

Monthly update – March 2009

# Agribusiness and Trade Expansion Program

“Increasing Rural Incomes and Employment”

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## NOTE FROM THE PROJECT DIRECTOR

USAID-ATEP has been extended for two years and we are making key investments in the coffee and oilseed sectors. We will be posting a new coffee agronomist for the Harar Region based in Dire Dawa, and a team of six agronomists will be recruited by partner cooperatives through USAID-ATEP grants to work on sesame production and marketing in North Amhara and Western Tigray.

We will continue our work to create strong marketing linkages for our clients in all sectors. The hide, skins and leather (HSL) program is planning to take a technical delegation to China to source manufacturing components for shoes produced in Ethiopia for a possible US market. The main objective is to encourage Chinese investment in the Ethiopian Foot Wear industry. As China experiences increased factory closures during this global recession, a feasibility study conducted by USAID-ATEP illustrates considerable competitive advantages in cost of production for the Ethiopian industry.

Finally, I am sad to report that I will be leaving USAID-ATEP and Ethiopia after three wonderful years of working with all of you. I will surely miss my friends and colleagues but as I move to Kenya to start a new regional project, I expect to be able to return to Ethiopia frequently over the next few years.

I leave the project in the capable hands of incoming Chief of Party Tom Carr and the dozens of men and women on USAID-ATEP’s staff.



*Steve Humphreys, Chief of Party,  
Ethiopia Agribusiness and Trade Expansion Program*

## HORTICULTURE

**Exposition:** USAID-ATEP would like to congratulate the Ethiopian Horticulture Producer Exporters Association (EHPEA) for holding the second horticulture exposition, **Hortiflora Ethiopia 2009**. The three-day expo was organized with the theme “The New Face of Ethiopia.”

**Kenya Experience:** USAID-ATEP horticulture agronomists Eskindir Kebede and Melaku Tedla visited



Photos by Fintrac Inc.

**USAID-ATEP Oilseeds and Pulses Sector Manager Teka Redda receives a Certificate of Appreciation from the Tigray Regional State President Ato Tsegaye Berhe.**



**Visitors at the Hortiflora Ethiopia 2009 expo see what’s on display at Jittu Horticulture’s stand.**

## USAID Agribusiness and Trade Expansion Program “Increasing Rural Incomes and Employment”

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. There is also a Trade and Investment activity on the program. For more information, contact USAID-ATEP at:

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

smallholder passion fruit growers in the Kenyan towns of Nakuru, Thika and Kirinyaga as well as the Longonot Farm, which produces seedlings for smallholder and commercial farms.

The visit served as an opportunity to share the experiences of the Kenya Horticulture Development Program (USAID-KHDP), which is implemented by Fintrac. The team was introduced to USAID-KHDP's low-cost greenhouse system for high value vegetables, providing valuable experiences to USAID-ATEP's clients, such as the new international investment company, Africa Juice. Under a technical partnership with Africa Juice, USAID-ATEP is facilitating demonstration sites and trainings for smallholder fruit production as the first stage in developing local outgrower capacity. The company plans to support more than 1,000 hectares of outgrower fruit production from both smallholders and large commercial fruit plantations growing mainly passion fruit, papaya and mango.

**Inter-Project Collaboration:** Following the agreement reached with CFC–EHPEA, USAID-ATEP continues to provide technical assistance to the CFC–EHPEA smallholder project in Ziway through its agronomist, Dedefo Abdo, and Reiko Enomoto, an experienced training specialist in smallholder production and GLOBALGAP systems. In March, the following activities took place:

- Smallholder training programs finalized for green beans, tomatoes and onions.
- Training poster developed for green bean harvesting practices, and production posters for tomatoes and onions.
- Production protocol identified for training programs of tomatoes and onions, and availability assessed for agricultural inputs (seeds, fertilizers, chemicals and irrigation equipment) that will be used for the training programs.

USAID-ATEP will continue extending horticultural technical assistance focusing on:

- Developing and installing a traceability system for smallholder farmers;
- Designing a commercial self-run operation for the CFC built packhouses;
- Conducting on-farm demonstrations and trials for vegetable production systems;
- Providing technical training programs and materials for smallholder export capacity;

CFC-EHPEA, a pilot project based in the Meki area of Ziway, is an outgrower scheme in partnership with market-led vegetable production companies. The project is anticipated to augment the development of export vegetables, particularly among smallholders and emerging commercial growers.

