

SAMS-SNNPR

Strengthening Agricultural Marketing System in South Nations National & People's Region



BOIC - SNNPR



Newsletter

Vol.3 August 2011

1. Tough Trail to the SAMS' Goal

Six months have passed since launching the ten pilot projects of SAMS. We are almost half way to the trail's end!

Most of the pilot projects are on schedule and public perception is positive. People are anticipating the constructive results of the pilot projects and wish to participate in the activities. Although the road to the goal is not easy, the team members of the pilot projects are making efforts to realize the ideal outputs to live up to the peoples' expectations.

Today, the newsletter focuses on the pilot project under strategy number 3, "improvement of effective market infrastructure to empower market activities".

2. Let's Sell Our Distinctive "Haricot Bean" to the Marketplace (PP06)

Do you know? Sidama zone is a surplus area of Haricot Bean.

The total production of haricot bean in Sidama zone amounted to some 8,900 tons in 2008/09, which is second in SNNPR behind Wolayita zone at 12,500 tons. However, the market sales volumes in Sidama and Wolayita zones are almost equal, at 1,338 and 1,396 tons respectively.

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In the western part of Sidama zone, Hawassa Zuria, Boricha and Loca Abaya are well known as production and trading areas of haricot beans in SNNPR. The biggest marketplace for haricot bean in these areas is Balla and second is Yirba.

Oh NO! Sidama misses a chance to earn profit.

Local collectors buy haricot beans from farmers at these local marketplaces and sell them to traders in Nazareth and Moyale. The traders sort the beans at Nazareth and Moyale using their facilities to match the buyers' needs.

There is no proper sorting system in Sidama zone and transactions in the marketplaces are carried out on the open ground. This primitive trading practice misses out on the potential value-added benefit and hampers further market expansion of haricot bean trading.



Trading facility and masonry pavement for outside trading area



Trading facility and fence

Activities of the Pilot Project

- 1) Construction of haricot bean trading facility at Beilla town.
- 2) Establishment of management committee and management rules.
- 3) Dissemination of quality awareness for marketing by introducing moisture meter.
- 4) Strengthening of agricultural market information services in collaboration with PP01 as introduced in Newsletter No.2.

3. Ginger is Booming Now! (PP07)

99% share of ginger production is from SNNPR

SNNPR has 99% of the share in the national production of ginger, or about 230,800 tons in 2008/2009. Kembata Tembaro and Wolayita zones produced some 93,400 and 90,800 tons respectively which accounts for about 40% each of the total production in SNNPR.

Hadaro Tunto in Kembata Tembaro zone and Boiso Bombe of Wolayita zone are famous for trading of ginger for both domestic and international market.

Marketplace is congested and disordered

In Hadaro Tunto, large-scale farmers transport ginger to the marketplace by donkey carts and sell directly to collectors after negotiation. Small-scale farmers sell ginger to small brokers and transact it to medium collectors. Selling price is dependent on the supply/demand situation, and buyers have stronger power in pricing. There is no market infrastructure in Hadaro Tunto and transactions are done on the open ground. The transactions for fresh ginger and dry ginger are currently conducted in separated areas of the marketplace.



Marketplace in Hadaro Tunto

Topics on white haricot beans
The SNNPR Government issued the Implementation Guideline for sesame and white haricot beans marketing in July 2010 followed by "the Sesame and White Haricot Beans Marketing Regulation" (Regulation No.178/2010) decreed by the Federal Democratic Republic of Ethiopia and put in effect on May 22, 2010. According to this federal regulation, white haricot beans shall be dealt through the Ethiopian Commodity Exchange Market (ECX). Any suppliers, exporters and service providers for white haricot beans shall have their competence certificates pursuant to the regulation and producers including small scale farmers, cooperatives and farm enterprises shall sell white haricot beans from their own farms at a primary marketing center to the competent suppliers or ECX. In this context, management system for a new marketplace facility, especially for white haricot beans transactions, shall be established taking into account the regulation and include the dissemination approach of this regulation to stakeholders.

Progress of construction of facility

The contract for the construction was signed on March 1, 2011 between the JICA Study Team and Behalluna Geremew General Contractor. The construction has been finished successfully and the Certificate of the Completion of the Works was issued by the Study Team on June 30, 2011. The new market facility was fenced according to the regulation No.178/2010 by separating it from other trading areas of goods and products.

The opening ceremony will be held soon!

Activities of the Pilot Project

- 1) Construction of ginger trading facility.
- 2) Establishment of management committee and management rules.
- 3) Strengthening of agricultural market information services in collaboration with PP01 as introduced in Newsletter No.2.



Survey and Construction of the Building

Progress of construction of facility

The contract for the construction was signed on March 1, 2011 between the JICA Study Team and Mequaninto Bekele General Contractor. The stated contract period was to conclude by June 30 2011, however, construction has been delayed due to poor management and workmanship at the site.

