

Executive Summary

1. Introduction

The bilateral project entitled "Bilateral Ethiopian Netherlands Effort for Food, Income and Trade Partnership (BENEFIT Partnership) supported by the Dutch Government through the Embassy of the Kingdom of the Netherlands has, since 2016, been implementing four agricultural development programmes (ISSD – Integrated Seed Sector Development, CASCAPE - Capacity building for Scaling up of evidence based Practices in agricultural production in Ethiopia, ENTAG - Ethiopia-Netherlands Trade for Agricultural Growth and SBN – Sesame Business network). In 2018 a fifth programme, REALISE - Realising Sustainable Agricultural Livelihood Security in Ethiopia, joined the BENEFIT partnership in 2018. The Partnership aims at increasing food and nutrition security, brokering Dutch expertise, and stimulating trade. The focus of the 2018 activities have been (i) further demonstration of evidences for the agricultural transformation agenda and enhancing the engagement to effectively communicate the evidences for development and policy; (ii) alignment with relevant initiatives including the Agricultural Transformation Agency, the Agricultural Growth Programme, and the Productive Safety Net Programme and other public programmes for synergy; (iii) creating evidences from by scaling of product & place and thematic collaborative activities; and (iv) strengthening of the mainstreaming of crosscutting issues mainly gender and nutrition in all BENEFIT programmes. In addition, the programme was reviewed for its mid-term achievements by external consultants.

The activities have been carried out together with regional partners (Universities – Addis Ababa, Bahir Dar, Haramaya, Hawassa, Jimma, and Mekelle, Regional Agricultural Research Institutes in Amhara, Oromia, Southern Nations Nationalities and Peoples Region and Tigray, and the Oromia Seed Enterprise). With the launch of the REALISE programme, the list of regional partners has increased by including Arba Minch, Arsi, Oda Bultum and Woldia Universities.

The 2018 annual report presents the major achievements under each of the BENEFIT outcome indicators followed by the major challenges, opportunities and key lessons learnt and the way forward.

2. Major achievements in 2018

The major achievements of the BENEFIT partnership are summarized based on the result chain outputs (Figure 1), which are related with (i) enhancing portfolio collaboration among BENEFIT programmes, (ii) increasing quality and quantity of agricultural production, (iii) improving markets and trade, (iv) improving the enabling environment for the agricultural sector, and (v) enhancing partnership for synergy.



Figure 1 Key partnership indicators: 2018, 2017 and 2016 achievements

2.1 Collaborative BENEFIT Portfolio

The 2018 overall performance in collaborative activities shows considerable improvement compared to the previous years' implementation. This is linked with the increased engagement and linkages in the areas of technology validation and scaling, creation of market linkages, joint result based planning, monitoring and evaluation, and policy engagement for the prioritized commodities. This improvement is associated with (i) regional planning being more result based, (ii) the improved activity management esp. in terms of assignment of individual responsibilities for the different activities, and (iii) improved engagement of BENEFIT management.

The main achievements/progresses made in empowering the five BENEFIT priority value chains are:

Soya Bean value chain development: executed in Jimma and Wollega areas with a focus on (i) scaling and pilot scaling of soya bean innovation, (ii) mapping of key stakeholders and organizing of soya bean platform, (iii) capacity building on techniques of quality seed production and market orientation, (iv) facilitating collaboration with other stakeholders, and (v) undertaking gender analysis with specific to soya bean. This has resulted in (i) market linkage of seven primary cooperatives with

nine companies with trade volume of 9,300MT, (ii) reach of 3,372 farmers through pilot scaling with average productivity increase of about 47% compared to the national average.

Sesame value chain development and integration of rotational crops: this collaborative activity was implemented in Amhara and Tigray regions. The main activities were related with (i) sesame participatory variety selection and crowd sourcing to improve variety portfolio, (ii) gender and nutrition gap analysis on sesame, build the capacity of women through training, field day and experience sharing, (iii) promotion of rotational crops, (iv) promotion of farmers' financial literacy, and (v) enhancing farmers' capacity in cooperative management. As a result, there was an increased variety portfolio of sesame; improved quality seed production and post-harvest handling; improved soil fertility management due to crop rotation and improved nutrition linked with the supply of pulses as rotational crops; improved financial literacy at household level; and enhanced farmers' capacity to cooperative management.

