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Acronyms

ACPA	Amhara Cooperative Promotion
ACSI	Amhara Credit and saving Institution
AGP	Agricultural Growth Program
AISCO	Agricultural Input Supply corporation
ASE	Agricultural Seed enterprise
ARARI	Amhara Regional Agricultural Research Institute
AWCS	Anchor Wealth Consultancy services PLC
BoTVED	Bureau of Technical and Vocational entrepreneur Development
BoA	Bureau of Agriculture
CPA	Cooperative Promotion Agency
EGC	Economic Growth Corridors
EIAR	Ethiopian Institute for Agricultural Research
FAO	Food and agricultural Organization
GEVCAL	Gender Equitable Value – chain Action Learning
GDP	Gross Domestic Product
GTP	Growth and Transformation Plan
MFI	Micro Finance Institute
R&D	research and Development
TNA	Training Needs Assessment
TVED	Training and Vocational Entrepreneur Development
VC	Value Chain
VCD&AE	value – chain Development and Actor Empowerment
WoA	Woreda offices of Agriculture
WII	Weather Index Insurance
WTO	World trade Organization
WUA	Water User Associations

Executive Summary

The Agro Business Induced Economic Growth (Agro-BIG) program for the Amhara National Regional State (ANRS) is a bilateral program supported by the governments of Finland and the Government of Ethiopia. The overall objective of the program is to contribute to poverty reduction by supporting agricultural production and marketing through agri-business development with more focus to smallholder farmers following value chain development approach. The Phase one three-year AgroBIG program (2013-2015), will support smallholder agribusiness in two value chains (VCs) onions and potatoes, initially focusing on the Mecha and Fogera Woredas.

The direct beneficiaries are: i) poor farmer communities and households within the selected *Woredas* and with particular attention paid to the inclusion of vulnerable groups; ii) agricultural cooperatives and agro-processing companies, and iii) public and private sector organizations benefitting from the program's capacity building activities.

This report is prepared in response to the service contract signed between Anchor Wealth Consultancy Services PLC. (AWCS) and the Amhara Cooperative Promotion Agency (CPA) to prepare a Training Needs Assessment (TNA) document for future use of CPA.

The objective of the assignment is to prepare a training need analysis document that will help to enhance the capacity of CPA staff in the provision of technical assistance to farmers' associations and cooperatives and improve their performance in addressing the needs of members at various levels. The major tasks of the assignment is to conduct training needs analysis for the target learner groups of the three level value chain actors in collaboration with the agency and identify course areas required for implementation by the project.

The first step in designing a training and development program is to conduct a needs assessment. The assessment begins with a "need" which can be identified in several ways but is generally described as a gap between what is currently in place and what is needed, now and in the future. To this end, the consulting firm employed participatory and interactive approaches involving stakeholders and direct beneficiaries, local government agencies and CPA, Agro BIG project focal persons as it pertains to each stage of the analysis. The key data collection tools used for the study included documents reviewing, individual interviews, focus group discussions with steering group and discussions with relevant bodies

After Analyzing and triangulating the information, we have reached at the conclusion of that the existing training modules and manuals are short of addressing the training needs of the regions' development professionals, farmers, cooperative actors, traders and other stakeholders in the value chain and are not in a level where they maintain the required standards.

In particular as the program is a value chain development intervention, training in value chain analysis which is central in this regard has been not sufficiently addressed. Hence, the assessment revealed that there is a critical need to make a revision of the existing training modules and including new ones in such a way it meets the growing training demand of the CPA staff, cooperatives and the value chain actors at the different levels. In particular training in the various aspect of value - chain analysis is of paramount importance to improve the performance of the potato and onion value chain and hence improve the income level and livelihood of farmers.

1. Introduction and Background

1.1 Introduction

Agriculture is Ethiopia's most important sector. Agriculture is crucial for the country's food security and the sector is the largest contributor to overall economic growth and poverty reduction. It accounts for about 41 percent of national GDP, almost 90 percent of the foreign exchange earnings, and 85 percent of employment. Agriculture in Ethiopia is dominated by small-holder and largely subsistence farming with low productivity on fragmented and highly degraded lands. Leading the sector to higher productivity and increased commercialization is not just fundamental to poverty reduction and food security, but can also contribute to meeting a number of other key development challenges that Ethiopia faces. Increased agricultural productivity and commercialization – and in particular the increase in related upstream and downstream economic activities that are part of this development – can also provide some employment opportunities for the many “landless youth” in Ethiopia as well as creating export growth.

The Ethiopian government **Growth and Transformation Plan (GTP)**, a five year plan focusing in improving the country's economy by achieving a projected Gross Domestic Product (GDP) growth of 11-15% per year from 2010 to 2015.

The GTP aims to:

- Enhance productivity and production of smallholder farmers and pastoralists
- Strengthen marketing systems
- Improve participation and engagement of the private sector
- Expand the amount of land under irrigation
- Reduce the number of chronically food insecure households

Aligned to the GTP objectives a five-year Agricultural Growth Program (AGP) is implemented in 83 Woredas in the four major regions namely: Amhara, Oromia, Southern Nations, Nationalities and People's (SNNP) and Tigray Regions. To achieve maximum impact in the specified period and given limited resources, the program targets high agricultural potential areas (AGP woredas). The main objectives of the AGP include: improved productivity, value addition and market opportunities, resulting in increased incomes, employment opportunities and food security of the smallholder households engaged in the commodities targeted by the AGP.

The Agro Business Induced Economic Growth (Agro-BIG) program for the Amhara National Regional State (ANRS) is a bilateral program supported by the governments of Finland and the Government of Ethiopia. The overall objective of the program is to contribute to poverty reduction through supporting agricultural production and marketing through agri-business development with more focus to smallholder farmers following value chain development approach.

Agro-BIG program has established partnership with the various government agencies of the Amhara National Regional State including the Cooperative Promotion Agency to implement the program. CPA is one of the implementing agencies and leading the process of enhancing business skills awareness and its implementation is jointly and in close Cooperation with the other line Bureaus and Agro-BIG program support unit.

The Phase one three-year AgroBIG program (2013-2015), will support smallholder agribusiness in two value chains (VCs) onions and potatoes, initially focusing on the Mecha and Fogera Woredas. The program is expected to be extended to additional districts within the Tana Beles Growth Corridor in the second phase of the program. One of the reasons to select these two woredas for the AgroBIG program is that they are in the irrigation scheme and that the objective is to transform the cultivation from subsistence into commercial. In order to make this transfer a successful one, it was considered that assistance is needed to upgrade the practices of the farming community.

The direct beneficiaries are: i) poor farmer communities and households within the selected *Woredas* and with particular attention paid to the inclusion of vulnerable groups; ii) agricultural cooperatives and agro-processing companies, and iii) public and private sector organizations benefitting from the program's capacity building activities.

1.2 Value - chain Analysis

The Value - chain analysis has emerged since the early 1990s as a novel methodological tool for understanding the dynamics of economic globalization and international trade. Value - chains have become a key concept in international discussions on development, in particular in relation to the effects of globalization on employment and poverty reduction in the South.

A value - chain refers to the full range of activities that are required to transform a product or service from conception to markets and consumers. Value-chain includes: input suppliers, producers, processors and buyers; a range of technical, business and financial service providers; and the final markets into which a product or service is sold. These activities are carried out by a series of actors, who set rules and relate to each other in different ways, depending on the VC. In chains dominated by the increasing concentration and clout of retailers, value is increasingly derived by product differentiation and innovation that reduces cost and enhances the importance of reliable supply. When using VCs as a means for fostering growth and reducing poverty, the analysis focuses on identifying ways to contribute to two objectives: (i) improving the competitiveness of value-chains with large numbers of small firms, and (ii) expanding the depth and breadth of benefits generated.

The approach focuses on 'vertical' relationships between buyers and suppliers and the movement of a good or service from producer to consumer. As an analytical tool, value-chain analysis has become a key approach in both research and policy fields, with an increasing number of bilateral and multilateral aid organizations adopting it to guide several of their development interventions. Value - chain Development has proven to be a successful approach for stimulating sustainable development in a poor-poor context with the private sector.

The Value - chain Approach focuses on four key factors that affect competitiveness:

(i) Inter-cooperative cooperation and coordination

Cooperation and coordination among firms affect competitiveness in the global market. Competitiveness is the ability of a cooperative or industry to achieve/maintain a *competitive edge* over market rivals – by increasing efficiency, quality, or product differentiation, or by reducing price or otherwise influencing demand”. This cooperation generates opportunities for more efficient inputs, product and information flows between firms, enabling them to better respond to their competition in other countries. Increased coordination and cooperation result in more effective allocation of resources and assets between firms.

(ii) Relationships among firms

Relationships that exist among firms in a value - chain can influence the competitiveness of the value - chain. It can also influence benefits and distribution of benefits accruing to different value - chain actors. Hence, facilitating mutually beneficial, or “win-win,” relationships among firms in a value - chain creates incentives for firms to seek higher levels of efficiency and outputs, increase efficiencies in moving products and information between firms, and developing industry level strategies to compete in a global market. Conversely, power imbalances in market relationships can deny access to revenues needed to finance upgrading, particularly for smaller firms. This occurs in markets where there are only one or two buyers, none of whom have incentives or access to the information needed to upgrade the value - chain.

(iii) Distribution of benefits creates incentives or disincentives for performance

Benefits within a value - chain are varied, but can translate into increased income, reduced market risk (more stable income), and increased value of assets. Firms in a value - chain that have more power typically receive the greatest benefits from business transactions. Those firms that are able to wield power through product branding or by controlling access to worldwide suppliers or market information are best positioned to ensure that the distribution of benefits favors the most themselves. Understanding the power dynamics in value - chains can point to interventions that improve the benefits to MSEs in competitive value - chains.

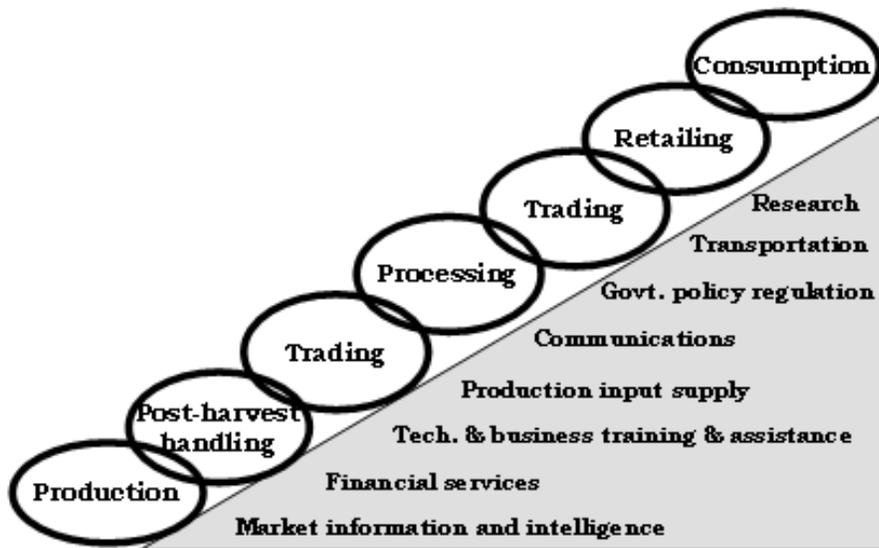
(iv) Learning and innovation are essential for creating and sustaining competitiveness

Rapid and efficient learning about consumer preference and access to the skills and technologies needed to respond to consumer preference are very important, particularly if small and very small firms are to remain competitive and continue to upgrade in response to market opportunities. In some chains, learning comes primarily from buyers, who transmit information about consumer preference to producers. In other chains, input suppliers are the main sources of innovation. Regardless of how it takes place, **learning is crucial** and must be central to intervention strategies aimed at improving and sustaining value - chain and MSE competitiveness. Researchers have shown that the distribution of learning and benefits and the structure of relationships in a value - chain are flexible and can be influenced by programmatic interventions.

1.3 Value - chain Functions

The multitudes of activities that are performed to produce goods and make them available for the consumers are referred as value - chain functions. Figure 1 shows generic value - chain functions. Value - chain is sometimes interchangeably used as market chain which consists of actors, supporting organizations, relations, functions and products, cash and value flows that make possible the transfer of goods or services from the producer to the final consumer.

Figure 1- Value -chain Functions



According to KIT et al. (2006), farmers who are involved in the supply chain functions have little negotiating power and make little money and have no incentive to improve their products, and the traders face a great deal of risk and can buy only low-quality produce. Through their associations, producers can negotiate a deal with a trader who buys a certain amount of high-quality product. The trader in turn has a contract with the end users/consumers. The function through which each actor is prepared to invest and support other actors to maximize the benefit from the chain performance is known as a value - chain. This makes the chain to function smoothly and develops the sense of benefiting all actors from having a smooth supply of top quality products in a sustainable manner. The chains can be simple when producers directly sell to the consumers but long and complex when the other actors play role in buying, processing, transporting and selling to the end user, the consumer. The complex chain, however, offers a multitude of choice to farmers. They may choose to supply a specific market segment, and produce the crop or animal that is tailored to that segment. They may try to process their produce to add value to it: they may dry chilies rather than selling them fresh, or they may make cheese rather than selling the unprocessed milk or cook rather than selling row potato. Producers need to understand the players in the chain and the requirements of the different branches so they can supply the product which that branch requires. That will increase their bargaining power in the chain, and improve their price they get for their product. This in turn increases producers' comparative advantage by increasing the volume of supply, quality of the product and consistency of supply, which is often possible when farmers act as a group (Mayoux, 2003).

