SMART Development in Ethiopia
SNV in Ethiopia
Annual Report 2013/14:
I. SNV in Ethiopia
In 2015 SNV celebrates fifty years of working with partners around the world in combatting poverty, with a strong local presence in 38 countries in Asia, Latin America and Africa. SNV is a not-for-profit development organisation that constantly refreshes its approaches, is able to meet new challenges and find SMART solutions to problems that our clients encounter. Over the last three years SNV has been transformed from a wholly Dutch government funded, region-led organisation, into one that is sector led, with a project management framework and a diverse range of funders and partners.

In Ethiopia SNV has been a partner in development for over forty years, moving from the original involvement in emergency relief to an approach which emphasises making a lasting difference in the lives of people, through strengthening their capacity to provide for their own needs and participate in the development of their families, communities and the nation. SNV brings its wealth of international experience and insight, combined with local expertise and understanding of the context, to support the Government of Ethiopia (GoE) and its people in achieving the vision set out in the national Growth and Transformation Plan (GTP). The emphasis of SNV’s programme in Ethiopia is firmly on improving the quality of life of those we ultimately work for – the end-users.

Globally SNV has sharpened its focus and competence in three core sectors: Agriculture, Renewable Energy, and Water, Sanitation and Hygiene (WASH). In Ethiopia we work towards sustainable solutions in these three sectors with a wide range of international and local partners, through equipping regional and local governments, communities, businesses and organisations with the tools, knowledge and connections they need to enable people to increase their incomes and gain access to basic services. Together we develop local capacities, strengthen systems and make it possible for people to improve the quality of their own lives.
SNV in Ethiopia is proud to be implementing its work with the partnership and funding support of:

- Bill and Melinda Gates Foundation
- DFID
- Dubai Cares
- Embassy of the Kingdom of the Netherlands and Government of the Netherlands
- European Union
- UNICEF
- USAID
- World Bank

This Annual Report for 2014 complements the Information Package on SNV in Ethiopia, which contains factsheets giving detailed information on each sector and project, as well as an overview of the SNV programme in Ethiopia.

This report is presented by sector and theme, with examples and illustrations from different SNV projects to highlight achievements of the programme in Ethiopia in the 2013/14 implementation year. The report is not intended as a comprehensive account of SNV activities, but presents a snapshot of the ways in which SNV has been contributing towards assisting people in Ethiopia to make improvements in their incomes, food security and quality of life during the year.
SNV’s Agriculture Programme in Ethiopia in 2014 comprised eight projects, which aim to reach an estimated 2.3 million people in 416,000 households. Key information on the agriculture projects is given in Table 1 below.

<table>
<thead>
<tr>
<th>Project</th>
<th>Goals</th>
<th>Coverage</th>
<th>Donors and Implementing Partners (IPs)</th>
</tr>
</thead>
</table>
| **ASPIRE:** Apiculture Scale-up Programme for Income and Rural Employment (2013-2017) | Increase the incomes of smallholder beekeepers, enhance export volume of bee products and establish a dynamic and sustainable apiculture sector in the country | 30,000 beekeepers, 40 input suppliers (direct); 30,000 ‘copy beekeepers’ (indirect), in Amhara, Oromia, SNNPR and Tigray | Embassy of the Kingdom of the Netherlands (EKN)  
**IPs:** Ethiopia Apiculture Board, Enclude, ProFound |
| **CSI:** Climate Smart Initiative (2013-2015) | Strengthen the Public Safety Net Program (PSNP) and Household Asset Building Program (HABP) to integrate the implications of climate change and reduce vulnerability of households and communities | 24 woredas of Afar, Amhara, Oromia, Tigray, SNNPR and Somali Region | World Bank/DFID  
**IPs:** CARE, FARM Africa, Mercy Corps, ORDA, REST |
| **C4C:** Cooperatives for Change (2012-2016) | Improve the business performance of agricultural cooperative unions and their member cooperatives, establish sustainable markets and increase income for smallholder families | 15 agricultural cooperative unions (150 member cooperatives) 42,000 smallholder families, in Amhara and Oromia | Bill and Melinda Gates Foundation  
**IP:** Agriterra |
<table>
<thead>
<tr>
<th>Program</th>
<th>Description</th>
<th>Target beneficiaries</th>
<th>Implementing Parties</th>
</tr>
</thead>
</table>
| **EDGET:** Enhancing Dairy Sector Growth in Ethiopia (2012-2017) | Contribute to sustainable increase in household incomes from dairy activities and to the improved nutritional status of children, particularly in the first 1,000 days of their lives | 65,000 households and 500,000 children, in Amhara, Oromia and SNNPR | Embassy of the Kingdom of the Netherlands (EKN)  
**IPs:** Ministry of Agriculture (MoA), Regional Livestock Development Agencies |
| **G&EB:** Gender and Environment Responsive Beekeeping Project (2013-2015) | Enhance the production and business of bee products to sustainably diversify and enhance the livelihood base | 3500 women and men beekeepers in Central Rift Valley (CRV) and Gambella | Embassy of the Kingdom of the Netherlands (EKN)  
**IPs:** Horn of Africa Regional Environment Centre and Network (HoA-REC/N), ANCEDA, Agriservice Ethiopia and VoCDA |
| **GRAD:** Graduation with Resilience to Achieve Sustainable Development (2012-2016) | Contribute significantly to sustained food security for households in rural Ethiopia with chronic and transitory food insecurity | 65,000 households in Amhara, Oromia, SNNPR and Tigray | USAID  
**IPs:** CARE, CRS/MCS, ORDA, REST, ASE, Tufts University Feinstein Centre |
| **IBM:** Innovative Business Model on High Value Crops (2013-2018) | Increase food production and income security for smallholder farmers through an innovative PPP business model enabling them to become commercial agri-entrepreneurs | 12,000 smallholder farmers in Amhara and Oromia | Netherlands Ministry of Economic Affairs  
**IPs:** Solagrow PLC, Terrafina Microfinance and Wageningen University |
| **LMD:** Agricultural Growth Program: Livestock Market Development (2012-2017) | Increase productivity and competitiveness of selected livestock value chains, improve enabling environment and enhance nutritional status of rural households | 200,000 households in Amhara, Oromia, SNNPR and Tigray | USAID  
**IP:** CNFA |
A. The Development Challenge

The agriculture sector was credited by GoE’s 2012/13 GTP Annual Report with being the main driver of the rapid economic growth in Ethiopia registered over the reported three years, accounting for 42.9% of GDP. Value added in agriculture grew on average by 7% over the period. The report stressed that enhancing the productivity of agriculture, and particularly of crop production, remains critical in the coming years, in order to maintain economic growth and avoid the threat of inflation. Average productivity estimates of major food crops registered in 2010/11-2012/13 were behind the target set in the GTP and the report noted that this signifies the pressing need to fully and effectively implement the scaling-up strategy of agricultural best practices, to achieve the crop productivity targets by the end of the GTP period.

