



Pastoralist Areas Resilience Improvement through Market Expansion (PRIME) Project
Funded by the United States Agency for International Development

Quarter 10 Report
FY 2015
Reporting Period: January 2015 – March 2015

Submitted to:
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		Program Summary
Acting Chief of Party	Senior Program Officer	Award No: AID-663-A-12-00014
Box 14319	Mercy Corps	Start Date: October 15, 2012
Addis Ababa	45 SW Ankeny	End Date: October 14, 2017
Ethiopia	Portland, Oregon 97204	Total Award: \$56,772,799
		Report Date: April 30, 2015

I. EXECUTIVE SUMMARY

PRIME is a five-year, USAID-funded initiative designed to support resilience among pastoralist communities in Ethiopia, and thus enhance prospects for long-term development in Ethiopia's dryland landscape where the pastoralist livelihood system prevails. Financed through Feed the Future (FTF) and Global Climate Change (GCC) facilities, PRIME is designed to be transformative, innovative and achieve scale through market-driven approaches to livestock production and livelihood diversification that simultaneously support dryland communities to adapt to a changing climate. In order to achieve its overall goal of **Increasing Household Incomes and Enhancing Resilience to Climate Change through Market Linkages**, the program works to meet the following five major objectives (intermediate results):

- 1) Improved productivity and competitiveness of livestock and livestock products;
- 2) Enhanced pastoralists' adaptation to climate change;
- 3) Strengthened alternative livelihoods for households transitioning out of pastoralism;
- 4) Ensure enhanced innovation, learning and knowledge management; and
- 5) Improved nutritional status of targeted households improved through targeted, sustained and evidence-based interventions.

Highlights from the Quarter

This report summarizes the key activities implemented, and the associated accomplishments for PRIME over the period of 1 January to 31 March 2015, which is the tenth quarter (second quarter, third year) of implementation. Major accomplishments for Quarter 10 include:

Highlights from IR1: **Improved productivity and competitiveness of livestock and livestock products**

During Quarter 10 of PRIME and in an effort to improve productivity in livestock market systems, 10 trainings, two technical assistance interventions, three capacity building exposure visits and 40 small business expansion grant activities were implemented in all target clusters. Within the effort to improve market linkages between actors in the livestock and livestock productivity related value chains, during Quarter 10 and in collaboration with other USAID funded, complementary activities, AMD and AGP-LMD, PRIME facilitated the organizing of three livestock trade B2B events in all operational clusters.

Training and Experience Sharing in Milk Production and Scale-up of women's shoat fattening businesses: This quarter PRIME facilitated an exchange visit for 36 milk value chain actors at a modern dairy processor in Bishoftu. The main objective of this activity was to equip participants with basic information and knowledge on the milk value chain, and to understand institutional arrangements including policies, practices, legislation, structures, and approaches. PRIME also continued its efforts to provide training and technical assistance to several women groups in the Eastern and Southern Operational Clusters to increase the women's groups' capacity to establish, register and successfully manage joint small ruminants fattening businesses as formal cooperatives. 45 women leaders were trained during these events.

Competitive Cost-shared Grants for Milk Collectors, Commercial Feed Production and Fodder Production Demonstration Sites, and Increased Livestock Fattening and Trade Improvement: PRIME continued to support milk collectors, commercial feed/fodder production, and livestock fattening/trade through cost-shared business expansion grants. This quarter 40 business expansion grant activities were implemented in all three clusters including:

- **Milk Collectors:** The expansion grants awardees Abdi Milk and Gemadu Gurati based Negelle Borena and Yabello of Guji and Borena Zones respectively managed to jointly establish 22 village milk collection agents collecting milk from 250 households in several PRIME woredas, increasing incremental sales of the households they serve by 16,470 liters of milk valued at ETB 329,400 (\$15,700).
- **Commercial Feed/Fodder:** In order to stimulate the fodder market and provide relief for drought affected pastoralists in Borena zone, a series of promotional activities and fodder voucher distribution was implemented with existing feed/fodder vendors in the southern cluster. Feed/fodder valued at ETB 645,000 (\$30,700) was sold to over 200 households during the promotional events.
- **Livestock Fattening/Trade:** This quarter, PRIME supported three local livestock traders in Yabello woreda to establish fattening/holding grounds. These holding grounds are expected to jointly have the capacity to handle 1,000 – 1,500 large ruminant animals and offer part time employment to 30 new employees. The operation of these holding grounds is expected to improve the quality of the animals traded and increase the local demand for animal food and fodder. In addition Mercy Corps finalized the agreements with two livestock traders for livestock holding grounds in Moyale. It is expected that these two expansions will attract a total investment leverage of ETB 670,454 (\$33,500) as sub-recipients cost share. Moreover, 6 new job opportunities will be created and 25 small traders will gain access to regular and consistent market linkages through which an estimated 650 household from several southern woredas will also obtain a regular potential market access for their livestock.
- **Private Veterinary Providers:** This quarter SOS Sahel and Mercy Corps started supporting 10 sub PVP businesses in the Southern Operational Cluster to expand their business and reach out into currently underserved pastoralist areas. Five of the expansions were completed during the quarter and five will be finalized in the following quarter. Based on the initial reports, the five PVPs that completed their investment and started operation this quarter already experienced growth in sales amounting to ETB 500,000 (\$23,800). In addition it is expected that these business expansions will contribute to the creation of 20-26 new employment opportunities.

Activities Aiming to Increase Market Linkages in Livestock and Milk Trade: This quarter PRIME facilitated three B2B events between 135 livestock traders, cooperatives and export abattoirs as well as private milk aggregators, government officials, and community members resulting in new and strengthened linkages between value chain actors. PRIME also facilitated the participation of ten Ethiopian export abattoirs, live animal exporters and a camel milk

processing plant from pastoral and agro-pastoral areas at the 2015 Gulf Food Fair conducted in Dubai. The interest of the livestock trading enterprises to participate in the Dubai Gulf food Fair doubled this year in comparison to the last year attesting to the fact that local livestock trading businesses increases in capacity to react to the increased international demand. The total anticipated export sales concluded at the fair are \$13,730,500.

Support to Public Animal Health Services to Conduct Annual Vaccination and Livestock Health Prevention Campaigns: PRIME supported the ESRS' regular strategic vaccination program through cost-sharing of vaccines & drugs supply, DSA for the program team & logistic support with the regional LCDRB and district LCRDOs, resulting in a total of 314,215 heads of livestock being vaccinated and 4,027 HHs reached in 43 kebeles in Somali region. In addition, 39,308 heads of sick animals were treated on-the-spot with appropriate antibiotic and anthelmintic therapy against different endemic diseases.

Highlights from IR2: **Enhanced pastoralists' adaptation to climate change**

PRIME continued to support different NRM and Climate Change Adaptation activities including the regular quarterly dialogues of the rangeland councils; organizing and facilitating multi-stakeholders consultation workshops on the pastoralists' communal land registration and certification issue; supporting communities efforts on natural resource rehabilitation and enhancement activities including selective bush thinning and water point rehabilitations, facilitating participatory scenario planning (PSP) workshops and disseminating PSP advisories while institutionalizing the process, supporting the implementation of SAA approach to address social and behavioural constraints to CCA, and facilitating participator rangeland management planning processes that will contribute to pastoralists' resilience to the changing climate.

Institutionalizing PSP process for local and regional government institutions: PRIME uses the participatory scenario development approach for promoting resilience in local DRM planning and livelihoods investment decision making. Although it is too early to determine the long-term impacts of the activity, changes were seen in the form of improved access to climate information and increasing community confidence to use the information for livelihood decision making. PRIME is working towards institutionalization of the PSP process by the respective local and regional level government stakeholders to ensure local ownership, wider application and sustainability of the interventions. The PSP process is designed to be driven by communities and local government, purposely involving them and building their understanding of the importance of forecasts and their levels of uncertainty for decision making in a changing climate.

In the reporting period, PRIME facilitated the institutionalization of PSP process in Afar and Guji zone of Southern cluster with encouraging results. The process supports integration of PSP into community livelihood adaptation and local government development planning, hence continuity of the process. The linkage with other existing committees/communication mechanisms such as those on community based EWS and DRR is expected to strengthen the sustainability of the PSP process. Sustainability is expected to be fully achieved when local government planning processes recognize the importance of and provides resources for the participation of meteorological services and community forecasting experts to help refine plans

on a seasonal basis, and for systems for dissemination of advisories. Increased community capacity to understand, use and benefit from climate information will build their demand for the information. Since people have to continuously adapt to a changing climate, there is need for the sustained information sharing and dialogue that PSP forums promote.

Social Analysis and Action (SAA) for Climate Change Adaptation across the 3 clusters: PRIME has successfully adopted CARE's proven Social Analysis and Action methodology to enable communities to identify linkages between social and behavioral factors such as culture of savings and resource management, access to resources and decision making, household aspiration, and vulnerability to climate change and food insecurity and determine how to address them. In the reporting quarter, a total of 9 SAA groups were established across the three cluster areas (3 in Afar, 4 in south and 2 in east clusters), made up of 20-25 members, both women and men, and representing different groups within the community (livelihood groups, wealth groups, gender and age groups). One of the SAA group established in Afar is a women only group which comprises women who are actively participating in saving groups. Beyond the regular community conversations, the SAA group in Dudub kebele in Afar have started taking practical actions including start-up of regularly saving money at the household level and enclosing and rehabilitating communal grazing areas for lactating, weak and small animals.

Regular rangeland council dialogues: PRIME continued supporting regular rangeland councils' dialogue meetings at all the three clusters. During the reporting quarter councils of Gomole, Malbe, Dire, Golbo, Wadera and Golba-Genale rangeland systems in South cluster, and that of Erar-Dakata of Babile Somali, Afdem, Harshin rangelands in Somali region have been supported to conduct their regular dialogues. PRIME logistical support helped the Rangeland Council members to come together to discuss and address resource governance related problems. In south cluster alone, about 26 *Reera* (sub-rangeland unit) level regular dialogue meetings were supported in six (6) *Dheedas* (rangeland units) where between 15 and 35 people have participated in each meeting. In those dialogues, Rangeland Councils discussed on rangeland management issues and taken some concrete actions that will improve communities' access to pasture and water resources and also improve the management of their rangelands. To mention some of the achievements, councils of Gomole rangeland system have dismantled about 159ha of private farmlands in *Danbalabadan* sub-rangeland unit that used to be owned by about 106 HHs. They have also mobilized communities for the soil and water conservation activities being undertaken at around *Haro-Bake* pond catchment areas to reduce the amounts of silts entering to the microdam through surface runoff. As a result communities have constructed about 4.5km soil bunds. In addition, the councils of Gomole, Malbe, Dire, Golba-Dawa and Golbo rangelands have mobilized their respective communities and rehabilitated 11 small ponds altogether in their respective rangeland units during the reporting quarter alone. All these ponds are already being filled with water and will be providing services soon for both livestock and human consumption.

Facilitating multi-stakeholders consultation workshops on communal land certification process: In partnership with LAND, PRIME organized two multi-stakeholder consultation workshops on January 28 and 30 at Yabello and Negelle Borana, respectively, to facilitate discussion among representatives of the different community groups including the Gadda leaders and the other stakeholders on how to go about the registration and certification of the pastoralists' communal land use rights. The workshops involved officials from the Federal, Regional and

local level government Bureaus and Offices including from MOA, Oromia Bureau of Rural Land Administration and Environmental Protection (OBRLAEP), Oromia pastoralist area development commission (OPaDC), Oromia Pastoralist Association, officials from the Borana and Guji zones and woredas in the two zones, as well as representatives from the pastoralist communities.

Rangeland management planning processes: PRIME adopted a participatory rangeland management (PRM) process as a tool to addressing NRM and governance issues, and it has already completed essential activities in the initial 'investigation phase' of the PRM process in most of the rangeland systems in all the three clusters. Until this quarter the major activities have included resource identification and inventory, participatory resource mapping exercises and the digitization and validation of the community resource maps, analysis of the different resource users, institutional analysis and revitalization of the customary resource governance systems and institutions. As part of the second phase (negotiation) of the PRM process, facilitating participatory rangeland management planning processes & bylaw development have started during this quarter. Rangeland Management planning workshops has been facilitated in 4 rangeland systems in South cluster namely Wadera, Golba-Genale, Golba-Dawa and Diida rangeland systems and at Amibara rangeland system in Afar during the reporting quarter. The draft rangeland management plan documents of other three rangeland systems in Borana namely Malbe, Gomole, and Dirre rangeland systems have been prepared and shared with the PRIME implementing partners and local government stakeholders for feedback.

Rehabilitation and improved technologies: PRIME supports and facilitates different resource rehabilitation and enhancement activities including the rehabilitation of water points and degraded rangeland areas across all the three clusters. The rehabilitation of about 8 water points (3 in Afar, 3 in East cluster and 2 in south cluster) have the capacity to harvest about 815,595m³ of surface water during rainy season and the total of about 18,478 households are expected to have improved access to water for livestock and human consumptions in dry season. In addition, rangeland councils in Borana have mobilized their communities and facilitated the rehabilitation of another 11 small and medium sized water points (ponds) in Borana and Guji zones without any external supports. Besides the rehabilitation of the water points a total of about 9,745 hectares of rangelands (99ha in Afar, 406ha in South and 9240ha in East) have been rehabilitated through soil and water conservation measures, selective bush thinning, area closures, and mechanized clearing of prosopis in Afar. The rehabilitation activities significantly reduce the rate of soil erosions and environmental degradation in the areas and expected to improve pasture regeneration and thereby livestock productivity.

Highlights from IR3: **Strengthened alternative livelihoods for households transitioning out of pastoralism**

More than 240 people obtained jobs through HelloJobss platform: Amasis, the company running HelloJobss, surveyed 220 out of the 1,868 registered users to see how many people obtain jobs through directly or indirectly via the HelloJobs system. The results show that 13% of the job seekers reported that they obtained a job after registering in the system. This implies that roughly 242 registered users have obtained jobs since the HelloJobss service was started 8 months ago. The system is particularly useful to low-skilled and semi-skilled workers, who may

not be able to access job opportunities via the internet – companies can now call them directly if they are a match for an open position.

PRIME supported Mobile and Agent Banking initiative initial pilot completed successfully:

Following the approval from the National Bank of Ethiopia, Somali Microfinance (SMFI), in partnership with BelCash Technology Solutions, successfully completed the Mobile and Agent Banking pilot initiative (Jan-April) in the Ethiopian Somali Regional State. The pilot involved six SMFI branches and 19 agents, and by the end of the pilot period, 1,456 individuals opened a mobile bank account. Services continue as the National Bank of Ethiopia to evaluate the pilot have authorized SMFI to pursue a full-scale rollout. It is expected that this activity will create more than 2,000 jobs and benefit 42,000 households by creating access to different financial services through their mobile phone and the nearby agents of SMFI.

Support to commercial banks to promote sharia compliant products: In this quarter, PRIME also facilitated support to commercial banks to promote sharia compliant products through an interest-free banking forum in Gewane and Galealo woredas where 149 individuals from a variety of sectors, including 78 pastoralists, participated. As a result of the forum, PRIME supported CBE's initiative to promote interest-free banking at the kebele level. This quarter, 695 (114 Women and 581 Men) individuals opened interest free bank accounts at Awash 7Kilo CBE branch and \$295,929 in savings has been mobilized by the bank.

VSLA formation through the Provider Service Provider model is growing at a faster rate: As of Quarter 10, PRIME-supported PSPs have formed 232 VSLA groups with total members of 4,390 (68% are women) across three clusters of PRIME operational areas. The progress of VSLA formation through the PSPs is showing accelerated result since it was started about ten months ago. Total savings reached \$57,751 and \$ 15,273 in loans have been issued by VSLAs to members.

More than 800 TOPs are enrolled in TVETs through PRIME's short-term vocational scholarship program: Since inception, PRIME has granted scholarships for 807 TOPs to attended training in different public and private TVETs. The main objective of PRIME's scholarship program for TOPs is to improve their life skills through short-term skill training that will assist them to secure stable employment or create self-employment. During this reporting period, 250 people were enrolled in scholarship programs and 107 graduated.

A Job Fair in Negelle Borena Results in 94 Job Offers: In addition, ninety-four job seekers (48 male, 46 female) in Guji Zone, Oromia Region, were offered jobs during a job fair (9-11 February) facilitated by Mercy Corps and SOS Sahel, in collaboration with concerned government offices. The event, which was held in Negelle town, of Guji Zone, brought together all major actors in the labor market such as job seekers/TOPs, employers, employment placement agencies, and facilitator offices such as Labor & Social Affairs, Youth & Sport, Small & Micro Enterprises Development, TVET, MFIs and administration. The job fair was visited by more than 1,000 visitors and 300 major private/public entities.

Highlights from IR4: **Ensure enhanced innovation, learning and knowledge management**

During the quarter under review, PRIME's LKM component focused on the development of customized reports through the management information system (Ki-projects/Ki-metrics) while doing a comprehensive review of data quality issues and training staff in the field to ensure data is entered into the system after careful considerations on quality control. To strengthen the data collection and analysis of our institutional partners, PRIME is developing an institutional database that will record and store all project recipients' profiles, the project investment and support in them and, depending on the recipient, performance information (sales, enrollment/membership numbers, etc.).

Data Quality and Spot Checks: Institutional and consortium partners in the three clusters were part of a spot check that included auditing partner program records, partner performance monitoring, and satisfaction with the partnerships and management. Data quality has significantly improved in the three clusters, which we believe will be even further strengthened after the M&E training all field staff participated in during Q10. While the M&E plan's update has not yet been finalized with USAID, the main definitions and principles behind our M&E system were thoroughly explained to staff to enhance their understanding of how activities are linked to our results framework.

Research and Assessments: The LKM team worked closely with the IR1 team in the update of the Fodder and Livestock EMMA in the three clusters, with special attention to post-emergency response impacts in drought affected areas where PRIME intervened with fodder vouchers at the end of 2014. SenseMaker data collection continued for nutrition stories, while frameworks for NRM and the nutrition soap opera were finalized and schedules drawn for data collection. The pilot on monitoring market facilitation and systems change continued, with reports on preliminary surveys showing us that we need to re-focus some of the original questions and approaches. Partner Haramaya University presented its research to PRIME staff and some external audiences in the Somali region in order to finalize some research reports during Q11, and continued research on disability inclusion in policy frameworks,

Learning: The LKM strategy final draft was submitted by Kimetrica and is being reviewed by PRIME management for its distribution. In addition three learning briefs were finalized and are ready for production and dissemination. PRIME has also been featured in the FTF newsletter twice during quarter, on The Guardian online site's Global Development Professional Network and Mercy Corps blog, while PRIME was also mentioned as an example in Microlinks' Resilience webinar.

Two-way Communication: The Afar cluster took the lead during the quarter holding a participatory M&E session with the regional government and initiating the creation of a repository of learning in Gewane.

Highlights from IR5: **Nutritional status of households improved**

During the quarter PRIME nutrition has implemented various activities, leveraging efforts with other PRIME IRs and in coordination with government officees. PRIME nutrition actively worked with livestock productivity team around the animal health and fodder promotion, while

also working with the alternative livelihood team around post-harvest storage technology and nutrition add-on on VSLA interventions. Key accomplishments include essential nutrition action trainings, promotional events on dietary diversity and MIYCF, facilitation skill training, training on concept of 1000 days, and local capacity building for government workers and theater groups. Through training and promotional events, PRIME was able to reach over 25,000 individual beneficiaries with nutrition programming.

In Q10, the PRIME Nutrition team successfully launched the Soap Opera for Social Change radio drama in the three PRIME languages. Dramas are broadcasting every week for all PRIME beneficiaries with nutrition messages related to livestock health and productivity, nutrition for pregnant women and joint decision making.

Highlights from Innovation and Investment Fund:

Jigjiga Export Slaughter House (JESH)

The Jigjiga Export Slaughter House will provide improved market linkages for over 500,000 households and create up to 1,000 jobs. During Q10, construction of the different buildings on the site has continued and the facility is 75% completed.

Somali Microfinance Institute (SMFI) - Belcash

After completing all the required steps from the National Bank of Ethiopia, SMFI and Belcash launched the pilot for the *Financial Inclusion for the People of Somali Region in Ethiopia (FIPSRE)* project with the HelloCash brand. The scope of the pilot program was limited to 5 SMFI branches with each branch having between 2 and 10 agents taking part in the pilot. About 2000 users have registered.

Barwako milk processing factory

The Barwako Camel/Cow Milk processing factory is running more efficiently, partly thanks to the USAID-PRIME grant. Barwako currently employs 36 people (four additional jobs were created due to PRIME funding). The facility is now processing 500 to 900 liters per day of cow and camel milk (combined), collected from cooperatives. Full capacity of the facility is 10,000 litres per day for each type of milk, and Barwako aims to meet this daily capacity in the near future. With the purchase of 2 new cold trucks (adding to a total of 3 trucks) with the PRIME grant, Barwako is distributing products to Hargeisa, Djibouti, Dire Dawa, Harar, Aweday and Adama. Barwako is also preparing to distribute to Addis Ababa in the coming months. The factory is currently buying from 300 households in PRIME operational areas.

RENEW Investment advisors Plc. - Private Equity Leveraging Services

RENEW anticipates closing investments in three companies, including the two PRIME-pipeline companies in the May/June 2015 timeframe.

AGP Poultry

PRIME signed an agreement with AGP poultry to expand their production to PRIME target regions. The objective of this investment is to strategically expand AgFlow Poultry's products and services into underserved woredas in Ethiopia's Guji and Borena Zones.

This three-year \$9M expansion will be co-financed by PRIME, equity investors (Flow Equity, AfricaGulf), loan capital (Acumen Fund), and operational revenue once the business is profitable

in Year 2. The PRIME contribution totals \$1.2 million. The new company, AGP Poultry, will impact 30,000 households through 50 SMEs over the lifetime of the grant while improving the poultry industry's rural productivity and competitiveness.

Addiskidan Milk Processing Factory

The project will establish a medium-sized modern milk processing facility by collecting milk from pastoralists and agro pastoralists around Awash Fentale district and distribute for consumers in Afar urban areas, West Harage and East Shewa zones of Oromiya region. The project is anticipated to create market access for 25,000 households and job opportunity for 45-50 unemployed persons in the area.

The environmental assessment and a survey of milk cooperatives that will supply Addiskidan were completed at the end of the reporting quarter. The agreement will be signed in the upcoming quarter.

II. SUMMARY RESULTS TABLE

Indicator	Disaggregation	FY13+FY14 targets (Y1+Y2)	FY13+FY14 achieved (Y1+Y2)	FY15 Target (Y3 only)	Achieved Q9 (Oct-Dec 2014)	Achieved Q10 (Jan-Mar 2015)	Remark
CROSS CUTTING INDICATORS							
Number of HH reached (custom)	Total	75,000	64,348	50,000	19,598	23,796	Number of HHs reached for Q9 adjusted. Numbers for both quarters will be applied discounts for IR overlaps at the end of year.
4.5.2(5): Number of farmers and others who have applied new (improved) technologies or management practices as a result of US assistance	Total	6,687	13,604	10,000	N/A	N/A	Annual reporting only
4.5.2(34): Number of people implementing risk reducing practices/ actions to improve resilience to climate change as a result of USG assistance	Total	19,000	11,977	10,000	N/A	N/A	Annual reporting only
PPR 4.8.2-26: Number of stakeholders with increased capacity to adapt to the impacts of climate variability and change as a result of USG assistance	Total	10,300	11,977	10,000	N/A	N/A	Annual reporting only
4.5.2(7): Number of individuals who have received USG supported short-term agricultural sector productivity or food security training (RIA) (WOG)	Total	193,215	37,553	9,936	2,797	1,872	On target for Y3. Y2 target was too high and unrealistic but could not be changed in system.
	Male	133,185	21,784	5,599	1,311	1,558	
	Female	60,030	15,769	4,337	1,486	314	
4.5.2(11): Number of food security	Total	1,411	646	1,460	232	142	Not on target for Y3–

Indicator	Disaggregation	FY13+FY14 targets (Y1+Y2)	FY13+FY14 achieved (Y1+Y2)	FY15 Target (Y3 only)	Achieved Q9 (Oct-Dec 2014)	Achieved Q10 (Jan-Mar 2015)	Remark
private enterprises (for profit), producers organizations, water users associations, women's groups, trade and business associations, and community-based organizations (CBOs) receiving USG assistance (RIA) (WOG)	Private Sector		356	1,152	5	36	reports enterprises and CBOs supported are not completed as we are finalizing our institutional database.
	Producer Orgz		36	0	0	0	
	Water User Assoc		13	0	0	0	
	Women's groups		36	0	0	0	
	Trade and Business assoc.		42	10	8	0	
	CBOs		117	273	210	96	
	Disaggregates not available		46	0	9	10	
4.5.1(24): Number of Policies/Regulations/Administrative Procedures in each of the following stages of development as a result of USG assistance in each case: (Stage 1/2/3/4/5) (S)	Total	12	16	5	2	0	On target to achieve in Y3.
	Inputs (old def)						
	Outputs (old def)						
	Research/Extension (old def)						
	Food security/vulnerability (old def)						
	Macroeconomic (old def)		4				
	Climate Change (old def)		6				
	Institutional architecture for improved policy						

Indicator	Disaggregation	FY13+FY14 targets (Y1+Y2)	FY13+FY14 achieved (Y1+Y2)	FY15 Target (Y3 only)	Achieved Q9 (Oct-Dec 2014)	Achieved Q10 (Jan-Mar 2015)	Remark
	formulation						
	Enabling environment for private sector investment			3	1		
	Ag trade policy						
	Ag input policy			1			
	Land and NR tenure, rights, and policy				1		
	Resilience and ag risk mgt policy						
	Nutrition						
	Other			1			
	Disaggregation N/A						
4.5.2(2): Number of hectares under improved technologies or management practices as a result of USG assistance	Total	1,717,110	4,862,773	8,500,000	N/A	20,401	Continuous hectares from updated actuals for FY14 in FTFMS. FY15-FY17 targets will need to change in FTFMS as well.
PPR 4.8.1-29 Number of person hours of training in natural resources management and/or biodiversity conservation supported by USG assistance	Total	39,000	101,473	39,000	20,817	22,808	Target reached.
	Men		73,071	28,080	17,008	17,036	
	Women		28,402	10,920	3,809	5,772	

Indicator	Disaggregation	FY13+FY14 targets (Y1+Y2)	FY13+FY14 achieved (Y1+Y2)	FY15 Target (Y3 only)	Achieved Q9 (Oct-Dec 2014)	Achieved Q10 (Jan-Mar 2015)	Remark
ECONOMIC AND MARKET INDICATORS (IR1 AND IR3)							
4.5.2(23): Value of incremental sales at farm-level attributed to FtF implementation	USD	5,250,130.75 (Y2 only)	4,916,866.81 (Y2 only)	5,200,288.53	N/A	N/A	Annual reporting only
PPR 4.7.1-12: Total number of clients (households and/or microenterprises) benefiting from financial services provided through USG-assisted financial intermediaries, including non-financial institutions or actors	Total	8,400	12,622	22,060	2,296	6,648	On target to be achieved. SMFI/Belcash pilot is currently being reviewed by NBE for full approval, as well as approvals for our support to RAYS and Afar MFI.
	Borrowers	2,520	5241	2,450	1,975	1,356	
	Savers	5,880	6181	19,050	2,296	5,292	
	Insurance	0	1200	560	0	0	
4.5(2): Number of jobs attributed to FTF implementation (RIA)	New	1,096	462	1,604	71	254	NBE reviewing mobile banking pilot for final approval so that mobile banking can be advertised and so increase jobs. HelloJobss provided numbers based on assessment of jobs obtained using their services.
	Obtained	-	-	-	-	337	
4.5.2(38): Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation (RIA)	Total (USD)	10,500,000	10,316,987	3,000,000	775,835	2,500,000	AGP – capital investments. FY15 Target achieved.
3.1.9(1): Number of people trained	Total	6,650	4,341	7,500	2,178	787	Slightly off target,

Indicator	Disaggregation	FY13+FY14 targets (Y1+Y2)	FY13+FY14 achieved (Y1+Y2)	FY15 Target (Y3 only)	Achieved Q9 (Oct-Dec 2014)	Achieved Q10 (Jan-Mar 2015)	Remark
in child health and nutrition through USG-supported programs (S)	Male	2,150	1,615	3,000	816	529	will catch up in Q11/12
	Female	4,500	2,726	4,500	1,362	258	
3.1.9(15): Number of children under five reached by USG-supported nutrition programs (S)	Total	31,000	32,192	57,500	7,355	8,354	Q9 numbers have been updated and once institutional database is rolled out we will follow up on cascading activities that will reach children with nutrition programming.
	Male	15,510	16,415	29,325	3,604	4,261	
	Female	15,490	15,777	28,175	3,751	4,093	

Please note that the above results are only for output FTF and PPR indicators. Outcome indicators will only be reported on annually.

