bean seed produced with MARC under a USAID-ATEP technology fund award has now been distributed. We are anticipating increases in smallholders yields for the coming harvest as a result of the use of the improved seed material.

IPM training was carried out for 17 experts and DAs in Humera during the visit of Dr Richard Pluke and Dr Geremew.

Lead client Bio Eco Land was assisted with organic certification for its sesame crop under a partner fund, which will also help the company to earn a premium on its export sales.

Processing

Total investments for the sector have reached \$1,980,995, mainly on infrastructure and equipment. Most of the increase this quarter is attributable to the purchase of a new hulling machine by lead client Setit Humera co-operative.

Warehouse Receipts

Technical assistance and training by our expert Etagegne Geremew continues as trading through ECX on maize, wheat and haricot beans commenced this quarter.

3.8 Section 8: Policy Intervention Activities

The project continues to identify and develop strategies to address critical policy constraints in the targeted sectors through technical advocacy, and by using a cluster approach to increase Ethiopia's agribusiness competitiveness. Activities include:

- The 10th Coffee Stakeholders Forum held in June 2008.
- The Gonder Sesame Forum was held in April, using the Millennium Sesame Training as a platform for industry collaboration. Plans to develop similar forums in other regions continue.
- Continued assistance to the Amhara Investment Promotion Agency.

3.9 Section 9: Other Cross Cutting Activities

Cross-cutting activities include Technology and Partners Fund awards, gender mainstreaming, environmental activities, and HIV/Malaria.

Technology and Partners Funds

The project continues to identify and fund activities that support project objectives through the

Technology and Partners Funds grant awards. To date, the project has budgeted a combined \$1,008,485 in these cost-sharing grants, leveraging partner commitments (including commercial loans obtained) of \$3,875,700, or \$3.84 for each dollar invested.

Actual partner and technology fund expenditures to date are \$879,783, leveraging client investments made of \$1,847,709 (representing \$2.11 for each USAID dollar invested).

Table 1: Technology Fund Awards through June 30, 2008

| Award | Budgeted | Expended | Balance |
|------------------------------------------------------------------------------|---------------------|---------------------|--------------------|
| 01 Ectoparasite control materials and training | \$67,057.85 | \$66,417.27 | \$640.58 |
| 02 Coffee eco-pulping equipment | \$12,500.00 | \$12,500.00 | \$0.00 |
| 03 Cupping equipment for five regional coffee labs | \$21,230.00 | \$21,219.36 | \$10.64 |
| 04 Planting material for mangetout, sugar snap and chilli export trials | \$6,384.00 | \$6,384.00 | \$0.00 |
| 05 Modern drip irrigation systems installation and training | \$108,580.00 | \$107,611.52 | \$968.48 |
| 06 Improved coffee sun-drying beds | \$13,846.00 | \$8,177.37 | \$5,668.63 |
| 07 Planting material for fine bean and peas export trials | \$10,700.00 | \$7,897.32 | \$2,802.68 |
| 08 Modern drip irrigation pumping equipment | \$3,290.00 | \$3,290.00 | \$0.00 |
| 09 Eco-friendly coffee sun-drying beds | \$6,255.17 | \$6,144.14 | \$111.03 |
| 10 Materials for construction of crocodile ponds | \$18,264.37 | \$18,039.69 | \$224.68 |
| 11 Organic certification for coffee cooperatives | \$10,696.11 | \$10,696.11 | \$0.00 |
| 12 Upgrading hides and skins capacity of Legedadi Abattoir | \$14,857.15 | \$14,284.50 | \$572.65 |
| 13 Hides and skins collection and storage centers for Wondi Skins | \$17,143.00 | \$8,500.21 | \$8,642.79 |
| 14 Training for sesame producers in Amhara and Tigray | \$8,040.00 | \$7,075.39 | \$964.61 |
| 15 Planting materials for summer flower export trials | \$5,100.00 | \$5,079.08 | \$20.92 |
| 16 Modern irrigation systems for summer flower export trials | \$11,920.00 | \$11,920.00 | \$0.00 |
| 17 Coffee eco-pulping equipment for Limu Kossa | \$13,000.00 | \$13,000.00 | \$0.00 |
| 18 Oilseeds processing with Prosper International | \$50,000.00 | \$50,000.00 | \$0.00 |
| 19 Haricot seed propagation with Melkassa Research Station | \$15,414.58 | \$14,047.92 | \$1,366.66 |
| 20 Sun-drying Coffee Beds | \$13,379.69 | \$13,363.16 | \$16.53 |
| 21 Upgrading Hides and Skins Suluta Abattoirs | \$16,125.00 | \$8,061.43 | \$8,063.57 |
| 22 Strawberry IPM for Ilan Tot | \$14,688.00 | \$14,688.00 | \$0.00 |
| 23 RA Certification for Moredocafe | \$5,392.44 | \$5,392.00 | \$0.44 |
| 24 Humera Sesame Training | \$15,117.00 | \$2,318.26 | \$12,798.74 |
| 25 Alpine Flower Production with Marginpar | \$16,387.28 | \$16,387.28 | \$0.00 |
| 26 Organic Certification for Bio Ecoland Trading and Its Beneficiary Farmers | \$7,200.00 | \$7,178.00 | \$22.00 |
| 27 Organic Certification for IPS Plc and Its Beneficiary Coffee Farmers | \$3,700.00 | \$0.00 | \$3,700.00 |
| 28 Irrigation system for Vegetable Export R&D Unit at Tabor Herbs | \$36,568.00 | \$36,568.00 | \$0.00 |
| 29 Irrigation system for Banana project at GADCO Farms | \$20,948.00 | \$9,666.94 | \$11,281.06 |
| 30 Sesame Pest Control | \$0.00 | \$0.00 | \$0.00 |
| 31 Alfoz Coffee | \$0.00 | \$0.00 | \$0.00 |
| 32 Hybrid Seeds Demonstrations and Field Days | \$23,900.00 | \$3,465.79 | \$20,434.21 |
| Total | \$587,683.64 | \$509,372.74 | \$78,310.90 |