Potato value chain: this was implemented in Amhara region. The main activities were related with (i) the supply of disease free quality seed through demonstration of screen houses and associated facilities, (ii) promotion of use of disease free potato tubers, (iii) introduction of newly released varieties, (iv) capacity building of development agents, subject matter specialists and farmers, (v) linking the potato producers with market, (vi) establishing potato platform to ensure relevant stakeholders' linkage, and (vi) mainstreaming of gender and nutrition activities. These efforts have resulted in improved availability of disease free potato mini tuber seed, created demand among farmers for disease free mini tubers of improved potato varieties, and build local capacity in production of disease free mini tubers (farmers, development agents, subject matter specialists) along with improved linkage among relevant stakeholders mainly Amhara Regional Agricultural Research Institutes and seed producer cooperatives.

Malt barley: this was implemented in Amhara, Southern Nations Nationalities and Peoples Region and Tigray with the aim of deploying improved varieties and creation of grain market linkage. As a result, new varieties were demonstrated, seed production by local seed producer cooperatives promoted, volume of grain malt barley produced increased, and better market access created in the three regions. To institutionalize the approach followed, malt barley stakeholders' platforms were established in each region.

Sorghum value chain: with the main objective enhancing sorghum value chain in Tigray region striga tolerant sorghum varieties were demonstrated along with establishment of seed producer cooperatives to ensure sustainable supply of seed of preferred striga resistant varieties.

2.2 Quality and quantity of sustainable agricultural production

A range of diverse activities were implemented to ensure improved quality and quantity of agricultural production in a sustainable manner mainly related with testing and validation of available technologies and practices, enhancing availability of validated and preferred technologies mainly seeds of improved crop varieties, development of extension materials & manuals, capacity building directly to beneficiaries, experts of partner organizations mainly development agents, subject matter specialists, researchers, and farmers' organizations mainly seed producer cooperatives and farmers' cooperatives. Through these efforts the following achievements were recorded in 2018:

- A total of 1,813,946 smallholder farmers (both directly and indirectly) were reached in 2018. Of these 28% were women and 29% youth (<35 years of age);
- With coverage of a total of 280 varieties of 17 crops, 149 seed producer cooperatives, 21 small and medium domestic private seed companies, four public seed enterprises and Dutch seed companies were supported to produce and avail quality seeds;
- A total of 56,982 people were trained, 40% women and 27% youth mainly through a training of trainers' approach. About 16 best-fit practice manuals and a number of training manuals were prepared to support the capacity development activities;

- At national level, 13 platform meetings were organized that initiated discussion on pertinent challenges and opportunities in relation to improving quality and quantity of agriculture sustainability. Regional platforms were initiated for a variety of crops such as sesame, malt barley.

Letebirhan lives in the central part of Tigray, she is a widow and she has five children. She voluntarily participated in the ISSD programme, took training about agronomic practices (land preparation, row planting and fertilizer application) and received seed of three varieties of wheat to test on her small plot of land and choose the variety she preferred. She harvested 80 kilos from this variety. Letebirhan said: *“my life was entirely depend on productive safety net programme but now I aspire to provide seed to the seed cooperative found around my resident to earn income.”*



2.3 Improved markets and trade

- In effort to empower the seed value chains, different market linkage creation was facilitated. Accordingly, 68 seed producer cooperatives were linked to relevant early generation seed suppliers, to 26 service providers mainly seed inspection service providers, and to 50 certified seed buyers;
- To strengthen the backward and forward market linkage, trade and investment integration among local and foreign agribusiness companies, we (i) facilitated market linkage between five Ethiopian exporters and foreign companies in Russia, Switzerland, Bangladesh, India and Israel, which resulted in export volume (1967 MT) and value (\$1.89 million) of different products (spices and legume), (ii) organized 4 trade missions in poultry, spices, legumes and aquaculture to the Netherlands, India, Vietnam and Egypt and facilitated organization of the Ethiopian Pulses, Oilseeds and Spices Processors-Exporters Association annual conference, which facilitated the established business contacts with more than 133 foreign companies, and (iii) supported more than 140 private companies on access to improved markets and trade through its front desk, hands on advisory services and provision of graduate interns;
- In effort to strengthen the development of sesame products and markets, we have (i) facilitated together with Agriterra access to marketing credit to Setit, Metema and Dansha unions through the guarantee fund (10.3 million ETB) from three banks (CBO, Abay and Lion) a value of 30.5 million ETB. This assisted 22 cooperatives to buy more sesame from their members and to stay longer in the spot market, and (ii) provided loan management training and frequent monitoring, which improved financial management skills and resource mobilization capacity of unions and cooperatives, high loan repayment rate, increased membership and share sales, improved savings and a better relationship between unions and cooperatives.