III. CORRELATION TO THE MONITORING PLAN

Data for this quarterly report was gathered through PRIME's output tracking sheet and through business information gathered by the EMD team at field level and reported to IR1 and IR3. Data entered in Ki-projects is being verified and going through data quality in order to be used in the future. Data for VSLA members (financial beneficiaries) is being collated and reported by the Rural Financial Services specialist through the SAVIX information system.

Data for households reached had to be updated for Q9 as we did not previously count households under financial services and jobs created indicators. The same is true for number of children reached as our information was incomplete at the end of Q9. Hectares numbers are being updated to reflect the decision made to count only hectares under improved technologies rather than PRIME's previous approach of improved management practices related to the mapping done with natural resource management councils. We expect to change this year and out-year targets in FTFMS for this indicator during Q11. Some decisions made with PRIME's AOR during Q10 will also affect some of the reporting going forward, namely adding milk to value of incremental sales as well as a few additional custom indicators (outcome level).

IV. RESULT BY RESULT ANALYSIS

INTERMEDIATE RESULT 1: IMPROVED PRODUCTIVITY AND COMPETITIVENESS OF LIVESTOCK AND LIVESTOCK PRODUCTS:

Key Result 1.1: Productivity in Key Livestock Market Systems Increased

Competitive Cost-shared Grants for Milk Collectors (Private and Cooperative)

During the quarter, PRIME continued implementing a series of activities aiming to further facilitate the development of local commercial milk collection and trade enterprises. PRIME partner CARE International worked with the Addiskidan Milk Processing Company based in Awash, Afar which is in the final stages to receive PRIME IIF support for business expansion. Addiskidan expansion is still in preparatory phases and due to enter into formal agreement during the next quarter. In order to strengthen market linkages and ensure the effectiveness of the investment, CARE has initiated an activity to support the development of the capacity of local cooperatives to become stable and quality suppliers of milk to the processing facility in the future. An RFP was advertised in 6 target woredas, and relevant stakeholders including both woreda and regional PAD offices and private sector actors were briefed on the activity aiming to support the development of the local cooperatives for milk collection, handling and trade. Applicants (cooperatives and private entrepreneurs) submitted proposals, and technical support in proposal development was provided to them. The proposals are currently under review and 6 winning applicants will be chosen during the upcoming quarter. Successful cooperatives will receive a grant up to 50% of the total costs indicated in the proposal, with a cap of 50,000 ETB. Each private collector or cooperative will aim to collect milk from 100 households in their woreda. Technical support will also be provided to increase their capacity in both business operations and technical practice.

In the PRIME Southern Operational Cluster, both Mercy Corps and SOS Sahel continued the work on earlier initiated activities within dairy value chain development via small competitive business expansion grants. The expansion grants awardees Abdi Milk and Gemadu Gurati based Negelle Borena and Yabello of Guji and Borena Zones respectively managed to jointly establish 22 village milk collection agents collecting milk from 250 households in several PRIME woredas. From the beginning, their expanded operations, supplying consumers in Negele and Yabello, managed to achieve an increase in the incremental sales of the households they serve by 16,470 liters of milk valued at ETB 329,400 (\$15,700). The increased uptake of milk from these enterprises improved the consistency of milk supply to urban centers despite price fluctuations. These two PRIME awards are currently planning to further enhance their business by increasing milk sourcing geographically and adopting new technologies such as production and trade with pasteurized milk. Upon completion of the expansion supported by PRIME both, Abdi Milk and Beda Gemedu Gurrati collection and distribution continued investing by further expanding facilities. During the follow-up linkage events with milk producing communities that supply Abdi Milk and Beda Gemedu Gurrati it was noted that the producing households use the increased income for paying for school related expenses and purchasing clothes, agricultural inputs (seed and fertilizer), other consumable goods and also for household asset-building, in most of the cases purchasing shoats and heifers. These recipients of PRIME's support, created 16 sustainable jobs by the end of Quarter 10 of PRIME.

In the Eastern Operational Cluster, Mercy Corps and ACPA continued the work of establishing proper milk supply and milk marketing linkages in light of the start of operations of Berwako Milk Processing plant in Jijiga (PRIME IIF support recipient). The overall objective of these activities is to improve milk quality and availability of value added dairy products and reduction in milk losses with improved preservation systems. A call for proposals for support to women-owned milk shops that will serve as retail outlets for milk, including pasteurized milk and other milk products produced by Berwako, was advertised and 8 applications were received from potential operators in Jijiga Town. Screening, field verification and signing of sub award agreements will be made in the next quarter. Support was also provided to the Al-Nasri Milk Marketing Cooperative for constructing a milk collection shade structure in Babile woreda. This cooperative has 60 women members. The shade will contribute to a more consistent supply through connection between traders and producers to arrange sales and will also enhance milk shelf life.

Training and Experience Sharing in Milk Production, Quality Preservation and Trade

During the Quarter from 13-22 March, SOS Sahel and Mercy Corps facilitated an exchange visit for milk value chain actors at a modern dairy processor in Bishoftu. The main objective of this activity was to equip participants with basic information and knowledge on the milk value chain, and to understand institutional arrangements including policies, practices, legislation, structures, and approaches. 36 individuals from the Southern Cluster Operational area participated, including 28 pastoralists, 4 government staff and 4 private



sector actors, of whom 31 were women.

Participating milk producers and collectors obtained basic knowledge on the dairy value chain and milk marketing system and agreed to share their experience to others. The trainees visited milk collection centers and the EMDIDI (Ethiopian Meat and Dairy Industry Development Institute). They expressed an increased understanding in all levels of milk and milk product production, particularly in relation to the effects of hygiene on the quality of milk and related products. At the conclusion of the visit, there was a discussion between all the participants to share their experiences and how they might apply them to their own situations.

Promotion of Feed and Fodder Production, Marketing and Utilization

In order to stimulate the fodder market and provide relief for drought affected pastoralists in Borena zone, a series of promotional activities and fodder voucher distribution was implemented by SOS Sahel in the Southern Operational Cluster. The existing livestock feed and fodder vendors that PRIME collaborates with were invited to participate in these events. Feed and fodder valued at ETB 645,000 (\$30,700) was sold to over 200 households during the promotional events the objective of which was to popularize the utilization of supplemental feed and fodder and to further establish the feasibility of the local feed and fodder business and vendors development.



Feed and Fodder Promotion and Sales in the Southern Cluster

Promotion of Fodder Production, Preservation and Utilization through Media

The overall objective of this activity is to increase the understanding of pastoralists HHs, commercial livestock traders, and farmers about the importance of supplementary feeding of livestock and its impact on livestock production. The activity also aims to capture/display modern and yet appropriate practices/skills and technology used for the feed production and preservation to commercial livestock traders, pastoralist/agro pastoralists, farmers, government and research institutions. Four educational movies and three radio programs were developed in collaboration between Mercy Corps, SOPARI and a local media production business based in Jijiga. The programs are 20 minutes in length each. The topics of the educational movies are: (1) Fodder Production; (2) Fodder conservation and preservation and (3) Fodder utilization. This activity is being implemented in close collaboration and cost share arrangement with Ethiopian Somali LCRDB. The airing of the educational movies and radio programs will be done by ESRS FM and TV free of charge. It is expected that these programs will be aired numerous times and will reach the majority of the pastoral and agro-pastoral population in the Somali region. Since the educational movies contain advice and promote technologies very applicable and appropriate for the majority of the pastoral and agro-pastoral households, it is expected that the livestock

feeding practices of the targeted groups will be improved. The airing of the programs is expected to commence in Quarter 11 of PRIME.

Competitive Cost Shared Grants for Commercial Feed Production and Fodder Production Demonstration sites

The overall objective of this activity, mainly implemented in the Eastern Operational Cluster by Mercy Corps, is to increase the efficiency and production of livestock feed to ensure the availability of commercial animal/livestock feed. It is expected that 10 commercial feed farms will receive cost-share grants. In this quarter, a call for proposals was made, 17 applications were received, proposals were evaluated, and field verification was completed. Ten applicants made it through the process and agreement signing and implementation of this activity by the commercial feed farm owners will start in the next quarter.

ACPA, in collaboration with SORPARI, initiated and started implementation of an activity aimed at establishing a fodder production demonstration site to introduce fodder production and preservation techniques through trainings. The activity will continue in the following quarters cost through share grants for forage production cooperatives and established livestock traders to enable them to more sustainably enter the feed and fodder production and sales business. During this quarter a demonstration site in Babile Woreda, Elbahay Kebele was identified through assessment. The selected field is owned by one of the Elbahay farmers who entered into an agreement with ACPA to make the required demonstration facilities available and commit to this intervention. The operation started and so far the work done includes tractor ploughing, land preparation, planting, and irrigation. As part of the activity, local and adjoining cooperatives that are interested in embarking in fodder production will be trained appropriately and equipped with the relevant knowledge/techniques using the demonstration site. The species of the planted forage is Sudan grass, elephant grass, rods grass, panicum and buffalo grass, which contribute greatly to livestock nutrition and productivity.

Activities for Increased Livestock Productivity, Fattening and Livestock Trade Improvement

Several types of activities with the common objective of increasing livestock productivity and improving livestock marketing were implemented in all operational clusters by all PRIME partners. Those activities include technical and financial assistance for establishment of livestock holding grounds, feedlots and establishment of sustainable women owned small ruminant fattening enterprises.

This quarter, SOS Sahel started the support to three local livestock trading business in Yabello woreda (Liban Bute Livestock Trading, Tari Liban Livestock Trading and Ashabir Kasa Livestock Trading) for establishing permanent and sustainable fattening/ holding grounds. These holding grounds are expected to jointly have the capacity to handle 1,000 – 1,500 large ruminant animals and offer part time employment to 30 new employees. The operation of these holding grounds is expected to improve the quality of the animals traded and increase the local demand for animal food and fodder. It is expected that the three expansions will be completed during Quarter 11. In addition to these activities, SOS Sahel initiated the process of awarding up to five business expansion grants for establishment of feedlots in areas of Borena where the potential feedlot operators can establish feed and fodder production. After the call for proposals was posted, 14 businesses submitted their applications. The Borena PDO and Trade and Market

Development office were invited to participate in the screening committee. The grants are expected to be issued during the upcoming quarter.

In addition, Mercy Corps finalized the agreements with two livestock traders for livestock holding grounds in Moyale. It is expected that these two expansions will attract a total investment leverage of ETB 670,454 (\$ 33,500) as sub-recipients cost share. Moreover, 6 new job opportunities will be created and 25 small traders will gain access to regular and consistent market linkages through which an estimated 650 households from several southern woredas will also obtain a regular potential market access for their livestock.

During the implementation of these activities, it was noticed that the recipients in the Southern Operational Cluster faced several obstacles, the main being the ability to legally secure land needed to the establishment of the holding grounds or feedlot. However, the interest among local livestock trading businesses remains strong for this kind of support as proven by the fact that RFAs were published, planning to attract 15 potential applicant businesses and a total of 35 proposals were actually received at the Yabello, Moyale and Negelle field offices.

In the Eastern Operational Cluster Mercy Corps reviewed eight applications for the establishment of small commercial feedlots for small ruminants and decided to support four feedlot operations. Out of the four selected applicants and following the review of the technical design and findings of the Environmental Reviews completed for the sites, Mohmud Haddi Livestock Exporting, located on the outskirts of Jijiga will be the first feedlot project that will be established with PRIME support. It is expected that this facility will have the capacity of fattening 18,000 small ruminants annually, depending on market demand, will create 8-10 new permanent employments, attract ETB 600,000 (\$28,500) investment from the owner and will stimulate the animal feed and fodder production locally by increasing overall demand.

During the Quarter PRIME (Mercy Corps, SOS Sahel and ACPA) continued its efforts to provide training and technical assistance to several women groups in the Eastern and Southern Operational Clusters to formalize their businesses, provide mentoring, training, and other relationship building between women groups and financial services providers and feed/veterinary input suppliers. All efforts aim at increasing the women's groups' capacity to establish, register and successfully manage joint small ruminants fattening businesses in a formal cooperative. While assessing the status of women groups who applied for competitive cost shared grants from different Woreda of PRIME operational areas, it was established that many of these groups do not have the institutional and business capacity to sustainably operate that kind of business. Thus, various types of trainings (technical, financial, business management) were offered in order to increase their capacity and make them eligible for further support. The main challenges observed and tackled by a combination of training were: lack of business linkage of these women groups about the need for business collaboration with MFIs, RuSSACOs, PVPs and CAHWS; lack of technical knowledge in shoats rearing and fattening; low financial literacy; and lack of business skills. The trainings were combined with interactive discussions whereas representatives of each woman's group presented their businesses, their operations, achievements, challenges and opportunities. Invited PVPs, CAHWS and RuSSACo respectively also presented their business, services, location of their businesses and potential linkages with small scale shoat fattening groups, how they handle their services to their members, their members' access to finances, and linkage with Livestock traders among other things. Somali

Micro Finance institute has also provided a brief presentation and Q&A session for the participants about how they can create a relationship with SMFI and access loans, including loan procedure requirements. Forty five female leaders were trained during these events. PRIME expects that as a result better and more sustainable business proposals for small scale shoats fattening will be developed by the addressed women's groups in Quarter 11 and 12 of PRIME.

Activities Aiming to Increase Access to and Utilization of Animal Health Products and Services

All PRIME partners continued implementing activities aimed at improving the animal health services in all three operational clusters during the quarter. The general objective of the activities is to increase pastoralists' and agro-pastoralists' access to quality affordable veterinary drugs through more effective and efficient supply-chain linkages, and to ensure that access to these critical veterinary inputs is sustainable.

This quarter SOS Sahel and Mercy Corps started supporting 10 sub awardees (PVP businesses in the Southern Operational Cluster) to expand their business and reach out into currently underserved pastoralist areas. Five of the expansions were completed during the quarter and five will be finalized in the following quarter. The initial results of these expansion activities are encouraging. The trend of pastoralists purchasing quality veterinarian inputs is on the rise. All sub-awardees report success and are enthusiastic about the new investments they made in expanding their operations in the pastoral areas. Based on the initial reports, the five PVPs that completed their investment and started operation this quarter already experienced growth in sales amounting to ETB 500,000 (\$23,800) which is proof for that demand for such products in the addressed areas is strong. In addition, it is expected that these business expansions will contribute to the creation of 20-26 new employment opportunities.

National Livestock Supply Workshop Outputs

This national workshop was organized in collaboration between PRIME (country office) and AGP-Livestock Market Development Project with an overall objective of facilitating commercial linkages among livestock traders, live animal exporters, and export abattoirs. This event gave the opportunity to local livestock traders to directly discuss business with exporters found at central market of the country. A successful business deal was made between Oda Roba Livestock Trade Union, Alemu feed and fodder supplier, Alana export abattoirs, and Kebre Live Animal exporter, to supply camel, shoats and livestock. As of this quarter, Oda Roba Union has managed to supply 300 camel, 80 bulls, and 300 shoats amounting total value of ETB 1,480,000. Moreover, the deal will be continued as far as the demand comes from exporters. As part of the agreement, the union, in coordination with Alemu feed and fodder supply, have started joint implementation in establishing and using a holding ground at Modjo, resulting in keeping 80 (eighty) bulls in the holding ground.



Key result 1.2: Market linkages improved

Activities Aiming to Increase Market Linkages in Livestock and Milk Trade

Several activities were implemented during the quarter with an objective to increase trade linkages and hence trade with live animals from PRIME target areas domestically and internationally. Those activities were implemented by all PRIME partners and in collaboration with various Ethiopian local and federal agencies and other development and donor-funded activities (Ministry of Trade, AGP-LMD Project, AMD Project etc.)

This year, PRIME facilitated the participation of ten Ethiopia's export abattoirs, live animal exporters and a camel milk processing plant from pastoral and agro-pastoral areas at the 2015 Gulf Food Fair conducted in Dubai. The interest of the livestock trading enterprises to participate in the Dubai Gulf Food Fair doubled this year in comparison to the last year, attesting to the fact that local livestock trading businesses increases in capacity to react to the increased international demand.

Livestock exporters including Rez Agrovet, Ahmed Mustafa Abdella Exporter, Musa Sh. Abdi export & import, MHH livestock export, Abdu Mohamed Live Animal Exporter Plc, and Jigjiga Export Slaughterhouse (JESH) PLC participated at the fair as exhibitors and had a chance to negotiate with interested buyers during the fair. The Ethiopian booth on the Gulf Food 2015 also featured other export subsectors: coffee exporters, pulses and seeds exporters, oil seeds exporters and honey exporters.

The overall feeling of the supported exporters and the results of the trade negotiations with interested buyers increased the confidence of the Ethiopian livestock exporters in the increasing international demand, and exporters were able to make a large number of connections during the trade show. In addition, the Ethiopian live animals and meat exporters improved the quality of their presentation and started adopting modern marketing and promotion practices to promote their businesses' end-products to potential buyers.

Some of the successes in line with the objectives of this activity include:

- a) Rez Agro-Vet Trading Company established business relation with new customers from Oman, Yemen, Egypt, Libya, Saudi Arabia, Qatar, and Kuwait. The company managed to sign deals with: (1) Oman based company Abu Aymen Import & Export Plc. to supply 400 heads of cattle and (2) Egypt based Mohammed Al Ayut & Son Plc. to supply 1,000 heads of camels. In addition Rez Agro-Vet Trading Company has a promising oral agreement with a buyer from Yemen to supply 600 cattle, a buyer from Saudi Arabia to export 3 M/T of meet per week (discussion ongoing), and a buyer from Qatar to export



4,000 heads of sheep and goats. The total new potential clients that Rez Agro-Vet Trading gained and will potentially gain from this exposure is 11.

- b) Sadik Yusuf General Exporter participated for the time Gulf Food and was able to establish links with buyers from: Madagascar, Saudi Arabia, Oman, Yemen, Kuwait and Algeria. Sadik Yusuf General Exporter signed a contract to supply 900 camel, 18,000 cattle, 3,200 sheep and 1,850 goats with a buyer in Saudi Arabia, and 800 heads of cattle for a buyer in Yemen. Sadik Yusuf also showed interest to become involved in the meat export business given the demand from the buyers and has reached an oral agreement to export 28,000kg of goat meat for a buyer in Kuwait.
- c) Anwar Zekeria Export participated on the Gulf food fair for the first time and established links with potential customers from: Saudi Arabia, Oman and UAE. The company signed a contract to supply 500 heads of cattle, 200 heads of sheep and 500 heads of goats to buyers from UAE, Oman and Saudi Arabia as test batches.

The table below shows the breakdown of export deals concluded and in-process as a result of this activity:

Company name	Number of animals supplied per species	Estimated amount in USD	Exported Country
Rez Agro-Vet Trading Company	400 heads of cattle	240,000	Oman
Rez Agro-Vet Trading Company	1,000 heads of camel	1,050,000	Egypt
Sadik Yusuf General Exporter	900 heads of camel	945,000	Saudi Arabia
Sadik Yusuf General Exporter	18,000 heads of cattle	10,800,000	Saudi Arabia
Sadik Yusuf General Exporter	3,200 heads of sheep	224,000	Saudi Arabia
Sadik Yusuf General Exporter	1,850 heads of goat	129,500	Yemen
Anwar Zekeria Export	500 heads of cattle	300,000	UAE
Anwar Zekeria Export	200 heads of sheep	14,000	Oman
Anwar Zekeria Export	500 heads of goats	28,000	Saudi Arabia
Total Anticipated Export Sales concluded (for unidentified future period)		13,730,500	

Some of the lessons learned in summary of this activity include: (1) There is an obvious need for Ethiopia to have a strong and well organized agricultural commodities export promoting Public-Private Agency to lead an organized effort for promoting Ethiopian livestock and agricultural export; (2) Maintaining regular participation at Gulf Food will pay future benefits in attracting buyers and capturing substantial market share; (3) Well designed, focused, large and single commodity promotional posters attract visitors to pay attention and have discussions with exporters; (4) There is a need to develop marketing skills and/or identify agents who will aggressively identify opportunities and negotiate with buyers; (5) Ethiopian companies should organize private stalls within the Ethiopian national pavilion to promote their own brands, and

the government should work closely with the Ethiopian Consulate in the UAE for better animation of potential buyers prior to the event; (6) Private enterprises should recognize trade fairs as excellent centers for market development and promotion. Hence, companies and sectorial associations should minimize dependencies on development partners and budget for such activities.

In collaboration with the PADB (Pastoral and Agricultural Development Bureau) and EMDTDI (Meat and Dairy Technology Development Institute), AISDA conducted a B2B (business to business) linkage workshop for Afar local livestock traders, cooperatives and export abattoirs. 15 traders and cooperatives participated out of the 30 targeted. Initially discussion with major Export Abattoirs, around Modjo and Debre-Zeit were made about the type & amount of livestock demand, their requirement, interest, and facilities they can provide to forward the trade deals. The shortage of supply was stressed by the abattoirs during the event. Organic and Halal Export Abattoirs showed interest in purchasing up to 2,000 heads of sheep and goats daily providing the quality required is met. Organic Abattoir also offered to provide transportation service to pick up animals at the suppliers gate whenever they collect feasible number of animals. During the linkage workshop, briefing on the opportunities from high export demand & supply challenges and Afar livestock coops supply potential were presented by EMDTDI and PADB respectively. A round-table business discussion was also undertaken between the 15 suppliers and two Export Abattoirs (Organic and Halal). The discussion showed that private traders and coops all together could supply about 3,000 heads of shoats every two weeks. About 500 heads from private traders around Awash, 500 heads from coops around Amibara, 500 heads from private traders around Gewane, 1,000 heads from coops around Adar & Chifra and 500 from coops around Ewa, Awra & Yaloo woredas. After the linkage workshop, a field visit to Organic and Halal Export Abattoirs was conducted to build trust of suppliers and get understanding on the quality of animal, dressing percentage, weight based pricing etc. Since weight based marketing is not practiced in the area, practical demonstration was also made to show live weight estimation using subjective judgment.

On 13 February, SOS Sahel supported a dialogue in Negelle town with private milk aggregators, government officials, and community members. 75 people from Liben district participated in the dairy linkage event. The event included discussion sessions on business knowledge, the dairy value chain, rules and regulatory policies, and related issues. Abdi Milk Collection Center (PRIME recipient of small scale business expansion grant) gave a presentation on his business, including how the business started, description of partners, where the business is now, and challenges he has encountered. Some milk suppliers also discussed the benefits they have realized since supplying Abdi Milk, including a reduction in transport cost and work load as well as increased purchasing power and improved household savings. One primary supplier, Dhaki Farenjich, stated that with the additional income from the milk sold to Abdi Milk Collection Center she “has already purchased two sheep and will buy another two in coming months”. Another woman stated she had already been able to purchase 3 sheep. An additional supplier said she has "started farming by tractor from the profits she has saved from the selling of milk and milk products.”

A similar linkage event was organized in the Borena zone during February. 45 current and potential milk suppliers participated, including 32 female producers, 8 milk traders, 1 milk collection center, and 4 government personnel. In summary of these linkage events between milk

producers, transporters and milk collection centers the following number of individuals directly benefited from new market opportunities.

Zone	Occupation				Gender		
	Pastoralist	Gov't	Private	Total	Male	Female	Total
Guji	64	4	7	75	11	64	75
Borena	32	4	9	45	13	32	45
Total	96	8	16	120	24	96	120

Key result 1.3: Enabling Environment Improved

Livestock Forums Among Producers, Traders and Government Organizations

In order to support a sustainable livestock market, further improvements in the business environment for livestock production and trade are needed. Those improvements include: improved livestock market infrastructure development and development of more consolidated livestock trading businesses.

In Afar Zone 3 woredas, there are 9 livestock markets and 6 standard market infrastructures. Positive opportunities exist for the livestock trade, including modern market infrastructure, high demand from export abattoirs and large producer supply. However, due to distrust between producers and traders, the market is functioning poorly. Lack of understanding for and awareness of livestock trade policies and regulations as well as loose relationships between producers, traders and the government further weaken the market. As a means to build on opportunities and overcome challenges, CARE, during Quarter 10 of PRIME, conducted a forum between livestock producers, traders and relevant stakeholders to discuss the above issues, and begin to create a mitigation strategy and stronger enabling environment. The forum was conducted in coordination with regional PADB.

The two day forum took place in Awash 7 Kilo. Approximately 60 government officials and experts, 20 livestock traders and 6 community representatives participated. A group discussion and presentation was used to pinpoint constraints and develop solutions. The forum was divided into four groups to represent producers, traders, government and support functions. The major challenges and recommendations presented by participants is summarized below.

- Poor awareness both from producers and traders about livestock marketing;
- Illegal brokers or intermediaries was the number one problem identified;
- Limitation in supplying competitive livestock;
- Financial limitations including lack of sharia compliant loans;
- Poor infrastructure and lack of inputs, particularly the availability of feed at market centers;
- Poor support, control and follow up from the government including security on market days, double taxation and extra charges incurred by traders, and application of live animal marketing rules and regulations;
- Absence of legally registered traders with the exception of cooperatives that makes it difficult to control illegal brokers; and
- Poor market linkages and sharing of livestock market price information.

A committee comprising the Zonal Administrator, Police, Abdu Mohamed Live Animal Exporter and the regional PADB was established to control and monitor illegal brokers, and provide appropriate solutions for any illegal actions arising in the Zone 3 livestock market system.

Briefings and updates on key topics was presented by invitees from the PADB, Trade and Industry bureau, Commercial Bank of Ethiopia (CBE) and Abdu Mohamed Live Animal Exporter. A presentation on PRIME's approach was also made to participants. The regional PADB updated participants on the new (as of Jan 2015) live animal marketing rules, regulations and proclamations. Invitees from the regional Trade and Industry Bureau presented on the advantages and the opportunities for legally registered enterprises, their rights and obligations, as well as the procedures and steps to become a registered business. The local branch of CBE (Commercial Bank of Ethiopia) Director updated participants on Sharia compliant banking services offered including: savings and investment, financing, international trading and transaction, insurance; *hawala* and foreign exchange. A brief training was also given on how to retrieve Livestock Market Information System (LMIS) data via SMS.

