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Agriculture Growth Program – Agribusiness and Market Development (AGP-AMDe)

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OCTOBER 1 – DECEMBER 31, 2013



AGRICULTURAL GROWTH PROGRAM- AGRIBUSINESS AND MARKET
DEVELOPMENT (AGP-AMDE) PROJECT

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List of Acronyms

AAIFP	Alliance for Africa for Improved Food Processing
ACDI/VOCA	Agricultural Cooperatives Development Intl/Volunteer Oversees Cooperatives Assn.
AFCA	African Fine Coffees Association
AGP	Agricultural Growth Program
AGP-AMDe	Agricultural Growth Program-Agribusiness and Market Development
AGP-LMD	Agricultural Growth Program-Livestock Market Development
AMSAP	Advance Maize Seed Adoption Program
APS	Annual Program Statement
ARC	Agricultural Research Center
ATA	Agricultural Transformation Agency
B2B	Business to Business
BA	Barrier Analysis
BAP	Best Agricultural Practice
BCC	Behavior Change and Communication
BDS	Business Development Services
BH	Bako Hybrid
BoARD	Bureau of Agriculture and Rural Development
BP	Business Plan
CAADP	Comprehensive African Agricultural Development Program
CBE	Commercial Bank of Ethiopia
CBO	Cooperative Bank of Oromia
CEO	Chief Executive Officer
CIG	Common Interest Groups
CLU	Central Liquoring Unit
CN	Concept Note
COP	Chief of Party
CQI	Coffee Quality Institute
CSA	Central Statistics Authority
DAs	Development Agents
DCA	Development Credit Authority
DRRW	Durable Rust Resistance in Wheat
EAB	Ethiopian Apiculture Board
EAGC	East African Grain Council
EBA	Ethiopian Beekeepers Association
ECX	Ethiopian Commodity Exchange
ECEA	Ethiopia Coffee Export Association
ECEI	Ethiopian Coffee Export Initiative
ECGPEA	Ethiopian Coffee Growers, Producers and Exporters Association
EFC	Ethiopian Fine Coffees
EHBPEA	Ethiopian Honey and Beeswax Producers and Exporters Association
EIAN	East Coast Impact Angel Network
EIAR	Ethiopian Institute of Agricultural Research
EMA	Ethiopian Millers Association
ENGINE	Empowering New Generations to Improve Nutrition and Economic Opportunities
EPOSPEA	Ethiopian Pulses, Oil Seeds and Spices Processors and Exporters Association
FCA	Federal Cooperative Agency
FCUs	Farmer Cooperative Unions
FMHACA	Food, Medicine and Health Care Administration Control Authority
FOG	Fixed Obligation Grant (FOG)

FtF	Feed the Future
GAP	Good Agricultural Practices
GAIN	Global Alliance for Improved Nutrition
GoE	Government of Ethiopia
GRAD	Graduation with Resilience to Achieve Sustainable Development
GTP	Growth Transformation Plan
Ha	Hectare
ICT	Information, Communication Technology
JARC	Jimma Agricultural Research Center
JRIS	Joint Review and Implementation Support
KFBPMFCU	Kaffa Forest Bees Product Marketing Farmers Cooperatives Union
Kg	Kilograms
LC	Letter of Credit
M&E	Monitoring and Evaluation
MFI	Micro Finance Institutions
MoA	Ministry of Agriculture
MOFED	Ministry of Finance and Economic Development
MoT	Ministry of Trade
MOU	Memorandum of Understanding
MSP	Multi-Stakeholders Platform
MTs	Metric TonsNBE National Bank of Ethiopia
NCA	National Coffee Association
NGOs	Non-Governmental Organizations
OARD	Office of Agriculture and Rural Development
P4P	Purchase for Progress
PCs	Primary Cooperatives
PEPFAR	President's Emergency Plan for AIDS Relief
PERSUAP	Pesticide Evaluation Report and Safer Use Action Plan
PFS	Partners in Food Solutions
PHH	Post-Harvest Handling
PLC	Private Limited Company
PMP	Performance Monitoring Plan
PRIME	Pastoralist Areas Resilience Improvement and Market Expansion
Qt.	Quintal
RCA	Regional Cooperative Agency
SACCO	Saving and Credit Cooperative
SCAA	Specialty Coffee Association of America
SHF	Smallholder Farmer
SMEs	Small and Medium Enterprises
SMFM	Sell More for More
SNNPR	Southern Nation Nationality and Peoples Region
SSRWE	Sustainable Support for Rural Women Entrepreneurs
TMF	Tigray Marketing Federation
TOH	Taste of Harvest
TOT	Training of Trainers
TWG	Technical Working Group
VC	Value Chain
USAID	United States Agency for International Development
USD	United States Dollar
WFP	World Food Program
WG	Working Group

Executive Summary

This report covers the period of October, November and December 2013, and describes the export focused activity, progress in domestic cereals markets and high-level visits as well as the results of the AGP-AMDe project.

Global Opportunities for Exporters at ANUGA Trade Fair

ANUGA is the largest food and beverage fair in the world attended by over 6,500 companies from 100 countries with over 155,000 trade visitors from 180 countries. ANUGA was in October and participants included: EPOSPEA, Tsehay FCU, Oromia Coffee FCU, Green Coffee PLC, Kafta Humera Cooperative, DIPASA Agro Plc, and the AGP-AMDe export team. The export team prepared the participants in advance to ensure they were well prepared and to effectively interact and establish export linkages. At the ANUGA show, there were meetings with 30+ buyers in the sesame, chickpea and honey sectors.



Ethiopian Coffee Exporters Association Focuses on the Future & Global Markets

More than 320 delegates participated in the 2nd Annual Conference of the Ethiopian Coffee Exporters Association (ECEA) in November. Opening remarks made by the US Ambassador, the Executive Director of the International Coffee Organization, and the President of the Federal Democratic Republic of Ethiopia. Presentations made by major buyers (Starbucks, Mondelez, Nestle), Ethiopian government and industry representatives (MoT, MoA, JARC, ECEA, ECX, etc), and other coffee industry thought-leaders. Topics of special interest included: Building Traceability, Women in Coffee, Country experiences, improving quality standards, and more.



High Level Delegation Visit Becho-Weliso FCU

High level delegates from ONE Board of Directors visited Becho Weliso FCU, a model chickpea farmer and a cascaded post-harvest training of farmer trainers. The beneficiary chickpea farmers explained the benefits from the chickpea intervention. At Becho Weliso, ONE founders Bono and Jamie Drummond, and CEO Michael Elliot visited the PP Bag factory and enjoyed a traditional coffee ceremony, while discussing the successful expansion and challenges of the Becho Weliso FCU. Becho Weliso was also visited by the new Ethiopian President and regional President in November 2013.



Ethiopian Pulses and Spices Processors and Exporters Association Hosted Industry Leaders from Around the World

More than 460 Ethiopian and international buyers, processors, exporters, invited guests and government officials from around the world attended the Third International Conference on Pulses, Oilseeds, & Spices in November. The conference was opened by the Deputy Prime Minister and Minister of Communication, Debretsion Gebre-Michael, Minister of Trade, His Excellency Kebede Chane, Chamber of Commerce President, Mulu Solomon, USAID Mission Director Dennis Weller as well as EPOSPEA President Haile Berhe. In addition to sponsoring the conference through a grant to ESPOSPEA, USAID AGP-AMDe partnered with the Federal Cooperative Agency to sponsor 10 export ready cooperative unions to meet international buyers and expand export opportunities at the event.



5th African Grain Trade Summit focused on Global Investment in Grain Trade.

Five AGP-AMDe delegates participated in the African Grain Trade Summit in October in Kenya, organized by the new Ethiopia Chapter of the East African Grain Council (EAGC), a regional partner. Participants were from 22 African countries and represented public and private sector institutions engaged in processing, production, transport & logistics, clearing and forwarding agencies, banking, trading, insurance and research. Conference delegates secured business linkages.

The **coffee value chain** delivered incremental sales of \$1.2M USD, generated 175 jobs through nursery activities and provided 35,369 beneficiaries of AGP-AMDe assisted coffee value chain programs during this quarter. During this quarter, Sell More For More (SMFM) training was done or cascaded to 8,981 smallholder farmers and government officials/experts. This training will contribute to the production of higher value specialty coffees.

The **sesame value chain** successfully introduced Sesame Humera -I and Setit -I varieties to smallholder and commercial farmers using demo sites through technical support, experience share and field days, competing with the local seeds and traditional practices, have created awareness of using improved varieties with fertilizer application. The 128.26mt of improved sesame seed will be bought by Tsehay FCU/Amhara and ESE/Tigray Branch respectively, and will cover 32,065ha of land which will also help over 16K sesame producers. The team facilitated approval of \$15.3M USD agricultural and rural loans. SMFM training was completed and cascaded to 7,480 smallholder farmers and government officials/experts in Tigray and Amhara. AGP-AMDe facilitated the transfer of the four completed sesame warehouses, each with a 5,000 MT storage capacity and a total investment of USD \$2,106,643, to the four largest sesame producing FCUs in Amhara and Tigray.

The **chickpea value chain** successfully implemented a SMFM training on PHH for lead and small holder farmers and management training to primary coop and union staffs at 26 primary cooperatives in 6 selected FCUs in Oromia and Amhara region. This resulted in 149 (81 from Oromia and 68 from Amhara) lead farmers trained as TOT trainers and cascading to 7,206 smallholder farmers (3550 female farmers). In addition, entrepreneurship training was given to 47 participants, 32 women and 15 youths in Oromia region. Another major achievement was the MoU signed between Guts Agro Industry, the well-known nutritional food processing company, and Lume Adama and Becho Wolliso FCUs for the first 2000 qtls of Kabuli chickpea from the coming harvest. Finally, 3,118 farmers applied new technologies or management practices to improve the quality of their production.

The **honey value chain** cascaded SMFM training in all project regions, from 32 honey producers and marketing coops 8,073 farmers were trained on honey quality improvement and PHH applying SMFM training methodology. Pre-audit assessment was conducted in 10 Zembaba Union member primary cooperatives for Fair Trade certification. 20 honey samples from Tigray region, randomly collected from beekeepers sent to Ethiopian Quality Assessment Conformity Enterprise for laboratory test. Eight Ethiopian honey exporters, processors, FCUs, MoA and MoT, and EHBPEA exhibited together with EAB and the Dutch-funded ASPIRE partners in the African Pavilion organized by Apitrade Africa at Apimondia in Ukraine in October. Numerous business linkages were made with international buyers and suppliers. Parodi Apiculture, one of the biggest honey and beeswax traders and processors in the world had numerous meetings with the Ethiopian delegation and intend to finalize contracts with more than four Ethiopian suppliers, including Zembaba Union, Oromia Union, Green Coffee PLC, Beza Mar and others. Another large German buyer visited three regions and honey processors to begin sourcing Ethiopian honey as a result of contacts made at ANUGA in November 2013.

The **maize value chain** successfully implemented technology transfer activities for three hybrid maize seed varieties, which were demonstrated and popularized in 25 maize producing woredas. The AGP-AMDe maize value chain programs facilitated approval of **\$1,442,105** USD agricultural and rural loans and provided programs for more than 19,656 beneficiaries in this quarter. The AGP-AMDe capacity building programs encompassed 16,175 beneficiaries with SMFM contributing the majority through facilitating skill transfer to lead and follower farmers.

The **wheat value chain** delivered incremental sales of \$198K USD and facilitated an agreement between Ethiopian Grain Trade Enterprise (EGTE) and four FCUs to supply 1800MT of wheat over a two month period. The team facilitated approval of **\$526,316** USD agricultural and rural loans. Successfully implemented SMFM training with 90 farmer leaders selected from ten wheat producing FCUs in Oromia, Amhara, and SNNPR. SMFM training was then cascaded to 9,376 farmers (3,994 females). In addition, input demonstrations and field days were conducted on improved wheat crop at Sinana, Agarfa and Gasara woredas of Oromia and other regions in FTC and on farmers' fields. As a result, 3,036 farmers applied new technologies or management practices to improve the quality of their production.

Inputs team responded to increased demand for quality seed of superior varieties, multi-nutrient and briquetted fertilizers in collaboration with AGP, MoA and ATA. In the last quarter, 1,676 hectares were under improved seed and fertilizer technologies for chickpea, wheat, sesame and maize. Specifically, the new Multi-Nutrient Blended Fertilizer technology on chickpea and two crop varieties (chickpea/Arerti and Sesame/Setit I) were demonstrated and multiplied respectively in Amhara, Tigray and Oromia. 29 FCUs, Seed Producers and Commercial farms received technical training on seed multiplication and agricultural input handling, utilization and marketing in Oromia and Tigray regions. 8,879 (1,250 women) beneficiaries received agricultural input utilization training, attended farmers' field days on multi-nutrient and urea briquette fertilizer demonstrations and received grants for chickpea seed multiplication in all regions. Further, 13 MoA, ATA experts and FCU Managers were sent on an international bench-marking trip to Malawi and Zambia to understand processing requirements as well as challenges and opportunities of running fertilizer blending factories as a business, which is ground-breaking transformation in Ethiopia.

In Improving Access to Finance, the AGP-AMDe team assisted 43 FCUs and PCs in negotiating loans with financial institutions for working capital and project financing amounting to \$67.2M USD, of which \$36.2M USD has been approved and \$23.9M USD disbursed. AMDe helped secure a USD

200,000 investment into METAD, an Ethiopian specialty coffee company by members of the East Coast Impact Angel Network (EIAN). Additionally, one alternative financial product was promoted among 4 FCUs and 97 MSMEs members of FCUs SACCOs and other stakeholders received business development services in improving their capacity accessing financial services.

In Improved Business Enabling Environment, the following outcomes were achieved:

- International comparative analysis of the new seed proclamation and draft seed regulations and presented it to public sector and private sector representatives
- Report on fertilizer procurement and distribution strategy to improve the efficiency of the fertilizer supply chains
- Comprehensive draft paper on price policy for cereals including wheat subsidies and cereal export ban, including a set of Focus Groups field studies and a report on cereals price policy
- Organized study tour to South Africa, Colombia and Brazil for ECX Board and management for benchmarking international warehouse best practices to inform the separation of ECX warehouse system from that of ECX trading platform

In Innovation Fund 20 new grants worth \$2,626,690 were awarded in this quarter. Of the \$14.2M AGP-AMDe Innovation Fund, AGP-AMDe has awarded 58 cost-sharing grants worth \$6,404,614 of which \$2,718,960 has been disbursed to date. Grants amounting to \$6,156,592 are in the process of approval, and grant applications amounting to \$2 million USD are in the final assessment pipeline.

Nutrition completed the development of the nutrition Sell More 4 More (SMFM) Training module and the training strategy. Nutrition experts conducted two TOT trainings with Home Economics Agents, one in SNNPR with 18 trainees (9 women) and the other in Oromia with 19 trainees (14 women). All the trainees were provided with facilitator’s guide, technical guide and planning book. In addition to these, each of them were given 22 STICKS (Scalable Tracker for Imparting Certified Knowledge and Skills) developed both in Amharic and Oromifa languages to be used to cascade training.

Behavior Change Communications developed gender leaflets to complement the gender poster. 1,310 leaflets and 1,415 posters were distributed to farmers, cooperative and union management members, and regional government officials during general assembly meetings, trainings, and events organized by unions in Amhara and Oromia during December. 860 leaflets and 1030 posters were distributed in Amhara while 450 leaflets and 385 posters were distributed in Oromia.

Gender Campaign Poster and Leaflets



In **Gender**, the groundwork was completed to launch the Women's Agribusiness Leadership Network (WALN) during this quarter. The selection criteria and application forms were finalized and WALN information sessions were conducted in each region. 54 women have applied for the program, to date, and the submission deadline has been extended to mid-February, 2014.

ICT/Knowledge Portal working group agreed that MoA should host the Knowledge Portal and contribute to site development and maintain the site. The AGP-AMDe ICT Advisor carried out a feasibility study of infrastructure and resource requirements to transfer the AGP Knowledge Portal to MoA. Meanwhile the Knowledge Portal is live at www.ethioagp.org

Regional Performance Summaries

AGP-AMDe Amhara achieved significant results in the reporting quarter as follows:

- **Proper PHH:** During the last quarter SMFM PHH training was given for more than 17,000 farmers on five value chains. This training has a great impact on increasing the competitiveness of commodities since farmers follow the recommended procedures on harvesting their produce and handling it properly after the harvest.
- **Storage capacity is increased by 10,000 MT:** The two warehouses constructed for Metema & Selam FCUs are open & operational during the quarter.
- **Secured sesame export sales:** Metema FCU collected international quality standard sesame from farmers, cleaned it and exported 600 MT to Maviga.

AGP-AMDe Oromia achieved the following results:

- **Nearly 35,000 beneficiaries supported** by AGP-AMDe programs across wheat, coffee and honey value chains.
- **Almost 15,000 direct beneficiaries received assistance**, across wheat, maize, coffee, chickpea and honey value chains-mainly smallholder farmers
- **More than 3,100 farmers applied new technology** or management practices in wheat, chickpea and honey value chains.

AGP-AMDe SNNPR delivered the results below:

- **SMFM PHH training of trainers** was conducted for all VCs with 233 (16 women) lead farmers, Woreda experts and DAs aiming to decrease post-harvest losses to meet specific requirements of the buyers. The same training cascaded by lead farmers at Kebele level and delivered to 7,167 (2,602 Female) small holder farmers. In addition, SMFM management training was given to 63 (12 Female) cooperative leaders and staffs.
- **Honey VC provided market linkage to Kaffa FCU with trader.** The trader purchased 100 kg of honey sample from the union intending to send abroad. This partnership offers the union an opportunity to sell more than 80 tons of honey. In addition, Kaffa forest bee product and marketing FCU sold more than 973 kg of honey for domestic market. Honey VC multi-stakeholder meeting carried out jointly with GRAD, another USAID funded project.
- **Certification of Hawassa and Dilla ECX quality labs** to develop quality platform including standards alignment, quality program and establishing electronic traceability system for periodic assurance of testing to meet the Specialty Coffee Association of America certification standard requirements.

- **Four Farmers' field days were conducted** on wheat fertilizer omission demonstration trial carried out at FTC and Farmers plot in four woredas. On the field day the importance of blended fertilizer on yield increments was introduced to 1,310 (166 female) field day participant (lead farmers, DAs, FCUs, Deputy Head of BOA, expert from Wolkite soil testing laboratory, Zone Agricultural Department head & vice president of Zonal Administration, AGP-AMDe and Zonal & Woreda Agricultural Experts).
- **Over Birr 37.4 million loan were granted** for Admas, Sildama Elto and Edget FCUs in the quarter.

AGP-AMDe Tigray achieved the following results:

- **8,208 beneficiaries trained** as part of the cascading training program, which was the main focus of the quarter. As part of capacity building, 24 (16 women) beekeepers and government staff visited various honey producing organizations.
- **3 Business to Business meetings were conducted** in the 3 value chains where 63 (6 women) participants from different stakeholders were involved.
- **26,061 quintals of sesame and 2411.56 quintals of wheat** was collected by FCUs and PCs to be delivered to local and export market and 163 tons of crude honey is sold at local market. One primary cooperative and an FCU were sponsored to popularize their honey products at a city expo organized in Bahir Dar. Twenty honey samples were also collected and sent to laboratory for quality assessment.
- **Successfully implemented demonstration of fertilizer applications and multiplication** of improved wheat and sesame seeds. In view of this, seed multiplication program was introduced at 14 sites (5 seed multiplication cooperatives and 9 commercial farms) and 3,607 quintals of wheat (from 113.4 ha) and 196 quintals of sesame (from 80 ha) improved seeds were collected that is expected to have an enhanced coverage of improved technologies for the upcoming production season. Twenty demonstrations were implemented for improved fertilizer trial (11 sesame and 9 wheat) in which soil sample and Geo-spatial data was collected and analyzed prior to implementation. Farmers' field days were organized in both value chain areas to demonstrate the new technology and 274 (76 F) participated in the events.
- **449,430,000 birr rural loan was approved** for 7 FCUs, 1 PC and TMF which was facilitated by the project and around 216,780,000 birr loan is already disbursed to the cooperatives. In line with improving the access to rural finance, a workshop on risk financing with 24 (1 woman) participants, a training on bankable business plan preparation for 23 (3 women) participants and trainings on SACCO saving mobilization, financial statements, risk analysis and cash management to 50 (11 women) participants have been carried out in this reporting period.
- **Handover of the 2 5,000 ton warehouses constructed at Dansha and Setit Humera FCUs** was completed, with the presence of the regional government authorities.

Result Performance Tracking Table – Summary of Oct-Dec 2013 Results

AGP-AMDe made progress during October to December 2013 to achieve its life of project results. The achievements for the quarter and overall to end of December 2013 are presented in the indicator performance tracking table (IPTT) below. Highlights of Life of Project results achieved are below.

Performance Indicators	Unit of Measure	Year 3 Target (July 2013 - June 2014)	Oct-Dec 2013 result	LOP Result (results to date)	LOP Target	Percentage of LOP Target to date (%)
Number of jobs attributed to FTF implementation	#	3,652	114	2,302	8,144	28
Number of beneficiaries supported by AGP-AMDe assisted value chains	#	242,197	104,517	298,077	1,000,144	30
Value of incremental sales		20,207,446	1,512,885	23,197,357	94,733,730	25
Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.	#	45,042	59,402	68,963	112,301	61
Value of Agricultural and Rural Loans	USD	12,000,000	17,705,263	24,277,192	39,134,157	62
Number of farmers and other who have applied new technologies or management practices as a result of USG assistance	#	42,431	6383	7,832	137,400	6
Value of exports of targeted agricultural commodities as a result of USG assistance	USD	36,699,099	1,725.50	27,537,539.5	148,236,057	19
Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation	USD	15,000,000	4,169,901	5,474,547	20,157,070	27

Success Stories October – December 2013

- **Ethiopia Hosts 2nd International Coffee Conference**
- **Ethiopia Hosts Oilseed Industry Leaders from around the Globe**
- **Ethiopian Grain Trade Enterprise and Wheat Farmers Unions Partner**
- **From Sample Blended Fertilizer to Ample Yields**



Ethiopia Hosts 2nd International Coffee Conference



President of the FDRE, at Opening Ceremonies, seated with ECEA President Hussein Agraw and State Minister of Trade Yacob Yalla



Ethiopian and international bartistas serve distinctive Ethiopian coffees in a new 'pour-over' technique

The Agricultural Growth Program-Agribusiness and Market Development (AGP-AMDe) uses a facilitated value chain approach to increase the competitiveness of select Ethiopian agricultural products; enhance access to finance; and stimulate innovation and private investment. This flagship program is part of the U.S. presidential Feed the Future initiatives and New Alliance for Food Security and Nutrition. This story is made possible by the generous support of the American people through the U.S. Agency for International Development (USAID). The contents are the responsibility of ACDI/VOCA and do not necessarily reflect the views of USAID or the United States government.

The 2nd Annual Conference of the Ethiopian Coffee Exporters Association (ECEA) brought together over 320 participants under the banner “Building a Sustainable Coffee Future”. The U.S. government, through the United States Agency for International Development (USAID), joined in partnership with the ECEA and other Ethiopian government and coffee industry leaders to host this strategically important coffee industry event. The conference was opened by prestigious speakers, including the President of the Federal Democratic Republic of Ethiopia, the US Ambassador, the Executive Director of the International Coffee Organization and the Inter-African Coffee Organization Executive Director.

The conference included a number of engaging presentations and panels about Ethiopian coffee and the latest industry efforts to enhance the competitiveness of the sector. A number of introspective conference panels were presented by Ethiopian and international experts, including topics such as: Building traceability at the ECX, Ethiopia’s evolution to greater productivity and enhanced quality and Ethiopia’s dynamic coffee women. Presentations from industry leaders, such as Starbucks, Nestle and Mondelēz International, offered new perspectives on market and business opportunities.

Two events highlighting Ethiopian coffee quality were conducted - a cupping alignment and a pour-over coffee break where coffees from around Ethiopia were served by trained Ethiopian baristas who described the coffees as they poured them. This facilitated local coffee producers/industry meetings with key buyers to pursue contracts for purchases of Ethiopian coffee for this harvest season

A number of buyers stayed on to visit the coffee regions with export partners to evaluate the harvest and the quality offering. AGP-AMDe partnered with ECEA to organize a tour to Yirgacheffe and Sidama, which generated orders from major multi-national traders for new coffee purchases this year.



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SUCCESS STORY

Ethiopia Hosts Oilseed Industry Leaders from around the Globe



H.E Deputy Prime Minister Dr. Debretsion Gebremichael is opening the conference, H.E. Minister of Trade is behind him with the president of EPOSPEA Mr. Haile Berhe and Mulu Solomon (the first women to become President of the Ethiopian Chamber of Commerce)



Industry leaders discuss the creation of an African Edible Oilseeds Alliance

The Agricultural Growth Program-Agribusiness and Market Development (AGP-AMDe) uses a facilitated value chain approach to increase the competitiveness of select Ethiopian agricultural products; enhance access to finance; and stimulate innovation and private investment.

This flagship program is part of the U.S. presidential Feed the Future initiatives and New Alliance for Food Security and Nutrition.

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Photo credit — AGP-AMDe Project

More than 460 Ethiopian and international importers, exporters, invited guests and government officials from around the world attended the third international conference on pulses, oilseeds and spices on November 13th and 14th. In addition to sponsoring the conference, USAID AGP-AMDe partnered with the Ethiopian Federal Cooperative Agency to sponsor 10 export ready farmers’ cooperative unions to meet international buyers and expand export opportunities. The conference was opened by the Minister of Trade, His Excellency Kebede Chane and USAID Director Dennis Weller as well as the Ethiopian Pulses, Oilseeds and Spices Processors and Exporters Association (EPOSPEA) President Haile Berhe.

“EPOSPEA is collaborating with USAID AGP-AMDe to market Ethiopia to international buyers and secure global opportunities to benefit the economy as well as exporters.” said Haile Berhe “ Further, AGP-AMDe is helping EPOSPEA implement an oilseed strategy for Ethiopia and Africa – bringing the vision of an African Oilseeds Federation to reality.” EPOSPEA and USAID AGP-AMDe hosted leaders in the oilseed industry from Tanzania and Sudan, as well international oilseed buyers with operations in Africa to attend the conference and prepare the creation of the African Oilseeds Federation. As a result, a working group was assigned to develop a draft constitution to present to further oilseed producing country leaders throughout Africa. A meeting to adopt the constitution and elect an interim board of directors is planned for March 2014.

We have confidence that the Ethiopian Pulses, Oilseeds and Spices Processors and Exporters Association will continue to grow and thrive – especially Oilseeds” said USAID Mission Director Mr. Dennis Weller “culminating in higher quality, improved yields, more export volume and foreign exchange earnings, contributing more to the livelihoods of smallholder farmers.”

EPOSPEA and other industry leaders and stakeholders joined with the U.S. Government and many private sponsors as a major contributor to this strategic event. Developing the sesame and chickpea value chains are an important part of USAID’s Agricultural Growth Program-Agribusiness Market Development.



Ethiopian Grain Trade Enterprise and Wheat Farmers Unions Partner



Senior management from EGTE and Galema FCU sign sales agreement



Consultative Workshop with EGTE & FCU senior management from EGTE and wheat producing FCUs



The Agricultural Growth Program-Agribusiness and Market Development (AGP-AMDe) uses a facilitated value chain approach to increase the competitiveness of select Ethiopian agricultural products; enhance access to finance; and stimulate innovation and private investment. This flagship program is part of the U.S. presidential Feed the Future initiatives and New Alliance for Food Security and Nutrition. This story is made possible by the generous support of the American people through the U.S. Agency for International Development (USAID). The contents are the responsibility of ACDI/VOCA and do not necessarily reflect the views of USAID or the United States government.

Ethiopian Grain Trade Enterprise (EGTE) and wheat marketing FCUs in Oromia and Amhara signed sales agreements for 1800 MT of quality wheat, with a value of 12.6 million birr (\$660,000 USD) in 2013. AMDe facilitated this innovative partnership, connecting buyers directly with producers, to create an improved structured market system that will increase sales and product quality. This will benefit thousands of smallholder farmers by increasing their income and expanding market opportunity for their produce.

The forward sales agreement will also provide smallholder farmers with a reliable source of future income that will enable them to invest in inputs, education, training, and technologies to improve productivity and product quality. This Public-Private-Partnership will also establish beneficial business practices and secure longer term income for participating FCUs and PCs.

On a broader scale, these sales agreements will result in improved wheat quality to fulfill buyer requirements as well as encourage increased production to satisfy buyer demand. The market opportunity for wheat producing FCUs and PCs is significant as EGTE plans to purchase 2.5 million quintals (250,000 tons) from domestic sources this year. This new partnership will also have spillover effects and motivate other FCUs and PCs to sell to EGTE and other large buyers.

AMDe created the business linkage with EGTE and initiated discussions in September with a Consultative Workshop with representatives from EGTE, Bale and Arsi Zones Cooperative Office, ATA, FCU Board members and managers. Galema & Raya Wakena FCUs signed the first sale agreement for 800MT of Wheat in November. The second agreement for 1000MT of wheat was concluded with Ghion and Damot FCUs late December 2013.

January 2014



FROM SAMPLE BLENDED FERTILIZERS TO AMPLE YIELDS



Data collection of maize from demonstration sites



The Agricultural Growth Program-Agribusiness and Market Development (AGP-AMDe) uses a facilitated value chain approach to increase the competitiveness of select Ethiopian agricultural products; enhance access to finance; and stimulate innovation and private investment. This flagship program is part of the U.S. presidential Feed the Future initiatives and New Alliance for Food Security and Nutrition. This story is made possible by the generous support of the American people through the U.S. Agency for International Development (USAID). The contents are the responsibility of ACDI/VOCA and do not necessarily reflect the views of USAID or the United States government.

Over the past five decades, fertilizer sources in Ethiopia have been limited to Urea and DAP which only deliver nitrogen and phosphorus nutrients. As a result, indications have emerged that the agricultural soils are facing a hidden hunger from lack of other essential nutrients. This is exacerbated by Ethiopian fertilizer rates that are below international and regional standards.

To address these challenges AGP-AMDe designed fertilizer demonstrations to show the improved productivity from blended fertilizers, which contains macro and micro nutrients. Before conducting the demonstration, soil samples were collected and analyzed. The analysis showed that all soil samples were deficient in the macro and microelement nutrients of Sulfur, Zinc, Copper, Boron and Iron. AGP-AMDe, in partnership with Agricultural Transformation Agency (ATA) and Ethiopian Institute of Agricultural Research, imported micronutrient fertilizers containing the deficient nutrients to conduct informational demonstrations.

Field activities started in 2012 with 20 blended fertilizer demonstrations in 12 maize, wheat and chickpea producing woredas. Blended fertilizer demonstrations produced impressive results - plots treated with blended fertilizer showed a 20% yield increase, on average, when compared to conventional fertilizer application of DAP and Urea. Further, use of improved fertilizer technology has been shown to increase farmer productivity while reducing labor.

With the knowledge gained from the improved fertilizer demonstrations, FCUs and farmers requested the support of local government officials to obtain blended fertilizers for the upcoming agricultural season. In response, the Government of Ethiopia is working with USAID AGP-AMDe and ATA to establish fertilizer blending plants in Amhara, Oromia, Tigray and SNNPR. The project has succeeded in catalyzing a ground-breaking shift in existing policy and also instilling farmer confidence in the production power of blended fertilizers and improved agricultural practices. In 2014 planting season, already 25% of the available fertilizers in Ethiopia will be two blended fertilizer formulas.

COMPONENT I- IMPROVE VALUE CHAIN COMPETITIVENESS

Coffee Value Chain

Overview

Under the coffee value chain strategy, AGP-AMDe's work is contributing to the overall goal of a 50% increase in Ethiopian coffee exports that will receive value added premium of over 200% by 2020 as per the government's Growth and Transformation Plan (GTP), whereby improvement in quality is rendered a key competitive positioning. Specifically, the program is working to increase the value of commercial coffee while promoting specialty coffees; introduce traceability for mainstream Ethiopian coffees; increase efficiency of ECX platform; and promote new developments in coffee export markets.

Key results

- **Training and capacity building:** SMFM leadership training was provided for the cooperative leaders selected from six primary cooperatives who are members of the Limmu Inarea and Arga/ Oromia Farmers' cooperative unions in Jimma in two rounds. 48 (out of which 43% were women) participants of 65 PC leaders, woreda cooperative experts and zonal cooperative were attend. The PHH cascading training is conducted by the 3 FCUs, Arga , Buno Bedele and Limmu Inarea. They have facilitated the training with the respective zones woredas and PCs. In Gomma, Gera, Limu Seqa, Dedesa and Gechi woredas of Jimma and Ilubabor zones, the trained lead farmers have conducted the cascading training for 4,800 follower farmers (2,400 female farmers). Similarly, in SNNPR, SMFM training of trainers was conducted with 37 lead farmers in Mizan town. The same training cascaded by lead farmers at Kebele level and delivered to 3,784 beneficiaries. In addition, other training on coffee quality improvement, coffee processing system, ECX grading system, primary marketing and on consistent quality, traceable system of coffee was given to 40 cooperative members, Zonal and Woreda experts.
- **Job created during the reporting period:** The coffee seedling program is operating in three primary cooperative sites of the Limmu Inarea FCu in Oromiya region. Currently, this activity has created 175 full-time equivalent jobs for people living in the vicinity.
- **Technical support:** Coffee harvesting and processing is going on in Jimma and Ilubabor zones (AGP-woredas) and AGP-AMDe helped facilitate incremental sales of \$1.2M USD. As per the training provided on pre and PHH and care it is observed in the field that small holder farmers are selling red cherry properly picked for the wet processing mills for washed coffee processing. As of the 3rd week of December cumulative total red cherry purchased by 28 primary cooperatives in Jimma and Ilubabor zones of Arga, Limmu Inarea Buno Bedele and Sedeten Chora FCUs) is 3,110,089 kg in volume and the value is estimated to be 22,000,743 Birr. The expected dry parchment can be estimated to be 622,000kg.

Key Activities and Success

Coffee seedling production follow-up: The AGP-AMDe planned to increase coffee production 7 productivity by supporting the primary cooperatives and CIGs in planting and replacing old unproductive coffee fields by new disease resistance, high yielder and good quality seedling in collaboration with Jimma

research center. With the support of the grant fund from AGP-AMDe program, three member primary cooperatives of Limmu Inarea FCU called Andode, Atnago and Bufete Gibe are producing 3 million coffee seedlings. Close supervision is underway in SNNPR as well for two CIG organized for coffee seedling production in Kaffa zone Decha and Chena Woredas. Especially Beko CIG in Chena Woreda is the best model CIG for the region; they already completed transplanting 223,000 coffee seedlings to permanent shade. The CIG adopt well organized management system. They have clean, neat and ideal nursery for coffee seedling production and the seedling stand is very nice. Beha CIG in Decha Woreda transplanted 100,000 coffee seedlings.

SMFM leadership training: From November 18-30, 2014, SMFM leadership and management trainings were provided in two rounds in Jimma for 65 primary cooperative leaders and members (28 women) from 6 primary cooperatives of Arga and Limmu Inarea FCUs. The main purpose of this training is to strengthen the leading and managerial capacity of the cooperatives both at union and primary level. So that, they can better understand the planning of collecting coffee production from member farmers and teaching members how to harvest and produce quality coffee for specialty market.

SMFM PHH –Cascading: The purpose of the cascading program is to improve coffee quality from the grass root level. The main focus of the training was on proper harvesting, drying and handling the product in a proper manner. TOT was provided last quarter for 80 lead/model farmers, drawn from Arga, Bunobedele and Limmu Inarea FCUs, (20 primary cooperatives) each of them to handle and train 60 follower farmers before the coffee harvest begins.

SMFM PHH TOT training was given for lead farmers and DAs selected from member PCs of Bench maji FCU, Teppi FCU and Agricultural Growth Program (AGP) targeted Woredas. The training conducted at Mizan aman town with main objective to cascade quality coffee seed production and handling techniques. Topics of the training were focused on coffee seed production, nursery management and techniques of maintaining coffee quality. The beneficiaries were:

- ✓ 19 (3 female) lead farmers selected from member PCs of Bench Maji FCU and DAs
- ✓ 18 (all are male) lead farmers selected from member PCs of Teppi FCU and DAs

SMFM PHH cascading training to coffee grower cooperative members was conducted by Bench maji, Yirgacheffe, Kaffa and Teppi FCUs. The training participants were selected from member PCs of the four FCUs. 3,784 (974 Female) participants attended the training. 800 posters and brochures on coffee PHH practices printed in Amharic and Oromifa version were distributed to the lead farmers, Primary coops FCUs, Woreda and zonal experts. In this respect the cascading is completed and 4800 follower farmers were trained, and are expected to improve the coffee quality. Finally, this coffee will be collected separately by each PC and submitted to respective FCUs. Samples will be collected for Test of Harvest (TOH) competition for market promotion purpose.

Training on coffee quality improvement, coffee processing system, ECX grading system, primary marketing and the cause of coffee defect to coffee quality experts was conducted at Yergalem town. The training was organized in collaboration with Bureau of Marketing & Cooperative and ECX SNNPR regional office. 18 (2 female) participants from regional & Woreda Marketing & Cooperative office attended the training.

Other training on consistent quality, traceable system of coffee to cooperative members, Zonal and Woreda experts was conducted at Yirgacheffe town. The training participants were selected

from Marketing and Cooperative Department of Gedeo zone, Marketing and Cooperative Office of Yirgacheffe and Konga cooperative. 22 (2 female) participants from Zonal & Woreda Marketing & Cooperative office attended the training.