Financing the agricultural sector and sesame specifically is feasible. Farmer organizations and farmers are very happy with alternatives to informal financial resources, showing a high commitment to repay.

Desalegn Legesse, Setit Union Manager: *“The guarantee fund intervention builds marketing linkage and enhances members’ economic participation and profitability of both the union*



and cooperatives.”

Desalegn Legesse, Setit Union Manager

2.4 Improved enabling environment

Within the overall framework of agricultural sector development, different interventions for improving the enabling environment have been done by the BENEFIT partnership. The main approaches followed in this regard were (i) identification of key policy issues for further discussions based on prevailing challenges and opportunities, (ii) proper documentation of demonstrated evidences for the identified priority issues, (iii) engagement with relevant stakeholders to ensure the communication of demonstrated evidences through different forums mainly workshops, and (iii) contributing/facilitating in the design of new directives and regulation. Accordingly, the following major achievements can be reported:

In the area of seed sector, the institutionalization of high level seed related policy advise mechanism both at national and regional level was facilitated; the development of overarching national seed sector transformation agenda with the participation of a number of actors, the establishment of the regulatory authority of Oromia regional state, the establishment of contract based early generation seed production and supply system, and preparation of different seed related directives including directive on disposal of non-viable seeds and certificate of competence for seed producers' cooperatives and directive on seed marketing;



During a workshop on the development of a national seed sector transformation agenda, MoA State Minister H.E. Sani Reddi noted that *“with the recent change within the Ministry, this is an ideal time to propose a new way of doing things to bring transformational change”*. He proposed that *“ISSD should continue to lead the facilitation process.”*

Based evidences on the need to institutionalize the linkage among different actors in the research-development continue, a high level policy discussion among stakeholders from research institutes, universities and the extension system was facilitated and a forum was established to sustain the linkage. Similarly, a forum was organized to communicate the main policy and development aspects of promotion of soil fertility and blend fertilizer recommendations to relevant policy makers and practitioners.

Improving the enabling environment for sesame sector development was implemented through (i) facilitation of evidence-based information gathering and sharing, (ii) relevant stakeholders' capacity development activities, (iii) enhancing the stakeholders' interaction and collaboration, and (iv) strategic sesame sector innovation.

In its effort to facilitate the active participation of private actors for respective sectors, three private sector associations (poultry, aquaculture and spices) were supported and one council (pulses). The support targeted the development of strategic plans along with provision of technical support for proper functioning of the associations in addressing emerging issues with relevant stakeholders (policy makers and practitioners).

The main streaming of policy engagement by BENEFIT has been promoted not only through the programme specific events but also direct engagement with the Ministry of Agriculture through regular meetings and case based engagements.