The forum revealed that despite the presence of many local livestock traders, a preference for the Afar breeds of shoats, and the proximity and access to live animal exporters and large scale export abattoirs, the market is not functioning well due to poor communication, linkages, awareness and coordination among the various actors. Key lessons learned were:

- The livestock marketing environment and system still needs improvement and support from stakeholders;
- Most medium and small livestock traders were informal and not legally registered entities; and
- Government organizations are more concerned in supporting livestock marketing cooperatives than private traders.

The discussions revealed many challenges and also proposed solutions. It is recommended the following key points should be acted upon:

- The woreda PADO and Trade and Industry Office should facilitate the registration of illegal traders;
- A market facilitator should be placed at each woreda; and
- Wide-spread training on the national LMIS, interest free banking and registration should be given as soon as possible.

Facilitated by CARE, a two day trade fair is in preparation to be conducted in Quarter 11 in Amibera woreda to gather various actors in the livestock trade sector, including private businesses, cooperatives, government and NGOs. Contests will be held to promote and demonstrate dairy and livestock products. To encourage a weight-based marketing system, hanging scales will be used to evaluate standard export market weights, and lactometers and other tools will be used to evaluate milk quality. Vouchers covering 50% of the cost of a variety of products will be provided to participants to facilitate market transactions. The majority of arrangements have been completed, but due to the upcoming elections, the trade fair is being postponed until after the election period.

Key Result 1.4: Effective Emergency Response Protects Pastoralists' Assets

Support to Public animal Health Services to Conduct Annual Vaccination and Livestock Health Prevention Campaigns

With support of PRIME the ESRS LCRDB initiated its regular strategic vaccination program in three ESRS districts (Jigjiga, Babile & Kabribayah) of Fafan zone. The vaccination program is comprehensive and based on the cost-share among the regional LCRDB (40%), district LCRDOs (60%) and Mercy Corps-PRIME (20%) for vaccines & drugs supply, DSA for the program team & logistic support respectively.

As a result, by the end of Quarter 10 of PRIME, a total of 314,215 heads of livestock were vaccinated and 4,027 HHs reached in 43 kebeles of the districts, of which 274,907 heads of cattle, shoats and camels were vaccinated against Black Leg, CCPP, PPR and pox. In addition, 39,308 heads of sick animals from all species were treated on-the-spot with appropriate antibiotic and anthelmintic therapy against different endemic diseases (see summary table 1)

Livestock Vaccination and Treatment Program Summary Sheet

S/N	Districts	Kebeles	Vaccination					Sub-Total	# of HHs benefiting
			Cattle		Shoats		Camel		
			Black Leg	CCPP	PPR	Pox	Pox		
1	Babile	15	6,124	-	-	50,441	20,014	76,579	1,259
2	Jigjiga	17	-	12,756	107,244	-	-	120,000	2,393
3	Kabribayah	11	-	-	39,164	39,164	-	78,328	375
Total		43	6,124	12,756	146,408	89,605	20,014	274,907	4,027

During the quarter, PRIME continued implementing training for animal health service providers on animal diseases surveillance and information systems. One of these activities was conducted for animals health professionals from Jijiga, Gursum, Babile, Afdem and Measo. The expected result of this activity is that 25 animal health professionals (government and private actors) are trained on the animal disease surveillance systems and animal health information systems.

The training provided the participants clear insight about animal health disease surveillance systems and their control practices. Likewise, trainees shared their experiences and expertise on the animal health service provision efforts in their areas. However, better understanding of disease surveillances and information system would improve the knowledge with which animal health service providers identify disease incidents and diagnosis.

Crisis modifier emergency response in Borena: a full report for this activity, which took place at the end of 2014, is now submitted and can be obtained as Annex 1 to this report. The summary of the After action reflection session is attached to this report as Annex 2.

IR1 Priorities in Quarter 11

One of the main factors for increasing the productivity of livestock in milk and meat production, as well as a key factor for securing resilience of the livestock industry in the pastoral areas is improved nutrition of livestock. While the pastoral system of managing livestock only merely and occasionally relies on supplemental feed and fodder provision, advancement in productivity

inevitably requires increased use of supplemental feed and fodder in levels varying and depending on the season, type and category and animals reared and the productivity levels. Most of the limited amounts of supplemental feed and fodder used by pastoral households are produced as by-products of other crops and not as feed and fodder crops designated solely for animal nutrition. There are very limited resources to establish agricultural production in the pastoral areas and especially for growing feed and fodder crops that require relatively large arable land and irrigation water availability. In addition the external supply of animal feed and fodder is limited in the pastoral areas as the demand is erratic and not well established for viable supply chains to be established from the Ethiopian highlands or import. In the coming period, PRIME will increase the development and implementation of activities within work plan items: 131 Improved Availability and Quality of Animal Feed and 121 Improving Dissemination of Market Information. This will be done in an effort to improve and increase animal feed and fodder production in the targeted areas that offer the opportunity for that and where demand for feed and fodder lows for feasible feed and fodder linkages to be established.

Leveraging the value chain investments supporting the business expansion of several enterprises is crucial for the further development of the competitiveness of the dairy, live animals, meat and animal health products and service value chains, PRIME will continue supporting milk and livestock producing communities to become quality suppliers of those value-adding enterprises. This is an ongoing effort to achieve the sustainable growth of private operators in offering livestock and agricultural inputs, services and products as well as market outlet for the commodities produced by pastoral and agro pastoral communities.

INTERMEDIATE RESULT 2: NATURAL RESOURCE MANAGEMENT AND CLIMATE CHANGE ADAPTATION

PRIME focuses on enhancing pastoralist's adaptation to climate change by improving early warning systems, governance and technologies that can support decision-making towards climate adaptation. This includes improving livelihood-related decision-making towards climate change adaptation under intermediate results IR1 and 3, focused on livestock productivity and livelihood diversification respectively. Resilience will be strengthened through participatory rangeland management focused on strengthening customary and formal government institutional capacities and securing inclusive use and management rights of communal lands.

Key Result 2.1: Improved science and information for decision-making

Building the capacity of zonal and district DPPOs in the Eastern Cluster

PRIME supports DRMFSS to strengthen the regional and local EWSs to ensure well-informed disaster preparedness through community-based adaptation planning and early actions by (i) demonstrating active participation and ownership of vulnerable community groups; (ii) downscaling of EW information in local context; (iii) building institutional capacity for weather and climate information services and linking it for improved vulnerability and risk assessment at local level. PRIME works with local and regional governments, EW committees, community members and other concerned agencies to develop local capacity to strengthen DRM and adaptation planning and scale-up proven approaches to ensure sustainable, effective systems are

in place. In the reporting quarter, PRIME effectively facilitated two awareness raising and capacity building workshops in the eastern cluster. The workshops focused on strengthening and linking community based EWS with zonal and district EWS and the how of addressing community information needs, the value of blending traditional and 'scientific' forecasts through participatory scenario development process for early risk assessment and informed livelihood adaptation planning and investment decision making. The workshops were organized in Harshin and Afdem districts. A total of 85 participants (67 men and 18 women) drawn from district and zonal DPPOs, sector offices, branch meteorological directorates, kebele administrations, community EW committees, CAHWs, HEWs and teachers attended the workshops.

At the end of the workshops, DPPOs developed plans to enhance the responsiveness and effectiveness of the zonal and district EW information management and dissemination systems. A consensus was also reached on the need to institutionalize scenario-based adaptation and DRM processes through co-sponsorship and co-organization of scenario development and local adaptation planning processes and in the implementation of prioritized community adaptation actions. The regional DPPO will adopt PRIME's participatory scenario development process in non-PRIME districts within the Regional State. Participation of meteorologists in PSP workshops allowed for their important contribution and expertise to be brought into the local adaptation planning and livelihood decision making process. It has allowed for dialogue between the actors on their experience in using scientific climate information, on the quality of service provided, as well as gaps and challenges. Such dialogue is necessary for meteorologists to get feedback on the information they provide, allowing them to improve and respond to changing local user needs.

Building the capacity of Zonal and district DPPOs in improved Early Warning information management and dissemination methods

Linked to participatory analysis of local and regional early warning systems signs and systems, PRIME supports communities and various levels of government in developing capacities to strengthen community-based early warning and DRM planning and early response. Such support is designed to ensure that various levels of government can trigger internal early response capacities, so as to maximize options for asset protection and adaptation as early as possible. PRIME has developed participatory methodologies that look at DRM and early response capacities and scenario mapping, and support partners to apply this methodology with communities and local government. PRIME facilitates capacity building trainings to woreda and zonal DPPB staff and community-based institutions with a view to supporting the capacity of local and zonal institutions to collect, analyze, manage and disseminate early warning, DRR and climate change adaptation related information effectively and regularly.

In the previous quarter, PRIME facilitated multi-stakeholder consultative and planning meeting to identify gaps in the existing EWS in Guji and Borana zones. One of the key outputs of the consultative meetings with the zonal and district level DPPOs was the need to build the capacity of the zonal and local early warning and food security staffs on software based EW data management, community-managed DRR, food security assessment, hot spot classification and adaptive social protection. Accordingly, PRIME facilitated a one-week capacity building training for 21 DPPO staffs (19 men and 2 women) based in Liban, Gorodola and Wadara woredas of Guji zone and Arero and Dhas woredas of Borana zone. The training is expected to improve the

effectiveness and efficiency of the zonal and district level EWS in the collection, management, analysis and dissemination of early warning information to facilitate trigger of early warning, DRM and response actions.

Household Economy Analysis (HEA)

This quarter, PRIME signed a sub-award with the Somali Regional DPPB to update the HEA Baseline, which was last done eight years ago in 2007, while HEA practitioners recommend updating livelihood baselines once every five years at minimum. The use of outdated information could pave the way for tragic mistakes through making wrong decisions on humanitarian assistance and on development frontiers. Such mistakes can come either in the form of missing priorities, underestimating needs or over-estimating them. In either case, it would lead to a failure of the basic functions of government and humanitarian and development partners. The livelihood baselines in the Somali Region were first developed in 2001 and 2002, serving a period of 5 to 6 years before the first updates were produced in 2007. Despite the call for a second update by various stakeholders in the last two years and the availability of the best technical team in the country, progress was not made on the issue because of the lack of funds, a problem that continues to this very day.

PRIME also signed a sub-contract with the Food Economy Group to lead the HEA Baseline updated process in collaboration with the Somali DPPB. The Food Economy Group (FEG) is the world's technical leader in HEA; its founding partners were among the original developers of the methodology in the 1990s and have spearheaded its technical evolution over the past twenty years. FEG is also the primary developer of the standard training modules used by all agencies active in HEA, and has led trainings of thousands of practitioners and program planners around the world over the past 15 years.

During the reporting period, the FEG and Somali DPPB accomplished the following activities:

- Review of the previous livelihood baselines and other secondary sources as directed in order to identify shortcomings of the previous livelihood baselines
- Organize and facilitate consultative, briefing, debriefing, and feedback meetings and discussions with different stakeholders at different level in connection with study tasks
- Prepare training materials and field-tools to be used for primary data collection and analysis
- Lead HEA Baseline Training followed by a Baseline Analysis Training to ensure that all 6 field teams and team leaders are fully equipped to carry out their data collection and data storage tasks and to ensure that a common approach is used for implementing the field methods and tools.
- Oversee field work and work with team leaders to ensure high quality data collection and storage.
- Lead/oversee final baseline data analysis session to produce final HEA baseline storage spreadsheets (BSS) – one for each livelihood zone; and to produce bullet points and complete forms for each livelihood zone. These are the basis for the livelihood profiles.

In the next and final quarter of this activity, FEG and Somali DPPB will complete the following:

- Develop the Livelihood Impact Analysis Spreadsheets (LIASs), which enable baseline data to be used for Outcome Analysis, allowing analysts to see the effects of different hazards (and interventions) on household livelihood security.

- Lead Outcome Analysis Training to build local capacity to use the LIASs for ongoing seasonal assessments and needs analysis/projections as well as analysis of potential development interventions and appropriate policy interventions.
- Write all 17 Livelihood Zone Profiles using the standard profile format, along with a Regional Overview which pulls together a comparative analysis of the 17 zones and provides a useful higher-level analysis comparing levels of total income (poverty) and highlighting different types of vulnerability within the Region. This comparative analysis provides the basis for informing appropriate programmatic and policy interventions.
- Prepare presentation summarizing findings and output
- Present key findings and the final products to Mercy Corps and other stakeholders in the Region and inform them about major livelihood changes identified.

Key result 2.2: Increase capacity for effective governance for climate resilience

Institutionalizing PSP process for local and regional government institutions

PRIME uses the participatory development approach for promoting resilience in local DRM planning and livelihoods investment decision making. The approach focuses on the use of participatory scenario planning as a process that enables communities and local governments to explore potential future changes, their associated impacts and develop a locally relevant action plan for implementation by the communities themselves. The process allows them to effectively manage both the opportunities and risks of change thereby increasing their resilience. In the past two seasons, PRIME has facilitated participatory scenario development processes across the three clusters. Although it is too early to determine the long-term impacts of the activity, changes were seen in the form of improved access to climate information, community confidence and improved incomes and assets through diversification of livelihoods to climate-resilient strategies. In order to ensure local ownership, wider application and sustainability of the interventions, PRIME is working towards institutionalization of the PSP process by the respective local and regional governments. In the reporting period, PRIME facilitated a learning event for 33 participants (32 men and 1 woman) drawn from regional and local DPPB, health, pastoral and agricultural development bureaus and from Semera meteorology office.

The learning event focused on the need to address community early warning and adaptation information needs through linking training and 'scientific' forecasting and EWS and adoption of the participatory scenario planning process as a tool to building community resilience. The participants discussed the how of the institutionalization approach through small working groups and forwarded recommendations on the need to adopt the PSP approach in all the woredas. In the next quarter, the PRIME field office in Gewane will focus on supporting the regional and zonal DPFSCPOs to adopt and institutionalize the approach through technical, financial and capacity building activities.



Participants of the learning event working in small working groups

The PSP process in PRIME is designed to be driven by communities and local government, by purposely involving them and building their understanding of the importance of forecasts and their levels of uncertainty for decision making in a changing climate. This encouraged integration of PSP into community livelihood adaptation and local government development planning, hence continuity of the process. In Guji, for example, a first step was made during the second PSP (dated 25/06/07 E.C.) with the zonal DPPO decided to own the process and take practical action for the wider dissemination of the advisories. The office wrote an official letter endorsing the advisories and requesting its staff and other government agents (DAs, CAHWs) to engage in the dissemination of the information. The EW experts, DAs and community representatives have already taken over the dissemination of advisories from PSP and linkage with other mechanisms strengthens the process. Sustainability is expected to be fully achieved when local government planning processes recognize the importance of and provides resources for the participation of meteorological services and community forecasting experts to help refine plans on a seasonal basis, and for systems for dissemination of advisories. On the other hand, increased community capacity to understand, use and benefit from climate information will build their demand for the information. Since people have to continuously adapt to a changing climate, there is need for the sustained information sharing and dialogue that PSP forums promote.

Support regular rangeland Councils' Dialogue

PRIME continued supporting regular rangeland councils' dialogue meetings in its three clusters. During the reporting quarter councils of Gomole, Malbe, Dire and Golbo rangeland systems in Borana zone, and councils of Wadera and Golba-Genale rangeland systems in Guji zone, and that of Erar-Dakata of Babile Somali, Afdem, Harshin rangelands in Somali region have been supported to conduct their regular dialogues. PRIME's logistic and facilitation support helps the Rangeland council members to meet quarterly to discuss issues related to resource governance and solve them timely. In this reporting quarter, the rangeland councils of the above listed units conducted their regular dialogue meetings at rangeland system and sub-rangeland system levels and discussed resource governance issues with their user communities. In south cluster alone, about 26 *Reera* (sub-rangeland unit) level regular dialogue meetings were supported in six (6) *Dheedas* (rangeland units) where an average of 15-35 people have participated in each meeting. In Afar this activity was not done during the reporting quarter because it was not yet three months since their last dialogues were conducted.

During these dialogues, the Rangeland Councils have taken concrete actions that will improve communities' access to pasture and water resources and also improve the management of their rangelands. For example, the councils of Gomole rangeland system have dismantled about 159 ha of private farmlands in *Danbalabadan* sub-rangeland unit of Gomole *Dheeda* that used to be owned by about 106 HH living in the area and the land is now put back to communal grazing land regime. They have also taken a lion share in mobilizing communities for the soil and water conservation activities being undertaken around *Haro-Bake* pond to reduce the amounts of silts entering to the microdam through surface runoff. As a result about 4.5km soil bunds have been constructed through active community participation. In addition, the rangeland councils of Gomole, Malbe, Dire, Golba-Dawa and Golbo have mobilized their respective communities and rehabilitated 11 small ponds altogether in their respective rangeland units during the reporting quarter alone. All these ponds are now ready to harvest water and expected to provide services for both livestock and human consumption once the rainy season starts.



Community on rehabilitation of Guracha Golle pond (left) and Dika Liban pond (right) in Yabello woreda

During dialogues council members comprehensively discuss the natural resource management activities that PRIME is supporting in their respective rangeland units, review their progresses to date, current states of pasture and water resource conditions in their respective areas and challenges their communities faced, while identifying action points for the next quarter. In most of the dialogues, continuing to mobilize communities for rehabilitation of water points, rehabilitation of degraded pasture lands, rangelands reservation for dry season grazing, and establishment and management of communal grazing reserves were among the major action points identified in relation to resource rehabilitation while reviewing the performances of rangeland management council members was another action point identified to strengthened the governance.

S/N	Cluster	Rangeland	Number of Participants			Some of the key Issues discussed	Wayforward for next quarter
			Community		Gov't		
			M	F			
1	East	Afdem	35	10	3	<ul style="list-style-type: none"> Community rangeland rehabilitation activities and need for hand tools from PRIME Reduced pasture and water availability due to the drought situation and how to cope with. 	<ul style="list-style-type: none"> Continuing with the regular dialogues for the institutional strengthening at the sub-unit levels Bio-physical soil and water conservation structures at identified degraded sites Rehabilitation of existing water points Arrange experience sharing visits to other clusters
2	East	Harshin	35	10	3	<ul style="list-style-type: none"> Community rangeland rehabilitation activities and need for hand tools from PRIME (and also the need for cash payment for community labor) Reduced pasture and water availability due to the drought situation and how to cope with. 	<ul style="list-style-type: none"> Rehabilitation of degraded rangeland through biological physical SWC conservation measures (with cash for work approach) Water point rehabilitations Training and Experience sharing visits to other clusters
3	East	Erar-Dakhata	22	8	4	<ul style="list-style-type: none"> Severe water shortage in Fayan Jabsa, Eresa and Hassen Guraje and the importance of developing water points in the rangeland areas where there is no adequate water points. Need for doing more resource rehabilitation and enhancement activities through community participation and need for hand tools support from PRIME. 	<ul style="list-style-type: none"> Rehabilitation of degraded rangeland through biological physical SWC structures Water point rehabilitations Community awareness raising on improved rangeland management Reservation of dry season grazing areas Area closure Training and Experience sharing visits to other clusters
5	South, Guji	Wadera	44	12	4	<ul style="list-style-type: none"> The rangeland unit is redefined in to 5 sub-rangeland units missing members of the rangeland council are elected Rangeland and water points rehabilitation activities identified. 	<ul style="list-style-type: none"> Improving the resource governance system through strengthening the regular dialogue meetings among the council members and elders and enforcing decisions of the councils. Strengthening the participation of wider communities on the prioritized resource rehabilitation and enhancement works.
6	South, Borana	26 Sub-rangeland units	An average of 15-35 community members have participated on each of the dialogues			<ul style="list-style-type: none"> The need to dismantle about 159ha of inappropriately located private farmlands. Community mobilization for the rehabilitation of 11 small sized ponds in Gomole, Dire, Malbe, Golba Dawa, and Golbo rangelands, and for the soil and water conservation activities around Haro bake microdam. 	<ul style="list-style-type: none"> To continue with the resource rehabilitation and enhancement activities and strengthening community participation.

Multi-stakeholder dialogues and consultation workshops on the communal land registration and certification processes with the facilitation of Regional Oromia Pastoral advisory Committee (ROPAC)

In partnership with LAND, PRIME organized consultation meetings on January 28 and 30 at Yabello and Negelle Borana, respectively, to facilitate discussions among pastoral community representatives and other stakeholders on how to certify communal pastoral land use rights. The meeting agenda was a continuation of the January 3-4, 2015 discussions held in Hawassa with officials from the MOA and Oromia Bureau of Rural Land Administration and Environmental Protection (OBRLAEP), Oromia pastoralist area development commission (OPaDC), Oromia Pastoralist Association, as well as representatives from the Borana and Guji zones. At the end of the Hawassa discussions, it was decided to facilitate consultation workshops with representatives of the pastoral communities, other stakeholders and local government officials locally at the two zones.



Accordingly, the Yabello meeting was attended by over 110 (of which 8 were women) participants including *Abba Dheedas* and *Abba Reeras* from all the five Borana *Dheedas* (*rangeland units*), Gada officials, representatives of the Guji and Gabra groups, Zone officials, Zonal and Oromia OBRLEP, and PRIME and LAND staffs. The meeting was co-chaired by Ato Diribu Jemal and Ato Abera Ayele, who asked the participants to focus on the unit of land certification and land governance entities together with justifications. The diversity of participants from the community, including non-Borana, and government representatives was reflected in their recommendations. Most of the community representatives suggested the rangeland units "*Dheeda*" as a unit of certification while there are also others who said *Reera*, *olla*, *zone*, *woreda*, PA, and even the 1-5 government political group as a unit of certification. Therefore, there was no consensus reached on the appropriate unit of certification.

The meeting at Negelle Borana had a similar format as that of Yabello and it was attended by about 62 people (7 of them women) from different stakeholders. Unlike the Borana zone which has 10 *woredas* inhabited by pastoralists, the Guji zone has only 5 out of the total 12 *woredas*, and three of them sent their representatives to the meeting. On this meeting the community representatives invariably suggested the rangeland units "*Dheeda*" as the unit of certification and customary leaders (rangeland councilors) as their representatives for the certification. On the other hand, the local government representatives suggested the unit of certification to follow government's formal structures such as the *woreda* and *kebele*. Similar to the consultation at the Borana Zone, no consensus was reached also at the Guji zone.

The pastoral advisory committee held follow-up meetings after the Yabello and Negelle Borana consultation meetings with the communities and the following was decided:

- Land inventory in Borana and Guji Zones: This involves the Zonal rural lands and environmental protection office recording data on lands that are above 10 hectares and currently used exclusively by investors and private users. The data would include such factors as size of land, how they were allocated (when and by whom) and the terms of land allocation. Dr. Solomon Bekure from LAND and Ato Yadessa Dinsa from OBRLEP drafted the format for data collection and distributed to the zonal office with a cover letter from the Oromia regional bureau of RLEP.
- Identifying the different roles of PAs and Customary Leaders in Land Administration and Management: this activity lists the roles of both the formal and informal institutions and forwards recommendation on how the two can work together. In addition, it elaborates concepts such as ‘land administration,’ ‘land management,’ ‘certification,’ etc. Ato Abebe Mulatu (a legal advisor from LAND) drafted this document for discussion at a ROPAC meeting to be organized in Q11.
- Developing legislation: while continuing community consultation meetings, the legislation developing process will also continue side-by-side. Ato Abebe Mulatu from LAND and Ato Yadessa Dinsa from ORLEP bureau have taken initiative to prepare the terms of reference for a regulation drafting committee and suggest its composition for approval by the Oromia Regional State Rural Lands and Environmental Protection Bureau.
- A workshop on IPAS study findings: LAND will organize a workshop on the IPAS study results in Q11 where the grazing unit area to be registered and certified and how pastoral lands use rights will be administered and managed will be discussed.

Following the two meetings regional Oromia advisory committee (ROPAC) met on March 3, 2015 at LAND office and discussed on the following major agenda;

1. Terms of Reference for Preparation of the Oromia Pastoral Land Administration and Use Regulation
2. The Roles of Customary Institutions and PAs (kebeles) in Land Management and Administration
3. Land Inventory in Borana and Guji zones
4. Unit of Land Certification and Land Governance Body

After discussing the committee has finally set the following 5 points as a way forward actions:

1. OBRLEP will establish drafting committee and assign chairperson before 20 March 2015;
2. The drafting committee will develop ToR and an action plan which will be presented in the next OPAC meeting;
3. Ato Abebe will finalize the document on the roles of customary institutions and PAs in land management and administration having discussed with OBRLEP.
4. LAND and OBRLEP will discuss on how to systematically conduct land inventory in Borana and Guji zones;
5. AtoYadessa will give feedback to Ato Diribu and AtoAman on OPAC meeting.

Participatory Rangeland management planning workshops in Wadera, Golba-Genale, Golba-Dawa and Diida rangeland units in South cluster and Amibara rangeland unit in Afar

PRIME has been working with communities and customary institutions leading pastoral communities, and with formal governments sectors to meet the objective of enhancing climate

change adaptation through ensuring for enhanced NRM in pastoral areas, PRIME has adopted the PRM process as a tool to address NRM needs, and it has completed essential activities under the investigation phase of the PRM process in most of the rangeland systems. Through the PRM stages and until this quarter, PRIME has identified key rangeland resources and analyzed resource use, strengthened customary institutions, completed participatory mapping works and done the digitization and validation of these community resource maps.

As part of the negotiation phase of the PRM process, the preparation of rangeland management plans and bylaw development has started. Accordingly, PRIME has held Rangeland Management planning workshops for 5 grazing systems in the southern cluster (Wadera, Golba-Genale, Golba-Dawa and Diida rangeland units) and Amibara rangeland unit in Afar during Q10.

The draft document of the rangeland management plans and rangeland management agreement document for Malbe, Gomole, and Dirre rangeland units were prepared and shared with the respective implementing partners during Q10. Experts from all institutions will comment on the documents, which will be incorporated before the documents are presented to the communities for finalization and signing prior to implementation.

Similarly, the draft rangeland management plans of Amibara, Wadera, Golba-Genale, Golba-Dawa and Dida Grazing systems will be drafted and shared with all stakeholders along with the supporting Rangeland Management Agreement documents of the respective locations for their comments in Q11.

The US Forest Service team has supported the PRIME team on one of the recent rangeland management planning workshops in Afar, Amibara rangeland unit from February 3-5, 2015 at Melka Worer Town. A total of 40 participants from rangeland management council members, clan leaders, women representatives, woreda experts and experts from Awash Basin Authority, and Melka Worer Agricultural Research Center have participated on the planning workshop.