Table 2: Partner Fund Awards through June 30, 2008

| Award | Budgeted | Expended | Balance |
|----------------------------------------------------------|---------------------|---------------------|--------------------|
| 01 Inward and outward trade missions | \$58,950.00 | \$53,529.06 | \$5,420.94 |
| (a) Coffee: Roundtable 2006 | \$8,500.00 | | |
| (b) Horticulture: Buyer mission expenses | \$130.00 | | |
| (c) All: CCA meetings and presentation | \$3,360.00 | | |
| (d) HSL: Pan African Leather Industry Tradefair | \$25,000.00 | | |
| (e) Coffee: Roundtable 2007-08 | \$9,000.00 | | |
| (f) All: TBD | \$12,960.00 | | |
| 02 HSL collection centers with ELIA | \$38,220.00 | \$37,722.87 | \$497.13 |
| 03 HSL radio campaign for proper harvesting and handling | \$8,691.00 | \$8,634.73 | \$56.27 |
| 04 CQI Coffee Corps activities | \$62,812.00 | \$61,417.44 | \$1,394.56 |
| 05 Q-Grading program with CQI/ECEA | \$80,289.00 | \$81,192.05 | (\$903.05) |
| 06 EAFCA trade show expenses | \$13,162.00 | \$11,886.16 | \$1,275.84 |
| 07 Hortiflora trade show expenditures | \$45,000.00 | \$44,942.78 | \$57.22 |
| 08 Coffee sector trade missions with ECEA | \$45,282.00 | \$39,398.86 | \$5,883.14 |
| 09 Capacity building for TAYTU | \$40,644.00 | \$29,129.82 | \$11,514.18 |
| 10 Coffee training in 81 woredas | \$23,952.85 | \$15,688.74 | \$8,264.11 |
| 11 Amhara Millennium Sesame Quality Training | \$3,798.42 | \$181.28 | \$3,617.14 |
| Total | \$420,801.27 | \$383,723.79 | \$37,077.48 |

HIV/Malaria

In this quarter, a total of 7,871 farmers in Amhara and Tigray received training in HIV/AIDS and Malaria prevention. The training was carried out in cooperation with the Amhara and Tigray regional Bureaus of Health during the Millennium Sesame Campaign. To date, the program has trained 8,062 farmers in HIV/AIDS and other health-related issues.

3.10 Section 10: Global Results Targets

USAID-ATEP's global targets are twofold:

1. Ethiopian national exports in the four targeted sectors
2. Investments by program clients and counterparts.

National export sales – Since the program commenced in April 2006, the period of April 2005 to March 2006 is used as the baseline year against which export performance is measured. Following recent discussions with USAID, the reporting period has been changed from the last quarterly report, when baseline data and reporting corresponded to the Jan-Dec annual period.

Ethiopia's national export sales growth is measured by the program in two ways:

- **Cumulative total incremental exports** – the sum of total export sales by value for each year of project activity minus baseline year export sales. This is used to track total cumulative export sales over the baseline figure. This was the methodology used in the previous quarterly reports. Accordingly, cumulative total incremental exports for the four targeted agricultural sectors since the start of our

program showed an overall increase in value of \$538,054,551.

- **Cumulative new incremental exports** – the sum of each year's new incremental exports, after subtracting the previous year's total. This is used to track the sum of new export sales realized for each year of program activity. Cumulative new incremental exports for the four targeted sectors are \$354,258,922 over the baseline period.

Another change this period following discussions with USAID is that roses will no longer be considered part of horticultural export sales, since program involvement with that commodity is minimal. Instead, USAID-ATEP will use an estimate of 7% of total flower exports as a proxy for measuring those for summer flowers.

Client and counterpart investments to date have reached \$9,747,680 (\$9,500,737 clients and \$246,943 counterparts), with more than \$1.1 million invested by lead clients this quarter. Investments consist of on-farm infrastructure and technologies (drip irrigation systems, planting materials, packhouses, tractors, IPM materials, etc.) as well as improvements and upgrades to processing facilities such as abattoirs, oilseed plants, coffee mills, etc.

4.0 Planned Activities for Next Reporting Period

Horticulture

- Continue export programs with UK and Dutch produce companies for European import season commencing January 2008.
- Continue other vegetable export trials with lead clients.
- Develop eastern corridor and Rift valley initiative with smallholders for Djibouti as well as local markets with CFC, IDE, and the Harerge smallholders with HFC.
- Follow up with processing companies, including tomato and juice processing companies and evaluation of smallholder contracting programs with these groups.
- Continue contracting international consultants on fruit development work on fruit crops including strawberries, table grapes and passionfruit.
- A market study tour to the Netherlands and to meet CBI is planned for the table grape growers.
- Focus on establishing and obtaining results from export vegetable variety trials to enable us to recommend the right varieties to our clients.

Coffee

- Carrying out further training on cupping and export quality certification for Q grader and "Star Cuppers" and regional cupping lab staff.
- Continue training lead clients on improved harvest and postharvest techniques and help with processing and marketing, especially for the specialty market.
- Work with lead client millers on improved processing practices, especially on sun drying and eco friendly processing in the washing stations.
- Plan next coffee campaign following success of MCTC through our Coffee Forum.
- Samples to be collected and shipped over to the US for electronic auction.

HSL

- Continue with training program for veterinarians (ectoparasite control) and skimmers/flayers (reducing damage).
- Visit of US footwear industry experts Richard Siegel and David Tufts to begin planning Ethiopian footwear export strategy.
- Support to Suluta, Burayu, Legedadi abattoirs as models of upgrading local small businesses using low-cost, appropriate technologies.

SUCCESS STORY

Hybrid seeds and drip irrigation boost horticulture yields

Ethiopia's horticulture and floriculture exports have increased steadily in recent years, reaching \$95 million in 2007. Although fresh-cut roses dominate these exports, growers are diversifying their product ranges with assistance from USAID's Agribusiness and Trade Expansion Program (ATEP). Fresh vegetables and summer flowers are two emerging crop categories helping Ethiopian growers and exporters supply more products at better prices.

Kibbutz Ethiopia is a 40-hectare farm in Awash Valley that supplies vegetables to local markets. Interested in developing an export program, owner Yilak Negash joined USAID-ATEP as a lead client in August 2006. He conducted a trial on 1 hectare with new hybrid varieties of onions, cabbage and hot peppers to test how they would perform under Ethiopian growing conditions. The trial was carried out in partnership with USAID-ATEP, with both parties cost-sharing the investment in hybrid seeds and drip irrigation and Kibbutz Ethiopia receiving weekly technical assistance from the project's agronomists.