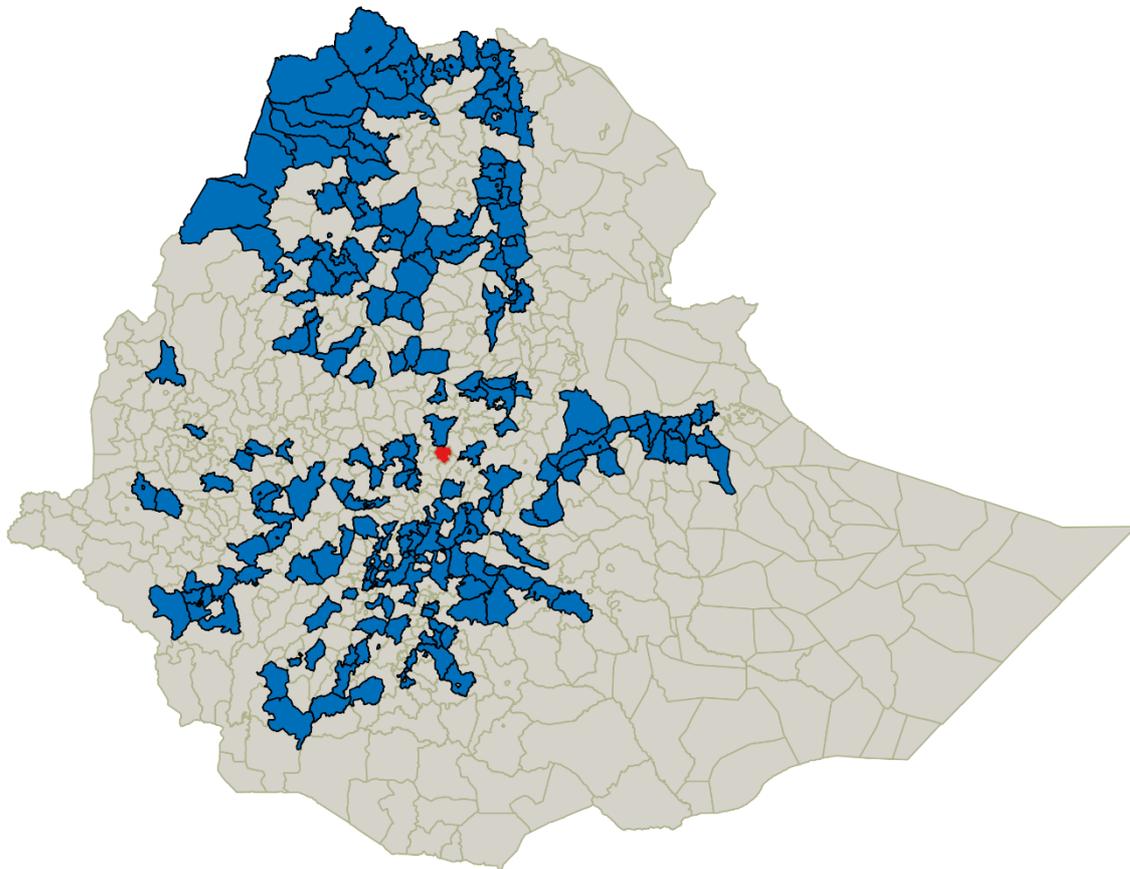


Figure 2 Overview map implementation woredas of all BENEFIT programme

2.5 Partnership and collaboration

The BENEFIT Partnership coordination unit has been responsible for coordination of the partnership and collaboration for synergy among BENEFIT programmes mainly through facilitation of (i) alignment of programmes and their collaboration, (ii) collaboration and alignment with other projects and programmes, (iii) mainstreaming social inclusion and nutrition, and (v) fostering collaboration in BENEFIT portfolio.

Facilitation effective collaboration and leaning among BENEFIT programmes: maintaining their focus and independence, the collaboration for synergy among the different programmes under the BENEFIT partnership was facilitated using different approaches mainly related with management meetings (advisory board, managers and coordinators meetings, BENEFIT portfolio meetings) and facilitation of proper planning of collaborative activities along with proper follow up for learning. 2018 was a year when a new REALISE programme joined the BENEFIT Partnership, which required adequate engagement to ensure effective collaboration with the other four programmes.

Facilitation of engagement with other initiatives: the engagement of BENEFIT programmes with relevant public and private initiatives to ensure effective alignment and synergy was facilitated.

Accordingly, the following activities have been progressing well: (i) joint engagement with the seed sector development of the Ministry of Agriculture together with the Agricultural Transformation Agency as members of the National Seed Advisory group, (ii) as members of the Agricultural Growth Programme Technical committee, ensuring alignment and sharing of experiences of the BENEFIT partnership, (iii) initiation of collaboration at regional level with the initiative on agricultural commercialization clusters coordinated by the Agricultural Transformation Agency.

Mainstreaming social inclusion & nutrition: The mainstreaming in 2018 mainly focused on gender and nutrition capacity building activities both for the implementing partners and beneficiaries. Specifically, the main achievements with related with (i) provision of technical support in gender and nutrition in provision of training, (ii) facilitation and follow-up of gender and nutrition regional working groups, (iii) documentation of evidences in gender and nutrition mainstreaming for scaling, and (iv) facilitation of national level networking of BENEFIT related to gender and nutrition.