Therefore, the contract period was forced to be extended until the end of July 2011, under the conditionality of improvement in the contractor's management and workmanship.

4. Too Much Post-harvest Handling Losses of Grain (PP08)

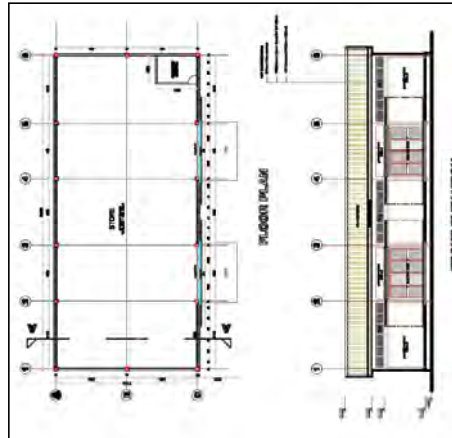
There is Plenty of Room to Reduce Loss

It is said that post-harvest handling losses of agricultural products reach as high as 30 to 40 % in Ethiopia due to poor harvesting, transportation, storage etc. Reducing the post-harvest losses will have as much effect as increasing production. PP08 focuses on the storage losses.

We construct a warehouse for the Angacha Farmer's Cooperative Union, a target cooperative union of the WFP's P4P program in SNNPR which doesn't have its own warehouse, with co-funding to show the effective standard design. Using this standard warehouse, we have trained the staffs and managers in charge on reduction of loss and quality control; namely (1) ordered loading, (2) first in - first out concept, (3) control against insects, rodents, mould and birds, (4) judgment / improvement of grades of products etc. in cooperation with PP02.

Activities of the Pilot Project

- 1) Constructing standard size warehouse (500 tons).
- 2) Establishment of management rules for the warehouse
- 3) Development of manual/poster of warehouse management/operation and check sheet.



Warehouse (under construction)

Discuss on the gate design

Progress of construction of facility

The contract for the construction was finalized on March 1, 2011 between the JICA Study Team and Yonas Legesse Building Contractor. The construction has been finished successfully and the Certificate of the Completion of the Works was issued by the Study Team on July 25, 2011.

5. The Other Projects

These other pilot projects are going on concurrently with PP06, PP07 & PP08.

- PP01 PCs and bulletin boards have been installed at the target offices in 14 woredas.
- PP02 The first trainings on warehouse management and quality control were carried out, and materials (posters) to encourage their implementation are ready to be distributed.
- PP03 Marketing linkage of avocado to improve the value-chain was actively challenged, whereas activities of mango-harvest are still in the position of standby of the harvest season.
- PP04 Cassava cutting machines and sun-drying plastic sheets were distributed to 12 farmers groups in Walayita zone.
- PP05 The developing ginger washing facility was completed, and the business plan of ginger was established with Bobso Bombe Cooperative.
- PP09 The comparison test of wheat recovery yield of ECX wheat and non-ECX wheat was carried out and the analysis is ongoing.
- PP10 Midterm monitoring is ongoing.

Report in Next Newsletter

6. Voices

From Mr. Abraham Demissie (Deputy Head of BOMC and Owner of Agricultural Marketing Core Process)

I was appointed as to be a team leader of Pilot Project No.10 that carries out monitoring and supervision of all of the SAMS' pilot projects. I recognize that PP10's role is a key to realize harmonization of the pilot projects implemented under the development concept consisting of four strategies; namely 1)market information system, 2)value addition of agricultural products, 3)market infrastructure and 4)institutional development. PP10 encourages all the members and stakeholders of pilot projects and tries to create synergy effects among them. In addition to the direct benefit to the farmers at the project areas, the experiences through the pilot projects give the assigned counterparts opportunities to learn the skills of agricultural market development practically. The program is also a breakthrough to scaling-up the activities within the region and also in the country as a whole. Therefore, I ensure that I and the BoMC strongly collaborate with the JICA Study Team to achieve the SAMS' targets.



7. Today's Proverb

Union is strength and SAMS Team is strength

You may know the instructive proverb "union is strength" or "united we stand, divided we fall". It says that working as a team is more effective than working alone. Yes, SAMS is a team and we are encouraging farmers to formulate groups to get scale merit on the market economy!

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SAMS-SNNPR

Strengthening Agricultural Marketing System in South Nations Nationalities & Peoples Region



BoMC - SNNPR



Vol.4 Oct. 2011

Newsletter

1. SAMS Bears Up Against Difficulties

After passing the halfway point, the SAMS team again faces many difficulties to overcome. The actual schedule is a bit behind the original schedule. The quality of the constructed facilities were lower than expected. JICA's consultants have been advising the SAMS leaders in charge on how to improve the conditions. We are all making efforts to break through the obstacles.