Technical and Equipment Support: As part of Technical Support, AGP-AMDe provided quality measurement equipment for the Arga, Buno Bedele and Limmu Inarea FCUs. The purpose of this equipment was to check the moisture content of the processed coffee before collecting from the drying beds to warehouses in the field. This equipment is user friendly and can serve all member primary cooperatives who are engaged in washed and dry coffee processing.

Follow up lab renovation and maintenance work: For Jimma ECX coffee lab renovation, Quotations were collected from 3 different contractors for the maintenance of the lab and sanitation work, evaluated together with ECX purchase committee, approved by AGP-AMDe head office and the renovation work started. Inspectors from CQI and SCAA arrived at the site and inspected the lab. They have observed that the electrical and lights were fixed properly, the walls and ceilings were painted, training rooms are ready, all materials are in place and recommended that some unfinished works to be completed and the report to be sent by photos so that the lab will be certified. The purpose of the Jimma ECX coffee lab renovation and maintenance is to upgrade the lab and make it fit for the international standard of SCAA certification.

Coffee harvesting and processing: In all the coffee growing woredas, harvesting and processing coffee is going on. In Jimma and Ilubabor zones Gomma, Gera, Limmu Seqa, Chora, Bedele, Gechi and Dedesa woredas harvesting and washed coffee processing started on the 1st week of December. To date the cumulative total red cherry purchased from small holder farmers by 28 primary cooperatives in Jimma and Ilubabor zones, Gomma, Gera, limu seqa, Dedesa, Gechi, Bedele and chora (only AGP woredas and members of Arga, limmu inarea Buno Bedele and sedeten chora FCUs) is 3,110,089 kg in volume and the value is estimated to be 22,000,743 Birr. Currently the price per kg ranges from 6.00 Birr to 8.00 Birr in all areas. The expected dry parchment can be estimated to be 622,000kg. In all the coffee processing stations, job opportunity is created for more than 800 people at least for a month.

Market Linkage

AGP- AMD provided material support for Hwassa and Dilla ECX center. The objective of material support was to develop quality platform including standards alignment, quality program and establishing electronic traceability system for periodic assurance of testing. This facility helps to increase the reliability issues, quality certification and to align with international standards and the consumer interest and requirement.

AGP-AMDe coffee value chain organized export promotion tours with Willem Boot (the founder Boot Coffee Consulting and board member of the Specialty Coffee Association of America) for promotion of Yirgacheffe traceable coffee farmers engaged in coffee production and processing of sundried and washed coffee. The tour team includes roasting companies, international coffee buyer from USA and coffee exporter company Cabey PVT. LTD.CO. They tripped conducted at Konga cooperative on washed and special sundried coffee.

Regional Coffee Value Chain Multi Stakeholders Plat Form (MSP) meeting held at Dilla town with 57 (4 female) participants. On the meeting, the following issues were presented and discussed by stakeholders:

Analysis

In spite of its volumes, strong coffee traditions, and wealth of genetic material, Ethiopia farmers have remained among the poorest in the world. The modernization of the coffee sector through the introduction of the Ethiopian Commodity Exchange (ECX) coincided with an upward trend in international coffee prices, which improved the situation for farmers between 2008 and 2010. Since then, the downward trend of international prices accompanied by other structural challenges has impeded sector stakeholders from achieving a competitive position in the global coffee market.

The transition to the ECX trading platform created a split system within Ethiopia, affecting for both washed and natural coffees: Lots produced by cooperatives or by private estates that are licensed to bypass the ECX platform (approximately 15% of overall production). All remaining coffee, produced by smallholder farmers (about 85% of Ethiopia's exports), which due to current ECX regulations cannot be traced back to the producing communities or washing stations

The traceability gap strongly limits the ability of private exporters to realize access to international markets and to earn adequate premiums for Ethiopia's supply of fine coffees. Many exporters also complain about the ongoing, lot-to-lot quality inconsistencies due to the fact that coffees that belong to the same coffee contract category are pooled together in the ECX warehouses.

This problem has yet to be resolved, though the AGP-AMDe program is working with ECX to procure, customize and implement a traceability platform this season.

In addition, there is the disconnect between the ECX price discovery mechanism and the New York "C" market for Arabica coffees, which often results in the fact that ECX coffees trade at higher prices levels and which creates a competitive disadvantage for Ethiopian exporters. In times of depressed or declining market prices (as is the case now), Akribis tend to hold on to their coffee volumes, thus stagnating the flow of coffee supply. As we have seen in the past year, exporters tend to react by slowing their buying activities due to the competitive challenges they face on the international markets. These impeding conditions have already contributed structurally to the rise in inventories at the level of the suppliers (akribis).

The newly established private estates and export companies are unprepared to compete at the international level since they often lack coffee expertise and they are unaware about the dynamics of international consumer markets. In addition to poor productivity, a short term outlook (one year or less) rather than a longer-term strategic planning focus limits the potential of the industry to compete effectively. Limited access to hedging tools means that domestic coffee traders lack appropriate financial mechanisms to respond to coffee trading risks. The sector associations that are meant to help bring solutions to these issues, struggle themselves with institutional capacity to address these needs.

These complexities make it more difficult and costly for international buyers to get the products they need and want from Ethiopia – it's often easier to do business elsewhere for a lower priced product. AGP-AMDe works with the government of Ethiopia and with key coffee sector stakeholders who have begun to lay a foundation for a more competitive industry. Ongoing work to address these capacity issues and to build a leaner, more efficient, quality-focused system will help ensure higher prices in export markets.

Coffee Value Chain Activity Tracker October – December 2013

Activity Number	Activity Description	Indicator and Unit	Q2 – This Quarter			Cumul Up to This Quarter	Reason for Variance
			Target	Achieved			
				Number	%		
IR 1: Improve the Competitiveness of Coffee VC							
Sub IR 1.1: Volume & value of marketed value chain surpluses increased as a result of improved end-market competitiveness							
OP 1.1.1: Marketing Systems and Practices Improved							
	Conduct a multi-stakeholder(MoT, ECX board, ACDI/VOCA) on best practices for ECX warehousing by looking at coffee producing countries	# study	1	3	300%	3	Strong collaboration among various stakeholders
	Through the innovation grant fund: 1) capacitate ECEA to recruit a (international to STD) Sec General; 2) provide technical support in building market information system; 3) assist in organizing an annual international conference - Support ECEA to host an effective, high impact conference & training for members	# of participants	120	320	267%	320	Strong marketing program delivered above expected participation

Activity Number	Activity Description	Indicator and Unit	Q2 – This Quarter		Cumul Up to This Quarter	Reason for Variance	
			Target	Achieved			
				Number			%
	Competitions: Analyze opportunities for Ethiopia 'own' competition and develop plan (CoE, Taste of Panama) - and improve participation in Taste of Harvest competition in coordination with AFCA and ECEA and other industry stakeholders. Link with marketing of Q coffees	analysis/ plan completed				1	AFCA ToH Steering Committee requests to lead and is delayed in their planning. ECX awaiting MoT approval for certifying Q coffees
	Int'l trade show promotion: Support sector to participate in international trade shows - AFCA, SCAA, and 1 other international	# shows/#leads				2	AFCA & Gulfood preparations underway
	Sample and data collection for ToH and other promotion/business facilitation activities	# samples collected, % samples w all data				60	AFCA ToH SC to lead, awaiting direction.
OP 1.1.2: Specific and Effective Market Linkages Created							
	Enhance Ethiopian Fine Coffee (promotional platform) catalog and website	# website hits				100	Awaiting design input from MoT
	Trade missions to follow up on trade show participation together with associations and exporters	# containers				100	January trade mission preparation underway
Sub IR 1.2: Increased volume and value of commodities purchased from smallholders							
OP 1.2.2: Post-Harvest Losses Reduced and Farm Income Opportunities Expanded Through Mechanization							

Activity Number	Activity Description	Indicator and Unit	Q2 – This Quarter			Cumul Up to This Quarter	Reason for Variance
			Target	Achieved			
				Number	%		
	Support establishment and effective use of cupping labs in strategic locations to support processing investments	# cupping labs	3	3	100%	3	January trade mission planned
	OP 1.2.3: Collaboration Between Stakeholders Facilitated and Established						
	Work on mapping project with MoA, IP office and MoT: through data mining and varietal cuppings, identify Value-Added Varietals and link to markets	% AGP coffee woredas mapped				50	Awaiting stakeholder input
	Sub IR 1.5: Increased volume of targeted crops meeting accepted international market requirements						
	Support ECEA to host their own coffee tour/caravan in conjunction with conference	# participants, % satisfaction (survey)	1	1	100%	2	
	Conduct Q grader training and calibration courses using the Q grader system	# trainees		33		73	
	Technical exchange to international best practice sites to review coffee marketing systems, regulatory structure and private sector involvement	proposal generated to implement new practices	1	1	100%	2	

Sesame Value Chain

Overview

Sesame is one of Ethiopia's top performing export crops and earning foreign currency, second only to coffee. Currently, Ethiopia is the fourth largest exporter of sesame globally and the first in Africa. The government of Ethiopia has put sesame as one of the top priorities in the agricultural section of the Growth and Transformation Plan (GTP). To maximize this opportunity, the AGP-AMDe strategy for the sesame value chain is to upgrade quality and quantity of sesame production as well as increase demand for quality Ethiopian sesame from diversified international markets. In order to achieve this, AGP-AMDe, along with major stakeholders such as ATA and the FCA, works on quality and productivity improvement, decreasing post-harvest losses, increasing warehousing and processing centers as well as increasing market linkages.

The major achievements of this quarter in the sesame value chain are introduction of Sesame Humera -I and Setit -I varieties to smallholder and commercial farmers using demo sites through technical support, experience sharing and field days, disseminating information about improved seed varieties compared with traditional practices, have created awareness of using improved varieties as well as increased productivity using fertilizer applications. This was done with the cooperation of AGP focal persons, agricultural experts, DAs and Humera and Gonder ARCs as well as other agricultural service providers. The promotion of the improved sesame seed varieties motivated the SHF as well as the commercial farmers in multiplying indicated certified sesame seed. From the 30 SHF farmers and commercial farmers 48mt of Humera – I, was produced in five sesame producing woredas, in Amhara Regional state of which 45.36mt have been approved by the North Gonder zone DARD, Plant quarantine Department of seed laboratory. In Tigray, 82.9mt (Setit I -67.8mt and HI – 15.1mt) was produced by Humera ARC, Hiwot Mechanization and four Lead model farmers and is approved as certified seed. The 128.26mt of improved sesame seed will be bought by Tsehay FCU in Amhara and ESE Tigray Branch respectively, and will cover about 32,065ha of land next planting season which will also help over 16,000 sesame producers.

Summary of Top Results

- **AGP-AMDe helped sesame FCUs secure Birr 290 million (15.3 million USD) rural agricultural loans** from CBE and CBO in cooperation with the respective regional CPAs. These loans assisted Metema, Selam, Tsehay and Admas FCUs of Amhara and Setit Humera, Dansha Aurora, Lemlem Welkayit and Tekaeze FCUs to purchase 4,662mt of sesame, based on the ECX and international market demand and information.
- **7,480 smallholder farmers participated in SMFM**, other technical trainings and field days on practical demonstration of improved sesame seed and blended fertilizers trials. The SMFM, PHH cascading training was given in nine woredas of Amhara and Tigray to 7,142 (2,142 women) trainees, which will help them in reducing the PHH loss and improve quality, as PHH loss is one of the major challenges in production reduction which also reduces the income of the producers.
- **AGP-AMDe facilitated the transfer of four completed sesame warehouses**, each with a storage capacity of 5,000MT and a total investment of USD 2,106,643 to the four largest sesame producing FCUs in Amhara and Tigray regions.

Key activities and successes

- Field days were organized in Tigray and Amhara 30 major sesame producing Kebeles with 293 (M- 256, F- 37) participants from the respective woredas, including AGP focal person, DOARD and CPA experts, DAs, Gonder and Humera ARCs,PCs, FCUs, SHF and commercial farmers. They evaluated and differentiate the performance difference between the improved seed and the local one and with fertilizer and without. Accordingly, they plan to purchase and plant the improved seed for the coming crop season. The representatives from the woreda DOARD, facilitated the purchase order from the respective Regional BOARD through FCUs and seed enterprises that will be disseminated to the sesame producers for the coming crop season.



Model farmer in seed multiplication at Humera and experience sharing at Metema

- ECX Primary Sesame Market Center Field Assessment in Metema, Tachi Arimachiho and Mirab Arimachiho was conducted in cooperation with the Amhara Regional State Bureau of Trade and Transport Expert. The assessment was undertaken in five primary sesame markets, namely Gendawuha, Kokit, Metema Yohannes, Sanja and Abrihajira and 19 SH producers and 19 supplier (in total 38) participated in the interview based on the developed questionnaire. The final finding and analysis will be reported for all partners and stakeholders for action.
- For the first time, one kilogram of non-shattering sesame variety was received from Nairobi/Kenya and delivered to Ethiopian Institute of Agricultural Research (EIAR) and Tigray Agricultural Research Institute (TARI) to be multiplied in Humera ARC, which is the Centre of Excellence for Sesame research and other research centres for adaptability, production and verification.
- African Edible Oilseeds Federation meeting was held after EPOSPEA's third International Conference in November. The participants were from Nigeria, Tanzania, Sudan and Benin, and shared their perspectives and experience, and are vital to making this a reality and ensuring that the African continent can play a big role in the oilseed industry. By the end of the meeting it was decided to form a working group composed of Ringo Iringo from Tanzania, Dr. Amin from Sudan, Veneet as a representative of Nigeria and Benin, Assefa Yohannes from EPOSPEA for Ethiopia, and representatives from OLAM and EGT.
- The second African Edible Oilseeds Alliance meeting was held in December and Mr. Siakat Bhowmick of Fludor-Benin, Mr. Assefa Yohannes of EPOSPEA, Mr. Ringo Iringo of TASUPA and CEZOSOPA, Mr. Siddharth Sati of Hakan, Mr. Pradeep Gangwar of ETG, Mr. Gurinder Singh of Olam, and Mr. Charles Walker of USAID AGP-AMDe met to discuss the draft structure for the African Edible Oilseeds Alliance. The target crops are Cotton, Palm, Sesame, Ground Nut, Niger,

Soya, Linseed, Sunflower, Canola and the Producing Countries are Ethiopia, Sudan, Tanzania, Mozambique, Benin, Mali, Nigeria, Burkina Faso, Niger, Chad, Guinea Bissau and the buyers are expected to be South Africa, Egypt. The objectives will be increasing competitiveness in production, quality standardization, and market information. There will also be policy advocacy, market promotion, social responsibility and environmental sustainability and finally agreed to increase membership outreach and to develop draft constitution on temporary website for potential to see and give comments or add ideas.



Group picture of the first African Oilseeds Alliance meeting at AGP-AMDe

- Sesame samples of two type Humea/Gonder and Wellega type and Organic Hulled sesame in addition with brochures, leaflets with business cards were given after thorough discussion in the company profiles and interest in export volume, quality, packaging and price,
- Breakfast business session was held at Radisson Hotel in October and eight prominent companies in import trading attended the meeting and are interested to work with the Ethiopian counterparts. Five of them planned to attend the EPOSPEA's third International Conference held on November 13 & 14 in Addis Ababa, where major International buyers from Europe, Asia, Middle and Far East are expected. This conference and the last two conferences were sponsored by AGP-AMDe.



B2B Discussion and Breakfast meeting at the ANUGA Trade Show

- AGP-AMDe in cooperation with the Federal Cooperative Agency (FCA) organized a training program on International Export Marketing that was held at Bahir Dar and Ambo for two days, and was given to 43 participants of sesame exporting FCUs Metema, Selam, Admas, Tsehay Managers and Marketing experts as well as Ardita College of Cops and FCA Experts. Setit Humera and Dansha Aurora managers and representatives as well the Tigray CPA marketing expert were unable to attend. The training was given in collaboration with the FCA and Amhara CPA, and ATA to strengthen the capacity of the management and marketing experts of the respective FCUs in sesame export. The training was given by Mr Tewodros Yilma Managing Director and Owner of Alfa Trading Partners Plc. and Mr Tadesse Meskela General Manager of Oromia Coffee FCU and Mr Elias Geneti Director General and owner of Agro Prom International PLC. There were discussions as well as questions during at the sessions, and all trainees were very glad to have such training, which has increased their knowledge and cleared some ambiguities during export activities.



International sesame marketing training session and group picture

- The third **EPOSPEA** International conference was held at UNECA conference on Nov. 13 & 14 and was opened by Deputy Prime Minister Dr Debretsion G/Michel also Ministry of Communications and Information Technology and Ato Kebede Chane Ministry of Trade. 465 participants of which 114 International Buyers from 16 countries (USA, Europe, Asia, Far East, Middle East and Africa), 88 members and 105 non-members as well 34 media representatives attended the conference. The sessions included presentations on worldwide sesame production and demand assessment and analysis was presented by local government officials and exporters as well as international buyers, and gave a clear picture on the current production and market demand situation. Participants from Nine Farmers' Cooperative Unions from Amhara, Tigray and Oromia, were sponsored by AGP-AMDe to attend the conference. They all met new buyers, exchanged information, delivered sample of sesame and made B2B discussions. The Conference was well organized and there was 168% increase in performance and EPOSPEA Board Members, Management and Exporters have learned more and developed good linkage from the conference and have benefited a net profit of USD 132,665 which will help them in developing good market linkages to promote the sector. During the conference closing, an acknowledgment award was given to USAID AGP-AMDe.
- A Business to Business meeting was held in Humera, Tigray among eleven participants from FCUs, ECX Primary market traders, ECX Humera Branch Head and Regional, Zonal and Woreda CPA and Trade and Industry experts as well as private exporters. The meeting aimed in facilitating

discussions among the sesame producers and buyers and the EXC service and marketing information, which helps them to identify the challenges and opportunities between actors so that they can develop increased linkages. The meeting was successful and all agreed to work together.

- AGP-AMDe in cooperation with MoT, MoA, MOFA, ATA and FCA is supporting and facilitating the Gulf Food Trade Show participation, which will be held from Feb. 23 – 27, 2014 in Dubai, UAE. Sesame producing FCUs, Regional Marketing Federations, Processors, exporters and EPOSPEA from the sector will be participating in the trade show with the support of the project, in order to develop experience and deals in B2B. A promotional website page has been developed at www.ethioagp.org/ethiopiafinest as well as an Ethiopian Cookbook promoting the five value chains which will be at the “Ethiopia’s Finest” booth (sesame, coffee, honey, chickpea and livestock/meat).

Analysis of Sesame Value Chain

As sesame is the hard currency earning crop for the country and lots of SHF, traders and exporters are involved in the sector as well as the demand in the International market, the support from the Federal and Regional Governments and other government and non-Government partners are also helping the sector from input supply to marketing. Client FCUs are strengthening their managerial and marketing capacity as well their relationship with their member SHF and primary cooperatives and most of them are in the export market. With all government and non-government support the production and productivity could not be as much as wanted, because the farming is dependent in rain and the production of sesame of last year was less by 19% and this year it is expected to be more (CSA), this is because the last year (2011/12) rain fall was excessive and this year’s (2012/13) was late from the planting period and was not uniform in most sesame growing areas in the North Western part of Ethiopia.

The initial farm gate and ECX sesame primary market as well as ECX auction floor price in October 2013 was high last year and this was good for the producers but was not attractive for the local exporters and international buyers, because it was not competitive price in the world market, and this had an impact in the export volume and value at a national level as some potential buyers diverted their market linkage to other African sesame producing countries.

To avoid risks in production and marketing, dependency of rain must be minimized and start irrigation to increase quality production and stretch market destinations to different importing countries on competitive market prices to maintain as well as to attract new buyers.

Challenges

- The major challenge of the sesame producer is lack of timely and proper or uniform rainfall which is affecting the production as well as the quality, due to pest and disease damages. As sesame production is not mechanized, all agricultural practices are labor intensive and the production cost is increasing from year to year and this is affecting the income of the producer and long term prospect it might discourage the producers, and less mechanized farming is with all technology transfer is introduced to increase production and improve quality which will help the SHF income to improve its livelihood.

- To implement GAP and sesame purchase and sales, lack of working capital and late bank loan approval and release is forcing the producers to borrow from individuals at a higher interest rate or advance purchase price, and this will force the SHFs to sell their sesame early and this affects their income as they can't keep their product longer for a better price.
- Lack of proper market information and pricing of local and international markets to the producers, traders and exporters is creating different speculations for immediate sale or hoarding and is affecting all parties. Dependency on one market destination is becoming a challenge to the sector, especially this year in the reporting period it is clearly identified as it has a negative impact on the industry. Other sesame-producing African countries are also becoming competitive in increasing the quality of sesame products and by delivering at a reasonable and lower price compared to Ethiopia.

Opportunities

- With the support of the Federal and Regional Government and other partners Humera and Gondar Agricultural Research centers are working to introduce new sesame varieties and technologies that will help the producers for better and quality production and reduce the labor cost, which will increase their income at the end.
- The managerial and marketing capacity of the FCUs and commercial farmers cooperatives are improving and their export market share is also increasing and this will improve the linkage with their Primary cooperative for sesame supply and the financial institutions for access to loans.
- The four new warehouses with a capacity of 20,000mt handed over will increase their purchasing capacity, which will also help them to keep the sesame in a well-managed handling for a better price, speculation and alternate delivery period.
- The participation of FCUs, processors and exporters at different trade shows with the support of AGP-AMDe, is creating experience and confidence in negotiating business-to-business deals and contractual agreements, which will help them to develop more direct and long-term relationships with international buyers and enhance export performance and reputation.

Key Sesame Value Chain events October-December 2013

Date	Name of Event	Location (city, woreda, region, country)	Value Chain/ Cross Cutting Area	Total # of participants (# of women)	AGP-AMDe Team Attending	Name of Partner Organizations
Oct 1	Field day of sesame multiplication	Korhumer got, Mitrab Armachiho, woredas (Abrehajira)	Sesame	52 (M- 50, F- 2)	Field sesame Specialist	Woreda CPA, Selam FCU, PCs, and Wpreda OD and Administration
Oct 4	Field day of sesame multiplication	Chilikuana Kebele, Tach Armachiho (TAC) Woreda Sanja	Sesame	53 (M- 49, F- 3)	Field sesame Specialist	Woreda CPA, Selam FCU, PCs, and Wpreda Administrator
Oct 14	Farmers Field Day	Welkaite	Sesame VC	99 participants (F-17)	<ul style="list-style-type: none"> • Gebru Desta • TadeseT/Weldebrhans • Leake G/selama 	Research center, Office of Agriculture
Nov. 1 - 6	SMFM Management training	Gonder	Sesame	9 (M-7, F- 2)	Field Sesame and BDS Specialists	Tsehay FCU, Negade Bahir and Dikul Ariba Pcs
Nov. 1 – 15	Cascading of PHH SMFM	Gelegu and Selferedin Kebele(Qura Woreda) Gedewuha, Kokit, Metema Yohannes, Shinfa Kebele (Metema Woreda) Masero denb and Ashere Kebele 9 Woreda) (TACW) Soreka Kebele (Tsegede Woreda) Abdirafi Kebeke(Mirab Armachiho Worda)(MACW) Hamusit Kebele (Misrak Belesa Woreda) Negade Bahir (Chilga woreda)	Sesame	3,410(M- 2,514 F- 896)	Field Sesame and M&E Specialists	Selam, Metema and Tsehay FCUs, Fana Soreka, Masere Denb, Berta Ashere, Godeba Abderafi, Shinfa , kokit, Metema Yohannes, Gendewuhha, Selferedin, Gelegu, Negade Bahir, Zuy Hamisit PCs

Date	Name of Event	Location (city, woreda, region/country)	Value Chain/Cross Cutting Area	Total # of participants (# of women)	Name(s) of AMDe Team Attending	Name of Partner Organizations
November 9,10,22& 23	SMFM PHH cascading training	Tsegede,K/Humera, Welkite & T/adyabo	Sesame Value chain	3732 (1264 female)	<ul style="list-style-type: none"> Leake G/Selama Hailekiros Tadele 	FCUS, Office of Agriculture and Rural development
December 01	Business to Business meeting	Humera	Sesame VC	11 male participants	<ul style="list-style-type: none"> Gebbru Desta Leake G/selama 	FCUs, Private exporters, Trade and industry
Dec 13	Meeting to facilitate agreement between Tsehay FCU and sesame seed producers to purchase multiplied Humera 1 seed	Gonder	Sesame	9 male participants	Sr. National and Field Specialists and regional input expert	NGZDA head and lab expert and Tsehay FCU
Dec 17 -18	Handover of Metema and Selam FCUs new warehouses	Meteman and Abrihajira	Sesame		Sen. Nat. Sesame VC Specialist and Regional manager	FCA, ATA, HITEK, Regional, Zonal and Woreda CPA and BOA
Dec 18 -25	Assessment of ECX sesame primary markets in five woredas	Sanja city(TACW) Abehajira city (MACW) Kikit Ketme Yohannes, and Gendwuha Kebeles (Metema Woreda	Sesame	38 all men	Field Sesame VC Specialist	Amhara Region Trade and industry bureau
December 30	Women Agribusiness leadership Network induction	Humera	Sesame VC	13 women participants	Leake G/selama Hibret	Women affairs office; K/humera sesame produce & sell PC

Sesame Partners and Interventions

Partners	Location (Woreda, Region)	Interventions during the Oct. – Dec. 2013 Quarter	Target Completion Date
Setit Humera, Dansha Aurora, Lemlem Welkayit, Tekeze FCUs, TMF, Humera ARC, Kafta Humera sesame producing and selling cooperative,	Kafta Humera, Tesegede ,Welkayit, Tahitay Adiyabo woreda, Tigray Region	Field day participation SMFM Cascading training Business to business meeting(market linkage) Warehouse construction hand over	Oct 14/2013 Nov 9-23/2013 December 01/2013 Dec 05/2013
Ethiopian seed Enterprise, Fana Limat PC, Egrimitkal PC, Hiwet Mechanization farm pl, Hailemariam Aregawi farm, Mebrahtu W/tinsae farm, Guesh H/Michael farm, Zeru Birhane farm, Desta Berhe farm	Mekelle, Kafta Humera, Tsegede of Tigray Region	Buying sesame seed from commercial farmers & coops supported by AGP-AMDe, Selling of seed to ESE	From December 20-still on process
Metema FCU, Shifa PC, Kokit PC, Gendawuha Brishign PC, Metema Yohannes PC, Selferedin PC, Gelegu PC, Uni and Dani PLC, Kassahun Import & Export PLC, Selam FCU, Masero Denb PC, Berta Ashere PC, Fana Soreka PC, Godebe Abderafi, Tsehay FCU, Zuy Hamusit PC, Negade Bahir PC, Dikul Ariba PC, Admas FCU, Metema office of Agriculture, Metema Cooperative promotion Office, Tachi Arimacho OA, Mirab Arimachio OA, Tachi Arimachiho woreda Administration, Chilga CPA, Tachi Arimachiho CPA, Mirab ARIMachiho CPA, Tegede CPA, Metema woreda Administration, Gondar ARC, Regional CPA	Metema, Quara, Tachi Arimachiho (Sanja), Tegede, Mirab Arimachiho woredas, Gondar, Misrak Belesa, Chilga, Takusa woreda, Injibara, Abrihajira, Kirakir, Bahirdar, Amhara region	-PHH and SMFM cascading training -Participation of trade show of EPOSPEA -Handover of Warehouse Construction -Grant for Cascading training -Export market training -Provision of Improved Humera I sesame Seed and production of it ,technical Assistance -Technical assistance of the warehouse -Participation of trade show of EPOSPEA -Handover of Warehouse Construction -Export market training - Field day of Sesame	Nov1-15/2013 Nov13-14/2013 Dec17/2013 Nov1-15/2013 Oct 10/2013

Sesame VC activity Gantt chart

Activity Number	Activity Description	Indicator and Unit	Y3 Target	Q 2			Cumulative			Reason for Variance
				Target	Achieved		Target	Achieved		
					Number	%		Number	%	
IR 1: Improve the Competitiveness of Sesame Value Chain										
Sub IR 1.1: Volume and value of marketed value chain surpluses increased as a result of improved end-market competitiveness and trade										
OP 1.1.1: Marketing Systems and Practices Improved										
	Conduct SMFM management training (gender focused leadership, record keeping, business planning and marketing) to cooperative leaders and staff	# of trainees	140	15	9	60	140	79	56	As this was production season, the farmers were busy with that and could not be able to attend the training.
	Assess market issues, challenges and opportunities in major ECX primary market centers	# of primary markets assessed	12	8	7	88	12	7	58	The remaining assessment is planned to be conducted by next quarter coz by that time as sesame supply will reduce and price will increase and the impact will be seen.
	Conduct M4 assessment of FCUs	# of traders, exporters or FCUs/PCs assessed	28				28	14	50	By looking as the impact on the first assessment, the remaining plan will be executed by next quarter.
	Through the innovation grant fund: 1) capacitate EPOSPEA to recruit a (international to STD) Sec General; 2) provide technical support in building market information system; 3) assist in organizing an annual international conference	# of participants	150	150	465	310	150	625	417	More promotion was conducted by EPOSPEA, leaflets in ANUGA trade fair and that resulted in over achievement.

Activity Number	Activity Description	Indicator and Unit	Y3 Target	Q 2			Cumulative			Reason for Variance
				Target	Achieved		Target	Achieved		
					Number	%		Number	%	
	Support Regional Trade and Marketing offices in establishing /upgrading Market Information System (MIS)	# of regions supported	1	1	1	100	1	1	100	
OP 1.1.2: Specific and Effective Market Linkages Created										
	Facilitate direct market linkages to support inclusion of CIGs, women and youth group aggregators	# CIG groups linked	4				4			Were not able to implement as there are not CIGs in sesame AGP woredas despite many efforts made by the project to engage them.
	Conduct training for FCUs, commercial farmers , women traders and exporters with market linkage opportunities, export readiness	# of trainees	20	20	43	215	20	43	215	Partners' organizations (FCA and ATA) have brought many trainees for the event.
	Facilitate participation in international trade shows for key stakeholders	# of trade shows	3	3	1	33	3	1	33	The remaining trade shows will be conducted in the coming two quarters.
	Assess market challenges and opportunities on local edible oil extractors	# of oil extractors	8				8			It will be done in the 3rd quarter.
OP 1.1.3: Promote Export Market Linkages										
	Facilitate marketing agreements among FCUs, TMF, private sesame processors and exporters and producers for increased export market performance	# of MTs exported	10,000	6000	4,662	78	10,000	4,662	47	The bank loan that has been released through the guarantee of regional governments was late especially in Tigray.

Activity Number	Activity Description	Indicator and Unit	Y3 Target	Q 2			Cumulative			Reason for Variance
				Target	Achieved		Target	Achieved		
					Number	%		Number	%	
Sub IR 1.2: Increased volume and value of commodities purchased from smallholders										
OP 1.2.1: Post-Harvest Losses Reduced and Farm Income Opportunities Expanded Through Mechanization										
	Conduct SMFM agricultural / PHH, input/ training to farmer trainers /lead farmers.	# of trainers trained	0	80	70	88	140	160	114	More training participants have attended the training.
	Cascade SMFM agricultural /PHH input/ to farmers and operators and print and distribute posters for each farmer	# of trained SHF/# poster & Brochures	8,400	7,400	7,142	97	8,400	7,142	85	ToT trainers are expected to train 60 farmers and because of delay of FCUs to submit the grant documents and clash with other programs.
	Increased commercial storage capacity through cost-shared investments in strategic locations (continuing into year 3)	MT	20,000	20,000	20,000	100	20,000	20,000	100	done
	Handover of newly constructed WHR to Dansha Aurora, Setit Humera, Metema and Selam FCUs	# participants	4	4	4	100	4	4	100	it is a complement activity along WHR construction
	Stack lay out preparation for newly constructed warehouse of Metema and Selam union	# of WHR	4	4	4	100	4	4	100	it is not in the annual plan but it is a complement activity of other activity
	Supervision of exporter Warehouse	# of Assistance		5	5	100%	5	5	100	it is not in the annual plan but it is a complement activity of other activity
	Grant support to purchase cleaning machine to four FCUs (Dansha aurora, Metema, Selam and Tsehay)	# of cleaning machines	4	4	4	100	4	4	100	It is under process
	Provide training in quality control, grading and standardization	# of trainees	84	84			84			This activity has been incorporated in cascading training.

Activity Number	Activity Description	Indicator and Unit	Y3 Target	Q 2			Cumulative			Reason for Variance
				Target	Achieved		Target	Achieved		
					Number	%		Number	%	
	Provide grading equipments for PCs/FCUs and commercial farmers (moisture tester, Sample drawer bag trier, riffle type, sample divider, gram scale with poly scoop , hand sieves with bottom pan and stitching machine)	# FCUs/PCs/Commercial farmers adopting	30	30			30			On process by PH team
	Facilitation of proposal writing and grant request for provision of grading equipment's for PCs/FCUs (moisture tester, Sample drawer bag trier, riffle type, sample divider, gram scale with poly scoop , hand sieves with bottom pan and stitching machine)	# FCU/PCs	8	8	8	100	8	8	100	It is not in the annual plan but it is a complement activity and has been performed.
OP 1.2.2: Collaboration Between Stakeholders Facilitated and Established										
	Facilitate and support timely collection of quality seed from SHF and PCs & commercial farmers based on the seed provided, cleaning , storage, packing and certification of the seed	# FCUs/PCs/farmers producing sesame	8	8	38	475	8	38	475	Model farmers and commercial farmers have been supported and the result become by far more than the plan.
	Multi-stakeholder meeting facilitated twice a year in each region to update on project progress and ensure B2B connections	# of MSPs	4				4	1	25	The remaining MSP will be conducted in the coming quarters.

Activity Number	Activity Description	Indicator and Unit	Y3 Target	Q 2			Cumulative			Reason for Variance
				Target	Achieved		Target	Achieved		
					Number	%		Number	%	
OP 1.2.3: The Volume of Marketed Sesame Increased										
	Adoption of new technologies facilitated (in coordination with AGP and input activities - please see input GANTT)	Hectares under improved technologies (improved seed & fertilizer)	900				900	300	33	The remaining will be conducted in the coming quarters on improved seed multiplication and fertilizer trial.
OP 1.2.4: Reliable Access to Improved Seed and Improved Technology/Inputs Expanded										
	Providing training of trainers on sesame seed multiplication to DAs, Woreda agricultural experts and PCs representatives	# of trainers trained	35				35	293		
	Regional research centers capacitated through provision of irrigation systems, seed lab, etc., to ensure sufficient production of basic seed	# ARCs supported	2				2			Under process
	Seed producer FCUs/cooperatives, commercial farmers capacitated to manage input business units by introducing new farm machineries (continuing into year 3)	# FCUs/co-ops assisted	10	10	8	80	10	8	80	The remaining will be done by next quarter.
	Workshop on sesame seed multiplication	# of participants	30				30	29	97	
	Establish demonstration sites in areas of the selected Sesame potential FCUs in collaboration with input team	# of demo sites	19				19	27	142	More demo sites were established to test new variety sesame seed and micronutrient trials in many areas.

Chickpea Value Chain

Chickpea Value Chain

Overview

Chickpea is a less labor-intensive crop and but its production demands relatively low inputs compared to cereals. In Ethiopia, chickpea is widely grown across the country and serves as a multi-purpose crop. First, it fixes atmospheric nitrogen in soils and thus improves soil fertility and saves fertilizer costs in subsequent crops. Second, it improves more intensive and productive use of land, particularly in areas where land is scarce and the crop can be grown as an alternative crop using residual moisture. Third, it reduces malnutrition and improves human health especially for the poor who cannot afford livestock products. It is an excellent source of protein, fiber, complex carbohydrates, vitamins, and minerals. Fourth, the growing demand in both the domestic and export markets provides a source of income for smallholder producers. Fifth, it increases livestock productivity as chickpea residue is rich in digestible crude protein content compared to cereals.

AGP-AMDe, using the value chain approach, is aggressively working to sustainably reduce poverty and hunger by improving the productivity and competitiveness of commodities including chickpea value chain and will create jobs and income opportunities for rural households.

Summary of Top Results

The major results during the current quarter include the following:

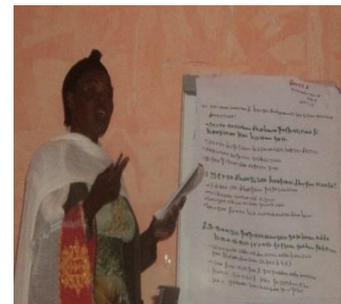
- 7,421 participants attended training activities on PHH management, management skills and entrepreneurship trainings, conducted multi-stakeholder platform (MSP) meetings and field days. A significant result was recorded on the cascading training conducted for 7,104 smallholder farmers (50% female) by 149 lead farmers.
- Facilitated the signed agreement between Gut Agro industry and two FCUs (Lume Adama and Becho Woliso) for 2,000Qt. which created market linkages between buyers and FCUs.

Key Activities and Successes

SMFM training: During the quarter, AGP-AMDe has conducted (i) (SMFM) training on PHH for lead and smallholder farmers and (ii) management training to primary cooperatives and union staff in the major chickpea producing areas of Amhara and Oromia. The main objective of the training was to introduce and enhance the desired skills to smallholder farmers as well as cooperative staffs in the production of quality chickpea and handling of the production during and after harvesting.

Cascading Training: 26 primary cooperatives in 6 selected FCUs in Oromia and Amhara region trained 149 (81 from Oromia and 68 from Amhara) lead farmers to cascade to 7,104 smallholder farmers.

Management Training: Management training was delivered in Gondar, D/Markos and Debrebirhan in Amhara region, 76 participants (24 woman) from the management, controlling, accountants, cashiers, etc. under the three FCUs of Tsehay, Wodera and Ghion.



