

QUARTERLY REPORT JULY - SEPTEMBER 2015

EXECUTIVE SUMMARY

The Agro-business-Induced Economic Growth (Agro-BIG) Programme is an Agricultural Development programme using the Value Chain Development Approach as a strategy to strengthen selected agricultural value chains in Amhara National Regional State (ANRS), more specifically in Mecha and Fogera Woredas.

This report covers the period from July to September 2015 (the third quarter of year three). However, results are presented cumulatively, covering the progress in the first bi-annual period of the implementation year 2015.

Excluding the executive summary, the report is organized into five sections. Following this summary and introduction section, programme accomplishments have been discussed by component and by activity in the first section. The second section focuses on programme management and outlines financial accomplishments of the programme. This section also describes the major M&E activities performed at all levels. Updates on the constraints and opportunities are bullet pointed in the third section while fourth section draws conclusions and recommendations. The budget follow-up, report from the technical advisers' services and work plan follow-up are annexed in the last section.

Major achievements during the reporting period

Seed systems established for onion and potato

- Farmers are organized in onion and potato seed multiplication and marketing cooperatives have benefitted from their seed business with better price; currently the price for onion seed varies between 500 - 900 birr/kg. The Koga Union has bought 5 quintals of certified onion seed and distributed to its members on cash. The Regional Quarantine Agency has been supervising and certifying seeds.
- Farmers organized in clusters in Koga irrigation command area have benefitted from ware potato production. The price for potato has been better, 9 birr/kg, compared to previous years (7 birr/kg). Farmers have settled their loan repayments with no default and motivated to demand more improved potato seeds through own cash.
- To promote informal potato seed multiplication through organized farmer groups, legality of two potato seed grower cooperatives is secured and 9 800 potato mini tubers of five varieties have been delivered by Adet Potato Research Center and further distributed to 4 cooperative members. In the coming month, a field day visit for demonstration will be conducted for peer farmers.

Creating market linkages

- Market linkages have been created for both onion and potato seeds and bulb and ware potato production. Farmers have benefitted from such linkages created, for instance, Etfruit has purchased 5 Qt of onion seeds from Fogera onion seed multiplication and marketing cooperative.

Women groups functioning in value adding processes

- Women groups in Mecha have started value addition on potato by making chips and crisps and benefitted from their business in terms of diversifying their incomes and employment situation.

Agrochemical service provision

- Private service delivery in agrochemical spraying has been further fostered in both woredas. 12 candidates out of the 24 organized youth have qualified for level two in the Certificate of Competence (CoC) assessment. Hence, the groups will have the right to get trade license to provide the spraying service on commercial terms.

Grant and Loan Funds

- **Implementation of 2014 grants**
Implementation of the 86 awarded projects continued well. Most procurement activities of the VCF grants have already been completed, while construction of collection centers and stores is going on. The BDS field advisers as well as the AgroBIG building engineer provide the much needed support to grantees in the implementation process.
- **Completion of the award of 2015 grants**
During the quarter, a total of 80 grants were successfully awarded with an AgroBIG contribution of 12.6 million birr. The review process of an initial 260 proposals has required a lot of work from the AgroBIG staff as well as the woreda review committees. A significant number of grants were awarded to the private sector value chain actors especially in the rice processing sector. Many of the VCF grants were awarded for field level machinery (threshers) and in MGF to procure improved quality industrial rice processing machines.
- **Support to inclusive finance by ACSI**
BDS training for 5 days has been successfully completed for 16 Senior Customer Relations officers of ACSI from Fogera and Mecha. Quality improvement of the training material and methodology for gender balanced family financial literacy training and development of the pilot community warehouse receipt system for rice are ongoing.