

MONTHLY UPDATE – MAY 2010

Agribusiness and Trade Expansion Program

“INCREASING RURAL INCOMES AND EMPLOYMENT”

“የገጠር ገቢዎችንና የሥራ ዕድልን መጨመር”

Market linkages create export opportunities

USAID-ATEP is enabling market linkages between Sunripe, a Kenya-based marketing company, and several lead project clients. One lead client, Chancho Flowers, resumed pea exports to the European market through Sunripe, exporting 7,600 kilograms at a premium price. Others, such as Tinaw Rose Farm and Vegetable Project, and Sathya Sai located in the Wolkite cluster, are currently planting peas for the export market and planting trials of new pea varieties provided by Sunripe.

Sunripe’s market distribution covers the UK, Europe, the Middle East, Pakistan, central and northern Africa, and South Africa. The company is actively involved in developing new markets, including for the U.S.

Industry code of practice ensures sustainability

The program helped develop the first draft of the code of practice for the fruit, vegetable and herb industry. The code will provide common standards for the development of these industries, and in the long run it will enhance competitiveness and sustainable growth by enabling producers to meet international standards in quality, safety and social accountability.

The comprehensive document covers a range of practices and Codex HACCP principles, and its framework paves the way for uniform adoption by fruit, vegetable and herb producers. The Ethiopian flower industry went through a similar process in adopting the EHPEA Code of Practice for Sustainable Flower Production, developed in October 2008.

The code of practice was drafted in collaboration with the Ethiopian Horticulture Producers and Exporters Association (EHPEA) and Ethiopian Horticulture Development Agency (EHDA). Other major stakeholders and government departments were also consulted, including the Ministry of Agriculture and Rural Development (MoARD).

USAID-ATEP conducts training for caregivers of orphans and vulnerable children (OVC)

USAID-ATEP trained more than 50 caregivers of OVC on the basics of animal skin collection and slaughtering in Wukro and Bahirdar. The training aims to increase the household income of caregivers by engaging them in income-generating activities. After the training the program plans to build four hides and skins collection centers to create jobs for the newly trained caregivers. USAID-ATEP is involved in discussions with the local administration and micro-finance institutions to secure loans for working capital.



Photo by Fintrac

Women pick pease at Chancho Flowers near Addis Ababa.

USAID Agribusiness and Trade Expansion Program

This project is implemented by Fintrac Inc., a US agribusiness consulting firm. Consortium members include Boot Coffee Consulting & Training, the Economic Competitiveness Group, Manchester Trade, and the Rainforest Alliance. It covers four agricultural production sectors in four regions of Ethiopia which are supported by business development and health programs.

For more information, contact USAID-ATEP at:

Ki-Ab Building, 4th Floor Alexander Pushkin Street
PO Box 70696 | Kirkos Subcity | Kebele 23, House
#1123 | Addis Ababa, Ethiopia
Tel: 251-11-3720060 | Fax: 251-11-3720102
atep@fintrac.com

Training was also conducted for 15 people representing stakeholders and service providers on HIV counseling and training (HCT), anti-retroviral therapy (ART), and referral linkages in Wukro and Mekele. The training establishes a referral linkage among Sheba Tannery and service providers for HCT counseling and testing, anti-retroviral therapy and other care and support services.

Program assesses sesame export to Japan

USAID-ATEP conducted a preliminary assessment on sesame exports to Japan based on a request from the Ethiopian Pulses, Oilseeds, Spices Processors and Exporters Association (EPOSPEA). Japan was the second largest importer of Ethiopian sesame seeds between 1994 and 2008, but the industry lost market share in Japan after failing to meet quality parameters set by the Japanese government.

The assessment will help EPOSPEA and other stakeholders systematically address the required quality parameters and regain market share. It examined major obstacles to exporting sesame seeds to Japan and the status of stakeholder efforts, and it identified the financial requirements for addressing quality issues. Assessment contributors included the Embassy of Japan, the Ministry of Agriculture and Rural Development (MoARD) and the Quality and Standards Authority of Ethiopia.

USAID-ATEP examines impacts of debt burden on cooperative business

The program conducted a preliminary assessment on financial debt held by cooperative unions and primary societies to determine the scope of the problem and decide on any follow-up action. The assessment identified debt-ridden cooperatives and their repayment capacity, looked at how the debt areas affect the performance of the



Photos by Fintrac

Sunripe representatives visit the Tinaw Rose Farm and Vegetable Project.

USAID-ATEP Agronomist Eskindir Kebede teaches project client Aba Gela about planting seeds in Upper Awash.

USAID-ATEP Agronomist Demoz Kidane teaches smallholders in Humera about soil preparation.

cooperatives, and identified policy options to address the problem.

The program held discussions with Yirgacheffe Coffee Farmers Cooperative Union (YCFCU), Sidama Coffee Farmers Cooperative Union (SCFCU), Development Bank of Ethiopia (DBE) and the Federal Cooperative Agency. YCFCU and SCFCU are identified as highly indebted member primary cooperatives. Their debt burden and poor repayment capacity is because of a lack of financial expertise, poor timing of loan disbursement, weak cooperative leadership, and limited advisory roles of the banks.

The Ethiopian government encourages the restructuring of existing cooperatives and the creation of new ones. Cooperatives help organize smallholder farmers so they can access new markets and receive higher prices for their products.

USAID-ATEP supports long-term strategic planning for ECEA

USAID-ATEP is helping the Ethiopian Coffee Exporters Association (ECEA) develop a five-year strategic plan in support of ECEA's commitment to making sustainable changes and becoming a major force in the Ethiopian Coffee Industry. The document will establish a clear mission and goals for ECEA, analyze the internal and external environment of ECEA, identify strategies to attain the projected goals, and prepare a monitoring and evaluation system to track the implementation of the plan. Once the document is drafted, ECEA will hold workshops to deliberate on the draft and reach a consensus to endorse the document.

ECEA was established in 1968 with the main objectives of improving the quality and quantity of coffee production, standardizing and streamlining coffee trading, establishing a fair and honest commercial code of conduct, and promoting the interests of the association to the government and other concerned bodies.



Photos by Fintrac

USAID-ATEP coffee agronomists meet with a smallholder farmer in SNNPR.



A veterinarian vaccinates a goat against sheep pox. Below, smallholders in Ashire attend a training on land preparation.