Entrepreneurship Training: During the period, entrepreneurship training was delivered to 47 participants (32 female, 15 male youth groups) in Mojo town from Lume Adama, Erer and Becho Wolliso FCUs in Oromia region. The training was mainly focused on enhancing the business knowledge of the woman and youth entrepreneurs. Members from Edget and Leye agroprocessing cooperatives working with “Baltina” food preparation participated in the training. Agricultural and Cooperative office staffs were also involved in the training to closely follow and support on the business activities by the woman and youth groups.

Market Linkage: During this period, a MoU was signed between Guts Agro Industry (a known nutritional food processing company) and Lume Adama and Becho Wolliso FCUs for 2000 Qt. of Kabuli chickpea from the coming harvest.

During the signing ceremony the two unions, who are known for producing quality chickpea by their smallholders, have promised to deliver the chickpea as soon as harvesting and other preparations are completed (as per the agreement). Similarly, Guts Agro industry has also expressed its readiness to buy more chickpea for food processing from the smallholder farmers.



Visit to Guts Agro Industry: Guts Agro Industry, an ISO 22000 certified nutritional food processing company specializing in supplementary and therapeutic foods, baby foods, snacks, in Hawasa town, has been visited by the USAID GLEE and food security team. The main objective of the team’s visit was to see the current capacity of Guts Agro Industry on the production of various supplementary foods using chickpea and other ingredients. The products produced at the factory level are sold to international humanitarian organizations (WFP, USAID, Plan International, etc.) and local NGOs that are assisting food and nutrition programs of Ethiopia and to foodstuff wholesalers and retailers in the country. A discussion was held on the potential to produce chickpea processed foods like chickpea shiro, snacks and chickpea paste.



Guts Agro Industry sources 1,800 MT annually from smallholder farmers associated with Becho Wolliso and Lume Adama FCUs and is used for the preparation of chickpea flour, snacks, hummus and other food stuffs.

AGP-AMDe Extending Partnership with a New Chickpea Producing FCU: During the quarter, a team from the rural finance and chickpea value chain identified a new chickpea producing FCU, Kesem Farmer Cooperative Union located in Ararti town Minjar Shenkora woreda in north Shoa zone of Amhara region. Kesem FCU is exceptionally known for producing Ararti variety of chickpea at a reasonable volume (60% of the region) and with good quality. The union has 23 PCs members and 62,000 farmer members where 50,000 (81%) are male and remaining 12,000 (19%) are female in two woredas, Minjar Shenkora and Berehet.

The AGP-ADMe team conducted an assessment which revealed that Kessem FCU has the following:

- Potential of substantial volume of chickpea production to a sustainable supply of Kabuli chickpea to the market
- History of outstanding loans taken from microfinance institutes and not paid back which hinders them to get loan from any lending bank/institute for adequate output purchases.

AGP-AMDe in its effort to bring results at the national level on chickpea has recognized the need to include the FCU in its support activities of facilitating access to finance as well as linking with market to increase the income of chickpea producing smallholder farmers. AGP-AMDe supported market linkages with Lume Adama which has expressed its willingness to buy 10,000 Qts of Ararti chickpea from Kesem union and also 5,000 Qts. wheat from Kesem and Wodera FCUs. A MoU signing ceremony will be held soon.

Multi stakeholder platform: With the objectives of evaluating the current year's chickpea production and the coming marketing linkages, a multi stakeholder meeting was conducted in Gondar. The MSP was attended by 40 participants from the different unions, woreda, zone, region agriculture offices, research institutes and other concerned bodies and AGP-AMDe staff from Addis and the Bahir Dar Office.

- Acknowledgment was given by the Head of zone agricultural office on the overall chickpea intervention by AGP-AMDe in the selected FCUs of Amhara regions.
- Presentations on the current chickpea seed production and follow up status have been given by all invited FCUs of Tsehay, Wodeara and Ghion.
- As per the information obtained from field assessment by the chickpea team and FCUs, Tsehay and Dejen FCUs are expecting a good volume of seed/grain production this year 24,220 Qtls. of chickpea production is expected under the three FCUs (21,740 Qts. in Dembia for Tsehay, 5,678 Qtls. is seed and 1,800 Qtls. for Ghion and 680 Qt. under wodera FCUs) out of the total production, 8,118 or 34% is for seed. It is also reported that Wodera in North Shoa has faced a significant damage (60%) of chickpea production due to frost at flowering stage.
- The assessment team had reported the urgency of the chickpea seed inspection a month ago, and no action has been taken in all the chickpea producing sites. This has been discussed and is finally reaching a common consensus that the inspection will take place within the coming two weeks.



Chickpea Farmers Field Day: During this quarter, seven chickpea plots hosted farmer field days in Oromia under Lume Adama FCU and Amhara regions under Ghion and Tsehay farmer cooperative unions in which 200 farmers and stakeholders attended.

Field day at Lume Adama: Two chickpea clustered plots under Challa primary cooperative in Dekebora Kebele have been visited by woreda and zone agricultural offices, smallholder farmers and other invited guests. During the visit, the farmers explained that the chickpea seed distributed this year is good quality as compared with the previous year where local varieties were mixed. Chickpea seed inspection which was not given due consideration by the concerned agricultural office has been discussed by the participants and reached with an agreement to conduct the seed test by seed inspectors from Assela Seed Enterprise during the current month. Results of the seed test will be submitted to agricultural and FCU office early in the coming quarter. Discussions took place on quality seed production among the participants and cautionary messages have been given to the farmers and concerned primary cooperatives to exert high effort to produce quality chickpea to get price advantage for the smallholder farmers on both the seed and grain market in coming seasons.



The zone and woreda agriculture office acknowledged the seed intervention, seed multiplication, and market linkage support of AGP-AMDe for closely working with all stakeholders for a better result of improving the life of the smallholder farmers.



Field Day at Tsehay and Ghion FCU: Farmers' field day was organized at Enajima Kebele in Dejen woreda East Gojjam zone and Meskele Kiristos and Aberjiha Kebele in Dembia woreda North Gondar Zone. In all chickpea sites visited for Ghion and Tsehay FCUs, best practices have been shared among farmers and stakeholders. Except for insignificant losses reported by farmers in the visited sites, flowering and pod setting fields have escaped stress so that fully developed seed can be obtained. Theft, as one major loss at the flowering stage has been observed as a big problem raised by farmers. After a thorough discussion at the field, clustering is one major solution to protect the chickpea.

Planting in rows is believed to increase yield, but has not yet been practiced mainly due to the nature of the work being labor intensive.

Ato Desse Tesfa, a farmer in Meskele Kiristos Kebele in Dembia, and his friend used 75 kg of improved varieties explained the benefit of clustered planting of Ararti variety by comparing it with the local Desi variety. They expect more than 20 Qts./ha from the current production which is a 100% increase compared to the yield from the local variety.

During the field day, AGP-AMDe project beneficiaries witnessed the benefit they get from the improved chickpea variety.

Technical Follow up and Support

Production and Marketing Follow up and Support: During the production season, continuous follow ups visits and meetings of chickpea value chain specialists and input specialists were held with stakeholders at different levels (farms, woreda, zone and agricultural offices) and resulted in a common understanding of the problems encountered and also solutions for the production and marketing of chickpea improved varieties.

Continuous efforts were made to create market linkages for chickpea producing FCUs and international buyers. However, the international market is not yet tapped mainly due to lack of quick decision by the FCUs to timely exploit the opportunity. Continuous discussion were held with concerned FCU officials and board of directors to reach a common consensus to resolve the problem. Since the demand for Kabuli type chickpea is in the international market currently, the need to supply those markets from the current harvest was given due consideration by FCUs and other actors. The marketing of the targeted 2,500 MT of Kabuli chickpea was already started in the domestic market between FCUs and a food processor and will continue expand to international markets soon as harvesting is over.

Key Events Undertaken October – December 2013

Date	Name of event	# of Participants (Female)	Location	Name(s) of AGP-AMDe Team Attending	Partners Attending
9 – 11 Oct.	TOT PHH training	46 (5)	Lume Woreda (Modjo)	Chickpea and BDS Field Specialist	Union, Agri. Office and Cooperative Office
16 – 18 Oct.	TOT PHH Training	35 (5)	Weliso town	Chickpea and BDS Field Specialist	Union, Agri. Office and Cooperative Office
16 - 21 Oct.	SMFM Management Training for PCs management bodies	28 (6)	Debre Birhan	Chickpea and BDS Field Specialist	Additionally the following # of Participants participated in each of their respective events Goshebedo, Chancho, Dilamao and Siyadebir PCs N/Shoa CPA -1, Wodera FCU -3=31
22 – 30 Oct.	PHH Cascading Training	960 (480)	Lume Woreda	Chickpea and BDS Field Specialist	Union, Agri. Office and Cooperative Office
01 - 06 Nov.	SMFM Management Training for PCs management bodies	26 (11)	Gondar	Chickpea and BDS Field Specialist	Chuahit, Meskel Kirstos, Abirjiha, Nara Awdarda, and Delgi PCs N/Gondar CPA - 1 Tsehay FCU – 2=29
07 - 08 Nov.	SMFM-PHH TOT for Lead Farmers	24 (0)	Gondar	Chickpea and BDS Field Specialist	Chuahit, Meskel Kirstos, Abirjiha, Nara Awdarda, and Delgi PCs N/Gondar CPA - 1 Dembia, Chilga and Takusa Woreda Coop Pro Offices – 5 Tsehay FCU -1
08 – 15 Nov.	PHH Cascading training	419 (198)	Dawo and Becho Woreda	Chickpea and BDS Field Specialist	Union, Agri. Office and Cooperative Office
10 – 11 Nov.	PHH Cascading training	960 (480)	Ada Woreda (Erer Union)	Chickpea and BDS Field Specialist	Union, Agri. Office and Cooperative Office
11 - 16 Nov.	SMFM Management Training for PCs management bodies	24 (6)	Debre Markos	Chickpea and BDS Field Specialist	Enajima, Wojel, Dima and Woyira PCs E/Gojjam CPA - 1 Ghion FCU – 2 = 27
16 – 17 Nov.	PHH Cascading training	240 (120)	Becho woreda –Soyoma kebele	Chickpea and BDS Field Specialist	Union, Agri. Office and Cooperative Office
17 – 18 Nov.	SMFM – PHH TOT for Lead Farmers	24 (0)	Debre Markos	Chickpea and BDS Field Specialist	Enajima, Wojel, Woyira, Yetenib and Yediwuha PCs E/Gojjam CPA – 1, Ghion FCU - 1 Awabal, Enemy & Dejen Agri. & Cooperative Offices - 4
21 - 22 Nov.	SMFM-PHH TOT for Lead Farmers	20 (2)	Debre Birhan	Chickpea and BDS Field Specialist	Goshiebedo, Chancho, Dilamo and Siyadebir PCs, N/Shoa CPA - 4 Basona worana, Siya Debir and Mortina Jiru Agri. & coop Offices – 3 Wodera FCU -1
21 – 22 Nov.	PHH Cascading Training	240 (132)	Tole Woreda-Jijiga Kebele	Chickpea and BDS Field Specialist	Union, Agri. Office and Cooperative Office

Date	Name of event	# of Participants (Female)	Location	Name(s) of AGP-AMDe Team Attending	Partners Attending
25 – 26 Nov.	PHH Cascading Training	111 (55)	Seden Sodo woreda-sombo kebele	Chickpea and BDS Field Specialist	Union, Agri. Office and Cooperative Office
28 – 29 Nov.	PHH Cascading Training	120 (60)	Seden SodoWoreda-sombo Kebele	Chickpea and BDS Field Specialist	Union, Agri. Office and Cooperative Office
3 – 4 Dec.	Entrepreneurship training for women and youth	22 (15)	Lume woreda (Modjo)	Chickpea and BDS Field Specialist	Oromia Agri. Office
6 – 7 Dec.	Entrepreneurship training for women and youth	25 (8)	Weliso Town	Chickpea and BDS Field Specialist	Oromia Agri. Office
18 Dec.	Field Day	63 (8)	Lume Woreda (Dhakabora kebele)	Chickpea and BDS Field Specialist	Zonal and woreda Agri. Office, Admin Office, Cooperative Office, Union and POC
22 Dec. 2013	Field Day	65 (8)	Dejene, Enajima Kebele	Chickpea FVC Sp. Chickpea VC Sp. IFDC Sp. Accountant	Farmers – 36, Region CPA -1, Zone DOA- 3 Zone CPA – 1, Zone Seed Lab -2, Ghion FCU -3, Woreda Administrators -3, Woreda Agri. Offices, Woreda AGP -1, Woreda Coop Prom offices, Other Woreda leaders, Kebele DAs
25 Dec,	Field Day	53 (5)	Dembia – M/kirstos and Abirjiha kebeles	Amhara (Chickpea Field VC Sp., Regional Manager & M & E SP.) Addis Office (IFDC SP. M&E Sp.)	Farmers – 24, ATA – 1, Region BOA -2 ASE – 1, Zone DOA- 1, & Zone CPA – 1 Zone Seed Lab -2, & Zone ARC -1 Tsehay FCU -3, Woreda Admin - 5 Woreda Agri. Offices – 2, Woreda Coop. Prom Offices - 3, Kebele DAs- 4
26 Dec.	MSP Meeting	41 (2)	Gondar	Chickpea Field VC Specialist Addis Office (IFDC SP. M&E Sp.) M&E FSp -Amhara Amhara Regional manager and M and E Sp.	ATA – 1, Region BOA -2, ASE - 1 Zone DOA- 1, Zone CPA – 1 Zone Seed Lab -2, Zone ARC -1 Tsehay/Ghion/Wodera & Kesem FCUs -8 Woreda Admin – 2, Woreda Agri. Offices – 6 Woreda Coop Prom offices 6
01 – 29 Dec. 2013	PHH-Cascading Training	4,054 (2,010)	Tsehay, Ghion and Wodera FCU – 14 PCs	Chickpea FVC Sp.	PC members Woreda and Zone Agri. And CPA Offices Kebele DA & Coop Extension workers

Analysis of the Chickpea Value Chain

Two types of chickpea, Kabuli and Desi, are currently produced in Ethiopia. Kabuli or garbanzo type is usually large with seed size ranging from 6–8 mm and has a smooth cream white seed coat color. The production of Kabuli types is currently limited to few pockets, primarily in Eastern Shewa region, North Shoa and North Gondar where access to improved varieties has been promoted through improved linkages with the research and extension system. The improved chickpea seed intervention, which was started in 2012 in the three FCUs and increased to six FCUs in 2013 in Oromia and Amhara regions, has exhibited a remarkable result in the promotion of seed multiplication and popularization of the improved Kabuli variety to a wider area.

Kesem FCU, the newly included chickpea producing FCU in North Shoa zone of Amhara, was among the remarkable achievements in terms of its share in the production of Ararti variety Kabuli chickpea at national level discovered during the period. Although Kesem FCU is not included in the AGP woredas, the existing potential they possess in producing quality Ararti chickpea in the two woredas of Berhet and Minjar will allow them to contribute adequate supply to both the domestic and international market. As per the assessment obtained from Minjar woreda agricultural office, the current year Ararti production is about 30,000 MT. AGP-AMDe, having this situation as a major input is currently working very closely with the facilitation of access to finance for the output purchase of chickpea and other crops like wheat and Teff which they are highly known for. In looking at Kesem FCU's potential to market its produce, there was signing of two different MoUs for the sale/purchase of 1500 MT (1,000 MT of chickpea with Wodera and 500 MT of wheat with Lume Adama FCU) which currently is ready to start processing wheat flour in Mojo town.

Following the coming harvest on chickpea, there will be various market linkage activities both in the domestic and international market. Furthermore, the support given to private chickpea seed producer, Bale Green Spices and Grain Development PLC on seed multiplication programs in Bale zone, more farmers are expected to participate in the multiplication of improved variety of chickpeas which have significant contribution to increased seed and chickpea grain production at a national level. AGP-AMDe has continued to support and strengthen the formal seed sector to scale up production of improved chickpea seed and strengthen the link between chickpea-producing smallholder farmers and cooperatives with exporters, local traders, domestic processors and associations and will continue to do so for the remaining life of the project.

Challenges

Chickpea seed collection from the 2012 seed grant to Becho Wolliso FCU is not yet complete. The FCU finally reached an agreement to collect the seed in cash which will be invested in seed purchase in coming seasons for new seed beneficiaries. The following challenges were noted:

- Unable to create timely market linkage between the chickpea buyers/service providers and FCUs because of delayed decision making by FCU management.
- Frost on the new chickpea seed multiplication at Goshebado under Wodera FCU resulted in a 60% production loss.
- Chickpea harvesting will begin soon but grading equipment is not yet purchased. Limitations on roles of implementing partners is critical, including quick decision on mandates and responsibilities of each implementing partner.
- Less attention given to high chickpea producing woredas in Minjar – North shoa zone and Dembia in North Gondar in terms of building their financial capacity (non-AGP woreda).
- Limited best practices on market information delivery channels to disseminate timely market information to smallholder farmers.

Opportunities

- Increased volume of Kabuli chickpea from North Shoa zone that will create market linkages to the domestic and international market
- Increased participation by private seed producing groups and agro-processors to realize investment opportunities on value addition at large and small scale level.
- Increased demand by the farmers to grow more due to the crop's combination of benefits, including rich nutritional value, high income generation potential, and ability to convert atmospheric nitrogen into usable form to improve soil fertility.
- Lead farmers' willingness and the capacity to transfer knowledge to more farmers and coordinate among the partner organizations.

Partners and Interventions during the Quarter

Partners	Location (Woreda, Region)	Interventions during the Oct. – Dec. 2013 Quarter	Target Completion Date
FCUs: Tsehay, Wodera, Ghion, Lume Adama, Errer and Becho Woliso and their selected PCs	Oromia and Amhara	<ul style="list-style-type: none"> - PHH TOT, Management, Entrepreneurship and Cascading Training - Participate in MSP meeting and field days 	Continuous activity
Kesem FCU	Amhara	<ul style="list-style-type: none"> - Identified to be included as potential chickpea producing partner - Market linkage with Lume Adama and Wodera FCU - Access to Finance technical support 	Continuous activity
Gut Agro Industry	Addis Ababa	<ul style="list-style-type: none"> - Market linkage with Lume Adama and Becho Woliso FCUs, Visited by USAID GLEE team 	Continuous activity
Agri. Offices at different levels Agri. Research Center	Federal, Oromia and Amhara Regions	<ul style="list-style-type: none"> - Participate in MSP meeting and field days - Continuous technical consultations 	Continuous activity

Chickpea Value Chain Activity Tracker October – December 2013

Activity #	Activity Description	Indicator and Unit	Y3 Target	Q2 – This Quarter		Cumul. Up to this Quarter	Reason for Variance
				Achieved			
				Number	%		
IR 1: Improve the Competitiveness of Chickpea VC							
Sub IR 1.1 Volume and value of marketed value chain surpluses increased as a result of improved end-market competitiveness and trade							
OP 1.1.1 Adoption of new technologies							
	Facilitate distribution of seeds by existing FCUs to Provide for new SHF beneficiaries (30% women)	# of farmers	3697	884	24%	3810	
	Ensure timely collection of quality seed from SHF and PCs based on the seed provided; Cleaning, storage, packing and certification of the seed	# of farmers	300	0	0%	484	
	Assist in BP preparation and financial support for newly added 3 FCUs to distribute improved seed and improved PH handling materials (grainpro) to newly targeted SHFs (30% women)	# of trainees	120	399	333%	520	The 3 FCUs have selected to undertake the seed demos by supporting 150 qtls assuming that 150 SHF will participated but the project has supported only for 75 quintals while the remaining 50 purchased by Tsehay FCU for itself 125 qtls accessed to 399 SHF. The # of SHF increment is: since most of SHF cultivated chickpea in 0.25 ha of land.

Activity #	Activity Description	Indicator and Unit	Y3 Target	Q2 – This Quarter		Cumul. Up to this Quarter	Reason for Variance
				Achieved			
				Number	%		
	Providing Training on Chickpea agronomic practices (seed multiplication) to DAs, Woreda Agriculture and cooperative office			57		57	
	Conduct SMFM agricultural / PHH, input/ training to farmer trainers /lead farmers			149		149	for Amhara - annual plan revised from 60 to 70 based on the budget
	Cascade SMFM agricultural /PHH input/ to farmers and operators			7104		7104	For Amhara - the number has been revised to adjust with the given budget which was 3,600 to address 4,200 farmers with a given budget
	Conduct SMFM management training (gender focused leadership, record keeping, business planning and marketing) to cooperative leaders and staff			76		76	For Amhara - number has been revised to adjust with the given budget which was 60 to address 84 peoples.
OP 1.1.2 Specific and Effective Market Linkages Created							
	Provide entrepreneurship training for aggregators including women and youth groups/associations			47		47	Moved to February (Amhara)
	Facilitate creation of market linkage with buyers for FCUs and processors (Kabuli and Desi grain product for domestic and export market)			5.8			Tsehay will make ready for coming quarter (harvesting is not yet done). The 5.8mt sale is from Lume by Guts agro industry for testing purpose

Honey Value Chain

Overview

The beekeeping industry provides an excellent opportunity to sustainably reduce poverty and hunger by creating employment and high value food, honey. Ethiopia is a large geography with honey flora diversity to produce a significant and stable supply of honey and honey by-products. To maximize this opportunity, the AGP-AMDe strategy for the honey value chain is to upgrade quality and quantity of honey production to meet demand for high quality table honey for domestic and international markets as well as promote other honey by-products. To maximize this opportunity, AGP-AMDe has a strategy to upgrade quality and quantity of honey production to meet demand for high quality table honey for domestic and international markets. In line with this, all four project regions along with major stakeholders have delivered significant activities during the period October to December.

Summary of Top Results

- 32 honey producers and marketing coops, 140 TOT trainers and 6,551 farmers (through cascading) were trained on honey quality improvement and PHH.
- During this quarter a value of USD \$148, 892 of honey (51.55 MT) was sold, including 100kg purchased by international buyer as a sample.
- Three different multi-stakeholder platforms were held during the quarter and 152 stakeholders attended the meetings including cooperatives, government and NGOs.

Key Activities and Successes

Participating in international trade fair: In this quarter, intensive work is done on promoting Ethiopian honey in national and local markets and linkages with processors and buyers. Zembaba Honey Union, Beza Mar Agro Industry, Oromia Coffee FCU, Ministry of Trade, Ministry of Agriculture and AGP-AMDe staff participated in Apimondia International Apicultural Conference in Kiev, Ukraine September 29th to October 3rd 2013. Beza Mar Agro Industry and the Oromia Coffee FCU also participated on the ANUGA Trade Fair in Cologne, Germany. Following that Zembaba and Oromia Coffee Union extended their visit to Parodi's Honey Factory in Italy.



Observed during Apimondia trade show



Visit to Parodi's honey factory in Italy

Honey buyer visit to Ethiopia: Based on Anuga’s international Trade Fare B2B communication, one big honey buyer company, **FÜRSTEN-REFORM**, sent the Head of Purchasing Department to Ethiopia from Germany to observe Ethiopian honey. AGP-AMDe organized nine production and processing sites for visit (Kummel honey processing and apiary sites in Mekele, Beza Mar honey processing plant in Adama, Oromia Coffee Farmers’ Coop Union in Gelan and 5 farmers’ apiaries in Goma and Gera woredas). The visitor, Mr. Frank Filodda, started his visit on Dec 2 and stayed until Dec 7 in aforementioned parts of the country. At the end, the visitor showed interest to deal with Beza Mar to buy honey and also took honey samples from all places he visited for further laboratory test and promised to send back the results soon.



Participation in domestic trade shows: Gerebwoin primary cooperative and Hashenge Union, from Tigray region, were sponsored by AGP-AMDe regional office to participate and promote their honey in Federal Cities Expo in Bahir Dar on 18 and 19 November 2013. During the event, visitors from Addis Ababa, Hawassa and U.S.A expressed their interest to buy honey from the cooperative and union if the organizations can supply enough to meet demand quantity.

B2B meeting: On November 25, 2013, a meeting was conducted in Tigray region focusing on best practices in supplying quality honey to markets and how sustainable market linkage are maintained. There were 26 participants including traders, processors and leaders of primary cooperatives, woreda Agricultural and Rural Development Experts, and Women and Youth Association representatives.

Fair trade certification: A pre-audit assessment (gap assessment) was conducted for eight honey primary coops of Zembaba Union/Agunta, Edigat Chora, Tana Zuria , Kokeb, Marukemes, Denibia, Biruhe Tesfa, and Addis Alem. In collaboration with Flow Cert representative the cooperatives were assessed more than twice and technical advice was given in order to enable them comply with Fare Trade Certification requirements.

Honey Marketing: Zembaba union member primary cooperatives purchased 504.83 Qts. of quality honey from their member farmers at a price of 50 – 60 Birr per kg. The following table demonstrates the amount of honey stock processed by the cooperatives.

Name of Primary Cooperative	Crude honey (Qt)	Semi-processed Honey (Qt)	Total (Qt)
Agunta	150	90	240
Edigat Chora	70	0	70
Tana Zuria	8	0	8
Kokeb	49	1	50
Denibia	15.33	0	15.33
Biruhe Tesfa	8	0	8
Addis Alem	38	0	38
Mareshet	25	0	25
Tseday	28.75	21.75	50.5
Total	392.08	112.75	504.83

Individual farmers sold 973 kg of honey to local traders at 50 Birr/kg and a market linkage was created between Kaffa Forest Bee Product Marketing FCU and its members with a trader that exports honey. Out of the 973kgs sales, 100 kg was purchased by the trader for as a sample to send for his customers abroad and further contractual agreements will be based on the results of sample tests.

Training Activities

- TOT training on honey PHH:** 140 participants received TOT on PHH techniques implementing the SMFM modules. These trainees were 41 participants in Tigray, 70 from SNNPR and 29 are from Amhara. TOT training in Tigray was conducted in the three project woredas (Endamohoni, Ofela and Welkayt) for three days each in which the first day was on beekeeping management while the remaining two days was focused on PHH of honey and other beekeeping products. In SNNPR, 70 participants (9 were female), received TOT training on PHH techniques for three days from 18th of October to 20, 2013. Similarly, Zembaba union 29 participants from its six PCs were trained on honey PHH to improve the quality of honey.

TOT training by Sex and Region

Region	F	M	Total
Amhara	-	29	29
Tigray	22	19	41
SNNPR	9	61	70
Total	31	109	140

- Cascading training:** After provision of TOT on honey PHH training to model farmers and DAs, cascading training was delivered to 6,551 farmers (more than 41% women) in all four regions. The cascading training was conducted in a well-organized manner by strong and controlled facilitation of the respective unions at the farmers' living vicinity. Seven honey producer cooperatives were recruited in Oromia to provide honey PHH training in three zones (Jima, S.W. Showa and W. Showa). Chilimo forest Development and Protection Coop has delivered similar training to 400 farmers (188 (47%) females).

Summary of cascading training in each region

Region	Female	Male	Total
Amhara	800	925	1725
Tigray	554	1367	1921
SNNPR	1145	2753	3898
Oromia	188	212	400
Total	2687	5257	7944

In Amhara Region, in six honey cooperatives at 60 sites a total of 1,725 (800 Female) bee keepers trained as indicated in the table below:

Cascading training participants by sex in Amhara Region

Name of PC	Female	Male	Total
Agunta	150	150	300
Edigat Chora	129	137	266
Tana Zuria	150	150	300
Kokeb	113	172	285
Denibia	141	143	284
Biruhe Tesfa	117	173	290
Total	800	925	1,725
%	46	54	100



In Tigray region has run this cascading training using 38 trained model farmers. As it is indicated in the table below, 2026 (1437 Male & 589 female) beekeepers were got trained on honey PHH.

Tigray region cascading training participants by sex

Woreda	Male	Female	Total
Ofela	119	61	180
	49	11	60
	143	37	180
	115	45	160
	37	23	60
	220	45	265
Endamohoni	400	180	580
	56	4	60
	50	10	60
Welkayt	248	173	421
Total	1437	589	2026
%	71	29	100

In SNNPR 2,400 beekeepers (1,128 female) received training from lead farmers as well as from experienced bee keepers. The trainees were 1,440 and 960 from Kaffa and Bench Maji Zones respectively. The participants were from 6 primary cooperatives of Kaffa FBPMFCU and 4 primary cooperatives of Bench Maji Coffee Marketing FCU. 50 posters and 300 brochures distributed for participants and lead farmers.

Exposure visit from Tigray to Amhara region:

An experience sharing visit was conducted by 24 (16 female & 8 male) beekeepers and beekeeping experts from organized women common interest groups (CIG), unions, Woreda Cooperative and Marketing Promotion Offices, Woreda Agri. and Rural Devt. Offices visited two multi-purpose women groups, Aguenta Cooperative, Zembaba Union and Avera Amba Community near Woreta. During the visit discussions were held on women's involvement in bookkeeping, savings and credit, linkages with micro-finances for provision of loan to their members on very low interest, formation of conflict resolution committees and developing strong marketing linkages.

Multi-stakeholder Platform (MSP) Meeting: AGP-AMDe has designed a strategy of cooperating with development partners to plan and review performances, and support new technology use in the sector through organizing multi-stakeholder platform (MSP) meetings. Accordingly the platform meeting addresses problems and opportunities in honey value chain and generates possible strategies that can be leveraged. To update stakeholders on project progress and ensure B2B connections, a MSP meeting was conducted in three regions, Tigray, Oromia and SNNPR. The different MSPs were organized in collaboration with ASPIRE, Oromia Apiculture Board, CARE-GRAD. Participants were 74 in SNNPR, 32 in Tigray and 46 in Oromia. Participants were from different Government



organizations; (Zonal and regional BoA, Livestock and Health Agency, Coop Development Agency), ASPIRE, Processers, Associations, Board Research centers, University, Union, Primary coops, Privet operators, NGOs,

Formation of Women Honey Club in Agricultural Universities: In many parts of the country apiculture is said to be an old man's job. Therefore, until recently, youths were not encouraged to be involved in this field. In recognition of this recessive thinking, Assela University wanted to reverse the case and took the initiative to establish women honey club by providing financial and technical supports. Eventually, after graduation, if these female students want continue working on bee keeping, it is believed that they will not face much technical problems. AGP-AMDe sponsored three students from this university to participate in MSP meeting. The picture below envisages the group is exercising honey extracting and hive attending techniques.



Assela University female students on beekeeping practical work (Photo by Mr. Abera B.)

Training material distribution: AGP-AMDe in Oromia and SNNPR distributed 600 brochures and posters which support the honey SMFM training. The material content describes honey quality improvement, processing equipment, packing and labeling techniques. The material is prepared in Amharic, Tigrigna and Oromiffa local languages.

Grant support: Zembaba Union is expanding its honey business to processing and exporting level. Parodi Apicultura Company donated 30,000 Euro and AGP-AMDe provide \$ 36,180 grant to procure honey processing plant materials and the union is now in process to import the machines. The old Zembaba building is also under rehabilitation to fit the upcoming processing equipment.

KFBMFCU is constructing a processing center with a capacity of 500 MT with AGP-AMDe financial support. The building is 28 by 12meters of dimension and has three different partitions that will be used for collection, processing and storage. As indicated in the picture below, the basement and the side beams are constructed and the wall and roofing parts will be completed by end of January 2014.

Honey VC: Key Events Undertaken October – December 2013

Date	Name of Event	# of participants (Female)	Location	Name (s) of AGP-AMDe team attended	Partner Attended
28 - 30 Sep. 2013	TOT Training on PHH	9 (7)	Tigray, Kafeta Humera	Fikre Endalew	Welkayt Woreda Agr. & Rural Dev. Office
29 Sept. – 13 Oct. 2013	Apimondia International Apicultural conference	2 (0)	Oromia, Kiev Ukraine	-	Beza Mar Agro Industry and FCA oromia
07 - 08 Oct. 2013	Honey SMFM-PHH TOT for Lead Farmers	29 (0)	Amhara, Dangila	Honey FVC and FBDS Sp.	Biruhe Tesfa, Markemes Dembia, Tana Zuria, Agunta, Kokeb, Ediget Chora, Zembaba
10 Oct. 2013	Multi Stakeholders Plat Form (MSP) Meeting	74 (2)	SNNPR, Yirgalem town	Endashaw Assefa Berhanu Asfaw	AGP-AMDe, CARE-GRAD and ASPIR
12 -13 Oct. 2013	Honey Post harvest handing and marketing	400 (118)	Oromia, Dendi		Project members
17 Oct. 2013	MSP meeting	46 (6)	Oromia, Debrezeit	6	Zonal & Regional BoA, Livestock and Health Agency, CPA, ASPIRE, Processers, Association, Research Centers, Univesity, Union, PCs Private Operators, NGOs.
18 - 20 Oct. 2013	SMFM PHH training	43 (6)	SNNPR, Mizan Aman town	Endashaw Assefa	PCs: 6 PCs from Kaffa forest bee product Marketing FCU and 4 PCs from Bench Maji Coffee Producers FCU
29 Oct. - 09 Nov. 2013	Honey PHH- Training cascading	1,725 (800)	Amhara, Zembaba member coops	Honey FVC Sp	Biruhe Tesfa, Markemes Dembia, Tana Zuria, Agunta, Kokeb, Ediget Chora, Zembaba
07 Nov. 2013	Cascading PHH training	180 (61)	Tigray, Ofela woreda	Fikre Endalew	Hashenge Multi-purpose Union
08 Nov. 2013	Cascading PHH training	60 (11)	Tigray, Ofela woreda	Fikre Endalew	Hashenge Multi-purpose Union
16 - 17 Nov. 2013	PHH cascading training	2,423 (1,148)	SNNPR, Kebele level	Endashaw Assefa	FCUs: Kaffa & Bench maji
16 - 17 Nov. 2013	“	580 (180)	Tigray, Endamohoni Woreda	Gebbru Desta and Fikre Endalew	Bokera Multi-purpose Union

Date	Name of Event	# of participants (Female)	Location	Name (s) of AGP-AMDe team attended	Partner Attended
24 Nov. 2013	“	60 (4)	“	-	Bokera Multi-purpose Union
25 Nov. 2013	B2B meeting	25 (1)	Tigray, Raya Alamata	Gebbru Desta, Fikre Endalew	Woreda Cooperative & Marketing Offices, Traders ,COMEL Pvt.Ltd. , Leaders of primary coops
26 Nov. 2013	Honey PHH and marking	11 (6)	Addis Ababa	6	Mercy corps volunteers
30 Nov. 2013	“	146 (3)	Tigray, Raya Alamata	Fikre Endalew	Hashenge Multi-purpose Union
01 Dec. 2013	“	160 (45)	Tigray, Raya Alamata	“	“
01 Dec. 2013	Cascading PHH training	540 (138)	Welkayt woreda, Tigray Region, Ethiopia.	Haile Kiros Tadele	Lemlemitu Welkayt Multi-purpose Union.
01 Dec. 2013	“	60 (10)	Tigray, Endamohoni Woreda	-	Bokera Multi-purpose Union
02 Dec. 2013	“	60 (23)	Tigray, Ofela woreda	-	Hashenge Multi-purpose Union
03 Dec. 2013	Visit by an Expatriate marketing Consultant	3 (1)	Tigray, Hagereslam Woreda and Mekele	Fikre Endalew	COMEL Ptd.Ltd.
08 Dec. 2013	“	265 (45)	“	-	Hashenge Multi-purpose Union.
06 - 11 Dec. 2013	SMFM management training	30 (3)	Mizan Aman town	Endashaw Assefa	FCUs: Kaffa Forest Bee Products FCU, Bench Maji FCU, four honey marketing primary cooperatives Public: Kaffa & Benchmaji Zone Government staffs

Analysis of Honey Value Chain

Challenges

-
- Low honey production and poor quality has negative impact on competitiveness in international market
- Rising price and inaccessibility of modern beekeeping equipment still hindering the uptake of improved technologies
- Inefficient honey marketing system and absence of well-organized coops and FCUs engaged in the honey business
- Unions, such as Zembaba, face shortage of finance for timely purchase honey from members in this harvesting season

Opportunities

- Government and NGO significant commitment to support the subsector.
- The main value chain actors, such as associations and the government, collaborate now more than ever. This is a good opportunity to leverage synergy and efficient use of resources to improve honey value chain activities.
- High quality organic honey and wax potential to expand the sector.