This Training Need Assessment will utilize the value chain approach to identify training gaps and propose appropriate training options. In Ethiopia low productivity, poor access to off-market and weak market access are critical challenges to the livelihood of the household and growth of the economy. Small farmers and traders face high transaction costs resulting in thin markets. As the Agro-BIG chain development program aims to increase incomes for onion and potato small holder producers by facilitating access to growing markets, enhanced production techniques, appropriate technologies, improved input supplies, and affordable support services, including finance.

This report is prepared in response to the service contract signed with the Amhara Cooperative Promotion Agency (CPA) to prepare a Training Needs Assessment (TNA) document based on the field assessments and desk reviews for future use of CPA in its efforts of discharging its legal mandates and obligations in the Agro BIG Project.

2. Objectives of the Assignment

As stipulated in the ToR, the objective of the assignment is to prepare a training needs analysis document based on the field assessments and desk reviews for future use of CPA in its efforts of discharging its legal mandates and obligations in the Agro BIG Project..

The major tasks to be carried out as indicated in the ToR include:

- i. to design and conduct training needs analysis for the target learner groups of the three level value chain actors in collaboration with the agency,
- ii. to identify course areas required for implementation by the project,
- iii. to develop a comprehensive learner profile of the target learner groups for each of the identified course areas,
- iv. to identify the core training needs in each of the identified course areas,
- v. to inform the design and development of appropriate curriculum and programs that will address the needs,
- vi. to enhance the knowledge and skills of relevant CPA staff in undertaking training needs analysis, and
- vii. Establish systems and a tool-kit to conduct future training needs analysis.

2.1 Scope of the Work

This assignment focuses on the training needs analysis phase of the 'comprehensive learning cycle'. The assignment requires the consultant to conduct a comprehensive training needs analysis of different levels of actors within the identified value chains and the target program Woredas. The study will involve an analysis of the existing training programs, identify skill gaps and core training needs and recommend appropriate courses content that will be utilized in designing and developing appropriate curriculum for the program.

The design and execution of the study should be participatory and the consultant will be expected to work closely with the assignment or TNA study Coordinator within the CPA. The proposal to undertake this study will include a plan to indicate how existing CPA staff will effectively be encouraged in the activities of the study with a view to develop their skills to conduct similar studies in future.

Major tasks and activities pursuant to the scope of work, among other, include the following:

- Review the past and existing trainings outsets,
- Develop semi structured questionnaires and formats for gathering related information from primary sources,
- field visit to CPA, Cooperatives and partner offices at all levels from Regional to Cooperatives level,
- Conduct discussions with focus groups,
- Analyze, synthesis and submit draft document,
- Conduct review workshop,
- Amend and finalize the training needs document and submit for final.

3. Conceptual Framework of TNA

Training is any planned activity to transfer or modify knowledge, skills and attitudes through learning experiences. Personnel and professionals may require training for a variety of reasons including the need to maintain performance and respond to the demands of changing circumstances and new approaches and technologies. Training by itself cannot solve structural, organizational or policy problems within the organization, although supportive supervision and the use of motivational strategies can help sustain performance improvement derived from training.

.More specifically training need analysis enables to:

- Identify the gap between current and required levels of knowledge, skills and aptitude
- Identify what the general content of training should be
- Form the foundation of a training plan
- Provide a baseline for the evaluation of a training plan
- Ensure that appropriate and relevant training is delivered
- Maximize use of scarce resources

Designing a training and development program involves a sequence of steps that can be grouped into five phases: needs assessment, instructional objectives, design, implementation and evaluation. To be effective and efficient, all training programs must start with a needs assessment and analysis

To do this, the training manager must analyze as much information as possible about the following:

- Organization and its goals and objectives.
- Jobs and related tasks that need to be learned.
- Competencies and skills that are need to perform the job.
- Individuals who are to be trained.

The first step in designing a training and development program is to conduct a needs assessment. The assessment begins with a "need" which can be identified in several ways but is generally described as a gap between what is currently in place and what is needed, now and in the future. Gaps can include discrepancies/differences between:

- What the organization expects to happen and what actually happens.
- Current and desired job performance.
- Existing and desired competencies and skills.

The results of the training need assessment and analysis allows the project holders to set the training objectives by answering two very basic questions: who, if anyone, needs training and what training is needed. Sometimes training is not the solution. Some performance gaps can be reduced or eliminated through other management solutions such as communicating expectations, providing a supportive work environment, arranging consequences, removing obstacles etc.

The final phase in the training and development program is evaluation of the program to determine whether the training objectives were met. The evaluation process includes determining training targets' reaction to the training program, how much beneficiary /stakeholders learned and how well the participants transfer the training back on the job. The information gathered from the training evaluation is then included in the next cycle of training needs assessment. It is important to note that the training needs assessment and analysis objectives, design, implementation and evaluation process is a continual process for the organization. Three steps that need s to be followed during training need analysis:

Development of training program also includes design of the training evaluation, which is carried out during the course as well as at its conclusion. During the course, trainers monitor learner progress and satisfaction to identify where they may need to make adjustments to the training program. At the end of the course, trainers should collect data on how well the learners achieved the course objectives and satisfied they were with the training experience. Whenever possible, the trainer should follow up with the participants after they return to their work situations to assess the impact of training on performance.

Training should be put into a context of continuous performance improvement. Changing and improving practices require an environment conducive to work, the appropriate learning resources, and the continuous use of motivational strategies. Training should be based on competence; the abilities required to do work to the standards expected. Therefore, training result in changes in work behavior that lead to an improved efficient functioning labor and social, cultural management system. At same time, learning alone can change all the system unless the environment of supervisory system changes together.

Training alone is often not sufficient to change behavior or improve performance. Improved performance, change attitude, and new skills acquired during training may need to be complemented by and maintained through continuing education, supportive supervision, and adequate motivational incentives. In many cases structural changes, such as workplace improvements and increased access to supplies and equipment may be needed to support improved performance.

3.1 Major Points to focus in improving agricultural value-chain

Any assessment in value chains need to focus on issues that improves the various activities along the value chains. Training need assessment also focuses on issue that is identified relevant for the proper and efficient function of the value chain. Some of the points considered cross-cutting in improving value chain functions are listed as follows:

(i) Improving access to markets

Markets for value added food commodities are thin. Marketed surplus of smallholders is small, and selling in distant markets at increased transaction costs reduces its saving and productivity. This acts as a disincentive to smallholder's to add value to agricultural commodities. Institutional arrangements with guaranteed off take of output through contract marketing reduce market uncertainty, as well as the cost of information search is high.

(ii) Improving access to transportation

Transportation is a major factor in any value – chain and in transporting produces from the production site to better paying market place. Poor transportation aligned with poor storage facilities the life of small firms and farmers became harder. Cooperatives and other stakeholders need in to step to tackle the problem.

(iii) Allocating production and price risks

Production and price risks are higher for smallholder farmers in the region. Institutional mechanisms to guard against such risks are rare, and therefore farmers grow low risk-low profit crops. Empirical evidence indicates farmers are risk averse and are willing to pay a premium for stable incomes through guaranteed income schemes. Farmers in this area are not able to reduce price risks by diversifying the production/supply sources geographically. They need capacity building at any cost.

(iv) Supplying inputs and support services

The cost of information search and support services of value added product to an individual producer could be as high as to a single firm. The cooperative somewhat is in a superior position to acquire and disseminate information among a large number of producers at a much lower cost. Therefore, the capacity of cooperative's to patronize their members should be strengthened.

(v) Improving access to credit

Value addition requires investment and financial resources. Smallholders are capital starved and need credit support. Credit markets are imperfect, fragmented and underdeveloped. Informal credit markets are exploitative, and institutional agencies are often biased against smallholder farmers.

The transaction costs of institutional credit for small loans are quite high. The firm, on the other hand, by simultaneously affecting the farming and credit contracts is in a position to lower the transaction costs to the producers in the area. Consequently, ACSI's role becomes quite obvious.

(vi) Improving access to new technologies

Efficient production of high value commodities requires a different set of inputs and technologies, which are not commonly available to a smallholder farmer. Transaction costs of acquisition of such technologies could be very high for an individual smallholder, while the cooperative has the advantage of economies of scale. The production of a commodity with a specific quality requires a specific set of agro-climatic conditions including soil quality. The cooperative can also take advantage of this by transferring specific technologies to the producers.

(vii) Improving farming skills

The cooperatives have a direct interest in quality control at the farm level, and it therefore provides improved technologies, technical assistance and information to the producers to improve the quality of the output. This is of considerable value to the producers, particularly to those who have no previous experience in undertaking production of the commodity in question. The producers would otherwise have to incur costs in acquisition of information and technologies and getting training.

(viii) Saving labor costs/Improving labor productivity

With the availability of input and output marketing facilities at their doorstep, producers save time and wages incurred in information search and sale/purchase of inputs and outputs. The time saved could be utilized in other productive activities.

(ix) Improving quality

By exercising control over the production process, the cooperative is in a position to improve quality of raw material and thereby the quality of final product. In a competitive environment, the consumer is quality conscious, and better product quality helps the cooperative establish its competitive advantage and improve profitability.

(x) Reducing cost of production and supervision

Smallholders are often labor surplus. Rural labor markets are imperfect, and opportunity cost of labor is low. Production of value added products is labor intensive, and the cooperative can take advantage of surplus and cheap labor by promoting value addition at a low cost. If the cooperative produces by itself, its dependence on hired labor increases the cost of production because of increase in the supervision cost of labor. By using the contract farming option,

supervision costs become redundant for the cooperative as the family labor of the contract farmers does not require supervision.

4. Methodology /Technical Approaches /

Training Need Analysis (TNA) is the systematic investigation of training needs which integrates training with the business or development plans of an organization. It is a critical activity for the training and development function focusing on process of identifying performance requirements and the "gap" between what performances is required and what presently exists. A TNA provides information on the training and skills development requirements of members of a specific organization or institution. It is one of the key steps in preparing a training plan and will provide information on which to base the initial task.

As stated in the term of reference of the assignment, the overall objective of the program is to contribute to poverty reduction through supporting agricultural production and marketing through agri-business development with more focus to smallholder farmers following value – chain development approach, the consulting firm employed a value – chain approach to identify the training need of the project stakeholders. To this end the various stakeholders are identified based on a value – chain study report and direct contact made with the value – chain actors.

The consultant also employed participatory and interactive approaches involving stakeholders and direct beneficiaries, local government agencies and CPA, Agro BIG project focal persons as it pertains to each stage of the analysis.

The consultants have utilized qualitative data collection methods and have used checklists designed for each target groups and stakeholders. The qualitative design provides an in-depth understanding of people's experiences and perspectives. The qualitative inquiry gives room for participatory approaches, captures and communicates stories, and indicates expectation of the envisaged training component of the project..

The major data collection tools employed during the study includes;

- Reviewing existing documents,
- Individual interviews ,
- Focus group discussions,
- Discussions with steering group (cooperative board of directors and staffs) , and
- Discussions with relevant stakeholders (MFI/ACSI/ government and private input providers/ ASE, AISCO, Yimam/, and government training institutions).

The document review which is fundamental for this specific study based on the value-chain studies carried out one potato and onion by the Agro BIG. The study revealed that the major value – chain actors are nearly similar with little variation due to the specific nature of each crop.

Based on the above methodologies, relevant data have been collected, analyzed and conclusions are drawn from the findings.

4.1 Analyzing Potato and Onion value - chain

Agro-BIG is agriculture based economic growth value chain development program that aims to increase incomes for onion and potato small holder producers by facilitating access to growing markets, enhanced production techniques, appropriate technologies, improved input supplies, and affordable support services, including finance. The project also focuses on integrating smallholder onion and potato farmers into higher value markets through increased market linkages (including input, services, and final markets) and enhanced productivity.

The potato and onion value chain program concentrate on integrating smallholder onion and potato farmers into higher value markets through increased market linkages (including input, services, and final markets) and enhanced productivity. A number of key implementing government organizations at regional and woreda levels are responsible for the implementation of the program. Mecha woreda and in particular the Koga Irrigation area has been selected by the program as the first intervention area for potato. Some 7,200 hectares of land are irrigated by the Koga Irrigation Dam; the average plot size of the irrigated plots is 0.5 ha. The crops under irrigation include both annual and permanent crops.

The woreda is known for its surplus production of potato which contributes to address food shortages that occurs during the month of September–November, and also provides an income from the sale of ware potatoes during this period (Agro BIG, 2014).

Onion is a crop which is classified as cool season crop. However, it can be grown in a wide range of climatic conditions. Currently, the crop is grown in different parts of the country, mainly by small farmers, private growers and state enterprises. Rapid expansion in onion production in Mecha and Fogera woredas suggests that onion continues to have a competitive advantage in these woredas (AgroBIG program document).