The planning workshop participants attending presentations by USFS team

During the Amibara workshop, a technical presentation on range ecology and range school concepts as well as process and activity updates in the rangeland system was given to provide background and guidance for discussion. The discussion included:

- ✓ Identification of resources under the sub rangeland unit
- ✓ Identification of key problems (the perspectives of rangeland trend, rangeland condition and management)
- ✓ Analysis of traditional and formal community organizations engaged in resource management

- ✓ Identify management actions (activities)
- ✓ Discussion about rotational grazing and resting grazing sites

Identification and ranking of key problems in Amibara rangeland unit

Problem	Rank /order
Prosopis invasion on grazing lands	1
Shortage of water for livestock	2
Customary natural resource management institution become weak	3
Degradation of natural resource (grass, forest, wild life) due to unwise use of resource, deforestation, over grazing, climate change	4
Weed (Parthenium, and <i>Halimero</i> climber)	5
Conflict	6
Flood	7

The participants identified key resources for their livestock production and livelihoods such as perennial and seasonal rivers, ponds, hand-dug wells, grazing lands, salt licks, and etc. Besides, they listed out problems in their respective sub-units, and made prioritization. Then, they suggested management actions that could reverse identified problems, which included prosopis clearing, removal of invasive herbaceous weeds and climbers, water scheme development, grazing land rehabilitation, conflict resolution, strengthening customary institutions, grazing management through applying rotational grazing system to reduce over grazing and rangeland degradations and allow recovery time for the pasture, and flood protection measures. The scope of the management plan is meant to last for five years.

Facilitating validation of community resource maps in Amibara, Dulessa and Argoba rangeland systems

Map validation workshops were facilitated from January 20 to 26, 2015 in Amibara, Dulessa and Argoba rangeland systems at their respective centers. A total of 103 people (81 men and 22 women) from community members, Woreda PADO and Land administration and Environmental protection bureaus have participated on the process.

Discussions during these workshops included:

- Review of previous processes (CVCA, Resource mapping, elders’ dialogue, etc.)
- Review and presentation of the digitized maps
- Group discussion on the details of the maps (on inclusion of different areas/resources on the map, and the need for further work and clarification)
- Analysis of resource governance institutions and their management system
- Planning for maps’ refinement, and further intra and inter-community discussions/verifications
- Movement of livestock inside and outside of the rangeland systems

The participants carefully analyzed and provided feedback on the digitized maps, suggesting missed resources and correcting the placements of the different resources. In Amibara rangeland system, movement of livestock within and outside the rangeland system depends mainly on pasture conditions, the season, water availability and conflict situation. Hence, communities

move to different corridors during the wet and the dry seasons. The participants thoroughly discussed these issues for each sub-rangeland unit and agreed to move their livestock between different parts of their rangeland units during different season of the year as summarized in the table below in order to apply rotation grazing and allow recovery period for the pasture.

S/N	Description	Wet season go to	Dry season go to
1	Within the rangeland system		
	Kedabrika to Enitiaso Sub-rangeland system	Kusra, Yalo, Mekaferda, WederDadi, MoyaMeli, Teskiti, SilalaHidele, Dabi Dele, Derene, Haydertu and Amahidu	Adelera, Lahela, Deso, Adebele, Harafeki, GelahatoDadi,
	Entiaso to Barento Sub-rangeland system	Areas covering Andido to Barento, Andido, Bedenahes (Andido, Deshera, Udahis, Bareita, Dalagabar, Dalsa-Dabi, Haraka, Rebada, Gobale-Gadamaitu, Unda-Aleydage, Debrale, Adamanda,	Rakibabernay, Bule-Hara, ErDara, Belhiti-Gona, Sumahel, Gahil, Gadabe, Ertalle, Kabraitra-Sarakoma
	Hardim to AmbulHareli Sub-rangeland system	Sisalabor, Gumaeba, Asbedum, Hayeta, Yemire, Adeyta, Teyara Bora, Annawalebora, Anbulareli, Gadeledaba, Minagureli, Mekafarda, Andido, Hinlebora, Yalo, Der EbiHawashist, Daktbora, Taha	Teyara Bora, Annawalebora, Anbulareli, Gadeledaba, Minagureli, Mekafarda, Andido, Hinlebora, Yalo, Der EbiHawashist, Daktbora, Taha
2	Outside the rangeland system		
	Amibara RLS	Neighboring Oromia region (Kumbie Mountain, Me`eso and Boredede), Awash Fentalie	Only Gelisa and Haledibie communities move to Adebaro (in Gewane RLS), Dulessa RLS
3	Outsiders' Movement to the Amibara RLS		
	Gewane-Gelealo RLS communities		Amibara RLS
	Dulessa RLS community		Amibara RLS
	Neighboring Oromia Region (from Me`eso and Boredede communities)		Anibul-Hareri

In Dulessa rangeland system, the workshop participants further discussed restructuring their rangeland councils such that they have representation from different sub-rangeland units. Discussions also took place on the importance of establishing rangeland councils at sub-rangeland unit levels and defining roles and responsibilities of the council members at each level. Accordingly, participants classified Dulessa Rangeland System into three sub units namely *Rassa*, *Kelala* and *Sideha-Asbehari* sub-rangeland units for management purposes. The representatives have also elected a range council comprised of 10 members in each unit. On the election, those who have been actively engaged in their traditional natural resource management system adhering to local customs, beliefs and traditions were chosen by the participants. Women were also included as members of the Range Councils of each sub-range land unit.

The name of the kebeles under each of those sub-rangeland units and the respective resource user clans is summarized in the table below:

Rangeland System	Sub-rangeland Unit	Resource users	
		Kebele	Clan
Dulesa	Sidiha- Asbahari	Tirtira, Gerbohaf, Asbehari and Dire	Ama`asa, Abayato, Abelekadal, Fediha, Hasoba, Sakabura, Ade`ali
	Kelala	Esikelela, Hurinito-kelala, Edeli	Dehruma, Sidihabura and Mahandita
	Rassa	Burteli, Hugub, Segento, Durfuli	Meanidita, Harikemala, Ade`ali

Regarding the seasonal livestock mobility, most of the time, the communities move away from Awash River towards Argoba Mountain, Semu-Robi woreda (zone-5), and Ankober (in Amhara Region) during the wet season, whereas they move around Awash River in Amibara and Awash Fenitale woredas for about 8 months during dry season.

Similarly, Argoba rangeland system, which was previously decided to be divided into only two sub- rangeland units is found to be difficult for the management of the councils and hence this earlier decision was critically reviewed and commented by the participants. The rangeland system has therefore been reclassified into five sub-rangeland units namely Guba, Lib-Argi, Aderer and Abaloti, Debireko and Sekela, and Seid-Merahager. Water points and kebeles included in each sub-rangeland unit were also mapped as summarized in the table below.

Rangeland System	Sub-rangeland Unit	Water schemes	Kebele
Argoba	Guba	Gacheni river, Gofera-tila, SidisitoFalima, Sof-ager	Gacheni, Sofager and Abali
	Lib-Argi	kiliil pond, wodu-ager	Tachmetekileya & Layimetekileya
	Aderera and Abaloti	Abdurohiman ager, Diniget-ager, Woteti-ager	Chisa and Bilu
	Debireko and Sekela	Abi-ager, Sekele, Mehal-goze, Sara-ammiba, Dore, Abiye, Fani-hager, Shume-hager, Aman-amiba, Anidiye ager	Debireko, Koka and Goze
	Seidmerahager	Alima-amiba, Wotetihager	Cheno, Geberoch and Workamiba

The participants discussed the importance of establishing rangeland management councils at each of these 5 new sub-units. Elected members are trusted, knowledgeable and active community members, well-versed in the traditional rangeland management, and those who can play decisive roles in natural resource management efforts were placed. The restructuring of the council at the rangeland system level was made in a way that each council member should come from each sub-units to enable representation of the whole community. In total, 24 members were elected for the council, out of which 6 are women.

Key result 2.3: Implementation of climate solutions

Participatory Scenario Development for Community Resilience

Community resilience refers to the extent to which community members can use local community knowledge and resources to thrive in a changing and precarious environment. In a dryland context, promoting a wide package of integrated development through rangeland management, information provision and risk reduction activities is vital to enhance resilience among communities.

The PSP process allows local governments and the community to validate the climate risk (hazards) and its impacts (vulnerability) against the existing coping strategies and further analyze the causes to come up with the most effective and sustainable strategies to reduce vulnerabilities and adapt to the disaster impacts in each community. Using this process each community decides on priority activities to adapt to the impacts of climate change and reduce the risk of hazards. The community plans are supported by PRIME's NRM, livelihood adaptation, and disaster risk reduction activities as an integral process of development to build the capacity of communities to: reduce the risk of disasters, minimize vulnerabilities, and avoid the possibility of severe disaster impacts, and to mitigate and prepare for the adverse impacts of disasters. These activities include community based rangelands management plans, early warning systems, awareness raising in the mainstreaming of adaptation issues in woreda disaster risk management/adaptation and contingency plans.

The scenario based planning process helped identify feasible adaptation options and the implementation of activities such as the improved management of rangelands and livestock resources, soil and water conservation techniques, planned sale of animals and mobility patterns, diversification of income sources increasingly towards climate-resilient activities including interest to grow and manage feed and fodder resources, household economic empowerment through the promotion of women's empowerment and a culture of savings, and capacity building in managing disasters. PSPs enhance discussions on possible scenarios enabling more flexible planning and risk management rather than treating a forecast as a guaranteed outcome. Timely access to and communication of seasonal climate advisories from PSP empower communities to take advantage of opportunities that climate presents, which is a key part of adapting to climate change.

In the Wadera and Gorodola Districts in Guji, for example, expected increased rainfall in the October to November 2014 season provided an opportunity to improve livestock production by making plans to harvest water and store it for use during dry periods, and rehabilitation and reseeded of rangelands is made possible, among other opportunities. A discussion of opportunities even when the forecast is for a poor season (i.e. when there is not enough rainfall) encourages thinking around how activities by different livelihood groups can be mutually supportive. The PSP approach supports the need for negotiation between different land users and leads to a plan by agro-pastoral communities living near a river to cultivate more irrigated fodder to avail much needed feed for pastoralist communities, especially for their young and weak livestock which are often lost as they migrate in search of pasture. This can increase the resilience of pastoral communities to the lack of pasture during the poor season. At the same time, agro-pastoral communities are assured of a local market and income from their produce. This example of PSP discussions shows how it can create a better understanding of issues for the different livelihood systems and help to prevent one group undermining the adaptive capacity of another group living in the same ecosystem.

Advisories developed during the PSP workshops conducted during the *kerma* season in zone 3 of Afar provided the communities with necessary information for planning DRR actions. For example, information on the risk of increased disease incidences due to the mismanagement of water points enabled the communities in Amibara to take action to protect human and animal health from an outbreak of malaria and water borne diseases.

PSP sessions facilitated during the quarter (January- March 2015)

Cluster	Woredas/Grazing systems where PSP workshops are held	Number of PSP participants by sex			Implementing agency
		Male	female	Total	
South	Yabello	50	10	60	SOS Sahel
	Gorodola	42	12	54	SOS Sahel
	Liban	32	5	37	Mercy Corps
	Dire	37	1	38	Mercy Corps
Afar	Argoba	23	5	28	CARE
	Dulessa	33	14	47	CARE
East	Gashamo	35	5	40	Mercy Corps
	Daror	32	8	40	Mercy Corps
	Babile, Erer, Meisso	33	116	149	Mercy Corps
	Afdem	45	15	60	Mercy Corps
	K/beyah	34	5	39	Mercy Corps
	Harshin	39	10	49	Mercy Corps
	Babile Fafen	46	10	56	Mercy Corps
Total		481	216	697	

During Q10, PRIME facilitated various participatory scenario planning workshops in all three clusters. In Afar, the scenario development workshops were at two separate locations in Gacheni Town (for Argoba and Dulessa woredas), and Awash Town (for Gewane, Gelealo and Amibara woredas). A total of 75 participants (56 male and 19 female) drawn from key stakeholders including DPFSPCO and Semera Meteorology Office, and woreda EW, crop development, animal production and health, market linkage, human health and education experts, traditional forecasters and community EWC members attended the workshops. In addition, private sector actors like feed/fodder and livestock drug suppliers and livestock traders were part of the planning meetings.



PSP workshop participants listening to forecasts

During the planning sessions, participants evaluated the dissemination of the advisories during last year’s *sugum* season and found that, despite encouraging developments on the acceptance of

scientific forecasts, there was some resistance from religious groups. Various discussions were held to build the confidence of the community in forecasts through blending and localizing warnings and forecast information. The participants assessed the current pasture and water conditions as poor and deteriorating in all woredas of zone 3.

Assessment of the current conditions in zone 3 of Afar Region:

Indicators	Districts		
	Amibara	Gela'alu	Gewane
Mobility	Pastoralists have already started moving to Halaydege with their livestock in search of pasture and water, except Keda birka, Andido, Andada, Siselabure, Gonita birka. In most kebeles school dropouts are on the increase	For now, mobility is limited to within their locally bounded areas	Relatively long-range mobility is inevitable, if the <i>Sugum</i> rain is late
Livestock diseases	Until now there is no disease outbreak	normal trend	normal trend
Livestock feed	In Agro-pastoral kebeles previously crop residue (cotton) was available, now since the farms are being converted into sugar cane plantations, residue for livestock feed is becoming scarce. This has resulted in deduced availability of feed resources. In Pastoral kebeles feed scarcity is a major problem due to the failure of ' <i>Gilal</i> ' rains (3 or 4 days RF).	Limited availability of pasture The problem is aggravated by the immigration of Issa Somali community into Afar territories to graze animals during night times. Prosopis invasion is another problem leading to loss of pastureland	There is relatively better pasture condition in the eastern part of Gewane but immigration of the Issas is limiting access. In Western Gewane there is poor pasture condition due to heavy Prosopis invasion.
Water availability	Surface water is almost depleted in most kebeles. In some pastoral kebeles ground water is the only source now. Currently water availability is the main problem in kebeles like 'Gelsa' & 'Bure', more than the livestock feed. Even though water & pasture availability is better in swampy areas, vulnerability to disease is high around these areas.	There is shortage of water in most kebeles	In Eastern Gewane, water availability is a major problem even worse than the feed condition
Price of grains & animal feed	On the rise	On the rise	On the rise
Price of livestock	Generally the body condition of livestock is still good. The price of cattle has generally been lower	The body condition of livestock is still good and the price is almost normal, there is no significant difference	The body condition of livestock is still good and the price is almost normal; there is no significant difference

For the current *Sugum* season (March-May 2015), both traditional and 'scientific' forecasts predicted a near normal rainfall season but with possibility of being below normal in some areas. Statistically, there was a 75% probability for near normal and above normal rainfall and a 25% probability for below normal rainfall based on weather forecasts and planning scenarios. These probabilities expressed the degree to which it was certain particular rainfall amounts would be

received. Each of these probabilities was discussed to draw out scenarios of possible climatic hazards, and the risks posed by the hazards. Plans to deal with each possible risk and opportunity were discussed and the information generated was turned into simple advisories, of what households and communities can do given the probabilities presented by the forecast. This information was used in making local livelihood decisions with consideration of the different resource and animal conditions that would respond to the different level of risk. Plans were made about risk reduction strategies that needed to be put in place by communities, and how local government and development partners could support these strategies through their ongoing and planned activities. For example, both agro-pastoralists and pastoralists were advised to harvest water and make hays, pastoralists were advised to relocate their herds away from possible disease and flood areas, and local animal health workers and projects were advised to facilitate vaccinations and treatment, while local agriculture and pastoral development offices were advised to promote and make available short-maturing crop and fodder seeds. In this way, information generated during PSP workshops contributes to communities' capacity to make forward-looking and anticipatory decisions and plans for climate-resilient livelihoods and DRM. Presentation and discussion of more than one climate possibility also encourages flexible planning and risk spreading, all contributing to building local adaptive capacity to deal with different future climate eventualities.



Participants of PSP workshops at group work sessions (Afar)

In the southern cluster, four PSP workshops were conducted in both Gujji (Liban and Gorodola districts) and Borana (Yabello and Dire districts). A total of 189 participants (161 men and 28 women) drwan from the regional meteorology offices, government partners (zonal and all districits DPPC, district level education office, LU&EP, PDO, WM&E offices, Healthy post, Yabello radio station, etc) and rangeland council leaders, traditional early warning experts (Ayantu, Uchu and other elders) attended the workshops. DPPC has played a leading role in organizing the meetings and in preparation of both scenario-based advisories and the development of dissemination plans for the advisories. The traditional forecasters predicted a near normal rainfall with onset period towards the end of March. But cattle may be seriously affected due to the existing poor pasture and water conditions. Similarly the forecast from the meteorology offices incidcated that the rain will be near normal (with a 75% aprobability of normal and above normal conditions and a 25% probability of below normal rainfall) and the rain will be light at the beginning and it will be intense during the later periods of April and May.

Following the development of simplified messages in both Afar and south clusters, PSP advisories templates were prepared in collaboration with the regional and zonal DPPOs using the local languages (a sample of the Afari version of the PSP Template is shown in the figure below). To facilitate wider dissemination of the advisories, detailed dissemination plans were developed with selected community and local government representatives as the main agents for dissemination of the seasonal forecasts and the advisory information. PRIME staff based in Gewane, Negelle and Yabello facilitated the development of the advisory templates and the dissemination plan, including monitoring of the dissemination work by local community and government representatives.

Social Analysis and Action (SAA) for Climate Change Adaptation in Afar, South and East clusters

PRIME is adopting CARE's proven Social Analysis and Action methodology to enable communities to identify linkages between social and behavioral factors such as culture of savings and resource management, access to resources and decision making, household aspiration, and vulnerability to climate change and food insecurity and then determine how to address them. Household livelihood strategies in pastoral areas in Ethiopia are ultimately shaped by socio-cultural, institutional, behavioral, economic and environmental contexts. From a resilience programming context, the SAA approach is being contextualized to:

- Explore the socio-cultural, behavioral and attitudinal components of CCA and DRM in order to create community understanding of how CCA and DRM are shaped by socio-cultural, behavioral and economic factors.
- Understand the social complexities that aid or impede CCA and DRM within a programming context.
- Take concrete steps to address behavioral and socio-cultural issues within a reflection-action cycle.

The process was initiated through the establishment of a core SAA group at the grazing system/Woreda level, which includes representatives from the different Kebeles targeted by the project. Core group members were tasked with facilitating the establishment of Kebele-level sub-groups, each of which is led by a team of two facilitators, one male and one female. These facilitators were selected by the core-SAA groups, kebele administrations and community leaders through a consultative process. The group facilitators received training from the PRIME project team, which focused on climate change, adaptive strategies and barriers, as well as on developing facilitation skills. Following the training, the facilitators were expected to lead the respective kebele or sub-grazing unit level SAA groups, hold initial discussions and make a plan for ongoing discussions over time. This process is ongoing, however, as shown in the box below, progress has already been made.

SAA in Sabure Kebele, Afar

Sabure Kebele is located in Awash Woreda, approximately 42 kilometers from the town of Awash. It is a community of approximately 2000 people, including agro-pastoral households that maintain a permanent base in the village, and pastoral households that come and go with the rains. The agro-pastoral households mainly grow maize, tomato and onion for both household consumption and sale. The main livestock owned are cattle, shoats and some camels.

Two community members were selected to facilitate the SAA group and received training on climate change adaptation, DRM, behavioral and socio-institutional barriers to adaptation and on group facilitation skills. One of these, Amina, is a small but powerful woman with a very firm handshake. She, along with her male co-facilitator, has formed an SAA group of approximately 25 people and has brought them together for three discussions so far. They have agreed to meet every two weeks and to collaborate on actions arising from their discussions. Their discussions to date have focused on the adaptive strategies that were prioritized by the community in their climate vulnerability and capacity analysis, namely: savings, herd management and destocking, water harvesting and improved rangeland management. These strategies were identified as important yet facing social or cultural barriers to implementation.



Amina, one of the facilitators of the Sabure SAA group

Discussions with members of the SAA group yielded insights into some of these barriers, notably traditional beliefs that keeping cash savings and storing water will bring bad luck to the household. The tendency is therefore to spend cash as soon as it is earned, and to move when the water runs out. There is also the issue of status associated with herd size: as one of the members explained, a ‘good’ pastoralist household was traditionally viewed as the one with the largest herd who was able to move the furthest with their livestock to access water and fodder. However, large herds expose people to significant risks when losses are experienced, and they have negative implications for the availability of fodder and the sustainable use of the rangeland.

According to Amina, the purpose of the SAA group is twofold: to raise people’s awareness of the identified adaptive strategies and to motivate them to act. This second objective is ultimately about overcoming the barriers described above, and there has already been progress, according to group members. They noted that some people in the community have started accumulating cash savings, and that nothing bad has happened to them or their families. On water, the government is promoting water harvesting and conservation, which leads them to believe that their superstitions around this practice may be false.

Several of the group members expressed openness to the idea of savings in particular, recognizing the value of selling their animals when they are healthy to transform them into savings, so that they have cash on hand to manage in the dry season and provide a buffer for shocks and stresses. Group members are also talking to their neighbors about the strategies and calling on Clan Leaders to build collaboration on rangeland management. They noted that this way of thinking is new – they have received other training and advice, including from the government, but it has not directly addressed the challenges they face in their livelihoods in the face of increasing rainfall variability.

As one participant in the discussions put it, when you are sick and someone gives you medicine, you take it. The people of Sabure are being offered strategies to help them to suffer less from the impacts of increasing climate variability, and they are planning to take them, even if it means transforming some of their beliefs.

Size of SAA groups established /supported during the quarter

Cluster	Grazing systems where SAA groups are established/community dialogues are supported	Number of SAA groups established	Total number of SAA Group members by sex			Implementing Agency
			Male	female	Total	
South	Malbe	1	16	4	20	SOS Sahel
	Gomole	1	17	8	25	SOS Sahel
	Golba Ganale	2	63	7	70	Mercy Corps
	Woyama	1	11	4	15	Mercy Corps
Afar	Amibara	3	41	14	55	CARE
	Argoba	3	49	26	75	CARE
	Awash F.	2	34	16	50	AISDA
East	Afdem	2	31	14	45	Mercy Corps
	Harshin	2	32	13	45	Mercy Corps
Total 9 grazing systems		17	294	106	400	

In the reporting quarter, a total of 10 SAA groups were newly established in two of the cluster areas (4 in the South and 4 in the East clusters) and 8 SAA groups which were established in Afar during the previous quarter were supported to conduct their regular dialogues on how to address behavioral and socio-institutional barriers to climate change adaptation. The SAA groups typically include 20-25 members, both women and men, and representing different groups within the community (livelihood groups, wealth groups, gender and age groups, and so on). One of the SAA group established in a far is a women only group which comprises women who are actively participating in saving groups. Beyond the regular community conversations, the SAA group in Dudub kebele in Afar have started taking practical actions including start-up of regularly saving money at the household level and enclosing and rehabilitating communal grazing areas for lactating, weak and small animals. The facilitators are key to the success of the SAA process. PRIME has deliberately chosen to assign community members as group facilitators, which makes sense as they are embedded in their communities and are therefore in a good position to bring people together and mobilize collective action. However, they generally have less facilitation experience than, for example, project community facilitators, who are hired for their specific skills and training in facilitation. IR2 teams in each cluster have provided training to all of the SAA group facilitators, which was highly appreciated by the members. However, as the

dialogue evolves and the issues that emerge become increasingly complex, further capacity building will inevitably be required to maintain the momentum and ensure the sustainability of the process beyond the life of the project. It will be important for the project team to accompany and mentor the facilitators on their journey, providing targeted training and guidance on facilitation, including addressing sensitive issues and dealing with conflicts that may arise. As next steps, PRIME will produce a training manual and provide capacity building and regular monitoring support to the SAA groups.

Support restoration of degraded sites

The multi-stakeholder dialogue meetings have created and enhanced interest of the community members in participating in rangeland management efforts. These PRIME assisted dialogue sessions have created a continuous forum on which the communities discuss on NRM related issues and identified and prioritize the rangeland related problems. Using the advantage of these dialogue events, the Range Councils have identified severely degraded rangeland locations as priority areas to rehabilitate through community participation.

During the reporting quarter, important rangeland rehabilitation activities including the construction of soil bunds, check dams, micro-basins, communal enclosures and selective bush thinning works were undertaken in all the three clusters of PRIME intervention areas. PRIME supported those enhancement works by providing different hand tools and by offering technical support while the communities of respective rangeland units and subunits have contributed free labor into the rehabilitation effort.

Types and quantity of the hand tools support provided to the councils of Argoba rangeland unit in Afar

Types of hand tools	Unit	Quantity
Machete	Pcs	120
Spade	Pcs	80
Digging hoe (shovel)	Pcs	60
Pick axe	Pcs	160
Craw bar	Pcs	30
Hammer (5 kg)	Pcs	10

With the support provided, the councils of the Argoba rangeland units have mobilized their communities and constructed different physical Soil & Water Conservation structures including check dams, soil & stone bunds, and terraces and undertaken selected bush thinning on an estimated 50ha areas of degraded rangelands (15ha in *Marke* and 35ha *Sala Mankorkoriya*).

Likewise, PRIME has supported different hand tools to the communities of Babile-Oromia rangeland unit in East Cluster for the soil and water conservation activities in 8 kebel namely Derera Arba, Lekole, awsherif, Gemechu, Berkile, Errer Ibada, Ebadaa gemechu and Abdi buch.

Types and quantity of hand tools support provided to the councils of Babile Ormia rangelan system in East cluster

Types of hand tools	Quantity provided
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Craw bar	300
Hoe	300
Sledge hammer	64
Pick axe	200
Shovel	300
Measuring tape (50m)	28
Measuring tape (5m)	80
Water level/Sprit level	48

Communities of Babile Oromia rangeland system have actively participated in the rangeland rehabilitation initiatives using the hand tools provided. Woreda Government together with the rangeland council members has mobilized the community for the mass campaign while woreda experts and PRIME team also provided technical support on site. A total rangeland areas of about 9,240ha have been rehabilitated with different physical soil and water conservation measures by active community campaign where over 12,850 person (11,565 men and 1,285 female) were mobilized. The accomplishment by types of soil and water conservation measures (technologies) used is as below:

Rehabilitation technologies used	Volume of work
Soil bund	23km
Stone bund	19km
Soil and stone faced bund	16km
Micro basins	3260
Enclosure	60ha

Similarly, in South cluster (in *Dire, Gomole, Malbe* and Golbo rangeland units) selective bush thinning, enclosure and management of communal grazing reserves and rehabilitation of water points were the major rehabilitation activities prioritized and implemented by the community during the reporting quarter. PRIME also supported different hand tools that will support community efforts on rehabilitation activities. Selective bush thinning has been done on 349ha in the above mentioned three rangeland units. The following table shows the area of land on which selective bush thinning has been conducted in the three rangeland systems.

S/N	Rangeland System/Dheeda	Rehabilitation sites	Hectare of land cleared from bushes	# people participated on the clearing		
				M	F	T
1	Gomole	Dhadim, Afura	64	155	60	215
2	Dire	Danbalawachu, Dhadota kormori, A/haya	110	177	135	312
3	Malbe	Sarite and Dibehaya	40	80	60	140
4	Golbo	Bekola, Dambi, Goray & Mado	135	694	278	972
	Total		1106	412	533	1,639

Types and quantity of the hand tools support provided to the councils of the different rangeland systems in South cluster

Rangeland system	Axe	Pick axe	Rake	Bush Knife or Slasher	Shovel	Flat hoe	Crow bare	Sledge Hammer	Total
Gomole	0	140	100	0	12	0			252
Malbe	0	80	80	0	0	0			160
Golbo	175	50	31	149	14	10			429
Wadara	400	200	100	200	200	200			1300
G/Ganale	600	400	100	400	400	200			2100
Dida	2	15	0	0	15	0	7	6	45
Total	1177	885	411	749	641	410	7	6	4286

Support prosopis control and management

Prosopis control and management has been underway in Gewane-Gelealo, Amibara and Awash rangeland systems in Afar cluster since November 2014 by integrating mechanized clearing work with up-rooting and burning by the community. In this reporting quarter, 75 ha of land has been cleared in Bunketo-Molale sub-rangeland unit through PRIME's deploying project's loader machine, and through providing hand tools and covering refreshment expenses on the days of community campaigns.