In this issue, the newsletter focuses on the pilot project 04, "Improvement of Dried Cassava Quality and Market Development Project", and the pilot project 05, "Production of 'Clean' Dried-Ginger and Establishment of Linkages with Buyers, which are under strategy number 2, "Increment of Profit by Introduction of High Value-Added Marketing".

2. New Machines Developed with Local Material are Now Active! (PP04)

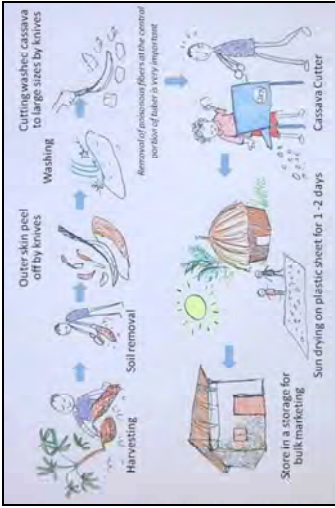
The price of clean dried cassava jumped to 7 – 8 Birr per kg!

The consumer price of clean dried cassava is now up to 7 – 8 Birr/kg, compared to 3 – 4 Birr/kg in 2010. Cassava is a potential product to mitigate

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food shortages in Ethiopia as in other African countries. Housewives in SNNPR now recognize the good cooking affinity with Teff for Injera and they mix dried cassava to injera to about 20% to 50% in weight. Some say the taste and appearance of injera is unchanged or even better than pure Tef injera. However, the current constraints for dried cassava by consumers are its low quality in hygiene. **A new machine developed in Hawassa, the cassava cutter.**

The JICA study team in collaboration with Hawassa University developed a simple, efficient cassava cutter using all locally available steel materials (see attached photo). The machine equips multi-cutting blades both fixed and rotating. A number of blades



(Continued from previous page) easily cut fresh cassava continuously to a small size, around 1cm, by manual operation. Those small cassava pieces are ready to be sun-dried on plastic sheets retaining a high level of hygiene.

Simple work-process is now developed (all manual operation).

The drawing on the left depicts the work-process to make clean dry-cassava. Using the cassava cutter improves the quality and reduces the work load. The cassava cutter can cut the cassava to the ideal size for selling at the market.

Pilot project

2 woredas in Wataiyta zone were selected as the pilot project site, namely Offa and Kindo Koysha. Each woreda selected 3 kebeles: Woshiwocha Dekeya, Busha and Gelda in Offa woreda and Zebato, Hanaze and Manara in Kindo Koysha woreda. One kebele selected 2 farmers groups as the project implementation body. Each group has 10 – 15 cassava-producing farmers totaling approx. 150 households.

Equipment and materials provided by the JICA study team to each farmers' group are: Cassava Cutter x 2 units, Plastic Sheet x 4 pieces, Weighing Scale x 1 unit, Cutting Knives x 10 pieces, Construction materials for storage such as steel roofing sheets, cement, sand, door, wire and timbers x 1 lot, etc.

Clean dried cassava production just started

The wet season has gone and the harvesting time for farmers has begun. Pilot project sites have started cassava harvesting and drying, and are expecting to earn higher sales prices this year.

Challenges for Farmers Groups

- To produce high quality clean dried cassava to meet consumers' demand
- To create bulk dried cassava for collective sales to enjoy better selling prices
- To control the quality among each of the group members
- To manage collective usage of the machine and materials in good rotation among the members
- To share the sales transparently in the group according to the rules agreed upon
- To plant early matured type cassava variety for commercial agricultural production

Market linkage will be developed

BoMC, ZoMC, WoMC and the JICA study team assist farmers' groups to develop reliable markets for their high quality dried cassava through the introduction of various cassava traders. The challenges of PP04 will continue.



Harvesting of the cassava



Peeling outer skin by knives



Cut to proper size => put it to cassava cutter



Cassava cutters were delivered to villages

3. This is the Advanced Technology for High Value-Added Ginger! (PP05)

SNNPR is the major producer of ginger and accounts for more than 90% of the country's ginger production. However, almost all ginger produced is unwashed and dried on the ground without using any sheets and without any care, and animals and people often walk on the ginger. It is not appropriate for human consumption from a hygienic viewpoint. Also, such poor quality product cannot compete in the export market.

AMIP/IFAD encouraged farmers to improve postharvest handling for "clean" dried-ginger, but practical methods (tools) of washing were not introduced. Based on these circumstances, PP05 has been challenged with developing practical washing methods.