In Fogera woreda, the land used for onion production has increased from 2,696 hectare in 2,010 to 6671 ha in 2013 and in Mecha from 70 hectare in 2012 to 83 hectare in 2013 (source: WoA). Although prospects for the crop seem to be good, the increased production must be accompanied by marketing support in order to bring about positive changes for the VC actors in general and the farmers in particular. Onion prices seem to be consistently high during the months of heaviest rainfall but vary significantly during the rest of the year. Therefore, opportunities may exist to increase production and profitability.

4.2 The Value – chain Actors of Potato and Onion

To effectively respond to the issues outlined in the ToR, the consultants have employed qualitative methods to gather data and information from project stakeholders, targeted beneficiaries and project holders. The Training Need Assessment (TNA) of the potato and onion value - chain project initially based on the various actors in the value - chain and relationships.

In the potato and onion value chain development program, three key actors are distinguished (Agro BIG, 2013). These are: primary secondary and tertiary categorization of each actor along the classifications is depicted as follows:

(a) Primary actors (Farmers / producers, cooperatives, brokers/ commission agents, traders (big, medium /small, exporters to Sudan; consumers: large, institutions, small, (individual consumers and others that buy relative small quantities) Includes the following:

(i) Farmers

Farmers or producers are key primary actors in the VC. Only a small proportion of the onion producers use modern inputs (seeds, seedlings, fertilizers and agro chemicals). Onion farmers produce mainly for the market. They produce both products using irrigation system and/or rain-fed. Most farmers are smallholders with fragmented plots of land on which they produce different crops including onion. Many do so intentionally mainly due to the reason that onion cannot be replanted sequentially on the same plot.

Most producers sell their harvest at the farm gate immediately after harvest. They perform hardly any post-harvest activities, so no value addition takes place at their level. Sorting, grading, processing, transportation, loading and unloading is usually done by traders. Collection and bulking is a function mainly performed by brokers. Onions are collected in polyethylene sacks of various sizes; the brokers/ traders provide these bags.

Farmers do not seem to be keen on grading as their experiences are that they will then be unable to sell the smaller size onions. Traders and brokers may be reluctant to buy graded onions as they lack the trust that the farmers will not try to cheat.

(ii) Farmers Cooperatives

Cooperatives are formally established, registered legal entities, while associations may be informal or formal and registered. In the irrigated farming areas farmers have established Water User Associations (WUA). Legislation for WUA's is still being developed and currently they are not formally legal entities (AgroBIG program document).

Many cooperatives play a major role in the administration of input distribution to the farmers, e.g. fertilizers. The cooperatives for which this is the sole role may not have the necessary skills related to vegetable marketing, including bargaining and negotiation skill

(iii) Brokers and Middlemen

Brokers buy onion on commission basis for big traders who are at Dessie, Gondar, Mekelle and to those who export to Sudan. They buy onion in bulk at the farm-gate and pay the producers in cash. Subsequently they transport the onion to the wholesaler / trader.

A very common way to transport fresh produce is by using Isuzu truck. Brokers organize the transfer of the purchased produce to the site/ warehouse of (big) traders. The brokers get a commission of birr 10/quintal of onion for their services. Brokers said that normally they charge the person who approaches them to facilitate a transaction for their services. Not all of the brokers are formal agents in the sense that they have a license for their activities.

Another observation is that some of the brokers are wholesaler at the same time, i.e. they buy for wholesalers but at the same time store some of the produce they bought (not having a buyer yet) for sale at a later stage. Brokers are currently an important link between the farmers and urban markets. There seems to be no brokers' organization although there is a sort of informal network.

(iv) Traders

The characteristics of Ethiopia national and Amhara Region onion markets got two distinct features and categorized by income levels of consumers and there is no any standardized grading system in the market. Consumers define quality in terms of color, bulb size, and ripeness. Deep red color with medium bulb size (suitable for processing at home) and cured onions command better prices. Not to mention that there is no organized market center for auction and spot market except in the capital. The market is dominated by fresh onion not processed one. The consumption pattern of onion in Ethiopia has put onion in one of the preferred crop. As such no other substitutes are available except the different varieties.

(v) Wholesalers

The wholesalers in the value – chain buy onion via brokers with cash transfers they send to them. They sell the onion received from the brokers to different customers at their point of sale.

(vi) Retailers

This group of traders buys onion directly from farmers and sells to hotels and other individual consumers. These traders buy an average of 5-20 quintals on market days. They have places in markets where they sell to consumers.

(vii) Exporters

The export is mainly limited to two neighboring countries Djibouti (appr. 99% of the volume exported) and the Sudan. One of the reasons that Ethiopia is not yet exporting to the larger international market is that it encounters difficulties in meeting the quality requirements demanded by this market.

The neighboring countries do not yet have such stringent quality requirements. Wholesalers, mainly based in Addis Ababa and Dire Dawa as well as the state enterprise ETfruit3, collect bulk and transport the produce to their destinations. During the rainy season, Ethiopia imports onions mainly from the Sudan.

(iix) Customers

In Ethiopia hardly any processing facilities for onion is available. However experiments like for drying onion, using solar energy, are ongoing at the ARARI research institute. Dehydration (drying, powdering, onion rings) which is a well-known practice in other countries is not practiced in Ethiopia. A crucial issue regarding the processing is marketability of the processed product. Even if a methodology like drying is going to give

good result, the successful implementation will depend a lot on consumer acceptance of the new product and need heavy promotion.

(b) Secondary actors (Input providers) are the following:

(i) Seed suppliers

Seed is one of the most important inputs for successful onion production. Onion seed is produced in two methods: seed to seed and bulb to seed. The bulb to seed production method is the most widely used method in Ethiopia. This method has a lot of merits over the other one. Some of these are: opportunity to select bulbs of good size, free from disease and physical damage and it produces several stalks per bulb. This method also helps to maintain the identity of varieties (GRAD VCA report, p.80).

(ii) Fertilizer Suppliers

The main fertilizers used for production of onion are Urea and DAP. Usually suppliers of DAP (di - ammonium phosphate) and Urea are primary cooperatives that are found in localities of farmers. Interviewed farmers indicated that they do not have a problem in getting these fertilizers.

Although fertilizer plays an important role in increasing productivity of onion, most of the farmers do not use them or use lower quantities than recommended. The reasons given were because of the use of organic fertilizer and of course, because of the fertility of the local soil.

(iii) Chemical Input Suppliers

In Ethiopia there is not yet a reliable, professional distribution network for agro-chemicals. Also, there is no real control on the genuineness and quality of the products sold. Even if the products are genuine, due to improper storage, handling, transport they may lose their quality. Pesticides are mostly supplied by private vendors. Some of these vendors as well as extension workers provide advice on the application of these chemicals. It did not become clear to what extent the sellers do provide independent advice whilst they may have an embedded interest. The importance of an adequate disposal of the empty containers seems to be widely understood but no real proof of this has become available, nor has the contrary. Formal guidelines for this disposal are non-existing up to date.

(c) Tertiary Actors (extension) services- BoA, Woreda BoA, Development Agents, financial service providers Research centers Service providers / facilitators.

(i) Woreda Level Cooperative and Agricultural Offices

The Woreda offices of Cooperatives and Agriculture provide various advisory and practical services to farmers producing onion in organizational and management and agronomical and improved practices and aspects respectively. The office encourages farmers to sow onion in rows, use improved seeds, use furrow irrigation and apply

recommended level of fertilizer. In addition, the office is working towards expanding irrigation access and coverage in the woreda through different strategies such as development of small scale irrigation, use of generators, pumps and so on. The cooperatives office also provide technical services in cooperative management, book keeping and accounting (auditing) and creation of market linkages .

It has, however been noted, that there are some systematic capacity limitations at all levels and in all of the sectoral institutions, but the problem is most severe at the woreda level.

(ii) Financial Services

Typical Financial institutions formally operating in the region are:

- Commercial banks,
- Development banks,
- Other non-bank financial intermediaries as insurance or leasing companies
- SACCOS, Credit and Saving Institutions, MFI (ACSI)

The Amhara Saving and Credit Institute (ACSI) is the main non bank financial service provider in the area. They cater in particular for people in the rural areas. ACSI provides loans to farmers based on business plans submitted by the loan seeker. The office evaluates the business plans and measures personal preparation of the loan seeker to undertake the proposed business. Most commonly, the amount of loan taken by farmers ranges between birr 4000- 5000 for onion production. The amount can exceed this based on the prepared business plan.

All the loans have to be repaid within one year including an interest of 10% (GRAD p. 87). Regarding the onion VC, the following difficulties has been observed with respect to financial / credit issues. Rural smallholder onion producers have limited access to credit. Despite the presence of ACSI in the study woreda areas, farmers may fail to obtain a loan. Very few smallholders have secure places to save for agriculture expenses or unforeseen events.

.ACSI is currently piloting a voucher scheme to enhance access to wheat seed of (seed) farmers; this potential for the vegetable value – chain shall be further investigated and discussed with ACSI. Independent intermediaries are also lacking access to working and investment capital. Whether these intermediaries have capital constraints to engage in e.g. processing activities is not clear.

At wholesale and retailer level, traders did not highlight access to credit as a critical need. The wholesalers and retailers interviewed were well stocked with various vegetables. However, the **AgroBIG** team has observed that quality storage and handling equipment was not available or used by the wholesalers and retailers.

The cooperatives are the single suppliers of fertilizer; they require a 100% direct cash payment. This service is available to both members and non-members, though members

get priority access if there are shortages. There is no access to financing for other onion inputs (e.g. seed, pesticides).

In general the risk of financing agricultural activities is perceived as high, Ethiopia is no exception to this. At present, producers do not have access to any type of **agricultural insurance** product that could potentially reduce weather related risks, and make them more attractive clients to financial service providers.

The table below presents a summary of the principal actors and their respective functions in the potato and onion VC. /adapted from Agro BIG Report /

Summary of Potato and Onion Value - chain Actors and Functions

Input supply	Cooperatives, unions, Government institutions, agriculture office (extension advice), research institutes (seed potato), etc. Farmers, farmers groups Private companies, NGOs
Production	Smallholder farmers Farmer groups Cooperatives
Market information	Brokers, traders
Transport	Brokers, traders
Processors	Private companies
Grading	Traders, brokers
Consumption / end users	<ul style="list-style-type: none"> • Urban and rural residents (individual consumers); • Hotels, cafeteria, cafes; • Institutional buyers like Universities, hospitals, prisons, military; • Processors

5. Major findings of training needs assessment

5.1. Situation Analysis and Essential Trainings

5.1.1 Farmers

Farmers frequently consider marketing as being their major problem. However, while they are able to identify such problems as poor prices, lack of transport and high post-harvest losses, they are often poorly equipped to identify potential solutions. Successful marketing requires learning new skills, new techniques and new ways of obtaining information. Extension officers working with ministries of agriculture or NGOs are often well-trained, for instance, in horticultural production techniques but usually lack knowledge of marketing or post-harvest handling. Ways

of helping them develop their knowledge of these areas, in order to be better able to advise farmers about market-oriented horticulture, need to be explored. While there is a range of generic guides and other training materials available from Bureau of agriculture, CPA and others, these should ideally be tailored to national circumstances to have maximum effect. Not to mention, agricultural activities such as timely sowing and harvesting, weed control, modern methodology of fertilizer and seed applications, post harvest handling, grain shelling method, Grain drying ,insects control, maintaining moisture content, quality control and testing and quality factors like color, shape and size of the produces.

5.1.2 Whole Sellers

Rural assembly markets are located in production areas and primarily serve as places where farmers can meet with traders to sell their products. These may be occasional (perhaps weekly) markets, such as GULIT in Amharic, or permanent. Terminal wholesale markets are located in major metropolitan areas, where produce is finally channeled to consumers through trade between wholesalers and retailers, caterers, etc. The characteristics of wholesale markets have changed considerably as retailing changes in response to urban growth, the increasing role of supermarkets and increased consumer spending capacity. These changes require responses in the way in which traditional wholesale markets are organized and managed. The training for the whole sellers should therefore, target: marketing information and information processing; food security and food shed life; government regulations and ethics and, value chain and value chain coordination along vertical and horizontal activities and actor in developing rural-market linkages and gender issues and income generation.

In addition, these training courses should include how to achieve quality factors like grading, sorting and cleaning, moisture measurement, transport and marketing and post harvest waste minimization method.

5.1.3 Retailers

Retail marketing systems in western countries have broadly evolved from traditional street markets through to the modern hypermarket (Megenanga/ Addis Ababa) or out-of-town shopping center. In Ethiopia including in Amhara region, there remains considerable scope to improve agricultural marketing by constructing new retail markets, despite the growth of supermarkets, although municipalities often view markets as sources of revenue rather than infrastructure requiring development. Effective regulation of markets is essential. Inside the market, both hygiene rules and revenue collection activities have to be enforced. Of equal importance, however, is the maintenance of order outside the market. Licensed traders in a market will not be willing to cooperate in raising standards if they face competition from unlicensed operators outside who do not pay any of the costs involved in providing a proper service.