B. SNV Solutions

Over two million people across Ethiopia are directly benefitting from SNV’s initiatives in the agriculture sector, which are implemented in partnership with the Ministry of Agriculture, Regional Bureaus and local woreda administrations, cooperatives and unions and the private sector. SNV particularly brings its special expertise in value chain development to support the GoE vision of transformation and commercialisation of the Ethiopian agricultural sector, increasing exports and enabling rural people to increase their incomes.

SNV globally has three main objectives in agriculture, which guide the programmatic themes:

1. To increase income and employment for smallholders. This involves building sustainable markets, developing the value chains for agricultural products and inputs and creating business linkages.

2. To improve food security and living conditions for poor and vulnerable groups.

3. To strengthen the environmental sustainability of agricultural production in face of a changing climate, by promoting solutions which are ‘climate smart’, such as integrated planning of household livelihoods and community natural resources.
These objectives and themes harmonise well with the directions and priorities of GoE’s GTP and Agricultural Growth Programme (AGP) (see Table 2 below). SNV projects contribute towards enhancing the productivity and production of smallholder farmers, strengthening marketing systems, improving the participation and engagement of the private sector and reducing the number of chronically food insecure households, while building resilience to the negative effects of climate change.

SNV’s interventions in climate smart agriculture and reduction of food insecurity are also closely linked to GoE’s Productive Safety Net Programme (PSNP) strategies of addressing the underlying causes of household food-insecurity and enabling families and communities to become more resilient to shocks.

SNV’s agriculture sector programme activities in Ethiopia focus on the value chains of dairy and meat products, beekeeping products, pulses, cereals, oilseeds and horticultural products. All interventions are based on careful analysis of local conditions and contexts and the functioning of the value chain and markets for the selected products, and seek to benefit women and young people, particularly rural youth.
## Table 2: Alignment of GoE and SNV Solutions in Agriculture

<table>
<thead>
<tr>
<th>GTP</th>
<th>AGP &amp; PSNP</th>
<th>SNV</th>
<th>Related SNVProjects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Enhance productivity and production of smallholder farmers and pastoralists</td>
<td>• Increase (smallholder) productivity, and improved post-harvest practices</td>
<td>• Quality inputs e.g. seeds, equipment</td>
<td>GRAD, EDGET, C4C ASPIRE, GEB, IBM,</td>
</tr>
<tr>
<td></td>
<td>• Agriculture Extension strengthening</td>
<td>• Improved capacity of extension services</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Improved technologies for post-harvest storage and processing</td>
<td></td>
</tr>
<tr>
<td>• Strengthen marketing systems</td>
<td>• Agricultural production and commercialisation through institutional strengthening, scaling up of best practices, market and agribusiness development;</td>
<td>• Facilitate business linkages between producer groups and private sector e.g. PPPs and outgrower schemes, links with exporters and trade fairs</td>
<td>IBM, EDGET, ASPIRE, GEB, GRAD, C4C</td>
</tr>
<tr>
<td>• Improve participation and engagement of the private sector</td>
<td>• Develop a stronger private sector able to meet demands of domestic and export markets through linkages with farmers and smallholders</td>
<td>• Support agro-dealerships</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Build the capacity of new and existing informal farmer groups</td>
<td>• Innovative financing schemes for buyers</td>
<td></td>
</tr>
<tr>
<td>• Reduce the number of chronically food insecure households</td>
<td>AGP - Expanded rural incomes and diversified employment opportunities</td>
<td>• Business development skills for producer groups and unions</td>
<td>GRAD</td>
</tr>
<tr>
<td></td>
<td>PSNP - contribute to the reduction in the number of Ethiopians suffering from extreme hunger, malnutrition, and poverty</td>
<td>• Enable small holder families to graduate from Public Safety Net Program (PSNP) support by improving their livelihoods (GRAD)</td>
<td>EDGET, C4C ASPIRE, GEB, IBM</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Improve the income of smallholder farmers</td>
<td></td>
</tr>
</tbody>
</table>
### Natural resources management and climate change mitigation

**PSNP** - contribute to the rehabilitation of the environment by strengthening soil and water conservation and making agriculture more productive and sustainable.

- Reduce vulnerability of households and communities by strengthening the PSNP and Household Asset Building Program (HABP) to systematically integrate the implications of climate change.
- Promote climate resistance forage for dairy and bees.

### Unleashing the power of girls and women will have profound effect on the speed, equity and sustainability of Ethiopia’s growth and development

- Encourage and enable women and young small-scale farmers to have increased participation in the agricultural sector.
- Special focus on bringing women and youth to either form their farmer Common Interest Groups (CIGs) groups or join existing ones.

### Promote climate resistance forage for dairy and bees

- Training women extension workers.
- Selection of women headed households as project participants.
- Promoting participation of women and youth in producer groups.
- Promoting women’s SMEs.

### Sustainable Markets

SNV initiatives are helping small-holder farmers and their groups (cooperatives and unions) establish sustainable markets and increase their incomes by operating as business entities, through building their capacity and skills in agriculture and business, enabling access to quality inputs, technologies and financing mechanisms, and facilitating linkages with private sector buyers and contractors. SNV brings people together in business-to-business relationships of trust, built on strengthened capacity all along the value chain for reliable delivery of expected outputs.
Talking to the women cleaning the beans here in the heat of the day and hearing how this is increasing their income is touching. This really goes beyond business. (Buyer from India) Ras Gayint Union, Amhara, has achieved a direct export agreement for white pea beans, brokered by C4C through a Singapore based trading house. The Indian buyer visited the union in person and provided technical advice on how to improve quality and hygiene during the cleaning process. Grading the beans by hand-picking them, with training provided by the buyer’s agent, has earned the union a 20% price premium and is providing employment for 200 female cleaners (made possible by an on-site child care facility). The union has hired a quality manager and obtained grading equipment, and is now officially certified as a GoE approved cleaning facility.

SNV focuses on developing markets for agricultural outputs and encouraging farmers to produce crops of the type and quality demanded by the market. These ‘pull’ strategies increase the effectiveness of production related activities in agriculture, or ‘push’ factors. To integrate smallholder farmers into long-term sustainable markets for their products SNV is facilitating and strengthening private sector participation in value chains, and bringing producers and buyers together. Private sector engagement has been the key tool in SNV’s successful facilitation of output marketing during 2014.

In the GRAD project alone, 37,600 households have benefitted by end 2014 from a total increase in incremental sales to the value of nearly USD 1.2 million, as a result of private sector engagement and market linkages. Some examples of output market linkages facilitated by GRAD in 2014 include:

- USD 1,693,599 in livestock sales, through local buyers;
- 310,000 kg of malt barley worth USD 162,155, purchased by Ras Gayint Union through its cooperatives, and supplied to Gondar Malt Factory (GMF);
- 306,500 kg of haricot bean, with a value of USD 115,956 equivalent, sold by 964 households through their cooperatives and unions;
- 60,000 kg of potato seed, with a total price of USD 21,815 equivalent, sold by Koga Irrigation Association.
22,528 farming families have received output marketing support from the C4C project through their unions, resulting in a 238% increase in output marketing of oilseeds, 317% in selected cereals and 495% in selected pulses by unions in the project.

