

Monthly Update – December 2008

Agribusiness and Trade Expansion Program

“Increasing Rural Incomes and Employment”

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NOTE FROM THE PROJECT DIRECTOR

As 2008 drew to a close, USAID-ATEP can look back on another successful year. I would like to commend the whole team on their tireless dedication and hard work. While we are always busy at our main office in Addis, I especially want to acknowledge the efforts of our agronomists who are in the field every day helping client farmers boost yields and improve quality. Because we “get our hands dirty” we really are helping to raise rural incomes and employment. In December, we held the 5th quarterly staff meeting at which PSI was invited to conduct HIV/AIDS awareness training for the USAID-ATEP team.

We wish you all the best in 2009.



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

HORTICULTURE

Training and Technical Assistance: USAID-ATEP Agronomist Semret Kifleyesus and Benjamin Mwangangi, a GLOBALGAP trainer from Farm Produce Technologies in Kenya, conducted GLOBALGAP pre-audits at Luna Farms, a USAID-ATEP lead client. This pre-audit covered major GLOBALGAP requirements to pave the way to certification.

Participation at the Pan African Association for Ports Cooperation (PAPC): USAID-ATEP Business Support Specialist Gebremichael Habte participated in the 7th PAPC conference in Djibouti, which brought together stakeholders in shipping and maritime industries. USAID-ATEP attended the conference to look for opportunities for lead clients to find new markets and ship more efficiently. The PAPC highlighted challenges and opportunities that many African countries face in restructuring their ports. Participants discussed infrastructure, operational efficiency, and productivity management. Other topics included challenges and opportunities specific to African ports, maritime safety, and security and environmental protection.

Habte also visited the new port of Doraleh, 11 kilometers from the Port of Djibouti. The port of Doraleh serves as a refueling and container hub and a dry port (free zone). The dry port will allow for growth in container traffic and has allocated areas for storage of vehicles in transit and warehouses. The port was inaugurated in December 2008.



Photos by Fintrac Inc.

Grape consultant Emil Van Wyk provides technical support for USAID-ATEP lead client Luna Farms in Meki, Oromiya Region.

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:

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South African Investor Mission to Mekele and Awassa: USAID-ATEP facilitated an inward investor mission from South Africa. Mr. Peter Turner from BIOGOLD. Mr. Dennis Porter, an established figure in the table grape industry, also attended the mission. BIOGOLD is the commercial link between new variety breeding and genetic developments in the fruit industry and commercial fruit plantations.

Participants visited new investment opportunities in the Tigray, Oromia and Southern regions, focusing on export and processed fruit projects. Linkages were established with logistics suppliers and existing investors with potential common interests in project development.

SPECIALTY COFFEE

Training and Technical Assistance: Throughout December, USAID-ATEP provided technical support for lead client coffee producers and processors IPS, Wotona Bultuma, SMS, SA Bagerish, Konga, Dominion Trading, Gujji Export, Amaro Gayo, Moplaco, and Genet Lemma. Processing assistance focused on specialty coffee preparation techniques for washed and sun-dried coffee. Two of our lead clients, IPS and Gujji Coffee Exports, are working to expand their sites to accommodate sun-dried specialty coffee preparation.

Technical assistance in production focused mainly on re-growth control, weed management and crop harvesting practices. In addition, USAID-ATEP technicians traveled to coffee regions to supervise coffee harvesting activities of lead clients Limu Kosa Coffee Plantation, Kaffa Forest coffee producers' cooperatives union, Homeland Organic coffee plantation, Green Coffee Plantation, Bench Majji forest coffee cooperatives and Gemadro coffee plantation.

USAID-ATEP Coffee Agronomist Tesfaye Negash carried out training for 35 participants at the newly established coffee processing site at IPS in Yirgalem. He provided training on coffee sorting, drying and handling practices for specialty markets.

12th Coffee stakeholders meeting: USAID-ATEP conducted the 12th Coffee Stakeholders meeting in mid-December. Discussions focused on:

- New coffee laws;
- Progress to date in regard to trading coffee through the Ethiopian Commodity Exchange (ECX);
- Clustering advantages;
- The third coffee roundtable conference to be held in Dire Dawa in February 2009, with the theme "Harar Renaissance."

HIDES, SKINS AND LEATHER

Following the agreement reached with the Livestock, Fisheries and Plant Health Department of MoARD, a first round of meetings was held with the Ethiopian Veterinarians Association (EVA) to strategize the handing over of the national ectoparasite control campaign, which is supported by USAID-ATEP, to the association by the end of the program in 2011.