The results were impressive, with yields averaging four times the farm's previous levels, jumping from 1 kilogram per plant to 5 kilograms per plant for tomatoes; 40 grams per head to 120 grams per head for onions; 1 kilogram per head to 4 kilograms per head for cabbage; and 1 kilogram per plant to 2 kilograms per plant for hot peppers.

The project is backing results like this with new linkages to international seed providers for distribution of hybrid seeds. Most importantly, a larger trial with Melkassa Research Center in Oromia is underway to register new hybrid varieties with government authorities, paving the way for commercial distribution in Ethiopia. A major horticulture field day for farmers in the Melkassa area will take place in June 2008 to showcase the new varieties and inform farmers how to access these high-yield seeds.

For his part, Negash invested almost \$30,000 on infrastructure and equipment for his farm since the crop trial, including 4 hectares of drip irrigation. The hybrid varieties have better quality and shelf life than local varieties and earned him premiums ranging from ETB 0.20 per kilogram to ETB 1.00 per kilogram. "My buyers are still asking me for the hybrids," Negash says.

USAID-ATEP is an aggressive, market-led effort that is energizing four industry sectors — coffee; hides, skins and leather; oilseeds; and horticulture. The program is improving the productivity, competitiveness and sales of thousands of Ethiopian farmers, processors and traders.



A worker at Kibbutz Ethiopia in Awash helps prepare the farm for drip irrigation.



Kibbutz Ethiopia recently conducted a trial with USAID-ATEP-recommended seeds that resulted in heads 300 percent heavier than traditional varieties.

Photos by Fintrac Inc.

"My buyers are still asking me for the hybrids."

— Yilak Negash, Owner of Kibbutz Ethiopia

SUCCESS STORY

Chancho Flowers builds thriving business from scratch

Chancho Flowers started as dream for Thomas Mattanovich after he attended a horticulture fair in Kenya. He applied to lease 30 hectares of land in Sululta, Ethiopia, even though many told him the land was unsuitable for production because it flooded during the rainy season.

“There are always opportunities,” Mattanovich said. “If you push hard enough, things are possible.”

Mattanovich began discussions with USAID’s Agriculture and Trade Expansion Program (ATEP) in July 2006 to develop a new vegetable export program. By August, the farm’s first trials of snow peas were underway. Program assistance included weekly visits by field agronomists as well as a cost-shared investment in a drip irrigation system and hybrid seeds. USAID-ATEP also helped design his farm to mitigate flooding.

The collaboration paid off by early 2007. Chancho Flowers shipped more than 2 MTs of high quality snow peas to buyers in the UK. The buyers were impressed with the quality and asked for more products. Since then, Mattanovich has invested in 10 additional product trials, including snap peas, hot peppers, squash, and strawberries.

Because of its initial success, Chancho Flowers secured a joint-venture agreement with Dutch Freesia, a breeding and trading company, and established Giant Freesia Ethiopia. The new venture is focusing on the UK market. Projected investment during a two-year period includes \$1.2 million for 3 hectares of greenhouses, irrigation, a packhouse, and staff training.

Mattanovich expressed his appreciation to USAID-ATEP for the expertise, guidance and contributions for his enterprise, noting in particular that

“The involvement of USAID has drawn attention with the Dutch flower growers, contributing to the present Freesia agreement negotiations.”

The company plans to increase the farm’s total greenhouse floral area to 15 hectares, dedicating the remaining 15 hectares to fruit and vegetable production.

USAID-ATEP is an aggressive, market-led effort that is energizing four industry sectors — coffee; hides, skins and leather; oilseeds; and horticulture. The program is improving competitiveness and productivity for thousands of Ethiopian farmers, processors and traders resulting in increased exports, investment, employment, and incomes.



Workers harvest peas at Chancho Flowers, a USAID-ATEP lead client in Sululta, Ethiopia.



Photos by Fintrac Inc.
A greenhouse during construction at Chancho Flowers.

“The involvement of USAID has drawn attention with the Dutch flower growers, contributing to the present Freesia agreement negotiations.”

— Thomas Mattanovich, Owner, Chancho Flowers

SUCCESS STORY

Ethiopian coffee farmers increase profits with sun drying techniques

Coffee is an important part of Ethiopia's agriculture and trade landscape, accounting for more than 40 percent of the country's foreign exchange earnings. While most of Ethiopia's coffee is marketed through the national auction, USAID's Agribusiness and Trade Expansion Program (ATEP) is helping producers and exporters tap into lucrative specialty market niches.

One of these niches is sun-dried coffee, also referred to as unwashed or naturally processed coffee. Sun-dried coffee is of particular interest to environmentally minded buyers because it requires fewer resources. Coffee is often processed with powered equipment requiring substantial quantities of water to blast pulp and mucilage away from beans. The water is often tainted during the process and discharged into local streams and ponds.

Sun drying eliminates the need for expensive depulping equipment and still allows farmers to add value to their coffee on the farm.

Because sun drying keeps production costs low and can earn \$0.25 to \$0.50 per pound more than commercial-grade coffee, farmers stand to earn more profit.

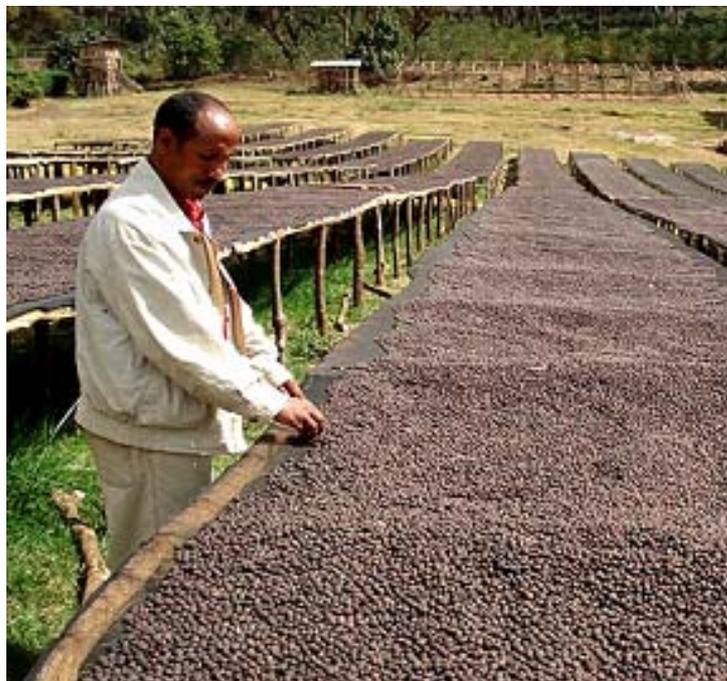
USAID-ATEP promotes raised and covered drying beds for sun drying. These beds are low-cost and farmers can build these beds on their own with readily available resources. Basic materials include chicken wire, shade netting, plastic sheeting, and lumber.

