

EXECUTIVE SUMMARY

During the first quarter of the year 2016, AgroBIG Programme has prepared and reported the previous year's activities and achievements in the Annual Report 2015, finalized the annual results and baseline survey reports, produced newsletter and side by side finalized the Annual Work Plan and Budget for the year 2016. The Annual report and annual work plan documents were approved by the Supervisory Board Meeting held in February.

Main proceedings of the three components are presented in the following:

Component I *Value Chain Development* supports systems for increased production and agribusiness activities, as well as develops markets, through networking and strengthening organizations. During the first quarter, multistakeholder platforms have been organized to create efficiency in potato marketing, to deal with illegal brokers and to create market linkages for rice. Additionally various value chain actors participated in a Trade Fair to promote their products and create connections to new markets. Also the process of linking farmers with a large private farm as out growers has started in Mecha.

Component II *Service Delivery Development* builds the capacity of both the private and public service providers. During the first quarter, on the private side, a field day event has been organized to demonstrate and promote certified onion seed multiplication, improved quality of onion bulb and ware potato production. Youth groups have been active and making profit in providing maize threshing services as well as water pump maintenance and manual water well drilling services. On the public side, various construction activities, such as Farmer's Training Centers, Fogera meeting hall and upgrading the Bikolo Abay Horticulture Center have progressed.

Component III *Access to Funds and Inclusive Financial Services* develops improved financial services and funding sources that are appropriate for the critical needs of the value chain actors, who often are outside the reach of normal banking channels. AgroBIG has introduced three types of grants which are open to all value chain actors on the selected commodities. So far **432 project ideas** were received in two rounds and **166 projects have been approved**. Most projects are completed and started their regular operations and some projects are still on progress. The **third round call for proposals is on air** with closing date for submission of project concept note/proposal on May 16th 2016.

In addition to the grant funds, a Loan Fund was introduced as a means of short-term alternative financing to multi-purpose cooperatives and RuSaCCOs to be used as a revolving fund to stimulate short term working capital lending to cooperatives in potato, onion, rice and maize value chains and wholesale lending to RuSaCCOs. However, the implementation has not been as expected and that in the next quarters AgroBIG will closely work together with stakeholders to materialize the activities.

Gender balanced family financial literacy training is an important instrument to families to make informed decisions of their farming business and to make sound household investments by using the financial opportunities that are available to the families to reach their goals. During the first quarter, ACSI has significantly improved the training interns of number of trainees, compositions women methodology of the training. It is expected to continue the trainings with the same pace.

In summary, over all achievement of the programme in this quarter has been very slow, mainly due to delay in the planning and approval process. It is expected that implementation will speedup in the remaining quarters.