In addition, these training courses should include how to achieve quality factors like grading, sorting and cleaning, moisture measurement, transport and marketing and post harvest waste minimization method.

5.1.4 Brokers and Middlemen

Well-functioning marketing systems necessitate a strong private sector backed up by appropriate policy and legislative frameworks and effective government support services. Such services can include provision of market infrastructure, supply of market information, and agricultural extension services able to advise farmers on marketing. Training in marketing at all levels is also needed. One of many problems faced in agricultural marketing in this region and in the country as a whole is the latent hostility to the private sector and the lack of understanding of the role of the intermediary. For this reason “middleman” has become very much a negative word since the Derg Regime. Brokers and middlemen should be treated as functional market actors. Not to mention though that training about ethics and government legislation for these actors is fundamental.

5.1.5 Traders

Traders need to be trained about the Enabling environments, i.e. Agricultural marketing needs to be conducted within a supportive policy, legal, institutional, macro-economic, infrastructural and bureaucratic environment. Traders and other investors cannot make investments in a climate of arbitrary government policy changes, such as those that restrict imports and exports or internal produce movement. Those in business cannot function if their trading activities are hampered by excessive bureaucracy. Inappropriate law can distort and reduce the efficiency of the market, increase the costs of doing business and retard the development of a competitive private sector. Poor support institutions, such as agricultural extension services, government institutions that operate markets inefficiently and export promotion bodies, can be particularly damaging. Poor roads increase the cost of doing business, reduce payments to farmers and increase prices to consumers. Finally, the ever-present problem of corruption can seriously impact on agricultural marketing efficiency in many regions by increasing the transaction costs faced by those in the marketing chain. Therefore, the training should emphasize how to reduce cost of doing business, in other words, the training should focus on methodology of the transaction costs, investment incentives, policy and regulation; market integration and coordination.

5.1.6 Exporters

In general, current agricultural products like onion and potato Exports, have succeeded in producing quality products for the export markets. The issue is fine-tuning production and post harvest handling to further improve product quality export. There is also a desire to penetrate new markets including South Sudan and Sudan and there is an expressed need for better Market information in both countries.

Therefore, the training for these actors should include quality specifications of the products, quarantine requirements; improved marketing of new products (like organic products) and market information; pest and disease survey i.e. vegetable host status of export crops that reduces quality of products, quality production guidelines for exporting high quality products; better packaging, promotion, branding techniques to effectively penetrate new markets and **Introduction to Export Legislation and eLearning**

5.1.7 Tertiary Actors

Promoting market orientation in agricultural advisory services, government entities, NGOs aims to provide for the sustainable enhancement of the capabilities of the rural poor to enable them to benefit from agricultural markets and help them to adapt to factors which impact upon their life. As a study by the researchers and Development Institute demonstrates, a value chain approach trainings to advisory services indicates that the range of clients serviced should go beyond farmers to include input providers, producers, producer organizations and processors, investors and traders.

5.1.7.1 Input Suppliers

With bare facts, Cooperatives were and still are making business transactions with different input suppliers. During the course of data collection, the study team has contacted different input suppliers that are actively making business with cooperatives. The analysis of their business interaction revealed that from the cooperatives side basic limitations that would potentially affect their business interaction are revealed. These limitations are presented under each input supplier.

i. Agricultural Input Supply Corporation/AISCO/:

The government affiliated agricultural inputs supply Corporation (AISCO) has been supplying agricultural inputs such as chemical fertilizer, agrochemicals and vegetable seeds to farmers through primary cooperatives and cooperative unions. However, their effort of supplying was suffered with the poor infrastructure and weak management and poor capacity of the cooperatives boards and staffs.

Many cooperatives in the region are facing serious shortage of infrastructures, mainly storage. Those store owned by cooperatives are severely dilapidated and unfit to store inputs like chemical fertilizer and improved seeds. AISCO pointed out that most cooperatives unions are not well organized, do not avail storage for input distribution on time, they do not have a capacity to pay on time their due and lacks overall capability to discharge responsibilities. Mainly their store management knowledge seems inadequate that they mostly stored chemical fertilizers together with other agricultural outputs consumer goods.

However, despite these limitations, AISCO is still making business transactions as cooperatives are the only structured farmers institutions extended up to the grassroots level. ASICO is not mandated to give capacity building training on store management and on other relevant issues. Thus, the problem continues to persist.

ii. Amhara Seed Enterprise /ASE/:

The Amhara Seed Enterprise also pointed out that currently cooperatives are under very weak circumstances in an input handling, as a result, some inputs are mingled with other inputs and quality of the improved input is deteriorating as stored together with other non related goods. In addition, we have detected that the cooperatives' archive records are not properly kept.

iii. Private improved seed suppliers

The private improved seed producer suppliers operating in the region also complained the same with AISCO and the Amhara seed enterprise. They all complained that despite the holistic nature of their business operation, cooperatives (both unions and primaries) store management practice is so poor and as result cooperative`s store keepers do not give due attention for the goods stored and sometimes stored items are mixed, little care to prevent rodents and pests which results in poor seed quality.

To sum it up, all (AISCO, Amhara seed enterprise and private seed suppliers and other input suppliers) need to know the government`s development policies environment, such as Agricultural development Lead Industrialization Program (ADLI), Agricultural Growth Program (AGP) and Growth and Transformation Programme (GTP).

In order to secure these programs all input supplying actors should know *the Woredas and* regions demand for seed and supply the necessary seeds for the perspective seasons. We have already emphasized that there is inadequate seed processing and storage facilities and high costs of seed production, processing and storage quandaries, therefore, the training should focus in these areas. The training for rural input suppliers should also hub on increasing the number of rural enterprises (agro-dealers) selling agricultural inputs to smallholder farmers by facilitating agr-odealer access to training in:

- (a) Business and financial management,
- (b) Product knowledge, use and safety
- (c) How to provide extend credit,
- (d) Group loans for working capital from financial institutions and
- (e) How to demonstrate product and technologies to stimulate demand.

The overall goal of the input suppliers are to expand the agricultural input distribution system in the region in order to increase the flow of productivity and enhancing agricultural inputs accessible to smallholder farmers, who can thereby increase their production, food security and household incomes. Therefore, training should target these issues.

5.1.7.2 Financial Institutions

Distinctively the financial establishments servicing the community at large in study area and the region a as whole are:

- Commercial banks,
- Development banks,
- Other non-bank financial intermediaries as insurance or leasing companies
- SACCOS, Credit and Saving Institutions, MFI (ACSI)

Nonetheless, with regard to input transactions, cooperative were linked with commercial banks. Smallholder farmers have access to modern inputs (chemical fertilizer and different improved inputs) through their cooperatives on a credit basis by paying down payments. For many years,

the Regional Government utilizes its budget in the CBE as a guarantee for the fertilizer credits supplied by AISCO. It was disclosed during the assessment that a system is being devised to extend agricultural credit inputs through the financial responsibility of Amhara Credit and Savings Institution (ACSI). For the last three years, the credit default rates have been tremendous and the government wanted to curb down this phenomenon through linking the credit to ACSI.

ACSI also shares the opinions of all input providers and bureau of agriculture that Cooperatives have overall limitations in store management, record keeping, and credit management. Institutionally, ACSI and CPA are planning to strengthen their relations so that to efficiently carry out the input credit operation system.

a/ Banks

Avoiding the agricultural sector, however, does not naturally mean obtaining the best result for the banks. The banks may lose profit opportunities every time it renounces to lend to agricultural potential borrowers that are safe and have a high probability to repay. Finding a way to get efficiently involved in the agricultural sector may become a challenge for commercial banks, in an environment where competition with other banks is getting fiercer even in those sectors where commercial banks have always performed at their best. Therefore, banking experts should get knowledge about the nature of the agricultural value chain and agricultural value chain actors.

Understanding the nature of member based organizations and firms, agricultural sector activities and their operation system's knowledge inhibits growth in the sector particularly in rural regions like Fogera and Mecha Woredas. Therefore, these trainings are pivotal for the banks' contribution in the development process of the region. In addition, knowledge about the agricultural risks and insurances and entrepreneurial development in the rural areas, understanding the nature of the small-size and group loans for specific financial development programmes for agriculture and Small and Medium Enterprises (SME) are enormous. Therefore, training for regional banks should incorporate such issues.

b/ Micro Finance Institutions (MFIs)

MFIs and Rural and saving and credit societies, are any form of financial intermediary in which a group of people associates in order to offer to its members specific financial services at accessible contractual conditions can be included in the financial intermediaries. In some instances, these financial intermediaries are either formal or semi-formal; become important partners of other kinds of banks, such as commercial or development banks. In fact, these financial intermediaries, in their various forms, can be quite effective in reaching different layers of the population, also those ignored by commercial banks since conditions offered by cooperatives on financial contracts proved to be the most appropriate for the characteristics of their members.

Problems associated with agricultural investment environments are low average investments; minimal real assets to be offered as guarantees; weak information systems on their productive and financial performance and limited knowledge of financial contracts. However, these financial intermediaries in their simpler forms can satisfy small-farmers' borrowing requests since

they can provide small-size loans, substitute the member's personal knowledge for both lack of guarantees and weak information systems; they base their creditworthiness analysis on more flexible scheme than traditional standards and use simple and understandable financial contracts, savings mobilization and lending to members are the main activities and the training should target these issues.

5.1.7.3 Bureau of Agriculture

New marketing linkages between agribusiness, large retailers and farmers are gradually being developed, e.g. through contract farming, group marketing and other forms of collective action. Donors and NGOs are paying increasing attention to ways of promoting direct linkages between farmers and buyers within a value chain context. More attention is now being paid to the development of regional markets and to structured trading systems that should facilitate such developments. The growth of supermarkets, particularly in Bahir Dar in the region is having a significant impact on marketing channels for horticultural, dairy and livestock products. Nevertheless, "spot" markets will continue to be important for many years, necessitating attention to infrastructure improvement such as for retail and wholesale markets.

The Regional Bureau of Agriculture and Woreda offices Mecha and Fogera have both pointed out that the structural business interaction seem not well developed and they have realized that beyond inferior modern marketing and business knowledge between different actors in the region, cooperatives in particular are lacking basic skills in store management, record keeping and credit management. Due to the legal institutional arrangement, BoA is not mandated to correct these limitations that we have observed in all Cooperatives; therefore, CPA has a lot to do in improving the performance capacity of Cooperatives.

Therefore, training of these development practitioners should include agricultural technologies, market economics and the demand of the community they provide the services.

5.1.7.4 Bureau of Trade and Transport

Efficient marketing infrastructure such as wholesale, retail and assembly markets and storage facilities is essential for cost-effective marketing, to minimize post-harvest losses and to reduce health risks. Infrastructure plays an important role in rural development, income generation, food security, developing rural-market linkages and gender issues. Planners need to be aware of how to design infrastructure that meet a community's social and economic needs and how to choose a suitable site for a new infrastructures. In many cases, infrastructures are chosen that are inappropriate and result in under-use or even no use of the infrastructure constructed. It is also not sufficient just to build the claimed infrastructure, attention needs to be paid to how that infrastructure will be managed, operated and maintained. In most cases, where market improvements were only aimed at infrastructure upgrading and did not guarantee maintenance and management, most failed within a few years.

The Regional Bureau of Trade and Transport have a structure to backstop marketing cooperatives. However, they told to the study team that still they felt that they did not address fully the challenges of cooperatives and agricultural sector and agro-processing industries need. Besides, they realized that there is a push due to duplication of efforts among different stakeholder for same position for same operation grounds. However, BOTT has tried to assist Koga irrigation Cooperatives Union in its efforts of creating market linkages. The effort of BOTT is witnessed by the Cooperative itself.

The Bureau of Trade should determine and set legislation for the feasibility of marketing of a variety of crops domestically and internationally. Exploring the most efficient means of market information and processing of information's responsibility rests on the Bureau. The Bureau needs development of training modules for the various local consumption and export crops for production and postharvest handling storage and minimizing health risks is needed. Therefore, Training and technical assistance need to be available for the bureau employees about special culture of cooperatives, agro-processing and agricultural sector as a whole.

The Bureau of Transport should also determine and set legislation for the feasibility of marketing and transporting of a variety of crops and inputs to their destination whether from domestic to international market or vice-versa. Therefore, the bureau should know specialty and seasonality of the agricultural sector and perish-ability of agricultural produces.

