

MONTHLY UPDATE – JULY 2009

Agribusiness and Trade Expansion Program
“INCREASING RURAL INCOMES AND EMPLOYMENT”

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From the project director

I would like to welcome USAID Mission Director Thomas Staal to Ethiopia and extend him an open invitation, on behalf of our field staff and the clients they work with, to visit USAID-ATEP work sites.

There is also a new USAID/BEAT team in town, and USAID-ATEP extends a warm welcome to Dan Moore, Randy Chester and John Edgar. Dan and John have had the chance to see some of the USAID-ATEP activities and we expect to see Randy in the field soon.

Our lead clients, partner associations and lead ministries should look forward to meeting these new officials in the coming days and should take the opportunity to offer comments and suggestions as the new team takes USAID/Ethiopia into new development directions over the coming years.



Photo by Fintrac

USAID/Ethiopia Mission Director Thomas Staal, center, talks with USAID-ATEP COP Thomas H. Carr, left, and USAID- BEAT staff members while visiting USAID-ATEP lead client Almeta Farm.



*Thomas H. Carr, Chief of Party,
Ethiopia Agribusiness and Trade Expansion
Program*

IN THIS ISSUE

- Interview Page 2
- Program Highlights Pages 3 & 4
- At Your Service
Teka Redda..... Page 3
- Program Spotlight Page 4

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:

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● PROGRAM HIGHLIGHTS

HSL

As part of the footwear promotion program, USAID-ATEP has continued providing assistance to six footwear companies (including Peacock, Walia and Ambessa shoe factories) on product development, adaptation and production. USAID-ATEP Technical Consultant Alan Sorofman was engaged in the production of test orders based on consumer-requested styles. The program placed orders for products from China for various components of the test orders. In addition, footwear samples were produced for two prominent US footwear companies: Freeman International and Minnetonka.

At the end of July, the first test order produced by Peacock was shipped to Harbor Group in New York. Commercial orders are now expected, due to the high quality of test orders.

In an effort to scale up USAID-ATEP interventions in the HSL sector, a series of discussions have been held with partners and counterpart organizations. The discussions were held with partners including regional bureaus of agriculture, FAO and members of DAG. Discussions focused on establishing ground work to implement HSL sector plans, revitalizing the Leather Action Group of DAG and facilitating synergies.

COFFEE

Senior coffee agronomists Tesfaye Negash and Getachew Zeleke provided a series of technical assistance and trainings for lead clients in the southern and western parts of Ethiopia. Technical assistance was focused on compost production and applications, manure applications, weed control and management practices.



Photo by Fintrac

Tesfalidet Hagos, owner of lead client Luna Fruits, right, watches as USAID-ATEP Grape Consultant Emil Van Wyk, left, talks about grape production.

● INTERVIEW

Luna Fruits strives for quality to access European markets

Luna Fruits is a pioneer in Ethiopia's table grape industry and USAID-ATEP's. Communications Specialist Beamlak Tesfaye had a chance to sit down with Owner and General Manger Tesfalidet Hagos to talk about the business.

Q: What can you tell us about Luna Fruits?

A: Luna Fruits was established in 2005 having a land holding of 100 hectares creating job opportunities for more than 82 farm workers in Oromiya Region. The farm produces table grapes for export and sweet melon for local markets. We have a plan to expand the table grapes project to 40 hectares in the coming months.

Q: What is the competitive advantage of table grape production in Ethiopia?

A: The ample and relatively cheaper work force, the possibility of using sea freight, the fertile soil and favorable weather conditions and the seasonality of table grapes have placed Ethiopia in a better position for table grape production.

We have identified that there is shortage of supply, while there is high demand during the Christmas season at the European market. At this time of the year, we can harvest table grapes and supply for a much higher price. In terms of logistics, we can use sea freight since table grape have longer shelf-life, which is up to 30 days [more] than other fruits.

(Continued on page 3...)

● AT YOUR SERVICE: Teka Redda

Teka Redda joined USAID-ATEP to manage the Oilseeds and Pulses Sector in 2006. The sector is staffed with a senior agronomist, BDS specialist and five extension agronomists. His sector provides on-farm technical assistance to lead clients including cooperatives, smallholder farmers, commercial farmers, exporters and processors. These clients are located in major production areas of oilseeds (sesame and noug) and pulses (haricot beans, chick peas and lentils) in Metema, Gondar, Sanja, Humera and Dansha of the Amhara and Tigray Regions. The technical assistance focuses on production, processing, business development and marketing services to improve quality, increase yields and sales, and generate employment opportunities.

The sector alliance with the Melkassa Agricultural Research Center (MARC) unit of the Ethiopian Institute for Agricultural Research (EIAR) has succeeded in producing 70 metric tons of four varieties of haricot beans. These basic seeds are distributed to a number of groups such as the Ethiopian Seed Enterprise, ACOS, Catholic Relief Services (CRS), Lume Adama and Bora Dembel Farmers Cooperatives Unions and other certified outgrowers to multiply the basic seeds into certified seeds. These groups, in collaboration with local farmers in their respective areas, multiplied an estimated 945 metric tons of certified seeds. This intervention was crucial in increasing the availability of certified haricot bean seeds for farmers facing acute shortages of high quality, high yielding and disease resistant seeds. The sector has continued multiplication of noug and sesame seeds with other agricultural research institutions including the Tigray Agricultural Research Institute (TARI), Amhara Region Agricultural Research Institute (ARARI) and EIAR.

