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Federal Democratic Republic of Ethiopia  
MINISTRY OF AGRICULTURE AND LIVESTOCK RESOURCE

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No. \_\_\_\_\_  
ቀን 01/11/2018  
Date \_\_\_\_\_

FDRE Ministry of Finance and Economic Cooperation


Addis Ababa

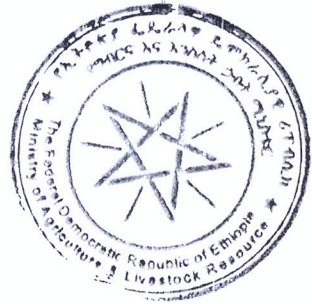
Subject: Support letter for a new project

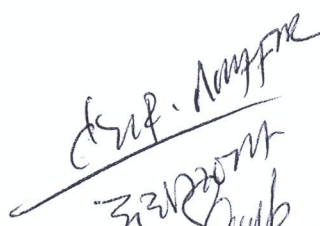
The Ministry of Agriculture would like to request your esteemed office to acknowledge a new project entitled *"Implementation of Fruit Value Chain for Improved Nutrition and Health"*. The Regional Bureau of Agriculture and Natural Resources Development of SNNPR has identified the project as it is designed to reverse the main challenges of the selected kebeles. It is planned to be implemented from January 2019 until December 2022, in Gamo Gofa Zone and Arba Minch Zuria.

Ministry of Agriculture fully supports this new project since it is in line with transformation of agriculture sector, which is a core pillar of the National Growth, and Transformation Plan (GTP), and promoting of diversified crop among Ethiopia. It also aims in resolving the challenges around fruit value chains such as limited diversity of fruits and vegetables, and their products. Moreover, it will be useful to tackle low quality, productivity and limited market access for farmers around the area.

Therefore, we kindly notify that this support letter is written in request of your good office to allow the implementation of this project in the region.

  
Solomon Dagne Abebaw  
Sincerely  
Assistant to  
the Minister



  
Dr. Amare  
07/03/11

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Fax No 0116676894

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☎ 0116-67-69-76

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Website [www.moa.gov.et](http://www.moa.gov.et)  
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Ethiopia- Addis Ababa

Please quote Our Ref.  
when replying.



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 South Nations, Nationalities and peoples' Regional State  
 Bureau of Agriculture and Natural Resources Development

Ref No 1341/14-1/10  
 Date 29/12/10

To Ministry of Agriculture and Livestock Resource

Addis Ababa

Dear Sir,

This is to confirm you that we have identified project the implementation of fruit value chain for improved production and nutrition in the selected kebeles in Arbaminch zurea, Gamo Gofa zone, SNNPR.

The project is designed to reverse the main challenges identified by the different researches and local partners those are working around the selected area. Accordingly we kindly ask your esteem ministry to review the attached project concept paper, after review the document you would like to recommend the project identifications which will conduct from 2019-2022 for further evaluation to MoFEC and possible implementation by Czech aid.

Best regards

CC

To Head of BoANRD

Hawassa

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 Deputy Director and  
 Natural Resource Sector

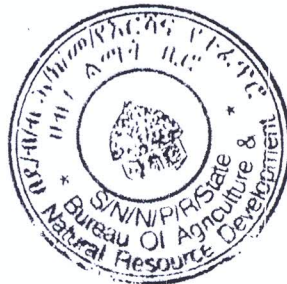
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☒ 309 80

E-mail: srrdb@ethionet.et  
 srbonrd@telecome.net.et

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**CZECH REPUBLIC**  
DEVELOPMENT COOPERATION

*Initial Project Proposal*

Request number:  
(Allocated by the Czech Development Agency)

Title:  
**IMPLEMENTATION OF FRUIT VALUE CHAIN FOR IMPROVED NUTRITION AND HEALTH**

Partner country:  
**Ethiopia**

Region/town/locality:  
**Gamo Gofa Zone, Arba Minch Zuria**

Expected Start Date of Implementation:  
January 2019

Expected End Date:  
December 2022

Estimated total financial allocation (USD):

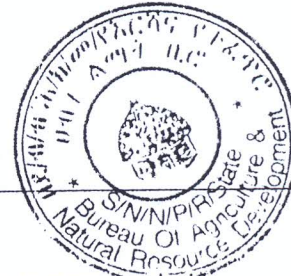
Expected Czech ODA financial contribution (USD):  
1,000,000 USD

**Applicant / Partner Institution:** Regional Bureau of Agriculture and Natural Resources Development SNNPR, Hawassa

Name and Position

Telephone +251 (046) 2200329  
Fax + 251 (046)  
E-mail [melegel1621@gmail.com](mailto:melegel1621@gmail.com)

*Melese Meha Gemeso*  
Deputy Director and  
Sector Extension



**key partners:**

**Partner name ;** MERET project ( managing Environmental Resource to Enable Transition to more sustainable livelihood)

Name and Position

Telephone +251(046) 2201353  
E-mail; [adanedinku@yahoo.com](mailto:adanedinku@yahoo.com)