### **HIDES, SKINS AND LEATHER**

**Ectoparasite control campaign:** More than 150,000 heads of sheep and goats have been treated through the 3rd and 4th rounds of USAID-ATEP's ectoparasite control campaign in Lalogera. Farmers are showing their willingness to pay for the treatment, assuring USAID-ATEP and other stakeholders that sustainability can be attained through a community-based animal health delivery system. In the previous month, an agreement was reached with Pittards Ltd. and Debre Birhan Research Center to run pre-harvest pilot tests on the efficacy of diazinon as treatment for ectoparasites in a controlled environment. As part of primary activities, the project document and cost implications for



**USAID-ATEP consultant Reiko Enomoto visits project lead client Ethioflora.**



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

pre-harvest traceability and efficacy of diazinon have been submitted to the participating partners. The pilot project scheduled for launch by the end of June 2009.

**Markets and Value Addition:** USAID-ATEP footwear manufacturing consultant, Alan Sorofam, continues to provide technical assistance to a number of footwear factories selected by the Ministry of Trade and Industry (MoTI) to produce samples for the US market by the end of May 2009. The revenue from the test orders that will follow the successful delivery of these samples is estimated to be around US\$1,142,000. Some of the samples under production are based on existing styles with minor adjustments to suit the US market, while some are based on new styles preferred by US buyers. The new styles are to be compiled from component kits sent from China through new sourcing companies. Six Ethiopian footwear companies will be represented in China by a delegation made up of USAID-ATEP staff and consultants to assess the Chinese footwear development and shoe components supply chain operations.

**Taytu:** Project lead client, Taytu, has presented its first annual report along with a future plan of action. The report indicated net profit for 2008 of \$22,889, and anticipates graduation to self sufficiency in 2009.

### **COFFEE**

**Improved coffee production:** Training was conducted for 15 coffee farmers at the coffee field of Mamo Silo, beneficiary farmer of lead client IPS. The training focused on:

1. Compost and cow dung application techniques on coffee trees
2. Proper identification of nutrient deficiency symptoms on coffee leaves and on growth performance
3. Other agronomic management practices including pruning and weed management.

Technical support was also provided on coffee production systems (pruning and compost application techniques) and coffee processing (sorting and warehouse management practices) for coffee demonstration sites and coffee processing stations. The technical assistance focused on both rejuvenated and young coffee plantations of lead clients and processing stations.

**Rainforest Alliance:** In March, Rainforest Alliance conducted a certification diagnostic audit on the Oromia Coffee Farmers Cooperative Union (OCFCU) and its member Kilenso Mokonissa Cooperative. The audit was a pre-evaluation of compliance with the standards for Sustainable Agriculture. Following the audit, compliance training mainly on Rainforest Alliance Certification Program, internal control system, internal inspection protocol and risk assessment was carried out. OCFCU has a total of 129 cooperative members covering 236,842 hectares of land producing 144,046 tons of coffee. In addition, it represents more than 102,950 coffee growers, processors and exporters in the Oromia Region. They grow Arabica coffee exclusively, and produce conventionally grown and organically grown beans. The Union directly exports its coffee to the international market.

### **OILSEEDS AND PULSES**

**Award of Appreciation:** The Tigray Regional State Bureau of Agriculture and Rural Development (BoARD) awarded USAID-ATEP with Certificate of Appreciation at the 3<sup>rd</sup> Round Regional Farmers Festival held in Mekelle at the end of March. The Certificate was in recognition of our contribution and effort to improve the quality and quantity of sesame production. We are also proud that our lead clients Setit Humera and Dansha Auraro Farmers Cooperative Unions also received Certificates for their achievements.

ATEP works actively with several lead clients (Setit Humera and Dansha Auraro Farmers Cooperatives Union, Kafta Humera Commercial Farmers Association, five model farmers and other stakeholders) in major sesame growing areas of the Region, North Western Tigray. We continued to provide regular on farm training and technical assistance on Good Agricultural Practices (GAP), Integrated Pest Management (IPM) and Business Development Services (BDS).

An impact assessment has been conducted on the first Millennium Sesame Quality Training conducted in the Amhara and Tigray Region in May and June 2008. As per the result from the survey and improved rainfall, the average sesame yield has increased by 157 % (from 2.63 qtl / ha to 6.8 qtl / ha). It is noted that more than 8,000 farmers and extension agents from six woredas participated in the trainings. Detailed plans have been finalized to conduct the second Millennium Sesame Quality Training for sixty main sesame growing stations in eight woredas of the regions in April and May 2009.