The use of these beds, as opposed to traditional ground drying, allows air to circulate around the beans for even drying and a richer, more flavorful product. The use of these beds also reduces contamination and removable coverings protect beans from rain.

USAID-ATEP has co-invested more than \$33,000 in the construction of 300 specially designed sun drying beds for four lead clients. These clients have in turn co-invested \$52,000 in this technology.

The result has been significant increases in sales and quality for program-assisted farmers. A survey of four USAID-ATEP lead clients – Limu Kossa, Amaro Gayo, Guji Coffee Export and Dedesa Agro Industry – that invested in sun-drying beds and received project technical assistance showed that most of their coffee sold at a higher premium, with average annual sales increasing 364 MTs by volume (159 percent) and \$1.2 million by value (255 percent) over pre-project sales.

"Because of USAID-ATEP's invaluable technical assistance in processing sun-dried coffee, we are able to enter into the specialty market," said Asefa Wolde Mariam, the Export Manager for Guji Coffee Export. "We even received a letter of appreciation from the national bank for selling our coffee at specialty export prices". This company is currently expanding and building more sun-drying beds for the upcoming coffee harvest.



Photos by Fintrac, Inc.

Coffee is dried on raised, low-cost beds at Limu Kossa Plantation.



USAID-ATEP farmers learn how to maximize the benefits of sun drying with low-cost tables. The program teaches farmers how to avoid over drying, which causes beans to become brittle, and under drying, which makes beans prone to fungi and bacteria.

SUCCESS STORY

Biological controls reduce agrochemical use, production costs for Ethiopian strawberry exporter

The Ethiopian horticulture industry is mounting several initiatives on Integrated Pest Management (IPM) with support from USAID-ATEP. The Code of Practice developed by the Ethiopian Horticulture Producers and Exporters Association (EHPEA) provides comprehensive standards related to production, the environment, and worker safety, including the safe use of agrochemicals. The registration of biocontrol organisms in Ethiopia is also in early stages of development, with EHPEA and the Ambo Research Center coordinating trials using biocontrol agents on roses that were sponsored by two companies, Koppert and Bio-Bee.

USAID-ATEP is also supporting the application of biocontrols to crop production. One of the project's lead horticulture clients, Ilan Tot Farm, based in Koka, Oromia Region, was established in 2005 by Ilan Eliyahu to produce strawberries for export to Europe and the Middle East. The company's 2006 season was plagued with spider mites, dramatically reducing productivity and quality. The main reasons for the severity of the outbreak were the dusty conditions and the limited availability of expensive miticides.

An IPM trial with the predatory mite *Phytoseiulus persimilis* was started at the farm in October 2007 with support from USAID-ATEP. This predator feeds exclusively on the red spider mite that attack strawberry leaves, thereby controlling the population. With support from the Ambo Research Center, the bio-control material was imported by RSL, Ethiopian distributors of products from Bio-Bee Ltd, an Israeli company specializing in biocontrol agents.

Zewdinesh Tadessie, Ilan Tot's plant protection supervisor, is responsible for monitoring the trial on a weekly basis. The farm integrates the use of the *Phytoseiulus* biocontrol with miticide spot treatment only when the ratio of spider mite to predators surpasses 10:1. According to Zewdinesh, "The unavailability of predators in the country was one worry for us. Also, we were worried about altitude and humidity, but so far we have seen encouraging results."

The trials showed that *P. persimilis* maintained a steady presence throughout the growing period, keeping spider mite populations under control. Bio-Bee concludes in its report that satisfactory control of spider mite was achieved mainly through the biological control agents, and with very little chemical use.

Ilan notes that, compared to his previous season, pesticide use for spider mite control was reduced by almost 50%, translating into savings of around \$2,500 per hectare. "It is cheaper to use predators than to apply pesticides", he adds. Thanks to the success of the trial, Ilan will expand his use of *P. persimilis* to the rest of the farm and evaluate other biocontrol applications for aphids and thrips. He notes "There are opportunities for Ethiopian strawberries in the European market, as we can produce quality fruit with good shelf-life, and now with fewer pesticides."



Photos by Fintrac Inc.

Premium Ethiopian Strawberries packed for European supermarkets.



Ilan Tot Farm owner Ilan Eliyahu, monitoring the trial with Fintrac's entomologist, Dr. Richard Pluke.

"It is cheaper to use predators than to apply pesticides"

— Ilan Eliyahu, Owner, Ilan Tot Farm

USAID-ATEP - Workplan & Performance Monitoring Plan for 3-Year Base Period (version 16, ninth quarterly report 6/30/08)