Market linkages brokered by C4C include a business deal between Selam Union and US-based Sabra Dipping (a Pepsi Co. subsidiary) for the purchase of chickpeas, and 92,000 kgs white pea beans, produced by 204 farmers, exported to India by Ras Gayint Union, earning nearly USD 15,600 profit.

SNV and partners are facilitating export market linkages for beekeeping products, including participation in trade fairs, such as the Api Expo Africa in October 2014. Following the successful matchmaking tour for four Ethiopian companies to Biofach 2014, in Germany, many other companies are developing marketing strategies and some are being linked with importers in Europe. SNV has assisted with the process of EU third country listing accreditation, certification renewal and endorsement, to enable Ethiopia to continue exporting honey to EU markets.

**Strategies towards successful output markets**

The sections below give examples of SNV strategies to strengthen whole value chains, towards achieving successful output marketing results, such as described above.

*Enhanced agriculture extension skills*

The national GTP stresses the importance of effective expansion of the agricultural extension services, to improve the productivity of smallholder farmers. Increasing the capacity of farmers is basic to all SNV’s agriculture projects, which work closely with the government extension services, research institutions and woredas to understand the skill gaps of extension workers and farmers, and to develop methodologies and materials to overcome them.

2306 extension workers, DAs and livestock experts trained by SNV projects have built their capacity to help smallholders improve productivity through using improved techniques, and to increase output marketing through developing business skills. In particular, SNV is promoting Demand Driven Extension, whereby DAs advise farmers to produce in line with the market demand.
As a result of improved skills through SNV training of trainers (ToT) in agriculture:

- 30,256 dairy farmers have improved their dairy management and forage growing, through training and subsequent extension support under EDGET;
- 18,553 beekeepers have improved their management practices, production and quality of bee-products, and produced nearly 23,200 kgs of quality honey, under ASPIRE, GRAD and G&EB;
- 5,426 members of farmers’ cooperatives have been trained in marketing their produce through unions under the C4C project.

All SNV agriculture projects in Ethiopia have developed training materials on specific skills and products, such as: manuals by GRAD on red pepper and potato seed multiplication; ToT materials to strengthen training skills in business development under IBM; and business decision guides for income generation activities to reduce climate shock, under CSI. Manuals produced and distributed by C4C include 100,000 in Tigrigna and Amharic on good agricultural practices in sesame, in collaboration with the Netherlands funded Sesame Business Network (SBN) Support Programme, 2,000 in Amharic and Oromifa on nigerseed, or noug, and 2,200 in Oromifa on linseed.

**Improved Access to Quality Inputs**

Government strategies place priority on input supply as playing a pivotal role to improve agricultural productivity. SNV’s projects utilise a number of innovative modalities to increase the access of smallholders to quality inputs, as a crucial aspect of value chain development for the selected commodities.

Modalities include improving the capacity of the private sector to increase farmers’ access to quality inputs. For example, 16 agro-dealers are supplying inputs such as vegetable seeds, feed and farm tools, as well as veterinary drugs, through GRAD, which also supports the demonstration and promotion of products. The system has enabled over 9,600 smallholder farmers to access timely inputs, of better quality than usually supplied by the market, near to their villages and at affordable prices.

To develop beekeeping SNV has increased the availability of modern hives in the local market through training SMEs to produce them and facilitating loans for beekeepers to purchase hives and equipment, through ASPIRE, GEB and GRAD.
Another modality is direct provision of start-up inputs by projects. For example:

- 14,590 farmers have received 750,000 kg of improved seeds from unions, through C4C;
- 27,693 dairy households have been supported to grow backyard forage by EDGET, which has provided 66,392 kg of forage seed and 6.6 million pcs of forage seedlings;
- 30,528 seedlings have been distributed to beekeepers as forage by the GEB project.

In some projects producer groups have produced seed to be used in the project itself, such as:

- 4,775 kg malt barley seed, 5,000 kg potato and 2,600 kg wheat produced by producer groups for use in the IBM project;
- 15,700 kg of improved seeds produced by 48 model farmers, under GRAD, to be distributed through farmer to farmer exchange and cooperatives.

**Improving Milk Production for Increased Income**

32 year old widowed mother of four, Waziro Tikikil Bogale, is earning ETB 100 (USD 5.5) profit per day, now that the daily milk production from her two cows has increased from 10 to 18 litres. Wro Tikikil owns 1.5 ha of land in Aleta Wondo Woreda, SNNPR, but she did not grow forage for her cows before attending a one day EDGET practical training on forage production and improvement and cow and calf management. After the training she planted forage cuttings and seeds provided by the project, started to feed her cows with Napier and Guatemala Grass in addition to wheat bran, and made improvements, such as constructing feed and water troughs from local materials and a calf pen. From her backyard she has harvested lablab, oats and cow pea to feed her cows. The increased milk production from her improved inputs and practices enables her to use dairy products for her family every day (raw milk, yogurt, butter, ayib and whey) and to sell 10 litres of raw milk per day to hotels in Aleta Chuko town, 16 km from her home. She now shares her successful experience and knowledge with others, as a member of the Kebele Dairy Development Committee.
Farmers’ Groups

Benefits to individual smallholders from joining producer groups can include: cost savings in inputs, equipment and marketing logistics; sharing of resources, knowledge and skills to boost productivity; improved access to finance; and increased bargaining power in negotiating the prices of commodities.

Building and strengthening informal and formal farmers’ groups is an important SNV strategy towards increasing agricultural productivity and creating sustainable markets. Under GRAD, SNV has developed coaching and mentoring guides in Amharic and Oromifa to support producer groups in their creation and management as well as in developing skills in entrepreneurship and marketing, business planning and financial management. IBM has also provided similar training to producer groups and unions.

Some examples of SNV support to producer groups include:

- 47,081 dairy households organised by EDGET into 1,557 dairy farmer extension groups to facilitate dairy extension services and input provision;
- 32,000 farmers to date benefitting from C4C support to professionalise unions as strong business entities and increase their output marketing performance.

In the apiculture sector, ASPIRE is working with 72 primary cooperatives, with more than 7,600 members (21% women), and 10 unions, with more than 47,200 members (24% women), to strengthen their organisational and business management skills. GEB has established 33 producer groups with a total of 403 (184 female and 219 male) members who have received business development training. GRAD is working with six colony multiplication and wax producing cooperatives, and has supported one cooperative with a membership of 646 beekeepers to establish a honey collection centre. Collection centres allow for larger volumes of hive products to be collected, better storage and quality monitoring and more reasonable prices for buyers.
Using Technology for Market Linkages

C4C has piloted a Mobile Information System in 2014, to increase the operational efficiency and market delivery of cooperatives, in partnership with Tsehay Union and ICT service provider, Kifiya. The moment a farmer brings a crop to the cooperative it is recorded on a mobile device and uploaded into the MIS in real-time, allowing the union manager to make quick decisions on where trucks need to go and when and where money needs to flow. The MIS dashboard can be shared with buyers and banks. The MIS shows promising results, especially related to increased value chain transparency and trust among participants. In the follow-up phases additional information services will be considered and piloted, such as input tracking, mobile payments and, possibly, mobile agronomic services for farmers.

