

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Food Security
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	663-007
Proposed FY 2004 Obligation:	\$6,433,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$6,387,000 DA
Year of Initial Obligation:	FY 2001
Year of Final Obligation:	FY 2007

Summary: USAID's program to increase rural household production and productivity reduces food insecurity, alleviates rural poverty and contributes to sustainable economic development. It provides technical assistance, training and material support to increase crop and livestock production and productivity; improves the effectiveness of input and output markets; diversifies and increases household incomes; develops micro-enterprises; strengthens farmer-owned cooperatives and business associations; improves natural resource management; and builds the capacity of targeted government and non-governmental organizations.

Inputs, Outputs, Activities:

FY 2004 Program:

Agricultural Cooperatives, Business Development and Trade (\$2,218,000 DA). This activity continues to strengthen agricultural cooperatives with assistance in business and financial management skills, product quality improvement, and market development for horticulture, coffee, livestock and other products. USAID emphasizes forging business partnerships between cooperatives and agro-processors and exporters. USAID will also reinforce the capacity of producer/exporter associations, chambers of commerce and businesses to advocate pro-business policies, leverage domestic and foreign investment, enabling Ethiopia to take advantage of market opportunities, and enhance private sector and trade development. Principal contractors and grantees: ACDI/VOCA (prime).

Agricultural Technology Transfer and Micro enterprise Development (\$2,200,000 DA). This program provides applied agricultural research and extension services to accelerate adoption of improved technologies and increase and diversify household incomes. Interventions are improved crop varieties, fuel-efficient stoves, soil and water conservation, poultry raising, and bee keeping. Micro-finance lending and business services assist small businesses and micro enterprises. The new mission HIV/AIDS strategy will identify prevention activities to integrate into the program. Principal contractors and grantees: Virginia Polytechnic University (prime) and Winrock International (prime).

Through Agricultural Policy and Planning (\$215,000 DA). USAID will provide assistance to the Ministry of Agriculture and other government entities to strengthen their capacity in agricultural and natural resources planning. USAID will work with the GFDRE and donors to develop an action plan for cereals price stabilization and undertake specialized studies to support enhanced agricultural and economic growth, private investment and trade competitiveness. Principal contractors and grantees: U.S. Department of Agriculture (prime). International Food Policy Research Institute (IFPRI) (prime).

Community Approaches to Enhanced Food Security (\$1,800,000 DA). USAID will utilize P.L. 480 food resources and DA funds to implement programs that protect lives and livelihoods, improve crop and livestock production, promote sound natural resources management, and support income generating activities. The pilot Relief-to-Development (R2D) activity will support household and community asset protection, productive activities in agriculture and off-farm income generating activities, capacity building in technology adoption and management of resources, nutrition and health to meet food needs and

enhance the resilience of vulnerable communities. HIV/AIDS prevention activities are integrated in all programs. Principal contractors and grantees: CARE (prime), Catholic Relief Services (CRS) (prime), Save the Children-US (prime), Relief Society of Tigray (REST) (prime), and Save the Children-UK (prime).

FY 2005 Program:

Agricultural Cooperatives, Business Development and Trade (\$2,400,000 DA). USAID will expand activities to help Ethiopia diversify its economy, increase trade and develop the private sector. Programs will provide targeted support for market town development. USAID will work with agricultural cooperatives to improve their linkages to input/output markets and to enhance the trade competitiveness of smallholder farmers and pastoralists. Principal contractors and grantees remain the same as FY 2004

Agricultural Technology Transfer and Micro enterprise Development (\$2,137,000 DA). USAID will continue to implement applied agricultural research and extension, natural resources management, environmental rehabilitation, and capacity building activities to enhance food security in the Amhara Region. Activities will include drought-tolerant production systems and, where possible, use of water harvesting and small-scale irrigation for high value cash crops. Technical assistance, training, and micro-enterprise loans to farmers and entrepreneurs will increase and diversify income opportunities for the poor. Assistance includes integrated HIV/AIDS prevention interventions. Principal contractors and grantees remain the same as FY 2004.

Agricultural Policy and Planning (\$350,000 DA). USAID will use analyses, workshops and field studies to accelerate policy reform/implementation to enhance food security. Programs will target policies to improve the investment climate, land tenure security, and input/output markets. Progress will improve Ethiopia's trade competitiveness, private sector development, agricultural productivity, and environmental management. Principal contractors and grantees are to be determined.

Community Approaches to Enhanced Food Security (\$1,500,000 DA). P.L. 480 food resources and DA funds continue to assist food insecure households to rebuild and protect their assets as means of achieving food security. Programs integrate HIV/AIDS prevention activities throughout. Principal contractors and grantees remain the same as FY 2004.

Performance and Results: Agricultural cooperative strengthening improved small holders' productivity, market competitiveness and income for more than 2,000 cooperatives. Cooperative membership climbed from 422,018 in 2002 to 492,519 in 2003. Presently, 26 cooperative unions and 81 rural savings and credit cooperatives are operating. Fertilizer and seed distribution by cooperatives increased from 63,280 tons in 2002 to 166,765 tons in 2003 and marketed 20,919 tons of products. Horticultural cooperatives forged business partnerships with larger producers/exporters and exported an additional 240 tons of vegetables in FY 2003. Relations with the Specialty Coffee Association of America led to the sale of premium priced coffee netting an extra \$67,275 for cooperative union members.

Two new seed varieties of triticale and 3 striga resistant sorghum varieties introduced in food insecure districts of Amhara National Regional State will enhance household food security. Tree planting and enclosure creation improved watersheds. In the two R2D districts, 120,000 people received food aid. Farmers planted 950,000 tree seedlings; and participated in income generating activities. Winrock International assisted 1,500 households to increase their food access from six months/year to 9-12 months/year as a result of improved food production and increased household income. More than 7,000 households improved agricultural production technologies and adopted new ones since the start of the program. Under the emergency seed program in FY 2003, 7,476 tons of seeds helped over 256,000 farmers return to production over 99,600 hectares. As a result, 1,281,000 people were able to resume feeding themselves.

By the end of the SO, three million small-scale farmers will be better linked to domestic and/or international markets, increasing rural income through strengthened agricultural cooperatives and market development. People living with chronic food insecurity in target areas will adopt improved agricultural and environmental technologies and become more self-sufficient. The R2D program will reduce food

insecurity for 140,000 people in two districts and serve as a model for the protection of household and community assets.

US Financing in Thousands of Dollars

Ethiopia

663-007 Food Security	CSH	DA	ESF
Through September 30, 2002			
Obligations	875	7,389	0
Expenditures	0	2,288	0
Unliquidated	875	5,101	0
Fiscal Year 2003			
Obligations	800	5,596	300
Expenditures	281	4,034	0
Through September 30, 2003			
Obligations	1,675	12,985	300
Expenditures	281	6,322	0
Unliquidated	1,394	6,663	300
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2004 NOA			
Obligations	0	6,433	0
Total Planned Fiscal Year 2004			
Obligations	0	6,433	0
Proposed Fiscal Year 2005 NOA			
Obligations	0	6,387	0
Future Obligations	0	14,817	0
Est. Total Cost	1,675	40,622	300