| Act-ivity # | Activity | 2006 | | | 2007 | | | | | | | | | | | | 2008 | | | | 2009 | Deliverable/Result | Verification of Milestone Achievements | Numerical Target Status | | Summary Schedule Status | | | | Comments | | | | | | | |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----|-----|------|----|----|----|----|----|----|----|----|----|----|----|------|-----|-----|-----|------|--------------------|----------------------------------------|-------------------------|-------------------|-------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------------|----------|------|---|---|---|--|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| | | Q2 | Q3 | Q4 | J | F | M | A | M | J | J | A | S | O | N | D | Q1 | Q2 | Q3 | Q4 | Q1 | | | Achieved to Date | Balance Remaining | DONE | Ahead | On | Behind | | | | | | | | |
| 3.9 | Develop partnerships with local BDS partner(s) to provide market information services (at least one for each sector) | | | 1 | | | | 1 | | | | | | | | | 1 | | | | | | | | | 4 | BDS partnerships developed/Partner fund agreements operationalized | CIRIS, Copy of agreements | 2 | 2 | | | X | | | EHPEA and website development initiated for ECEA | |
| 3.10 | MOARD, four main trade associations and other organizations' staff trained in agribusiness market information systems and export analyses | | 2 | 2 | 2 | | | | | | | | | | | | 2 | | 2 | | | | | | | 12 | workshops | CIRIS | 13 | (1) | X | | | | | | |
| | | | 20 | 20 | 20 | | | | | | | | | | | | | 20 | | 20 | | | | | | | 120 | people trained in market analyses | CIRIS | 176 | (56) | X | | | | | |
| 3.11 | Training support to domestic market price reporting systems MOARD | | 1 | 1 | | | | 1 | | | | | | | | | | | | | | | | | | 6 | domestic market price reporting systems training | regular project reporting | 2 | 4 | | | X | | | Central Statistics Authority (CSA) has a system to monitor prices (for the calculation of inflation). | |
| 4 | High-Value and Added-Value Horticulture Program | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4.1 | Initial selection of Lead Partners (exporters, farmer groups, processors, individual farmers) & development of partner-specific activity workplans | | 10 | 15 | | | | 10 | | | | | | | | | 10 | | 5 | | | | | | | 75 | lead partners identified and partner-specific activity workplans developed | CIRIS (lead partner data & workplans) | 29 | 46 | | | X | | | 29 lead partners with agreements signed. Also working with small holders & non lead clients | |
| 4.2 | Beneficiaries of lead partners identified and representative M&E data collected | | 0 | 70 | 25 | | | 25 | | | | | | | | | 50 | | 25 | | | | | | | 355 | beneficiary farmers supported directly through lead partners | CIRIS | 420 | (65) | | X | | | | | |
| 4.3 | Product-specific and technology-specific technical manuals, bulletins and other technical materials produced and disseminated (production, postharvest, processing) | 2 | 7 | 9 | 4 | | | 4 | | | | | | | | | 4 | | 4 | | | | | | | 50 | technical manuals, bulletins and other technical materials produced and disseminated | copies of materials | 16 | 34 | | | | X | | 7 completed and the rest 9 in draft form, not yet finalized | |
| 4.4 | On-Farm Extension Program | | 100 | 270 | 50 | 50 | 50 | 50 | 75 | 75 | 90 | 90 | 90 | 90 | 90 | 90 | 270 | 270 | 270 | 270 | 270 | | | | | 2,610 | On-farm extension visits made by program agronomists | CIRIS extension logs | 1,425 | 1,185 | | | X | | | 181 this quarter | |
| 4.5 | On-Farm Group Training Events | | 10 | 27 | 5 | 5 | 5 | 6 | 6 | 8 | 9 | 9 | 9 | 9 | 9 | 9 | 27 | 27 | 27 | 27 | 27 | | | | | 261 | training events | CIRIS training logs | 167 | 94 | | | X | | | | |
| | | | 50 | 135 | 25 | 25 | 25 | 30 | 30 | 40 | 45 | 45 | 45 | 45 | 45 | 45 | 135 | 135 | 135 | 135 | 135 | | | | | 1,305 | participants at training events | CIRIS training logs | 2,178 | (873) | | | X | | | | |
| 4.6 | Training in postharvest handling | | | 50 | | | | | | | | | | | | | | | | | | | | | | 500 | participants in postharvest training events | CIRIS training logs | 644 | (144) | | | X | | | 94 (5 events) in postharvest management and 550 (15 events) in food safety | |
| 4.7 | Technical assistance to packhouses and micro- to large-scale horticultural processors (layout and design, equipment recommendations & sourcing, new technology demos, etc.) | | | 5 | | | | 2 | | | | | | | | | | | | | 14 | | | | | 40 | packhouses and processors assisted | TA logs (CIRIS) | 8 | 32 | | | X | | | Trainings and technical assistance provided by Jonathan Parkin and Benjamin Mwangangi, TA made by Ian | |
| 4.8 | New processed products for local and export market developed | | | | 1 | | | 1 | 1 | 1 | 1 | 1 | 1 | | | | | | | | | | | | | 10 | new products developed | regular project reporting | 3 | 7 | | | X | | | processing of strawberry jam by Almeta and Frozen strawberry by Ian Tot. | |
| 4.9 | Packhouse and processing training program (in-plant & workshops & seminars) | | | | 15 | 15 | 20 | | | | | | | | | | | | | | 15 | 15 | 20 | 15 | 15 | 20 | 250 | participants in processing training events | CIRIS training logs | 258 | (8) | | | X | | | Includes participants trained in packing, BRC and Globalgap |
| 4.10 | Food Safety Systems & HACCP Program | | | 2 | | | | 2 | | | | | | | | | | | | | 4 | | | | | 12 | Food processing firms implement food safety systems (e.g. HACCP or other) | Client certification records; other project reporting | 6 | 6 | | | X | | | IlanTot, Prins, Upper Awash, Ethiovegfru & Jordan Herbs. Food safety training provided to 374 participants | |
| 4.11 | Establishment of demonstration sites at regional educational institutions (farm & microprocessing) | | | | | | | 2 | | | | | | | | | | | | | | | | | | 2 | demonstration farms established with educational partners | Alliance agreement; regular alliance reporting; CIRIS | 1 | 1 | | | X | | | Vegetable demonstration site established at MARC and field day organized | |
| 4.12 | Local Market Vegetable Program | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4.12.1 | Demonstration farms established with Farmer Groups | | | 15 | | | | | | | | | | | | | 3 | 3 | 4 | 3 | 3 | 4 | | | | 55 | demonstration farms established in key production regions | | 41 | 14 | | | X | | | 26 are new demonstration farms | |
| 4.12.2 | Improved Seed and Production Technologies - Demonstration Plots | | | 1 | 1 | | | | | | | | | | | | | | | | 1 | | | | | 3 | partner alliance established with input suppliers | Alliance agreement; regular alliance reporting; CIRIS | 6 | (3) | | | X | | | | Programs with 6 seed companies for trials are being implemented. |
| 4.13 | Export Market Development Program (GlobalGAP, SPS Compliance, Food Safety & Product Traceability) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4.13.1 | Work with major exporters to identify target groups for GlobalGAP certification | | | | | | | | | | | | | | | | | | | | | | | | | | | target groups identified | Regular project reporting | | | | | X | | | Target lead farmers identified. |