Innovative financing mechanisms

A major constraint in Ethiopia to the building of agricultural markets has been limited access to finance at various stages of the value chain: for producers and suppliers of inputs; for smallholders to purchase inputs and store and transport their products; and for purchasers to buy commodities in any significant quantity.

SNV projects are exploring and developing a range of innovative financing mechanisms to overcome these hurdles at different points in the value chains. For example, in the IBM project loans to the value of almost USD 8,000 (ETB 163,250) from MFIs, backed up by SNV partner, Terrafina, have enabled producer groups to purchase inputs such as seeds and fertiliser. C4C has piloted a financial management training package, in Amharic, to help farmers’ unions improve their internal capitalisation. One union has mobilised USD 41,100 equivalent in the form of shares through this support.

The honey export market is being boosted by the innovative Aspire Guarantee Fund (AGF), which in 2014 facilitated loans to the total value of ETB 36.9 million (approx. USD 1.8 million), enabling beekeepers to access quality inputs and buyers to increase the quantity of honey purchased. Out of this total, nine working capital loans, amounting to a total of ETB 26.9 million (approx. USD 1.3 million), have facilitated the purchase of 430,600 kg of raw honey from over 9,000 beekeepers, both participants in SNV projects and other producers.
WIN-WIN-WIN Financing Model

The Aspire Guarantee Fund (AGF) is creating a financing mechanism that is very likely to be sustainable, as it benefits all parties involved:

**Beekeeper households win**, through developing strong connections with formal honey markets, for domestic use or export. Households avoid the transaction costs associated in applying for individual loans, such as transportation costs, meeting collateral requirements, and other associated costs (collateral pledge registration and fees etc.);

**Processors win** by building long-term relationships with more productive beekeepers, providing them with modern, more efficient production equipment, without using up their own working capital. More working capital means more funds available to purchase and sell honey, leading to increased profits for all involved, processors and beekeepers alike. Processors are also developing long-term relationships with financial institutions, gaining credit history and access to needed finance;

**Financial institutions win** by reaching thousands of individual beekeepers with only a few loans, drastically reducing the costs that would be incurred in processing individual loans, and by establishing financial relationships with processing companies, many of which also engage in exports and bring in foreign exchange.

Business-to-business linkages

SNV projects are facilitating various innovative business relationships to establish sustainable markets, through linkages between farmers and other private sector participants in value chains. For example, IBM is a Public Private Partnership (PPP) transforming smallholder farms into high value crop enterprises by balancing supply and demand to meet market needs. In 2014 start-up market linkages have been facilitated for producer groups to provide wheat to a flour mill factory at Ambo, and malt barley to a brewery, thus reducing the need for malt barley inputs.

Brokering business deals for participating unions is a key activity of the C4C project. In addition to the output marketing successes cited above, examples include a contract farming arrangement of Merkeb Union for improved wheat seed multiplication, and a pilot innovative business arrangement under which farmers’ groups multiplied 2.8 MT of an improved Mexican variety of chickpea seed to 18.8 MT. The business arrangement included a private crop index insurance and a seed guarantee to the private sector buyer.
17,382 kgs of quality honey has been produced under 63 business-to-business relationships facilitated by ASPIRE, including outgrower arrangements with training for participating beekeepers, and partnership development with local buyers and processors. One example is Zenbaba Beekeepers’ Cooperative Union, which has sold honey collected from its members to Ethiopian processors for export to Europe. Good market access has been created for the union’s 6,000 individual members, in 10 primary cooperatives, and the profit margin on the transaction has generated badly needed working capital for the union structure. The second working capital loan, of ETB 3 million (over USD 146,000) will allow the union to purchase nearly 50,000 kg of raw honey from an expected 2,500 cooperative members.
Business-to-business linkages increase income for GRAD farmers

Potato growers

1258 households (165 female-headed) in Lay Gayint Woreda, Amhara, have been able to earn a total profit of nearly ETB 4.5 million (nearly USD 222,000) from the production and marketing of over 1 million kg potatoes, one of the value chains identified by GRAD as an important commodity for household consumption and generating income. 40% of the crop is used for consumption and 60% for selling. Access to reliable markets was a major constraint in the potato value chain. SNV facilitated a business arrangement between two vegetable cooperatives and the Bahir Dar potato processing company, Balemlay Special Enjera and Food Flour Manufacturing Industry, and provided financial support to expand the processing capacity of the company, increasing its daily potato consumption from 1,000 kg to 20,000 kg. This linkage has helped farmers to see the benefit of working with a reliable buyer and selling collectively.

Malt Barley Cultivators

In 2014 Gondar Malt Factory (GMF) has bought 446,000 kg of malt barley at a cost of about USD 230,000, through a marketing contract agreement with Ras Gayint Union facilitated through GRAD. 189,000 kg out of the total amount was supplied by 884 PSNP households, of which 147 are female-headed. Using the GRAD innovation fund GMF has provided training to cooperatives, unions and model farmers on malt barley quality requirements and improved agronomic practices, along with other supportive services. To enhance the collection capacity of the union and its member cooperatives SNV has supported the recruitment of collectors at cooperative level. Realising the benefits of working with smallholders and their cooperatives GMF has assigned its own agronomist to the woreda, to support farmers and facilitate the marketing of malt barley. The graph below shows how malt barley production and supply to GMF has increased in the past three years, through this coordinated support along the value chain. The union has now become the major supplier of malt barley to GMF, establishing a sustainable market linkage between producers and a private sector buyer.

<table>
<thead>
<tr>
<th>Production year</th>
<th>Amount of Malt Barley Supplied to GMF by Ras Gayint Union</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>200,000</td>
</tr>
<tr>
<td>2013</td>
<td>390,000</td>
</tr>
<tr>
<td>2014</td>
<td>446,000</td>
</tr>
</tbody>
</table>
Food Security

Reducing chronic and transitory food security of households is a priority of both GoE and SNV. The 2012/13 GTP Annual Report put the absolute poverty headcount in Ethiopia at 27.6% and the food poverty headcount at 32.7%.

SNV emphasises the importance of developing market linkages between farmers and the private sector as a strategy to increase the access of households to nutrient-rich food and improve nutritional status, particularly of women and children. SNV’s projects in Ethiopia which build sustainable markets also contribute to the improved food security of households, through increasing income and enabling families to spend more, including on food items.

In the GRAD project SNV specifically works towards supporting the GTP in increasing the food security and household resilience of 65,000 smallholder households, so that they can graduate from dependency on the PSNP. In 2014, 43 businesses have been engaged in input and output marketing towards increasing the productivity and income of GRAD households. 19,900 households have accessed inputs, technologies and services, including demand driven extension services. As a result of sustainable market access and linkages created by GRAD the private sector has invested more than USD 162,750 equivalent and the average income of 23,465 households has increased by USD 100-200 each. This increased income can enable GRAD households to buy more and better quality food. Examples of market linkages facilitated by GRAD are given in the section on Sustainable Markets above.

**Increased income from sustainable livestock marketing**

196 households have benefitted from an increased income totalling nearly USD 2,200 equivalent, through the sustainable livestock market linkage established by GRAD in 2014 with Luna Export Abattoir, in Modjo. Seyoum and Melese, for example, collected 344 fattened sheep and goats from the six GRAD targeted woredas in SNNPR and supplied them to the abattoir, earning extra income for their families.