Partners and Interventions

Partners	Location (Woreda, Region)	Interventions during the Oct. – Dec. 2013 Quarter	Target Completion Date
Beza Mar	Addis Ababa	<ul style="list-style-type: none"> - Market linkage - Participate in MSP Meeting - Grant provision to expand its honey processing plant in SNNP and Amhara region 	a continues activity
Rahi Honey	Nazareth (Adama)	<ul style="list-style-type: none"> - Grant provision to rehabilitate its honey processing plant - Participate in MSP Meeting 	>> >>
DIMMA PLC	Wokro/tigray	<ul style="list-style-type: none"> - Market linkage - Participate in MSP Meeting 	>> >>
Tsedey Mar Agro Industry Plc	Addis Ababa	<ul style="list-style-type: none"> - Grant provision to establish honey processing plant - Participate in MSP Meeting 	>> >>
Keffa honey Marketing Union		<ul style="list-style-type: none"> - Market linkage - Grant provision to construct honey processing and storage house - Participate on MSP meeting - Training 	>> >>

Partners	Location (Woreda, Region)	Interventions during the Oct. – Dec. 2013 Quarter	Target Completion Date
Bench Maji Forest coffee coop Union	Bonga/SNNP	- Market linkage - Participate on MSP meeting - Training	>> >>
Zembaba Honey Marketing Farmers coop Union	Amhara/ Bahir Dar Zuria	- Market linkage - Grant provision to purchase honey processing plant and construct storage house - Participate on MSP meeting - Training	>> >>
Ashenge	Tigra/Alamata	- Reviewing Grant project document - Participate on MSP meeting - Training	>> >>
Gudina Bee and Honey producers cooperative	Woliso/SW showa	Cascading training	DEC. 22013
WETA and Honey producers cooperative	Woliso/SW showa	Training	DEC. 22013
Gudina Kiltu Honey producers c	Oromia/Jima/Goma woreda	Training	DEC. 22013
Muto honey producers cooperative	Oromia/Jima/Goma woreda	training	DEC. 22013
Mume Dema Honey Processing Cooperatative	Oromia, Jimma and Goma Woredas	Training	Dec 2013
Demitu Honey producers Cooperative	Oromia/Jima/Goma woreda	training	DEC. 2013
Chilimo forest development and protection Coop	Dendi, Ambo, West Showa	Training	DEC. 2013
EAB, Regional Boards	Addis Ababa	MSP, Experience sharing tour, Grant	a continues activity
EHBPEA (Ethiopian Honey and Beewax Producers and Exporters Association)	Addis Ababa	MSP, Experience sharing tour, Grant	a continues activity
Ethiopian Beekeeping Association (EBA)	Addis Ababa	MSP, Experience sharing tour, Grant	a continues activity

Honey Value Chain Activity Tracker October – December 2013

Activity Description	Indicator & Unit	Q2 - This Quarter			Cumul. Up to this Quarter	Reason for Variance
		Target	Achieved			
			Number	%		
IR 1: Improve the Competitiveness of Honey VC						
Sub IR 1.1: Volume and value of marketed value chain production increased as a result of improved end-market competitiveness and trade						
OP 1.1.1: Marketing Systems and Practices Improved						
M4 Assessment	# assessment	7	2	28.5	2	Most of the assessments were done through different activities. The shortfall will be made up next quarter
Deliver SMFM management training (gender focused leadership, record keeping, business planing and marketing) to cooperative leaders and staff	# of trainees	130	30	23	30	Coop leaders in many areas were engaged by other commitments and it delayed our deliver of the training
Deliver SMFM agricultural / PHH, input/ training to farmer trainers /lead farmers.	# trainers trained	130	113	87	113	
Cascade SMFM agricultural /PHH input/ to farmers and operators	# of trainees	7800	6571	84%	6770	

Activity Description	Indicator & Unit	Q2 - This Quarter			Cumul. Up to this Quarter	Reason for Variance
		Target	Achieved			
			Number	%		
Facilitate market linkages to support inclusion of CIGs, (women and youth groups)	# CIG members	600	365	365%	365	
Exposure visit for women honey producers and CIG members to see beekeeping best practices	# CIG members	100	24	24%	24	Farmers were highly engaged in crop harvesting and shortfall will be made up next quarter
OP 1.1.2: Specific and Effective Market Linkages Created						
Build on success of domestic market linkages and facilitate sales agreements between buyers in identified domestic markets, cooperatives, FCUs	Volume of sale in MT	116	166.87	143	166.87	Harvest time allowed for more market linkages that made up for Q1 shortfall.
Build on success of market linkages and facilitate sales agreements between buyers in identified export markets, exporters, and cooperatives/FCUs	Volume of sale in MT	151		0%		Negotiations and testing on-going for export buyers.
Technical follow-up to the grantees (research center, FCUs/Coops, private partners)	# partners	4	4	100	4	Zembaba, Beza Mar, Hashenge & COMEL's

Activity Description	Indicator & Unit	Q2 - This Quarter			Cumul. Up to this Quarter	Reason for Variance
		Target	Achieved			
			Number	%		
Support key stakeholder participation in 4 domestic trade shows	# of participants	46	26	56%	26	Only 1 of 4 expected trade shows were organized
Expand capacity and presence of EHPBEA in international markets including key stakeholder participation in 4 international trade shows or trade missions (Ukraine, Germany, Dubai, US	# of participants	24	7	29	7	
OP 1.2.1: Cooperatives/FCUs, Private Agribusinesses Assisted to Transform						
Capacity building of key stakeholders through training in leadership, business planning, BAPs and management modules including finance, membership development for FCUs/coops)	# of trainees	70			203.87	
OP 1.2.2: Collaboration Between Stakeholders Facilitated and Established						

Activity Description	Indicator & Unit	Q2 - This Quarter			Cumul. Up to this Quarter	Reason for Variance
		Target	Achieved			
			Number	%		
Multi-stakeholder meeting facilitated annually in each region to share best practices and lessons learned and ensure B2B connections	# MSPs	10	2	20	2	GRAD will organize the 1st MSP meeting - which is later than original commitment. Others were rescheduled for remaining year.
OP 1.4.2: Competitive Supply Created						
Facilitate laboratory tasting of honey and other bee products in each region	# stakeholders	4	2	50%	3	Tigray honey quality test on 20 honey samples conducted, next quarter the remaining regions will test their respective honey.
Capacitate 4 research centers to provide embedded services such as training, demonstration, forage introduction, etc. to industry stakeholders	# research centers	4	1	25	1	

Maize Value Chain

Overview

Ethiopia is the 5th largest producer of maize in Africa and smallholder farmers make up 94 percent of the crop production. However, the smallholder farmers lack access to markets and financing required to shift maize from informal, subsistence markets to more formal, value-added markets. Ethiopians consume both green and dry maize, and local demand is high for both improved quality and increased quantity. Productivity remains below potential due to low input usage, shortage of hybrid maize seed supply, low quality of planting materials and limited crop rotation. There are significant post-harvest losses of 15 to 30 percent of production, primarily on-farm. The national maize commercialization rates are low at approximately 20 to 30 percent. Most marketable surplus is sold within three to four months of harvest when prices are lowest due to farmers' cash need and risks associated with pest infestation and other storage losses. Additionally, smallholder farmers are vulnerable as producers and consumers to food safety concerns from aflatoxins.

AGP-AMDe objectives are increasing productivity and commercialization, along with improving quality and reducing post-harvest losses to increase SHFs income. In order to achieve these objectives, AGP-AMDe is introducing new technologies (the most important being the improved hybrid maize varieties), increasing the use of farm input technologies, adopting improved post-harvest techniques by both SHFs and commercial farms and increasing private sector involvement for farm input supply services and technology rental services. Introducing improved hybrid maize varieties is the leading strategy to increase production and yield. AGP-AMDe successfully implemented three new hybrid seed technology transfers of Pioneer hybrids (Shone and Limmu) and BH66I.

During this quarter, the partnership with World Food Program (WFP) Purchase for Progress (P4P) program expanded this year with 14 farmers' cooperative unions signing a MOU to supply almost twice as much white maize as last year. All FCUs are working hard to meet their white maize delivery plan and encouraging smallholder farmers to produce more maize. As a result maize is becoming a good cash crop and now gets special attention in cultivation and PHH.

Additionally, farmers' cooperatives increased knowledge on marketing and selling white maize to a standard market, which will help build their capacity to export. To increase the volume and quality of maize, PHH training was given at different levels of the value chain. Short term trainings of trainers and SMFM trainings, were delivered as a primary means to transfer skills from the development agents, farmers' cooperatives and lead farmers to smallholder farmers.

Summary of Top Results:

- **Technology Transfer of Three New Hybrid Maize Varieties:** Both Pioneer hybrid maize seeds (Shone and Limu) and BH-66I hybrid maize weredemonstrated on smallholder lead farmers plots, which doubled the yield performance. According to a pre-harvest assessment, the yield of all the three varieties demonstrated twice as much as the base year production. The demand for the new hybrid seeds is far beyond expectations for the upcoming season. The smallholder farmers plan to purchase BH-66I hybrid maize from Bako Research Center for the 2014 crop season. The Advanced Maize Seed Adoption Program (AMSAP) was successfully

implemented in 16 woredas with 320 smallholder farmers obtaining two Pioneer hybrid maize varieties to demonstrate the benefits and drive demand for the new varieties.

- **WFP P4P Participation Expands Opportunities:** The WFP P4P program continues to expanded opportunity – for the number of FCUs that participate, the increasing sales opportunity for participating FCUs and ancillary benefits, such as bank loans. AGP-AMDe helped participating FCUs secure approval of \$1,442,105 USD agricultural and rural loans to increase productivity and quality to fulfill commitments.
- **Training and Capacity Building:** This was achieved through regional multi-stakeholders platform meetings, demonstration and field days for new hybrid maize varieties, trainings of trainers in PHH and pre harvest yield assessments during this quarter. The AGP-AMDe maize value chain programs provided programs for more than 19,656 beneficiaries with the capacity building programs encompassing 16,175 beneficiaries.

Key activities:

Technology Transfer of Three New Hybrid Maize Varieties:

- **New BH-661 hybrid maize variety:** The farmers plan to purchase basic hybrid maize from Bako Research Center is in high demand by smallholder farmers. The farmers intend to purchase the hybrid maize for the 2014 crop season as other seed companies are not yet ready to supply the specific certified seed variety. However, private seed companies have shown interest to obtain BH-661 hybrid basic seed for their future certified seed multiplication sales. The seed demand for this variety of hybrid maize in the demonstrated woredas is anticipated to exceed supply from the research center so capable and interested seed enterprises will be needed to assist in producing certified hybrid maize to meet the demand already demonstrated in Amhara and Oromia regions. In Amhara, AGP-AMDe focused activities and promotion on maize value chain FCUs, private seed companies, woreda agriculture offices and producer farmers. The improved maize seeds will increase the productivity and production of maize through input provision, technical support and farmer field days. Activities took place in the maize implementing woredas (D/Elias, Ankesha, Dangila, Womberma, Dera, N/Achefer and Zigem) in partnership with private seed companies (Avallo, Nile and Yimam Tessema) and leading maize FCUs (Damot, Merkeb, Admas and Gozamen). Demonstrations were the best forum to show the benefits of BH-661 and drive demand for next season. 1,275 (192 females) smallholder farmers and 271 (73 females) experts participated in the farmers field days organized and conducted at regional and woreda levels. In Oromia, Improved maize variety (BH 661) was demonstrated for 32 smallholder farmers in Gechi, Jima Genete, Gudru and Bedele woredas.
- **AMSAP** was implemented in all 16 woredas during this quarter. 320 smallholder farmers obtained two pioneers hybrid maize varieties to demonstrate the benefits, the clear improved performance resulted in strong demand for the new varieties. DuPont Pioneer is now starting to process the new varieties in its new seed cleaning facility at Menagesha to fulfill the generated demand, as shown in the picture below. In Amhara, 120 AMSAP demo sites were

developed on farmers plots in 6 maize AGP woredas (Womberma, Bure, Jbiteman, Guangua, S/Achefer and Allefa) and were used for demonstrations to 831 (47 females) smallholder farmers and 140 experts. Based on feedback, Shone variety delivered the best results and will be grown by producer farmers in order to increase production of the seed as well as maize production overall.



AMSAP is cleaning and packing the new hybrid maize varieties for the upcoming season in the new DuPont Pioneer seed cleaning facility at Menagesha

WFP P4P Participation Expands Opportunities: All 14 FCUs have committed to supplying 26,250 MT of white maize from the incoming harvest. Preparation work in all FCUs is underway and output financing arrangement is complete. The largest maize producing FCUs (G/Dehedessa, Liben, B. Bako, Haragu, Ambo and L/Innaria unions) were linked to the WFP P4P program. This program offers an excellent output marketing opportunity for smallholder farmers in which these FCUs agreed to deliver 7,000 MT of white maize for this year and could potentially increase in the future based on their performance. In the last quarter, intensive implementation support was given to FCUs to enable them to meet their commitments. An operational manual and briefing were given to managers, storekeepers, quality control personnel, and purchasers from the six FCUs as well as experts from the regional cooperative agency. Accordingly, 30 maize operational manuals that help prepare for a successful WFP P4P program implementation were distributed to participants. Amhara organized and conducted a workshop on WFP maize delivery pre-conditions for 4 FCUs and member PCs. In SNNPR, the AGP-AMDe team integrated the WFP P4P program purchasing power with the technical expertise of other partners and used farmer organizations to help connect smallholder farmers to markets and help raise their incomes. In addition to CBE, private banks (such as Abay bank) demonstrated that they have an active role in output financing. Supplier cooperatives from SNNPR requested a loan amount of 91.4 million Birr and over Birr 27.4 million loans were granted to Admas and Sildama Elto FCUs in this quarter. Admas and Sidama Elto FCUs used the loan for their WFP P4P Maize supply agreements and Edget FCU used the loan

for wheat seed processing and supply to local and regional farmers. The team also supported Oysa Dawro and South Omo FCUs to obtain working capital loan solicitation efforts. The FCUs are expected to receive the loan in the first week of January 2014. A first round face to face contact was made between Sidama Elto FCU and CBE Hawassa district Officials to solicit a loan for warehouse construction investment.

FCUs	Value Chain	Region	Financial Institution	Type of Loan	Loan Requested	Loan Approved	Loan Disbursed this QTR	Loan Disbursed Cumulative
SIDAMA ELTO	Maize	SNNP	CBE	Working Capital	49,052,500	14,400,000	14,400,000	14,400,000
ADMAS	Maize	SNNP	CBE	Working Capital	20,000,000	13,000,000	13,000,000	13,000,000
South Omo	Maize	SNNP	CBE	Working Capital	12,845,000	In process	In process	In process
Oysa Dawro	Maize	SNNP	CBE	Working Capital	9,570,750	In process	In process	In process
Total					91,468,250	27,400,000	27,400,000	27,400,000

Based on the learnings from the WFP P4P maize delivery program last year, the following principles were advised to all stakeholders involved in supporting and assisting the future maize delivery.

1. FCUs should have at least two separately located warehouses. One for aggregation and the other for fumigation and delivery. The FCU should not combine the two together under one shade.
2. SHFs can secure a better price for good quality clean seed at point of sale. This is a price incentive mechanism to invest in cleaning operations at the PC level rather than FCU level. This would also save SHFs time and related transportation costs to FCU.
3. Per written contractual agreements, both parties should act according to the contract agreement and keep their commitment.
4. The commitment for WFP delivery schedule should correspond to the aggregation and delivery warehouse capacity. The FCU or PC should not be ambitious to supply more without having proper PHH facilities.
5. Complete all the necessary preparation before harvest including cleaning of all the PHH facilities, purchase of packing sacks and secure output finance from banks.

The WFP P4P maize supply from AGP-AMDe FCU progress check list

Name of FCU/Region	Maize to supply (MT)	Evaluation template	M4 Analysis completed	Eligible to bank loan (output financing)	Agreement b/n pcs	RCA cooperation with the FCU	WH capacity (MT)	Contract agreement sign
Amara region								
Merkeb FCU	4,500	yes	done	Not Applied	not confirmed	Confirmed	1700	Not yet
Damot FCU	2,000	yes	done	Doesn't need	not confirmed	Confirmed	1000	Not yet
Gozamen FCU	1,500	yes	done	Applied	not confirmed	Confirmed	500	Not yet
Admas injibara FCU	1,500	Not yet	Not yet	Not Applied	not confirmed	Confirmed		Not yet
total (1) 9,500								
Oromia region								
Gibe dedesa FCU	1,000	Not yet	done	Applied	not confirmed	Confirmed	979	Not yet
Liben Woliso FCU	1,000	Not yet	not yet	Applied	not confirmed	Confirmed	391	Not yet
Ambo Farmers FCU	1,000	Not yet	not yet	Applied	confirmed	Confirmed	7342	Not yet
Haragu Farmers FCU	1,500	Not yet	not yet	Applied	confirmed	Confirmed	979	Not yet
Boro Bako FCU	1,000	Not yet	not yet	Applied	confirmed	Confirmed	587	Not yet
Limu enara	1,500	Not yet	not yet	Applied	confirmed	Confirmed	1126	Not yet
total (2) 7,000								
SNNPR								
Sidama Elto	4,000		done	Applied	not confirmed	Confirmed		Not yet
Admas wolkitie FCU	4,000	Yes	done	Applied	not confirmed	Confirmed		Not yet
Oysa Dawro FCU	500	Yes	Not yet	Applied	not confirmed	Confirmed	500	Not yet
South OMO FCU	1,250	Yes	Not yet	Applied	not confirmed	Confirmed	3000	Not yet
total (3) 9,750								
Grand total 26,250								

Training and Capacity Building:

- SMFM Training:** SMFM PHH TOT was conducted with 88 participants (6 women) for lead farmers, DAs and cooperative experts affiliated with G/Dehedessa, Liben, B. Bako, Haragu and Chefee Buluk FCUs. These trainers then cascaded the training to 3,600 follower farmers (1800 women) in their respective localities. In addition, various educational materials (600 leaflets, 24 poster and 88 manuals) were distributed to support the training. SMFM leadership training for 40 (7 females) members of Admas FCU and its 7 PCs. SMFM PHH TOT conducted in 14 AGP woredas for Merkeb, Damot and Admas FCUs and 38 of its member PCs for 182 participants (17

females), which was cascaded down to 4,610 smallholder farmers (1,226 females) in 138 kebeles (details shown below).

No	Name of FCU	# PC	# woreda	# kebele	Plan # participants			Achieved # participates			# trainers	# facilitators
					M	F	Total	M	F	Total		
1	Admas	9	5	27	840	840	1680	879	574	1453	25	50
2	Damot	16	4	46	960	960	1920	1138	579	1717	28	14
3	Merkeb	13	5	65	720	720	1440	1377	73	1440	24	65
Total		38	14	138	2520	2520	5040	3394	1226	4610	77	129

- Capacity Building:** AGP-AMDe provided yield estimation and PHH training to 49 (12 female) trainees, regional woreda experts and DAs at the demo sites of the 6 targeted AMSAP woredas. AGP-AMDe conducted a workshop on the pre-condition of the maize delivery process for 92 participants (12 Females), which included employees, staffs, board members and PCs, Zonal and woreda level Coop offices from the four WFP FCUs (Damot Gozamen, Admas and Merkeb). PHH and yield estimation training was given for 46 (5 women) agronomists and DAs found in AMSAP functioning woredas of the region. The trainees were selected from L/Seka, Goma, Dehdassa, G/Gida, W/Tuka, Diga and Bako weredas of AMSAP. The training was given by senior experts from AGP-AMDe and Dupont Pioneer.
- Multi-stakeholders platform (MSP):** The first regional maize multi-stakeholder meeting was held in Oromia with 21 participants (1 woman). The objective of this meeting was to discuss the challenges and opportunities of the maize value chain. The representatives included: FCUs, Oromia Cooperative Agency, Oromia BoA, Bako Agricultural Research Centre, Bako mechanization, Private seed companies, Processors and Oromia cooperative federation. The forum provided an opportunity for in-depth discussions on major issues related to maize production, marketing and processing. Key issues raised were:
 - Outdated varieties (such as BH 543) and their impact on productivity – stakeholders agreed to substitute with more productive varieties (i.e. BH 547) leverage organizations to promote and popularize them.
 - Maize price distortion because of unnecessary competition between FCUs and EGTE at local level – agreed to escalate this issue to the maize alliance group to address and resolve as quickly as possible.
- Access to Finance Training:** AGP-AMDe provided training to 12 participants from SNNPR on Agricultural Lending Risk Mitigation Strategies. Oyssa Dawro and South Omo FCUs were assisted in preparing action plans to accomplish WFP's P4P Maize supply deals. The training participants were selected from partners and stakeholders that operate in the western part of SNNPR: CBE Branches in Bonga and Mizan, FCUs, SACCO union, and SNNPR Marketing and Cooperative Bureau and Zonal Departments.

Key events undertaken during the Quarter

Date	Name of Event	Location	Value Chain/ Cross Cutting Area	# of participants (# of women)	Name(s) of AGP-AMDe Team Attending	Name of Partner Organizations
Amhara						
02/10/2013	BH-661 Maize Popularization demo site Farmers field day	DebreElias	Maize	512 (146)	Sahle Derbew	Gozamen FCU, Woreda Admin ,Woreda Agriculture Office and Farmers
09-14/10/2013	SMFM Leadership training for Admas FCU and its PCs	Dangila	Maize	40 (7)	Ato Bishaw Yenew and Sahle Derbew	Admas FCU and its 7PCs and Awi Zonal Cooperative Offices Head
21-23/10/2013	SMFM PHH training for Merkeb FCU and Its 13 PCs	Dangila	Maize	47(3)	Wro /Etagegn Geremew ,Sahle Derbew ,Fentahun Ameshe ,Melkia Mossu	W/Gojjam Agriculture Office ,Merkeb FCU 5Agri Office Woredas ,Cooperative WO,DAs and 13 PCs of Merkeb FCU
03-08/10/13	AMSAP Hybrid maize green field day in Amhara region	Bure ,Womberma ,S/Achefer Alefa and Jabitenan woredas	Maize	971(60)	Ato Yohannes, Ato Teferie, Melat, Sahle Derbew,	DU PONT Pioneer ,USAID,AGP,BOA,WAO,FCUs, Producer farmers
01-03/11/13	SMFM PHH TOT Training for Admas FCU and its PCs	Dangila	Maize	47 (3)	Sahle Derbew ,Melkia Mossu	Awi Zone Agriculture Office ,Admas FCU Staffs ,Awi Zone Cooperative office staffs and the Boards , 5Woredas, 9 PCs of Admas FCU,WAO and Coop.
10- 11/ 11/2013	BH-661 Maize Popularization Green Regional level field day in Amhara Region	Ankesha and Womberma	Maize	542 (246)	Ato Sahle Derbew,Ato Fantahun Ameshe , and Ato Melaku Tefera	FCUs ,Avallo,Nile ,Yimam Tessema, Amhara Seed enterprise, Woreda Admiration ,Communication and Agriculture Offices Heads ,DAs and producer farmers
18 &19/11/13	Yield Estimation and PHH TOT for demo woredas	Finote Selam	Maize	49(12)	Ato Yohanes ,Ato Tibebe ,Sahle ,and Melkia	Woreda Agri.,DU Pont pioneer, AMDe and farmers
20-22/11/13	SMFM PHH TOT Training for Damot FCU and its 16 PCs	Finote Selam	Maize	62(5)	Sahle Derbew and Melkia Mossu	WG Zone Agriculture Office ,Damot FCU Staffs ,WG Zone Cooperative office and Agri & Coop Woredas offices ,16 PCs
19-20/12/13	Workshop on WFP Maize delivering pre-condition	Finote Selam and Dangila	Maize	92(12)	Wro /Etagegn ,Sahle ,Ato Teferie,and ,Melkia Mossu	Damot, Gozamen, Admas and Merkeb FCUs their PCs, WAO, WCO, and Z Coop Offices.
Nov.03- Dec.29/13	Conducted Cascading training on maize PHH for 3FCUs (Merkeb,Damot & Admas)	At each working areas of the FTC.	Maize	4610 (1226)	Sahle ,Melat & Amsayaw	Damot, Gozamen, Admas and Merkeb FCUs and their PCs, WAO, WCO, and Z Coop Offices.
Oromia region:						

Date	Name of Event	Location	Value Chain/ Cross Cutting Area	# of participants (# of women)	Name(s) of AGP-AMDe Team Attending	Name of Partner Organizations
Oct. 16-18/2013	SMFM PHH TOT	Weliso	Maize	17	Yonas Degefu, Kasu Kebede	Liben FCU
22-Oct-13	Farmers' Field Day on Multi-nutrient fertilizer and Urea Briquette demonstration fields	Wenchi	Input/ maize	854(365)	Shemsu Baissa	Wenchi Woreda AGP and Agricultural offices
Oct 23-25/2013	SMFM PHH TOT	Nekemt	Maize	34(3)	Yonas Degefu, Kasu Kebede	G/Dhedessa and B.Bako FCU
Oct. 28-30/2013	SMFM PHH TOT	Fencha	Maize	37(3)	Yonas Degefu, Kasu Kebede	Haragu and C. Buluk FCU
Nov.12-13/2013	AMSAP PHH and yield estimation training	Jima	Maize	19 (1)	Yonas Degefu	Dupont Pioneer, Wereda Agri. Office
Nov 15-16/2013	AMSAP PHH and yield estimation training	Nekemt	Maize	27(3)	Yonas Degefu	Dupont Pioneer, Wereda Agri. Office
01-Nov-13	Farmers' Field Day on Multi-nutrient fertilizer and Urea Briquette impact on crop yield	Weliso	Input/ maize	173(13)	Shemsu Baissa, Desalegn Kejela	Weliso Woreda AGP and Agricultural offices
12-Nov-13	TOT Training on Agri Inputs Utilization as Part of SMFM	Bale Robe	Input/Maize	58(3)	Shemsu Baissa, Kasu Kebede, Desalegn Kejela	Raya-Wakkena, Siko-Mendo and Agarfa-Kejewa FCUs
Dec. 3/2013	Workshop with relevant stakeholders on BH-661 Maize seed production possibilities	Deberezait	Maize	13	Yonas Degefu, Amsalu Andarge and Yohannes Agonafre	OBoA, OARI, BARC, OSE
Dec. 24/2013	Regional MSP Meeting	Ambo	Maize	21	Yonas D., Kassu. K, Amsalu A., Etagne	FCU, BoA, OCPA, Alema P.L.C
Dec. 25/2013	Workshop on Maize operational manual for FCUs involved in P4P	Ambo	Maize	30 (1)	Yonas D., Kassu. K, Amsalu A., Etagne	FCU, BoA, OCPA,
SNNPR:						
October 9 - 11/2013	SMFM PHH TOT training	Wolkite	Maize	17 (1)	Alemayehu Tilahun	PCs: 4 member PCs of Admas Union
Oct.16 -18	SMFM PHH training	Yirgalem	Maize	22 (1)	Alemayehu Tilahun	3 member PCs of Sidama Elto FCU
October 21-25, 2013	SMFM management training	Tarcha tawn	Maize	28 (2)	Alemayehu Tilahun	FCUs: Oysa Dawro FCU board members and 4 member primary cooperative
November 12-13, 2013	PHH and Yield estimation training	Jimma town	Maize	21 (0)	Alemayehu Tilahun	Public: Yem, Decha and Enemorna Ener woredas Agricultural Offices DAs, Agronomists and AGP focal persons

Date	Name of Event	Location	Value Chain/ Cross Cutting Area	# of participants (# of women)	Name(s) of AGP-AMDe Team Attending	Name of Partner Organizations
November 22-24, 2013	SMFM PHH training	South Omo, Jinka town	Maize	14 (1)	Alemayehu Tilahun	PCs: PCs of South Omo Union Public: South Omo Zone Marketing & Cooperative Department, Agriculture Dept. lead farmers & Agri experts
November 26-28, 2013	SMFM PHH training	Wolayita sodo	Maize	25 (1)	Alemayehu Tilahun	PCs: member PCs of Oysa Dawro and Admas, Public: Marketing & Cooperative Dept, Agriculture Dept. lead farmers & Agri experts
Dec. 15-30	PHH cascaded training	Kebele	Maize	960 (480)	Alemayehu Tilahun	South Omo and Oysa dawro FCUs
December 16-18, 2013	SMFM PHH training	Jimma	Maize	40 (3)	Alemayehu Tilahun	PCs: member PCs of Yem tehaber and Godefo; Public: Marketing & Cooperative Dept, Agriculture Dept. lead farmers & Agri experts

Analysis

Challenges

1. Existence of significant management, ownership and professional risks among FCUs
2. Banks liquidity problems
3. Lack of specific policy for agricultural marketing development and financing
4. Poor internal financing mechanisms by FCUs
5. Undeveloped contract based marketing to overcome access to finance problems
6. Occurrence of nonperforming loans on FCUs

Opportunities:

1. Development of warehouse receipt system will lessen the shortage of direct access to finance
2. Provision of cost-share based grant and equity financing mechanisms FCU's bank-abilities for their fixed asset investment.

Maize Value Chain Activity Tracker October – December 2013

Activity #	Activity Description	Indicator and Unit	Q2 - This Quarter			Cumulative Up to this Quarter		Reason for Variance
			Target	Achieved		Achieved		
				Number	%	Number	%	
IR I: Improve the Competitiveness of Maize VC								
Sub IR I.1: Seed technology transferred and scaling up of hybrid seed outreach to farmers increased								
1.1.3	Organized and conducted Regional & woreda level farmers field day on BH-661 Maize demo sites	# of participants	3500	1054	30%	1254	34%	SNNPR farmers were not engaged, because of budget delays; Oromia woredas engaged were 4 of 7 targeted
	Promote improved varieties of maize hybrid seed in partnership with DuPont Pioneer through provision of training -	# smallholders with access to hybrid seed	0	0	0	320	100%	
1.1.4	Promote improved varieties of maize hybrid seed in partnership with DuPont Pioneer - Investing on demonstration sites (AMSAP program)	# demo sites	0	0	0	191	99%	
1.1.5	AMSAP Hybrid Green maize Regional and woreda level field day organized and conducted	# of participants	1200	971	81%	971	81%	Invitees were reduced due to seasonal activities.
	Yield Estimation training has conducted for DAs and Woreda experts	# of participants	42	49	117%	49	117%	Woreda experts attended training.

Activity #	Activity Description	Indicator and Unit	Q2 - This Quarter			Cumulative Up to this Quarter		Reason for Variance
			Target	Achieved		Achieved		
				Number	%	Number	%	
	Ethiopian private seed companies and cooperative seed producers supported to improve their production practices (the project supports the partners in this quarter on Demo site learning and Knowledge sharing)	# companies	7	7	100%	7	100%	
Sub IR 1.2: PHH and technology skills and inputs promoted and improved								
1.2.2	Cascade SMFM agricultural /PHH input/ to farmers and operators	# farmers trained by TOT	8640	9110	105%	9110	38%	1st quarter TOT was postponed so Q2 cascading impacted
	Deliver SMFM management training (gender focused leadership, record keeping, business planning and marketing) to cooperative leaders and staff	# of trainees	84	68	81%	68	17%	
1.2.3	Commercial and input storage capacity increased through cost-share investments in strategic locations (continuing into year 3)	storage capacity - MT	0	0	0	0	0%	The grant is in progress
1.2.4	Investment on Post harvest technologies supported (shells ,fumigation sheet, quality tools, cleaning facilities); Technical support on Grant Proposal preparation for purchasing of Quality grading instruments	# FCUs and PCs	5	4	80%	4	31%	The grant is in progress
Sub IR 1.3: Market linkages created and improved market systems and practices promoted								

Activity #	Activity Description	Indicator and Unit	Q2 - This Quarter			Cumulative Up to this Quarter		Reason for Variance
			Target	Achieved		Achieved		
				Number	%	Number	%	
OP 1.1.1: Capacity built for improving Marketing Systems and Practices								
I.3.3	Regional grain market center experience sharing visit under taken	# visits organized	16	1	6%	1	4%	Not requested by regional trade council
	Conduct MOU signing for PHH and Input training in b/n Agriculture office, Cooperative office and FCUs. Facilitating FCUs to prepare Grant budget proposal and submitting it on time	# FCUs and PCs	0	0	0	3	100%	
	Fulfil the Evaluation of the performance questionnaire / Data's from the 3FCU's/of FCUs in P4P	# of FCUs	0	0	0	3	100%	
	organized and conducted WFP Maize grain delivering preconditions for FCUs and their PCs in addition to line offices	# of participants in the FCUs and PCs	118	92	78%	92	78%	
Sub IR 1.4: National and regional Multi stake holders platform & learning workshops facilitated								
I.4.2	Two Regional MSP meetings in each region to present work plan and discuss results	# of participants	0	0	0	19	95%	

Wheat Value Chain

Overview

AGP-AMDe wheat value chain goal is to stimulate farmer cooperatives, agribusinesses, traders and processors to work collaboratively to effectively respond to market signals. The result being that farmers become more productive and competitive, enabling a shift to higher profits due to replacing imports with domestic sourcing. The Ethiopian government is active in its efforts to improve the production and productivity of wheat. Services in the agricultural extension system provide training to farmers such as improved agricultural practices like Row planting. The availability of newly released highly productive seed variety will prove a strong opportunity to improve production and productivity of wheat. The Life of Project strategy is focused on achieving three related objectives:

1. Increase production and productivity by supporting qualitative and quantitative improvements in seed production through introduction of mechanization (focus on row planting) and coordination with AGP and MOA extension department on the ground
2. Improve PHH through capacity building and targeted investments
3. Structured market promotion, capacity building for primary, aggregation markets, and linkages to domestic buyers

Summary of Top Results:

- **Market Linkages & Sales:** AGP-AMDe delivered incremental sales of \$198K USD at primary cooperative and facilitated an agreement between Ethiopian Grain Trade Enterprise (EGTE) and four FCUs to supply 2400MT of quality wheat over a two month period. The team facilitated approval of **\$526,316** USD agricultural and rural loans.
- **Training and Capacity Building:** Successfully implemented SMFM TOT with 90 farmer leaders selected from ten wheat producing FCUs in Oromia, Amhara, and SNNPR. SMFM training was then cascaded to 9,376 farmers (3,994 female farmers).
- **New Technologies Implemented:** Input demonstrations and field days were conducted on wheat crop at Sinana, Agarfa and Gasara woredas of Oromia and other regions in FTC and on farmers' fields. As a result, 3,036 farmers applied new technologies or management practices to improve the quality of their production.

Key Activities and Successes

Market Linkages & Sales: AGP-AMDe recently facilitated a consultative workshop to create an opportunity to create market linkages as well as distribute information for products and inputs. 42 participants attended and included: FCU Board members and managers, private grain traders, private wheat flour mill managers, bank and microfinance branch managers (Commercial Bank, Abay bank and ACSI), EGTE, Public organization (Regional and Zonal), ATA (National wheat and Barley value chain Directors), and AGP-AMDe national and regional staffs. This led to sales agreements for EGTE to purchase 1800MT from wheat producing FCUs in Oromia and Amhara. The first sales agreement was to purchase 800 MT from Oromia (Galema and Raya Wakena) and 1000MT from Amahara (Ghion and Damot FCU).

Training & Capacity Building:

- SMFM PHH TOT training** was cascaded to 9,367 farmers (3,994 female farmers). 35 lead farmers received PHH TOT training in SNNPR for member primary cooperatives of Edget seed production and marketing FCU. In addition SMFM PHH TOT on wheat was given to lead farmers from 3 FCUs (Gozamin, Ghion & Wodera). Public servants, Development Agents, Cooperative Organizers, Woreda/Zone Experts, Union and Cooperative Staff also received training, in order to support the TOT trainees delivering the cascading to other farmers. In Amahara region, 3,346 farmers attended cascading training indicated that they have gained good knowledge and understanding on PHH methods and practices from their fellow farmer's trainers. Especially the timing of the training on PHH during harvest season made it more suitable to implement their skills. In Oromia, TOT was given to 41 participants from Galema and Ambo FCUs in the reporting period of those 23 are lead farmers, 7 cooperative promoters of seven districts and 2 staff of unions on SMFM Cascading. 58 participants (3 women) from Raya Wakena, Sikko Mendo and Agarfa Kajwas secured similar training.
- SMFM management training** also given in the same region for 5 member primary cooperatives (Wegagan SPPC, Andenet dugeda SPPC, Shabo lesh SPPC, Luke sojat and Amared) of Edget seed production and marketing FCU. 35 (10 women) management and supervisory committee members participated. Similar training was given to board members of Konta union and 7 member primary cooperatives (Village II, Koysshalome, Kerara, Cheda, Ameya, Delba and Tolka) of Konta FCU. 35 (3 women) management and supervisory committee members participated. In SNNPR, 70 (13 women) cooperative leaders and staffs participated.
- AGP-AMDe, FCUs, Zonal Cooperative Agency and MoA agreed upon a MOU to collaborate towards achievement of the training program and with a target of 50% women.

SMFM Trainings for FCUs:

Organization	Male	Female	Total	Remark
A. TOT Farmer Trainees				
Oromia	96	3	99	15 PCs participated
Amhara	53	3	56	24 PCs participated
SNNPR	35	0	35	
Tigiray	69	7		
Total	184	6	190	
B. Cascading Trainee				
Oromia	1,840	953	3,035	9 PCs participated
Amhara	1,664	1,682	3346	24 PCs participated
Total	3,504	2,635	6,135	
C. SMFM Management Trainee				
Amhara				
SNNPR	57	13	70	

Tigray	69	7	76	
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- **Regional Multi-stakeholders Platform:** In Tigray, 52 participants (4 women) joined from different sectors, namely, region, zone and woreda Bureau of agriculture, cooperative promotion and market development agency, research centers, university, zone and Woreda administration, FCUs and cooperatives, commercial farmers, processors, and CIGs representatives to work together to achieve the objective of AGP-AMDe successfully by developing a common action plan, which in turn contributes toward central program objectives of AGP.

New Technologies Implemented: Input demonstrations and field days were conducted on wheat crop at Sinana, Agarfa and Gasara woredas of Oromia and other regions in FTC and on farmers' fields. As a result, 3,036 farmers applied new technologies or management practices to improve the quality of their production. Wheat input demonstration field status evaluation throughout Oromia with more than 699 participants (133 women). This included the field demonstrations performed in Waliso, and Wonchi woredas in Oromia. Waliso and Wonchi woredas conducted farmers field day, attracting 271 participants (35 female) with details below.