Hand tools support provided to the Gewane-Gelealo RLS rangeland councils

S/N	Hand tools	Gewane-Gelealo RLS (for Buniket-Mollale sub-unit)
1	Machete	70
2	Axe	50
3	Spade	40
4	Digging hoe	40
5	Grinding File	30
6	Fork	30
7	Pick axe	40

Some stands of bush being cleared and thinned out however have matured seeds which can be dispersed to grow in the managed sites; and re-sprouting of new coppice from cut stumps and regeneration of new seedlings from soil sandbanks may occur in the cleared sites if the community is not regularly monitoring and managing. Thus, PRIME has made expertise input available from PADO to strengthen bush clearing works and post clearing management efforts while also supporting the community dialogue meetings through which a continuous monitoring of managed sites was made possible.

Grasses and browse plant growth was suppressed by *prosopis* plants in these degraded sites and the implementation of bush clearing work has brought significant changes in the status of the range within a short time. As a result, communities have already witnessed enormous

improvements in pasture condition in those areas after last year's main rainy season "*Karma*" which allowed for the regeneration and reemergence of native grass species, forbs and shrubs in the areas (see the attached case story under Success Stories, Annex 12).

Support the development and rehabilitation of water points

In all the three clusters of PRIME intervention areas, communities through their regular range councils meeting forums have identified and prioritized different resource enhancement and rehabilitation activities including water point rehabilitations and plan to implement them through community labor and the support of PRIME loader machine. The major water point rehabilitation activities PRIME has supported during the reporting quarter are summarized in the table below:

S/N	Cluster	Range land	Name of the water point	Capacity of water point (m ³)	# of HHs the water point supports	Major aspect of the work	Progress up to the reporting quarter
1	South	Gomole	Harobake Micro-dam rehabilitation	768,000m ³	15,000	<ul style="list-style-type: none"> - Construction of spillways on both banks of the bank - Expansion of the reservoir area - Upgrading embankment of the dam - Dam stabilization through construction of flood protection dykes 	85%
2	South	Wayama	Chana pond construction (new)	10,500 m ³	750	<ul style="list-style-type: none"> - Excavation of the pond area - Stabilization of inlets and outlets of the pond - Shaping and compaction of the embankment 	100%
3	Afar	Gewane-Gelealo	Fatmadelaytu pond rehabilitation	7,400 m ³	710	<ul style="list-style-type: none"> - Construction of regulating head work - De-silting of the pond - Channel stabilization with gabion walls 	100%
4	Afar	Argoba	Libargi pond rehabilitation	6500 m ³	198	<ul style="list-style-type: none"> - De-silting, expansion of the pond area and depth 	100%
5	Afar	Argoba	Aba Ali pond rehabilitation	6075 m ³		<ul style="list-style-type: none"> - De-silting, expansion of pond area and depth 	85%
6	East	Babile.o	Fegero pond rehabilitation	5000m ³	750	<ul style="list-style-type: none"> - Shaping & refilling of the embankment - Geomembralne lining, fencing, reinstatment of inlet & overflow channels 	95%
7	East	Babile.o	Absinti pond rehabilitation	4620m ³	420	<ul style="list-style-type: none"> - Reinstatment of breached section of the dam - Desilting and expansion of the pond area 	100%
8	East	Babile.S	Awhyrad pond rehabilitation	7500 m ³	650	<ul style="list-style-type: none"> - Bulk excavation of the pond area - Shaping and compaction of the embankment 	40%

Harobake micro-dam rehabilitation in Borana

Rehabilitation of HaroBake micro-dam has been ongoing since August 2014. Harobake microdam is the most critical water source both for human and livestock uses for over 15,000 people in the surrounding Gomolle, Dirre and Malbe Dheedas and other neighboring communities on market days. However, siltation and erosion of the catchment areas have been the major problems of this aged micro-dam for the past several years. Thus, PRIME has been rehabilitating this important water point based on the requests of the user communities and local government stakeholders. Harobake rehabilitation project has two components; 1) the spillways construction and upgrading, 2) upgrading the banks of the dam and expansion of the reservoir by 3.7 ha through removal of silt deposits that has been accumulated for decades. Both components of the project are progressing very well so far. The reservoir expansion and the upgrading of the bank is accomplished more than 85% (a total of about 43,3000m³ of silt removed), and the construction and upgrading of the spillways is also accomplished over 90% remaining with some finishing works of the spillway in the Eastern Bank of the dam.



Harobake reservoir expansion activities underway



HaroBake Micro-dam Spillways rehabilitation and upgrading underway

Fegero pond rehabilitation and geomembrane lining:

PRIME has supported the rehabilitation of an existing water point in Babile Oromia known as Fegero pond that had high seepage problems due to fractured bottom layers and embankment of the pond. Through PRIME support and the participation of the user community, Fegero pond has been fully rehabilitated by removing the silt deposited inside and compacting the surface and the walls of the embankments by plate compactor. To check the seepage and increase the volume of water harvested, a geo-membrane lining of 4500m² has also been fixed with proper welding and stabilization through reinforced concrete anchors. The capacity of the pond and the number of households benefiting from the pond is presented in the table above.



Fegero Pond in Babile Oromia rangeland system with Geo-membrane lining

Support catchment area protections around water schemes

Siltation and erosion were found the major problems of Harobake micro-dam. The catchment areas are poorly vegetated due environmental degradation caused as a result of overgrazing and other factors. Particularly some parts of the catchment areas (around 647.7ha) contribute to most of the sediment deposition in the reservoir areas of the dam every year. Hence, PRIME together with the local government and community has planned to carry out implementation of physical soil and water conservation measures in the identified particular parts of the catchment areas that are contributing much of the silts to reduce the amount or sediments being deposited every year into the reservoir of the dam by surface run off. Starting in March 2015 communities living in four kebeles surrounding Harobake micro-dam have been working two days every week and building soil and water conservation structures in the catchment area. So far they have built about 4.5km of soil bunds by mobilizing an average of 116 people for two days every week since the start of the work and it is still continuing. PRIME has supported hand tools and provided refreshments on site for community members that have campaigned and contributed their free labor while Borana zone and Yabello woreda Land use and Environmental protection offices have contributed experts to provide technical supports and guidance on field together with PRIME team on the community campaign days.



Community conducting soil and water conservation work around HaroBake micro-dam

A summary of NRM indicator performance breakdown is included in Annex 3 of this report.

Environmental considerations

In PRIME project, environmental aspects of all proposed enhancement works are given due considerations. Environmental screening formats are being used in every rehabilitation works as an important tool in revealing the main environmental issues in the proposed project area and the way in which they will impact the goals of increased rangeland production and long-term environmental sustainability. In situations where the interventions are found to be in the negative determination with condition, that is in most of our intervention so far, appropriate mitigation measures have been taken addressing site-specific problems.

During the quarter, three EMMPs were approved by USAID. These include Addiskidan Dairy, and the prosopis management research in Afar.

Alternative Technologies for Managing the Invasive Species Propopis Juliflora:

The environmental review for this activity was determined to be low risk and have no significant adverse impacts, given specified mitigation and monitoring. There were 6 key potential impacts as follows:

- 1.1 Poorly managed removal of trees which can lead to increased growth and spread of plants;
- 1.2 Inappropriate location, technology or enhancement practices can limit resource use and productivity, and create disincentives for long-term management; and poor maintenance and subsequent management of rehabilitation schemes in prosopis cleared areas that can lead to further degradation;
- 1.3 Manual cutting that can inadvertently remove indigenous species;
- 1.4 Mechanical clearing that can disturb topsoil, grass and shrubs;
- 1.5 Coppice growth of cut stumps or regeneration of seeds brought to surface; and

1.6 Use of herbicides, kerosene and burned oil can contribute to pollution of soils and waterways.

For each impact, detailed mitigation measures and a monitoring plan have been laid out and incorporated into the workplan of the proposal. The activity is expected to begin during the upcoming quarter.

Addiskidan Dairy:

For Addiskidan Dairy, 4 areas are considered to have minimal adverse impacts with appropriate mitigation. These include:

1. Milk collection and chilling;
2. milk processing;
3. milk filling, packing and labeling; and
4. transportation of milk and milk products.

Addiskidan Dairy will establish a testing laboratory to ensure proper hygiene at all levels, including collection centers, pre-processing and processing. In addition, appropriate waste collection will occur to prevent solids from entering the waste water supply, and a proper cold chain will be established from collecting to processing. Addiskidan Dairy activities are expected to begin during the upcoming quarter.

Challenges encountered:

- A strong resistance to the facilitation approach on natural resource rehabilitation and enhancement works and a tendency of pushing for Cash for work approaches in Eastern cluster due to the influences of the approaches of other NGOs operating in the area.
- An accident of the PRIME loader machine that caused delay to several ongoing rehabilitation activities in Afar.
- Difficulty in accessing communities as planned due to a series of meetings by the government.
- Problem of fuel supply in almost all the three cluster has constrained the implementation of the water point rehabilitation activities.
- Drought in the project areas limited communities' active participation to some extent

INTERMEDIATE RESULT 3: STRENGTHENED ALTERNATIVE LIVELIHOODS FOR HOUSEHOLDS TRANSITIONING OUT OF PASTORALISM

Key Result 3.1: TOPs employability increased through life skills, financial literacy and entrepreneurship training

More than 800 TOPs are enrolled in TVETs through PRIME's short-term vocational scholarship program: The main objective of PRIME's scholarship program for TOPs is to improve their life skills through short-term skill training that will assist them to secure stable employment or create self-employment. According to PRIME's labor market assessment, the majority of TOPs lack the skill set demanded by employers. Therefore, PRIME partners in all clusters have identified short-term trainings that can create job/business opportunities and make

TOPs employable in the labor market. Up to this quarter, PRIME has granted scholarship for 807 TOPs from different woredas in the three clusters to attend training in different public and private TVETs. (See table below for the status of the scholarship program). To ensure sustainable delivery of the training in the long-term, PRIME's provides cost-share grants to the TVETs for the uses of procuring fixed assets like training equipment and material for the TVETs to open new curricula and strengthen the existing training departments. In some cases, tuition fees are also covered. In return the TVETs provide short-term skill training for TOPs. TOPs are required to cover their transportation costs and living costs. For TOPs coming from very poor families and distant woredas, PRIME, in special cases, covers accommodation cost in addition to the tuitions fee for the training. During the reporting period, the enrollment process for scholarships has continued in eastern, southern and Afar clusters.

Eastern Cluster: 107 scholarship TOP awardees completed four month training: PRIME has signed a cost-sharing grant agreement with Jigjiga Polytechnic College to design curriculum and provide the skills training for TOPs in Eastern Cluster based on the findings of the PRIME labor market assessment. During the reporting period, out of the 117 TOPs that were selected through One Stop Centers and Disability Centers during Q9, now 107 have completed the short term training, have moved on to an apprenticeship and 10 are taking additional courses to complete the training. To further expand the opportunities of short-term training for TOPs in more PRIME operational woreda, ACPA started engagement with Jigjiga polytechnic college to design curriculum and provide skills training. Agreement signing is underway and 50 TOPs have been so far selected, 10 from each of these woredas (Jigjiga, Gursum Somali, Babile somali, Afdem and Mieso).

Southern Cluster: 20 graduated, 250 attending trainings and 200 are in admission process: Mercy Corps and SOS Sahel technical and financial assistance to TVETs operating in Yabello, Negele and Moyale areas continued during this quarter. Mercy Corps signed a grant agreement with Negele and Moyale TVET to provide short term skill training through scholarships for eligible TOPs and SOS Sahel is working on pre-award paperwork to sign an agreement with Yabello TVET. Based on the LMA findings and in partnership with Yabello, Negele and Moyale TVETs, ten training streams have been identified and 450 TOPs in Borena, Guji zone and Moyale (Oromia and Somali region) have been registered in the three TVETs. Already 250 TOPs have started attending the short term training in eight different streams. To ensure the quality of the training and transparent selection process, a scholarship committee has been established, comprised of representatives of the TVET, PRIME, Youth and Sport Affairs office, TVET Agency and Labor and Social Affairs Office at zonal and district structure level.



Scholarship status update in all clusters

Cluster	Type of training	Number of TOPs identified			Name of TVETs	Enrollment stage	Duration of the training	Expected date of completion of training
		M	F	Total				
SC	Hair dressing	6	14	20	Yabello TVET	The students have graduated	4 months	30-Feb-2015
	Hair dressing	0	20	20	Yabello TVET	The students are under apprenticeship	4 months	30-May-15
	Ten different skill training	189	241	430	Yabello, Negele and Moyale TVET	Registration and screening	4 months	30-Jun-15
EC	Metal works	26	0	26	Jigjiga Polytechnic College	107 of the total 117 students have graduated	4 months	30-Mar-15
	wood work	22	0	22	Jigjiga Polytechnic College		3 months	30-Feb-2015
	Cobblestone	19	6	25	Jigjiga Polytechnic College		2 1/2 month	15-Feb-15
	Auto mechanics	44	0	44	Jigjiga Polytechnic College		3 months	15-Feb-15
	Different trainings	28	22	50		Trainees are selected		
Afar	Excavator-Heavy Machinery	25	0	25	TBD	trainees are selected and date to start class not determined	4 months	
	Tractor	25	0	25	TBD		4 months	
	Dry & light vehicle	120	0	120	Due to start training in mid-April	Agreement signed with training center	2 months	
Total		504	303	807				

Note: out of the total scholarship awardees, 30 are people with disability.

More than 240 people obtained jobs through HelloJobss platform:

HelloJobss is a sustainable technical platform that gives visibility and access for employment or training to people who seek employment in the pastoralist regions of Ethiopia. A total of 2,186 job seekers initiated registration through HelloJobss Agents from September – March 2014 in Somali region (Jigjiga). The registration was completed for 1,868 of the job seekers and their data is currently available online on hellosera.com (hellogebeya.com). Registration could not be completed for 318 of the job seekers mainly due to reasons related to phone network or connectivity issues.

During the quarter, Amasis, the company running HelloJobss, surveyed 220 out of the 1,868 registered users to see how many people obtain jobs directly or indirectly via the HelloJobss system. The results show that 13% of the job seekers reported that they obtained jobs after registering in the system. This implies that roughly 242 registered users have obtained jobs since the HelloJobss service was started 8 months ago. The system is particularly useful to low-skilled and semi-skilled workers, who may not be able to access job opportunities via the internet – companies can now call them directly if they are a match for an open position.

During the reporting quarter, additional progress includes:

Human Resource License:

Amasis have not received the HR license yet however they have made progress getting it. One of the requirements to get HR license is that all shareholders have to come together to provide fingerprint at the police station to show they are not involved in human trafficking. The challenge for Amasis is as a Shareholding Company some of the shareholders live in different countries and that makes it extremely difficult to bring all shareholders together to provide fingerprints on the same day. Amasis met with the Director of Labor and Social Affairs Bureau few months ago and requested that Amasis' shareholders to be allowed to provide fingerprints during multiple days rather than the same day. The bureau has approved their request. Estimated date for the HR license is end of May.

Planned Activities for Next Period

- Finalize HelloJobs licensing and Certificate of Competence;
- Start HelloJobs in Borena, South Oromia, by hiring a coordinator, obtaining necessary partnerships, development of marketing platforms, recruitment of agents and registration of job seekers;
- Start HelloJobs in Afar region by hiring a coordinator, obtaining necessary partnerships, development of marketing platforms, recruitment of agents and registration of job seekers;

Next Steps – Dire Dawa

- Obtain Certificate of Competence;
- Place banners at HelloJobss Agents location;
- Place billboard at the permitted location;
- Contact employers;

Steps to follow for Oromia and Afar

The implementation of HelloJobs in Oromia and Afar regions should follow these steps.

- Translate banner and billboard content to Afar and Afan Oromo;
- Finalize the design for banner and billboard;
- Shortlist and Hire Coordinator;
- Obtain permission on banner and billboard content from Regional Communication Affairs Bureau; (Payment required)
- Obtain Certificate of Competence from Bureau of Labor and Social Affairs (BoLSA);
- Obtain permission (including for placement) for banner and billboard placement from the regional land management bureau; (Payment required)
- Recruit and Train Agents from each Kebele where HelloJobs is planned to be implemented;
- Submit HelloJobs plan and Agent list with their licenses to BoLSA;
- Partner with Technical and Vocational Education and Training (TVET) Agency so they will connect their graduates with HelloJobs agents at each of their Kebeles;
- Partner and link HelloJobs agents with NGOs providing services related to vocational trainings, economic strengthening and/or creation of employment opportunities;
- Partner with colleges so that they can support their graduates in the search for job through HelloJobs agents;
- Place banners at HelloJobs agents location;
- Place the billboard at the permitted location;

A Job Fair in Negelle Borena Results in 94 Job Offers

Ninety-four job seekers (48 male, 46 female) in Guji Zone, Oromia Region, were offered jobs during a job fair (9-11 February) facilitated by Mercy Corps and SOS Sahel, in collaboration with concerned government offices. The event, which was held in Negelle town, of Guji Zone, brought together all major actors in the labor market such as job seekers/TOPs, employers, employment placement agencies, and facilitator offices such as labor & social affairs, youth & Sport, Small & Micro enterprises development, TVET, MFI and administration. The job fair was visited by more than 1,000 visitors and 300 major private/public entities. In a panel discussion held during the event, stakeholders identified challenges, opportunities and solutions of the youth or TOPs employment market. In the following quarters similar job fairs are planned to be conducted in Borena zone and Afar cluster.



Youth job seekers registering and posting CV

The major outcomes of the job fair include the following:

- 195 vacant posts at private sectors/employers have been identified and 165 job seekers have been registered at EPA. By the end of the event, 94 (48 M, 46 females) job seekers/TOPs found jobs. The result will be monitored thoroughly for reporting purpose.
- 20 model small businesses displayed their products at a small bazaar facilitated as part of the job fair for showcasing the achievements of youth/TOPs in sectors such as embroidery, construction, fruit and vegetables production, grass seeds and seedlings, printing and promotions, computer and electronics, metal and wood works, solar energy products,

agricultural technologies, etc. More than ETB 100,000 of transactions were made in the bazaar.

- 10 new SMEs were registered at One Stop Centers (OSCs). Two OSCs were given separate booths for registering and organizing youth job seekers in to SMEs.
- 7 PEAs (from different districts) participated and promoted their businesses.
- Creativity and innovation initiatives of four young students from junior schools in Liban district were shown to the public.

Micro-franchise business for women TOPs

An experience-sharing visit was conducted on the micro-franchising business model with the Graduation with Resilience to Achieve Sustainable Development (GRAD) project in Shebedino woreda, Sidama Zone, SNNPR. The visiting team was comprised of 21 PRIME partner staff from all the three clusters. The major objective of the visit was to learn lessons of the success factors of the intervention and the roles of the key actors (the sales women, woreda based wholesaler, manufacturing company) in the business model. The team visited 8 sales women in two kebeles of Shebedino woreda who have been in the business for over a year. The team also visited the woreda-based wholesaler in Leku town who is buying fast moving consumable goods (home and personal care products) directly from the factory gate of East African Tiger Brand Industries (EATBI). This has allowed the women to earn a fair profit margin and sell their products to consumer community in their villages with an affordable price on a door-to-door basis. Following the visit, the team has come up with an action plan for the way forward in order to execute activities successfully in PRIME project areas and refined women selection criteria taking into account disability adjustment and considering the pastoralist context.

Progress made so far and next steps

- Amibara, Bombas and Yabello woredas from Afar, Eastern and Southern cluster respectively have been selected to start the pilot intervention, based on the presence of VSLAs.
- Selecting one wholesaler from the shortlisted existing 3-4 wholesalers in the respective woredas
- Conducting sensitization at respective woreda and kebele administration to explain the business model, the selection of woreda-based wholesaler and women who will serve as sales agents. A one pager implementation guideline was prepared to use as a reference for step-by-step implementation through the different stages.
- Signing an agreement with companies. Based on the most demanded fast moving goods, two manufacturing companies, EATBI-for home and personal care products (soap, detergent & hair oil) and Guts Agro Industry with food products (iodized salt, chick pea powder and healthy snacks) have expressed their interest to work with woreda-based wholesalers to sell their products with a factory gate price.
- Provision of Business skill training to selected women
- Facilitating channeling of products based on the business model

Graphical representation of the micro franchising model:



Private Employment Agencies (PEA) in JJ&DD obtained business skill training

Private Employment Agencies (PEAs) play a crucial role in connecting job seeker with employers. During last year’s labor market assessment PRIME identified opportunities and challenges of the existing PEAs operating in pastoralist areas. One of the identified gaps that limits the performance of PEAs is their inadequate business and market skills to efficiently match job between job seekers and employers.

During the quarter, in order to address the above stated challenge, MC facilitated a two-day training in Dire-dawa in collaboration with ESRS-labor and Social Affairs Agency and Dire-dawa Labor and Social Affairs Agencies. The main objective of the training was to improve knowledge and skills of PEAs in job marketing, basic business planning and management, skill inventorying/Job matching, relationship building and labor market laws which will ultimately improve the quality and coverage of their services and to enable them reach large number of job seekers including TOPs. In the training, 33 participants from 32 PEAs were trained. The ESRS Bureau of Labor and Social affairs and Dire-dawa labor and Social Affairs Agency co-facilitated this sub-activity with PRIME and provided a 33% cost share. PRIME and the collaborating regional agencies will conduct training follow-up to assess the performance change attributed the PEA and will develop follow-on sub-activities as appropriate.

Adult Literacy Education and Literacy and numeracy survey completed

In conjunction with relevant woreda government offices, FSA has begun planning for their IFAL (Integrated Functional Adult Literacy) program in 30 schools in the 5 PRIME target woredas in Afar. Sixty IFAL teachers were selected for the 30 schools. Training for these teachers is pending based on Concept Note approval. 1,157 adults have been identified to attend the training (707 male and 450 female).

An activity sensitization meeting was held in Awash town on March 19th, which included regional and local government representatives, school directors, school committees and leaders, and youth club representatives. A total of 160 people attended. The Afar youth group called Initiko was invited, who presented literacy songs and poetry, to both entertain and challenge participants regarding their views on education.

Literacy and numeracy survey: Women in rural areas and in particular pastoralist women have the lowest literacy rates in Ethiopia. One of the biggest challenges for women to become actively engaged in business and be profitable is the lack of numeracy and literacy skills. VSLAs are a starting place for petty-trade businesses for most women in rural areas. As such, PRIME will use VSLAs for implementing a numeracy and literacy skills component. An assessment targeted at identifying functional literacy and numeracy skills and gaps of the VSLAs was conducted in

Southern cluster. The quantitative assessment was carried out with approximately 40% of the members and samples taken from each VSLA group. (See Annex 7 for a full report)

Financial Services: VSLAs/RuSACCO: Strengthening, Expanding and Linking

VSLA formation through the Provider Service Provider model is growing at a faster rate

In the reporting period, the PRIME supported PSPs have continued the formation and expansion of VSLAs through the PSP model, a cost effective and sustainable method to expand outreach in target communities and provide the service. PSPs train VSLAs, for a fee, paid by the VSLAs, eliminating the need for long-term external technical support. The main advantage of this approach is that new VSLAs continue to be created (and supported) after a project has ended. The outcome of this activity is proving an indication of increased financial literacy in the pastoralist communities as a result of the approach PRIME is pursuing. This paved the path for PRIME to expand the model into more areas through a second round of PSP cohort trainings. Currently, PRIME is assessing the capacity of PSPs to be certified as standalone service providers from the fee paid by the VSLA to their technical assistance and advice. These activities are being implementation by Mercy Corps, SoS Sahel, ACPA and CARE in all clusters.

Saving: VSLA's saving surpass \$57,000

As of Quarter 10, PRIME-supported PSPs have formed 232 VSLA groups with total members of 4,390 (68% are women) across three clusters of PRIME operational areas. The progress of VSLA formation through the PSPs is showing accelerated result since it was started about ten months ago. The value of saving reached \$57,751.

Loan: \$15,273 outstanding loan is given by VSALs to members

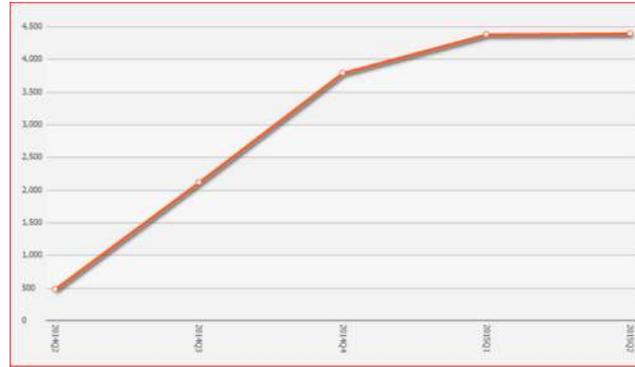
913 numbers of members received an average loan size of \$22. From this loan VSLAs obtained \$4,821 in profits which will be redistributed as dividends to members. The borrowers used the loan primarily for petty trade and shot fattening purposes.

Social Fund: members saved \$10,639 as social fund.

The groups are also entitled to save a social fund for emergency loans or grants as “insurance” for unexpected and urgent needs of members. So far, some VSLAs granted money from the Social Fund for members in occasions of such as emergency assistance, educational fees for orphans, funeral expenses, and when women give birth.

Generally, the VSLAs are helping members to increase their financial literacy, consider additional income streams and strengthen the social network for helping each other during emergency.

Trend of VSLA formation via PSP model (2014Q2-2015Q2)



PSP Model and saving group MIS

The Mercy Corps and CARE financial services specialists attended a training in Kigali, Rwanda on the "Private Service Provider Model: A Practical Approach to Fee-For-Service Savings Group Programming" and MIS for saving groups. After the training, PRIME got access to the global web based VSLA MIS called SVAIX to manage data which is now being entered into the system and all VSLA data is being processed from SAVIX. See annex 4 for overall performance of VSLA generated from SAVIX.

Sharia compliant training for RuSACCOs in the Eastern Cluster

Mercy Corps and ACPA jointly facilitated a training for RuSACCOs to improve rural financial service providers' core functions and develop sharia-compliant products for members of RuSACCOs. Mercy Corps and ACPA are working with woreda Cooperative Promotion Agency staff to revitalize RuSACCOs in the area to increase access to finance for pastoralists and TOPs, while improving their financial literacy level. During the quarter, 626 members (137 female, 489 male) from 53 RuSACCOs were trained and to date 1,805 (1540 female) members were trained in sharia complaint product and basic business skills.

RUSACCO Integration Workshop held in Afar

PRIME held a workshop which included 36 participants from the government, community, cooperative, and NGO sector to discuss the challenges and potential solutions for strengthening RUSACCOs in the region. Presentations were given by PRIME and the regional cooperative office, the Afar MFI, NGOs and the private sector. Afar MFI expressed their interest in creating linkages with RUSACCOs, and providing training on mobile and agent banking. Participants were divided into small groups to discuss the main challenges they face in establishing and strengthening RUSACCOs, along with identifying potential solutions. A summary of the small group work is listed in annex 5.