Households participating in the EDGET project benefit nutritionally both from the increased consumption of milk products and the additional income gained from sale of milk. The project is also supporting the development of a new nutritious yogurt based flavoured children’s drink, using the skimmed milk available from dairy processing centres. The feasibility testing stage of product development in 2014 has shown positive results.
Climate Smart Agriculture

Building the resilience of the economy to climate shocks is one of the goals of GoE’s national GTP, including improved water conservation and water use efficiency as a specific outcome. For sustained agricultural production and income it is essential to build the resilience of farming households and communities to the negative effects of climate change. SNV’s global approach to climate smart agriculture includes developing tools for sustainable production, resilient rangelands and climate-smart-land-use planning approaches.

Environmental and climate considerations are of paramount importance in SNV’s agricultural interventions in Ethiopia. Improved value chains and access to sustainable and reliable markets facilitated by SNV projects increase the income of smallholder households and allow for asset accumulation, in turn strengthening their resilience to climate change hazards. In the case of GRAD, building household and community resilience is a specific project objective.

Contributions to climate resilience are being made by forage development initiatives in the apiculture and livestock and dairy sectors. 1,577.92 ha of land has been covered to date by fodder production under EDGET, and communities participating in SNV’s apiculture initiatives are undertaking conservation activities to ensure the growth of forage seedlings and facilitate the positive environmental impact of beekeeping.

In the Climate Smart Initiative (CSI) SNV is part of a consortium testing new approaches to reduce the vulnerability of chronically food insecure households to climate related risks, by systematically integrating climate change implications into the planning and implementation of GoE’s public safety net programmes. The project works closely with communities in 24 woredas, in six regions, to identify and carry out locally specific pilot conservation and income strengthening activities, mainly in four cluster groupings: integrated forage and livestock; moisture use efficiency and rain-fed crop production; homestead garden creation and expansion; and moisture use efficiency and irrigated crop production.
Some CSI achievements by end 2014 include:

- 287 zonal and woreda experts and DAs are now able to support farmers in livelihood diversification, through enterprise learning groups and farmer-to-farmer learning on risk aware business planning and livelihood decision making.

- 72 kebeles have been supported to rehabilitate and implement small-scale irrigation schemes and water development activities (ponds, hand dug wells, check dams), linked to HABP livelihood activities.

- 64 watersheds have now established links between household asset building strategies and public works that respond to identified climate hazards and community vulnerabilities.

What it means to be ‘climate smart’:

*CSI CVCA has taught us the important role of water harvesting to deal with rainfall variability. We were not much aware of this earlier.* (Kimiya Usman and Abdula Mohammed, Daru Labou Woreda)

*Due to CSI we have understood that soil erosion reduces fertility and yield, and erodes our capacity to withstand climate shocks. Now we have started farmland conservation using various structures.* (Mohammed Husen, Goro Woreda)

*We have focused on livelihood diversification due to learning from CSI. We have started trading live-animals and participating in poultry production and beekeeping enterprises alongside of farming.* (Community members from Gofa Woreda, SNNPR)

Gender and Youth

SNV pays particular attention to gender equity and social inclusion of marginalised groups. Gender mainstreaming is an area of expertise within SNV through years of practice and experience. In line with the national AGP, SNV agriculture initiatives in Ethiopia encourage and enable women and young small-scale farmers to have increased participation in the agricultural sector, particularly through producer groups. C4C is giving special encouragement to the participation of women in cooperative income earning activities, and EDGET has identified 5,033 female-headed dairy households to participate in the project to date.
Gender was one of the criteria in the design of the GRAD project and in selecting value chains to be included. Based on a gender-in-value-chain analysis the project has focused on increasing the participation of women in value chains and economic activities, and promotes farming as family business in which both men and women participate and benefit. For example, out of the 1,425 households engaged in malt barley production and marketing in 2014, 263 were female-headed (18.5%). In addition, 118 of the 643 extension workers trained by GRAD on demand-driven extension were female.

**Female - headed household earns income from malt barley**

W/ro Birkie Stotaw has earned about USD 300 from her first efforts in malt barley production through GRAD. Earlier she used her land for subsistence food production or to rent. She was encouraged to engage in commercial farming with technical assistance and access to a loan, and has collected 600 kg of malt barley from one quarter of a hectare, which she sold to Gondar Malt Factory.

Modern beekeeping methods, which are accessible to women, are enabling rural women to earn income through apiculture. Under ASPIRE special support is being provided for four women-led businesses, to increase their competitiveness in the markets of honey and other beehive products. In the GEB project 51.25% of beneficiaries are women and 45.51% of producer group leadership positions are held by women. In many localities unemployed youth have started generating significant income by engaging in beekeeping as a full time activity.
Youth participation in apiculture business

Yirga Derbew is one of the young people in Dehana Woreda, Amhara, who has changed his life through beekeeping as a business. Yirga received training and assistance under ASPIRE, and experts from the local government office are providing technical support and follow up. Like the majority of youth in the area he used to be poor, jobless and solely dependent on his parents for survival. Yirga now manages 20 honeybee colonies and in 2014 he sold 79 kilograms of crude honey from his harvest, earning a profit of ETB 5,750 (USD280).
III. Renewable Energy Sector
In the renewable energy sector in 2014 SNV continued partnership with the GoE in its major biogas programme, and launched a pilot improved cookstove project. Through these two projects, described in Table 3 below, the renewable energy programme covered an estimated 29,985 people in 5,997 households, in 161 woredas, during the year.

Table 3: SNV Renewable Energy Projects in Ethiopia

| Project                                                      | Goals                                                                 | Coverage                     | Donors and Implementing Partners (IPs)                       |
|--------------------------------------------------------------|                                                                     |                              |                                                               |
| **NBPE-II:** National Biogas Programme of Ethiopia, Phase II | To develop a commercially viable, market-oriented biogas sector in Ethiopia for clean domestic energy and the use of bioslurry as organic fertiliser | 20,000 user households, plus SMEs in Amhara, Oromia, Tigray and SNNPR | Government of the Netherlands (Africa Biogas Partnership Programme), Government of Ethiopia |
| (2014-17)                                                    |                                                                     |                              |                                                               |
| **IRES:** Integrated Renewable Energy Services               | To provide improved cooking solutions by increasing the productivity and incomes of SMEs engaged in the production of improved cook stoves and clean fuel | 15,000 households and 40 SMEs in Amhara, Oromia, SNNPR and Tigray | Government of the Netherlands                                  |
A. The Development Challenge

The GTP aims at elevating Ethiopia to middle income country status by 2025, through maintaining double-digit growth rate, while pursuing a net-zero greenhouse gas (GHG) growth strategy and building the resilience of the economy to climate shocks. This has required urgent attention to household fuel use, where 84% of the population live in rural areas and are primarily dependent on firewood and biomass for domestic energy. With only 6% access to clean cooking fuels and fuel efficient stoves for household use, at least 15 million households (approximately 75 million people) do not yet have clean and efficient means to cook their food.