No	Name of The Woreds	Total participants	Male	Female
1	Waliso Woreda	173	160	13
2	Wonchi Woreda	98	76	22
	Total	271	236	35

Key events undertaken during the Quarter (October 01- December 31/2013)

Date	Name of Event	Location	Value Chain	Total # of participants (# of women)	Name(s) of AGP-AMDe Team Attending	Name of Partner Organizations
12-14/11/013	SMFM cascading TOT training	Mojo	wheat	41 men	PHH and wheat FS	Lead farmers, DAs, FCUs, coops.
6-7/11/2013	TOT Training of PHH in Gozamen FCU	Debremarkos	wheat	41 (8 woman)	Fantahun Ameshe Sahel Derbew	Cooperatives= 4 (3 women) Gov't= 13 (4 women) Farmers= 24 (1women)
8-9/11/2013	TOT Training of PHH in Ghion FCU	Debremarkos	wheat	34	Fantahun Ameshe Sahel Derbew	Cooperatives= 1 Gov't= 17 (3 women) Farmers= 16

Date	Name of Event	Location	Value Chain	Total # of participants (# of women)	Name(s) of AGP-AMDe Team Attending	Name of Partner Organizations
12-14/11/2013	SMFM cascading TOT training	Robe	wheat	59(3)	PHH and wheat FS	Lead farmers, DAs, FCUs, coops.
19-20/11/2013	Market Linkage Agreement forum	Bokoji and Dodola	wheat	15 men	Wheat team and marketing team	EGTE, Galema, Raya Wakena, Sikkomendo agarfa kajawa
21-22/11/2013	TOT Training of PHH in Wodera FCU	Debre-Birhan	wheat	32 (5 woman)	Fantahun Ameshe Bishaw Yenew	Cooperatives= 1 Gov't= 15 (3 women) Farmers= 16 (2women)
21-24/11/2013	PHH Cascading training	Ghion FCU	wheat	954 (486 women)	Fantahun Ameshe Bishaw Yenew	Farmer= 954 (486 women)
23-24/11/2013	PHH Cascading training	Gozamen FCU	wheat	1432(716 women)	Fantahun Ameshe Bishaw Yenew	Farmer= 1432 (716 women)
6-7/12/2013	Consultative MSP meeting	Debremarkos	wheat	41 (1 woman)	Fantahun Ameshe Dr Zewdu Yilma Girma Bekele	Cooperatives= 18 Gov't= 13 (1 women) private= 9 CBOs =1
1-2/12/2013	PHH Cascading training	Wodera FCU	wheat	960 (480 women)	Fantahun Ameshe Bishaw Yenew	Farmer= 960 (489 women)
1-8/12/2013	SMFM cascading training	Dodola Woreda	Wheat	578(153)	None	Raya Wakena FCU, Dodola Woreda coop office
9/12/2013	SMFM cascading training	Adaba Woreda	Wheat	240(72)	None	Raya Wakena FCU, Adaba Woreda coop office
25-27/12/2013	Market linkage Unions FCU with EGTE	Ghion, Gozamen, Damot, Admas and Koga irrig FCU	wheat	35 trainees (2 women)	Dr Zewdu Yilma Girma Bekele Fantahun Ameshe Bishaw Yenew	Cooperatives= 17 Gov't= 18 (2 women)

Date	Name of Event	Location	Value Chain	Total # of participants (# of women)	Name(s) of AGP-AMDe Team Attending	Name of Partner Organizations
October 21-26, 2013	SMFM management training	Butajira town	Wheat	35 (10 female) management and supervisory committee members	Amhayesus W/Michael, Gezahegn Walelgn, Abiot Imiru	PCs: 5 member primary cooperatives of Edget seed production and marketing union
October 30-November 1/2013	SMFM PHH TOT training	Butajira town	Wheat	35 (all are male) lead farmers	Amhayesus W/Michael	PCs: member primary cooperatives of Edget seed production and marketing union
December 25-30, 2013	SMFM management training	Jimma town	Wheat	35 (3 female) management and supervisory committee members	Amhayesus W/Michael, Gezahegn Walelgn,	FCU: Konta PCs: 7 member primary cooperatives of Konta FCU

Analysis of Wheat VC

Opportunities

EGTE import on average 5-6 million quintal of wheat for domestic consumption annually, during this year government will purchase 2.5 million quintal of wheat in domestic market through Unions and private wheat traders, opening a valuable business opportunity for domestic wheat traders.

Constraints

Delay in post-harvest equipment purchased and delivery pose major challenges to FCUs, primary cooperatives and farmers whose practical needs are more immediate

Wheat Value Chain Activity Tracker October – December 2013

Activity Number	Activity Description	Indicator and Unit	Q2 – This Quarter			Cumulative Up to this Quarter	Reason for Variance
			Target	Achieved			
				Number	%		
IR 1: Improve the Competitiveness of Wheat VC							
Sub IR 1.1: Volume and value of marketed value chain surpluses increased as a result of improved end-market competitiveness							
OP 1.1.1: Capacity built for improving Marketing Systems and Practices							
	Cascading SMFM to farmers and operators	# of Trainees		6381		7591	
	TOTs in SMFM farmers in PHH training	PC & lead farmers	56	56	100%	97	
	SMFM business training module delivered (negotiation, pricing, promotion, creating linkages, relationship management, etc.) to be cascaded to FCU and business operators	# of Trainees		204		232	
OP 1.1.2: Specific and Effective Market Linkages Created							
	FCUs assisted to make contractual agreements with processors, traders and consumer associations	# FCUs linked	2	7	350%	8	
	Facilitate market linkages for CIGs, women and youth groups with FCUs or processors	# of CIGs		5		8	

Activity Number	Activity Description	Indicator and Unit	Q2 – This Quarter			Cumulative Up to this Quarter	Reason for Variance
			Target	Achieved			
				Number	%		
Sub IR 1.2: Increased volume and value of commodities purchased from smallholders							
OP 1.2.3: Collaboration Between Stakeholders Facilitated and Established							
	Multi-stakeholder meeting facilitated twice a year in each region to update stakeholders on project progress and facilitate B2B connections, including banks	# MSPs	1	1			
Sub IR 1.3: Higher smallholder incomes from selected commodities per unit of land							
OP 1.3.1: Volume of Marketed Wheat Increased							
	Volume of wheat out marketed, purchased from SHF through cooperatives	# MT		570		570	
Sub IR 1.4: Yields of targeted crops increased							
OP 1.4.1: Reliable Access to Improved Seed Expanded							
	Regional research centers capacitated through provision of irrigation systems, seed labs, etc., to ensure sufficient production of basic seed	# ARCs assisted		2		2	

Inputs

Overview

Agricultural Growth Program-Agribusiness and Market Development (AGP-AMDe) is the flagship project under USAID's Feed the Future (FTF) Strategy for Ethiopia Agricultural Growth Program. AGP supports the Comprehensive African Agricultural Development Program (CAADP) framework by strengthening agricultural productivity and markets in the high rainfall and agricultural potential areas of Amhara, Oromia, Southern Nations Nationalities and People's (SNNP), and Tigray regions.

AGP-AMDe's interventions toward the expansion of the agricultural input supply system are a fundamental contribution to Ethiopia's goals of food security and becoming a middle income country. Increased use of fertilizer and access to quality seed is central to meet the GoE Growth and Transformation Plan targets for crop production. The strategy, designed to implement input supply value chain for the year 2013/2014, is focused on rolling out and implementing market interventions that will respond to increase demand for quality seeds of superior varieties, multi-nutrient and briquetted form of fertilizer in collaboration with FCU and concerned public and private sectors in the AGP woredas.

Towards achieving the objectives of AGP-AMDe in Year 3 work plan, a strategy was implemented that focused on Technical support in quality seed production and in market development to cooperatives and commercial seed enterprises. It will support the blended fertilizer project through identification of specific nutrient deficiencies that correspond to VC crops in specific agro ecologies and assist to increase product demand through knowledge enhancement of private seed companies, fertilizer blending FCUs, and agricultural entrepreneurs for eventual transfer to PCS and smallholder farmers.

Summary of Top Results

- 1,676 hectares of land covered with improved seed and fertilizer technologies under chickpea, wheat, sesame and maize through Multi-Nutrient fertilizer demonstrations and seed multiplication activities in 4 AGP Regions (Amhara, SNNPR, Oromia and Tigray).
- 29 FCUs, Seed Producers and Commercial farms have received technical training support on Seed multiplication and Agricultural Input handling, utilization and marketing in Oromia and Tigray regions.
- 8879 (1250 female=14.1%) beneficiaries have received short-term agricultural input utilization training, attend farmers' field days on multi-nutrient and urea briquette fertilizer demonstrations and received grants for chickpea seed multiplication in 4 AGP Regions (Amhara, Oromia, SNNPR and Tigray).
- Agricultural Input Supply System by Farmers' Coop Unions of Ethiopia has been analyzed by STTA consultant for future improvement.
- 3 farmers (1female) have applied multi-nutrient fertilizer technology on their chickpea field for multi-nutrient fertilizer demonstration purpose at weliso AGP woreda of Oromia region.
- One new fertilizer technology (Multi Nutrient Fertilizer) on chickpea and two crop varieties (chickpea/Arerti and Sesame/Setit I) are under field demonstration and multiplication respectively in 3 AGP Regions (Amhara, Tigray and Oromia).

- 3 FTE Job has been created for 34 people in relation to blending fertilizer factory house construction which is being carried out in collaboration with Becho-Weliso Farmers' cooperative union at Tullu Bollo Town of Oromia region.
- 13 MoA, ATA experts and FCU Managers were sent to Malawi and Zambia for exposure visit to acquaint themselves with the blended fertilizer production and business. The purpose of the trip was to understand the basic requirements, challenges and opportunities of running fertilizer blending factory as a business. (Trip report attached)

Key Activities and Successes

- **Fertilizer Briquette Demonstration** - The objective of this demonstration is to introduce new method of urea fertilizer application to the farmers in form of briquette. It is well known that the current granular urea fertilizer used by farmers for top dressing is highly volatile and easily leached by rain after application. Studies showed that about 50% N will be lost when urea is applied in granular form. In this regard demonstrations were conducted at the AGP Woredas of Amhara, Tigray, Oromia and SNNPR Regions.



Fertilizer Briquette Demonstration site,
SNNPR

- **SNNPR Region:** 15 briquette demonstrations were conducted at Ennemor-Enner & Yem special woredas' of SNNPR region on 15 farmers fields. Currently the data were collected from all sites as per the protocol & are indicated below.

Result of fertilizer briquette demonstration in SNNPR

No	Farmers Name	Woreda	Quintal/ha			
			Urea granular	USG	Urea AS briquette	Urea AS granular
1	Girima Rago	Yem	53.3	74.7	80.0	64.0
2	Aba Temam Gian	Yem	48.0	53.3	60.8	53.3
3	Aba Moga Aba ali	Yem	87.5	80.0	99.2	96.0
4	MohamedAmin Shijemal	Yem	91.2	96.2	113.5	104.5
5	Abajehad Abadura	Yem	84.3	87.5	99.2	96.0
6	Aba Moga Abagero	Yem	85.3	90.7	106.7	101.3
7	Aba Jihad Shiebrahim	Yem	78.9	96.0	97.1	85.3
8	Ahemed Gissa	Yem	74.7	83.2	77.9	80.0
9	Abazinab Aba Buligu	Yem	68.3	89.6	96.0	77.9
10	Kemeriya Hji diga	Yem	68.3	78.9	77.9	74.7
11	Abdi Ali	Ennemor-Enner	74.7	80.0	86.4	77.9
12	Emam Shafi	Ennemor-Enner	66.1	70.4	71.5	69.3
13	Bekana Naji	Ennemor-Enner	64.0	74.7	80.0	69.3
14	Awel Shami	Ennemor-Enner	60.8	68.3	70.4	64.0
15	Akram Tereda	Ennemor-Enner	67.2	73.6	76.8	71.5
Average Quintal/ha			71.5	79.8	86.2	79.0

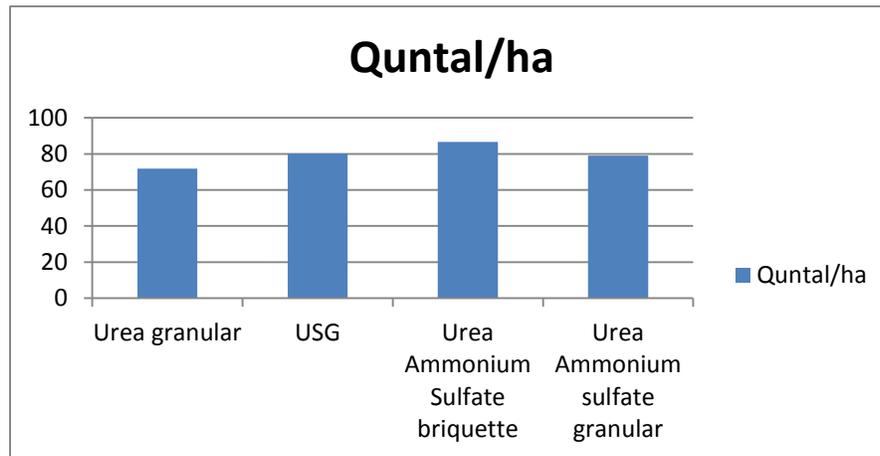


Figure 1- Summary of the treatments in SNNPR

- **Oromia Region:** 5 (five) urea briquette demonstration results on maize were collected for further analysis and subsequent recommendation. The demonstration results were collected from Weliso, Wenchi, Gomma, Limu Sekka and Dhedhessa AGP woredas of Oromia Region. The preliminary analysis showed that the Urea briquette and Blending fertilizer with Sulfur and Zinc element have positive impact on yield of the crop variety under demonstration.

No.	Woreda	kebele	Plot Owner Name	Yield (Quntal/ha)			
				Urea Granular	Urea Briquette	Urea + AS mix (granular)	Urea - AS Briquette
1	Weliso	Gurura	FTC	67	63	54	65
2	Wenchi	Belbela	Girma Workneh	41	43	41	46
3	Limmu Sekka	Atnago	Jihad Abamilki	66.24	72	77.6	81.6
4	Gomma	Choche	Zeyinu	63	72	72	48
5	Dhedhessa	Saso	Abdullahi Abagero	35.8	36.5	36.8	35.6
Average Quntal/ha				54.61	57.30	56.28	55.24

Table 2 - Result of fertilizer briquette demonstration in Oromia Region

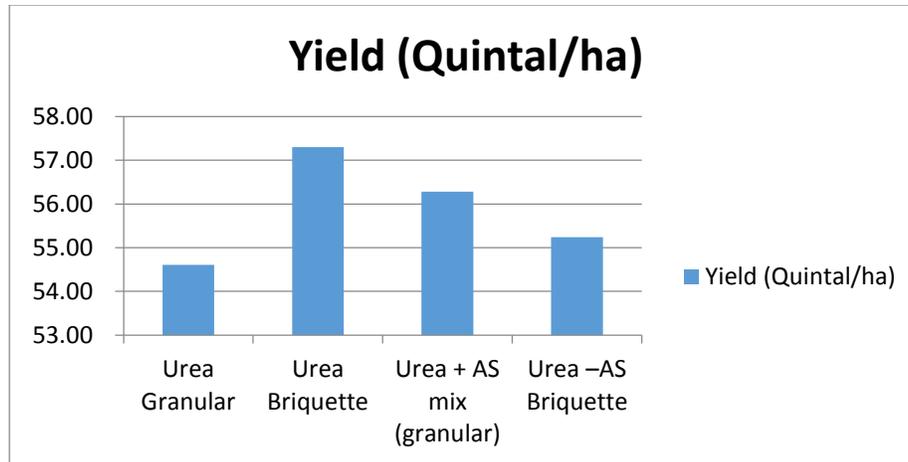


Figure 2 - Summary of the treatments in Oromia Region

- **Amhara Region:** 8 (eight) briquette demonstrations were conducted in the current rainy season. Harvesting is completed in all demonstration sites. However, yield data is collected from three sites only. Yield data from the remaining sites will be completed and reported soon. From Table 4, preliminary results revealed that plot treated with Urea-Ammonium Sulfate briquette showed the highest result compared to the other treatments.

No	Woreda	Kebele	HH Farmer Name	Yield (Quintal/Ha)			
				Urea granule	Urea briquette	Urea AS granule	Urea AS briquette
1	Ankessa	3tu Segno	Getenet Bayu	42.5	51	53.5	57
2	Womberma	Wogedade	Tegegne Alemker	43.5	47.5	52	59
3	Womberma	Bureafere	Alemayehu Adane	60	65	68	72
Average Quintal/Ha				48.67	54.50	57.83	62.67

Table 3 - Maize Urea Briquette demonstration result in Amhara Region

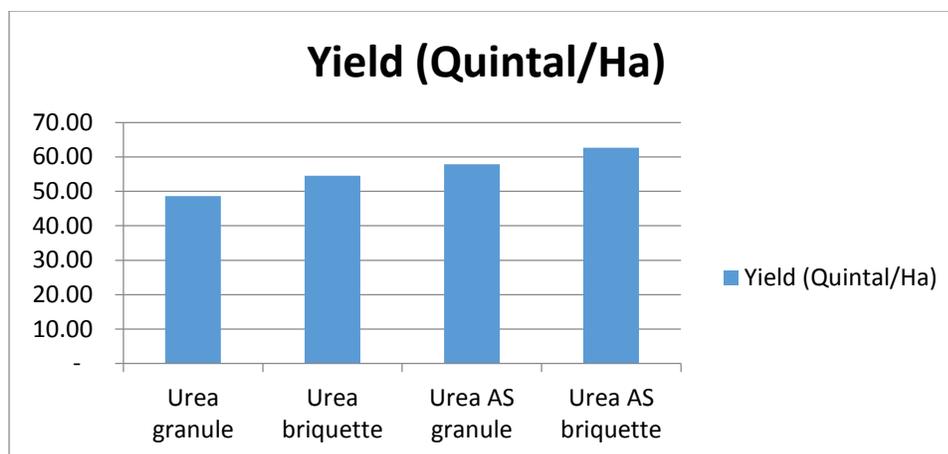


Figure 3 - Summary of the treatments in Amhara Region

- Omission Trial Demonstration** - Multi-nutrient fertilizer demonstrations were conducted in Tigray, Amhara, SNNPR and Oromia regions in collaboration with partners. The objective of this demonstration trials is to evaluate whether nutrients in addition to Nitrogen and Phosphorous can result in economic returns when added to the standard fertilizer recommendation of DAP and Urea fertilizers (which supply Nitrogen and Phosphate only).

Treatments tested in the demonstrations are:

Treatment -1: DAP, Urea, Ammonium sulfate, Zinc sulfate and Borax

Treatment -2: DAP, Urea, Zinc sulfate and Borax

Treatment -3: DAP, Urea, Ammonium sulfate and Borax

Treatment -4: DAP, Urea, Ammonium sulfate and Zinc sulfate

Treatment -5: DAP and Urea

Treatment -6: DAP, Urea, Ammonium sulfate, Zinc sulfate, Borax and Copper (Copper for wheat only)

- Tigray Region:** Out of the 9 wheat and 9 sesame demonstration sites in Tigray Region, the treatment that included micronutrients out-yielded the DAP and Urea treatments at all 18 sites. The best-performing treatment was treatment six (All+Cu) for wheat and treatment one (All) for sesame in an average yield difference of 12.58 qts and 1.31 qts per hectare for wheat and sesame respectively. Average wheat and sesame yield per hectare of each treatment are presented in Table 5 and Figure 5.

Table 4 - Crop response to fertilizer treatments in Tigray Region

Crop Yield (qts per ha) % Yield increased due to				
	All	All-S	All-Zn	All-B	N&P	All +Cu	All	All-S	All-Zn	All-B	All +Cu
	T1	T2	T3	T4	T5	T6	T1 vs T5	T2 vs T5	T3 vs T5	T4 vs T5	T6 vs T5
Wheat	54.5	49.6	51.1	52	42.3	54.9	29%	17%	21%	23%	30%
Sesame	6.9	6.1	6.5	6.4	5.6	6.3	23%	9%	16%	14%	13%

All = NPSZnB (Nitrogen, Phosphorus, Sulfur, Zinc and Boron)

All-S = (Nitrogen, Phosphorus, Zinc and Boron – no Sulfur)

All-Zn = (Nitrogen, Phosphorus, Sulfur and Boron – no Zinc)
 All-B = (Nitrogen, Phosphorus, Sulfur and Zinc – no Boron)
 N & P = (Nitrogen and Phosphorus)
 All+Cu = (Nitrogen, Phosphorus, Sulfur, Zinc, Boron and Copper)

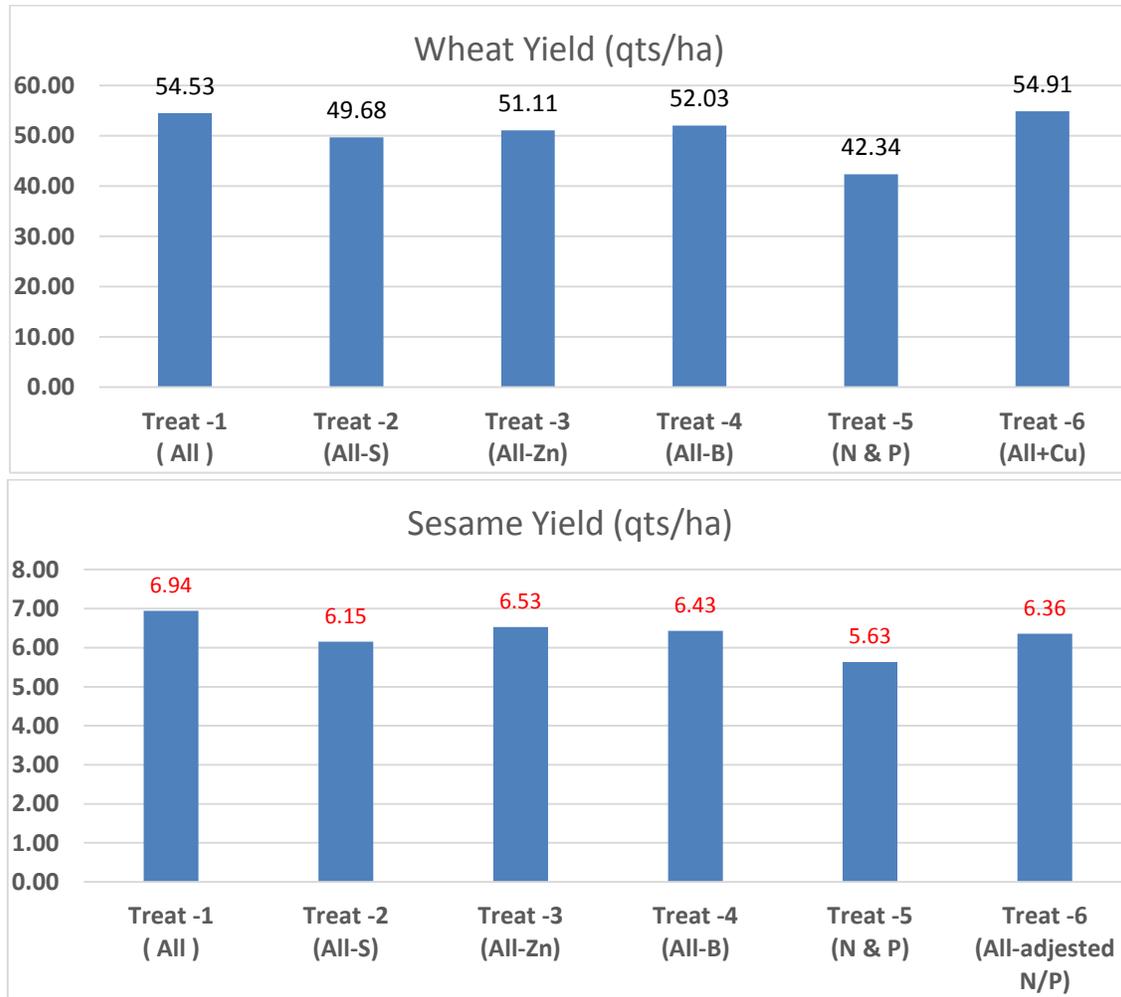


Figure 5 - Crop response to fertilizer treatments in Tigray Region

○ **Oromia Region:** 3 (three) Multi-nutrient fertilizer/omission trials on chickpea were



Multi-Nutrient Fertilizer Demo on chickpea at Weliso AGP woreda,

conducted on 3 (one female) farmers' field at Weliso AGP woreda of Oromia Region. The demonstration has been conducted in collaboration with Weliso woreda Agricultural and AGP coordination offices. The chickpea variety that has been used for the demonstration is Arerti which is kabuli type and has got great demand in International market.

- 3 (three) wheat and maize omission trails results were collected from Weliso, Wenchi, Gomma, Limu Sekka and Dhedhessa AGP woredas of Oromia Region for further analysis and subsequent recommendation.

Woreda	Kebele	Plot Owner Name	Yield (Quintal/ha)					
			DAP+Urea+All (S+Zn+B)	DAP+Urea+All -S (Zn+B)	DAP+Urea+All - Zn(S+B)	DAP+Urea+All - B(S+Zn)	DAP+Urea (current recommendation)	DAP+Urea+All + Cu (S+Zn+B+ Cu)
			T1	T2	T3	T4	T5	T6
Weliso	Gurura	FTC	66	41	59	50	57	52
Wenchi	Belbela	Girma Workneh	59.38	53.13	54.17	58.33	52.08	42.71
Average Quintal/ha			62.69	47.07	56.59	54.17	54.54	47.36

Table 5 - Raw data of Maize Omission Trial Yield Result in Oromia Region

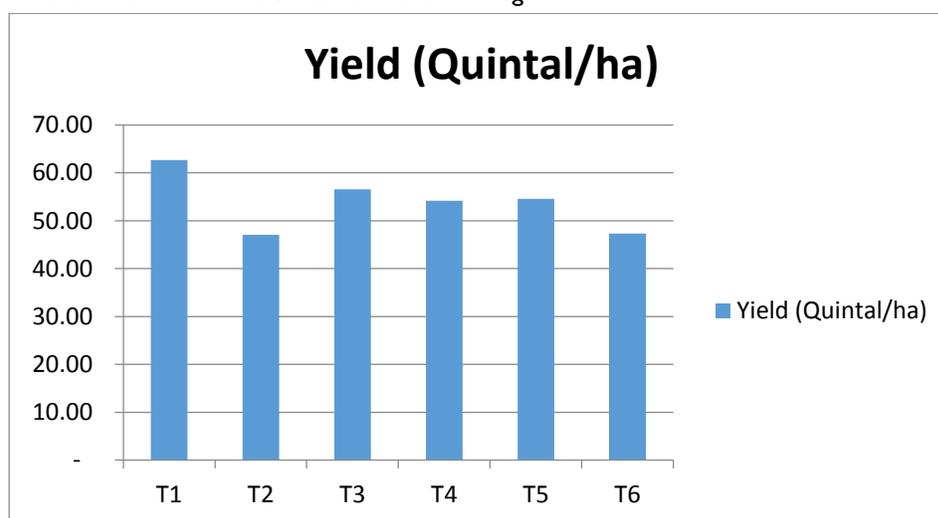


Figure 6 - Raw data of Maize Omission Trial Yield Result in Oromia Region

Woreda	Kebele	Plot Owner Name	Yield (Quintal/ha)					
			DAP+Urea+All (S+Zn+B)	DAP+Urea+All -S (Zn+B)	DAP+Urea+All - Zn(S+B)	DAP+Urea+All - B(S+Zn)	DAP+Urea (current recommendation)	DAP+Urea+All + Cu (S+Zn+B+ Cu)
			T1	T2	T3	T4	T5	T6
Wenchi	Sonqolle Qaqe	Chindi Adunya	18	17	18	19	20	20
Gasera	Dembel Amogisa	Woreda Agri Office	48	40	46	40	45	36
Gasera	Awusencho	Kedir	46	47	53	51	43	46
Average Quintal/ha			37.33	34.67	39.00	36.67	36.00	34.00

Table 6 - Raw data of Wheat Omission Trial Yield Result in Oromia Region

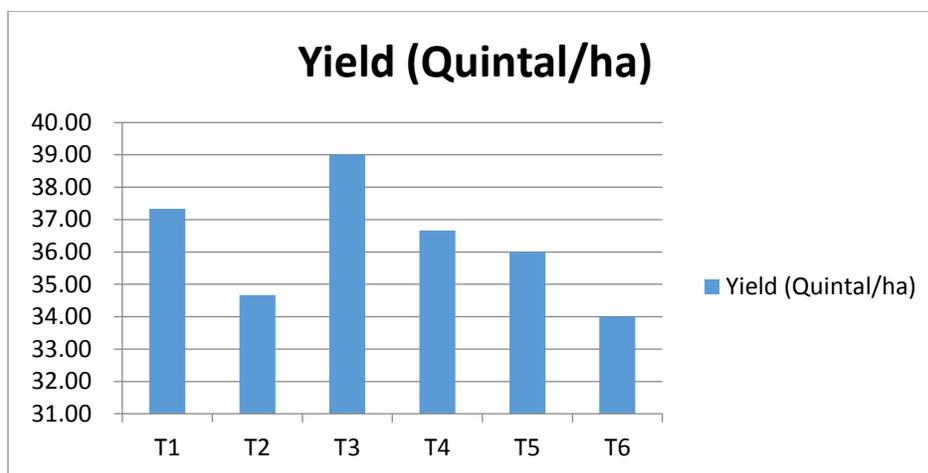


Figure 7 - Raw data of Wheat Omission Trial Yield Result in Oromia Region

- **SNNPR Region:** In this quarter, the data were collected from 13 demonstration sites of SNNPR. The rest data will be collected as crop is ready to be harvested. Below Table 8 indicated that all plot treated with All+Cu fertilizer showed significant yield increment against the other treatments. preliminary result indicated more than 50 % yield increment of plot treated with all fertilizer including Copper sulfate fertilizer against to conventional fertilizer i.e. DAP & Urea .

No	Farmers Name	Woreda	Grain Yield quintal/ha					
			NPSZnB (All)	All-S	All-Zn	All-B	NP	All+Cu
1	Ismael Mossa	West Azernet	58.3	50	41.6	50	46.6	65
2	Bes Sufamohier	West Azernet	66.6	58.3	50.6	63.3	45	75
3	Fedlu Hunda	West Azernet	50	45	45	41.6	33.3	58.3
4	Sirgata Mohamed	West Azernet	87.7	83.7	81.8	82	61	95
5	Hidrate Shifa	West Azernet	58.3	41.6	50	50	33.3	62.5
6	A/Semed Mohamed	Ennemor-Enner	34.5	30.4	32.4	31	28.8	34.5
7	Eneda G/Michael	Ennemor-Enner	16.8	13	13.5	13.4	11	16.8
8	Shilimat FTC	Alicho	86.4	70	79	83	66	93
9	Lemlem FTC	Alicho	76.7	59	62	65.7	42.7	81
10	Bantiyergu G/Wold	Endegane	70	62	60	61	55	75
11	Lafereka Rehametto	Endegane	60	55	55	53	50	57
12	Wabella Jemal	East Azernet	30	12.5	27.5	27.5	25	47.5
13	Shukura Beshier	East Azernet	39.75	29.3	34.6	27.875	21.8	50
Average quintal/ha			56.5	46.9	48.7	50.0	40.0	62.4

Table 7 - Omission demonstration result in SNNPR

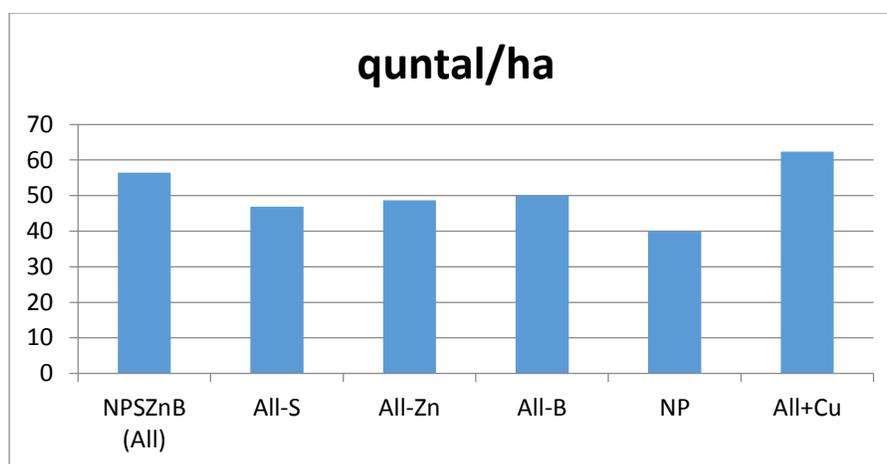


Figure 8 – Summary of treatments in SNNPR

- **Amhara Region:** 5 (five) fertilizer omission trials were conducted on sesame. In general 2013 rainy season was considered as good in adequacy and distribution for sesame production all over the Region. However in Jawi Alelegn's plot was damaged entirely due to successive ice-rain and heavy rain during vegetative growth stage. In the same woreda, at Alemenew's plot and at Tebeje's plot in Metema woreda yield reduced due to strong driving rain at grain filling stage. In the three trial sites problems associated with site selection, crop/weed management, and use of traditional practices affected yield level. As a result yield information from the two sites is not considered for analysis. Yield data of Jember and Tega from Metema is considered for analysis. Table 8 below displays sesame omission trial grain yield results in 2013.
- Grain yield (qt ha⁻¹) of sesame in 2013 was affected by multi-nutrient application. Treatment plot with N P S Zn B and N P Zn and B gave the highest result. Treatment plot with basal application of (kg ha⁻¹) 100 DAP, 30 ammonium sulfate, 7.2 zinc sulfate, 6.8 borex top dressed with 36 Urea and treatment plot with 100 DAP, 7.2 zinc sulfate, 6.8 borex as basal application with 50 Urea top dressed produced significantly higher grain yield of sesame compared with other treatments with different levels of application.

No	Treatment details	Metema woreda			Jawi woreda	
		Jemberu	Tega	Tebeje	Alemnew	Alelegn
1	N P S Zn B (All)	8	8	4	1	-
2	N P Zn B (All-S)	8	4	5	1.5	-
3	N P S B (All-Zn)	7	7	5	1.5	-
4	N P S Zn (All-B)	7	6	5	1	-
5	N P (current recommendation)	6	6	4	1.5	-
6	N P S Zn B (Adjusted NP)	5	5	5	1	-

Table 8 - Grain yield of sesame (qt ha⁻¹) in Amhara Region

- This year eight (8) multi-nutrient blended fertilizer omission trial was conducted on maize to demonstrate multi-nutrient and develop multi-nutrient fertilizer recommendation for the different agro-ecological areas of the Amhara region. At present maize harvest is complete, with yield data collected from two sites only. Drying and threshing is underway in the remaining sites of maize and would be reported shortly. Preliminary results revealed that plot treated with all fertilizer ALL+ Cu (N, P, S, Zn, B+Cu) gave the highest result. Below table 10 displays maize fertilizer omission trial result.

No	Woreda	HH Farmer Name	Yield Qt Per Ha					
			N P S Zn B (All)	N P Zn B (All-S)	N P S B (All-Zn)	N P S Zn (All-B)	N P (current recommendation)	N P S Zn B Cu (All+Cu)
1	Bure Zuria	FTC	60	44.5	38	42	51.5	64
2	Womberma	FTC	66	62	56	56.5	64	68

Table 9 - Maize fertilizer omission trial result in Amhara Region

- This year nine multi-nutrient fertilizer trial conducted on wheat to demonstrate multi-nutrient performance and develop multi-nutrient fertilizer recommendation for the different agro-ecological areas of the Amhara region. At present wheat harvest is complete in all the trials with drying and threshing underway. Yield information is available only in one trial plot. Preliminary results revealed that plot treated with all fertilizer ALL+ Cu (N,P,S,Zn,B+Cu) gave the highest result. Below table 11 shows maize fertilizer omission trial result.

No	Woreda	HH Farmer Name	Yield Qt Per Ha					
			N P S Zn B (All)	N P Zn B (All-S)	N P S B (All-Zn)	N P S Zn (All-B)	N P (current recommendation)	N P S Zn B Cu (All+Cu)
1	Womberma	FTC	49	38	41	40	33	53

Table 10 - Wheat fertilizer omission trial result in Amhara Region

- **Improved Seed Multiplication Program:** In modern agriculture, seed is the driving force to deliver almost all agriculture-based technological innovations to farmers. The availability of and access to quality seed is, therefore, determinant to the efficiency and productivity of other packages (irrigation, fertilizers, pesticides) in increasing crop production to enhance food security and alleviating rural poverty.

The objective of this program is to increase the demand for superior varieties of maize, wheat, sesame and chickpea, technical support in quality seed production and market development to commercial seed companies, FCUs and seed cooperatives for sustainable seed supply to small scale farmers.

- **Amhara Region:** Sesame improved variety (Humer-1) basic seed multiplication undertaken in 3 (three) woredas at 7 (seven) farmers and investors plot at 91.77 ha and 422 qt certified seed produced for next season planting. The certified seed will be purchased by Tsehay union and would be stored after cleaning for next year distribution. Farmers expressed their interest to use this seed variety and requested the project office and government for timely supply. In the coming season, using the improved seed (422 qt) it would be possible to cover more than 10,000 ha and benefit large number of farmers. Table 12 below summarizes the result.

Woreda	Kebele	Specific Site	Area covered (ha)	Inspection Result			
				Area (ha)	Expected yield(qt)	Achieved (qt)	# of farmers
Metema	Metema Yohanees	Uni and Dane plc.	71	70.75	389	387	1
		Tesfa W.	10	6.8	24	4	1
	Meka	Tega A.	0.25	0.23	0.6	0.68	1
		Tebeje L.	0.52	0.5	2	2	1
Sub-total			81.77	78.28	415.6	393.68	4
Tach Armacho	Chikuana	Ferenju	0.5	0.5	1.5	1.5	1
		Dibu Y.	0.5	0.5	1.5	1.0	1
Sub-total			1	1	3	2.5	2
West Armacho	Koreomur	Dr. Ayana	9	8.7	35	29	1
Sub-total			9	8.7	35	29	1
Total			91.77	87.98	453.6	422	7

Table 11 - Sesame improved seed multiplication result in Amhara Region

- Tsehay union distributed 125 qt and 1800 qt chickpea (Arerti variety) basic and certified seed respectively to small scale farmers at seven potential woredas of the region. Accordingly, 1127 ha of land was under chickpea seed multiplication and expected to produce 22540 qts of raw seed with average 20 qt/ha productivity. The number of participating farmers in this seed multiplication activity is 3500.
- Farmers' field days were organized at farmers' seed multiplication site at Dejen and Koladeba woredas of Amhara Region. In both woredas 140 (13 Female) participated including farmers, kebeles, woredas, zone, research centres regional and national officials and project staff. Farmers appreciated the outstanding performance of the improved variety and expressed their keen interest to cultivate the variety and duly requested the FCU/PC and woreda agriculture office for timely supply.