Key Result 3.2: Increased income opportunities for TOPs

PRIME supported Mobile and Agent Banking initiative initial pilot completed successfully

Following the approval from the National Bank of Ethiopia, Somali Microfinance (SMFI), in partnership with BelCash Technology Solutions, successfully completed the Mobile and Agent Banking pilot initiative (Jan-April) in the Ethiopian Somali Regional State. The pilot involved six SMFI branches and 19 agents, and by the end of the pilot period 1,456 individuals opened a mobile bank account. The pilot supersedes a 3-year initiative (FIPSRE), with the technical and

financial assistance under the IR3 and IIF of PRIME project, which aims to facilitate access to financial services for 50 percent of mobile phone owners in the Somali Region. Services continue as the National Bank of Ethiopia to evaluate the pilot report to permit SMFI the full-scale rollout. During the full-scale roll-out, SMFI will be able to promote and market its product, something that was not allowed by NBE during the pilot phase. It is expected that this activity will create also more than 2,000 jobs and benefit 42,000 households by creating access to different financial services through their mobile phone and the nearby agents of SMFI.

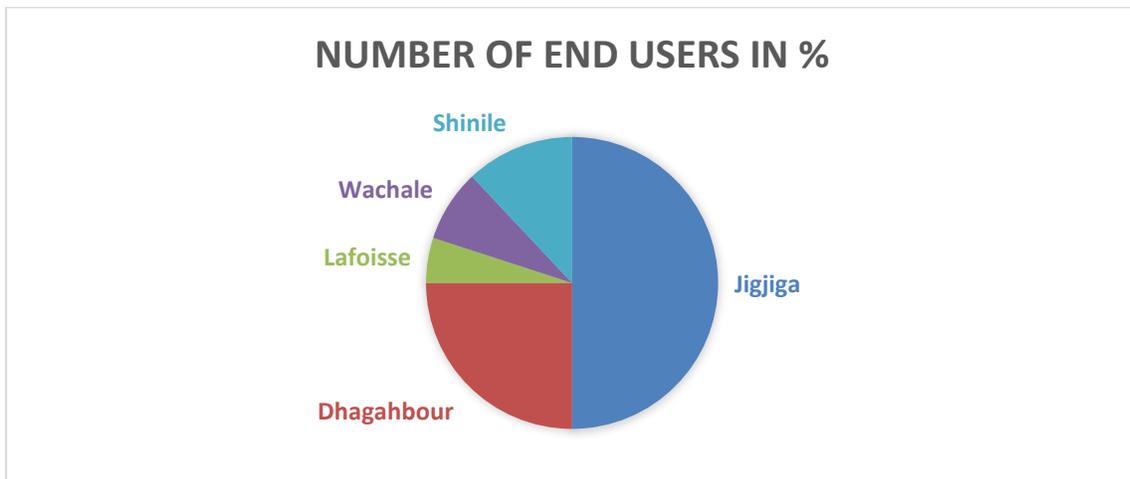
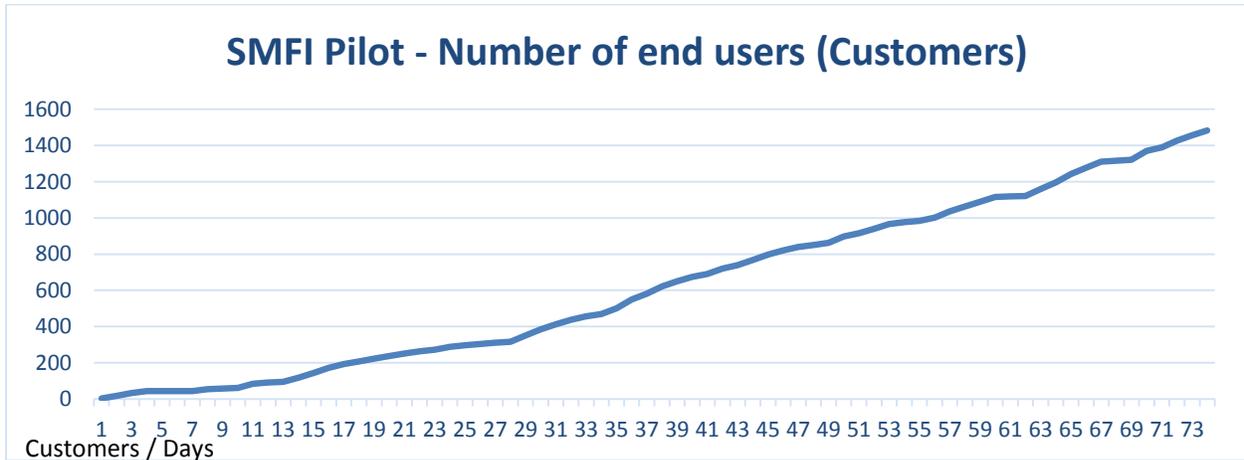
The Agent and Mobile Banking project meets the current needs of the target population for financial inclusion and opens doors for future generations to meet their own evolving needs. The target population will continue to use the service for its accessibility and affordability. The agent and mobile banking solution serves as a bridge to overcome challenges related to long distances of travel faced by the target population to access financial services due to the dispersed geographic settlement and the few number of bank branches available in the region. It also serves as the most suitable solution for the nomadic population as it allows them to make money transfers from the convenience of their mobile phones and access cash in and cash out services from registered agents whether they are on movement or if they have settled in a locality.

Mobile and agent Banking Service Indicators/ Outcome during the pilot phase

During the three month pilot period the following service indicators have been collected as per the National Bank Mobile and Agent Banking Directive Mobile and Agent Banking Service Indicators requirements (a full report is included in Annex 6 of this report):

Indicators	Amount/Number
Total number of agents	19
Total number of active mobile accounts	1,456
Total balance in mobile accounts (in Birr)	273,841.89
No of transaction in the quarter	
<i>A) Fund Transfer</i>	167
<i>B) Deposit (Cash in) to mobile account</i>	669
<i>C) Withdrawal (Cash out) from mobile account</i>	437
Total number of transaction in the quarter, (a b c), (In Birr)	1,273
Value of transaction in the quarter (In Birr)	
<i>D) Fund Transfer</i>	52,911
<i>E) Deposit (Cash in) to mobile account</i>	629,848
<i>F) Withdrawal (Cash out) from mobile account</i>	299,870
Total Value of transaction in the quarter (d e f),	982,629
Average size of transaction in the quarter (VII/V)	771.9
Average number of transactions in the quarter per day,	17.4
Total number of regular accounts opened at agent premise during the quarter	0
Total number of regular accounts opened at agent premise	0

Growth of customers: The result of the pilot convinced SMFI that agent and mobile banking is the fastest way to create financial inclusion for the non-banked in the area; the number of expected new customers was over initial expectation. During the pilot phase SMFI was not allowed to promote/market its new product/service. SMFI believes that within the coming three years they will be able to reach the target set by the National Bank of Ethiopia (66% of the population should have a bank account), through promotional/marketing campaigns. **In the three months of pilot SMFI increased its customer database by 20%.**



Technical and financial support to increase the core financial service function of Afar MFI

During the reporting period, CARE and Mercy Corps continued their support for the establishment modalities of Afar MFI. A key requirement for the MFI to get a license from the National Bank of Ethiopia (NBE) is to hire a competent general manager and revise its business plan. In response to a request from AEMFI and AMFI, for the first year, PRIME will cost-share the salary of the general manager, who has been hired after a recruitment process and approved by NBE. The NBE provisionally approved the establishment of the Afar MFI and soon it will

receive its license and will start operating in the region. PRIME will continue providing technical support during its setup and startup stage until it becomes fully functional.

PRIME continues to provide technical and financial support for Afar MFI's set up, and has received a proposal by the MFI to provide capacity building support for its human resources. Staff at each hierarchy level require specific training to improve overall competence that will lead to more productive and effective institutions providing adequate financial products and services. Even though the newly hired staff of Afar MFI and members of the Board of Directors have the necessary qualifications, they lack pertinent knowledge and skill of the microfinance industry (conventional & Islamic Modality) due to lack of experience in microfinance activities. Afar MFI has hence completed 40 days of in-house training in January 2015 for about 39 of their staff on a cost-share basis with PRIME.

During the quarter, CARE has also facilitated a five-day exposure visit for AMFI management and board of directors to Somali region to share experience with SMFI.

At the end of the quarter, Afar MFI opened four branches and is preparing to start operations. To make the MFI fully functional, PRIME is finalizing the subaward agreement to improve the core financial functions, open new branches, and strengthen the overall operational capacity to provide Islamic and conventional financial services. At this stage all pre-award compliance work has been completed and pre-approval requests have been sent for USAID. Once the approval is obtained from USAID, Mercy Corps will sign an agreement in the next quarter and then AMFI will start expansion of branches, product development, and link its branches with core banking solutions. The subaward agreement is from the PRIME cost-extension fund from USAID for Islamic Financial Services.

Technical and financial support to increase the core financial service function of Rays MFI

PRIME provided technical assistance to establish Rays MFI and the National Bank of Ethiopia has given the permit and license to start operations in Somali region. Rays is a fully private-owned company and shareholders have desire to play a role in improving provision of financial services in rural and urban areas of the region. Rays established its head office in Addis Ababa and will open nine branches in Jigjiga, Gode, Kabri-Dahar, Dagahbour, Fik, Warder, Filtu, Shinile and Hargele and Dire Dawa.

During the quarter, Mercy Corps reviewed the Rays proposal and agreed to provide support in the areas of strengthening the core functions of the MIF including need assessment/product development, branch expansion and MIS/core banking solutions. At this stage, like Afar MFI, all pre-award compliance work has



Caption: Training of Afar MFI staff at Samara

been completed and the pre-approval request has been sent for USAID. Once the approval is obtained from USAID, Mercy Corps will sign an agreement in the next quarter and then Rays MFI will start expansion of branches, product development, and link its branches with core

banking solutions. The subaward agreement is from the PRIME cost-extension fund from USAID for Islamic Financial Services.

Furthermore, as part of technical assistances, a SOW for the need assessment and product development was developed and announced globally to hire a qualified consultancy firm as reported in previous quarter. The SOW outlines how the hired consultancy firm will conduct the Islamic and conventional finance need assessment, product development, revise the five year strategic plan of the MFI and provide training on new products and operational manuals.

Consequently, during the quarter under review, selection of a consultancy firm was completed and PRIME hired a consortium of consultancy called Awal Consulting LTD and IRTI Islamic Finance consultancy for Rays MFI. The main objective of this consultancy hired is to (1) conduct research/assessment to identify target clients by geographic location, economic sector, and unique needs, (2) develop appropriate financial products/services for the MFI/s that meet the needs of the target clients, (3) update the institution's strategic plan, (4) to identify the appropriate and right core banking system (MIS), and (5) developing relevant systems and manuals.

Based on the "Needs Assessment" outlined above, developing appropriate financial services/products to be offered by the MFI that satisfy market needs and Ethiopian law. These products/services will be accompanied by operational manuals also developed by the consultants. Products to be developed could include Murabaha, Mudabara, Salam, Istisnina Mushraka, Ijira, qardi-Hasaan and Sharia-compliant saving products and should be customized to the needs of individuals and businesses in the region. Awal and IRTI will organize and provide training on the aforementioned financial products and operational guidelines mentioned above.

In addition, to ensure sustainability of technical assistance provided to MFIs, PRIME linked the consultancy firms to work with Association of Ethiopian Microfinance Institutions (AEMFI) to be part of the four month consultancy work such that there will be acknowledge transfer to the AEMFI to continue providing technical assistance to this MFI and other MFIs in the future.

Support to commercial banks to promote sharia compliant products

In this quarter, PRIME also facilitated support to commercial banks to promote sharia compliant products through an interest-free banking forum in Gewane and Galealo woredas where 149 individuals from a variety of sectors, including 78 pastoralists, participated. As a result of the forum, PRIME supported CBE's initiative to promote interest-free banking at the kebele level. This quarter, 695 (114 Women and 581 Men) individuals opened interest free bank accounts at Awash 7 Kilo CBE branch and \$295,929 in savings has been mobilized by the bank. In the previous quarter, PRIME supported Oromiya International Bank (OIB) to a marketing campaign for an interest-free banking product, resulting in the Moyale Branch of OIB receiving 976 individuals and cooperatives to open new bank accounts for a total of \$414,524 in savings.

Key Result 3.3: Market Access Expanded to Increase Employment Opportunities

Investment Forum, Borana Zone

Mercy Corps and SOS Sahel organized an investment forum in Borena zone to learn about the challenges and opportunities related to investment and to facilitate market expansion in Yabello. The forum was organized in collaboration with the Borana zone Investment Office and other investment board member offices (including Land Use, Administration, Pastoral Development and SMEs). The forum was chaired by the zonal administrator, who is also the chairperson of zonal investment board, and was the first forum to be conducted in Borana zone. Participants agreed that the event was very critical for expanding investment activities. The major achievements of the forum include:

Standing investment committee established at each district level: Before the forum, the investment board was not functional. However, the forum encouraged the board to function in its activities. For example, district level committees were identified, and began to mobilize investors and potential investors, model pastoralists and traders. The committees will also continue planning, promoting, monitoring and supporting investment activities in their respective districts. The district level committees are accountable to zonal investment board.

158 participants have enhanced their understanding on investment and land acquisition issues: This was achieved through presentations made by zonal investment and land use offices. The presentations clarified the meaning, criteria and importance of investment, the role of investment on local development and job creation, the status of zonal investment activities, and challenges and opportunities. Participants also learned about investment land acquisition policy, leasing systems and pastoral land ownership rights.

12 potential investment areas and 6 favorable environmental opportunities were identified during panel discussions and pre-assessments at the district level: Potential investment areas are: livestock fattening, meat processing and exporting, dairy farms and factories, poultry farms, coffee processing and marketing, horticulture farming, improved seed production, feed and fodder production, real estate, flour factories, hotels and restaurants, and mining. Opportunities encouraging investment activities in the zone are:

- government policies and structures that support investment;
- extensive and productive land resources for investment activities;
- large livestock population;
- existence of different NGOs supporting investment, innovation and business development;
- availability of public media promoting investment opportunities in the area; and
- Ethio - Kenyan road construction project.

Promotion and piloting of crop threshing technology through farmers Cooperatives

In Babile woreda, farmers use traditional threshing methods, like thrashing the crop with thick sticks to separate grains from the stalk. Estimates indicate that the use of such traditional practice causes around 6% of grain loss and contribute to household food insecurity. Moreover, the practice is also time consuming, laborious, and costly. For example, using hired labor, farmers estimated that 12 to 14 hours are required to thresh a ton of sorghum – which costs them around \$65 per ton without including the loss caused by manual threshing. Despite this problem, there is a lack of emphasis given to postharvest loss reduction in creating access to improved time and labor saving crop threshing technologies.

PRIME, partnering with a private enterprise that supplies crop-thresher machines to interested farmers cooperatives, has facilitated the piloting of a small-scale motorized sorghum thresher in two kebeles of Babile woreda. The project supported farmer cooperatives through a cost-share to provide a payment-based crop threshing service for the surrounding farmers. The piloted machine has a threshing capacity of 500 to 800 Kgs per hour and costs around \$2,000. In order to facilitate the piloting activity, PRIME covered 60% of the machine cost while the remaining balance and other costs for on farm machine testing and training of cooperative members were covered by the cooperatives and machine supplier respectively.

During the quarter, the cooperatives have provided the threshing service for over 100 farmers at a low cost (\$1 /100kgs). The cooperatives are generating additional average monthly revenue of \$300 per month. Introduction of the technology has also significantly saved the labor, time and money for the beneficiary farmers. That implies that the threshing cost reduced from being \$65 to \$10 for a ton of sorghum, and threshing time has been reduced from 12 to 14 hours to nearly 2 hours per ton. It also expected that the technology reduces the workload of women that mostly have a key role in threshing.



a) Traditional sorghum threshing method



b) Sorghum threshing with motorized thresher

Promotion and Training on Postharvest Pit Storage Bag technology

In agro pastoral areas, a significant portion of grain produced is lost due to poor storage and lack knowledge on postharvest grain handling practices. PRIME, in partnership with a pit-storage bag manufacturer and Jijiga University has facilitated a two-day Training of Trainers (ToT) to raise knowledge and skills of agro-pastoralists and extension workers on postharvest grain handling practices and proper use of Pit Storage Bag technology. The training was delivered by Jijiga University staffs and 34 individuals comprising agro pastoralists (20) and extension workers (14) participated in the session. During the training, both theoretical and practical demonstration on proper grain handling practices and use of pit storage bag technology were covered. As part of the dissemination activity, participants of the ToT session, in collaboration with their respective woreda office of agriculture are expected to cascade the lessons to larger number of agro-pastoralists in their respective areas.

In line with this partnership with a private Pit Storage Bag (PSB) supplier, PRIME has also facilitated and supported the promotion of PSB technology in Babile district. During the event, 150 households were trained and have bought PSB on a cost share basis. Furthermore, seasonal jobs for five individuals were created for they are engaged in production & marketing of the

PSBs. Lastly, Haramaya University conducted research on the impact of the PSB technology in reduction of PH losses and increasing income for HHs.

Training and exposure visits facilitated for fruit and vegetable exporters and producers

In eastern cluster, agro pastoralists have been engaged in fruit and vegetables production and marketing activities for decades. The sector has also been serving as one of the income streams for producers and significant number of unemployed TOPs in the area. But despite proximity of the area to export market (Djibouti and Somaliland), the actors in the market system are not optimizing the benefit from the subsector. Exporters are not organized and they are competing with each other. As a result only big traders and middlemen are dominating the business.

In order to improve the existing fruit and vegetable market system and enhance agro-pastoralist's income, PRIME facilitated the organization and legalization of interested traders into a cooperative. About 32 interested traders have formed a cooperative named Al wadani fruit and vegetable exporters cooperative. In addition, partnering with Haramaya University, PRIME has also facilitated two days business skill and management training for members of the cooperative (15 men & 5 women). During the training member traders were able to gain skill and knowledge on business management, marketing, record keeping, customer relation and networking, among others. During the training, different gaps were also identified for future intervention. In the coming quarter PRIME will conduct an assessment to better understand the fruit and vegetable market system in order to play a facilitation role for the promotion of climate-smart agriculture and strengthen the market system up to optimize opportunities in the export market and thereby increase income for households.



PRIME partnered with Jigjiga University to facilitating establishment of local seed businesses

Access to early maturing seed varieties was identified as one of the key challenges for agro-pastoralists to adapt to the changing climate. The existing seed varieties are long maturing, low yielding and not adapt to the prevailing erratic rain fall condition of agro pastoral area. In the agro pastoral areas there is no private business that supplies adaptable and productive seeds varieties for agro pastoralists on timely basis and in a sustainable way.

In this quarter, PRIME, with Jigjiga University and the Regional Bureau of Agriculture has started to support a community-based private potato and sweet potato seed business in the Fafan zone of the Somali region to enhance agro-pastoralists' access to quality and adaptable seeds. Three interested private businesses were selected and started potato seed production activities on about 2 hectares of land. Inputs required to start the seed production activity (basic seed & fertilizer) have already been purchased and planting of seeds is expected to be completed. Trainings and practical on farm demonstrations on agronomic practices, fertilizer application, and efficient irrigation water use were conducted to 30 members of private seed producer businesses and the surrounding agro pastoralists. Upon completion, apart from increasing the income of the private seed producers; this activity is expected to create access to quality seeds for more than 500 agro-pastoralists and create on-farm employment opportunities for at least 30

unemployed individuals of the area. The next step is these businesses will be to diversify the type of seed they are multiplying, which will include fodder seed based on the demand from the communities.

Promote & Implement Efficient/Renewable Energy Technologies

Locally-manufactured small wind turbine pilot

This quarter also saw Mercy Corps and CARE partner with Jigjiga Polytechnic College and Semera University respectively to pilot locally-manufactured wind turbines in eastern and Afar cluster. As a result a locally-manufactured small wind turbine was built and installed in the Fafan Zone with private sector partner, Wind Empowerment, PRIME and Jigjiga Polytechnic College. A course was given by Wind Empowerment instructors to a total of 22 (4 female) staff and teachers of Jigjiga Polytechnic College including hands-on training about wind turbine construction as well as in-depth background theory relating to the technology and implementation. Phase 2 of the project will see two more turbines manufactured and installed in partnership with Semera University, Afar Cluster.



The trainees were selected based on their prior training and/or work experience of at least two years in the field of electricity, wood work, and metalwork which are the basic skills required to construct the wind turbines. During the two week intensive training, trainees manufactured and installed a 3m blade diameter wind turbine as well as a 12m tower, installed together with 300W of Solar PV in Hadew Kebele of Fafan Zone located 12km north of Jigjiga town. The installed system will provide electricity to a local shop for lighting, refrigeration, mobile charging, TV and radio with a rated power capacity of over 1kW. Research has been instigated to determine the economic impact of the turbine on the shop keeper and village to inform research regarding business and delivery models for effective implementation of the turbines.



Phase 2 of the project will see two more turbines manufactured and installed in partnership with Semera University, Afar Cluster. As part of the preparation for implementing the activity in

Afar, a one-day preliminary training was conducted on wind data logging and installation of a data logger in the Semera University compound to get wind speed data for the coming three months before the actual turbine construction happens. A full report on the progress of this activity can be found in Annex 8 of this report.

PRIME conducted energy efficient cook stove market system assessment

A market assessment of fuel-efficient cook stoves was conducted in the three clusters during the quarter. The assessment covered a total of 12 woredas (4, 3 & 5 EC, Afar and SC respectively). Focus Group discussions (FGD), Key informant interview (KII) and individual interviews were among the methodology for data collection. Energy offices, NGOs, producer cooperative groups, wholesalers & retailers were targeted during the assessment.

IR3 Priorities for Q11

3.1: TOPs employability increased through life skills, financial literacy and entrepreneurship training

- Facilitation and assistance to new and existing MFIs to expand their service and develop inclusive financial products
- Linkage and loan facilitation with MFI/Banks for business like PVP, SMEs, Solar business, and disabled groups
- Financial Literacy and numeracy training via PSP model to RUSACCOs/VSLAs

3.2: Increased income opportunities for TOPs

- Signing subaward with two MFIs
- Facilitation of investment forums

3.3: Market Access Expanded to Increase Employment Opportunities

- Awarding short term vocational scholarship program for youth, women and disabled TOPs in all clusters
- Micro-franchising business opportunity for women and disabled TOPs
- Financial and technical assistance to institutions such as TVETs and OSC to provide literacy and numeracy trainings
- Exposure visits to areas where TOPs obtain best experience on climate change adaptive alternative livelihoods
- Facilitating apprenticeship opportunities for TOPs

INTERMEDIATE RESULT 4: ENHANCED INNOVATION, LEARNING AND KNOWLEDGE MANAGEMENT

Key result 4.1: Project performance enhanced through effective monitoring

Management Information System for PRIME: Ki-projects™ & Ki-metrics™

PRIME Management information systems (MIS) are comprised of web-based project management, performance measurement and information dissemination software applications. The MIS applications support PRIME's efforts to foster project integration, mainstream results based practices, increases quality and efficiency in activity design and promote transparency in

program business management processes. These applications include Ki-projects™ and Ki-metrics™ for output and outcome level project management.

Ki-projects™

The automated output level indicator value generation functionality was completed during the quarter under review. This new feature will ease output level performance reporting through an automated process of analyzing raw data entered into sub-activity concept note reports and creating reports at the required levels of disaggregation. The back-end of the system is built using algorithms that map concept notes to related indicators and are based on multipliers and discount rates, to account for overlaps within and between project components.

Management reports have been added and adjusted in *Ki-projects™* to meet the needs of the project. In particular, Kimetrica has worked on tailoring the performance dashboard, sub-activity dashboard and CN tracking report templates. In addition, two new report templates have been created: sub-activity approval report and sub-activity by implementation area report. Presentation of these changes will be made to partners during the PRIME partners' monthly meeting (April 2015).

Other features added to the system include:

- Automated notification module to remind approvers of pending approvals
- To-do-list/task feature for the concept note approval process in the system, which will enable users to approve and follow up concept notes directly from the home page.

These features will undergo quality assurance testing and final roll out during Q11.

Ki-metrics™: Institutional Database

An institutional database has been developed in *Ki-metrics™* to monitor the progress of the institutions supported by PRIME and which will serve as main data source for FTF and PPR indicators related to employment, financial services, number of enterprises and other institutions supported by the project, and potentially hectares under improved management (in consultation with IR2). The database was designed during the previous quarter and during Q10 it was tested with two rounds of demonstrations, data entry and analysis exercises with IR leaders. Feedback was collected and the system has been upgraded for efficiency in data entry, user-friendliness, data management and analysis. The database will be finalized and ready for roll out during Q11.

Spot Checks

PRIME relies on spot checks to generate proxy information for partner output level performance and capacity to manage operational risks. During March 2015, spot checks were conducted in all three clusters with seven consortium partners: Mercy Corps, CARE, ECDD, HAVOYOCO, ACPA, AISDA, and SOS Sahel; and 23 recipient institutions (see table below). The approved methodology for spot checks also includes auditing partner program records. The results are being compiled in a report that will provide a picture of partner performance, identify and address capacity gaps and take a reading of partnership levels. While data was collected by IR4 teams in the field alongside Kimetrica, the report is being finalized by Kimetrica and will be submitted to PRIME by the end of April 2015.

List of recipient institutions assessed during spot checks in March 2015

SN	Name of Business	Type Of Business
Afar Cluster		
1	Abebaw Mulu	Training of trainer on Essential Nutrition Action (ToT- ENA)
2	Yifutusira hailu	ToT- ENA
3	Mahlet Taswe Osman	Village Saving and Loan Associations (VSLA)
4	Awash Fentalle Range Land Council	Range Land Management Council (RLMC)
5	Gewane-Gelealo Range Land Council	RLMC
Eastern Cluster		
1	Barwako Milk Processing Company	Milk Processing
2	Barwako Milk Marketing Cooperative	Milk producing and collection
3	Omer Abdi Ahmed	Livestock trader
4	Mahato Agro-pastoral Cooperative	Agri-input supplier
5	Dur Dur and Hared Agro-pastoral Cooperative	Agri-input supplier
6	Barawaqo Private Veterinary Pharmacy	Private Veterinary Pharmacy (PVP)
7	Dawid Engineering PLC.	Energy
8	Somali Women Trade Association	Enterpreunership assistance
9	Dire Dawa Women Trade Association	Enterpreunership assistance
Southern Cluster		
1	Rohobot Veterinary Pharmacy	PVP
2	Geleglo Guyo	Fodder Supplier
3	Abedulkadir Milk Collection Center	Milk collection center
4	Liban plain Range Land Council	RLMC
5	Dinsefa Electronics	Energy
6	Yabello Polytechnic college	Technical and Vocational Education Training (TVET)
7	Eftin Band	Edutainment
8	Abdulahi Wario	Training of Trainer on water pump maintenance
9	Yemeserach H/Mariyam	Training of Trainer for Health Extension Workers

Data Quality Checks

As follow up to the internal DQA, Kimetrica and the IR4 team in Addis Ababa and the field are working on ensuring that output level indicator value generation functionality does not create contradictions or gaps in data values. Data quality checks in ki-projects have been performed in the current period for Q9 and Q10. For outliers or missing information, Kimetrica is contacting field staff to ensure the correct completion of sub-activity reports and triangulating information with the output tracking sheet.