B. SNV Solutions

SNV’s Renewable Energy (RE) programme in Ethiopia is directly aligned with GoE’s goal of developing a Climate Resilient Green Economy (CRGE), and supports related government programmes, as shown in Table 4 below. In 2014 programme priorities were strengthening the domestic biogas sector and increasing access for households to improved and cleaner cooking stoves and fuels.

SNV’s integrated approach to renewable energy focuses on increasing the access of low income households to affordable and sustainable energy solutions, combining the development of technologies with building sustainable markets which can provide for long-term benefits. This approach starts with understanding the needs of consumers and the functioning of the market, leading to strengthening the value chains and creating linkages for access to credit, to build access to appropriate solutions to meet the identified needs.

This comprehensive, market-based, programming approach necessarily involves building the capacities of participants in every part of the value chains for renewable energy solutions. One of SNV’s special strengths lies in taking a multi-actor sector development approach, working together with national and sub-national governments, other development partners, private sector SMEs, financial institutions and renewable energy consumers, especially in rural areas.
### Table 4: Alignment of GoE and SNV Solutions in Renewable Energy

<table>
<thead>
<tr>
<th>GoE Strategies and Plans</th>
<th>GoE Programmes</th>
<th>SNV Solutions</th>
<th>SNV Project/ Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growth and Transformation Plan (GTP)</strong></td>
<td></td>
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<tr>
<td>Growth and Transformation Plan (GTP)</td>
<td>National Biogas Programme of Ethiopia (NBPE):</td>
<td>Develop a commercially viable, market-oriented biogas sector in Ethiopia</td>
<td>NBPE Phase-II - SNV as a partner in implementation</td>
</tr>
<tr>
<td></td>
<td>• Triple goals of economic growth, net-zero greenhouse gas (GHG) emission, and building climate-resilience.</td>
<td>through the exploitation of market and non-market benefits of domestic biogas</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Biogas as a priority area for creating access to modern energy sources in rural areas</td>
<td>• Private sector development for sustainable efficient and effective use of biodigesters</td>
<td></td>
</tr>
<tr>
<td><strong>Climate Resilient Green Economy (CRGE) (2011)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Climate Resilient Green Economy (CRGE) (2011)</td>
<td>National Cook Stove Investment Plan (v.8 Feb 2013)</td>
<td>Provide improved cooking solutions by increasing the productivity and incomes of SMEs engaged in the production of improved cook stoves and clean fuel</td>
<td>IRES – pilot project to contribute to national programme through development of appropriate business models</td>
</tr>
<tr>
<td></td>
<td>• Reduce emissions by 54 MtCO2e by 2030</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• The deployment of fuelwood-efficient and fuel-shift stoves as one of the immediate priorities</td>
<td>• Adoption of 9 million ICS by 2018 by 4.5 million households (with the assumption of two ICS, on average, per household)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Deployment of a combination of fuelwood efficient, LP, biogas and electric stoves</td>
<td>• Deployment of a combination of fuelwood efficient, LP, biogas and electric stoves</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Capacity building of private ICS producers and entrepreneurs;</td>
<td>• Capacity building of private ICS producers and entrepreneurs;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Provision of loans to producers, distributors and retailers;</td>
<td>• Provision of loans to producers, distributors and retailers;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Market promotion, support and development, creating 5,000 private sector jobs largely in rural areas</td>
<td>• Market promotion, support and development, creating 5,000 private sector jobs largely in rural areas</td>
<td></td>
</tr>
</tbody>
</table>
Biogas for Clean Energy

Through the NBPE in 2014 SNV contributed to:

- Increased use of biogas by 12,585 people
- Increased incomes, benefitting 1,655 people
- Reduction of 3,775 tons greenhouse gases.

SNV has been a partner in the NBPE since the original feasibility study in 2006 and subsequent programme development. SNV’s support to the first phase of the programme, NBPE-I, contributed towards the installation of bio-digesters in 8,161 rural households in Amhara, Oromia, Tigray, and SNNPR. SNV provided technical expertise to support NBPE-I in:

- establishment of the programme;
- capacity and system development of the national and regional programme units;
- training district government staff and biogas masons in bio-digester promotion, construction, quality assurance, bio-slurry utilisation, etc., including design of training manuals and training methodologies; and
- private sector development and access to credit for biogas, including modalities and capacities in Micro Finance Institutions (MFIs).

The second phase of the programme began during 2014. The overall development objective of NBPE-II, 2014-17, is to bring about improvement in the livelihood and quality of life of rural households in Ethiopia, through: replacing the unsustainable use of wood and charcoal for cooking and lighting with a clean fuel; producing high-value organic fertiliser from the bio-slurry for home use or sale; and improving the overall economic situation of rural households, from fuel savings and income produced along the bio-digester value chain.

In NBPE-II SNV is contributing expertise and experience in programme management and private sector and value chain development, in support of GoE’s strategic intention of establishing a commercially viable, market-oriented biogas sector in Ethiopia. The focus of SNV support during the start-up phase in 2014 was on contributing to sustainable systemic changes by assisting the national and regional biogas programme units to further build their capacity in project management, particularly in planning, monitoring and evaluation.
Biogas benefits for rural households:

- Availability of clean fuel for cooking and lighting;
- Savings in fuel costs;
- Savings in time from firewood collection, especially for women and girls;
- Removal of health risks from cooking smoke;
- Availability of bio-slurry for fertiliser, for home use or sale.

Private sector development is a key strategy of NBPE-II to achieve the goal of installing 20,000 bio-digesters and the continued effective and efficient operation of all the bio-digesters installed. The programme promotes private sector involvement for construction of bio-digesters, manufacture and supply of appliances and accessories, including supply of spare parts, after-sales services, and user training and quality control. Through developing a commercially viable market, the sector can become self-sustaining, without requiring continuous external support or subsidy for supply side strengthening. To take forward this strategy, during 2014, SNV has drafted a national framework for private sector development in the biogas sector, in partnership with MoWIE and other stakeholders.

During 2014 alone a total of 2,517 biogas plants were constructed by NBPE-II in the four regions of Amhara, Oromia, SNNPR and Tigray. As of the start of 2015, over 50,000 people in 155 woredas in Ethiopia are benefitting from the use of clean energy in their homes from nearly 10,700 bio-digesters installed under the NBPE.
SNV’s work on cleaner cooking solutions aims to show how a market-oriented value chain approach can expand the access of rural communities and households to improved cookstoves (ICS). The Integrated Renewable Energy Services (IRES) project is a two-year pilot, which is part of an SNV multi-country programme promoting integrated solutions to renewable energy challenges. The project is designed to stimulate active and constructive dialogue amongst public and private stakeholders in the ICS sector, based on both local evidence gathered through market intelligence, and practical experience from market development initiatives.

A Market Intelligence Study in June 2014 collected data from 896 households in six woredas of the four project regions, on current cooking practices and awareness of ICS, as well as analysing ICS supply and market dynamics. The study made clear the importance of building and strengthening producer and trader groups to revitalise ICS production and sales. SNV has developed a training manual, and helped 240 members of 31 producer and retail groups, both SMEs and women’s groups, to build their capacity in technical and business skills, including book keeping, marketing, and product diversification.