*Adana Dinku Karama*  
**Meret-Plus Project**  
**Coordinator**

**CONTEXT AND RATIONALE**

**Development problem:**

Food security is a challenge in many developing countries. Nations are still struggling to make use of available resources so as to combat hunger. Drought, land degradation, marketing constraints, improper post-harvest handling and anthropogenic factors are minimizing the production and productivity of agricultural land resources. Making use of improved technologies, adaptable crops and high yielding cash crops, however, are also helping many to cope up with food insecurity. Fruit production is significantly contributing for food





security as well as livelihood opportunities in Southern Ethiopia. But, technical works on the value chain of the crop are still minimal; it would have result a tangible impact on the national income in terms of export earnings and food security too.

Arabaminch Zuria, district is found in the Gamogofa administrative zone of the Southern Region of Ethiopia, is known for its high potential in tropical fruit production (mainly mango, banana, lemon and papaya). The area contributes 10 to 15% of the estimated 135,000 tones national fruit production. However, its potential is much higher and supply to the Addis Ababa market could be as high as 40% of the total amount delivered to the capital city.

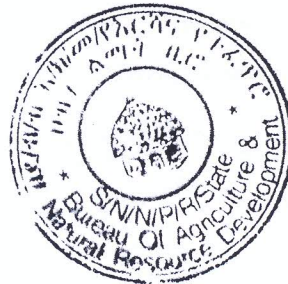
Presently, mango sales contribute 10% of the household income in Arbaminch Zuria *woreda*. The estimated total annual mango production in the *woreda* is 32,384 tones. Out of this, 25% (8,096 tones) is the estimated post-harvest loss. Thus the marketable amount of mango per annum from the *woreda* is estimated to be 24,288 tones. From this potential marketable amount, only 1,440 tonnes<sup>3</sup> (6%) are formally marketed through Addis Ababa fruits and vegetables wholesalers. The rest is retailed and consumed locally in Arbaminch and other towns in the region (Wolayita, Shashemene, Awassa, etc.).

The marketing structure of mango is has only a few dominant buyers. A small number of fruit wholesalers in Addis Ababa decide on the price and indirectly on the volume of supply to the Addis Ababa retail shops. They use middlemen to influence market equilibrium and farm gate prices for their own benefit. Because of poor institutional strength, producer organizations have not been able to challenge this situation.

Therefore, this project designed to reverse the main challenges identified by the different researches around the area for the fruit value chains included: (i) the limited diversity of market segments, channels and products; (ii) low quality planting materials and productivity; and (iii) the limited market access for smallholder producers (weak institutional capacity of producer organizations) and (iv) Lack of knowledge, skills and facilities in production, harvesting and post-harvest handling

The project promotes inter-sectoral approaches designed to contribute to a cross-cutting ranges of development goals like mitigation and adaptation of climate change, gender and sustainable holistic land management for smallholder farmers.

The proposed intervention will contribute to the Ethiopian Growth and Transformation Plan (GTP II) goal of achieving national food sufficiency by doubling agriculture production through intensified smallholder production, and are consistent with the national Climate Resilient Green Economy (CRGE).





**Key stakeholders and beneficiaries:**

➤ **Key stakeholders**

This project will engage the local government, cooperatives, communities, investors, households and individuals their own sustainable development. This will increase the capacity of participants to contribute directly or indirectly to their own continuous economic growth as well as that of the region and of Ethiopia.

Effective partnerships among multiple development actors generate synergetic effect that brings added value and sustainable and more successful project impact. Czech Development Agency has already formed strong collaborative links with a range of partners to their respective operational areas, and these will be incorporated and developed future with in this project, adding extra value and leading to stronger outcome. Key project partner identified at this stage are: The Arba Minch University, South Agricultural research institute, Bureaus and relevant public sectors from regional, Zone to woreda level.

➤ **Targeting Participant**

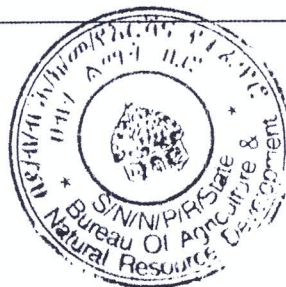
Target groups have been identified from previous studies conducted in the target areas. These are the;

1. Smallholder households, with minimal assets base and marginal livelihoods,
2. Fruits and Vegetables Marketing Primary Cooperatives
3. Those households with some asset base and income sources, but facing transistor food insecurity and insecure, low return lively hood strategies; and
4. households which are relatively food secure or close to it, but engaged in vulnerable, high risk agricultural production and need some assistance to scale up and develop a more long term and more resilient livelihoods bases. The project employs particularly support strategies and interventions to meet the varied needs of these different wealth strata and their specific secio-economic context.