- **Tigray Region:**
- Five seed producer cooperatives and nine commercial farms participated in the seed multiplication program with 193.4ha (wheat 113.4ha and sesame 80ha) which enabled 193 small holding farmers (61 female, which is 29.6%) and 9 commercial farms to be part of the program.
- Accordingly, 3803 Qts of seeds were produced by cooperatives and commercial farms in both wheat and sesame VCs. Accordingly ESE has purchased and collected 1105.62 qts of seed so far (Table 13).

Crop	Name	Area (Ha)	Production	
			Total Production (Qts)	Purchased by ESE (Qts)
Wheat	Seed Producer Cooperative			
	Firiat Gogol	27.375	940	324
	Firiat Haya	39	1521	630
	Kokob	22	870	58.39
	sub total	88.375	3331	1012.39
	Commercial Farm			
	Gebbru Hagos	10	120	93.23
	Alamata Agro processing	10	100	
	Firiatina	5	56	
	sub total	25	276	93.23
	Wheat total	113.375	3607	1105.62
Sesame	Primary cooperative			
	Maicadra	10	31	
	Egrimitkal	10	11	
	sub total	20	42	
	Commercial Farm			
	Hiwot Mecanization	20	68	
	Hailemariam Aregawi	10	26	
	Guesh Hailemical	5	6	
	Zeru Birhane	5	7	
	Desta Berhe	10	30	
	Mebrahtu W.tinsae	10	17	
sub total	60	154		
sesame total	80	196		
Grand Total	193.375	3803		

Table 12 seed multiplication activity in Tigray Region

N.B: - There are an additional 6.5 hectares and 13 small holding farmers at Fariat Haya seed Cooperative which was not reported before, because the data that we had was only considered farmers which received AGP-AMDe grant.

- **Oromia Region:** Wheat (Dende'a variety) seed multiplication activity is being carried on 43 ha of Siko Mendo FCU farm at Ginir woreda of Bale zone. 68.5 qt of basic seed was purchased by AGP-AMDe grant arrangement. 2494 qts raw seed is expected to be harvested with 58Qt/ha average productivity. 2245 qt cleaned seed will be obtained with 90% cleaning recovery which will be distributed to farmers in Bale zones and cover 1496 ha land in return.

In addition, with the technical support from AGP-AMDe, Siko-Mendo FCU has also engaged on Certified Seed Two (CS2) multiplication on 46 ha of land. It is estimated that about 1840qt (1656 qt cleaned seed with 90% recovery) of raw seed to be harvested from this seed multiplication field. Likewise, the seed will be distributed to farmers in Bale zones including AGP Woredas (Agarfa, Gasera and Sinana). Such decentralized seed multiplication and distribution system will address issue of the availability, access to and utilization of seed of improved variety by small scale farmers in sustainable way.

As a result, members (farmers) of the Union and government institutions and officials have highly appreciated the efforts made by the union to multiply the seed and all the supports given by AGP-AMDe project.

In addition, Chickpea seed is under multiplication activities in collaboration with Erer, Lume-Adama and Becho-Weliso FCUs. Accordingly, 429.89 qt of seed of Arerti variety has been distributed to 884 (93 female) member farmers of the unions and 353.26 ha of land has been planted. It is estimated to harvest about 8597.8 qt (7738qt cleaned seed with 90% recovery) raw seed and expected to be redistributed to small scale farmers in the region and will cover 6448 ha of land in the upcoming cropping season.

Technology Transfer and Scaling up

- **Blended Fertilizer Initiative:** It is initiated by the Ministry of Agriculture and ATA to address the soil fertility issues and the increased use of fertilizers. This will directly contribute to the objectives of the Agricultural Growth Program of the country. Since last year, AGP-AMDe is working towards contributing to this initiative through conducting micronutrient fertilizer demonstrations and soil testing in all four AGP regions in order to provide information on fertilizer options which addresses the specific need for the crops with respect to existing soil nutrient deficiencies. USAID through AGP-AMDe project had committed to procure blending fertilizer equipment for Becho woliso FCU and related technical support to the selected FCUs in all four regions. Accordingly, in this quarter different activities were made through the input component of the project in undertaking technical evaluation of bidders, construction site supervision, training to board members, managers and stakeholders.
 - **Oromia Region:**
Sensitization workshop training on Blended fertilizer factory establishment was conducted in collaboration with ATA and given to Becho-Weliso Board and management members and Zonal and Regional Coop promotion Office delegates. The blended fertilizer demonstration result was also presented to the participants by AGP-AMDe and ATA experts during the event. The demonstration results showed that blended fertilizers have

potential to enhance productivity and quality of all the value chain crops. In addition, the Malawi and Zambia experience on Blending fertilizer manufacturing and marketing was presented by Mr. Tim Durgan. It was able to learn from the feedback that the participants got very important information and knowledge from the workshop and has promised to fully own the program and actively participate to materialize the program. Moreover, the board members have delighted with the opportunity that their union got and promised to work hard to mobilize all member farmers by making informed decision. Generally, the workshop has cleared some ambiguity of the board member and helped to decide with full confidence any decision that is related to Blending Fertilizer Factory in the future.

Likewise, Blending Fertilizer Factory establishment activities in collaboration with different partners such as USAID, ATA, WB, and Becho-Weliso Farmers' Cooperative Union have been started at Tullu Bollo Town. Accordingly, the factory house and warehouse constructions have been started by two separate contractors. The warehouse foundation work is under progress and the first batch of blended fertilizer is expected to be produced at end of March and the beginning of April 2014. The importation of raw materials for the factory is under process and the first batch of the raw material is expected to reach Becho-Weliso FCU by the end of January 2014.

- **Amhara Region:** A synthesis workshop on blending fertilizer was organized by the national AGP/ATA for Merkebe FCU and primary cooperatives board members 28 (4 females) in Bahir Dar, Amhara Region. During the workshop experts from national & region ATA, region & zone BoA, CPA and Merkebe FCU presented paper, shared experience and lessons learned from their recent blended fertilizer factories visit in Mali and Zambia. The workshop created awareness on the use of blended fertilizer and developed common understanding on the blending factory establishment, thereby enhancing their participation for effective implementation and operation to secure blended fertilizer availability, cost and local development to benefit the region farmers at large. In realizing the workshop objective, the region AMDe input specialist actively participated and contributed. The workshop ended identifying the immediate integration and capacity development gaps and planned activities for timely implementation
- **SNNPR Region:** Training on the importance of blended fertilizer was given for 13 board members of Melik-Silte FCU, zonal marketing and coop. department & Regional Bureau of Agriculture in collaboration with ATA. 2012 multi-nutrient fertilizer demonstration results were presented during the training.

Technology Transfer on Farmers' Field Day

- **SNNPR Region:** Field days were conducted on most of the demonstration sites .On the field days participants from Regional Bureau of Agriculture, AGP-PCU, AGP-AMDe from SNNPRS branch office, Experts from soil testing laboratory, Officials from Woreda administration office, FCU members, Zonal Agricultural department, Woreda agricultural

office experts and officials, Woreda mass media, SNNPRS mass media, Woreda marketing & coop. Bureau and Lead farmers from adjacent kebeles were attended the events. The participants expressed that plot treated with all fertilizer +Cu & with all fertilizers have showed the best performance & requested the newly introduced blended fertilizer. The government officials promised to import the blended fertilizer in this production year. Table 9 below summarizes the number of participants in different field days.

Regarding to the fertilizer briquette demonstration during field visit the farmers opinion showed that, particularly plot treated with briquetted fertilizer is better in yield than conventional urea application and they arise some advantages of the briquette fertilizers:-

- Very easy for application (even the kids can apply)
- The rate is already briquetted
- Less labor consuming
- Less leaching capacity, the crop can use at optimum

Woredas	Male	Female	Total
West Azernet	315	35	350
Melga	390	10	400
Endegane	265	67	332
Yem SPW	221	40	261
Alichu-worero	174	54	228
Total	1365	206	1571

Table 13 - Farmers attended field days in SNNPR Region

- **Amhara Region:** A number of field days were organized on maize, sesame, chickpea fertilizer demonstration and seed multiplication sites. No field day organized for wheat alone. it was visited together with maize field day. Participants in the different field days include; farmers and their participating family, FCUs, kebele, woreda, zone, research centers, region and national government, and project officials and experts. About 1661 (239 F) visited the demonstration exceeding the target by more than 50%. Maize was the highest visited crop followed by sesame. Table 10 below summarizes the participants in the different field days conducted. Participant expressed their knee interest to use blended fertilizer, Urea briquette placement and improved variety seed for planting and duly requested the government officials and the project for the timely supply of the demonstrated inputs.

Crop	# of woredas visited	Participants	
		Male	Female
Maize (AMSAP)	5	911	60
Maize (BH 661)	6	210	146
Sesame	3	174	20
Chickpea	2	127	13
Wheat	-	-	-

Total	16	1,422	239
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Table 14 – Total number of participants in different field days in Amhara Region

- **Oromia Region:** 4 (four) Farmers’ field day on multi-nutrient demonstration sites were organized in collaboration with Wenchi, Weliso, Agarfa and Gasera woredas Agricultural and AGP coordination offices. The participating farmers observed the performance of different fertilizer formula on wheat and maize crops. The field days were good opportunities to popularize and create demand for blending fertilizer and urea briquette in the future. The discussion point during the field day was the supply of blending fertilizer and urea briquette. Accordingly, the farmers were informed that Blending Fertilize factory is under the process of establishment under Becho-Weliso FCU and hopefully, the blending fertilizer to be supplied on upcoming season and to materialize the promise all stakeholders are working very hard with full collaboration spirit and transferring vision of Ethiopian Agriculture.
- **Tigray Region:** 3 (three) Field days on multi-nutrient fertilizer demonstration and seed producer cooperatives' seed multiplication fields were held at Ofla and Welkait districts, Tigray region. The field days were held at sesame and wheat farms, 274 participants (76 female, which are 28%) from Region, zone, district and village level were attended. At wheat field day, the demo site owner farmer and his wife expressed their commitment to perform the fertilizer demonstration for their economic advantage, to be an exemplary in their locality and to support the effort of the government on increasing productivity of small scale farmers. In addition to this seed producer farmers explained the practical implementation of the seed production process and then, the local development agent (DA) also explained the practical differences he has observed in terms of applying the new farm inputs as compared to the conventional or traditional methods. At sesame field day, group of invited guests, stakeholders and farmers have got an opportunity to observe live events of the field day and as the demonstrator farmer has a plot of farm adjacent to the demonstration plot planted the same sesame crop at same time in a traditional way (using a local variety without applying chemical fertilizer). Participants had the chance to compare both the traditional farm plot and the multi-nutrient fertilizer plots, express their appreciation how treated plots performed better than both the conventional (DAP and Urea) plot and the adjacent traditional one.



The regional state cabinet including the State President on field visit - Tigray

Woreda administration and office of agriculture were organized a field day to visit our fertilizer demonstrations and seed multiplication fields and 102 participants (21 female, which is 20.5%) from district and village level were attended. In addition to this the regional government was arranged a field visit for the regional cabinet

(including the president) at different districts, our fertilizer demonstrations and seed multiplication fields were part of the visit.

Assessment of Cooperatives Agri-inputs Supply System

The objective of the assessment was to collect relevant data and information on the existing input (fertilizer & improved seed) supplies, transportation and storage, distribution and marketing by FCUs/PCs to better understand the efficiency of the system, identify gaps and develop capacity development interventions for future improvement of the input marketing system.

- **Amhara Region:** Together with the AMDe Input Marketing Specialist a three day FCUs and PC assessment was completed at three FCUs namely; Admass FCU (Kosober), Damote FCU (Bure), Tehay FCU (Gondar) and Addisalem PC (Gondar Zurea). During the assessment FCUs board members and related public and private agency officials and experts contacted, discussed and views exchanged. The major points discussed include;
 - Limited skills in input planning, store management, book keeping and reporting. Capacity development at all level is important.
 - FCU is not practically involved in fertilizer marketing business at present. The region requests the annual demand and AISE imports the fertilizer and provide to the identified FCUs by the region. Then the FCU distribute the fertilizer to the different PCs, and the PCs distribute to individual farmers. In the process we learn that the role of FCUs is limited to facilitation and supervisory.
 - Problems associated in fertilizer loan repayment collection
 - Low profit margins collected by the FCUs & PC for the service provided on distribution
 - Lack of storage warehouse with wide space adjacent to the PCs
 - Lack of skilled professionals to manage the FCUs under transformation
 - Poor support and intrusion by zone and region cooperative promotion agency on routine activities implementation
- **Oromia Region:** Assessment of cooperative agricultural inputs supply systems carried out at 4 (four) Farmers' Cooperative Unions (Erer, Lume-Adama, Hetosa and Liben) in Oromia. The assessment carried out by an ESTTA who came from Kenya and AGP-AMDe local staff. The analysis is being carried out by the ESTTA and is expected to be finalized and submitted to AGP-AMDe with possible recommendations for future improvement of the system.
- **SNNPR Region:** Assessment of coop. on Agr-input supply system was conducted at three FCU and one PC. (Sidama Elito, Lecha Hadiya and Admas FCU & Mehal Enekor PC of West –Azernet Silte zone). During assessment the following points were identified as critical issues which hamper effective input distribution by the FCU. The points are:
 - Practically FCU will not participate in fertilizer marketing business. The AISE imported fertilizer is directly delivered by Southern Farmers' Cooperative Federation to the PC. The role of FCU is limited only on supervisory activities.
 - Low margin paid for FCU & PC for the service given on fertilizer marketing.
 - Storage problem

- Capacity building is very important particularly for PC members on store management and book keeping.
- Poor demand estimation (FCU & PC do not participate on demand estimation of agri-inputs)

Currently the regional government is planned to revise the existing Agr-input distribution system, 6 FCU (Lecha, Admas, Ambaricho, Walta, Melik & damotta) were selected as a pilot to involve in fertilizer marketing.

Training & Capacity Building: Five TOT Trainings on Agricultural Input Utilization were organized in collaboration with wheat, chickpea and maize value chains and given to 9 Farmers' Cooperative Unions (Ambo, Galema, Erer, Lume-Adama, Becho-Weliso, Liben, Raya Wakenna, Siko-Mendo and Agarfa Kejewa) as part of SMFM AGP-AMDe capacity building program for cooperatives. The training was given to 220 (15 female) lead farmers who are expected to cascade the training to about 6600 farmers in their respective kebeles.

Analysis of input supply

- **Challenges**

1. Low profit margins collected by the FCUs & PCs for the service provided on distribution.
2. Ineffective Agri-input marketing system /input distribution/, inadequate number of sale points in rural areas & Low commissions reduce incentives to participate the cooperatives in the fertilizer business.
3. Application of Blanket fertilizer recommendation & lack of fertilizer containing the important essential plant nutrients.
4. Lack of access to credit for farmers to purchase Agr-input as a result inadequate use of yield-enhancing agricultural inputs
5. Limited crop varieties & Low quality of same improved seed
6. Long distance to travel to purchase inputs particularly seed
7. Unrealistic demand estimation for Agro-inputs supply & lack of proper market information and promotion system.
8. Poor post-harvest technologies
9. Lack of storage warehouse with wide space adjacent to the PCs
10. Lack of skilled professionals to manage the FCUs under transformation

- **Opportunities**

1. The recent plan to establish blended fertilizer plants in four regions
2. The soil mapping and analysis project will provide information to the blended fertilizer plants.
3. Relatively good main season in most districts
4. Support and collaboration by stakeholders

Partners and Interventions/ Input- 4 AGP regions

Partners	Location (Woreda, Region)	Interventions during the Oct. – Dec. 2013 Quarter	Target Completion Date
1. Oromia Bureau of Agriculture	Addis Ababa	Blending fertilizer factory establishment	May 2014
2. Oromia Agricultural Research Institute	Addis Ababa	Multi-nutrient fertilizer demonstration and recommendation	June 2014
3. Oromia AGP Coordination Unit	Addis Ababa	Multi-nutrient fertilizer demonstration	June 2014
4. Oromia ATA Coordination Unit	Addis Ababa	Multi-nutrient fertilizer demonstration	June 2014
5. Oromia Integrated Soil Fertility Management Project	Addis Ababa	Blending fertilizer factory establishment	May 2014
6. Pioneer Seed Company	Addis Ababa	Advanced maize seed Adaptation program	December, 2015
7. Becho-Weliso FCU	Tullu Bollo	Blending fertilizer factory establishment	June 2014
8. Oromia Coop Promotion Agency	Addis Ababa	Blending fertilizer factory establishment	June 2014
9. ATA	Amhara Region, Bahir Dar	Blending fertilizer factory establishment	June 2014

Inputs Activity Tracker October – December 2013

Activity #	Activity Description	Indicator and Unit	Q2 – This Quarter			Cumul Up to this Quarter	Reason for Variances
			Target	Achieved			
				#	%		
IR I Improve the Competitiveness of Selected VCs – Input							
Sub IR I.4 Yields of targeted crops increased							
Op I.4.1 Reliable Access to Improved Seed Expanded							
	Study tour to seed unit and seed quality and research laboratory at University of Agricultural Sciences - Dharwad, India	# participants	9	0	0%	0	The number of participants and countries to be visited were changed and therefore the tour will be re-scheduled for 3rd Quarter
	Yield potential of commercial hybrid maize demonstrated in partnership with Pioneer using blended fertilizer top-dressing and fertilizer deep placement (AMSAP)	# seed multiplying entities	37	37	100%	66	In collaboration with AMSAP
	Test marketing of quality seed through distribution of small packs to coops and commercial farms	# of quintals distributed	100	50	50%	50	This is an activity that goes up to the 4th quarter and will be implemented as planned
	Op I.4.2 Effective Input Supply Created						
	Assessment of cooperative agri inputs supply systems (excluding four FCUs-blending units already assessed)	# of FCUs assessed	12	13	108%	13	

Activity #	Activity Description	Indicator and Unit	Q2 – This Quarter			Cumul Up to this Quarter	Reason for Variances
			Target	Achieved			
				#	%		
	Supporting the Cooperative Input Business Program through improvement in demand estimation, logistics planning, pricing structure and sale and delivery of inputs	# of FCUs supported	12	12	100%	12	The report will be ready for the 3rd quarter but all 12 FCUS were assessed as planned
	Initiation of input business linkages between FCU-blending units with PCSs, direct seed company marketing outlets and pilot marketing programs under ISSD II	# of FCUs supported	8	8	100%	8	The study was conducted but the linkage will start as FCUs start producing blending fertilizers in 3rd quarter
	Train small and medium enterprises (SMEs), including women & youth in potential rural markets for input sales and processing/marketing of agricultural products	# of SMEs moving to input biz	14	0	0%	0	The plan extends up to 3rd Quarter and will be accomplished accordingly
	Training in business and technical aspects of fertilizer distribution and marketing delivered to 16 FCUs	# trainees	102	0	0%	0	The FCUs and participants were identified for the 3rd quarter
	Provide technical assistance to commercial agri business service providers in areas with fertilizer blending plants	# trainees	10	5	50%	5	Efforts are underway but the delay with in the establishment of the blending plant had affected this activity

Activity #	Activity Description	Indicator and Unit	Q2 – This Quarter			Cumul Up to this Quarter	Reason for Variances
			Target	Achieved			
				#	%		
	Study tour for select FCA, MoA, RBoAs and FCU staff to India to see cooperative input marketing systems for agricultural inputs	# participants	0	0		0	This is planned for March 2014
	Op 1.4.3 Increased Technical Response to Blended Mineral Fertilizer for VC Crops Increased						
	Conduct farmer field days on demonstration plots	# of farmers	4025	5252	130%	5252	
	National and Regional workshops held to communicate demonstration results	# workshops	1	0	0%	0	
	IR 4 Stimulate Increased Innovation and Investment						
	Sub IR 4.2 Adoption of new and/or innovative services, technologies and practices by value chain actors, including women will be increased						
	Op 4.2.1 Fertilizer Blending Implemented						
	International study tour to observe fertilizer blending technologies completed	# participants	6	6	100%	6	
	Develop a business and marketing plan for each of the four planned FCU fertilizer blending enterprises	# plans	2	2	100%	2	

COMPONENT 2- IMPROVING ACCESS TO AGRICULTURAL FINANCE AND INVESTMENT

Overview

This quarter AGP-AMDe focused on securing working capital financing for many agribusiness actors that included FCUs, PCs and private commercial farmers in-line with the harvest season that requires large amount of funding to support commodity flowing from smallholder and commercial farmers to the market. The achievements in securing increased financing from government and private bank were a result of the focus on loan demand assessment and advising the borrowers to apply early before the harvest season, creating a platform in which borrowers and banks could discuss the challenges and support them on a one to one basis as and when required. Drawing from the AGP-AMDe's overall objectives Access to Finance continued its effort to address the systemic constraints through the following strategies:

- Create strong and lasting linkages between agricultural and financial sector actors to secure working capital and investment loan facilities
- Improve financial management capacity of agricultural actors
- Promote the expansion of leasing services leveraging the USAID DCA program
- Implement Community Warehouse Receipt pilot in Amhara region

Summary of Top Results

The key Access to Finance results for the life of the project are:

- The project assisted 43 FCUs and PCs in negotiating loans with financial institutions for working capital and project financing amounting to USD \$67.2 million. USD \$36.2 million has been approved and USD \$23.9 million disbursed to facilitate production and marketing of targeted value chains
- 97 MSMEs members of FCUs, SACCOs and other stakeholders received business development services from the project team in improving their capacity accessing financial services
- AMDe helped secure a USD 200,000 investment into METAD, an Ethiopian specialty coffee company by members of the EIAN, an angel investor.
- One alternative financial product was promoted among 4 FCUs
- Training was attended by 242 participants from different partner organizations and smallholder farmers and awareness raising campaign attended by 817 smallholder farmers on CRS
- One financial product is in process of development to make it functional. AGP-AMDe is working on introducing leasing system for FCUs and lease operators

AGP-AMDe Loan Facilitation Support by Value Chain

Value Chain	FCU/PCs	Loan Approved (MM USD)	Loan Disbursed (MM USD)
Coffee	3	2.0	0.5
Maize	11	5.7	3.5
Honey	4		
Wheat	10	1.8	1.5
Chickpea	4	4.0	4.0
Sesame	11	22.8	14.4
TOTAL	43	\$36.3 million	\$23.9 million

Summary of Key Activities and Successes

Agriculture lending Risk mitigation, Business Plan Development and Financial Management workshop/training: Continuing on the activities in the first quarter, AGP-AMDe held agricultural lending risk mitigation workshop-training as well as Business Plan development training in Jimma for Oromia and SNNPR with 39 participants, in Bairdar for Amhara Region with 36 participants, and in Mekele, Tigray region attended by 97 participants. The participants are mainly from five institutions:

- Farmers' cooperative unions leaders
- Banks (CBE, CBE,) experts and district managers
- Microfinance institutions experts and leaders
- Saving and Credit Association experts and leaders
- Government bodies mainly cooperative agency

The following are the major issues discussed on the workshop of agricultural lending risk analysis;

- Participants discussed that most agricultural contract lack enforcement mechanisms and this was another reason that banks fear to finance.
- Most FCU's financial history leading financial institutions to rely on collateral instead of lending on financial performance of agricultural transactions. However, the discussion helped banks to consider lending on a contract basis and case by case.
- Lack of agricultural insurance was identified as one of the reason for banks reluctance to lend to agribusinesses. Participants indicated that development practitioners to work on agriculture insurance both crop and livestock.
- Farmers need more financial services, not just credit for agricultural inputs and outputs that includes diversified portfolios.



The results of the workshop included:

- Better understanding between financial institutions and farmers' cooperative unions on agricultural lending
- Participants have clear understanding of credit request from banks including the pre and post credit activities. Filling and preparing proper check lists, producing business plan, fulfilling the needed documents on time, and making detail follow up of the credit.
- Bank experts understood that there are immense improvements from FCUs in being bankable.

- CBO, CBE, Abay Bank and Bunna Bank agreed to expand their relationship and working with FCU in each respective districts. As a result, the following FCUs have created better understanding and work relationship with respective district banks:
 - o Jimma district for FCUs in Oromiya and SNNPR especially focusing on Coffee and Maize
 - o Bahirdar and Gondor district for FCUs Amhara region focusing on Maize, Sesame, Chickpea
 - o Mekele district for FCUs in Tigray focusing on Sesame and Wheat
- Financial institutions and FCUs agreed to strengthen the WFP P4P maize purchase financing
- CBE and CBO agreed to work with wheat producing FCUs that have agreements or those which will have agreement with reliable buyers like EGTE
- Financial institutions showed interest to help FCUs prepare documentation rather than waiting
- Both the financial institutions and FCUs agreed to work on saving mobilization so that loanable fund availability will increase
- All financial institutions working in the selected areas presented their financial products to the participants with necessary steps to follow which created clear understanding for the value chain actors (FCUs) in preparing their documentation for credit requests
- CBE and CBO clearly presented their criteria in financing agriculture and this has improved the understanding of FCUs leaders in requesting credit and fulfilling important procedures
- All participants agreed to prepare necessary documentation on time and help the FCUs in achieving their credit requests

AMDe helped secure a USD 200,000 investment into METAD, an Ethiopian specialty coffee company by members of the EIAN. This investment will be used to establish a coffee processing facility on the METAD coffee farm, located near Yirgacheffe in the district of Hambela in the Oromia region of Ethiopia.

Working Capital & Project Financing Facilitation and Technical Assistance: In an effort to address one of the challenge identified, the project has actively worked in supporting FCUs and MSMEs in preparing loan application package including:

- Building business plan for project financing
- Preparing a simple cash flow forecast for working capital loans
- Securing financial audits from regional cooperative promotion agency
- Amending cooperative by-laws allowing FCUs board members and managers to borrow loans both for working capital purposes and various business they are building

While we continue supporting the FCUs through dialog with financial institution and other relevant stakeholders to ensure the full disbursement of the loan approved, number of challenges encountered by FCUs that included misunderstanding of export marketing policies, delinquent loan related to prior transactions, lack export market and price volatility. This required active support in negotiating with Financial Institutions as well as regional government institutions who are working closely with FCUs.

However, the early start has paid off as witnessed above both in the amount loan approved and disbursed as well as an increase in the mix of value chains supported.

Linking Agricultural Leasing Intermediaries with four FCUs: One of the AGP-AMDe activities is introducing new financial products to value chain actors. Following this plan, the project worked on introducing leasing system for the FCUs and lease operators. Subsequent to the round table discussion conducted in September 2013, between four selected FCUs and two lease operators in Shashemene town of West Arsi Zone, Oromia Region, securing a leasing service contract for the harvesting season continued. However, due to some factors the two parties could not come to an agreement that would have been the first long term leasing contract in agricultural sector. Though unsuccessful, a lesson is learned and planned revisit the FCUs as well as expand the service agreement to Amhara region that are keen to have such services.

On the other hand, AGP-AMDe continued providing technical assistance for the DCA program that was previously being provided by Serengeti Capital. Learning from the challenges faced by the previous TA provider as well as the potential beneficiaries and the banks. It was decided to have a dedicated person supporting the program. In doing so, a process of recruiting one person who will be working with potential beneficiaries in the agriculture sectors as well as the banks and other stakeholders to ensure the maximum utilization of the DCA fund as well as expansion of leasing among the agribusiness communities is underway.

Training for Implementation of Pilot Community Warehouse Receipt System

Owing to the excessive supply of farmers' produce in the post-harvest period and the subsequent shortages a few months afterwards, grain price is subject to seasonal fluctuations. And this seasonal price behavior has long been in place as a regularly repeated price pattern in Ethiopia. Most grain products are normally harvested in November/December. And various studies witnesses that, in January/February, grain supply reaches its peak and prices drop to their lowest level. In March/April the supplies start declining and the prices start to increase. The price levels reach a peak in June/July. At the time when the next harvest approaches, the prices again start to decline in anticipation of the new harvest.

Market oriented participants have long been taking advantage of price trends by storing the commodities and by thinly supplying the market until the next season. However, farmers are usually unable to store their produce and sell later when prices are relatively better. This is mainly due to their urgent cash demand to meet several obligations including debt repayment shortly after harvest coupled with absence of reliable storage facility. As a result, in most cases, farmers are price takers during the post-harvest period, while wholesalers are usually price givers.

In light of this situation, AGP-AMDe with the Ethiopian Agricultural Transformation Agency (ATA) initiation started implementing a pilot Community Receipt System (CRS). The CRS, in the context of the pilot, is an arrangement where farmers handover their produce to the Unions' warehouse via primary cooperatives. In return farmers will receive a Goods Received Note (GRN), which they can pledge with MFIs/RUSCCOs to access credit. Unions, once they received the grain from primary cooperatives, will become responsible for the control of the commodities to be used as collateral. The system is deemed to improve farmers' situation by availing them secured access to credit and reliable storage facilities for their grain, it gives them the option to sell when they can get the best price.

As yet, the project has been passing through several stages of implementation including model crafting, selection of pilot area and situation assessment among others. Accordingly, four primary cooperatives from Wemberema and Debre-Elias woreda of the Amhara regional state are selected for the pilot; these primary cooperatives are members of Damot and Gozamen unions. A subsequent situation assessment, which suggested the need for the undertaking of training and awareness creation campaign among others, had also been conducted. Accordingly, technical training on CRS, PHH, quality grading and warehouse management has been organized in Bure and Debremarkos towns.

Following the training, Keble level awareness creation campaign has also been conducted.

a) Community Receipt System (CRS) Training

Cognizant of the findings of the field level assessment, a five days training on CRS, Wheat quality grading, PHH and warehouse management were organized in Bure and Debremarkos in which 70 participants participated. The training was five days. In the first day, a comprehensive CRS training in the context of the ongoing pilot project was given. As part of the CRS training, the role and responsibility of each actors was clearly defined and the draft contracts was also presented to participant; and valuable comments provided by participants. The next three days were assigned for grain quality, PHH and warehouse management training. During these sessions participants had a chance to partake in practical exercise of wheat quality grading and warehouse visit. The final day was used for crafting of work flow in consultation with participants and recapping. The major topics addressed in the training are summarized below. Please see the detail training outline annexed herewith.



The training attracted technical staff of the unions and primary cooperatives including graders, grain marketing specialists, warehouse administrators and accountants. In addition, Zonal ACSI branches coordinators, extension agents (crop production advisors to the farmers) and heads of woreda cooperative promotion agency also attended the training.

• Awareness Creation

Progressively the CRS system envisions to attract as many farmers as possible to the system. Hence, intensive campaign is an indispensable component of the overall implementation work. The campaign strategy included the following.

- Inculcating the benefits of CRS in a way that fits the model farmers
- Letting DAs and PCs leaders tell how the system will be beneficial to the farmers
- Letting ACSI representative tell them that they can access loan using the GRN
- Experience sharing among framers and expression of their willingness/reflection to the system
- Get the pledge of participating model farmers to convey the message to the ordinary farmers

The Kebele level awareness creation campaign was attended by 817 farmers. Owing to the limited time, addressing the entire farmer group in the targeted primary cooperatives was not viable. As a result, for the current year, the focus was on model farmers in respective primary cooperatives. These model farmers, recognized for their achievement in improving productivity and quick adaptation of modern technologies, are anticipated to better comprehend the benefit of the intended system. And hence, relatively higher uptake is expected among them. The following table summarizes the number of model farmers attended the campaign under each primary cooperatives;

Number of Model Farmers by Primary Cooperatives

Unions/Primary Cooperatives	Number of Kebeles	Number of model farmers (est)
Gozamen_Guye	3	214
Gozame_Genet	2	204
Damot_Shendi	3	234
Damot_Burafer	3	165
Total	11	817



Selected model farmers awareness creation and discussion campaign on CRS and the benefits

Assorted methods comprising lectures and discussions was employed; as the farmers are expected to respond differently to different approaches.

Analysis

The financial sector especially the private banks are going through tough time suffering from the cumulative effects of different directives issued by the central bank that required banks to buy the ever growing treasury bill, increasing cost of expansion and declining deposits. This has forced banks to focus their lending on transaction that offer an opportunity for other source of income resulting in lowering the amount of loan that the banks avail for agriculture.

Key Events Undertaken October – December 2013

Date	Name of Event	# of Participants (Female)	Location	Name (s) of AGP-AMDe Team Attending	Partners Attending
October 14-15,2013	Agri. Lending Risk Mitigation Workshop	25	Oromia,, Jimma SNNPR	Zegeye Teklu, Belete Lema, Olika Urgessa	FCU leaders; Bank experts and district managers; MFI experts and leaders; Saving and Credit Associations; Government – CPA
Dec 02-03	Agricultural Lending risk mitigation workshop	20	Bahirdar	Ephrem Tesfaye	Banks, FCUs, SACCOs, RCA
Dec 04-06	Bankable Business plan Preparation	16	Bahirdar	Ephrem Tesfaye	Banks, FCUs, SACCOs, RCA
Dec 23-28	Saving mobilization, cash flow analysis, risk management and analysis workshop	28	Alamata, Tigray	Ephrem Tesfaye and Assefa Abebe	SACCO Unions, RuSACCOs, RCA

Key Partners and Interventions

Partners	Location	Interventions During the Quarter	Target Completion Date
FCUs, Banks, USAID DCA Program	All	Promotion of Leasing	June 2014
ATA, ACSI, RCPA (Amhara), Damot FCU, Gozamin FCU, BOA	D/Markos and Bure in Amhara Region	Community Receipt System Pilot	June 2014
SACCOs	All 4 Regions	SACCO development program	June 2014

Component 2 Access to Finance Activity Tracker October – December 2013

Activity Description	Partners	Indicator & Unit	Full Year Budget	Q2 Target	Q2 This Quarter	Cumulative Up to this Quarter	% Achieved in Q2
IR 2: Increased access to finance for participants all along the value chain to enable increased investment, improved productivity and expanded trade.							
Sub IR 2.1: Perceived risks of lending will be understood and mitigated.							
OP 2.1.1: Facilitated access to agricultural and rural bank loans for FCUs and MSMEs							
Conduct 4 workshops that will focus on lending risk mitigation in which financial institutions will understand risk in agricultural lending.	FCUs, CBE, Abay Bank, Buna Bank, Bank of Abyssinia, Dashin Bank, CBO, NIB Bank, MFIs	No of participants	179,250	60	83	143	138%
Assist /facilitate purchase contract maize and wheat value chain financing between FCUs, and processors.	7 Maize and 7 Wheat FCUs, Ambo FCU, CBE, Buna Bank and other private banks, Regional/Zonal BOA	No of agreements	130,720	15	15	30	100%
OP 2.1.2: Facilitated financial services provided through USG assisted financial intermediaries, including non-financial actors							
Provide technical assistance to 52 FCUs and 33 SACCOs to improve their internal documentation, risk & financial management capacity enhancing their bankability and link them with financial institutions.	FCUs and SACCOs, Regional and Zonal SACCO experts, RUFIP Program, CBO	No of FCUs and SACCOs	292,400	21	28	49	133%
Sub IR 2.2: Financial institutions will have expanded their lending to selected value chains							
OP 2.2.1: Loans extended to VC actors as a result of AGP facilitation							
Present deal pipeline at workshop on agricultural value chains for selected financial institutions resulting in 3 banks committed to working capital loans	CBE, CBO, Selected Private Banks (Dashen, BOA, Buna, NIB, Awash)	Number of Bank officials attending the workshop	40,680	44	44	88	100%

Activity Description	Partners	Indicator & Unit	Full Year Budget	Q2 Target	Q2 This Quarter	Cumulative Up to this Quarter	% Achieved in Q2
Assist FCUs, Private Lease intermediaries, SACCOs in development of business plans for accessing working capital and project financing from lenders.	FCUs and SACCOs.	Number of Value Chain actors assisted (FCUs, SACCOS, etc)	151,360	8	10	10	125%
OP 2.2.2: Provided capacity building to banks MFIs, FCUs, and SACCOs							
Develop business plan workbook/ develop financial guidelines for the targeted FCUs		document developed	138,750	1	0	44	
Conduct gap analysis to understand the constraints of MFIs in saving mobilization and credit extension to SHF	6 MFIs, AMFI, NBE	Number of MFIs, NBE, AMFI	34,400	10	4	4	40%
Provide technical assistance to SACCOs to expand their outreach and services to value chain actors (saving mobilization, women's participation, management and governance and performance, etc)	SACCOs, Regional/Zonal SACCO promotion bureau	No of SACCOS	178,880	21	15	28	71%
OP 2.2.3: Assisted MSMEs to access bank loans							
Facilitate technical assistance to increase lending to VC actors including increased use of loan guarantee programs, like DCA of Agricultural equipment financing	Zemen Bank, BOA, Awash Bank, Dashen Bank, FCUs, Processors	No of VC actors supported	51,600	4	0	4	
Sub IR 2.3: Financial institutions will offer value chain actors an array of new products tailored to their cash-flow realities and needs							
OP 2.3.1: New financial products and services developed and introduced							
Promote leasing product to banks, MFIs and SACCOs and FCUs	Agricultural Mechanization Ltd, two private leasing intermediaries, FaBS, USAID DCA Program, FCUs	Number of Organizations linked with DCA facilities	48,160	4	6	10	150%

Activity Description	Partners	Indicator & Unit	Full Year Budget	Q2 Target	Q2 This Quarter	Cumulative Up to this Quarter	% Achieved in Q2
Support FCUs and private leasing operators in accessing the DCA program from the participant banks	Agricultural Mechanization Ltd, private leasing intermediaries, FaBS, USAID DCA Program, FCUs, Zemen Bank, BOA, Dashen Bank, Awash Bank	No. of FCUs and private operators supported	37,840	3	0	3	
Link two leasing intermediaries with selected wheat and Sesame value chain farmers	FCUs in wheat VC, Two Private leasing intermediaries, Agricultural Mechanization Ltd.	Number of farmers benefiting from the leasing service		4	4	8	100%
Provide support to facilitate increased access to finance and savings through mobile technology in rural areas	ATA, CBO, MFIs, NBE	# of newly banked farmers	4,625,000	1	1	1	100%
Community warehouse system developed and implemented at pilot level	ATA, FCUs, ECX, RCA, CBO, MFIs and SACCOs	no of regions/FCUs	500,016	4	1	5	25%

Investment

Overview

The AGP-AMDe team has been working on investment instruments to facilitate foreign private equity investments into priority value chains in Ethiopia. Thus far we developed a pipeline of over 25 equity-eligible companies along value chains, and have developed profiles on 11 companies and 12 opportunities. The team successfully facilitated an angel investment into Metad Agriculture Development PLC, and is now in discussions with a Norwegian-based private equity fund on a second-round investment. The PE team has also begun working with GUTS Agro Industries PLC to help them secure an equity investment to expand their chickpea-based product line.