Value chain development entails strengthening both supply and demand. IRES is supporting ICS producers to promote their products through locally specific regional radio programmes, product demonstrations at market places and a range of materials designed to inform rural consumers about the advantages of using ICS. Linkages have been facilitated between producers and consumers through trained retailers and promoters, and community mobilisers. Arrangements are also being explored and facilitated between producers and MFIs to increase the access to finance for consumers and producers.

2015 will see further development of business models for the integrated approach to renewable energy technology and market development, which can be used for scaling up of biogas and ICS and also be applied to other products in the renewable energy sector.
Our ICS business is flourishing due to increasing demand and our improved capacity to produce and sell more. The group’s market depended before only on holiday seasons when people tend to buy new products. We didn’t even have regular income and we had never recorded our revenue and expenses before we joined SNV’s IRES project. Now the group members’ income is increasing, the group’s savings at Wesasa Microfinance are also increasing, and we are linked to a sustainable market.

(Tigist Legesse, Chairperson, Tulubolo Kebele 01 Women’s Group, which has been in the ICS business since 2011)
IV. Water, Sanitation And Hygiene (WASH) Sector
SNV had five projects in its WASH programme in Ethiopia in 2014, as shown in Table 5 below. These projects benefitted over 2.4 million people in 430,588 households, in 63 woredas.

Table 5: SNV WASH Sector Projects in Ethiopia

<table>
<thead>
<tr>
<th>Project</th>
<th>Goals</th>
<th>Coverage</th>
<th>Donors and Implementing Partners (IPs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ESHI</strong>: Enhanced School Health Initiative (2012-2015)</td>
<td>Improve school WASH facilities by facilitating the implementation of water supply, sanitation and hygiene activities</td>
<td>18,000 schoolchildren and 100,000 family members in 20 primary schools and surrounding communities in SNNPR</td>
<td>Dubai Cares Foundation&lt;br&gt;<strong>IP</strong>: Southern Ethiopia People’s Development Association (SEPDA)</td>
</tr>
<tr>
<td><strong>GiC</strong>: Girls in Control: Menstrual Hygiene Management (2014-2015)</td>
<td>Improve school attendance for adolescent schoolgirls through access to and use of improved menstrual hygiene management in schools and appropriate and affordable menstrual pads</td>
<td>32,000 school girls in Amhara, Oromia, SNNPR and Tigray</td>
<td>SNV</td>
</tr>
<tr>
<td><strong>NUWI II</strong>: Netherlands-UNICEF WASH Initiative II (2012-15)</td>
<td>Provide improved and sustained WASH service delivery through strengthening WASH institutional capacity and the enabling environment</td>
<td>1.4 million people in 30 districts in Amhara, Oromia, SNNPR and Tigray</td>
<td>UNICEF&lt;br&gt;<strong>IPs</strong>: RiPPL, PLAN and iDE</td>
</tr>
</tbody>
</table>
### SSH4A: Sustainable Sanitation and Hygiene Results Programme/SanWaghimra Project (2014-18)

- **Objective:** Improve the sanitation and hygiene situation of rural communities
- **Target:** 391,440 people in 6 woredas of Waghimra Zone, Amhara region
- **Funders:** DFID

### SSTPU: Sustainable Sanitation Transformation in Peri-urban and Urban Areas (2013-15)

- **Objective:** Improve public access to sanitation facilities
- **Target:** 146,744 persons (direct); 231,212 persons (indirectly, through hygiene promotion) in 12 small towns in Oromia, SNNPR and Tigray
- **Funders:** European Union

### A. The Development Challenge

National potable water supply coverage in Ethiopia, according to the 2012/13 GTP Annual Report, is 68.45%, with 66.5% rural coverage and 81.3% urban. The report called for redoubling of efforts to mobilise and coordinate the technical and financial capacities of communities, governments, non-governmental organisations and development partners to expand coverage of potable water supply, to achieve the GTP targets of 98% rural and 100% urban coverage by end 2015. The National Sanitation and Hygiene Strategy, 2011-15, estimated in 2011 that 30 million Ethiopians still lacked basic sanitation facilities and less than 20% of the population practised hand-WASHing with soap and water at critical times. The strategy adopted the targets of the Health Sector Development Plan (HDSP IV) of 100% access to basic sanitation and 84% access to improved sanitation by end 2015. The One WASH National Programme (OWNP) of 2013 supports the targets of the Universal Access Plan (UAP) that all Ethiopians will have access to basic sanitation, 80% of communities will achieve defecation free status, and 77% of the population will practice hand-WASHing with soap at critical times.

### B. SNV Solutions

SNV globally and in Ethiopia adopts a dedicated product and programme approach in the WASH sector, because we believe it delivers better results, allows for more specialised inputs, and enables us to contribute to key knowledge issues in the sector.
The WASH products offered by SNV globally are:

- Sustainable Sanitation and Hygiene for All (SSH4A) – Rural and Urban;
- Functionality of Rural Water Supply Services;
- Sustainability of Water Supply Services in Small Towns and Urban Areas; and
- WASH in Schools, including Menstrual Hygiene Management for school girls.

SNV’s WASH programme in Ethiopia supports the GoE national programmes and is aligned with their objectives and strategies, as shown in Table 6 below. SNV WASH projects in 2014 have contributed to improved WASH service delivery, access to safe, sufficient and reliable drinking water and improved sanitation, and sustained positive change in hygiene behaviour. SNV takes a whole systems approach, with an emphasis on capacity development of local sector representatives and value chain participants, with equity of access and sustainability of supply and infrastructure. This approach brings together communities, local governments and the private sector to strengthen accountability and stimulate community decision-making and ownership of WASH services.