Based on the above criterion male and female smallholder farmers, the poorest female household heads, and unemployed youth are targeted by the project as primary beneficiaries. Apart from the direct beneficiaries the local community overall benefits as the result of the increased availability of off-season employment and greater supply and variety of different planting mterials which is help to increase productivity and income generating activities, as well as increased cash flow and economic activity resulting from the extra income generated by the project participants.

More detail target figures in relation to specific interventions and activities will be detailed in the future. The project will benefit four kebele (Kolla Shara, Chano Dorga, Chano Cheleba and Chano mile ) and 2000 households and 400 youth directly and an additional 20,000 HHs indirectly over the four years periods.

The project will also build the capacity of frontline extension workers and community based organization leaders as well as the community to sustain fruit value chain practice, technologies and information systems.





**Expected outcomes:**

The project outcomes described more fully below, along with the proposed core or overarching interventions and related activities designed to achieve these and some outcome.

1. A significant percentage of the existing low-quality fruit production is replaced with better, marketable quality production for fresh consumption and processing.
2. Establishes technically fit fruit nurseries and bring different new variety of planting materials.
3. Successful marketing arrangements between wholesale traders and farmers' organizations are established, based on quality based pricing and with embedded service provision for agro processing industries.

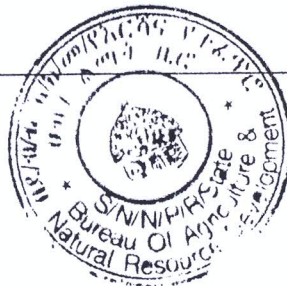
Outcome indicators also defined at different levels:

1. Income and scale – Improvements in the annual incomes from fruit production for members of the supported cooperatives, the number of targeted households, and the number or people employed in cooperatives and processors;
2. Productivity and quality – Improvements in fruit production and cooperative members, the percentage of fruit production of better quality, the quality and quantity of fruit supply by cooperatives, the area under fruit production, and the capacity of public extension services in the areas;
3. Coordination – Local coordination groups are steering extension, and collaboration among stakeholders has improved;
4. Market development – New market outlets established, local private nurseries as major suppliers of seedlings, new products developed, private business development services have increased, additional business to business (B2B) services developed.

**Possible strategies and approach:**

Czech development cooperation program as a reliable partner for whose work is aligned with government strategies and is recognized for promoting operational innovations in the deferent technologies. The government is promoting 'access to markets for the poor' as way out of their dependency on 'cash for food' and food aid programs ('graduating programs').

Czech development cooperation is recognized for its pioneering work with the value chain approach. This was confirmed by MERET-PLUS project and other donor agencies. There is now greater awareness of the importance of the fruit sector for generating incomes at the national, regional and local levels, and is now one of the top five priority sectors for poverty reduction; and a sustainability and exit strategies designed around households and stakeholder organization from project support intensive capacity development at household and institutional level.





**Role of the applicant/partner organisation and roles of other key partners:**

**The applicant: (Bureau of Agriculture and Natural Resource Development)** has role of the project coordinator. Coordinator facilitates policy and administrative issues, facilitate the communication and meetings of project partner and is the main partner of the implementer on the regional level.

**The implementer:** will ensure financing and management of fruit nurseries, fruit based agro forestry activities and together with local experts will warrant the professional level of trainings and other works.

**Key partner: (MERET Project)** has role of the project which is actively involved and support the implementer by providing and facilitating planting materials and capacity building to the targeted project participant.

**The project partners as woreda offices** will have the role in local scale. They will be actively involved in the capacity building, creation of plans and training of community. Their role will include the facilitation of all field works.

**The Farmers Training Centres and primary cooperatives** will receive seminars from the implementers together with local experts and will transfer this knowledge to the community.

**The community authorities** will be trained and skilled. They will ensure the community mobilization and accepting the holistic management land use plan.

**Complementarity:**

Ethiopia's agriculture is still predominantly reliant on smallholder farmers, especially in the SNNP region. The transformation of Ethiopia's agriculture sector, a core pillar of the national Growth and Transformation Programme (GTP), including sustainable agricultural practice through the Climate resilient Green Economy (CRGE) strategy to reduce greenhouse gas (GHG) emission from agriculture sector, and seek to the promotion of diversified crop among Ethiopia's poorest smallholder farmers, increasing income and diversifying diets, can also have a powerful impact on the role of women in society ( and their economic empowerment).

Czech Development Agency has been supporting communities in various locations throughout the region in collaboration with regional and Federal government and local and international NGOs to move rural communities out of poverty and chronic food insecurity. It is believed that Czech Development Agency can contribute best to scaling up the best practice and experience accumulated over the last several years to address the issue of climate change through adaptation of appropriate climate smart agriculture practice and technologies in collaboration with government stakeholders.



Regional Bureau of Agriculture and Natural Resources Development of SNNPR, Hawassa

Name: \_\_\_\_\_  
Position: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

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Deputy Bureau and  
Natural Resource Sector Head