The PE project is showing signs of growth driven by increase interest from foreign private equity investors and greater demand from local companies seeking expansion capital. If expanded, the program would be able to assess more opportunities and provide greater post-investment support to portfolio companies in order for them to become well-positioned for larger tranches of second-round financing.

Investment has the following three major LoP Targets.

- **Investment identification:** Developed short investment profiles (1/2 page opportunity overviews - business, market, management, investment needs, projected IRR (NPV with discount rate) for qualified opportunities. These profiles will be “floated” out to a network of potential investors (funds, HNWI, foundations, etc.)
- **Pre-investment support:** Gathered documents on pre-qualified opportunities including soft copies of investment documents (feasibility study, excel file, audited statements, management CVs, corporate documents) and save in the appropriate dataroom; Conducted angle investor trips to meet potential investee, hosted and manage with impact funds; Developed a model structure and terms for foreign private equity investments; Conducted full due diligence, and developed Confidential Information Memorandums (CIM) for the investors
- **Closed investment:** Closed an investment in a value chain actors

Summary of Key Results

USD 200,000 investment is closed into METAD, an Ethiopian specialty coffee company by members of the EIAN, part of RENEW’s global Impact Angel Network. This investment is to be used to establish a coffee processing facility on the METAD coffee farm, located near Yirgacheffe in the district of Hambela in the Oromia region of Ethiopia.

Key Activities and Successes

- An investment into METAD is made on September 30, 2013, with a vision for crop-to-cup coffee. METAD aims to not only strengthen Ethiopia's coffee reputation in the international market, but also help local farmers improve the quality and value of their harvested crop. Anticipated social impacts include 30 new full-time employees and over 160 part-time employees, 70% of whom will be women, and support to over 400 local out-grower farmers. Members of the EIAN will return to Ethiopia in November 2013 to meet with the board and celebrate the investment at METAD's coffee quality laboratory, the first privately owned laboratory in Africa to be certified by the Specialty Coffee Association of America (SCAA). Dr. Andrew Umhau, a member of the EIAN who had the opportunity to visit Yiracheffe Union on a trip to Ethiopia in June, is excited about several aspects of the investment. "We all experience coffee from the consumer end, so this investment in Ethiopian specialty coffee has natural appeal. Many of us had the opportunity to experience the entire coffee supply chain first hand in Ethiopia—from coffee bush to macchiato. The Oromia region where the coffee facility is to be located is breathtakingly gorgeous and the local population, who is expected to benefit from this economic activity, is most compelling. The METAD management team understands coffee in Ethiopia, so we have great confidence in this venture."
- Other activities include:
 - a. Developed investment pipeline
 - b. Contacted investors
 - c. Hosted investors and coordinated investment trips
 - d. Closed an investment into a specialty coffee farm

Analysis on Investment

Need to expand the program – driven by the high costs of pre-investment consulting services and transaction costs associated with closing investments in Ethiopia. Significant training needs to be done for:

1. Local lawyers on modern legal terms and structures;
2. Local BDS providers on how to help clients (companies) approach equity investors – specifically how to write quality business plans, financial models, market research, and due diligence
3. Government offices on how to understand basic investment terms, servicing foreign investors, understanding the overall investment process, and the basics of private equity and how it differs from traditional foreign direct investment and/or joint ventures

Component 2 Investment Activity Tracker October – December 2013

	Activity Description	Partners	Indicator and Unit	Q2 Target	Q2 This Quarter	Cumulative Up to this Quarter	% Achieved in Q2
IR 4: New and proven technologies made available through increased private investment and leverage the impact of innovation.							
	Define investment criteria and pipeline management plan		# Two page overview of investment criteria and sourcing methodology	1	1	2	100%
	Arrange meetings with value chain leads to identify Ag SMEs that are appropriate for inclusion in the equity investment pipeline for the following value chains; Sesame, Coffee, Honey, Maize, Wheat, Chickpea and Inputs (seeds, fertilizer, etc.)/Supporting (drip irrigation, warehouse, transport)		# value chain meetings	7	7	14	100%

COMPONENT 3: IMPROVING AGRI-BUSINESS ENABLING ENVIRONMENT

Overview

The enabling environment component compliments value chain specific and cross cutting activities by advancing policy priorities which increase competitiveness in support of the Growth and Transformation Plan's targets for agricultural growth, and Government of Ethiopia policy commitments under the G-8 New Alliance.

The enabling environment component's goal is to increase competitiveness through the following: increased private sector participation; reduction of output market distortions; promotion of agricultural finance and investment; increased efficiencies in transportation and logistics; strengthen the institutional structure for policy review and implementation; and greater public and private sector engagement in relevant value chain policy reviews.

Summary of Top Results

The critical first step in policy change in Ethiopia is changing the mind set of major stakeholders in the policy making matrix. Through informal individual consultations and analytical works AGP-AMDe has focused on the following policy issues in this quarter: developing a comprehensive fertilizer procurement and distribution strategy to improve the efficiency of the fertilizer supply chains; International comparative analysis of the new seed proclamation and draft seed regulations; Price policy for cereals including wheat subsidies and cereal export ban; support increased efficiency and autonomy of the ECX warehouse system from the ECX trading platform, and; support increased private sector participation in fertilizer distribution,. Key results achieved in this quarter are:

- Completed international comparative analysis of the new seed proclamation and draft seed regulations and presented it to public sector and private sector representatives
- Organized study tour to South Africa and Colombia for ECX Board and management for benchmarking international warehouse best practices to inform the separation of ECX warehouse system from that of ECX trading platform
- Completed draft report on fertilizer procurement and distribution strategy to improve the efficiency of the fertilizer supply chains
- Completed a comprehensive draft paper on price policy for cereals including wheat subsidies and cereal export ban
- Completed a set of Focus Groups field studies and a report on cereals price policy

Key Activities and successes

The following enabling environment activities have been undertaken during this quarter:

Continue Implementing USAID- ECX MOU

In this quarter AGP-AMDe has continued to work on implementing USAID-ECX MOU. The MOU identifies areas of collaborations between ECX and AGP-AMDe with an overall objective of improving the ECX System to better benefit smallholder farmers in Ethiopia. The MOU covers sustainable, traceable coffee, Q

lab certification, advocacy for policy change for a third party warehouse and grading system, and warehouse efficiency. Implementation of activities under the MOU is expected to bring efficiency to the ECX system in particular and a number of policy changes for the Ethiopian coffee industry in general. In this quarter, AGP-AMDe has worked with ECX on steps involved in divesting warehouse operations from ECX. As part of this effort, AGP-AMDe organized study tour to South Africa and Colombia for ECX Board and management for benchmarking international warehouse best practices to inform the separation of ECX warehouse system from that of ECX trading platform.

In this quarter, AGP-AMDe also supported ECX in the setting of digital traceability system. AGP-AMDe has completed evaluation of the bids for the digital traceability system and has selected the winning bid. Contracting is expected to be completed in the next quarter.

International Comparative Analysis of the New Seed Proclamation and Draft Seed Regulations and MoA Study Tour for Benchmarking International Best Practices in Improving the Enabling Environment for Ethiopia's Private Seed Sector

In year three AGP-AMDe planned to undertake two activities to assess the new seed law adopted in February 2013 and the draft Seed Regulations. The first activity assesses how the new law is addressing identified constraints under the old system and develops recommendations for improvement of the seed system. The second assessment is an international comparative analysis of the new seed law with international best practices for private sector engagement in the seed sector.

In this quarter, AGP-AMDe has completed an international comparative analysis of the new seed law with international best practices for private sector engagement in the seed sector and presented it for both public sector and private sector representatives.

The comparative analysis report has made a number of recommendations for improving the private seed sector in Ethiopia. One of the key recommendations of the study is for Ethiopian policy makers to focus efforts on introducing best practices to allow private seed sector develop including easing barriers to introduction of new seed varieties while continuing to support the development of public seed system.

Bangladesh, India, and Turkey are the countries identified by the AGP-AMDe comparative analysis that had weak seed industry few decades ago but have successfully transformed their seed sector by introducing policies that favor private seed sector development without interrupting the development of the public seed sector.

Based on the recommendation of the study, AGP-AMDe has proposed Ministry of Agriculture study tour for benchmarking international best practice in improving the enabling environment for Ethiopia's private seed sector. A team of Ethiopian policy makers would visit Bangladesh, India, and Turkey to learn how these countries successfully transformed their respective seed industry. The study tour is scheduled to take place in next quarter.

Creating a Competitive Fertilizer Distribution System

AGP-AMDe diagnosed through review of literature, more detailed analysis of focus groups that were conducted in year one, and international best practices that the monopoly position of cooperatives in fertilizer distribution was detrimental not only to achieving the government's target for growth in fertilizer use and hence its output targets (same for AGP and AMDe) but also gradually turning cooperatives into business entities. AGP-AMDe further diagnosed that bringing the large number of efficient grain traders back into fertilizer distribution would expand coverage, accelerate the growth rate, and spotlight where

the cooperatives were deficient so that remedial action could be taken to strengthen the cooperatives. The grain traders had been barred from obtaining licenses to distribute fertilizer. After considerable careful effort, in an area of political economy complexity, including building capacity, understanding and consensus built through two major conferences, the federal government stated publicly and in writing at AGP-AMDe organized conference on fertilizer value chain in June 2012 that there were not Government policy or law that prohibits private sector for engaging in fertilizer distribution. That was a major success. However, each regional government in turn has to make the same decision before traders can get licenses. In line with this, AGP-AMDe pursued discussions with federal and the Oromia Region. It has been agreed that further follow up discussions are needed to reach consensus for at least piloting in few AGP woredas before opening up at national level. The situation has become far more complex with the big push for blended fertilizers and hence a change in supply source for the private sector.

In this quarter, AGP-AMDe continue to pursue the commitment by the Oromia regional government to permit a pilot of 10 traders. AGP-AMDe is also pursuing this with ATA working on blending fertilizer project and the possibility of working with select cooperative unions in supplying the private sector.

Price Policy for Cereals including Wheat Subsidies and Cereal Export Bans

The first step in having impact in this politically fraught area is to prepare a major paper that contributes new ideas to the discussion of price policy. The entry points for this work are the overt current policies - export bans for cereals and imports and subsidies on wheat. These and the larger issues within which they nest are of course in the context of the governments agricultural production targets. Hence, they must be viewed in the context of the progress being made on those efforts. That is a complex and difficult analysis given the large weather induced fluctuations. Also, specific policies must be seen in the larger context. Finally, the contribution of those outside the government must be through stimulating analysis and thought and providing fact based analysis and new insights. In this quarter, two major contributions are in draft form. First, a draft report on a highly sophisticated analysis of the cereals growth rates for yield, area and production. Second, a draft report, of a comprehensive price policy paper with a major innovation of analysis of the multipliers on cereals consumption of the alternative cereals growth rates.

AGP-AMDe team has been working on this for several months. The innovative feature is documenting the income multipliers from the small commercial farmer to the rural non-farm population and then documenting the very different income elasticity's of demand. The preliminary effort is to demonstrate very large increase in cereals consumption driven by the increase in income to the small commercial farmer from increasing production of cereals. AGP-AMDe has commissioned a study of the growth trends for cereals as a basis for the supply demand balances behind key elements of price policy. Both reports are work in progress and will be completed in next quarter and be presented to stakeholders.

Developing a comprehensive fertilizer procurement and distribution strategy to improve the efficiency of the fertilizer supply chain

Since 2008, the execution of the fertilizer importation process has been carried out exclusively by the government-owned Agricultural Inputs Supply Enterprise (AISE). AISE floats a tender for fertilizer a couple times per year. International fertilizer suppliers bid on the tender, and AISE chooses the lowest cost supplier. The international fertilizer supplier is responsible for delivering the fertilizer to the port of Djibouti bagged and loaded in trucks. AISE then transports the fertilizer from the port of Djibouti to central warehouses. Cooperative unions transport the fertilizer from the central warehouses to their primary cooperatives. Primary cooperatives then act as the fertilizer retailer for smallholder farmers.

There are significant opportunities for improvement across the entire value chain from procurement to final delivery to smallholder farmers. For example, ¹Fertilizer Weekly estimates the average costs of shipping fertilizer at \$95/MT. During the 2011/2012 fertilizer procurement period, Ethiopia paid an average of \$113/MT above the world price for DAP and \$100/MT above the world price for Urea. Therefore, compared to the expected shipping cost of \$95/MT, Ethiopia overpaid by ~\$10.0M for DAP and ~\$1.5M for Urea. The Ethiopian Shipping and Logistics Services Enterprise (ESLSE) is procuring four new ships for bulk shipment, which could be used for fertilizer transportation. Purchasing fertilizer FOB origin and having either ESLSE or a third party provide shipping services may be cheaper than the current system.

Also, the port of Djibouti is becoming more and more congested as traffic increases. Djibouti has 12 berths, but only two are allocated to bulk cargo unloading. Given the scale of Ethiopia's fertilizer purchases and the unloading capacities of the port, it takes significant time to unload all the fertilizer. Time needed to clear the port of Djibouti will only increase as Ethiopia's international trade and fertilizer purchases continue to grow. Using alternative ports could result in speedier port clearance and shorter domestic transportation routes for regions far from Djibouti.

In addition, organizing a more efficient logistics system for domestic distribution and transportation could lead to significant saving. The purpose of this study is to analyze both these cost saving opportunities and others in creating a streamlined and efficient fertilizer value chain for Ethiopia.

In this quarter AGP-AMDe continued working on developing by first meeting with key stakeholders including ATA, AISE, Ethiopian Maritime Affairs Authority, Ethiopian Shipping and Logistics Services Enterprise (ESLSE), Ministry of Transport, and Federal Road Transport Authority to get sense of the existing fertilizer procurement, shipping, and distribution. This is work in progress and will be completed in next quarter.

Provision of a National Agricultural Finance Institution to Meet the Needs of the Small Commercial Farmer

The Federal Cooperative Agency (FCA) has asked AGP-AMDe to help them as they search for the right balance between the Multi-Purpose Cooperatives and the Rural Saving and Credit Association (RUSSACO)'s in provision of credit. AGP-AMDe has drawn on international experience its project staff to bring four points to the attention of FCA management. First, the target for achieving the Governments growth objectives must be the small commercial farmers, those with 1 to 5 hectares of land producing 75 percent of the output. These are the farmers being constrained in growth by lack of finances. Second, the single most important problem by far for interventions serving the SCF's finance needs is obtaining on time repayment. AGP-AMDe has discussed many approaches from international experience for solving this problem. Third, the single most important requirement for profitability is to achieve sufficient scale to carry the essential overheads. Fourth, as demonstrated by RUSSACO's heavy input from women, women are key to high repayment rates. AGP-AMDe has emphasized these points in discussions and in the FCA Senior Staff meeting held on September 19, 2013.

The FCA is in a phase of building internal consensus on agricultural finance. In this quarter, AGP-AMDe team continued to interact with FCA management and stand ready to mount a mini conference in January 2014 if they see that as useful in building the internal consensus necessary for effective action.

¹ Fertilizer weekly is a weekly bulletin with all fertilizer related informations

Analysis of the Enabling Environment

Ethiopia is unusual among developing countries (particularly compared to the appropriate comparator for Ethiopia of Asian and Latin American countries) in: (a) lacking a competitive fertilizer distribution system with a strong private sector of experienced traders; (b) almost complete lack of access to credit by the small commercial farmer (1-5 hectares producing 80 percent of the output); (c) lack of a supra body for the coffee sector to ensure adequate financing, setting priorities and implementing these priorities with major impact on cost of production and prices to farmers. AGP-AMDe Project is succeeding in bringing these differences to the attention of policy makers, increasing their capacity to deal with such issues, and working with them to ameliorate the situation. The problems are similar in the seed sector to those of other countries and AGP-AMDe is working on international best practices as a complement to ATA efforts.

A bumper harvest is projected for 2013 major harvest. As a result, Ethiopia might reconsider its export restriction on cereals and encourage regional wheat and maize trade.

Component 3 Business Enabling Environment Activity Tracker Oct. – Dec. 2013

Activity Description	Indicator and Unit	Planned Months of Implementation			Oct- Dec Actual	Reasons for Variation
		Oct	Nov	Dec		
Increased Private Sector Participation in Input Distribution						
Continue to address implicit restrictions for private traders to engage in fertilizer distribution and pilot a private fertilizer distribution initiative in selected Oromia woredas	# private traders licensed to sell fertilizer				Consultations with the Oromia Bureaus of Trade and Industry, and Agriculture	The regional bureaus are yet to commit to roll out the pilot
Undertake an international comparative analysis of the new Ethiopian seed law to assess whether the regulatory framework creates an enabling policy environment for the private sector to meet market demands for seed	# study				Completed	
Reduce Output Market Distortions						
Assess what impact the export restrictions on maize and wheat have on the market and the growth of the maize and wheat value chain	Report and Policy Recommendations				Ongoing	Draft report completed and under review; final report will be completed next quarter
Examine what impact subsidized imported wheat has on the production and the supply of wheat and develop appropriate recommendations	Report and Policy Recommendations				Ongoing	Draft report completed and under review; final report will be completed next quarter

Activity Description	Indicator and Unit	Planned Months of Implementation			Oct- Dec Actual	Reasons for Variation
		Oct	Nov	Dec		
Promote Agricultural Finance and Investment						
Initiate and Support the Development of a Directive that Enables Agricultural Cooperatives to Issue Shares for purpose of Equity Finance	Directive Issues				Consultations continued with FCA to get the activity started	FCA is considering a number of plausible options to improve agricultural finance
Compile and publish a guide on Ethiopian laws and policies relevant for foreign investment in the agriculture.	Publication				Consultation continued with the new Agricultural Investment Land Administration Agency	Due to the ongoing staffing of the new Agency(the former Agricultural Investment Support Directorate of MoA) the Agency is yet to decide when this activity should commence
Follow up of the formation of the national agricultural finance system including wheat based input credit system introduced by ATA in view to increase fertilizer use in selected Woredas in Oromia					Discussion with FCA management	The FCA is in a phase of building internal consensus on agricultural finance
Increase Efficiencies in Transportation and Logistics						
study tour for benchmarking international best practices to inform the separation of ECX warehouse system from that of the ECX trading platform	# participants				completed	
Develop a comprehensive fertilizer procurement and distribution strategy to improve the efficiency of the fertilizer supply chain	Strategy developed				Ongoing	To be completed next quarter
Organize Customs/Export Logistics Best Practices Symposium	Training delivered				The training is yet to be delivered	Moved to the next quarter due to conflict of schedule of stakeholders
Provide technical assistance to the Ministry of Trade to develop a directive(s) for licensing warehouses offering commodity collateral financing	# Directives				Yet to be implemented	The Ministry of Trade has not made the necessary policy decisions during the quarter

Activity Description	Indicator and Unit	Planned Months of Implementation			Oct- Dec Actual	Reasons for Variation
		Oct	Nov	Dec		
Strengthen the Institutional Structure to Support Policy Reviews and Implementation						
Study tour to selected coffee producing countries to support the MoT and MoA's on-going review of the coffee institutional structure by exposing them to best practices in other coffee producing countries	# participants				Yet to be implemented	The Ministry of Agriculture has advised that the study tour ought to be moved to the fourth quarter
Provide technical assistance to enhance the recognition, promotion and understanding of market demands for Ethiopian coffee in order to strengthen the Coffee Trademark and Licensing Initiative	TA in the MoT				Yet to be implemented	AGP-AMDe has been advised to delay this activity by the Ministry of Trade until further notice

COMPONENT 4: GRANTS TO STIMULATE INNOVATION AND INVESTMENT

Overview

The Innovation Fund is a key resource available to facilitate investments in a broad range of competitiveness-enhancing activities, with specific focus placed on innovative approaches and technologies. The project identifies strategic leverage entry points in each value chain and collaborating partners for innovative grant interventions. Emphasis is on initiating and delivery of foundation grants as smart matching funds to establish a strong base for investments and sustainability.

The innovative activities funded by AGP-AMDe grants will lead to expansion of service networks and increased value addition which will create demand pull and improved service delivery for farmers, which will result in access to new resources, information and markets; and subsequently adoption of new technologies and increased income opportunities. It will also lead to changes in processes and mindsets of project partners with built in components for sustainability of the initiatives beyond funding periods.

Summary of Results

AGP-AMDe has awarded 143 grants worth \$7,596,598 of which \$2,718,960 (36%) have been disbursed to date. In this quarter, 20 new grants worth \$2,626,690 out of the total above were awarded. In addition, grants in the amount of \$5,846,815 are in the process of approval, and grant applications amounting to over \$1.5 million are on evaluation and assessment pipeline.

Total Awarded Grants by Region		
	Number Awarded	Amount
Amhara	30	\$ 1,555,788
Tigray	20	\$ 1,702,656
SNNPR	29	\$ 857,121
Oromia	54	\$ 3,007,512
Addis	10	\$ 473,522
Total	143	\$ 7,596,598

Key Results and Successes

Fertilizer Blending Plant for Becho Weliso FCU

The first fertilizer blending plant in Ethiopia will be established at the Becho Weliso FCU premises in Tulu Bolo, Oromia Region, through a grant support by USAID AGP-AMDe project. The establishment of fertilizer blending factories is part AGP-AMDe's strategy for input supply market improvement compared with the previous input applications will result in immediate production advantages. Ethiopia uses the same two fertilizers (DAP and Urea) that were popularized over forty years ago, resulting in low yields per hectare. In collaboration with the Agricultural Transformation Agency (ATA) and Ministry of Agriculture, AGP-AMDe supports establishment of the first fertilizer production unit in Ethiopia - the blended fertilizer operation through identification of specific nutrient deficiencies that correspond to value chain crops in specific agro ecologies. The nearly \$1 million grant has been approved in this quarter and AGP-AMDe established teams with ATA and MoA to facilitate implementation of this top-priority activity. The

procurement of the plant machineries and equipment as well as pre-fabricated shed for the factory shed are underway. The fertilizer blending plant will be operational by April 2014. Over 40,000 smallholder farmers will benefit from this grant activity though significantly improved input supply. Additionally, other government and private sector investments are expected to use this as a case study to invest and multiply this model in the four high-rainfall regions of Ethiopia.

AGP-AMDe Transferred Completed Sesame Warehouses

AGP-AMDe supported constructing four warehouses of 5,000MT capacity for four sesame FCUs in Amhara and Tigray on cost share basis, to increase the purchasing capacity targeting export market and improving warehouse management to enhance quality and reduce post-harvest losses. The handover of two warehouses of Dansha Aurora and Setit Humera FCUs in Tigray Region was conducted December 4th & 5th while the transfer of warehouses in Metema and Abrehajira (Selam FCU) in Amhara Region was completed on December 17th and 18th. Partner representatives from FCA, ATA, Regional, Zonal CPA, Woreda Administrators and Municipality Engineers as well as well as FCU Board Chairmen and members, Managers and Primary Cooperative chairmen attended the handover ceremonies. The Board Chairmen and Managers recognized and thanked USAID for the technical and grant support, which will increase their storage volume as well as improve their managerial capacity, export marketing, business plan development, quality control and warehouse management to help the FCUs to become more competitive. In addition, AGP-AMDe is facilitating access to finance and diversified markets including to Europe, US and Japan. For instance, new market linkages were inked between Metema FCU and Maviga International where the FCU managed to sell over 600MT of sesame at \$2,525per MT, resulting in over \$1.5 million revenue.

Innovation Fund Support by Value Chain

Sesame Innovation Grants

During this quarter the following grant activities were awarded and under implementation.

- Tigray Multipurpose Federation (TMF) received grant support to procure a sesame cleaning machine, which will result in expanded cleaning services to its member FCUs and primary cooperatives increasing marketing capacity.
- TARI and ARARI research centers received in-kind grants for lab and irrigation equipment to improve their capacity to produce high quality sesame foundation seed.
- Tsehay FCU is implementing a cleaning machine grant to improve its export competitiveness, for which the cost-share contribution was building the storage and processing warehouse.
- A grant agreement was signed with Ethiopian Pulses, Oilseeds and Spices Processors and Exporters Association (EPOSPEA) in the amount of \$85,614, to help organize the Third International Conference on Pulses, Oilseeds, & Spices and to promote the development of an African Oilseed Federation, where Ethiopia will play a leading role. EPOSPEA successfully conducted the Third International Conference on Pulses, Oilseeds, & Spices at the UNECA on November 13 & 14, 2014. The event attracted over 450 delegates from around the world.

Ref #	Name of Grantee	Status	Total Amount Awarded	Grant Activity	Region
1	EPOSPEA	Completed	\$22,972	For conducting 2nd international conference 2012	Addis
2	Dansha Awurora FCU	Completed	\$387,744	Warehouse construction (5000MT), with office, toilet, fence & guard house	Tigray
3	Setit Humera FCU	Completed	\$420,666	Warehouse construction (5000MT), with office, toilet, fence & guard house	Tigray
4	EPOSPEA	Completed	\$33,439	International Trade Fair coordination	Addis
5	Metema FCU	Completed	\$392,920	Warehouse construction (5000MT), with office, toilet, fence & guard house	Amhara
6	Selam FCU	Completed	\$416,223	Warehouse construction (5000MT), with office, toilet, fence & guard house	Amhara
7	TARI	In Process	\$136,298	Irrigation and Lab equipment for the production of sesame seed (Humera), and wheat seed (Mekelle)	Tigray
8	Tigray Marketing Federation (TMF)	In Process	\$222,222	Cleaning machine and color sorter	Tigray
9	Tsehay FCU	In Process	\$157,895	Cleaning machine	Amhara
10	EPOSPEA	In Process	\$85,614	2013 Conference and trade shows	Addis
	Total		\$2,253,022		

Chickpea Innovation Grants

- Becho Weliso, Lume Adama, Tsehay FCUs completed their respective grant activities to distribute improved new Kabuli chickpea variety seed to smallholder farmers resulting in increased market prices and doubled yields.
- In conjunction with this effort, irrigation and lab equipment grant was awarded to the Federal EIAR and Arari research centers to ensure increased production of foundation chickpea seed, necessary to support seed producers.
- During this quarter, AGP-AMDe issued a grant in the amount of \$66,411 to GUTS Agro Industries, a private sector food processor to provide assistance for the expansion of a chickpea flour production plant in Hawassa, SNNPR region. The plant will produce over 3,000 MT of chickpea flour, 1,500 MT of chickpea-based WFP ready-to-use-food (RUSF) and 1,500 MT of 'Super Cereal Plus' annually while creating a sustainable market for smallholder farmers confirmed with a sourcing MOU signed with FCUs. The grantee will invest over \$718,581 in food processing machinery, for factory warehouse expansion and to upgrade of the plant to meet international certification.
- Another important partnership award was issued to Bale Green Spice and Grain PLC, through a cost-sharing grant of \$116,479, to multiply and distribute seeds to smallholder farmers. The grantee will contribute over \$78,422 for this grant activity.

Chickpea Grants as of December 2013

Ref #	Name of Grantee	Status	Total Grant Awarded	Grant activity	Region
1	Becho Woliso FCU	Completed	\$47,816	Distribution of improved Chickpea seed to distribute to farmers	Oromia
2	Lume Adama FCU	Completed	\$47,816	Distribution of improved Chickpea seed to distribute to farmers on credit	Oromia
3	Tsehay FCU	Completed	\$7,573	Distribution of improved Chickpea seed to distribute to farmers	Amhara
4	Tsehay FCU	Completed	\$47,816	Purchase and distribution of seed	Amhara
5	Becho Woliso FCU	In Process	\$90,851	Purchase and distribution of Kabuli seed	Oromia
6	Lume Adama FCU	In Process	\$6,629	Purchase and distribution of Kabuli seed	Oromia
7	Arari	In Process	\$104,505	Irrigation and Lab equipment for production of bread wheat seed (Adet), sesame seed, and chickpea seed (Gondar)	Amhara
8	Bale Green Spice and Grain PLC	In Process	\$116,479	Seed Multiplication and Distribution	Oromia
9	GUTS Agro Industries	In Process	\$66,411	Value added chickpea products (ready to use food, super-cereal plus)	SNNPR
Total			\$535,895		

Coffee Innovation Grants

- To increase improved and increased production capacity of seedlings of coffee varieties three Oromia primary cooperatives (Bufeta Gibe, Atnago and Andode PCs) completed their grant activities related to seedling production and marketing. These PCs will be reliable source of quality seedlings in years to come, meeting the current needs gap. The seedlings will be provided to private growers and households, PC members and commercial farmers.
- Yirgacheffe FCU and Kaffa Forest Coffee FCU are implementing grant activities of producing improved varieties of coffee seedlings. These grantees are expected to increase production and supply of Limu II variety seedlings thereby increasing the quality and quantity of exported standard coffee. Through the grants, the FCUs will be able to supply improved quantity and variety of coffee seedlings to member farmers, produce quality coffee to meet demand of the international and local buyers and increase yields.
- EIAR is implementing a grant activity for irrigation and lab equipment to produce improved coffee seeds which will ensure reliable supply of inputs for the seedling production.
- The Ethiopian Coffee Exporters Association has completed a grant activity for the preparation of the second international Ethiopian Coffee Export Conference which will result in market linkages and 'pull' effect for the coffee industry.

- Three grants were issued to Abdurahman Nuru Coffee Plantation Development, Ketim Plc, and Yidnekachew Dabessa Coffee Plantation (all private sector grantees) for expansion of coffee processing capacity and acquisition of coffee pulpers and drying beds.
- AGP-AMDe also approved grants for five Oromia Coffee Farmers' Primary Cooperatives (Asendabo, Nano Cala, Sadi Loya, Omo Bako, and Shobe Coffee Farmers's Primary Cooperatives). These grants (worth \$260,923) will expand coffee processing capacity by establishing coffee washing stations & drying beds. These coffee infrastructures will improve coffee quality which will then result in higher price and better income for smallholder farmers.

Coffee Grants as of December 2013

Ref. #.	Name of Grantee	Status	Total Amount Awarded	Grant activity	Region
1	ECX	Completed	\$13,444	ECX-cooperative 2nd annual forum	Addis
2	ECX	Completed	\$5,469	SCAA Certified Lab Addis	Addis
3	Andode PC	In Process	\$49,221	Seedling production	Oromia
4	Atnago PC	In Process	\$49,221	Seedling production	Oromia
5	Bufeta Gibe PC	In Process	\$49,221	Seedling production	Oromia
6	Kaffa Forest	In Process	\$13,453	Seedling production	SNNPR
7	Yirgachaffe FCU	In Process	\$11,944	Seedling production	SNNPR
8	Ethiopian Coffee Exporters Association	In Process	\$40,180	Second International Ethiopian Coffee Export Conference	Addis
9	Abdurahiman Nuru Coffee Planation	In Process	\$36,779	Coffee pulpers and drying beds	SNNPR
10	Ketim Plc	In Process	\$36,779	Pulpers and drying Beds	Oromia
11	Yidnekachew Dabessa Coffee Plantation	In Process	\$36,779	Pulpers and drying Beds	SNNPR
12	Asendabo Coffee Farmers' PC	In Process	\$52,185	Washing Station	Oromia
13	Nano Cala Coffee Farmers' PC	In Process	\$52,185	Washing Station	Oromia
14	Sadi Loya Coffee Farmers' PC	In Process	\$52,185	Washing Station	Oromia
15	Omo Bako Coffee Farmers' PC	In Process	\$52,185	Washing Station	Oromia
16	Shobe Coffee Farmers' PC	In Process	\$52,185	Washing Station	Oromia
Total			\$605,121		

Honey Innovation Grants

- Kaffa Forest Bee FCU is implementing its grant to develop a honey processing center which will improve their capacity to source more honey from smallholder bee keepers.
- A grant awarded to Beza Mar is under implementation supporting the development of demonstration sites, a honey processing and technology center which will lead to creation of organized markets and availability of high yielding, modern hives for small bee keepers.
- A grant has been issued to Tsedey Mar to establish a technology center where improved equipment will be produced and distributed to farmers on a commercial basis, addressing the key issues impacting production of honey in Ethiopia. The processing center will in turn provide an additional marketing outlet for honey coming from improved production and the project will work on facilitating further marketing outlets.
- Zembaba Union in Bahir Dar, Amhara region is also awarded grant to support the union to acquire modern honey processing plant. AGP-AMDe facilitated market linkage and financing mechanism where the international honey buyer contributed 50% of the honey processing machine cost (approximately \$50,000), while the remaining cost and Fair Trade Certification technical assistance was covered by AGP-AMDe. The international honey buyer also signed an MOU with the union to procure 500MT honey from Zembaba at approximately \$3.5/kilo, resulting in over \$1.7 million in future revenue.
- Grants to COMEL PLC-Welela Honey Processing and Hashange FCU were also issued during this quarter to support the grantees to acquire honey processing machinery and storage units.

Ref #	Name of Grantee	Status	Total Amount Awarded	Grant activity	Office Location
1	Ethiopian Apiculture Board (EAB 1)	Completed	\$116,000	ApiExpo Africa 2012	Addis
2	Ethiopian Apiculture Board (EAB 2)	Completed	\$26,370	EU accreditation payment support 2012	Addis
3	Ethiopian Apiculture Board (EAB 3)	In Process	\$35,575	EU accreditation payment support 2013	Addis
4	Kaffa Forest Bee FCU	In Process	\$33,000	Store and equipment for processing	SNNPR
5	Beza Mar	In Process	\$94,458	Demo, technology center and semi processing centers	Addis
6	COMEL PLC Welela Honey Processing	In Process	\$63,932	Processing machinery	Tigray
7	Hashange FCU	In Process	\$69,152	Store and processing unit	Tigray
8	Zembaba FCU	In Process	\$38,084	Processing machinery	Amhara
9	Tseday Mar	In Process	\$75,676	Technology center and demo	Oromia
10	Holeta RC	In Process	\$81,061	Training and queen rearing	Oromia
	Total		\$633,308		

Wheat Innovation Grants

- Bakora, Errer, Wodera and Melik FCUs were awarded grants amounting to \$196,000 for the procurement of threshers, which will help them reduce post-harvest losses.
- Through a partnership with the EIAR and regional research institutes, grant agreements amounting to \$253,602 have been awarded to produce foundation seeds, for both Durum and bread wheat varieties. The grants provide irrigation and seed lab equipment which will enhance the production volume and quality of foundation seeds produced by the centers. The research centers have committed to providing 75 tons of improved foundation wheat seeds to AGP-AMDe in order to assist certified seed producers working with AGP-AMDe for further multiplication and distribution to farmers in AGP target woredas. AGP-AMDe conducted training for these seed producers to handle increased production and apply modern input distribution practices.
- Kifiya Financial Technology received an innovation grant of \$247,559 to provide innovative financial services to over 49,000 smallholder farmers. This grant activity attracted investment from the grantee (\$235,840) and the EU.

Ref #	Name of Grantee	Status	Total Amount Awarded	Proposed request (summary)	Region
1	Bokra FCU	In Process	\$49,000	Threshers	Tigray
2	Errer FCU	In Process	\$49,000	Threshers	Oromia
3	Wodera FCU	In Process	\$49,000	Threshers	Amhara
4	Melik FCU	In Process	\$49,000	Threshers	SNNPR
5	ORARI	In Process	\$37,169	Irrigation and Lab Equipment for the production of 30MT wheat seed (Sinana), 60MT maize seed (Bako)	Oromia
6	Federal EIAR	In Process	\$242,915	Irrigation and Lab Equipment for the production of 50MT wheat seed (Kulumsa), 10 MT of wheat and chickpea seed (Debre Zeit), 1.3MT coffee (Jimma)	Oromia
7	Federal EIAR	In Process	\$14,014	Irrigation and Lab Equipment for the production of 10MT of wheat and chickpea seed (Debre Zeit)	Oromia
8	Kifiya Financial Technology	In Process	\$247,559	Mobile Access to Finance	Oromia
Total			\$737,657		

Maize Innovation Grants

- Grants signed with the EIAR and regional research institutes included the Bako and Hawassa research centers that specialize in hybrid maize seed production, for the provision of irrigation and seed lab equipment. Production of domestic, high quality hybrid seed is a priority for the country's seed strategy and is seen as the major agricultural initiative, along with promotion of fertilizer use, to increase maize production in country. The research centers have committed to provide improved foundation hybrid maize varieties such as BH-661, BH-540 and other varieties to certified seed producers to support further multiplication and distribution of seed. AGP-AMDe works with public and private seed producers to ensure distribution to farmers in AGP woredas.

These seed producers are also trained to handle increased production and apply modern input distribution practices.