In 2018, a Worldbank funded project, CANAG - CASCAPE Nutrition and Gender Component, was included in the BENEFIT Partnership specifically to strengthen the gender and nutrition activities in CASCAPE.

Fostering collaboration in BENEFIT portfolio

Collaboration among BENEFIT portfolio programmes has been fostered through: (i) BENEFIT portfolio management; (ii) provision of centralized administrative services (finance, human resource management, and logistics.), and (iii) communication and use of evidence-based information through an effective M&E system linking the four BENEFIT programmes.

- **Mid-term review:** this was conducted by external consultants, this clearly identified both strong and weak side of the BENEFIT portfolio. Following the mid-term review feedback and thorough discussion at BENEFIT level, priority issues were identified for consideration in the 2019 planning processes. The key priority issues were (i) the need to focus on institutionalization and embedding of the demonstrated evidences to ensure the sustainability of the outcomes achieved, (ii) further strengthen the collaboration with other initiatives to ensure scaling, and (iii) engage with EKN in elaborating the misleading argument that BENEFIT partnership arrangement has increased the overall overhead costs in project implementation.
- **BENEFIT Portfolio management:** While maintaining their focus and independence, the BENEFIT portfolio management was facilitated using approaches related with (i) management meetings of managers and coordinators, (ii) facilitation of the development of collaborative activity plans; (iii) communication with external stakeholders and advisory board; (iv) regular reporting; (v) information sharing about BENEFIT.
- **Provision of centralized administrative services:** One of the key sources of synergy for collaboration within the BENEFIT Partnership was having a centralized finance and administration system. Accordingly, appropriate support functions related with (i) financial management, (i) human resource management, (iii) procurement, and (iv) pooled resource use.
- **Monitoring and Evaluation:** this was implemented though facilitation of (i) BENEFIT monitoring and evaluation framework implementation liked with technical backstopping in application of selected tools and methods (most significant change harvesting, indicator tracking tables, and documentation of stories of change) and ensuring regular reporting (Bi-annual and annual); and (ii) collaborative activity monitoring through facilitation of annual planning, joint monitoring, and documentation of lessons learnt.
- **Communication:** the 2018 achievements are related with the facilitation of internal and external communications towards promoting BENEFIT partnership and its programmes activities; knowledge sharing and information for effective management. In terms of external communication, the achievements focused on regular updating of BENEFIT website, development of BENEFIT-REALISE website, and producing publications to make information available to relevant stakeholders and the general public.

3. Major challenges, opportunities, lessons learned and way forward

Challenges

In 2018, there were challenges that were common to all BENEFIT programmes and also specific to each of the programme that affected the implementation of planned activities. The most important challenges:

- **The fragile peace and security situation that prevailed in the country:** this has affected the extent of follow up of implemented activities, organization of planned capacity building activities esp. for the direct beneficiaries, and also engagement at higher level;
- **Prevailing climate change challenges:** these were reflected in the form of pest and disease incidence and unpredictable weather condition (drought, floods, frost) esp. for implemented activities related with testing and validation;
- **The frequent staff turnover including higher officials at all levels** (federal, regional, zonal and woreda levels): this has limited the timely implementation of planned activities esp. those related with policy engagements;
- **The prevailing limitation of capacity/understanding of partners and beneficiaries to perform as expected:** these were related to, for instance (i) failure to understand EGS production & supply operation problems by the actors and hence try to take actions focusing on treating the symptoms not to cure the core problem, this has resulted in shortage of quality early generation seed especially for pulses and oil crops, (ii) managerial and marketing skill gaps of SPCs and PSPs, which has limited investment in seed business innovations; (iii) the limited supply compared to entered contracts by farmers and commercial farms through cooperatives and unions to agro-industries (FAFFA food share company, Alema Koudijs feed);
- **Huge mismatch between domestic and international prices of agricultural commodities that are exported:** this has reduced the possibility facilitation of market linkages in a sustainable manner. The inflated domestic market price is as the result of the fierce competition of exporters to earn foreign currency;
- **Weak linkage with the national research systems and technology suppliers:** this has limited accessing required technologies for testing and validation. For instance, the planned collaboration on faba bean value chain development was not fully implemented due to the shortage of the early generation seed of demanded varieties from research, the plans of validating the target labour saving technologies were not implemented due to the challenge to access the suggested labour saving technologies from the research; the adoption of row planting for sesame was hindered due to the lack of supplier for row planters etc;
- **Challenges to ensure the participation of relevant policy makers in different events:** the attendance of relevant higher level policy makers to different events (workshops, seminars, field days, stakeholders' platforms etc) was limited as they often delegate experts with limited power to make policy decisions. Most of the platforms organized to deliberate on the challenges of respective sectors (seed, aquaculture, species, pulses, poultry) managed to engage all relevant stakeholders but there was limitation in the participation of high level policy makers who can facilitate to address policy related issues;
- **Challenges related with collaboration for synergy within BENEFIT:** Though there is considerable improvement in the extent of collaboration, the overall joint engagement is still low compared to the program specific activities. The extent of monitoring of collaborative activities in the regions, while equal attention should have been given by respective programmes;
- **The moderate adoption of demonstrated evidences of BENEFIT Partnership:** Though the different BENEFIT partnership programmes have demonstrated different evidences (good agricultural practices, validated technologies, financial literacy, policy options etc), some of these evidences require further engagement with relevant stakeholders to ensure their full adoption and sustainable utilization.