**Sesame Production Training:** Oilseeds Agronomist, Yitbarek Liben, provided technical assistance to 53 farmers in Adebay Woreda. During the field visits, advices were given on future activities for the upcoming crop season. Manuals on sesame seed production, pest and disease control and weed management have been distributed as well.

Training was conducted on sprayer handling, chemical usage and safety for lead clients Setit Humera and Dansha Auraro Farmers Cooperatives Union (FCU) and smallholder farmers. The training has great significance for farmers to protect their crops from field and storage pests and disease damage. A total of 80 CP-15 Knap Sack Sprayers with all safety equipments have been donated to Setit Humera FCU, Dansha Auraro FCU and model farmers in Mai Kadra, Raywan and Adebay woredas.

## HEALTH

**New Program:** USAID-ATEP Health sector Manager, Asalif Demissie, conducted a two-week long field visit to the Amhara and Tigray Regional States. Discussions have been conducted with representatives of Regional, Zonal and Woreda Health Bureaus and HIV/AIDS Prevention and Control Offices to promote the joint effort in HIV/AIDS prevention, care and support. Following the recommendation from the regional HAPCOs, four local NGOs (OSSA Bahir Dar branch, CVM Gondar branch, Tigray Youth Association, Mums for Mums and OSSA Mekelle branch) are identified to be potential implementing partners.



Asalif was also able to visit with 35 lead clients of the Oilseeds and Pulses sector and 5 clients of the HSL sector. It was determined that these clients have a high demand for HIV/AIDS program interventions in their work places.



## USAID-ATEP STAFF LIST

### Main office

Steve Humphreys, Chief of Party  
 shumphreys@fintrac.com

Atsede Yohannes, Project Accountant  
 atsede@fintrac.com

Meheret Mersia, Sector Activity Coordinator  
 meheret@fintrac.com

Tirsit Sisay, Office Manager  
 tirsit@fintrac.com

Kidist Mulugeta, Cluster & Consortium Partners  
 Coordinator  
 kmulugeta@fintrac.com

Asmare Melesse, M&E Specialist  
 asmare@fintrac.com

Hiwote Tadesse, Accounting Assistant  
 hiwote@fintrac.com

Meseret Agenehu, Receptionist  
 meseret@fintrac.com

Zelalem Mengistu, Logistics Coordinator/Driver  
 zelalem@fintrac.com

### Health

Asalif Demissie, Health Sector Manager  
 asalif@fintrac.com

Efrata Solomon, Administrative Assistant  
 efrata@fintrac.com

Amare Siraw, Field Health Advisor

### [ayihun@fintrac.com](mailto:ayihun@fintrac.com)

Alemnesh Tadele, Field Health Advisor  
 alemneh@fintrac.com

### Horticulture

Ian Chesterman, Horticulture Manager  
 ichesterman@fintrac.com

Gebre Michael Habte, Trade  
 and Investment Assistant  
 gebremichael@fintrac.com

Melaku Tedla, Horticulture Field Adviser  
 melaku@fintrac.com

Semret Kifleyesus, Horticulture Agronomist  
 semret@fintrac.com

Eskinder Kebede, Horticulture Agronomist  
 eskinder@fintrac.com

Petros Kelbiso, Horticulture Agronomist  
 petros@fintrac.com

Dedefo Abdo, Horticulture Agronomist  
 dedefo@fintrac.com

### Oilseeds and Pulses

Teka Redaa, Oilseeds/Pulses Manager  
 teka@fintrac.com

Etogene Geremew, Warehouse Receipts Specialist  
 etogene@fintrac.com

Yitbarek Liben, Oilseeds/Pulses Agronomist  
 yitbarek@fintrac.com

### Coffee

Abayneh Alemu, Coffee Manager  
 abayneh@fintrac.com

Tesfaye Negash, Coffee Agronomist, Awassa  
 tesfaye@fintrac.com

Getachew Zeleke, Coffee Agronomist, Jimma  
 getachew@fintrac.com

### Hides, Skins and Leather (HSL)

Teshome Kebede, HSL Manager  
 teshome@fintrac.com

Dr. Kassa Bayou, HSL Veterinarian  
 kassa@fintrac.com

Alemayehu Tafesse, HSL Technician  
 alemayehu@fintrac.com

### Trade and investment

Bruck Fikru, Markets and Investment Advisor  
 bruck@fintrac.com

Beamlak Tesfaye, Communications Specialist  
 beamlak@fintrac.com