USAID-ATEP - Workplan & Performance Monitoring Plan for 3-Year Base Period (version 16, ninth quarterly report 6/30/08)

| Act-ivity # | Activity | 2006 | | | 2007 | | | | | | | | | | | | 2008 | | | | 2009 | Deliverable/Result | Verification of Milestone Achievements | Numerical Target Status | | Summary Schedule Status | | | | Comments | | |
|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------|-----|-----|------|---|----|-----|-----|-----|---|---|---|---|---|---|------|----|----|-----|------|-------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------|-------------------------|----------|----|--------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| | | Q2 | Q3 | Q4 | J | F | M | A | M | J | J | A | S | O | N | D | Q1 | Q2 | Q3 | Q4 | Q1 | | | Achieved to Date | Balance Remaining | DONE | Ahead | On | Behind | | | |
| 5.12.4 | Average yield and/or sales increases by program-supported farmers | | | | | | | | | | | | | | | | | | | | | Y1: 10% Y2: 20% Y3: 25% | average yield increase for assisted farmers | CIRIS | 184% | | | | X | | | Increase in sales by \$18,148,344 for 25 program-supported farmers, from baseline of \$9,840,326 to \$37,066,954 |
| 6 Hides, Skins & Leather Program | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6.1 | Initial selection of Lead Partners (producers, abattoirs, traders, tanners, manufacturers) & development of partner-specific activity workplans | | 15 | 15 | 5 | | | 5 | | | | | | | | | | | | | | 45 | lead partners identified and partner-specific activity workplans developed | CIRIS (lead partner data & workplans) | 50 | (5) | | X | | | 50 partners in the HSL industry(Tanneries, abattoirs, leather factories0 including ELIA | |
| 6.2 | Coordinate and collaborate with existing industry support programs (i.e. UNIDO) and relevant government offices. | | 15 | 2 | | | | | | | | | | | | | | | | | | 17 | Ongoing collaborations to ensure synergy | | 19 | (2) | | X | | | | |
| 6.3 | Training of trainers for existing ectoparasite programs; direct training where gaps exist | 1 | 3 | 3 | 1 | | | 1 | | | | | | | | | | | | | | 11 | Training Programs | CIRIS (lead partner data & workplans) | 27 | (16) | | X | | | | |
| | | 30 | 90 | 90 | 60 | | | 60 | | | | | | | | | | | | | | | 450 | Technicians trained | | 561 | (111) | | X | | | |
| 6.4 | Training activities in quality improvement in flaying and curing to abattoirs (training of trainers) | 3 | 3 | 1 | | | 1 | | | | | | | | | | | | | | | 8 | Training Programs | CIRIS (lead partner data & workplans) | 40 | (32) | | X | | | | |
| | | 150 | 150 | 50 | | | 50 | | | | | | | | | | | | | | | | 400 | Technicians trained | CIRIS (lead partner data & workplans) | 1,332 | (932) | | X | | Total number of trainees on quality improvement, including technicians, abattoir employees, collectors and traders | |
| 6.5 | Training activities in standardization, coding, QC, to collectors and traders | 1 | 3 | 1 | | | 1 | | | | | | | | | | 1 | 1 | 1 | 1 | 1 | 13 | Training Programs | CIRIS (lead partner data & workplans) | 39 | (26) | | X | | Collectors and traders are trained together with technicians and abattoir employees | | |
| | | 15 | 45 | 15 | | | 15 | | | | | | | | | | 15 | 15 | 15 | 15 | 15 | 195 | Technicians trained | CIRIS (lead partner data & workplans) | 646 | (451) | | X | | Broken down from activity 6.4 | | |
| 6.6 | Develop pilot traceability program to improve raw material supply to leather processors | | 1 | | 1 | | | | | | | | | | | | | | | | | 3 | Pilot traceability programs established | CIRIS (lead partner data & workplans) | 3 | - | | | X | | Lalagera ectoparasite control campaign on its 3rd round plus 2 support systems for farmers and traders (in SNNPR and Oromia regions) in progress | |
| 6.7 | Explore enhancing recovery of raw stock through improved marketing | | | | | | | | | | | | | | | | | | | 1 | | 1 | Collection Center System developed | CIRIS (lead partner data & workplans) | 1 | - | | | X | | 29 out of 30 collection centres in Addis are operational. Hides & skins collection center at Bensa completed and made operational | |
| 6.8 | Assist manufacturers in business and investment planning | | | | | | | | | | | | | | | | | | | | | 4 | Manufacturers assisted | CIRIS | 4 | - | | | X | | Jonzo Leather, Atlas PLC, Cro Leather and Wondi Hides & Skins trading business plans supported | |
| 6.9 | Supporting inward missions | | | | 1 | | | | | | | | | | | | | | | | | 5 | Inward missions supported through cost share. | | 8 | (3) | | X | | | Includes outward missions. Lyon, Moscow, Brazilian and Hungarian missions, The Train Fashion Show (New York), Paris Sur Monde, NewYork & Loss Angeles Trade Fair. | |
| 6.10 | Partner agreement with U of Northampton and LLPTI to improve lab, train technicians and standards training | | | | | | | | | | | | | | | | | | | | | 1 | Needs Assessment and Financing strategies developed | | | 1 | | | X | | Needs Assessment report completed. Sponsors' Forum will take place in August 08. One Msc. in Advanced Leather Technology to be financed by a UK Rotary Club | |
| 6.11 | Develop HSL competitiveness cluster | | 1 | | | | | | | | | | | | | | | | | | | 1 | Competitiveness cluster developed | CIRIS, industry sources | 1 | - | X | | | | 6th cluster meeting will be held on 22 July 08 | |
| 6.12 HSL Program-Specific Impact Targets | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6.12.1 | Reduction in number of skins affected by ectoparasites | | | | | | | | | | | | | | | | | | | | | 15% | reduction in skins affected | Industry surveys | 16% | -1% | | | X | | 1st evaluation of Tannery surveys conducted in April 08 | |
| 6.12.2 | Client and counterpart investments | | | | | | | | | | | | | | | | | | | | | 5,000,000 | Value of new client and counterpart investments | CIRIS | \$1,160,717 | \$3,839,283 | | | X | | Confirmed investments in abattoirs, collection centers and quality improvement | |
| 6.12.3 | Increased value of hide, skin and leather exports from Ethiopia | | | | | | | | | | | | | | | | | | | | | 48,000,000 | value of increased exports | Trade and Industry Statistics | \$43,767,060 | \$4,232,940 | | | X | | Export data taken from MOTI. Cumulative increase in sales (April 06 to June 08) over April 05 to March 06 baseline figure. | |
| 7 Oilseeds and Pulses Program | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7.1 | Initial selection of Lead Partners (processors, exporters, cooperatives, other farmer groups) & development of partner-specific activity workplans | | | 3 | | | | 2 | 2 | 2 | | | | | | | | | | | | 19 | lead partners identified and partner-specific activity workplans developed | CIRIS (lead partner data & workplans) | 26 | (7) | | X | | | | |
| 7.2 | Beneficiaries of lead partners identified and representative M&E data collected | | | 300 | | | | 200 | 200 | 200 | | | | | | | | | | 300 | 300 | 400 | 1,900 | beneficiary farmers supported directly through lead partners | CIRIS | 50,446 | (48,546) | | X | | Beneficiaries of lead clients (cooperative members, association members, etc.) | |