5.1.8 Cooperatives

As confirmed by the various stakeholders (input suppliers, and support bureaus) and the visits made to cooperatives, it was learnt that cooperatives are confronted by various limitations in efficiently managing their business due to very limited capacities. Most limitation is seen in area of cooperatives management, credit management, and store management, record keeping of transactions, human resource management and ample financial resources to attain their goals. The specific limitation explored during the study includes the following:

i. Poor Infrastructure (deteriorated storage) and Poor Store Management:

Many cooperatives in the region are facing serious shortage of infrastructures, mainly storage. Most stores owned by cooperatives are much deteriorated and unfit to store modern inputs like chemical fertilizer and improved seeds. Agricultural Inputs Supply Corporation/AISCO/ has stressed the weakness of cooperative unions in the input supply business relations. AISCO pointed out that most cooperatives unions are not well organized, do not avail storage for input distribution on time, they do not have a capacity to pay on time their due and lacks overall capability to discharge responsibilities. The Amhara Seed Enterprise also claimed that cooperatives are under very weak situation in input handling, as a result, some inputs are mingled with other inputs and quality of the individual input is deteriorating. In addition, we have detected that the cooperative archive records are substandard. We have already discussed in detail about the nature of infrastructures and problems associated with it the previous section.

ii. Low Technical Capacity and Skill in Management

Cooperatives are the "grassroots level institutions" owned by farmers managed by unskilled staffs. Even though efforts are made to upgrade the knowledge and skills of staffs, either due to their limited capacity to capture the trainings offered so far or due to limited tailored made

trainings given to them, little improvements are made in their inputs storage handling. In the efforts of storing modern agricultural inputs (chemical fertilizer, improved seeds and chemicals) due to poor handling some are damaged or exposed to pests. In anew, the warehouse keeper might not feel a sense of ownership or responsibility, as a result, the outcome is detrimental. Nonetheless, the Bureau of Agricultural Development, AISCO, Amhara Seed Enterprise and private input providers have previously mentioned the existence of these limitations.

Cooperatives are also lacking basic recordkeeping knowledge and skills; they are unable to trace members' loan repayment detail. During the last three years repayment rate was so low and they have predicaments in distinguishing the defaulters, thus, these justify the poor data handling culture. For instance, about ETB 400 million, 600 million, and 1.5 billion input credit default amount for 2003/3004,2004/2005 and 2005/2006 , respectively have been registered,

iii. Weak Cooperatives Leadership:

The assessment conducted in cooperatives confirmed that cooperatives leaders have limited capacity in managing their business to meet the growing demand of their members. That is attributed to level of education of members, little or no training given to cooperative on schedule basis including on job trainings and refresher trainings.

For instance, cooperatives (either primaries or unions) leaders are not able to collect input demands of their members. Instead the agricultural offices are estimating the demand of input of cooperatives.

iv. Scarcity of Working Capital

During our assessment of the cooperatives, we have observed that the cooperative did not only have management problems but also they have financial scarcity. Financial scarcity is obviously can lead to organizational inefficiency and uncompetitive consequences, thereby, affecting the deliverance of the services to their members. In order to be efficient and competitive in the market, they have to raise their capital either internally of externally.

In other words, to making traditional cooperatives stronger and more efficient, new forms of cooperation can also provide greater returns to members and may be essential for survival in certain types of markets. They can also create incentives for members - incentives for investment and patronage. These new forms are based on different types of ownership rights.

Changing member ownership rights and their rights of control can lead to improvements in agricultural cooperative performance in several ways. These changes can be made at two levels:

- *At the member level, change the properties of cooperative shares by making them transferable, appreciable and more easily redeemable.* Each of these possibilities and combinations of them solve particularly transaction costs (cost of doing business) and problems related to marketing. Three problems: the **Horizon Problem**, which concerns trade-offs between efforts to obtain more in the present, relative to efforts to obtain more in the future; the **Portfolio Problem**, which arises when ownership rights and other forms of investment in cooperatives cannot be structured to coincide with the objectives of members

seeking returns on their overall wealth or capital, within and outside the cooperative; and the **Free Rider Problem**, which arises when some classes of members, such as new members, receive benefits that are disproportionate to those received by other classes of members, such as long-standing members.

These three problems are also social problems. To solve them or to diminish the damage they may cause requires incentives that will encourage members to engage in new ways of participating in their cooperative. For this, **benefits must always be larger than costs**. They also have to be attractive overall relative to benefits achievable from using and investing in non-cooperative forms of enterprise.

- *At the level of society, allow cooperatives to control or to participate in non-cooperative enterprises.* This is achieved by investment in different types of entities in order to secure strategic alliances, to achieve greater flexibility and responsiveness in governance, and to increase the scale of operations.

The principal aim of these reforms has been to raise members' financial stakes (relative to other sources of capital) in the cooperative business, based on the assumption that increases in personally allocated member equity will increase the sense of member ownership in the group enterprise, make management more accountable to serving its members, strengthen member commitment and loyalty, and thus provide a true and sustainable basis for the cooperative operation.

5.1.9 Cooperatives Promotion Agency and Offices

Like other key stakeholders, focus group discussion was made with the regional Cooperatives promotion agency (CPA) and the Woreda Cooperatives promotion offices. The woreda cooperatives promotion offices both Mecha and Fogera confirmed that they are not performing their duty as required due to insufficiency of trainings and also resources limitations. In this regard, most staffs stressed that they need capacity upgrading training from the very nature of their training demand, the study team realized that still there is a training gap in basic cooperative organization and management modules. The Regional CPA experts have confirmed the issue has been brought forwards by other stakeholders.

The Regional Cooperative Promotion Agency adopted a strategy to extend training assistances to cooperatives on a cost recovery basis. As a result, it is obvious that only those cooperatives that can cover training costs are benefiting from the training programs.

On the other hand, the training of this institution should also target, recent developments i.e. New marketing linkages between agribusiness, large retailers and farmers are gradually being evolved, e.g. through contract farming, group marketing and other forms of collective action. Donors in this case AgroBig and NGOs are paying increasing attention to ways of promoting direct linkages between farmers and buyers within a value chain context. More attention is now being paid to the development of regional and Woreda markets and to structured trading systems that should facilitate such developments. The growth of supermarkets, particularly in Addis Ababa and in Bahir Dar and alike in limited level, is having a significant impact on marketing channels for horticultural and other agricultural produces like onion and potato, dairy and

livestock products. Nevertheless, “spot” markets will continue to be important for many years, necessitating attention to infrastructure improvement such as for retail and wholesale markets. Therefore, trainings should also target these issues.

In addition, Cooperatives Promotion Agency at different level should create conducive policy environment for the cooperatives. Therefore, the agency’s experts should know product demands in their area; seed quality and prices, market and market information processing methodologies; they have to have skills in entrepreneurship developments; knowledge in how cooperatives are accessing credit and loans and provide technical skills and capacity building for cooperatives and rural financial intermediaries. For that reason, the training modules for these entities should aim at tackling these problems.

During our desk review, we have learned that the regional Cooperatives Promotion Agency have tried to prepare training manuals on different disciplines for cooperatives experts, cooperatives boards and their corresponding staffs. Some of the materials prepared for training and reference includes the following:

(i) For Cooperatives board members and employees;

- a) A training and reference manual for Consumers Cooperatives members: prepared in 2012.
- b) Untitled" Training and reference manual prepared for Primary and Cooperatives Union Board members. Prepared in 2009,
- c) Accounting training manual for employees of Primary and Union cooperatives
- d) Cooperatives Marketing manual for Cooperatives boards and employees prepared in 2009,
- e) A training manual for Rural Roads Construction Cooperatives board members prepared in 2013,

(ii) Cooperatives promotion experts to different levels

- a) Accounting training manual
- b) Marketing management
- c) Cooperatives promoters training
- d) Cooperatives extension workers training and reference manuals
- e) Cooperatives accounting manual,

Generally, the detail assessment of the training and reference manuals reveals that all are prepared by technical staff with limited technical capacity. As the consequence, the manual are not complete and couldn’t address critical training need at the different level. In addition, the budget constraints have been observed since 2011 and totally crippled the production of training material to the substandard and below the requirement level.

In addition, during the visit of the Regional Cooperatives Promotion Agency we have identified the following training areas and we have listed them in their respective priority order:

- i. Cooperatives business plan preparation
- ii. Basic bookkeeping,
- iii. Cooperatives extension,
- iv. Cooperatives organization and management,
- v. Value - Chain development and market linkages,

- vi. Cooperatives Marketing
- vii. Cooperatives Laws, Guidelines and their application,
- viii. Cooperatives Credit Management
- ix. Projects Feasibility Study
- x. Credit management

On the other side, Cooperatives Promotion Agency efforts made so far to alleviate these training gaps found to be insufficient. All trainings offered were not set based on cooperatives priorities, organized simply to show the accomplishment of the agencies operational plan. The information collected from both /Mecha and Fogera/Woredas revealed that 90% of the trainings were organized simply to show off the work accomplishments against the target. It was not problem solving, with very short period (2 to 3 days) training was tried to cover many topics and was hardly possible to capture the major points. Trainings were not tailored made, not designed to meet challenges, the cooperatives existed environment was not assessed. Above all, the training materials prepared by the regional Cooperatives Promotion Agency do not have contents that it deserves to be the full-fledged training and reference manuals.

As a result, Woreda Cooperatives promotion agency offices and Cooperatives themselves pointed out that the training gaps they had are similar with the gaps identified by the Regional Cooperatives Promotion Agency but with different priorities. These need priorities are very much supported with the business partners of cooperatives and Woreda level cooperatives promotion offices. In addition to previous training recommendations, we have added some training that should be conducted is indicated below in their order of importance;

(iii). Cooperatives;

- Output marketing, effective negotiation skills and market linkages,
- Basic record keeping (finance, inputs, credit),
- Store management,
- practical full cycle accounting,
- Cooperatives and credit management, and
- Business planning,
- Effective management of Irrigation water (for Irrigation water users associations),
- Applications of Cooperatives rules and regulations.

(iv) Cooperatives Promotion agency and its lower organs

- Value chain development, market information and market linkages,
- Cooperatives business planning and management
- Cooperatives Credit management,
- Effective negotiation skills
- Basic record keeping and store management,
- Projects preparation and management, and
- Applications of Cooperatives proclamations, rules and regulations.
- Cooperation in the market: value chain coordination, vertical and horizontal integration, Cluster and platform formations

Cooperatives in the Amhara region are found to be an integral part of the value chain for agricultural products. AgriBIG in this regard is supporting Cooperatives Promotion Agency and the Cooperatives as well in its operation areas to up lift their overall capacity.

The discussions made with AgroBIG advisors at regional level and the two program offices (Mecha and Fogera) clearly indicated that there are critical technical skills limitations from CPA and much inefficiency at Cooperatives. As Cooperatives are instrumental to address challenges of smallholder farmers, AgroBIG is much concerned to alleviate these limitations in any way possible. With regard to Potatoes and Onions value chains, AgroBIG also confirmed that they do have the required resources to offer short term training requirements.

5.1.10 Bureau of Technique, Vocational and Education

The region`s available training delivery services were examined during the course of data collection. In fact it is evident that there are formal education delivery service at Bahir Dar university, at the region`s TVEDs and private colleges through regular, summer or night/extension/ or at distance depending on the preference of the trainees..

Particularly, the Amhara region BoTVED is very much committed to offer specialized trainings for the agricultural sectors particularly for agricultural cooperatives from level 1 to level 5 on the curriculum developed. The field of specialization offered by the Amhara region BoTVED includes;

- **Level 1:** Basic Agricultural Cooperatives Organization;
- **Level 2:** Cooperatives promotion and Marketing,
- **level 3:**
 - Agricultural Cooperatives Development, and
 - Cooperatives Accounting and Auditing,
- **Level 4:**
 - Cooperatives Marketing Management,
 - Cooperatives Accounting and Auditing Management, and
- **Level 5:** Agricultural Cooperatives Business Management.

This program is offered upon the request of clients at any time. This is the ideal training center to upgrade the capacities of cooperative staffs. Generally, there are no specialized cooperative colleges in Ethiopia. However, different government colleges, universities and private colleges are currently offering cooperative courses at first and second degree level. The private colleges are mainly restricted to first degree level.

Despite the availability of these government and private colleges, the yearly enrolment of cooperatives promotion agency staffs is reducing from time to time as compared with the previous years. All Woreda cooperatives staffs explained that university enrolment opportunities given by the government is reduced and at present much is not done in this regard. As there are no specialized training institutions tailored for cooperatives leaders and cooperatives' staff, it remains the responsibility the cooperative promotion office at different level to prepare training course and provide training of same, given the limitation of budget in the offices.

There are also observed limitations within the stakeholders that are charged with cooperative capacity building supports that included the following:

i. Poor systems relations of relevant stakeholders:

The role of cooperatives in agricultural development is sought to be vital. With regard to input and output marketing, Cooperatives role is indispensable. However, most stakeholders believed that the integration between partners seem very weak. For instance, , there is no visible strategic linkage/ integration/ between the Cooperative Promotion Agency and Agricultural Development Bureau, Bureau of Trade and Transport and input suppliers particularly with AISCO. In rare cases, only discussions are made between parties when problems are aroused. The relationships between Agricultural Development Bureau and AISCO are a rivalry one.

On the other hand, despite the regulatory and promotion roles of Cooperatives Promotion Agency, there is no strategic link between Agricultural Cooperatives Agency and input suppliers particularly with AISCO. The relationship among private inputs providers (improved seed providers) and the Amhara Seed Enterprise is not well harmonized.

ii. Duplication of efforts among stakeholders

Different government institutions are seen providing similar services to cooperatives through their formal structures. For instances, in the region, similar government employment position, particularly "marketing expert" position exists in the Bureau of Agricultural Development, Cooperatives Promotion Agency and Bureau of Trade and Transport. In some cases, one can observe different agencies striving to address similar issue in capacity building of farmers and their organizations and the courses are not properly delineated to address issues that have to be addressed.