Dr. Kassa Bayou, USAID-ATEP Animal Health Coordinator and Dr. Demeke, Head of the Zonal Animal Health Department, conducted a field assessment in anticipation of the 3rd and 4th ectoparasite treatment campaigns in Lalogera. The assessment included taking inventory of treatment drugs left over after the 1st and 2nd rounds of treatment to ascertain what is now needed. USAID-ATEP will carry out preparatory training for veterinarians and Community Animal Health Workers (CAHWs) in the coming months.



The field manager for USAID-ATEP lead client Homeland Coffee checks coffee cherries before harvesting.

The first remittance of US\$25,000 of the US\$250,000 granted by Rotary International was received by the World Vision microfinance institution, Wisdom Microfinance. The grant is allocated for the funding of USAID-ATEP's raw hides and skins collection enhancement program. The funds will be made available to five cooperatives in Wonago, SNNPR, that have signed a MoU with the Ethiopian Leather Industry Association (ELIA) to supply tanneries with raw hides and skins. This grant will enable the collection and sales of about 50,000 hides and skins per annum for the five cooperatives.

Mr. Shegaw Ahmed was competitively selected to receive an ambassadorial scholarship for a Master's of Science in Tanning Technology. The award was made possible by LLPTI with assistance from the USAID-ATEP, and with funding from Rotary International in partnership with the University of Northampton. Following his graduation in August 2009, Ahmed will be the senior trainer for leather technologies at LLPTI.



Market linkage meeting with ALRNA and four farmer cooperatives in Tigray and Amhara.

OILSEEDS AND PULSES

USAID-ATEP has signed a MoU with the Ethiopian Institute of Agriculture Research (EIRA), Tigray Agricultural Institute (TARI) and Amhara Agriculture Research Institute (ARARI) for sesame multiplication. The multiplication program will be implemented in Werer, Humera and Metema Agricultural Centers. The improved seeds are expected to reach farmers through our lead clients Setit Humera, Dansha Auraro, Metema and Selam Farmers Cooperative Unions located in the major sesame growing areas, North West Ethiopia.

In addition, USAID-ATEP held discussions with the Holeta Agricultural Research Center (HARC) of EIRA and Toke Kutaye Woreda Office of Agriculture and Rural Development (TKWoARD) to work with outgrowers on Niger seed multiplication, using new varieties to improve yields.

USAID-ATEP facilitated a local market linkage workshop in Bahirdar for sesame producing lead clients (Setit Humera, Dansha Aurora, Metema and Selam Cooperative Unions) and ALRNA Agro Processing and Export plc., which produces hulled sesame for the European market. ALRNA has the capacity to buy 15,000 to 20,000 metric tons of sesame for hulling. The workshop has established a local market linkage among the unions and ALRNA, and is expected to provide a guaranteed market for sesame production. USAID-ATEP participated in a sesame production and quality improvement workshop in Gonder. The event was organized by the Ministry of Agriculture and Rural Development's (MoARD) Extension Processing Directorate. Stakeholders from Metema and Humera participated and discussions involved major challenges and solutions.

WAREHOUSE RECEIPTS

USAID-ATEP continues to provide technical assistance to the Ethiopian Commodity Exchange System (ECX). Etagegn Geremew, USAID-ATEP's Warehouse Receipts Specialist, who was seconded to ECX, was in Gondar and Humera this month to:

- Provide professional support to the Human Resource Manager of ECX in the recruitment of a Data Entry Clerk and Quality/Inventory comptrollers;
- Facilitate the operations of the warehouse in Humera, and demonstrated the mechanism of quality control equipments for new staff;
- Explain the principles and advantages of ECX membership for sesame producers and traders in Humera.

In Addis Ababa, Ms. Geremew provided assistance to the coffee graders and warehouse supervisors on proper sampling and grading techniques.

TRADE AND INVESTMENT

The USAID-ATEP team continued to consult several commercial farms starting up in different parts of the country. Of note is a new sesame farm in Benishangul. The team also met with management of the Addis Ababa Millers Share Company. The company is a member of the Ethiopia Commodity Exchange and plans to engage in modern flour production. Its agro processing plans include flour production for a variety of grains and beans and also red pepper. Although its main target market is Addis Ababa, the company has long-term plans for exporting its products.