Ref #	Name of Grantee	Status	Total Amount Awarded	Grant activity	Region
1	ORARI	In Process	\$38,933	Irrigation and Lab Equipment for the production of 60MT maize seed (Bako)	Oromia
2	SARI	In Process	\$104,505	Irrigation and Lab equipment for the production of 5MT maize seed (Hawassa), 4.4MT wheat seed (Areka)	SNNPR
3	Mohammed Awel Agric. Organization	In Process	\$160,000	Seed cleaning machine	SNNPR
	Total		\$303,438		

Access to Finance Innovation Grants

Ref. #.	Name of Grantee	Status	Total Amount Awarded	Grant activity	Region
1	Kifiya Financial Technology (KFT)	In Process	\$247,559 (noted above too)	Mobile Access to Finance	Various
2	Cooperative Bank of Oromia	Approval in process	\$248,627	Community warehouse receipt system	Oromia

Grants to Support Partnership with Public Sector Agricultural Research Centers

A grant of \$637,753 was awarded to 11 agricultural research centers which are administered under the Ethiopian Institute of Agricultural Research (EIAR) and the four regional agricultural research institutes (ARARI, SARI, ORARI and TARI), as listed in the value chain sections above. The main goal of the grants is to sustainably increase capacity of the centers to produce higher quality and quantity of early generation source seeds of the target crops to meet high demand for improved inputs.

The grants will be used to upgrade irrigation infrastructure which will improve capacity to produce seed in off-season, and seed laboratory facilities which will ensure high yielding quality of varieties before they are released and approved. The eleven agricultural research centers are dubbed as National Centers of Excellence or specialists for the respective target crops. This grant was proposed as a result of a survey jointly conducted by Ethiopian Institute of Agricultural Research (EIAR) and AGP-AMDe on the source seed supply system of chickpea, wheat, maize, sesame and coffee. The survey indicated that, among other things, inadequate irrigation infrastructure and lack/substandard seed laboratories are critical bottlenecks in the production of sufficient quality and quantity of foundation seeds by centers in the National Agricultural Research System (NARS).

The selection of the centers was conducted in collaboration with the EIAR with regional research centers taking into account crop distributions. As a cost-sharing, the respective centers will provide AGP-AMDe with foundation seeds in the respective crops for support to AGP-AMDe recommended and supported seed multipliers and producers. The centers will also avail buildings for seed laboratories, provide labor for reservoir construction, and farm machinery, land, and staff for implementation of the seed multiplication plan.

Ref #	Name of Grantee	Status	Total Amount Awarded	Grant activity	Office Location	Value Chain
1	ARARI	In Process	\$104,505	Irrigation and Lab equipment for the production of 20 qt chickpea seed, 10 qt bread wheat seed (Adet), 10 qt sesame seed, 10 qt Chickpea (Gondar)	Amhara	Chickpea
2	ORARI	In Process	\$37,169	Irrigation and Lab Equipment for the production of 300 qt wheat seed (Sinana), 600 qt maize seed(Bako)	Oromia	Wheat
3	ORARI	In Process	\$38,933	FOG: Irrigation and Lab Equipment for the production of 600 qt maize seed (Bako)	Oromia	Maize
4	SARI	In Process	\$104,505	In-Kind: Irrigation and Lab equipment for the production of 50 qt maize seed (Hawassa), 45 qt wheat seed (Areka)	SNNPR	Maize
5	TARI	In Process	\$136,298	Irrigation and Lab equipment for the production of 10 qt sesame seed (Humera), 300 qt wheat seed (Mekelle)	Tigray	Sesame
6	Federal EIAR	In Process	\$242,915	Irrigation and Lab Equipment for the production of 500 qt wheat seed (Kulumsa), 100 qt of wheat and chickpea seed (Debre Zeit), 13 qt coffee (jimma)	Oromia	Wheat
7	Federal EIAR	In Process	\$14,014	Irrigation and Lab Equipment for the production of 100 qt of wheat and chickpea seed (Debre Zeit)	Oromia	Wheat
Total			\$ 678,340			

Public Private Partnership Analysis

AGP-AMDe has significantly expanded Public-Private Partnership investments through Innovative Grants which reduce risks and leverage investment as well as expands sales and market linkages. Through a combination of innovative grant investments and partnership technical assistance, AGP-AMDe leveraged investment and facilitated exports. For AGP-AMDe innovation grants of \$7,079,268 and \$1,343,998 in partnership technical assistance in collaboration with Dupont Pioneer, Parodi & Olam International and others, the project raised \$25,107,685 from private partners as leveraged investments (\$21,245,168 from private businesses and associations and \$3,862,517 from Farmer Cooperative Unions). In addition, these partnership investments facilitated export sales of over \$17,956,200. The primary beneficiaries of this export facilitation and market linkages are farmers through primary cooperatives and unions. On average

one dollar of AGP-AMDe grant investments catalyzed over three dollars of leveraged investment from the private sector while facilitating two dollars in export sales. The Innovation Fund is designed to create such sustainable investments over the long term—the exports and leveraged private sector investments will continue well beyond the life of project.

Summary of Private Sector Partnership		
Grants awarded (in progress) to private sector partners	\$7,079,268	
Technical Assistance (with Dupont Pioneer & Olam)	\$1,343,998	
Investment by AGP AMDe		\$8,423,266
Private sector business & associations investment	\$21,245,168	
Farmers Cooperative Unions investment	\$3,862,517	
Total Private Sector Investment		\$25,107,685
Markets Linkages & Exports Facilitated by AGP-AMDe		\$17,956,200

SMFM Cascaded Training Grants

The SMFM training uses TOT approaches to train a large number of farmers through cascading program. The TOT program directly trains the lead farmers and the lead farmers, in turn, train a wider base of farmers at the farm gate level. A cascade approach is the strategy identified to address this huge training need identified in AGP-AMDe PMP, and FCUs and cooperatives facilitate cascading of the SMFM agricultural training to their cooperative members.

During the quarter, AGP-AMDe trained 1,067 lead farmers and through cascading trained 46,949 farmers at a cost of \$173,097 or an average cost of \$3.6 per farmer in collaboration with Farmer Cooperative Unions to build sustainable service provision and capacity (see table below).

Private Sector Partnership Detail as of December 2013

Partner	Value Chain	Activities	Amount Awarded/ Proposed	Amount leveraged	Technical Assistance & Other AMDe Investments	Markets/ Exports facilitated	Remarks—investments, market linkages and other partnerships
Current Private Sector Partnership							
A. Private Sector Businesses & Associations							
Ethiopian Commodities Exchange (ECX)	Coffee/ Sesame	ECX-cooperative 2nd annual forum	\$ 13,444	\$ 29,699			
Ethiopian Apiculture Board (EAB 1)	Honey	ApiExpo Africa 2012	\$ 116,000	\$ 116,000			
Ethiopian Apiculture Board (EAB 2)	Honey	EU accreditation payment support	\$ 26,370	\$ 26,370			
Ethiopian Commodities Exchange (ECX)	Coffee	SCAA Single Lab in Addis	\$ 5,469	\$ -			
Ethiopian Apiculture Board (EAB 3)	Honey	EU accreditation payment support	\$ 35,575	\$ 20,050			
Beza Mar	Honey	Investment in honey processing and technology center.	\$ 94,458	\$ 94,081			ApiExpo 2012, linked to honey producers
Kifiya Financial Technology (KFT)	Wheat	Expansion of mobile banking to 49,000 beneficiaries.	\$ 247,559	\$ 13,835,840			\$235,840 investment by grantee, \$13,600,000 potential investment leveraged by EU
Abdurahman Nuru	Coffee	Expansion of coffee processing capacity; coffee pulpers and drying beds	\$ 36,779	\$ 58,506			
COMEL plc _ Welela Honey Processing	Honey	Bee keeping equipment to improve honey processing.	\$ 63,932	\$ 80,591			ApiExpo 2012, linked to honey producers
Ketim Plc	Coffee	Expansion of coffee processing capacity; coffee pulpers and drying beds	\$ 36,779	\$ 20,082			
Yidnekachew Dabesa Coffee Plantation	Coffee	Expansion of coffee processing capacity; coffee pulpers and drying beds	\$ 36,779	\$ 20,651			
Bale Green Spice and Grain Dev PLC	Chickpea	Seed Multiplication and distribution	\$ 116,479	\$ 78,422			
GUTS Agro Industries	Chickpea	Value Added Chickpea Products (Ready to use food, supercereal plus)	\$ 66,411	\$ 718,581			The grantee invested in food processing machinery (\$410,071); factory warehouse expansion (\$212,766) and upgrading of food processing plant to meet international certification-ISO certification (\$95,745)
Tseday Mar	Honey	Investment in honey processing and technology center.	\$ 75,676	\$ 114,837			ApiExpo 2012
Mohammed Awel Agricultural organization	Maize	Seed cleaning capacity building	\$ 160,000	\$ 673,292			The leveraged amount includes grantee cost share of \$364,781 for seed cleaning machine procurement. Additional the grantee constructed a new warehouse to house the cleaning machine (\$308,511).
Bayeh Mekonnen Agricultural Farm PLC	Maize	Enhance maize/wheat production and productivity	\$ 117,584	\$ 74,042			BH-661 Hybrid Maize Seed Popularization (approval in progress)
ECX SCAA Certification	Coffee	SCAA certification (In-Kind for 3 Lab Equipment)	\$ 174,552	\$ -			Approval in progress
Cooperative Bank of Oromia (CBO)	Finance	SACCO support and branch opening	\$ 248,627	\$ 627,546			Community warehouse receipt system (approval in progress)
ECX Traceability Grant	Coffee	Digital traceability system	\$ 1,108,715	\$ 3,118,928			\$343,827 cost share by grantee in 2014 and 2015; \$1,139,208 grantee investment in 2016 & 17; also includes \$1,135,893 that private sector roasters will pay for traceable coffee @ \$2 per bag for 15,000mt estimate for years 2015 thru 2017. Also includes \$500,000 investment by Roasters (Nestlé, Mondelez International, Tchibo) and IDH for awareness and training at the washing station, hulling stations. (approval in progress)
Ethiopian Pulses and Oil Seeds Producers & Exporters Association (POSPEA)		Conduct 2nd & 3rd International Conference on oil seeds; international trade fare coordination, establish African Federation (Oil seeds).	\$ 142,026	\$ 104,010			
SUBTOTAL			\$ 2,923,216	\$19,811,528			

Partner	Value Chain	Activities	Amount Awarded/ Proposed	Amount leveraged	Technical Assistance & Other AMDe Investments	Markets/ Exports facilitated	Remarks—investments, market linkages and other partnerships
Current Private Sector Partnership							
B. Farmer Cooperative Unions							
Becho Woliso FCU	Chickpea	Distribution of improved Chickpea seed to distribute to farmers on credit - 1.8 MT of kabuli (1,000 MT of seed and 800 of grain)	\$ 47,816	\$ 66,596			
Lume Adama FCU	Chickpea	Distribution of improved Chickpea seed to distribute to farmers on credit - 1.5 MT of kabuli grain for sale	\$ 47,816	\$ 26,681			
Tsehay FCU	Chickpea	Distribution of improved Chickpea seed to distribute to farmers on credit - 750 MT kabuli produced (450 MT seed and 300 MT seed)	\$ 7,573	\$ 26,681			
Tsehay FCU	Chickpea	Purchase of seed and grain (300 MT from seed activity)	\$ 47,816	\$ 27,694			
Dansha Awurora FCU	Sesame	Warehouse construction (5K MT), office, toilet & fence	\$ 387,744	\$ 166,176			
Setit Humera FCU	Sesame	Warehouse construction (5K MT), office, toilet & fence	\$ 420,666	\$ 180,285			
Metema FCU	Sesame	Warehouse construction (5K MT), office, toilet & fence	\$ 392,920	\$ 168,394		\$ 1,515,000	Market Linkages with Maviga International, FCU sold 600mt Sesame at \$2,525per MT
Selam FCU	Sesame	Warehouse construction (5K MT), office, toilet & fence	\$ 416,223	\$ 178,291			
Becho Woliso FCU	Chickpea	Purchase of seed and grain (800 MT of grain from seed activity)	\$ 90,851	\$ 69,333			
Lume Adama FCU	Chickpea	Purchase and grain (1.5 MT of grain from seed activity)	\$ 6,629	\$ 27,778			
Bokra FCU	Wheat	14 threshers	\$ 49,000	\$ 27,083			
Error FCU	Wheat	14 threshers	\$ 49,000	\$ 34,333			
Kaffa Forest	Coffee	Seedling production (400,000)	\$ 13,453	\$ 10,863			
Kaffa Forest Bee FCU	Honey	Store and equipment for processing	\$ 33,000	\$ 101,150			
Wodera FCU	Wheat	14 threshers	\$ 49,000	\$ 75,833			
Yirgachaffe FCU	Coffee	Seedling production (600,000)	\$ 11,944	\$ 16,278			
Melik FCU	Wheat	14 threshers	\$ 49,000	\$ 57,647			
TMF	Sesame	Cleaning Machine and Color Sorter	\$ 222,222	\$ 672,885			
Tsehay FCU	Sesame	Warehouse, Cleaning Machine, Gravity Separator	\$ 157,895	\$ 771,722			
Hashange FCU	Honey	Store and processing unit	\$ 69,152	\$ 37,792			
Zenbaba FCU	Honey	Processing machinery	\$ 89,813	\$ 146,912		\$ 1,750,000	Amount leveraged includes \$50,000 investment by Parodi (honey buyer) for honey processing equipment. Buyer also signed an MOU with Zenbaba to procure 500mt honey from Zenbaba at approximately \$3.5/kilo. The grant amount includes additional funds of \$51,729 in approval process.
Becho Woliso FCU	Chickpea	Fertilizer Blending Plant Machine	\$ 971,735	\$ 365,910			
15 Maize Producing Unions	Various	Post Harvesting and Handling Equipment	\$ 116,200	\$ 58,400			Post harvest handling equipment grants for 15 maize producing FCUs that deliver maize to WFP P4P program
Andode PC	Coffee	Seedling production	\$ 49,221	\$ 34,954			
Atnago PC	Coffee	Seedling production	\$ 49,221	\$ 34,954			
Bufeta Gibe PC	Coffee	Seedling production	\$ 49,221	\$ 34,954			
Asendabo Coffee Farmers' Primary Coop	Coffee	Expansion of coffee processing capacity; washing stations & drying beds	\$ 52,185	\$ 88,588			
Nano Cala Coffee Farmers' Primary Coop	Coffee	Expansion of coffee processing capacity; washing stations & drying beds	\$ 52,185	\$ 88,588			
Sadi Loya Coffee Farmers' Primary Coop	Coffee	Expansion of coffee processing capacity; washing stations & drying beds	\$ 52,185	\$ 88,588			
Omo Bako Coffee Farmers' Primary Coop	Coffee	Expansion of coffee processing capacity; washing stations & drying beds	\$ 52,185	\$ 88,588			
Shobe Coffee Farmers' Primary Coop	Coffee	Expansion of coffee processing capacity; washing stations & drying beds	\$ 52,185	\$ 88,588			
SUBTOTAL			\$ 4,156,052	\$ 3,862,517			

Partner	Value Chain	Activities	Amount Awarded/ Proposed	Amount leveraged	Technical Assistance & Other AMDe Investments	Markets/ Exports facilitated	Remarks—investments, market linkages and other partnerships
Future private sector partnerships							
A. Private Sector Businesses & Associations							
Gebbru Hagos PLC	Wheat	Agricultural Equipment	\$ 35,054	\$ 27,168			
Agroprom International PLC	Sesame/ Chickpea	Cleaning Machine Purchase	\$ 168,079	\$ 272,085			
METAD Agricultural Development plc	Coffee	Washing Station	\$ 159,320	\$ 505,000			Through AGP-AMDe investment facilitation, the grantee secured \$200,000 private equity investment for business expansion. The grantee will also invest over \$350,000 in establishing coffee washing stations and other infrastructure.
KAS International Trading	Chickpea	Chickpea Processing System	TBD	TBD			
Rahi Honey Processing Enterprise	Honey	Honey product diversification, out growers scheme	TBD	TBD			
Amaro Gayo Coffee	Coffee	Coffee Hulling facility	TBD	TBD			
Nile seeds PLC	Maize	Seed cleaning machinery	TBD	TBD			Nominated to Multiply for BH661
Hadia Seed and Agroindustry's PLC	Maize	Processing plant building	TBD	TBD			Nominated to Multiply for BH662
DIPASA Agro PLC	Sesame	Contract Farming	TBD	TBD			
ALARNA Agro Processing and Export PLC	Sesame		TBD	TBD			
Zeitun PLC	Wheat	New product development	TBD	TBD			Wheat buyer/processor, nutrition intervention
Avallo plc	Maize	Grain store, processing equipment for seed production (BH 661)	TBD	TBD			BH661 Hybrid Maize Seed Popularization
Gobena Gadisa commercial farm	Maize	Training and seed distribution	TBD	TBD			Nominated to Multiply for BH661
Lem Lem PLC	Wheat	Production Improvements	TBD	TBD			MoU Signed between 2 FCUs and Partner
SUBTOTAL			\$ 362,453	\$ 804,253			
B. Farmer Cooperative Unions							
Gozamen FCU	Maize	Maize warehouse construction (5K MT)	211,640	211,640			
Merekeb FCU	Maize	Maize warehouse construction (5K MT)	211,640	211,640			
Sidama Elto	Maize	Maize warehouse construction (5K MT)	211,640	211,640			
Becho Woliso FCU	Maize	Maize warehouse construction (5K MT)	211,640	211,640			
Ghibe dedesa	Maize	Maize warehouse construction (5K MT)	211,640	211,640			
Licha Hadiya FCU	Maize	Maize warehouse construction (5K MT)	211,640	211,640			
Admas FCU	Maize	Maize warehouse construction (5K MT)	211,640	211,640			
Yirgacheffe Coffee Farmers	Coffee	Expansion of coffee processing capacity; washing stations & drying beds	68,916	68,916			
Kaffa Coffee Farmers	Coffee	Expansion of coffee processing capacity; washing stations & drying beds	78,947	78,947			
Edget FCU	Wheat	Warehouse construction for seed production & distribution.	84,465	42,233			
Dansha Aurora FCU	Sesame	Sesame cleaning machine	77,048	152,952			
Setit Humera FCU	Sesame	Sesame cleaning machine	77,101	152,899			
Metema FCU	Sesame	Sesame cleaning machine	85,149	144,851			
Selam FCU	Sesame	Sesame cleaning machine	83,898	146,102			
Biftu	Chickpea	Improved Seed Production & Distribution Capabilities	50,216	45,613			
Wirtu Kechemma	Wheat	Improved Seed Production & Distribution Capabilities	50,216	45,613			
Ifa Bari	Wheat	Improved Seed Production & Distribution Capabilities	50,216	45,613			
Dureti Tulu	Wheat	Improved Seed Production & Distribution Capabilities	50,216	45,613			
SUBTOTAL			\$ 2,237,870	\$ 2,450,833			

Partner	Value Chain	Activities	Amount Awarded/ Proposed	Amount leveraged	Technical Assistance & Other AMDe Investments	Markets/ Exports facilitated	Remarks—investments, market linkages and other partnerships
Future private sector partnerships							
Other Market Linkages/Partnerships							
DuPont Pioneer	Maize			\$ 1,433,640	\$ 1,243,998		Partnering in hybrid maize seed demonstration (AMSAP)
Olam	Sesame				\$ 100,000	14,691,200	Sesame export facilitated for the seasons 2012/13 and 2013/14. Beneficiary FCU include Dansha, Metema, Kafta Humera, Selam Setit Humera & Thehay FCUs. Export facilitations for future seasons underway.
Romanat PLC	Wheat						MoU Signed between 2 FCUs and Partner
Dimma plc	Honey						ApiExpo 2012, linked to honey producers
Ethiogambia	Honey						Mold for production of containers
Printing enterprise	Honey						Technical assistance for label design
K.O.JJ	Wheat						Wheat buyer/processor
Brothers PLC	Wheat						Wheat buyer/processor, nutrition intervention
Kadija PLC	Wheat						Wheat buyer/processor
Kalme oil and pulses cleaning factory	Chickpea						Processing supply and networking
				\$1,433,640	\$ 1,343,998	\$17,956,200	

Sell More Form More(SMFM) cascade training progress (as of December 2013)

Region	S.No	Name of FCU	Value Chain	# of TOT training participants /lead farmers			Cascade training			Grant budget for cascading in USD	Cascading training funds transferred to FCUs
				Plan	achivement	%	Target	achivement	%		First round
Oromia	1	Galema FCU	Wheat	80	100	125%	4,800	3,037	63%	29,579	2,958
	2	Raya Wakena FCU									2,958
	3	Sikomondo FCU									2,958
	4	Ambo FCU									2,958
	5	Agarfa Kajawa FCU									2,958
	6	Chefebuluk	Maize	60	88	147%	3,600	1,800	50%	22,000	2,387
	7	Haragu									1,965
	8	Bako									2,216
	9	Gibe Dedesa									2,216
	10	Liben FCU									2,216
	11	Buno Bedele	Coffee	80	80	100%	4,800	4,800	100%	28,733	5,686
	12	Limu Inera									4,317
	13	Arega									4,364
	14	Becho woliso	Chick pea	52	81	156%	3,120	3,050	98%	18,706	3,702
	15	Lume Adama									2,957
	16	Erer									2,957
	17	Chilimo PC	Honey	60	34	57%	1,900	400	21%	11,084	1,705
	18	Gudina kiltu honey PC									961
	19	WETA honey PC									829
	20	Muto honey PC									959
	21	Gudina honey PC									846
	22	Demitu honey PC									829
	23	Mume Dema honey PC									846
		Regional total	332	383	115%	18,220	13,087	72%	110,102	56,747	
Tigray	1	Hashengie	Wheat	40	40	100%	2,400	2,450	102%	13,700	2,794
	2	Bokra									4,056
	3	Lemlem Wolquait									1,663
	4	Bokra	Honey	30	41	137%	2,460	2,026	82%	15,148	2,402
	5	Hashengie									3,287
	6	Dansha Awrora									4,812
	7	Setit Humera	Sesame	80	70	88%	4,800	3,732	78%	27,497	5,136
	8	Lemlem Wolquait									2,217
	9	Tekeze									2,286
		Regional total	150	151	101%	9,660	8,208	85%	56,345	28,652	
SNNPR	1	Melik	Wheat	40	35	88%	2,400	1,210	50%	11,895	5,948
	2	Edget									
	3	Keffa forest coffee	Honey	40	43	108%	2,400	2,423	101%	10,074	2,385
	4	Benchi (Honey)									2,133
	5	Admas	Maize	60	118	197%	3,600	960	27%	23,903	2,343
	6	Sidam Elto									2,807
	7	Oysa dawro									1,478
	8	South omo									1,398
	9	Godufo									1,478
	10	Yem Tebaber FCU									2,217
	11	Yergachefie FCU	2,769								
	12	Keffa forest coffee FCU	Coffee	60	37	62%	3,420	3,784	111%	17,953	3,483
	13	Benchi FCU									1,604
	14	Teppi FCU									2,217
		Regional total	200	233	117%	11,820	8,377	71%	63,825	32,259	
Amhara	1	Gozamin FCU	Wheat	80	80	100%	5,280	3,346	63%	29,558	4,434
	2	Ghion FCU									2,956
	3	Wodera FCU									2,956
	4	Merkeb FCU									4,434
	5	Zenbaba FCU	Honey	30	29	97%	1,800	1,725	96%	10,895	5,447
	6	Metema FCU									7,389
	7	Selam FCU	Sesame	70	68	97%	4,200	3,396	81%	26,131	2,897
	8	Tsehay FCU									2,779
	9	Damot FCU	Maize	60	56	93%	3,600	4,610	128%	22,168	5,912
	10	Admas FCU									5,173
	11	Tsehay FCU									4,121
	12	Ghion FCU	Chick pea	70	67	96%	3,900	4,200	108%	22,126	3,784
	13	Wodera FCU									3,158
		Regional total	310	300	97%	18,780	17,277	92%	110,878	55,439	
G.Total	-	National total	-	992	1,067	108%	58,480	46,949	80%	341,150	173,097

CROSS CUTTING ISSUES

Nutrition

Nutrition completed the development of the nutrition SMFM Training module and the training strategy. During the quarter, nutrition experts conducted two TOT trainings with Home Economics Agents, one in SNNPR with 18 trainees (9 women) and the other in Oromia with 19 trainees (14 women). All the trainees were provided with facilitator's guide, technical guide and planning book. In addition to these, each of them were given 22 STICKS (Scalable Tracker for Imparting Certified Knowledge and Skills) developed both in Amharic and Oromifa languages to be used as educational material throughout the cascaded training.

Overview

Limited availability of nutritious foods, economic constraints and lack of knowledge and information are critical factors that limit rural Ethiopians' access to nutritionally important foods. The agricultural sector has the opportunity to help address inadequate access to micronutrient-rich foods by contributing to income generation of at-risk groups and by making nutritious foods more accessible (available and affordable), more nutrient-rich and more acceptable as an important part of the daily diet. Empirical evidence from agriculture-based development programs suggests that actions in the agricultural sector can lead to improved nutritional outcomes at a household level. Most agricultural interventions affect the household's nutritional status through support of production consumed at the household and/or improving income-generation. Increases in production and improved storage can provide year round food access at the household level, including the lean season. Higher profits from agricultural trade, improved agriculture-based wage-earning opportunities, and higher product sales prices all affect the vulnerable household through increased income and food access. When coupled with nutrition, education and budgeting for food purchases can improve nutrition and food security.

Summary of Results: During the reporting period the following major nutrition activities were performed:

Integrate nutrition-sensitive agriculture messages into current training activities at FCUs

- **Provide TOT on nutrition-sensitive agriculture to farmers in SMFM in each value chain:**

The nutrition Sell More 4 More (SMFM) training module was finalized during this quarter. AGP-AMDe has developed a training strategy and started providing training of trainers (TOT) to Home Economics Agents (HEAs) of the Ministry of Agriculture (MOA) from each of the woredas at Regional level. These TOT participants then do a cascade training to Development Agents (DAs) farmers in each of the project value chains. Whereby they inter conduct training to Development Agents (DAs) at their respective woreda. The DAs will in turn provide training to Primary Cooperative Union (PCU) members to deliver nutrition messages on integrating nutrition and agriculture to their members which is approximately 76,000 farmers.

During the quarter we have conducting two TOT trainings in SNNPR and in the first group of Oromia that is divided into two due to the high number of AGP woredas in Oromia. The two trainings were conducted

in Awassa and Adama towns during December 10-12, 2013 and December 30, 2013- January 1, 2014 respectively. Both the trainings were conducted for three days each as per the schedule.

The trainees are Home Economics Agent (HEA) from 18 AGP woredas in SNNPR (9 females and 9 males) and from 19 woredas in Oromia (14 females and 5 males). OF the trainees, 50% of the trainees in SNNPR and 74% from Oromia constituted female participants. After receiving the training they will go back to their respective woredas and provide training to Development Agents (DAs) for two days and the DAs will deliver the training to farmers in their respective kebeles.

The training methodology is participatory training in which all the trainees share their specific experience and attempt to put together the most important oncesto adopt in their respective activities. The overall focus of the training content was diet and crop diversity which includes the following measure topics: Introduction on nutrition, crop diversity/diet diversity, crop health/human health, crop growth/human growth, practice training with STICKS and planning and evaluation.



All the participants were provided with facilitator's guide, technical guide and planning book prepared for them. In addition to these, each of them were given 22 STICKS (Scalable Tracker for Imparting Certified Knowledge and Skills) developed both in Amharic and Oromiffa languages to be used as educational material throughout the cascading training.

- **Integrate the nutrition module with SMFM training:**

Efforts will be made to integrate the nutrition module developed with the rest of SMFM training to be carried out when farmers they work with get trainings during the off season from planting or harvesting. The messages will mainly emphasize on basic nutrition, crop diversity/diet diversity, crop health/human health, relationship between crop growth/human growth, Nutrition-Agriculture relations, budgeting income to buy nutritious foods year round, training on best agricultural practices for year-round production (hence supplying food for household consumption), and intercropping. (Importance of a balanced diet). These messages will be coordinated with ENGINE, GRAD, AGP-LMDe and appropriate ministries so that communities are hearing the same messages from several sources.

Key activities and successes: Following are activities that were achieved:

- Developed Prepare, print and distribute nutrition STICKS for farmer training
- Undertake TOT on nutrition in each value chain
- Organized and conducted TOT nutrition trainings for agricultural service providers in SNNPR and Oromia.
- Female participation in SNNPR was 50% 18 (9 females and 9 males) and 19 (14 females and 5 males) in Oromia which was 74%.
- Nutrition module consisting of 1) Facilitators guide, 2) Technical Guide, 3) Planning Book



and the 4) STICKs (in Amharic, Tigrigna and Oromifa) are finalized and are being used in the TOT trainings and copies are distributed to the trainees.

- After identifying the gap in the area of field nutritionist position decision was made to fill the position in all AGP-AMDe sub-regional offices where recruitment is underway.
- Developed recipes on all AGP-AMDe value chain components and we are working with communications and BCC team to create an appropriate channel to be able reach to the farmers in rural setting

Key Events Undertaken (Oct-Dec 2013)

Date	Name of Event	Location (city, woreda, region/country)	Value Chain/Cross Cutting Area	Total # of participants (# of women)	Name(s) of AMDe Team Attending	Name of Partner Organizations
Dec 10 – 12, 2013	Nutrition TOT training	Hawassa, SNNPR	Nutrition	18 (9 females)	Tefera Azage K.Ladd Solomon Legesse	tazage@acdivocaeth.org
Dec 30, 2013 – Jan 1, 2014	Nutrition TOT training	Adama, Oromia	Nutrition	19 (14 females)	Tefera Azage Solomon Legesse	tazage@acdivocaeth.org

Analysis:

Challenges and opportunities

- Few woredas were not represented in the training due to other assignment given to them in the same period
- Discussions were held to train them during the woreda training along with the Development agents (DAs) training
- Some trainees were told late so that they couldn't have a chance to prepare themselves

Nutrition Activity Tracker October – December 2013

Activity Number	Activity Description	Indicator and Unit	Target - Year 3	Q2			Cumulative		
			Total	Target	Achieved		Target	Achieved	
					Number	%		Number	%
IR I									
Improve the Competitiveness – Nutrition									
Op. 4.1	Determine the Cost of a Minimally Acceptable Diet (MAD) including seasonality						4	4	100
	Conduct cost of diet analysis in Oromiya, SNNPR and Tigray	# of reports	0				4	4	100
Op.4.2	Identified barriers on nutritional behaviors among value chain actor						4	4	100
	Conduct/analyze barrier analysis (BA) and Focus Group Discussions (FGDs) on each value chain actors in Oromiya, SNNPR and Tigray	# of reports	0				3	3	100
Op.4.4	Nutrition training module developed						1	1	100
	Prepare, print and distribute technical modules for trainers	# of modules distributed for trainers	0	96	58	60	96	58	60
	Prepare, print and distribute nutrition STICKS for farmer training	# of farmers	0	4000	1276	32	4000	1276	32
	Field test messages		1	1	1	100	1	1	100
Op.4.5	Capacity of Home Agents and Farmers Built in Nutrition						1	1	100
	Undertake ToT on nutrition in each value chain	# ToT trainees (HAs)	100	96	58	60	96	58	60
	Undertake nutrition trainings coordinated with value chains	# of individual trainees	560						
	Develop and distribute SBCC materials like posters with nutrition messages to FCU's	# of documents	560						

Gender

Overview

Women in Ethiopia make up more than 45% of the agricultural labor force, yet represent less than 20% of members of agricultural cooperatives and have less access to productive resources and opportunities than men. Women also play a large role in livestock management and processing of animal products. They face different and more basic constraints than men, linked to issues such as access to water, access to credit and low demand for their salable products. Lack of land tenure often means women cannot offer collateral for loans, cannot join rural producer organizations, and thus, cannot take part in consequential decision making in the farming and livestock business. Those women wanting to be players at the higher end of the value chain face multiple obstacles related to start up, operations and finance. They also lack information and capacity.

AGP-AMDe is focused on targeted, strategic actions that are empowering women (individually and collectively) across the value chains and all components. This includes supporting and facilitating of mainstreaming effort to positively influence institutional policy, systems and practices. It also encompasses the development and launch of the Women's Agribusiness Leadership Network, which includes capacity building in entrepreneurship and leadership, supporting mentors – mentee relationships and linkages with regional and international women's networks.

In this quarter, AGP-AMDe initiated a three year program on women's agribusiness leadership and mentorship network. The program will be implemented from 2014-2016. It is targeting female leaders located in Addis Ababa, Amhara, Oromia, Tigray and SNNPR working in maize , wheat, sesame, chickpea, coffee, honey or livestock value chains who own or manage business, associations, farmers' cooperative unions including production, processing ,trading exporting, transport, agricultural finance or other services.

Summary of Key Results

The groundwork was completed to launch the Women's Agribusiness Leadership Network (WALN) during this quarter. The selection criteria and application forms were finalized and WALN information sessions were conducted in each region. 54 women have applied for the program, to date, and the submission deadline has been extended to mid-February, 2014.

Key Activities

Application form was created and distributed online ([knowledge portal/www.ethioagp.org](http://knowledge.portal/www.ethioagp.org) & activoca.org) as well as available at Addis and regional offices.



Information sessions were organized for Tigray, Amhara, Oromia and SNNPR. The sessions was organized and facilitated by AMDe chief of party and gender specialist in collaboration with regional manager, sesame VC and BDS. The objective was to inform and create understanding among potential business women and stakeholders about the new initiative for female leaders in agribusiness and enable them to use the opportunity or share to others located in their respective regions/location/networks. More than 100 business women attended these sessions. They worked in wheat, sesame, honey, chickpea, coffee, maize and poultry & livestock value chains. The overall objectives, benefits and application process of WALN were presented and discussed.

Analysis

Even though different approaches applied to invite business women in the targeted area, the number of application received was very low than the expected.

Opportunities

- Women see the program as positive intervention and show interest in participating.
- The government, non-governmental actors and women's associations collaborate with AGP-AMDe in inviting, disseminating and assisting potential business women in their locality.

Constraints

- Limited or no access of newspapers and websites among business women in targeted woredas
- Limited or no habits of reading newspapers and looking into internet among business women in targeted woredas
- Difficulties in understanding and filling application form in English.
- Unfamiliarity with the idea of mentorship among business women



Key Events Undertaken November 15, 2013 – December 31st, 2013

Date	Name of Event	Location (city, woreda, region/country)	Value Chain/Cross Cutting Area	Total # of participants (# of women)	Name(s) of AMDe Team Attending
December 11/2013	Information session on WALN	Mekelle, Tigray	Gender	26	Vanessa Adems, Hebrēt Abahoy, Gebru Desta & Atakti Ambachew
December 12/2013	Information Session on WALN	Addis Ababa	Gender	36	Vanessa Adems, Hebrēt Abahoy, Amsalu Andarge,
December 13/2013	Information session on WALN	Hawassa, SNNP	Gender	27	Hebrēt Abahoy, Berhanu Asfaw & Abiot Imiru
December 16/2013	Information session on WALN	BahirDar, Amhara	Gender	37 (5 men)	Hebrēt Abahoy, Teferi Wondale, Melat Lemma
December 30 & 31/2013	Information session on WALN	Humera, Tigray	Gender	15	Hebrēt Abahoy, Leake Gebreselama

Behaviour Change Campaign

Behavior Change Communications developed gender leaflets to complement the gender poster. 1,310 leaflets and 1,415 posters were distributed to farmers, cooperative and union management members, and regional government officials during general assembly meetings, trainings, and various events organized by unions in Amhara and Oromia during December. 860 leaflets and 1030 posters were distributed in Amhara while the remaining 450 leaflets and 385 posters were distributed in Oromia.

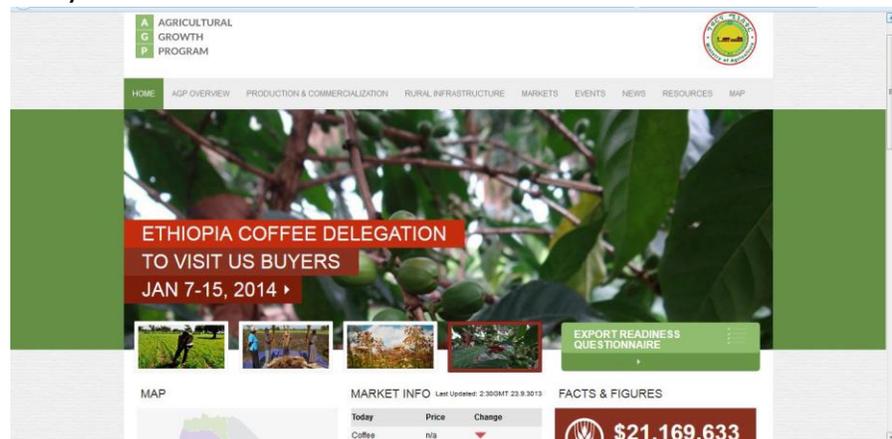
Gender Campaign Poster and Leaflets



ICT/Knowledge Portal

ICT/Knowledge Portal working group agreed that MoA host the Knowledge Portal and contribute to site development and maintain the site. The AGP-AMDe ICT Advisor carried out a feasibility study of infrastructure and resource requirements to transfer the AGP Knowledge Portal to MoA hosting. MoA representatives and AGP-AMDe ICT Advisor aligned on the transition and capacity building project plan. A detailed resource needs analysis was completed and resulted in a procurement plan that is currently being implemented and overseen by AGP-AMDe.

The Web Content Manager position was filled in December with a consultant who made significant progress updating the portal (especially the home page, News, Events & Documents sections), upgrading web functionality and creating English news web-crawlers. In addition, the website fully transitioned from a blue to green layout.



Annexes (Separate Volume)