As there is no clear demarcation between the duties and responsibilities of the Bureau of Trade and CPA, cooperative are in a disadvantage position in terms of gaining their assistance in creation of market linkage with the external markets; the Koga Union is a case in point.

Table: Summary of training needs actions and recommendations

No	Category of Value Chain actors	Main responsibility (current & future)	Current knowledge	Gaps Identified	Recommendations(type of training to bridge the gap)	Potential provider
1	Agricultural Inputs supply Corporation	<ul style="list-style-type: none"> Need to create fertile staking to Coops and all Value chain actors 	<ul style="list-style-type: none"> minimum knowledge of store management by Cooperatives 	<ul style="list-style-type: none"> deteriorated storage of Cooperatives Poor knowledge of storage by store men Negligence while storing chemicals & inputs 	<ul style="list-style-type: none"> Training on store management, rehabilitating the store 	<ul style="list-style-type: none"> Cooperatives promotion agency Cooperatives themselves
2	Amhara seed enterprise	<ul style="list-style-type: none"> Need to create fertile staking to Coops and all Value chain actors 	<ul style="list-style-type: none"> Sub standard Cooperatives archive records 	<ul style="list-style-type: none"> Substandard storage of Cooperatives poor knowledge on store management by Cooperatives Poor recording keeping of Cooperatives 	<ul style="list-style-type: none"> Training on modern store management to Cooperatives sore men, Training on record keeping to Cooperatives accountants, sore men 	<ul style="list-style-type: none"> Cooperatives promotion Agency
3	Private improved seed suppliers	<ul style="list-style-type: none"> Need to create fertile staking to coops and all Value chain actors 	<ul style="list-style-type: none"> Inadequate knowledge of Cooperatives on store management, 	<ul style="list-style-type: none"> Poor storage management of Coops, Negligence of store men while keeping inputs in the store 	<ul style="list-style-type: none"> Intensive training on store management, To all Cooperatives staffs 	<ul style="list-style-type: none"> Cooperatives promotion agency
4	Financial institutions	<ul style="list-style-type: none"> needs to create smooth partnership with Coops and other value chain members 	<ul style="list-style-type: none"> Inadequate financial and loan records by Cooperatives, Poor credit management 	<ul style="list-style-type: none"> Poor networking with micro finances, poor financial record keeping, Poor credit management Poor loan record 	<ul style="list-style-type: none"> Training on loan record keeping, Credit management Basic training on bookkeeping to Cooperatives accounts 	<ul style="list-style-type: none"> Cooperatives promotion agency

No	Category of Value Chain actors	Main responsibility (current & future)	Current knowledge	Gaps Identified	Recommendations(type of training to bridge the gap)	Potential provider
				keeping		
5	Bureau of agriculture	<ul style="list-style-type: none"> • create close staking with CPA and with other input and improved seed suppliers, • find solutions to avoid duplication of efforts 	<ul style="list-style-type: none"> • BoA is not mandated to offer capacity building trainings to cooperatives but, fully aware of existing mentioned limitations, 	<ul style="list-style-type: none"> • Inadequate knowledge and skills of Cooperatives on: <ul style="list-style-type: none"> ○ store management, ○ record keeping ○ credit management 	<ul style="list-style-type: none"> • Training on store management, • training on record keeping, and • credit management 	<ul style="list-style-type: none"> • Cooperatives promotion agency
6	Cooperatives	<ul style="list-style-type: none"> • Coops needs to rehabilitate their stores • Get trained their staffs on the proposed topics • must be committed to their responsibility • be accountable for their deliberate evil acts 	<ul style="list-style-type: none"> • Have limited knowledge over the stated gaps, 	<ul style="list-style-type: none"> • poor infrastructures of Cooperatives • limited store management knowledge and skills • poor human resources management • Weak Cooperatives leadership • weak overall Cooperatives capacity 	<ul style="list-style-type: none"> • Intensive training on; <ul style="list-style-type: none"> ○ store management, ○ HR management ○ Coops management ○ output marketing ○ Credit management ○ Record keeping ○ business planning and management • Rehabilitate the existed storage 	<ul style="list-style-type: none"> • CPA • financial institutions, • BoA
7	Cooperatives promotion agency and offices	<ul style="list-style-type: none"> • CPA needs to revise all training and reference manuals by its 	<ul style="list-style-type: none"> • Have relatively well qualified and experienced 	<ul style="list-style-type: none"> • Inadequate assistance to Cooperatives due to limited resources, 	<ul style="list-style-type: none"> • Training and overall capacitating efforts targeted to all Cooperatives 	<ul style="list-style-type: none"> • CPA, • private business service

No	Category of Value Chain actors	Main responsibility (current & future)	Current knowledge	Gaps Identified	Recommendations(type of training to bridge the gap)	Potential provider
		<p>own or by contract out to BDS providers,</p> <ul style="list-style-type: none"> Find resources for training 	<p>staffs</p> <ul style="list-style-type: none"> have basic knowledge over the Cooperatives identified training gaps, 	<ul style="list-style-type: none"> Trainings targeted to Cooperatives resourceful cooperatives, Technical skills and knowledge gaps of CPA on basic & advanced issues on; <ul style="list-style-type: none"> VCD, Coops business planning * mgt Coops credit mgt effective negotiation skills, basic record keeping of Coops, Projects management , Applications of Cooperatives laws Not well structured training and reference manuals 	<p>regardless of their resources,</p> <ul style="list-style-type: none"> Training to CPA focused on; <ul style="list-style-type: none"> Value chain development, market information and linkage, Cooperatives business planning & management effective negotiation skills, basic record keeping & store management, Coops credit management, Projects preparation & management, Application of Coops proclamations, rules and regulations, 	<p>providers,</p> <ul style="list-style-type: none"> BoTVED

No	Category of Value Chain actors	Main responsibility (current & future)	Current knowledge	Gaps Identified	Recommendations(type of training to bridge the gap)	Potential provider
8	AgroBIG	Provide training logistics (budget and TA) for COOPs and CPA	<ul style="list-style-type: none"> The existing knowledge of be augmented by advanced training 	<ul style="list-style-type: none"> Overall capacity limitation of CPA, weak Cooperatives 	<ul style="list-style-type: none"> Basic and advanced knowledge and skill trainings to CPA Well organized trainings on the identified gaps 	<ul style="list-style-type: none"> BDS providers CPA
9	BoTVED	<ul style="list-style-type: none"> Offer training on demand 	<ul style="list-style-type: none"> Have well designed 5 levels curriculum 	<ul style="list-style-type: none"> No relation with CPA 	<ul style="list-style-type: none"> Have to create linkages on mutual benefit basis 	BoTVED
10	Bureau of trade and transport	<ul style="list-style-type: none"> Make good partnership with stakeholders particularly with BoA, CPA, Needs to find solutions for duplicating efforts among different stakeholders 	<ul style="list-style-type: none"> Inadequate market linkage of Coops Inadequate crop clustering 	<ul style="list-style-type: none"> Push of activities due to duplication of efforts among different institutions, weak market linkage for Cooperatives Inadequate business support to Cooperatives Weak crop clustering poor coordination among sectors/stakeholders 	<ul style="list-style-type: none"> There Should be well designed structured and accountability for support institutions of Cooperatives, Training on; <ul style="list-style-type: none"> Market linkage, value addition, and Crop clustering 	<ul style="list-style-type: none"> CPA, BoA & BoTT

6.2 Cross Cutting Value Chain Training Needs

Based on the assessment made with cooperatives and stakeholders at various levels, the consulting firm proposes the following training topics very crucial for the potato and onion value chain promotion.

(i) Value - chain training, by revealing strengths and weaknesses, the analysis helps chain stakeholders and policy-makers to delineate corrective measures and to unleash the development of areas and activities where the potential for growth is identified. When properly conducted, it can also help create a shared vision among chain participants regarding challenges and opportunities, thus facilitating the development of collaborative relationships.

(ii) Agri food chain training is also used for other related purposes. These include the promotion of enterprise development, the enhancement of food quality and safety, the quantitative measurement of value addition, the promotion of coordinated linkages among producers, processors and retailers and the improvement of an individual firm's competitive position in the market.

iii) Gender mainstreaming in value chains

Gender mainstreaming should take place at all stages and levels of the process from initial design, analysis, action learning and implementation.

Main points include the following:

- **Gender inclusive** process which gives women at all levels a voice in the process.
- **Gender accuracy of information:** Gender disaggregation of all data to identify areas of gender difference. Investigating areas of gender difference to identify whether this is due to gender inequalities of opportunity or differences in free choice.
- **Gender equitable planning:** which mainstreams equality of opportunity and identifies supportive strategies needed to enable women to realize these opportunities, and to promote the support of men for the necessary changes?
- **Gender accountability implementation and learning:** which involves women as well as men in implementation, incorporates gender indicators in monitoring and informs women as well as men of learning outcomes?

Main issue that will be addressed in the Gender value – chain mainstreaming among other induce the following:

(i) Gives overview of different types of VCD process, gender principles and concepts that apply to all VCD processes. It provides an outline of the framework, principles and process for Gender Equitable Value – chain Action Learning (GEVCAL).

(ii) Looks at issues in gender-inclusive design: preliminary mapping, scoping and design of a multi-stakeholder participatory process.

(iii) Looks at issues in gender-accurate analysis the types of quantitative and qualitative information needed to adequately incorporate gender, and the ways in which participatory, survey and qualitative methodologies can be effectively integrated to increase reliability of information, build stakeholder capacity and improve the cost-effectiveness and sustainability of the VCD process.

(iv) Looks at the issues in developing gender-equitable VCD strategies which brainstorm laterally about 'win-win' possibilities and ways of negotiating tensions and conflicts as a prioritized and time bound plan.

(v) Looks at issues in gender-accountable implementation and building participatory information systems for ongoing monitoring and evaluation which increase accountability to all stakeholders to build an ongoing and sustainable VC Action Learning process. It finishes with a summary Gender Checklist which can be applied to any VCD process and which then provides the basis for the more detailed discussion for each Stage given in the rest of the Manual.

(iv) Value – Chain Finance

In this topic, the link between chain actors and financial institutions will be explained as a means to deepen financial services for value chains. Value - chain finance aims to address perceived constraints and risks by providing innovative ways of delivering financial services to rural producers and agribusinesses. Value – chain finance means linking financial institutions to the value chain, offering financial services to support the product flow, and building on the established relationships in the chain. It means that the product flow in the value – chain is used as a carrier to provide financial services. This way of financing can spread risk among the financial institutions and chain actors and provides alternatives to traditional collateral requirements. It provides tremendous potential for unleashing capital, scaling up and sustaining chain prospects, but it needs to be managed and organized well.

Main points to be addressed in this area are the following;

- **Finance for rural entrepreneurs**, focuses on the finance gap for rural entrepreneurs, and introduces the role of value – chain finance in delivering services to the poor.
 - **A value – chain finance framework**, takes a closer look at how value – chain finance works, and presents a framework that helps us analyze the cases in the following chapters.
 - **Improving chain liquidity**, explores four cases where financial agents linked with existing chains and provided new services to build on and improve the chain flows..
 - **Unleashing investments in the chain** focuses on how chain actors made medium-term investments and how financial agents played an enabling role in this process.
 - **Synthesis** looks at the cases through a wider lens. It draws lessons from the cases and offers some ideas on ways to use value – chain finance to promote rural businesses in ways that benefit the poor.

- **Resources**, lists organizations, websites and publications that focus on value – chain finance. It also gives the contact details of the people who contributed to the book.

(v) Cooperative Accounting and Financial Analysis

Accounting has two clearly defined aspects, which may in fact be regarded as twins field of accounting. For illustrative purpose, we shall consider the broad distinction between management accounting and financial accounting. The point that must be considered is that accounts are source of information for t6he cooperative (management committee and control committee) and for the people outside (stakeholders). In this regard two field of accounting is identified:

(i) Financial Accounting	Deals with proper way to record all the assets and liabilities of a business and transactions with business clients.
(ii) Management accounting	Provides useful information for the management to help it control the business and the decisions.

(vi) Cooperative Capitalization

Cooperatives have always been referred to as “member-owned” organizations, yet where they have depended too heavily on outsiders for financial support that sense of ownership has usually been lost. This is largely because the financial stake or contribution of the membership of the cooperative is small relative to the non-member stake. In spite of the one-member, one-vote principle, non-members who are the major suppliers of capital tend to determine the main priorities of the cooperative business. Cooperative member participation drops and the cooperative promise is weakened.

How can this problem be solved? The best approach, from a financial and economic perspective, is to develop more effective ways of mobilizing member capital. This should help to create a genuine sense of ownership while at the same time enabling the cooperative to perform better as a commercial entity. Better business performance is essential because markets are increasingly competitive and grants and other forms of assistance are diminishing.