Opportunities

The main opportunities that prevailed in 2018 were related with (i) increased interest of existing and emerging new initiatives to collaborate, (ii) the increased commitment of the government for engagement based on evidences, (iii) the increased visibility and recognition to the BENEFIT Partnership programme by stakeholders including policy makers, and (iv) the gradual openness and the increased interest of Dutch private sector to invest in Ethiopia.

- **Increased interest of existing and emerging new initiatives to collaborate:** there is increased interested to adapt BENEFIT demonstrated evidences in some of the initiatives like the agricultural commercialization clusters and integrated agro-industrial parks. Similarly, there is high interest of other initiatives to collaborating in scaling BENEFIT demonstrated evidence like the Agricultural Transformation Agency, the Agricultural Growth Programme, and the Productive Safety Net Programme. This is a very good opportunity for synergy in scaling;
- **Increased commitment of the government for engagement based on evidences:** The Ministry of Agriculture and other public organs are showing increased attention in ensuring the transformation of the different sectors including seed, extension approach, functioning of stakeholders' platforms etc. In this regard, the BENEFIT partnership programme has become active participant and some cases plays lead role in the process. For instance, the design of the national seed sector transformation agenda was led by ISSD;
- **Increased visibility and recognition to BENEFIT Partnership:** This has facilitated continuous engagement with relevant stakeholders including policy makers, which is important for better influence and wider impact of the BENEFIT partnership efforts. Senior staff of BENEFIT partnership are invited to be different engagements and taskforces. For instance, three of the BENEFIT Partnership staff are members of the National Seed Advisory Council;
- **The gradual openness and the increased interest of Dutch private sector to invest in Ethiopia:** this has helped (will help) in facilitating business linkages of domestic actors with Dutch private actors, which is expected to enhance private investment. For instance, the approval of plant variety protection law is expected to serve as grantee for international seed companies to invest in Ethiopia and also may encourage domestic private sector development through business relations;
- **The embedding of senior experts:** in the Ministry of Agriculture for issues related to seed (ISSD), extension (CASCAPE) and sesame (SBN) greatly assists uptake of validated evidences and policy influencing.

Key lessons learnt and the way forward

The general key lessons learnt and the way forward for BENEFIT and its programmes were:

- Working with relevant partners enhances the smooth implementation of planned activities and achievement for adequate impact. Thus, further engagement of relevant stakeholders and partners will be given due attention;
- Stakeholders' platform meetings are crucial for availing and maintaining sustainable information exchange among actors of the different subsectors and also to address emerging both policy and development issues. Accordingly, mechanisms for sustainability of the functioning of established platforms will be given due attention in 2019 planning;
- All rounded capacity development for smallholder farmers is very crucial including finance management. Due focus will be given to strengthen the capacity of smallholder farmers in financial management through institutionalized financial literacy training;
- Documentation of demonstrated evidences as a tool for proper engagement with policy makers and development practitioners is very crucial. Accordingly, due attention will be given to document properly the demonstrated evidences of BENEFIT programmes for engagement.