USAID-ATEP - Workplan & Performance Monitoring Plan for 3-Year Base Period (version 16, ninth quarterly report 6/30/08)

| Act-ivity # | Activity | 2006 | | | 2007 | | | | | | | | | | | | 2008 | | | | 2009 | Deliverable/Result | Verification of Milestone Achievements | Numerical Target Status | | Summary Schedule Status | | | | Comments | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----|----|------|---|-----|-----|-----|-----|-----|-----|----|---|---|---|------|-----|-----|-------|---------------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------|-------------------|-------------------------|-------|----|--------|----------|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | Q2 | Q3 | Q4 | J | F | M | A | M | J | J | A | S | O | N | D | Q1 | Q2 | Q3 | Q4 | Q1 | | | Achieved to Date | Balance Remaining | DONE | Ahead | On | Behind | | | | |
| 7.3 | Technical manuals, market information bulletins and other technical materials produced and disseminated | | | 2 | 1 | | | 1 | | | | | | | | 1 | 1 | 1 | 1 | 1 | 11 | technical manuals, bulletins and other technical materials produced and disseminated | copies of materials | 10 | 1 | | X | | | | | | |
| 7.4 | On-Farm Extension Program (improved production practices) | | | | | | | 10 | 10 | 10 | 40 | 40 | 40 | | | | | | 120 | | 270 | On-farm extension visits made by program agronomist | CIRIS extension logs | 72 | 198 | | | X | | | | | |
| 7.5 | On-Farm Group Training Events (improved production practices) | | | | | | 10 | 10 | 10 | 10 | 10 | 10 | | | | | | 30 | | 90 | training events | CIRIS training logs | 100 | (10) | | | X | | | | | | |
| | | | | | | | 250 | 250 | 250 | 250 | 250 | 250 | | | | | | 750 | | 2,250 | participants at training events | CIRIS training logs | 11,435 | (9,185) | | | X | | | | | | |
| 7.6 | Support Organic Certification of Farms through Partnership Alliances | | | 1 | 1 | | | 2 | | | | | | | | | | | | 2 | 10 | Farmer groups certified | | 1 | 9 | | | X | | | Bio Ecoland organic certified of sesame farm through tech fund assistance | | |
| 7.7 | Introduction of new processing technologies -- design, business plans, financing, etc. | | | 3 | 2 | | | 2 | | | | | | | | | | | | 2 | 21 | projects supported | CIRIS; other project reporting | 11 | 10 | | | X | | | | | |
| 7.8 | Inbound investment missions supported | | | 1 | | | | 1 | | | | | | | | | | | | 1 | 3 | mission supported | project reporting | 2 | 1 | | | X | | | | | |
| 7.9 | International market linkages developed | | | 1 | 1 | | | 1 | | | | | | | | | | | | 1 | 10 | deals made for international sales | CIRIS | 1 | 9 | | | | | X | contacts made in Nairobi | | |
| 7.10 Warehouse Receipts | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7.10.1 | Coordinate warehouse receipts activities with EGTE, MOARD, CBE other donors and projects | | | | | | | | | | | | | | | | | | | | | Comprehensive national program using 8 EGTE warehouses | CIRIS training logs | | | | | | X | | | 4 coordination meetings held | |
| 7.10.2 | Develop technical bulletins and other training materials on general program and disseminate to cooperative partners, private traders and exporters, trainings conducted | | 2 | 1 | 1 | | | 1 | | | | | | | | | | | | | 7 | Workshops | CIRIS | 4 | 3 | | | X | | | | Four trainings held on WHRS and manuals disseminated to the participants | |
| 7.10.3 | Develop materials and training package on simplified grades/standards for oilseeds/pulses, conduct workshops and distribute via cooperatives, traders and exporters | | 1 | 3 | 1 | 1 | 1 | | | | | | | | | | | | | | 7 | Workshops, need approval from MOARD taskforce | CIRIS | 2 | 5 | | | | X | | | Workshop took place in Nairobi and South Africa . One Training workshops conducted in oilseeds grades and standards | |
| 7.10.4 | Develop materials and initiate activities in support of a commodity exchange program | | | | | | | | | | | | | | | | | | | | | Work at PIU with other donors and MOARD | CIRIS | | | | | X | | | | Office established at ECEX . Technical assistance and trainings (7 events) provided to new ECEX staff. ECEX officially launched | |
| 7.11 Oilseed Program-Specific Impact Targets | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7.11.1 | Increased value of oilseed exports | | | | | | | | | | | | | | | | | | | | 71,000,000 | value of increased exports | Trade statistics | \$178,256,677 | (\$107,256,677) | | | | X | | | Export data taken from MOTI. Cumulative increase in sales (April 06 to June 08) over April 05 to March 06 baseline figure. | |
| 7.11.2 | Client and counterpart investments in new value-added processing | | | | | | | | | | | | | | | | | | | | 1,000,000 | value of new investment | CIRIS | \$1,980,995 | (\$980,995) | | | | X | | | Confirmed investment in cleaning and hulling machines | |
| 8 Policy Intervention Activities (Cross Cutting) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8.1 | Identification of policy constraints through investment and competitiveness activities | | 2 | 2 | | | | 2 | | | | | | | | | | | | | 2 | Issues identified and prioritized | regular project reporting | 9 | 3 | | | X | | | | | |
| 8.2 | AGOA and other trade protocol training conducted | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 27 | AGOA and other trade protocol training events held | CIRIS | 3 | 24 | | | | X | | | | |
| 8.3 | Address constraints where policy interventions are needed/assist with issues paper development | | 1 | 1 | | | | 1 | | | | | | | | | | | | | 6 | Issue papers developed, presented at Ministerial level | CIRIS | 3 | 3 | | | X | | | | | |
| 8.4 | Support to national-level conferences and consultative groups supported to address policy constraints | | 1 | 1 | | | | | | | | | | | | | | | | | 6 | project support to national-level conferences and consultative groups | CIRIS | 18 | (12) | | | X | | | | | |
| 9 Other Cross Cutting Activities: Organizational Development, Partners/Alliances/BDS, Gender Mainstreaming, Environmental Management, HIV/Malaria | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9.1 Organizational Capacity Development | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9.1.1 | Groups receive training in capacity building and business development | | | | | | | | | | | | | | | | | | | | | 250 | groups receive training in capacity building and business development | CIRIS and other project reporting | 39 | 211 | | | | X | | | 7 O/P cooperatives in Hararge region received training, 68 people. 6 Cooperatives in HSL, 46 people. 26 farmer groups having 606 households trained in E/Hararge |
| 9.1.2 | Group leaders receive specialist management training | | | | | | | | | | | | | | | | | | | | | 250 | group leaders receive specialized management training | CIRIS and other project reporting | 26 | 224 | | | | X | | | 26 contact farmers trained in Eastern Hararge |
| 9.2 Partners Fund, Alliances, and BDS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9.2.1 | Partners/Technology Fund (Grant) Manual prepared; approved by USAID | | | | | | | | | | | | | | | | | | | | | 1 | Manual approved by USAID | Copy of manual | 1 | - | X | | | | | | |