(vii) Agricultural Risks and Insurances

Agriculture remains the main source of income for most rural households in Ethiopia and also the main occupation of almost all the rural smallholders. Hence increasing the productivity of agricultural production is a key aspect to rural poverty reduction. Given also the increasing scarcity of productive land in the Ethiopian context, increasing yields is the only way to enhance productivity. While there are many ways to increase agricultural productivity, fertilizer and other modern inputs use, along with adoption of improved varieties, have been identified as the major

ways to do so. While modern inputs use has also grown, Ethiopia still lags very much behind the rest of the developing world.

The utilization of modern inputs in the fact that it started at low levels and that growth rates have been lower than those of other developing countries has implied widening application and yield gaps. Most of the analyses of low fertilizer use in Ethiopia and the region concentrated on demand factors.

Incentives to use modern inputs are undermined by the low level and high variability of crop yields on the one hand and the high level of input prices relative to crop prices on the other. The demand depressing effects of unfavorable price incentives are aggravated by many other factors, including the general lack of market information about the availability and cost of the inputs, the inability of many farmers to raise the resources needed to purchase these inputs, and the lack of knowledge on the part of many farmers about how to use these inputs efficiently”.

Furthermore, crops are subject to many perils other than rainfall (pests, hail, frost, theft, etc.). A product with high basis risk simply fails to achieve the desired goal of providing protection against correlated risks to consumption, and hence is not demanded for perfectly good reasons.

The question of whether farmers are constrained from using modern inputs by risk and credit constraints, or by low returns, thus emerges as a key policy question. The former constraints can be ameliorated by financial service innovation, while if lack of uptake is driven by low returns then the poverty trap of low agricultural fertility may be much more fundamental.

A promising way to address un-hedged risk among smallholder farmers appears to be the expansion of Weather Index Insurance (WII). The interest in this specific financial service arises from the confluence of two ideas. First, while mutual insurance should make households in low-income countries well able to cope with idiosyncratic shocks, they are expected to be very vulnerable to covariate shocks. For agricultural households this is likely to be a particularly important issue because agro-climatic shocks will be a primary driver behind temporal variability in consumption. This theoretical insight, combined with the lack of moral hazard in weather variation and the relative availability of rainfall and other meteorological data for developing countries (e.g., satellite-based information), has led many to regard WII as a particularly promising welfare-enhancing intervention. If protection against risk can additionally unlock demand for risky productivity-enhancing inputs, WII holds the promise of first-order improvements in income for poor and risk-prone agricultural communities.

Therefore, the training should focus on the concerned stakeholders, aiming to utilize Weather Insurance Index as a way to expand the supply of credit and consequently fertilizer demand by smallholders. The curriculum should explore including: how

- modern input use is profitable under current smallholder production conditions,
- risk-related factors affect input use,
- The *ex ante* demand for WII in such a context, and the purchase decisions ultimately made by farmers when they are offered such insurance.
- is profitable at the end of the day

- the availability of Weather Index Insurance (WII) interlinked with credit can expand the demand for inputs and thereby increase agricultural productivity,
- Finally, the WII should be compared and contrasted against other forms of credit.

(ix) Post Harvest Handling and Storage

Multi-purpose agricultural cooperatives provide some services to producers such as sale of fertilizers (since recently on cash basis) but none of them are engaged in postharvest handling and marketing of onion produce. Cooperatives often lack access to capital, restricting them in purchasing higher volumes (at a better price) and the provision of credit to their members

Post-harvest handling which includes activities like sorting, grading, packing, transportation, loading and unloading is carried out by farmers, brokers and traders. In case the potato is sold at farm-gate, all the handling activities are carried out by the buyer (trader or broker)

(xi) Marketing Strategy

Marketing strategy is the process by which a cooperative aligns itself with the market it has decided to serve. It is primarily concerned with identifying means (marketing activities) that will help you achieve your marketing objectives by taking into account what happened, what is happening and what will happen on the market. The essential of a marketing strategy is increasing sales and profit; increasing market share; and countering competitive strategy .

Core component of marketing strategy consists of:

- The scope of the business
- Marketing Objectives
- Uncontrollable variable that consists factors like: political, economic, socio-cultural and technological
- Market segmentation, targeting and positioning
- Controllable variables that includes: product strategy, pricing strategy, promotion strategy

(xii) Marketing Support

The Agricultural Marketing Service providers like Bureau of agriculture, trade, transport and CPA have programs for onion, potato, and other products in the regions. These programs necessitates testing, standardization, grading, transporting and market news services and oversee marketing agreements and orders; administer research and promotion programs, and purchase commodities for agricultural programs. There has been considerable interest by NGOs, donors and UN development to carry out activities to link farmers to markets. These interests should be well coordinated vertically and horizontally in order to achieve tangible results. Thus, trainings for the Agricultural services providers should target these cross cutting issues.

7. Main findings

1. All training manuals and reference materials prepared by the regional Cooperatives agency proved lacking the basic training contents (time bound, learning objectives, tailored made to targets capacity and the work level) are not prepared to meet specific objectives,
2. All trainings given were not based on needs assessment result, too much information were communicated at a point due to resources limitations and thus were not problem solving,
3. The training gaps are not prioritized in order of importance,
4. Despite the dynamic nature of Cooperatives business, all technical assistances were not timely, trainings were not regular,
5. Cooperatives board members and staffs lacking the required knowledge and skills to Cooperatives business, record keeping, store management and thus seem offering minimum services to their members,
6. The Cooperative knowledge and skills of office heads in the studies areas seem a bit unsatisfactory. Besides, capacity of Cooperatives experts at all levels seem lagging behind with the dynamic nature of business environments,
7. Despite the call of integrated business interactions between stakeholders, their efforts are not well harmonized and everyone is making uncoordinated effort,
8. There are duplications of efforts by different institutions for similar tasks (Similar position at BoA, CPA, and BoTT), particularly marketing expert position. Therefore, coordination between institutes is highly needed,
9. The cooperatives have scarcity of capital in the region and in those two woredas; therefore, they have to raise their capital to be more competitive and efficient, through reforming their ownership right and better use the investment opportunities.
10. Crops are subjected to many perils other than rainfall (pests, hail, frost, theft, etc). A promising way to address un-hedged risk among smallholder farmers appears to be the expansion of Weather Index Insurance (WII).
11. Farmers and agro-processors are facing risks other than weather related risks. There are risks like the modern inputs related risks and risk of credit constraints; therefore, other financial institutions like insurance companies and banks must step in. therefore, training must be give for these institutes in how to me these predicaments.

Cooperatives are lacking basic knowledge and skills on record keeping of inputs distribution and loan disbursement, and store management. Besides, both boards and staffs lack commitments in serving their organization. The consultants believe that these above mentioned courses will enhance the Regional Cooperative Promotion Agencies Programmes and goals. In addition, the trainings are augmenting the cooperative development practitioners and management personals

in changing their attitude and competence so that employees in this field are performing their duties efficiently.

To sum it up, all the training and reference manuals have to be revised and prepared with well knowledgeable resource persons so that it could change the attitudes of employees in performing their duties. Besides, upgrading the lower academic level of experts and office heads of Cooperatives Promotion Agency has to be upgraded. Particularly the academic backgrounds of Mecha and Fogera woreda offices heads need to be taken in to account while efforts are exerted in order to bring tangible change.

8. Conclusions and recommendations

8.1 Recommendations

Having all these finding, the following conclusions and recommendations are drawn;

1. As stated on page 30, manuals and reference materials prepared by the regional Cooperatives Agency are geared towards provision of ToT for cooperative promoters and facilitators. Little has been done to enhance the capacity of cooperative members at the grass root level. The existing training documents are not updated in accordance to the level of cooperatives that are presently undertaking diversified market activities
2. Hence the training and reference materials prepared by the region`s Cooperatives Promotion Agency needs to be revised and prepared by a consultants or knowledgeable resource person in designing training manuals
3. The critical capacity gaps of Cooperatives board members and staffs needs to be resolved priory to any intervention
4. There should be CPA lower level leaders capacity upgrading n the long run and offering tailored made training in the short run
5. To address un-hedged risk among smallholder farmers training should focus on expansion of Weather Index Insurance (WII).
6. Banks and other financial intermediaries should have knowledge about the agricultural risks and insurances and entrepreneurial development in the rural areas, understanding the nature of the **small-size and group loans** for specific financial development. Therefore, these institutions they have to be trained and made acquainted about the sector.
7. Agricultural service providers like CPA, transport, trade, agriculture bureaus etc. have to understand the agricultural sector, nature of cooperatives and erect necessary proactive regulations. And training should target these institutions.
8. The most neglected agriculture produces losses is post harvest lose and health of products during their shelf life. Thus, training must be give for all value chain actors like traders,

whole sellers, retailers and including to agricultural service providers like transport, trade, and agricultural bureau's employees at all levels.

9. Inclusive development is the way a country can achieve its wealthy distribution equitable. This can only be done through participating women at all development processes. Therefore, gender mainstreaming training must be given for cooperative management bodies and CPS at all levels.
10. There should be integration effort among stakeholders and Cooperatives have to be entitled to get one stop shopping, the same positions in different institutions needs to be verified through justification and the concerned body should give emphasis to revert this reality. and
11. All concerned stakeholders must integrate to bring the Cooperatives to the required level
12. All training needs have to be done in timely manner and designed to meet the specific Cooperatives objectives
13. Whenever planning to offer training to different target groups, CPA has to be done in accordance to this training need assessment.

Generally, the detail assessment of the training and reference manuals reveals that all are prepared by technical staff with limited technical capacity. As the consequence, the manual are not complete and couldn't address critical training need at the different level. In addition, the budget constraints have been observed since 2011 and totally crippled the production of training material to the substandard and bellow the requirement level.

As a result, Woreda Cooperatives Promotion Agency offices and cooperatives themselves have expressed the need for improved training delivery and capacity building assistances so that the management of cooperatives will improve and members will benefit from the various activities they are undertaking.

8.2 Conclusion

The future of Ethiopian small-scale producers depends on their ability to play an active and meaningful role in market dynamics. It is important that smallholders participate effectively in influencing value chains that link them to suppliers, traders and consumers. This way, they will be able to earn more from their crops, processing plants and micro enterprises.

The consultants have crammed on concluding that any training course should **equip development practitioners** with the competencies needed to assist small-scale farmers, traders and businesses to strengthen their position in value chains and, by so doing, contribute to economic development and poverty reduction. The course should be based on real-life cases and lessons from African, Ethiopia and the region's value chains that interested groups, experts, NGOs, research centers, government entities etc. has collected over the years.

In addition, any courses or curriculum prepared for **producers and processors** must be encompassing their primary predicaments and future agricultural development goals and government policies in the region. Other stake holders like **banks, micro finance institutions, brokers, research institutes** etc. in the region, must obtain courses based on the challenges, opportunities and policy directives of the localities. In other words, the course should aim at professionals in local economic development, including complimentary actors, practitioners working with local farmers' organizations and assist smallholders to strengthen their position in value chains and, by so doing, contribute to economic development.

As product transformations and transactions take place along a chain of interrelated activities from farm to fork, value is added successively. The term "value chain" has thus been used to characterize this interconnected, coordinated set of links and linkages that take place as products move along a continuum between primary production and the consumer.

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10. Annex I Training Action Plan

Amhara Regional State Cooperative Agency AgroBIG Project Training Action Plan

	Training Topic	Participants	Duration	Provider
1	Timely sawing and harvesting, weed control, modern methodology of fertilizer and seed applications, post harvest handling, grain shelling method, Grain drying, insects control, maintaining moisture content, quality control and testing and quality factors like color, shape and size of the produces.	Farmers	One week	Consultants and agricultural Bureau
2	Marketing information and information processing; food security and food shed life and axation Government regulations and ethics; Value chain and value chain coordination along vertical and horizontal activities and Rural-market linkages Gender issues and income generation strategies; Grading, sorting and cleaning, moisture measurement, transport and marketing and post harvest waste minimization method	Whole Sellers	Two weeks	Consultants and agricultural Bureau
3	How to achieve quality factors like grading, sorting and cleaning, moisture measurement, transport and marketing and post harvest waste minimization method, health risk minimization at the self and taxation.	Retailers	One week	Consultants and agricultural Bureau
3	Marketing, value chain and coordination Ethics	Brokers and Middlemen	2 days 1 days	Consultants

	Government legislation and taxation		3 days	
4	Methodology of the transaction costs minimization, Government investment incentives, policy and regulation; taxation and market integration and coordination.	Traders	One week	Consultants
5	Government's development policies environment; <i>the Woredas and</i> regions demand for seed and supply; seed processing and storage facilities and high costs of seed production, processing and storage quandaries; Business and financial management; Product knowledge, use and safety; How to provide extend credit; group loans for working capital from financial institutions How to demonstrate product and technologies to stimulate demand.	Input Suppliers	One week	Consultants
6	Applications of cooperatives proclamations, rules and regulations Output marketing, effective Negotiation skills, improvement and market linkages Basic record keeping (finance, inputs, credit), Store management and postharvest crop waste control Group loan and credit management Effective management of Irrigation water (for Irrigation water users associations)	Cooperative input suppliers	Two weeks	Consultants, CPA experts and agricultural Bureau
7	Government's development policies environment Quality specifications of the products Quarantine requirements Improved marketing of new products (like organic products)	Exporters	Two week	Consultants