PRIME M&E plan

During Q10, the PRIME M&E plan was updated in close collaboration between Kimetrica and PRIME staff. The document has undergone several changes, which were informed by decisions from the COP, USAID, and IR leaders on aspects such as indicators and targets for the remainder of the project. The updated version was shared with PRIME's AOR at the end of March 2015, but discussions with the AOR and USAID Washington about definition of indicators (hectares), additional custom indicator and review of impact indicators and their targets are taking place in Q11. Inputs from Washington DC are still needed to finalize the updated version of the M&E plan.

Even with these discussions, PRIME decided to roll out the latest version of the M&E plan in order to increase awareness amongst field staff and activity approvers on data quality issues, definitions and principles and practices guiding the PRIME approach to M&E and new features of ki-projects. Training was delivered in the three clusters during the month of March to 121 participants (12 in Afar, 55 in Eastern cluster and 47 in Southern cluster. To ensure consistency in the method and concepts communicated to participants the training was delivered using a detailed trainer’s guide. Resource materials, including a trainee’s guide were also produced by Kimetrica and handed to each participant for ease of reference of terms and concepts learned after completion of the training.

Key result 4.2: Project decision making and adaptations based on strong evidence

Emergency Market Mapping and Analysis – EMMA: Fodder and livestock

An EMMA assessment for fodder and livestock was updated and the emergency overlay produced based on baseline assessments done at the beginning of PRIME (2013). As such, the IR1 and IR4 teams collaborated, with the help of an EMMA leader (consultant) in data collection from major markets, businesses, and government stakeholders in PRIME’s three areas. A representative from consortium partner Haramaya University, CARE staff, and one team member from the ENGINE project also participated in data collection. In areas that had been affected by drought at the end of last year and provided PRIME/OFDA assistance through voucher intervention, there were discussions with beneficiaries about the intervention. A draft report is currently under review of the IR1 leader.

The following actors were interviewed:

Name	Organization	Location
Diriba Wantu	Purchasing Agent – Feedlot	Haro Bake
Galgalo Guyo	Small scale trader – cattle and shoats	Haro bake and Yabello
Dida Hussein	Purchasing agent – Abattoir	Haro bake
	Government Veterinary Clinic	Haro Bake
	Private Veterinary Pharmacy	Haro Bake
	Local meat restaurant	Haro Bake
Oliyad Galato	PRIME Behaviour Change Communication Specialist	Southern cluster
Shukunu Huka	GEDA Cooperative Union	Yabello
Galgalo Guyo	Fodder retailer	Yabello
Dr Ahmed and Dr Henok	PRIME Team – Southern cluster	Moyale
Makulo Yaya	Oda Roba Cooperative Union	Moyale
Dalkacho Ledetu	Large scale livestock trader	Moyale
Yarrow Abdullahi	Livestock trader – camels	Moyale
Adan Mohamed Adan	Livestock trader - camels	Moyale
Haji Ali	Fodder retailer	Moyale
Khalif Hussein	Disaster Preparedness and Prevention Bureau	Moyale
Maalim Ibrahim Ganama	Relief Committee – Fodder Distribution	Elays - Moyale

Haji Ali Bante	Livestock trader – cattle and shoats	Dubluq
	Livestock market monitor	Dubluq
	Ministry of Finance – Livestock Tax	Dubluq
Habtano Tadese	Livestock trader – cattle and shoats	Dubluq
Tsegay	Fodder transporter	Dubluq
Ahmed Muhumed	Small scale trader/collector/broker	Jijiga
Nimo Ahmed Wali	Livestock collector/small scale trader	Jijiga
Haji Mohamed Hadi	Livestock exporter/feedlot	Jijiga
Ahmed	Cereal Millers	Jijiga
Assia Abdile	Livestock Bureau – Vet Assistant	Jijiga
Abdirahman – Extension	Seed Enterprises	Jijiga
Mohamed Mahdi	Somali Region Pastoral and Agro-pastoral Research	Jijiga
Hisse and Foziya Arab	Somali Regional State Small Micro – Enterprises Bureau	Jijiga
Jamal Osman	Somali Regional State Cooperative Bureau	Jijiga
The Manager	Barwaqo Milk Processing Company	Jijiga
Mohamed Abdirahman	Somali Islamic microfinance	Jijiga
Ashetu – Manager	Dairy Farmer, Feedlot and Feed Processor	Jijiga
Ahmed Nur	Livestock, Crop, and Rural Development Bureau	Jijiga
	Jijiga Municipal Office	Jijiga
Amina Hassan	Livestock trader – cattle and shoats	Hartasheikh
Osman Mohamud	Livestock broker	Hartasheikh
Ambara, Nimo and Muna	Rural Saving and Credit (RuSACCO)	Hartasheikh
Abdirahman Abib	Private Veterinary Pharmacy	Fafan
Abdirahman – Irman	Irman Cooperative Union	Fafan
Gulleid – Manager	Jijiga Export Slaughterhouse	Fafan
Osman Mohamud	Large scale livestock trader and broker	Babile
Abdiaziz Ibrahim	Livestock trader/broker	Babile
Babile Pharmacy	Private Veterinary Pharmacy	Babile
Babile Market Vet	Government Veterinary Clinic	Babile
Abdo Mohamed	Livestock exporter/feedlot	Awash
Gamachis – Owner	Akida Agri - inputs and Fodder Suppliers	Awash
	Pastoral Development Office	Awash and Amibara
Mohamed Taurat	Livestock trader - shoats	Gewane
	Livestock trader – cattle	Gewane
Gashow – Manager	Addis Kedan Dairy Processing Company	Awash
	Disaster Preparedness and Prevention Bureau	Gewane
Gifta Cammayu Qali	Pastoral Development Office	Gewane
	Focus group discussion with producers in market	Gewane
Aman Jibril Tuke	Commercial Bank of Ethiopia – Interest Free Banking	Awash
Abdu Gureta	Andido Livestock Production and Marketing Cooperative	Amibara

Ibrahim Mohamed	Cooperative Promotion and Marketing Expert	Amibara
Sh Mohamed Said	Elder - Rangelands Council member	Warar
Abdu Gureta	Fodder intervention beneficiary	Andido Kabelle
	Livestock trader - shoats	Warar
	Livestock trader – cattle	Warar
Awash Hotelier	Total Hotel, Awash Forte	Warar
		Metahara

SenseMaker

With matching funds, PRIME is testing the SenseMaker application to measure and monitor attitudes and behavior change for its nutrition work in all clusters. An initial pilot of the tool was done in Year 2, through which lessons and recommendations were drawn to improve both the framework and procedure for story collection. We are looking into expanding the frameworks to cover NRM activities and the nutrition soap opera during Year 3.

During Q10, the Afar team collected twenty stories for the nutrition framework in Gewane and Gelauelo woredas, while the Eastern cluster team collected 30 stories in Awbera, Ararso and Babile Orommia woredas of Fafan, Jarar, and East Hararghe zones. Southern cluster collected 20 stories in liben and Goro Dolla woreda of Guji zone. Data collection this quarter was limited due to many M&E activities (training, Ki-projects data quality) being undertaken and prioritized. The nutrition soap opera framework and NRM framework were finalized during the quarter and a timeline for data collection was also established for the remaining of the year.

Market Facilitation Approach Monitoring

Mercy Corps and CARE, with technical assistance from Practical Action, developed tools to monitor PRIME’s market facilitation approach in order capture the effects of PRIME interventions. The PRIME team is pursuing three monitoring pilots in Somali region (financial services, traders/brokers, and animal health services) to track changes in two key areas – crowding in/replication and improved quality of market relationships. During Q9, the following progress has been made:

PVP orientation session: in order to launch the SMS survey, PVPs supported by PRIME had to be trained on the purpose of the questions and how each question needs to be answered using SMS. To avoid confusion and create familiarity with the questions, hard copies in Somali language were given to PVPs, as well as mobile card incentive in order to answer questions using cell phones. The SMS platform was tested during Q10 and errors are being corrected during this quarter in order to expand the survey.

Quality of PVP service to CAHWs

The initial question to be asked through this pilot survey was whether PRIME’s direct investments in improving performance of some PVPs and CAHWs lead/ contribute to improved performance among these PRIME-supported actors. The pilot has allowed us to refine our question to:

- Do PRIME direct investments in improving performance of some PVPs and CAHWs lead or contribute to improved performance among PVPs/CAHWs not working with PRIME? and
- Do PRIME investments in improving their performance lead/contribute to improved quality and strength of the relationship between these actors?

Progress of this pilot survey was slow and challenging and gaps were identified in the current approach with some missing potential questions identified. Initial findings will be presented to the technical team in Jigjiga to investigate them more in depth and also get feedback from the teams about how to move forward with the pilot.

Quality of Relationships between actors along the livestock value chain

The initial question posed through this pilot was: do PRIME investments in improving trader/broker relationships strengthen the sustainability and resilience of those relationships? The team has revised the question to ask whether PRIME investments in improving trader/abattoir/exporters relationships strengthen the sustainability and resilience of those relationships. We have learned through the pilot that the first question focused on a less important relationship – PRIME is striving to enhance the relationship between traders and their buyers. Gaps in the questions asked during the survey have also been identified and rectified to continue data collection during Q11.

Financial services baseline questionnaire will need to be revised during Q11 for data collection during Q12 (updates). The systemic change pilot team is also thinking of linking with Kimetrica’s household survey (annual) to potentially include a module that could link the systemic change data to household level data.

Presentation of Research Outputs

Haramaya University presented most of the research it conducted during FY14 to PRIME staff based in Addis Ababa including IR leaders and their deputies, on March 4. Based on the presentations and the discussions, Haramaya was given a few comments and suggestions for changes to make to finalize research reports. HU has since sent their research to relevant IR leaders and their deputies to close the reports and present the research accordingly to different stakeholders during Q11.

Key result 4.3: Policy information base strengthened

Disability Inclusion in Policy Frameworks - A Policy Analysis on Inclusive Pastoral Development

This sub-activity analyzes the content of policies and programs in PRIME operational areas that attempt to address the special needs of people with disabilities in pastoral communities. HU evaluated these policies in terms of their inclusiveness in order to strengthen the knowledge base required to come up with more comprehensive policy recommendations that ensure the inclusion of interests of persons with disabilities. HU focused on key sectors such as technical and vocational education/training, entrepreneurship (micro and small enterprises, cooperatives, self-employment, and access to finance), employment in government and private institutions and disaster prevention and preparedness.

Preliminary findings suggest that inclusion/mainstreaming of the concerns of people with disabilities are far from achieved. Except in few cases, deliberate action is not taken to incorporate the needs of people with disabilities. There is a well-organized National Action Plan for People with Disabilities but awareness of the plan is low especially in districts/woredas. Even though organizations of people with disabilities participated in the design of the plan, regional states did not participate meaningfully except in validation workshops. Reliable statistics data is not available concerning the number of disabled people employed in government and private institutions even though it is an obligation under the UN Convention on the Rights of Persons with Disability, which is ratified by Ethiopia. The same is true for TVET enrollment, unemployed, or engaged in small/micro enterprises and cooperatives. Effective tools have not been designed to communicate disaster related information that is accessible to people with disabilities. The only microfinance institution reporting PWD clients is Somali MFI.

Key result 4.4: Information dissemination and coordination improved

Presentation at HU Annual Research Review Workshop and Third National Pastoralist Conference (Jigjiga University)

The HU PRIME IR2 team presented 3 of its research reports at the School of Natural Resource Management and Environmental Sciences for HU's Annual Research Review Workshops held in March 2015. In addition, one HU PRIME team member presented the report on "Insurance Market as a coping strategy to different environmental shocks to pastoralists: The case of Afar and Ethiopian Somali pastoralists" at the Third National Conference on Pastoralism organized by Jigjiga University in March 2015.

Learning and Knowledge Management Strategy

A final draft of the Learning and Knowledge Management strategy was submitted to PRIME at the end of March 2015. The strategy is meant to provide clear guidance on actionable measures for filling knowledge gaps, including forums and information systems that promote knowledge seeking and sharing within project environment. The LKM Advisor, Senior Economic Technical Advisor and Mercy Corps HQ are doing a final review before sharing it widely with the project in Q11.

Learning briefs

Three learning brief drafts were finalized during Q10: Financial Services, Innovation and Investment Fund, and Fodder EMMA and Barrier Analysis Synthesis. The Financial Services learning brief was designed and printed during Q10 and the other two will be produced during Q11, along with at three more learning briefs. Three 'writing hours' with PRIME teams have taken place and there are currently about 20 learning briefs in the pipeline, seven of which have been drafted (soap opera for social change, PRIEM sub-awards, managing complex resilience programs, facilitation, adaptive management, concept note model, and market development for vulnerable households).

Blogs, webinars and newsletter stories

In Q10, PRIME was featured twice in the FTF newsletter with stories on Barwako Milk Processing factory and on prosopis clearing (see Annex 11 for stories). PRIME also submitted to The Guardian online site's Global Development Professional Network a story on Islamic Finance

and its work in Ethiopia, as well as a story in Mercy Corps' blog on PRIME's soap opera for social change launch. PRIME was also mentioned as an example in Microlinks' Resilience webinar led by Mercy Corps.

Communications Training: Photography

During Q10, the Communications Specialist has been working on planning a photography training targeting PRIME staff in the field. As PRIME works diligently to tell its story and share the impact it is making with USAID, beneficiaries, stakeholders and partners, the training aimed at equipping staff involved in documenting and communicating activities with the skills on basic handling of cameras procured by the project and to capture pictures appropriately to convey the PRIME story. Some of the major contents of the training included taking photography in different camera settings, lighting, distance, focus, perspective and rules, creating photo essays, evaluating and editing photos. The training was offered by a training institution based in Addis Ababa with established experience. Eighteen staff were trained and developed plans for cascading the training to others in their cluster.

Internal communication and coordination

Intranet/Website

While the PRIME portal was approved by the USAID website board, PRIME was asked to send documents about security and other issues to different IT offices in the US government for further checks. A technical discussion was held with these staff in Washington to review the application and provide specific answers to areas that required additional clarification. These IT offices have been late in replying to us at the beginning to establish first contact and then now as follow up as they were supposed to ask further questions to other offices in USAID. In the one phone call PRIME had staff at USAID's IT office, they made recommendations on periodic security assessments that PRIME will be required to conduct which are underway. A log-in was created for the USAID focal person to do further checks. While PRIME has attempted contact with this office in numerous occasions to understand where we are in the process, we have not gotten any replies as of the end of March. In the meantime, PRIME is also using the portal as a way to share documents internally (files previously stored in Dropbox) and a section for uploading success stories has also been created. The website part of the portal is not yet widely promoted but we are advertising it a bit more through learning briefs, reports and other channels.

LKM workshop

This quarter, LKM staff from all clusters, Addis Ababa, and Kimetrica met in February to discuss the following topics:

- Presentation of updated M&E plan
 - Definitions
 - Data Sources
 - Attribution
 - Beneficiary calculation and challenges of progress tracking for output Indicators
- Spot check and progress to-date, components
- Implementation of Internal DQA Action plan progress and discussion to close issues
 - Overall Progress
 - Ki-projects Data Quality Assurance

- Ki-projects new features
 - Prepare a collaborative plan for staff M&E training and spot check

Cluster coordination and partners' meetings

Cluster coordination meetings and partners' management meetings continued during the quarter. Partners' meetings focused on providing consortium partners with highlights of implementation as well as challenges that can be solved at Addis Ababa and cluster level. Plans for rolling out the Ki-projects offline tool as well as sharing issues of data quality and solutions were shared with all partners and reminders on communications processes. Cluster coordination meeting objectives were revised to ensure these include strategic planning at the cluster level, as well as reflection sessions with the different technical teams to continue high quality programming. Clusters are facilitating these meetings at a monthly/every two month basis. Partners' meetings will continue on a monthly basis for now.

Key result 4.5: Two-way communication channels strengthened

Review meetings and joint monitoring with government.

Participatory M&E with government and partners – Afar: Understanding that regular joint monitoring helps enhance the regional government partners' awareness of the project's goal and contribution in improving the lives of pastoralist and hence improve their participation and engagement in jointly solving project implementation challenges and bottlenecks, the PRIEM Afar cluster facilitated a participatory desk review and field visit with the regional project signatory bureau representatives during Q10. The four regional government team members who participated in the monitoring session belonged to the Afar Pastoral Agricultural Development Bureau (three core processes) and from the regional Finance and Economic Development Bureau (NGO coordination unit). During the desk review, the regional government monitoring team reviewed the project agreement, annual plans and reports, after which the PRIME Afar cluster team had prepared two days of presentation in Gewane where consortium members, Field-level technical advisors and cluster managers gave presentations on the major accomplishments of the project, focusing on the current year's implementation updates and challenges. The team raised various questions about the project, implementing partners' role and responsibilities, which the PRIME team clarified. Field level visits to project implementation woredas – Gewane, Amibara, Argoba, and Awash Fentale lasted six days. The regional government team debriefed the project team about its observations and shared action plan (Annex 10).



During the visit to *LibArgi pond in Tachmetekleya Kebele, Argoba woreda* (Left side) and discussion with the *Tachmetekleya kebele community* (right side)

Creation of repository of learning/library – Stage 1

Afar's LKM team is planning to document, share and disseminate PRIME's learning and knowledge to a range of stakeholders including internal staff. To this end, the cluster planned to establish a repository of these learning materials in Gewane to increase their use and reach. The main objective of this activity is to create a repository that would include a simple document library and upload system that would allow for posting and searching documents offline (as online our intranet/web portal would allow this capacity). An external hard disk and desktop computer that can be configured with the CARE office server will be procured, with CARE's IT unit to install it in Q11.

IR4 Priorities for Q11

- Ki-projects off-line tool installation in Addis and field offices
- Institutional database roll out and training
- Security checks and page formatting in web portal
- Annual household survey and midline survey design and sampling finalized based on inputs from PRIME leadership and field. (FY14 Annual Household Beneficiary Survey final report is attached as Annex 9 to this report)
- Finalizing report for spot checks (Q10)
- Finalize update of M&E plan based on responses from USAID
- Rollout of pilot community scorecard in Afar (NRM, VSLAs)
- Rolling out of SenseMaker tool for nutrition's soap opera with listenership groups and general public.

INTERMEDIATE RESULT 5.0: NUTRITIONAL STATUS OF HOUSEHOLDS IMPROVED

Key result 5.1: Knowledge, Awareness and Practices around Household Nutrition

Essential Nutrition Action (ENA) TOT Training for HEWs

During the quarter, PRIME Eastern cluster team continued collaboration with regional and woreda level health offices in provision of ENA TOT for the HEW and health staff. The objective of the training is to equip the frontline health workers with skills and knowledge to improve maternal and child health nutrition counseling at health centers and enable them to cascade the training to community level. 52 HEW (33 M and 19 F) attended this training for two days. The trainees came from six woredas of Somali regional states (Bombas, Fafen, Hadew, Lafa'isa, Wajale, K/bayah and Hartashiekh). The training focused on key essential nutrition messages and nutrition counseling techniques based on the standard ENA training manuals. The trained HEWs are expected to cascade the training to 520 households.



HEW of Somali Region attending ENA TOT

According to the feedback from the pre and post training assessment, the ENA training has addressed the capacity gaps of HEWs in conveying information and knowledge related to messages to their clients and the larger community. By rendering such training for HEWs, the project has contributed for the key results of “improving household nutrition” through “strengthening local capacities for supporting improved nutrition outcome through improved counseling”.

Cascading ENA training to community level

PRIME's Southern Cluster organized cascade ENA trainings at the community level. The HEWs who attended the TOT have cascaded the training out to their respective communities by focusing on the seven action areas of ENA (exclusive breast feeding, adequate complementary feeding for children 6-23 months with continued breastfeeding for at least 24 months, adequate nutritional care of sick and severely malnourished children, adequate nutrition for women, prevention of Vitamin A deficiency for women and children, prevention of anemia for women and children, Prevention of iodine deficiency for all members of the households). The cascaded training benefited about 79 (10M and 69F) beneficiaries in Liben woreda of Guji Zone.



ENA Cascade training at community group

IYCF training for community health volunteers



IYCF training participants of CHVs (Fafam)

HAVOYOCO organized the second phase IYCF training for community health volunteers (CHVs) in the Eastern cluster. The objective of the training is to strengthen community level counseling especially around IYCF through cascading training to women to women group and house to house visit. 60 community health volunteer members (40 F and 20 M) were selected from three woredas of Fafam zone and attended IYCF training. CHVs were selected on a voluntary base and promised to accomplish expected work from them. Trained CHVs are expected to reach a total of 600

households through cascade training on IYCF. The provision of this IYCF training will improve women's understanding on the importance of proper feeding for their infant and young children.

Training in Food Utilization

Promotion of post-harvest grain storage

The IR5 team in collaboration with IR3 organized promotional events on the use of post-harvest plastic storage bags as part of IR3 training for development agent and model farmers. The promotional event aimed at introducing agro pastoralists with PHPSB technology, its benefits in reducing post-harvest grain loss and how the technology benefits household nutrition. It was facilitated by trained development agents, expertise from Jigjiga University and the plastic bag supplier. It included a practical demonstration of plastic bag pit preparation and how the plastic bag is kept in the pit. PRIME provided plastic bags for 90 model farmer as part of cost-share. The model farmers promised to store their grain in the pit and to share their experiences with other farmers in their kebeles.

Behavior Change Communications (BCC)

Nutrition Edutainment to Improve Household Nutrition Knowledge

HAVOYOCO organized nutritional edutainment events in 12 different kebeles of Jigjiga, Awbare, Gursum, Ararso, Shinille and Erer woredas to promote Maternal, Infant and Young child Feeding (MIYCF) practices in Eastern cluster. The key messages included exclusive breast feeding, young child feeding practices and nutrition during pregnancy and lactation by blending the messages with different circus performances. The primary objective of the promotional event was to reach a large audience with messages on the importance of health facility follow up visits for pregnant mothers and the importance of nutrition during gestation and breastfeeding.

Through these events an estimate of 22,500 (of which 15,730 were female mainly mothers and 6,770 male participants) were benefited. From the immediate post audience assessment, participants understood the benefits of breast feeding and maternal and young child feeding. Some of the community members have also expressed their commitment and willingness to disseminate the messages to other community members in their locality. The edutainment

activity is directly related to the key nutrition result of ‘improved knowledge, attitude and practice’ by creating awareness of the community to minimize nutrition related misconceptions.

Pre-launch and launching of SOSC drama

In collaboration with other IRs and local government sectors, the nutrition team successfully launched the SOSC dramas in the three PRIME languages. Some of the pre –launching activities included establishment of radio listenership groups, training for said groups on facilitation skills, launching events in each clusters, and distribution of pamphlets, poster and stickers in all PRIME implementation areas.

Radio listenership groups identified and established

The PRIME nutrition team in each cluster established listenership groups with two main purposes: to directly coordinate and facilitate listenership of the soap opera for social change (SOSC) and to get feedback to ensure the quality of the dramas. In addition, the groups will have ongoing dialogues after listening to each episode and to monitor the success of the program in delivering key messages. Listenership groups are comprised of 10-20 community members in each group. As the groups are established at a village level, linkages with extension workers and school teachers will provide necessary support for the group leaders who will report to field level project staff. 42 radio listenership groups (15 from southern cluster, 12 from Afar and 15 from Eastern cluster) were established.

Training for radio drama listenership groups’ facilitators

PRIME provided a one-day participatory training for radio listener groups’ leaders and kebele level government representatives in each cluster. The group leaders are selected from listenership group members and are responsible for facilitating listening of radio drama and the discussion on each episode. Extension workers and school teachers were also included in the training so they can have a better understanding about the role of radio listenership groups and provide necessary support for group members and leaders. A total 116 participants attended the training.

The topics covered during the training included an introduction to the PRIME nutrition approach, communication, effective leadership & role of leader, facilitation skills, reporting & drama character profile. The leaders reported good understanding of their roles and how to facilitate the listenership groups. The training was conducted in a fully participatory way and practical demonstration was also included.

At the end of the training, leaders promised to facilitate radio listening and discussion with group members until the end of the radio drama. Similarly local government participants agreed to provide necessary support for the group leaders and the members and also work as liaising between PRIME staff and the groups. The PRIME nutrition team provided each group with a solar radio with SD memory card so that they can easily listen to the drama in groups.

PRIME Nutrition SOSC promotion

Cluster nutrition teams and local theater groups conducted mobile pre-launching promotional event of SOSC radio drama. The mobile pre launching promotion was conducted to reach all the woredas and kebeles with pre launching information.

The team used different marketing items developed with the show's name in three languages 'MIRGITUU' for Oromia, 'ADOOLE GEEL' for Somali region and 'TEKEM' for Afar cluster. The promotional materials included posters, different size stickers and radio spot messages and big banners. The team moved from place to place by using an Isuzu truck /Bus covered with a big banner displaying show name and tune-in info. Promotional materials like posters and stickers posted at ideal places where peoples come together, such as market places, health centers, health offices, FTC and schools. In addition, pamphlets were also distributed for people gathering at different places along live announcements of show by the local art clubs group members.



SOSC launching workshop

A script reading event session was organized at Addis level to introduce the SOSC to different partners and USAID representatives. Similarly, at cluster level, launching workshops were organized for different government office representatives, NGOs delegate and other influential groups. More than 200 individuals participated on launching workshops organized at different level.



Participants provided constructive ideas on the ongoing work and they promised to support the PRIME team in promotion so that larger community members will listen for the drama. Especially participants from Afar confirmed how through the Dagu system this information will reach to larger group of people.

Listening and discussion of SOSC drama

During this reporting period two episodes of the drama were broadcasted with listenership groups able to listen to the dramas in their locality and discuss nutrition messages blended in the dramas. In all clusters, around 800 community members of the radio listener groups listened to two episodes of the radio drama. PRIME Nutrition field team supervised most of the listenership groups to provide necessary support and solve potential challenges the group might have at the startup phase. Some areas in Somali and Afar regions have reported poor broadcasting quality which has been confirmed by the PRIME team as well. PRIME has been working with the Ethiopian Broadcasting Company to improve the quality of the broadcasting signals.

Key result 5.2: Increased/Sustained Availability of and Access to Milk & livestock products

Improved Availability and Quality of Animal Feed for Nutrition

Fodder promotion for milking animal during dry season

PRIME's Nutrition and IR1 teams in Southern cluster with the collaboration of Yabelo and Dire woreda PDO offices, conducted two fodder promotional events at Haro Bake and Dubluk kebeles. On this promotional event 650 (370M and 280F) community members attended. The main objective of this event is to provide awareness for the community on the importance of fodder availability during dry season, and on the relationship of feeding milking livestock with child nutrition. The promotional events were organized through the edutainment approach, key messages on the fodder preservation and conservation blended with the live theater/ drama performance and short spot messages. In addition, question and answer sessions were also organized to supplement key messages conveyed through edutainment. In addition, the local private fodder supplier attended the promotional event, and he sold his product to households and shared his contact address with the DAs and kebele administrations and selected an agent in both kebeles. As noted from the immediate audience feedback, the show was attractive and liked by most of the participants and they understood the key messages.

Improved Animal Health Services for Nutrition

Promotion of animal health services including quality animal drugs and vaccines

During this quarter, in collaboration with Gorodola and Wadera woredas pastoral development offices promotional events were organized aimed at increasing demand for animal health services including quality animal drugs and vaccine using the edutainment approach. The promotion was conducted based on the recommendation made by the barrier analysis survey conducted last year to assess the barriers on demand of Animal Health Extension Services. Key messages included



how to use and handle quality animal drugs and increasing community awareness by promoting the use of high quality veterinary drugs, utilization and storage, and preventive livestock health services like vaccination and feeding.