USAID-ATEP - Workplan & Performance Monitoring Plan for 3-Year Base Period (version 16, ninth quarterly report 6/30/08)

| Act- ivity # | Activity | 2006 | | | 2007 | | | | | | | | | | | | 2008 | | | | 2009 | Deliverable/Result | Verification of Milestone Achievements | Numerical Target Status | | Summary Schedule Status | | | | Comments | | | | | | | | | |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|------|----|----|------|---|---|---|---|---|---|---|---|---|---|---|------|----|----|----|------|--------------------|----------------------------------------|-------------------------|-------------------|-------------------------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|--------------------|----------------|------|---|---|---|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--|
| | | Q2 | Q3 | Q4 | J | F | M | A | M | J | J | A | S | O | N | D | Q1 | Q2 | Q3 | Q4 | Q1 | | | Achieved to Date | Balance Remaining | DONE | Ahead | On | Behind | | | | | | | | | | |
| 9.2.2 | Partner & technology fund alliances established | 1 | 3 | 3 | 3 | | | | 3 | | | | | | 3 | | | | | | 1 | | | | | | | 20 | Agreements designed and operational | Copy of agreements | 44 | (24) | X | | | | | 12 PF awards; 32 TF awards | |
| 9.2.3 | National Smallholder Technology Fund designed and implemented for small-scale/cost investments | 1 | | | | | | | | | | | | | | | | | | | | | | | | | 1 | National Smallholder Tech Fund established | Copy of tech fund | | 1 | | | | X | | | | |
| 9.2.4 | Cost sharing for the implementation of these alliances reach at least a one-to-one ratio either in-cash or in-kind. (non-project sources) | | | | | | | | | | | | | | | | | | | | | | | | | | 950,000 | Alliance partner contributions reach \$950,000 (expected by 3/31/08) | Agreement, CIRIS + alliance partner validation | \$1,847,709 | (\$897,709) | | | X | | | Clients' and partners' total confirmed investment in Technology and Partner Fund Awards | | |
| 9.3 | Gender Mainstreaming | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9.3.1 | Support Women's Entrepreneurial Institute | | | | | | | | | | | | | | | | | | | | | | | | | | 1 | Partner agreement signed with WEI | agreement | | 1 | | | | X | | | | |
| 9.3.2 | Project staff training in Gender Mainstreaming & Implementation Approach | | | | | | | | | | | | | | | | | | | | | | | | | | All | Project staff trained | internal project reporting | | | | | | X | | | | |
| 9.4 | Environmental Management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9.4.1 | Initial Project EEI/PERSUAP prepared and submitted to USAID for approval | | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | initial EEI/PERSUAP completed & submitted to USAID | copy of EEI/PERSUAP | 1 | - | X | | | | | Determination by USAID required on status of existing mission EEI and PERSUAPS | | |
| 9.4.2 | Mitigation measures identified in Project EEI/PERSUAP implemented | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9.4.3 | Follow-up environmental assessments completed as required | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9.4.4 | Training programs on environmental management systems and good agricultural practices incorporated into all production activities | | | | | | | | | | | | | | | | | | | | | | | | | | 10,000 | participants in project training events | CIRIS training logs | 9,734 | 266 | | | | X | | Trainees are trained in IPM related topics such as chemical safety, EUREPGAP, Millennium Sesame campaign and production systems. | | |
| 9.5 | HIV/AIDS and Malaria | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9.5.1 | HIV/AIDS and Malaria prevention and treatment programs incorporated to maximum extent possible in training activities through support from local NGOs | | | | | | | | | | | | | | | | | | | | | | | | | | 5,000 | participants in program sponsored training events that include HIV/AIDS and Malaria prevention and treatment training | CIRIS reports; subgrants with and reporting from local NGOs | 8062 | (3,062) | | | | X | | Working in collaboration with government health institutions and other NGOs | | |
| 10 | IR and other Global Results Targets (all targets by Mar 2008) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10.1 | Increased value of exports of target sectors | | | | | | | | | | | | | | | | | | | | | | | | | | 457,170,000 | value of increased annual exports (over year ending 3/31/08 over CY2005 baseline) | Official trade statistics | \$538,054,551 | (\$80,884,551) | | | | X | | Export data taken from MOTI. Cumulative increase in sales for four sectors (April 06 to June 08) over April 05 to March 06 baseline figure. | | |
| 10.2 | Client and counterpart investments | | | | | | | | | | | | | | | | | | | | | | | | | 22,600,000 | value of client and counterpart investments | CIRIS + validation; field surveys | \$9,747,680 | \$12,852,320 | | | | X | | Confirmed investments in CIRIS | | | |