	<p>Market information and information processing</p> <p>pest and disease survey i.e. vegetable host status of export crops that reduces quality of products; quality production guidelines for exporting high quality products; better packaging, promotion, branding techniques to effectively penetrate new markets</p> <p>Introduction to Export Legislation eLearning</p>			
8	<p>The agricultural risks and insurances and entrepreneurial development in the rural areas</p> <p>Understanding the nature of the small-size and group loans for specific financial development programmes for agriculture and Small and Medium Enterprises (SME)</p> <p>Understanding the nature of member based organizations and firms</p> <p>Value chain and nature of agricultural sector Group loan and crediting</p>	Banks and insurance companies	One week	Consultant
9	<p>The agricultural risks and insurances and entrepreneurial development in the rural areas</p> <p>How to raise MFIs and cooperative's capital either internally or externally; Cooperative capitalization</p> <p>how to change the traditional MFIs and cooperatives into new organization;</p> <p>Store management Basic record keeping (finance, inputs, credit)</p>	MFIs and SACCOS	One week	Consultants

	Cooperatives and credit management Business planning			
10	<p>Agri food chain and Value chain (New marketing linkages between agribusiness, large retailers and farmers); contract farming, group marketing and other forms</p> <p>Agricultural technologies, market economics and the demand of the community they provide the services</p> <p>Value – Chain Finance</p> <p>Changing traditional coops into new forms of cooperative</p> <p>Gender main streaming</p>	Bureau of Agriculture	Three weeks	Consultants
11	<p>Efficient marketing infrastructure such as wholesale, retail and assembly markets and storage facilities</p> <p>Infrastructure plays an important role in rural development, income generation, food security, developing rural-market linkages and gender issues</p> <p>Challenges of cooperatives and agricultural sector and agro-processing industries</p> <p>How and why to prepare training modules for the various local consumption and export crops;</p> <p>How to prepare manuals for production and postharvest handling storage and minimizing health risks</p>	Bureau of Trade and Transport	one week	Consultants
12	<p>Store management Store, Postharvest and produces on the shelf loss mangent</p> <p>Basic record keeping (finance, inputs, credit)</p> <p>Applications of cooperatives proclamations, rules and regulations</p> <p>Cooperatives and credit management</p> <p>Value chain development, market</p>	Cooperatives	1/12 !2 days 2 days	

	<p>information and market linkages business and strategic planning management</p> <p>Effective management of Irrigation water (for Irrigation water users associations)</p>		2 days	
			2 days	
13	<p>How to raise cooperative's capital either internally or externally; Cooperative capitalization</p> <p>how to change the traditional Cooperatives into new cooperatives organization; Cooperatives laws, guidelines and their application,</p> <p>Market economics; value chain development and market linkages;</p> <p>Economics of Cooperative</p> <p>Value – Chain Finance</p> <p>Nature of banks and insurance firms;</p> <p>Gender mainstreaming,</p> <p>Group loan and crediting;</p> <p>Cooperatives credit management</p> <p>Cooperatives organization and management;</p> <p>Basic bookkeeping, accounting and account analysis</p> <p>Cooperatives extension;</p> <p>Cooperatives business plan preparation;</p> <p>Projects feasibility study Cooperative Accounting and Financial Analysis</p>	Cooperatives Promotion Agency and Offices	3 weeks	
14	Nature of the collectively owned firms, value chain, market economics	Bureau of Technique, Vocational and Education	2 days	Consultants

	Government agricultural and cooperative regulations		1 day	
	How to prepare manuals		1 day	
	How to prepare policy directive			

Additional trainings for Development practitioner's personals

Training Topic	Participants	Duration	Provider
Organizational Management and leadership	Cooperatives, cooperative experts at all levels, MFIs	2 days	consultants
Project cycle management	Bureau of Agriculture and CPA at all level	1 ½ days	consultants
Financial, budget and accounting management	Cooperatives, cooperative experts at all levels, MFIs	2 days	consultants
Computer system and information management	Exporters, Bureau of Agriculture and CPA at all level	3 days	consultants
Training program development and management	Bureau of Agriculture and CPA at all level	1 day	consultants
Training material development	Bureau of Agriculture and CPA at all level	1 day	consultants
Personnel planning and management for trainings	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	1 day	consultants
Program planning, monitoring and evaluation to set strategies	Bureau of Agriculture and CPA at all level,	3 days	consultants
Proposal development and planning	Bureau of Agriculture and CPA at all level,	2 day	consultants
Team building	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	½	consultants
Project management	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	2 days	consultants
Prepare training and	Bureau of Agriculture	1 day	consultants

implement and evaluating methodologies	and CPA at all level, MFIs and cooperatives		
Time management	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	1/2	consultants
Brainstorming	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	1 day	consultants
Logical framework analysis to design and	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	1 day	consultants
SWOT Analysis	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	1 day	consultants
Presentation technique	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	½ day	consultants
Institutional and organizational analysis	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	1 day	consultants
Recruitment and interview techniques	Bureau of Agriculture and CPA at all level, MFIs and cooperatives	1 day	consultants
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11. Annex II

Checklist

Amhara Regional State Cooperative Promotion Agency

Agro. BIG Project- Training Need Assessment

(Checklists)

1. Producers Group

Name of cooperative

Year of establishment

No. of Members M/F

- *Area of business (service provision - input and output marketing, financial)*
- *How is the cooperative structured – committees and duties*
- *Is there any management guideline for each committee*
- *Explain management /operation modalities of each committee*
- *What are the major crops produced by the farmers/ farmers group/ in the area (list in order of coverage*
- *Why are they interested in promoting potato and onion value chain-*
- *Production and productivity*
- *Where do you get input for seed for potato (seed , chemicals- fertilizer, herbicide insecticide, extension service)*
- *Do you plan production? Is production base on market? Demand from buyers or you produce based on availability of resources (land, labor capital)*
- *Do you have business plan?*
- *Any problem with regard to market - availability, price*
- *Do you store products? where ? how long and why*
- *Do you process products/add value*
- *Where do you sale products?*
- *Do you get trainings? who offers training, on what topic, how frequent? Is that relevant? what are of training is missing that is useful for the program*

2. ACPA

- *Know the history of training within the organization*
- *Do you have a training department?*
- *What are the Knowledge, Skills, and Abilities of the expertise*
- *Who are the trainees (ACPA technical staff, primary cooperatives, unions, input suppliers, service providers, traders, government agencies)*
- *What resources are available for training?*

- *What training modules are available - who*
- *What specific topics are addressed in the module?*
- *How often do you conduct training (how is program scheduled)*
- *What "needs" will be addressed by the training?.*
- *Who can serve as subject matter experts?*
- *Are any staff going to do the training?*
- *Which companies provide training materials?*
- *What was your level of involvement in the preparation of the Agro BIG value - chain support program*
- *Did you participate in the value - chain analysis of the commodities (onion and potato)*
- *Do you have training in VCA - length of training, level of certification if any*
- *What were the impacts of value - chain interventions?(access to market, access to finance, market linkages, technical capacity*
- *What were the challenges in the implementation of value - chain development?*
- *What lessons did you draw from the experience?*
- *Have you been involved in any value - chain study, discussion/workshop, and forum? If yes, what was the focus? What did you learn?*
- *What training program are deemed important (training gaps) List by training group - farmers, primary cooperative, Unions, promoters, extension service providers, traders, others list*

2. Agro BIG

- *Why do select onion and potato for the program - briefly discussed already*
- *Do you have training components in the program - see log frames for the activities, output, results*
- *If yes in what area? which stakeholders are considered? how often do you organize training*
- *What other trainings offered/supported by ABIG*
- *Do you provide training in VCA*
- *Do you involve stakeholders in the VCA, if yes who participated*
- *How relevant was the VCA*
- *What training gaps did you observe*
- *What private training providers are available in the Region*
- *Do you have any activity to build capacity of pvt training*

3. Bureau of Agriculture/ Bureau of Trade and Transport, BoTVED

- *Level of involvement in the Agro BIG project preparation, implementation*
- *What is your role in the overall program - coordination, technical provision, input provision, marketing?.....*
- *Do you provide specific trainings to the project beneficiaries - what topic/area, how frequent*

- *Do you have training manuals on issues- how communicated*
- *Do you have sufficient capacity for training in terms of manpower, finance etc*
- *What training gaps are observed*
- *What training s do you propose for the project stakeholders? why*

4. BDS providers who are the available PDS providers - List

- *Government - BoA, ACPA, BoTVED, Research Centers*
- *Private - training centers, consultant*
 - *List type of services available*
 - *How are these related to Agro BIG - any relation support from Agro BIG*
 - *Any challenges - comment for intervention, support modality*

5. Traders

- *Who are involved in the Agro BIG business with farmers*
- *Area of business - supply of inputs, buying products - who are the various level of traders involved (collectors, big buyers contact, whole sellers, retailers)*
- *What is the marketing arrangement made with farmers - contact before production, contract after field assessment on production, how is price fixed, payment condition*
- *what challenges are faced by buyers - specific to the different level*
- *Any training need if required - why*

6. Financial service providers - MFIs, SACCOs and Commercial banks

- *What financial products are available for farmers specific to the project area*
- *Service provision modality*
- *Any challenges in this regard*
- *Do you see training gaps within the stakeholders - which area*

7. Market Information

- *What market information are available for farmers, traders and stakeholders*
- *Who provides market information*
- *How is market information processed and disseminated - source of information , how frequent , mode of dissemination*
- *Any challenges in this regard - intuitional , technical , financial*
- *Any market information for the specific product*
- *Any training gap observed -training need listed*

8. Input suppliers Who are the private and government organization supplying (*input - AISCO, Cooperatives/Unions, Ambassel, Pvt, Ethiopian Seed Enterprize, Amhara seed, Yimam*)-
seed, fertilizer, chemical, pumps)

- *How do they determine demand*
- *Who certifies inputs - seeds*
- *Availability, Selection, price*
- *Utilization of inputs (scientific)*
- *Knowledge gap observed*

12. Annex III

Persons met during the study

No	Name of a person	Institution	Responsibility	Mobile number
1	W/ro Aberash	CPA	Focal	09 37 41 58 96
2	Ato Aderaw Dagneu	CPA	Manager	09
3	Ato Hsbtamu Tsegaye	AgroBIG	Capacity Value - chainadvisor	09 13 17 49 00
4	Ato Aychew Kebede	AgroBIG		09 18 70 63 23
5	Ato Muluken Zerihun	BoA	Agri inputs Core process owner	09 33 92 44 60
6	Ato Endalew Tafere	Koga Union	Manager	09 18 45 25 17
7	Ato Kifle wassihun	Koga Union	Marketing advisor	09 18 76 53 94
8	Ato Bishaw Ayenew	***Kudmi Kebele	Smallholder farmer	***
9	Emebet Abera	Koga Union	Accountant	***
10	Machashwork Tarekegn	Koga Union	Sales	***
11	Ato Yelbie Aneley	Mecha AgroBIG	Capacity building advisor	09 18 76 76 44
12	Ato Emiru Dilnessa	Mecha CPA	Office head	09 18 07 11 19
13	Ato Algaw Denekeu	Mecha CPA	Core process owner	09 18 71 35 93
14	Ato Ashenafi Cherkos	Mecha CPA	Expert	***

15	Ato Getahun Gebeyehu	Mecha BoA	Expert	09 18 71 64 92
16	Ato Alehegn Kindie	Mecha BoA	Agronomist	09 18 41 38 38
17	Ato Kebede Asfaw	Fogera Woreda CPA	Marketing expert	09 18 09 47 80
18	Ato Fikrie Asinakew	Fogera CPA	Expert	09 18 70 26 45
19	Ato Muluken Wubet	Fogera BoA	Input expert	09 18 17 90 83
20	Ato Anteneh Wondimu	Fogera BoA	Expert	09 18 09 42 26
21	Ato Kassahun Kebede	Fogera AgroBIG	Capacity building advisor	09 18 77 82 71
22	Ato Amare Ademe	Region CPA	Marketing expert	09 18 70 48 49
23	Ato Aderaw Alemayehu	Regional CPA	expert	09 18 72 98 90
24	Ato Alemu Gebru	Regional CPA	expert	09 18 70 87 25
25	Ato Asres Endazene	AISCO	Head HR	***
26	Ato Workineh Minayehu	AISCO	Manager	09 20 51 99 27
27	Ato Meshesha Fenta	AISCO	Expert	09 18 71 42 67
28	Ato Seyoum Zewdie	BoTT	Marketing expert	09 18 01 25 85
29	Ato Asfaw Zerai	BoTVED	Expert	09 25 99 29 87
30	Ato Mikiyas Tabour	BoTVED	Training core process owner	09 18 70 10 08

31	Dr. Abera T/Mariam	ASE	Manager	09 18 34 15 91
32	Ato Yimam Tessema	Private Input Supplier	Owner and manager	09 10 46 48 40
33	Ato Gashaw Workineh	ACSI	Deputy Manager	09 18 76 62 27