Washing methods to verify in the Pilot Project

PP05 works with the Boloso Bombe Primary Multi-purpose Cooperative from Boloso Bombe woreda and the Abay Ginger Marketing Group at Hadaro Tunto woreda. The JICA Study Team searched for available tools/equipment in this country and tested various washing methods. We are at the stage of verification and have not carried out real business operations yet. The technical effectiveness and adaptability to local situations including socio-cultural aspects will be examined by those farmers' groups in real business operations. The figures and photos in this newsletter show the latest developed method at this moment.

Water for washing is essential

There are only two choices to obtain adequate amounts of water for relatively large-scale ginger washing operations; namely (A) River water and/or (B) Dig new water well.

PP05 sites are both located at streamside but it is impossible to bring river water into the sites by gravity, and so it is then pumped up by engine-driven pump to elevated water-tank (2 to 3 tons) to stock. In the case of the Boloso Bombe site, an earth-dug small pond is used to relay water as well as to settle dirt.

Efficient washing method using local tools was considered

In Japan, ginger roots are washed by electric driven high-pressure washing machines; in this case the power and water supply is stable. The farmers' group can afford to buy the US\$20,000 machine and benefit from it. However, under the current situation in SNNPR, the main tools for washing should be basin/bucket and brush, which are available everywhere and affordable to anybody. The PP05 team is trying to develop a suitable method in SNNPR as shown in the following figure to reduce the workload and time requirement to carry / wash and dry ginger.

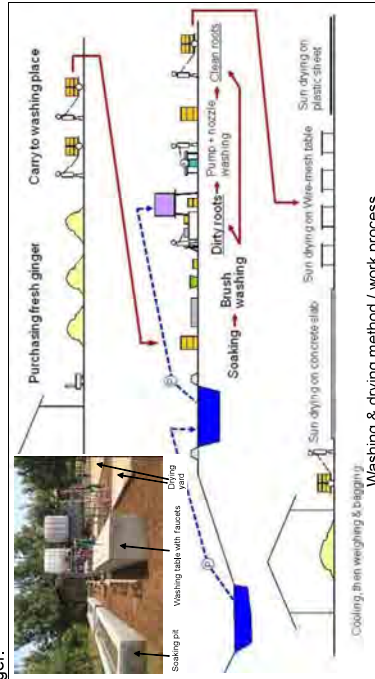
Saving / recycle water was taken into account
Most farmers do not like to carry ginger to streamside to wash for several reasons, and instead prefer to carry water with jerry cans by donkey. Carrying water is time and labour consuming work, so that "water saving" (reuse of water, recycling of water) is designed.



Washing table



High pressure washing machine



Washing & drying method / work process

(Continued from previous page)
Don't forget! PP05 is not only developing washing method but creating comprehensive market linkages

After setting up the facilities, the farmers' groups have to operate / maintain the processing factories properly. Financial arrangements, purchasing raw material, sales promotion, store management, etc. should be well organized, otherwise their businesses will fail.

Keep facing the challenges and taking an initiative of the ginger market.



4. The Other Projects

These other pilot projects are going on concurrently with PP04 & PP05.

- PP01 PCs and bulletin boards have been installed at the target offices in 14 woredas.
- PP02 The second trainings on warehouse management & quality control are now in preparation.
- PP03 Farmers are waiting for the harvest season....
- PP06 The facility of haricot bean trading at the marketplace in Bella town, Boricha woreda was completed and rules of operating / management are under discussion
- PP07 The construction work will be completed soon (middle of November, 2011).
- PP08 Warehouse has been built, and for the next step, a training seminar will be held with PP02.
- PP09 The comparison test of wheat recovery yield of ECX has been completed
- PP10 Midterm monitoring is ongoing.

Report in Next Newsletter

5. Voices

Mr. Minja Hwiso, Head of Ballila Municipality (Beneficiary of PP01, 06)

I was appointed as the head of Ballila Municipality, Boricha woreda in Sidama zone in Dec. 2010. Soon after taking up the new post, I heard about this project supported by JICA aiming to promote the haricot bean market of Ballila. I approved it 100% and decided to join the project and work together with JICA! A designated roofed marketplace for haricot bean was constructed and the operation rules have been discussed among the stakeholders. We, the local governments of Boricha woreda and relating agencies, implemented an awareness campaign to brokers dealing with haricot bean in Oct. 2011.

The 30 local traders, half of them registered and the rest in process, participated. We informed them that haricot bean is a potential cash crop in Boricha woreda to be promoted by all the inhabitants, both farmers and traders. I hope that people's lives in Boricha will be improved through the regional products such as haricot bean.



6. Today's Proverb

Take the initiative, and you will win.

The technologies/skills that JICA experts have been developing are something new. Pilot projects are kinds of verification studies, therefore we keep trying to improve the marketing system. If you join us at the first stage, you will take the initiative and you will win at the market competition. Join us and let us go forward together!

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