The promotional events were organized in two kebeles of Gorodola (Jidola and Seranser) and one kebele of wadera (Koromi) woredas, reaching 1370 (650M and 720F) persons. The PVP in the area also displayed quality animal drugs and made brief orientation/explanation how quality animal drugs can be accessed by the targeted communities.

Key result 5.3: Strengthened Local Capacity for Supporting Improved Nutrition

Facilitation skill training for health and Agricultural Extension Workers

The PRIME nutrition team in Afar cluster conducted facilitation skill training for 48 (35 men and 13 female) health and agricultural extension workers selected from six woredas health and pastoral agricultural development offices. The training was provided in two rounds: in the first round three woredas (Amibara, Gewane and Awash fentale) participants attended the training and in the second round the rest three woredas (Gelea'lo, Dulessa and Argoba) participants attended.

The overall objective of the training was to provide facilitation skills to participants and enable them to use these skills in their daily activities including cascade training they will facilitate with PRIME team. The PRIME nutrition team uses the government sectors' structure as one the main channels in reaching the target groups. Therefore, this training is key for them to understand the PRIME nutrition approach around nutrition sensitive and specific interventions as well as BCC. In addition, bringing the two sectors for facilitation training was also used as an opportunity to discuss and agree on how the two sectors work together in their locality. The training participants took pre & post-test to measure their understanding on the basic facilitation Skill. From their result on the pre & post- test assessments, the participants scored better after the training.

Training on Concept of 1000 days windows

The PRIME Nutrition team in Afar cluster organized a two-day training on the Concept of 1000 days for education office supervisors and school teachers. A total of 45 participants (38 men and 7 females), selected from the three woreda education offices of Amibara, Gewane and Awash fentale and six schools attended the training.

PRIME nutrition considers the 1000 days concept as a cross-cutting theme. Therefore, the training was not only to inform participants with the concept of 1000 days but also to discuss how the school community will contribute in enhancing community understanding on the importance and interventions required during 1000 days. Finally training participants agreed to include concept of 1000 days as part of school club ongoing conversations and reach other members through different school events. In addition, they agreed to organize community level promotional events to reach large community members. School teachers agreed to address a total of 900 students in their cascading plan of the concept of 1000 days. Woredas education offices supervisors also took their share to follow up and monitor the progress of cascading training in the schools of their own woredas. The school teachers and woredas education office supervisors

agreed to submit the report of the concept of 1000 days cascading training and other ongoing promotional events. Participants received supporting materials that will assist them in cascading the training at school level.

Training for the Local Theatre Group on PRIME Edutainment Approach

PRIME nutrition team in southern cluster organized a three-day training on PRIME edutainment approach for the newly established local theater group. The main purpose of this training is to build their capacity in delivering appropriate nutrition messages while entertaining the audience in their future work with PRIME. This local theatre group/club in Moyale SRS was selected based on their potential of conveying nutrition messages through edutainment/live drama show in Liben zone. The theatre art club is a private club working in the woreda entertaining the community on different occasions. The training provided an opportunity for the group members to enhance their skills and helped them to deliver nutrition messages as per the PRIME BCC approach. The training was provided with the PRIME BCC program consultant, with 12 (10 Men and 2 Women) members of the art group attending. At the end of the training the group delivered a show/ live drama on household decision-making to improve households' nutrition and reached a total of 200 (20F and 180M) people/community members in Moyale woreda. The local theater group demonstrated their understanding of the topic and of edutainment practices.

PRIME Staffs' capacity building workshop on PRIME SBCC Programs

A five-day workshop as part of staff capacity building was organized on PRIME SBCC. The workshop introduced all PRIME nutrition staff with new tools on monitoring, revised storyline on five behavior themes and harmonizing the implementation modalities across the clusters. Moreover, the staff was trained on how to facilitate community conversations and school club workshops on the five behavioral themes of the PRIME nutrition program. The workshop also addressed integration areas with other IRs for a better project outcome and benefitted 27 (2F and 25M) PRIME staffs.

Nutrition-Sensitive Training for Development Agents (DA)

As a pilot for promoting the nutrition sensitive agricultures in the pastoralist context, 170 agricultural development agents were trained. The trainees were recruited from four districts of Siti Zone (Shinile, Erer and Mieso). The training took place in their respective woreda town. In each woreda the training was organized for two days. The training was facilitated by utilizing contextualized ENGINE agricultural Nutrition sensitive manual. The objective of the training was to equip agricultural extension workers with basic skills and knowledge to implement nutrition sensitive interventions in pastoralist and agro-pastoralist areas. As this training was conducted as pilot, inputs from this training will be used for finalizing the Agricultural nutrition sensitive manual development and trained agricultural extension workers expected to reach community members in different nutrition sensitive interventions.



Cooking demonstration at Bila FTC, Erer Woreda

IR5 priorities for Q11:

- Nutrition add-on training through VSLA initiatives
- Supportive supervision at health facilities on counseling provision
- Training of religious leaders, community elders and other influencers on MIYCF
- Organize women to women groups for nutrition counseling
- Training in Food Utilization, development of dietary diversity guideline
- Continue ongoing BCC through live theater performance on fodder, animal health service and dietary diversity.
- Community dialogue in different locality through SOSC serial radio drama
- Conduct leveraging workshops on PRIME nutrition approaches for government officials, experts and partners to improve their awareness on nutrition sensitive.
- Capacity Building of local theater group (Afar Community Capacity Building & Integrated Development Association)

INNOVATION AND INVESTMENT FUND

Jigjiga Export Slaughter House (JESH)

PRIME is supporting an activity to establish a new slaughterhouse in the village of Faafan in the Somali Regional State of Ethiopia that will process meat specifically for export. The Jigjiga Export Slaughter House will provide improved market linkages for over 500,000 households and create up to 1,000 jobs. During Q10, construction of the different buildings on the site has continued and the facility is 75% completed. Priorities have been given for the construction of the sheep/goat slaughtering lines as JESH is aiming to start operations with the slaughtering small ruminants.

Progress on construction

- **Production hall for sheep/goat and cattle** – installation of roof, wall panels and ceiling have been completed for this hall and JESH is currently installing the slaughtering machine and equipment.
- **Chillers, blast freezers, and storage freezers** – civil work on roof and wall panels have been completed except one side which is left for moving around oversized equipment. Work is progressing on the refrigeration floors which required international specification civil works, special conditions due to the local site soil and ground characteristics, etc. Construction has started on the equipment support beams installation. Refrigeration panels' installation will start in April. Refrigeration equipment installation will start after completion of panel installation, in May and be completed by end of June.
- **Waste Water and treatment plant** – JESH has a signed a contract for the waste treatment equipment and machinery to be delivered by the end of May 2015. Civil work is expected to begin before the rainy season starts.
- **Waste disposal site** – JESH is preparing the design and cost of the recommended waste disposal facility as per the Environmental Review Report approved by USAID. JESH and MC are discussing on ways MC can support JESH to expedite this process.

- **Site road works** – the construction of the main road within the site to the production hall is completed. Civil work continues on drainage and sewage from main production hall to the waste treatment plant.
- **Water supply and electricity supply** – procurement of water tanks, pumps and fixtures is finalized and equipment is expected to arrive on site towards the end of May 2015. Installation of these items will take a month to complete. Electricity generation and distribution equipment will also arrive toward the end of May and installation will be completed by the end of June.
- **Office furniture** – JESH has signed a special manufacturing contract according to layout of the JESH office under construction. Furniture will arrive at end of May or early June 2015 and will be installed by experts from the manufacturing company.
- **Staff changing rooms, laundry, showers, toilets, kitchen and cafeteria:** JESH has also signed a contract for supply of laundry and cooking equipment for staff. Equipment is expected to arrive at the site by end of May. Other finishing work is ongoing in these facilities

Challenges

Future challenges that we are preparing for include delay in customs clearance at the port of Dire Dawa and the upcoming rainy season. We expect delays associated with heavy rainfall. However, since the facility is now fully covered with a roof and most of the remaining work is indoors, we expect there will be less disruption due to heavy rains, with the exception of the waste treatment plant. JESH is exploring ways to cover the construction of the waste water treatment in order to continue the work during the rainy season.

Somali Microfinance Institute (SMFI) - Belcash

After completing all the required steps from the National Bank of Ethiopia, SMFI and Belcash launched the pilot for the *Financial Inclusion for the People of Somali Region in Ethiopia (FIPSRE)* project with the HelloCash brand. The scope of the pilot program was limited to 5 SMFI branches with each branch having between 2 and 10 agents taking part in the pilot. It was estimated that between 1,000 and 2,000 end users would register in the process and become subsequent customers using the services offered in a real environment.

The pilot was conducted in the Somali region, in SMFI branches and agents from the following areas:

1. Jigjiga
2. Shinille
3. Togochale
4. Lafaise
5. Degehabur

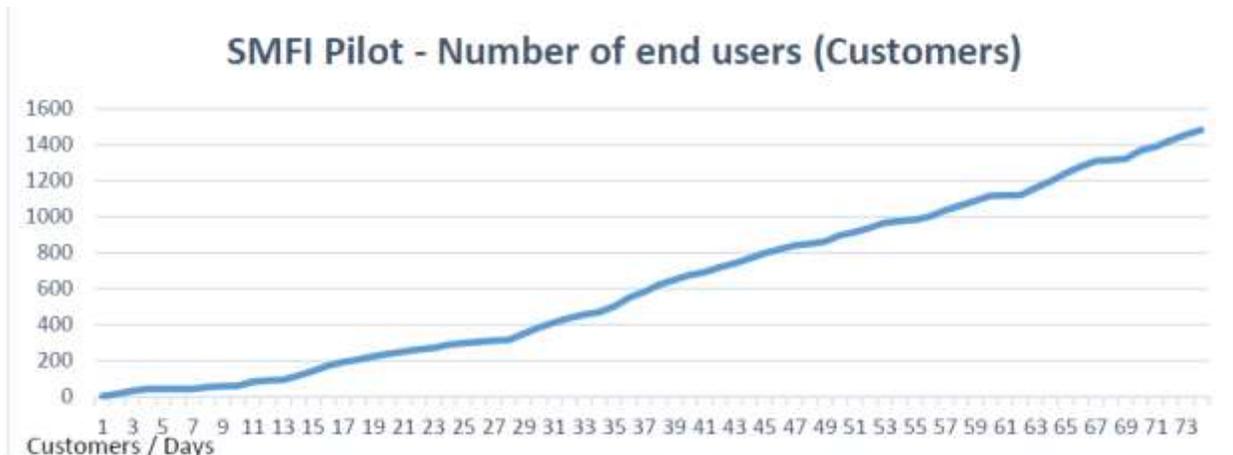
The number of agents to be recruited per branch has varied within the above mentioned range, based on the density of the population and availability of qualified agents.

Marketing and promotion

The level of marketing activities of the service during the pilot period has been restricted to the design and distribution of standardized forms, availing a limited number of brochures,

identification cards and service indicator signs restricted to the agent outlets and the pilot participating branches. These items have been used to manifest visibility of pilot participating agents and provide pertinent information required for end users and agents participating in the pilot. There have not been any promotional campaigns or marketing activities at a media or mass communication level, so as to restrict the service in a limited environment and be compliant to the directives set by the National Bank of Ethiopia.

SMFI and Belcash have submitted their pilot report to the National Bank of Ethiopia and are waiting for approval for full roll out.



Barwako milk processing factory

The Barwako Camel/Cow Milk processing factory is running more efficiently, partly thanks to the USAID-PRIME grant. Barwako currently employs 36 people. This quarterly report will highlight the major achievements and challenges faced.

1. **Processing capacity:** The facility is now processing 500 to 900 liters per day of cow and camel milk (combined), collected from cooperatives. Full capacity of the facility is 10,000 litres per day for each type of milk, and Barwako aims to meet this daily capacity in the near future.
2. **Packaging:** in this quarter, Barwako has made changes to the milk packaging from plastic pouch to plastic bottle, which has gotten great acceptance by customers.
3. **Transportation system:** With the purchase of 2 new cold trucks (adding to a total of 3 trucks) with the PRIME grant, Barwako is able to reach more destinations for distribution of their products. Currently they are distributing products to Hargeisa, Djibouti, Dire Dawa, Harar, Aweday and Adama. Barwako is also preparing to distribute to Addis Ababa in the coming months.
4. **Jobs created:** 4 new jobs were created in this quarter for a total of 36 employees. When full processing capacity is reached, Barwako aims to employ a total of 96 employees.
5. **Number of Households reached:** Barwako is currently buying from 300 households. Households gets paid on the spot, they don't wait for days to be paid anymore as they used to when they were selling through middlemen.

6. **Income increase for households:** Before households were selling their milk at 8 birr in wet season and 10 birr in dry season, but now Barwako is buying from them at a price of 12 birr in wet season and 14 birr in dry season (currently). That is a 50% and 40% increase in wet and dry season respectively.

Barwako suppliers

No.	Name of milk supplier	Type of supplier	Liters of cow milk collected/ day	Liters of camel milk collected/ day	Number of HHs reached	District or Kebele	Distance From Jigjiga
1	Barwaqo Milk Sales	Cooperative	100	350	150	Fafen	30km
2	Hormuud Milk Sales	Cooperative	100	350	150	Dhuhusha	25km

Future considerations

- With the second disbursement of the PRIME grant, Barwako will purchase and pass on the equipment as per the agreement to the cooperatives. Barwako is collecting price quotations for the rest of the items.
- Barwako took part at the Gulf Food Fair held in Dubai with the support of PRIME to look for market opportunities and introduce its products (through samples). Barwako had fruitful discussions with Dubai importers; who have plans to import Barwako's products after a visit to the factory scheduled for the end of April.
- Barwako is also working on the possibility of exporting to Malaysia as there is a big demand for camel milk there. Barwako and PRIME are currently talking about ways on which PRIME can provide support to expedite this process.

RENEW Investment advisors Plc. - Private Equity Leveraging Services

Under the Private Equity Leveraging Services program, PRIME seeks to help unlock equity financing to fill Ethiopia's vast "missing middle." In pursuit of this, the team is implementing an innovative investment facilitation model that channels direct investments from a global network of impact angel investors and investment fund partners into established and promising businesses impacting PRIME areas. The impact of the program includes employment creation and career advancement opportunities, access to locally-produced goods, and increased productivity and resilience through adoption of new technology and best practices. The program attracts investors because of its local presence, commitment to high-quality investment analysis, and turnkey investment services that help foreign investors overcome the barriers that historically have deterred them from investing in Ethiopia.

Identifying and supporting investments into SMEs in PRIME Areas

Overall the team has met with and helped coach over 50 companies up to March 2015. The pipeline flow chart that the team tracks and reports on is the following:

Stage	RENEW Y1	Comment

Total companies identified	80	The team identifies opportunities from referrals and their own outreach & trips to PRIME areas.
Total company meetings run	57	Once identified, the team meets with companies to learn about their business and determine if they are interested in taking on an equity partner and if they meet the investment criteria.
Company meeting planned	23	These are meetings with companies that have been scheduled
Total Companies that Do Not Qualify	69	These are companies that have not been chosen to advance due to reasons stated above
Companies Considering	9	These are companies the team is still considering speaking with to advance into the analysis process
Companies Advanced	2	These are companies that impact PRIME areas and are being advanced through the investment process
Companies Invested In	0	Target to close 2 investments in May/June. The closing date depends on whether the company will pass due diligence, and how long it will take to get the necessary government approvals.

RENEW anticipates closing investments in three companies, including the two PRIME-pipeline companies described below, in the May/June 2015 timeframe:

Project Juice

Managers of a manufacturing and importing business established in 1991 intend to leverage their strong brand and distribution expertise to expand into local juice production. The company seeks \$600,000 in an equity investment and \$900,000 in a bank loan for the construction and outfitting of a juice processing and distribution facility. RENEW expects that the investment will immediately increase incomes of mango farmers in the Afar region as the company sources mango concentrate from that PRIME area. The company is considering, as a second phase project, backwards integration into fruit farming and processing, which would involve an investment in a facility in the Afar region. This later expansion would provide additional employment opportunities and local tax revenues.

RENEW signed a term sheet with the company managers in March outlining the key terms on which the parties intend to proceed with the investment. RENEW has begun its full due diligence on the company and the opportunity and anticipates a closing in May/June 2015.

Project Baby Food

This agro-processing company sells iodized salt, baby cereal, supplementary prescription food, milk powder, snacks and cattle feed. The company seeks to expand its existing product lines and implement a new distribution model that will enable it to sell very low priced products directly to rural areas, as well as to existing customers in urban areas throughout Ethiopia. The company seeks \$700,000 in equity financing and potentially a bank loan for automated packaging and strengthened distribution systems, and marketing and operations support. A portion of the investment will enable the company to test a new distribution model in PRIME areas, which will employ individuals in the retail sale of company products at kiosks. The investment will allow the company to address significant health needs and reduce the price of key nutritional products for consumers in PRIME areas and elsewhere around Ethiopia.

The Company's iodized salt will address the significant iodine deficiency present among Ethiopians (40%, as of 2009). Among the baby products the company plans to sell are formula priced below existing imports and domestic products sold at higher prices due to inefficient distribution methods. The company also produces ready-to-use supplementary food for the World Food Program for the treatment of moderate acute malnutrition. RENEW and the company are currently negotiating terms for the contemplated investment, with the expectation that they will sign a term sheet within few weeks. The goal is a May/June 2015 closing alongside Project Juice.

AGP Poultry

PRIME signed an agreement with AGP poultry to expand their production to PRIME target regions. The objective of this investment is to strategically expand AgFlow Poultry's products and services into underserved woredas in Ethiopia's Guji and Borena Zones. Targeted woredas include Arero, Yabelo, Teltele, Liben, Abaya, and Dire, with operational support based in the greater Oromia and SNNPR regions. PRIME funds will be used to finance a new breeding and hatching facility and franchise SMEs to fill critical distribution gaps in the live chicken and feed value chains. This three-year \$9M expansion will be co-financed by PRIME, equity investors (Flow Equity, AfricaGulf), loan capital (Acumen Fund), and operational revenue once the business is profitable in Year 2. The PRIME contribution totals \$1.2 million. The new company, AGP Poultry, will impact 30,000 households through 50 SMEs over the lifetime of the grant while improving the poultry industry's rural productivity and competitiveness.

AGP have acquired 2 sites in Gubre and Sodo in SNNPR region which will be used to serve PRIME targeted woredas in Borena and Guji zones. From August 2014 to the present, AGP Poultry has produced and marketed 221,000 day-old chicks and 3,500 quintals of feed to 44,200 households across SNNPR, thereby building its market around Gubre Farm which will be a key offtake of our expansion. AGP Poultry has imported 20,000 parent stock to the new production centers, which have had low mortality and strong body weight gain, as per breeder standards. These flocks will begin serving PRIME target woredas with day-old chickens by September 2015.

AGP and PRIME team are currently working on designing baseline survey in PRIME areas and also contextualizing the SME selection requirement and process.

Addiskidan Milk Processing Factory

The project will establish a medium-sized modern milk processing facility by collecting milk from pastoralists and agro pastoralists around Awash Fentale district and distribute for consumers in Afar urban areas, West Harage and East Shewa zones of Oromiya region. The project is anticipated to create market access for 25,000 households and job opportunity for 45-50 unemployed persons in the area.

The environmental assessment has been completed, and a survey of milk cooperatives that will supply Addiskidan was completed at the end of the reporting quarter. The agreement will be signed in the upcoming quarter.

USAID FORWARD

As part of the effort to ensure the achievement of the USAID forward objective, the following were key activities accomplished in the reporting quarter.

- Additional organizational capacity assessment (OCA) was conducted with SOS Sahel in Yabello, followed by development of a capacity building plan.
- During the capacity assessment, capacity building support was provided for gaps that need immediate on the spot assistance, in both program and finance.
- A consolidated capacity building plan for 3 partners (ACPA, AISDA and SOS Sahel) was produced and shared with PRIME leadership for further action.
- Mercy Corps hired an independent auditor to lead a compliance check with PRIME's sub-awardee organizations and has recently received official reports from audit firms. Based on these reports, the capacity building managers at CARE and MC will analyze gap areas and process required for improvements to reach USAID Forward objectives.
- Financial monitoring with DPPB took place and an official report will be submitted to the partner with corrective actions and recommendations during Q11.

During the period under review, AISDA was awarded direct funding through USAID as a result of improvements in their management through the PRIME project. Mentoring and coaching to AISDA will continue during this FY.

Priorities for Q11:

- Conduct Organizational Capacity Assessment (OCA) with local partners HAVOYOCO and FSA.
- Organize training for partners on grant management, leadership and coordination, proposal and report writing, and fund raising.
- Organize a partner reflection and learning workshop.
- Document and share capacity building good practices.
- Follow up and track changes of PRIME partner capacity building progress.

CROSS-CUTTING THEMES

GENDER

VSLA Literacy and Numeracy Assessment

During Q9, PRIME conducted a numeracy and literacy capacity assessment of VSLAs in the Southern Cluster. The aim of the assessment was to scope the level of need. The sample size consisted of 520 people (40% of members) randomly selected from 78 VSLA rosters. A questionnaire with practical tests was used. The results, as analyzed in Q10, show that 78% of all respondents have never attended school. Almost half of the respondents are engaged in business. From the remaining half, approximately 63% have a plan to start a business within the next 6 months. In the functional literacy and numeracy test, 27% can read simple sentences comfortably; while 47% can write basics (such as their name and area of residence). 63% were able to provide correct answers to addition and subtraction questions. There is reported high interest (75%) to attend functional adult literacy classes. The results of the assessment show that although there is a gap in reading, writing and basic arithmetic, as PRIME is not an education project, its involvement will be limited to providing support to women VSLA members who will be engaged in micro-franchising businesses. The literacy and numeracy support can be practical as the franchisers will be expected to keep their records of sale, which will increase the likelihood that they will see value in hands-on coaching. Mercy Corps is developing the detailed implementation modality for Southern and Eastern Cluster. In Afar, Friendship Support Association (FSA) will be providing the technical support to female franchisers.

Provide Technical Support to Consortium Partners to Document and Build Lessons

PRIME has been engaged in the expansion of businesses with a greater potential to enhance women's economic empowerment, especially in dairy marketing. The project would like to extract lessons on the contributions of market expansion on women's empowerment beyond economic gain. FtF has developed the Women's Empowerment Index in Agriculture (WEIA). PRIME is working to adopt the tool to dairy and test the tool in-house. The field work is anticipated to begin in Q11 in Eastern and Southern Cluster.

Provide Technical Support to Businesses to Integrate Gender

One of the key activities planned for this quarter was support to IIF investments for gender sensitive impact. Mekelle Farms (AGP) was anticipated to be the first as it has an obvious linkage with a female out-growers scheme for poultry. As implementation of the IIF activity rolls out, this support will start in the coming months.

DISABILITY

PRIME partner ECDD focuses on the promotion of inclusive development for people with disabilities, mainstreaming disability issues in government and projects. The role of ECDD in PRIME is to build the internal capacity of consortium members and local partners to practice and develop disability inclusive policies activities while providing regular technical assistance to program staff to ensure an inclusive design, implementation and monitoring of program activities.

Disability-focused activities during Q1 include:

Provision of Disability Awareness and Inclusion Training (DAIT)

A one-day Disability Awareness and Inclusion Training (DAIT) was provided to 61 representatives of field agents, PSPs, VSLA chairpersons and CPOs in three towns of Borena zone: Yabello, Miyo and Dire. The objective of the training was to raise general awareness on

disability and inclusion practice thereby developing disability inclusive approach within the target institutions.

Provision of technical support and facilitation

- ECDD prepared profile data for 20 persons with disability in Eastern Cluster, which will be used as input for selection of trainees with disability for BBs and BDS training in Siti, Fafan, Dire Dawa, and Shinile zones.
- ECDD participated in the selection process of a wholesaler and sales women for micro-franchising business model in Eastern Cluster at Bombas woreda to ensure inclusion of women with disabilities, in collaboration with ACPA staff. Two women with disability who will take part in the pilot project have been identified and a wholesaler was selected at an accessible location in the town.
- Two sub-award grants to Jigjiga Polytechnic College and Meles Zenawi Memorial TVET college were signed to encourage and promote the development of disability inclusive TVET education practices and facilitate inclusive skill training and employment opportunities for youth with disabilities in PRIME areas. The process is underway with TVET colleges in Southern and Afar clusters.

People with Disability (PWD) Forum

SOS Sahel organized the PWD forum in collaboration with Borena zone and Yabello town Labor and Social Affairs office and consortium partner ECDD and Mercy Corps. 21 organization representatives and two PWD association members participated. The purpose of the forum was to explore ways to encourage people with disability to engage in different business activities and/or obtain employment opportunities.

The major outcomes of the forum are as follows:

- people with disabilities must be provided with skills to interact with others, including public speaking and negotiation skills;
- organizations must develop workshops that provide opportunities for people with disabilities to speak openly of their needs, capacities and aspirations in business and development, and create networks of PWDs in business;
- help PWDs develop business plans;
- develop simulation exercises or school-based enterprises to practice entrepreneurial skills;
- arrange job shadowing and internships at small businesses and with entrepreneurs;
- encourage exposure to role models in a variety of contexts;
- identify mentors;
- provide technical and financial support for setting up small businesses; and
- provide linkages to essential banking and financial services, and facilitate job placements.



Activities in development

- Four concept notes were developed in Eastern cluster during the reporting period on literacy/numeracy training for hearing/visually impaired persons, as well as basic business skills, and business development skills training for people with disability engaged in small scale businesses. Selected TVET staff will also obtain sign language training, and scholarships for short-term skill training will be given to persons with disability.
- Four concept notes were developed in Southern cluster for provision of basic business skills training for persons with disabilities, as well as DAIT for personnel of MSEs, Labor and Social Affairs, Land Authority, Mayor’s office, PSPs and Cooperative Promotion office. A concept note on provision of disability adjustment equipment for trainees with disability enrolled in short-term scholarship.
- Three concept notes were developed in Afar for disability awareness creation and inclusive development training for PRIME implementing partners. Mushroom production and value chain development for people with and without disability in arid and semi-arid woredas of Afar Zone 3, and capacity building for fodder production, microenterprise and market linkage for goat fattening and milk and dairy producing MSEs.

V. FINANCIAL SUMMARY

PRIME EXPENDITURE SUMMARY REPORT	
AS OF MARCH 31, 2015	
Per IR	AMOUNT (USD)
IR 1	6,607,746
IR 2	5,876,443
IR 3	3,650,799
IR 4	4,959,955
IR 5	1,695,656
Crisis Modifier*	500,000
GRAND TOTAL	23,290,599

Per Funding Stream	
GCC	6,812,152
FtF	13,280,803
Nutrition	2,697,644
Crisis Modifier	500,000
GRAND TOTAL	23,290,599

Match report is Annex 13 of this report.

List of Annexes

Annex 1. Crisis Modifier Emergency intervention in Borana – final report

Annex 2. After Action Reflection Session report

Annex 3. NRM indicators breakdown

Annex 4. Summary VSLA information

Annex 5. RUSACCO discussion summary

Annex 6. Report on mobile and agent banking pilot

Annex 7. Report on Literacy and Numeracy Survey

Annex 8. Report on Locally manufactured wind turbine

Annex 9. Annual household beneficiary survey FY14 final report

Annex 10. Participatory Monitoring in Afar – Action Plan

Annex 11. FTF newsletter stories

Annex 12. Success stories

Annex 13. Match report