Prior to joining USAID-ATEP, Teka Redda worked for more than 30 years in different capacities in different public institutions including the Ethiopian Grain Agency, the Ethiopian Oilseeds and Pulses Exporters Corporation and the Ethiopia Grain Trade Enterprise. He studied general agriculture and crop production and storage management at Jimma College of Agriculture and Dareselam University. He has been married for 21 years and is blessed with two children.



Photo by Fintrac

USAID-ATEP's Teka Redda (Middle) hands over backpack sprayers to Setit Humera FCU representatives.

(Continued from page 2...)

Q: What are the lessons learned from your first harvest?

A: Luna was able to harvest within a year and half in February 2007, and there was trial shipment of 1,000 kilograms to Saudi Arabia. Our product was well received because of the right size, color, texture and the sugar content of the table grape. The major challenge was postharvest logistics where we did not have a cooling system, and we are trying to address this problem prior to the next shipment. In general, as a pioneer in growing table grapes in Ethiopia, we have learned that growing table grapes requires well developed agronomic/technical know-how.

Q: What are your major activities to establish market linkages?

We have planned to export table grapes to Europe, mainly to Holland, UK and Spain.

With the support of USAID-ATEP, we have visited these countries and contacted international marketing companies such as Van RYEN, AMC/MUNOZ and S.N.F.L. The top management team of S.N.F.L and AMC will be visiting Ethiopia at the end of 2009. The visit is arranged to coincide with the table grape field day that will be organized in collaboration with USAID-ATEP. This is a major step to establish marketing linkages.

Q: To wrap up, is there any plan to initiate research and development on table grapes?

A: I believe that there is a need to establish a research and training center to develop the table grape industry. The center will be working closely with national and international research centers. We are still at the early planning stage; to realize it, there should be a concerted effort of all stakeholders.

● PROGRAM SPOTLIGHT

Ethiopian horticulture leaders visit Spain on study tour

USAID-ATEP co-sponsored a study tour to Spain for members of the Ethiopian horticulture sector. The trip took place July 27 to Aug. 1 to learn about Spain's fruit and vegetable industry, sharing experiences on high-tech preharvest and postharvest methods and establishing market linkages with marketing companies.

The visiting team comprised Haillessilasse Tekie, director general of the Ethiopian Horticulture Development Agency (EHDA); Tesfalidet Hagos, owner and general manager of Luna Fruits; Africa Zeleke, deputy general manager of Elfora Agro Industries; and Yonas Alemu deputy general manager of Almeta Farm. Luna Fruits, Almeta and Elfora Agro Industries are USAID-ATEP lead clients producing table grapes. The team was accompanied by USAID-ATEP Deputy Chief of Party Ian Chesterman, USAID-ATEP Horticulture Agronomist Semret Kifleyesus and USAID-ATEP Grape Consultant Emil Van Wyk.

The team visited international companies AMC/MUNOZ and S.N.F.L. and their subsidiary fruit and vegetable farms, trial-sites and juice processing units. AMC/MUNOZ is an international company established in 1932. The company produces fruit and vegetables and runs a chain of packhouses and fresh juice distribution centers. S.N.F.L. is also an international company that has partners in all major fruit and vegetable producing countries.



Photo by Fintrac

EHDA Director General Haillessilasse Tekie and USAID-ATEP DCOP Ian Chesterman, right, visit AMC's citrus packhouse in Spain. USAID-ATEP sponsored the trip to learn about high-tech production methods and apply them at home in Ethiopia.

● PROGRAM HIGHLIGHTS

HEALTH

As part of the 4th Quarterly Staff Meeting, USAID-ATEP's Health Sector held a one-day workplace HIV/AIDS Prevention Policy and Program Design Sensitization session. The session was organized to mainstream HIV/AIDS prevention activities and develop a workplace HIV/AIDS Prevention Policy. Discussions were held on the basics of HIV/AIDS and on the need for workplace HIV/AIDS prevention policy and program design.

Following the consensus reached to formulate USAID-ATEP workplace HIV/AIDS policy, a task force was established. The task force has the responsibility of designing and implementing HIV/AIDS prevention and control programs.

Oilseeds & Pulses

USAID-ATEP is building its capacity to strengthen its activities and partnerships in the Oilseeds and Pulses sector. Five Extension Agronomists and a Business Development Expert have been recruited and will be working with five Multi-purpose Farmers Cooperative Unions (MPFCU) in Humera, Dansha, Metema, Sanja and Gondar.

The team provides technical assistance and training on Good Agricultural Practices (GAP), Integrated Pest Management (IPM), pest and disease control, Business Development and Marketing services to clients.