SNV WASH interventions are based on understanding of the local context. For example, the SSH4A project, which began in 2014, collected data to inform project implementation from 2,186 households in the six project woredas in Amhara. The data from this baseline survey has been reinforced by a Sanitation Supply Chain Analysis and Consumers’ Preference Study in 851 households, to establish the sanitation and hygiene demand and consumer preferences.
<table>
<thead>
<tr>
<th>GoE Plans and Programmes</th>
<th>GoE Solutions</th>
<th>SNV Solutions</th>
<th>SNV Projects</th>
</tr>
</thead>
</table>
| **GTP**: 98% rural and 100% urban potable water coverage by end 2015 | - Improve Hygiene and Environmental Health through the rigorous application of the Health Extension packages designed to decrease the incidence of communicable diseases caused by poor hygiene and sanitation practices | - Build capacity for behavioural change communications for sanitation and hygiene demand creation in local communities and schools  
- Improve the capacity of private operators, schools local governments and communities to construct, manage, maintain and develop sanitation and hygiene facilities | SSH4A, ESHI, GiC, SSTPU  
SSTPU, ESHI, NUWI-II |
| **Universal Access Plan (UAP)**: 100% access to basic sanitation, 80% ODF communities, 77% hand-washing, by end 2015 | - Focus on low cost technologies at household and community levels                                                                                                                                         |                                                                                                                                                                                                             | SSH4A, SSTPU, GiC, ESHI, NUWI-II |
| **National Sanitation and Hygiene Strategy, 2011-15**: 100% access to basic sanitation and 84% access to improved sanitation by end 2015 | - Expand community empowerment actions for improved sanitation and hygiene  
- Improve access to and use of sanitation and hygiene facilities at community levels  
- Improve institutional sanitation and hygiene access and use  
- Facilitate the supply of desirable, appropriate and affordable hardware |                                                                                                                                                                                                             | SSTPU, ESHI, GiC |
<table>
<thead>
<tr>
<th><strong>One WASH National Programme (OWNP): (UAP targets)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Maximise availability and efficient use of human and financial resources to create demand for better WASH services</td>
</tr>
<tr>
<td>• Capacity development for improved delivery of WASH services with particular focus on woreda, kebele and community levels;</td>
</tr>
<tr>
<td>• WASH training will be increasingly professionalised and institutionalised through support to training institutions at all levels</td>
</tr>
<tr>
<td>• Multi-sectoral approach including the private sector</td>
</tr>
<tr>
<td>• Develop market-based solutions to improve access to affordable sanitation hardware and services (including sanitation marketing, supply chain development, inclusive business) and maintain functionality</td>
</tr>
<tr>
<td>• Improve institutional WASH facilities by facilitating the implementation of water supply, sanitation and hygiene activities in schools and market places</td>
</tr>
<tr>
<td>• Strengthen the skills of woreda WASH experts to help WASHCOs develop and implement practical WASH plans through innovative training implemented primarily through Technical and Vocational Training Centres (TVETCs)</td>
</tr>
</tbody>
</table>

**Rural WASH**

In rural areas of Ethiopia SNV efforts focus on accelerating progress in access to sanitation and hygiene by supporting local governments to widen coverage. This involves improving capacity and skills for targeting, planning, monitoring and regulation, strengthening sanitation markets and generating demand through effective behaviour change communications (BCC). At local levels capacity is being developed to manage, operate and maintain water schemes to reduce rates of non-functionality, through working with communities to establish and strengthen water user associations and WASH Committees (WASHCOs) and improve availability of sustainable local skills in operation and maintenance (O&M).

**Building rural WASH capacity**

SNV’s NUWI-II and SSH4A projects are working with different participants along the WASH value chain to build local capacity to provide, manage and maintain WASH services. Stakeholders include government WASH experts in Woreda WASH Teams (WWTs), communities and WASHCOs, and private sector suppliers and artisans who can contribute to sustainable functionality of water schemes.
Over 1.4 million people are benefitting from the improved capacity of experts in WWTs in 30 woredas, through technical support from NUWI-II, including structured training and workshops and regular supervision and coaching. WWTs have been trained to use the National WASH MIS software, leading to more effective monitoring and supervision. Five TVETCs in the four project regions are implementing the innovative NUWI-II training methodology, Guided Learning on Water and Sanitation (GLOWS), with 212 woreda WASH experts trained by end 2014.

Operation, maintenance (O&M) and management of rural water supply schemes has been strengthened by NUWI-II training of 499 woreda experts, private service providers and water scheme caretakers, and 364 members of 57 associations of private sector local service providers. In addition, 230 WASHCos have been established and 1,321 personnel trained, to manage and maintain more than 195 water schemes, using manuals and methodologies developed by the project.

Behaviour change awareness

SNV projects use various strategies to spread awareness on the importance of sanitation and hygiene and create demand for WASH facilities. One strategy is training of trainers (ToT). For example, training in SNV’s Community-Led Total Sanitation and Hygiene (CLTSH) approach, given by SSH4A to 630 zonal and woreda level master trainers and facilitators, will enable cascading of the training down to kebele level to reach nearly 392,000 people. Through a similar strategy WASHCOs in 30 NUWI-II woredas now hold regular community meetings and awareness events to promote sanitation and hygiene ownership and responsibility, and generate demand for WASH services.

Large-scale public events on specific issues are another strategy. Over 7,000 people were reached through 2014 Global Hand-WASHing Day celebrations in the six SSH4A project woredas and Sekota town. The first National Menstrual Hygiene Day was celebrated in Weliso town, Oromia, on 10 June 2014, under the theme: Breaking the Bloody Taboo! and was widely covered by local and national mass media. SNV’s GiC project on menstrual hygiene management was launched at the event.
The community has realised the significance of water for personal and environmental hygiene after the WASHCO establishment. They have a feeling of ownership of the water point. When there is a problem in the water point they feel as if it is their own property. In the past when children damaged the water point, they used to ignore it.

(Ato Tefle Godebo, Chairperson, Ambursie Water Federation, SNNPR, NUWI-II project)

Urban WASH

SNV’s focus in urban WASH in 2014 has been on contributing to improved public access to sanitation facilities for about 146,744 people in twelve small towns across Ethiopia. The SSTPU project takes a holistic approach to addressing the multi-dimensional aspects of hygiene and sanitation in urban and peri-urban contexts, through: promoting safe hygiene practices and increasing demand for sanitation facilities; promoting biogas solutions for waste disposal; creating access to improved facilities in schools and market centres; and building the capacity of private operators in the sanitation value chain to increase sustainability.

Building urban WASH capacity and infrastructure

Over 32,600 people are to be reached through sanitation campaigns, hygiene promotion and health education led by 128 officials from government health offices and municipalities who have been trained through SSTPU in 2014. The project has also given technical training to trainers (ToT) from government and implementing partners (IPs) on the construction and management of biogas digesters, enabling three IPs to construct biodigesters in market centres and school WASH facilities.

Nine towns with a population of over 231,000 will benefit from market WASH facilities (toilet, shower, water supply, cafeteria), which are under construction through SSTPU.
Behaviour change awareness

Nearly 69,000 people have participated in awareness-raising, sanitation campaigns and hygiene promotion events organised by the SSTPU project at school and community levels, focusing on mobilising urban populations and stakeholders towards a cleaner environment.

WASH in Schools

SNV is implementing WASH in Schools in 14 countries through comprehensive and inclusive approaches. This experience has led to a deep understanding of the crucial importance of safe water and improved sanitation in schools to increasing student enrolment and retention, especially for girls. SNV projects in Ethiopia are strengthening the capacity of schools and communities to identify WASH needs, promote sanitation and hygiene, and manage WASH facilities in schools; facilitating the construction of low-cost and accessible WASH facilities and services; and improving menstrual hygiene management (MHM) of school girls and facilitating their access to appropriate and affordable menstrual pads, through a value chain business model.

Management capacity for school WASH

Sustainable improvement in WASH facilities in schools can only be attained through increased capacity for planning and management, with adequate provision in school plans and budgets based on clear understanding of the needs of pupils and staff. SNV school WASH projects in 2014 have contributed to future sustainability through training responsible personnel in innovative approaches, including providing for improved menstrual hygiene management for school girls.
For example, SNV’s School WASH Inquiry process has been taught to 112 trainers (ToT) by SSTPU, increasing their capacity to plan for the WASH needs of 17,266 pupils in 16 schools. 511 woreda WASH staff and representative of 110 school communities from four regions were trained in school WASH service management by NUWI-II, and 854 school-related personnel from four regions have been trained by GiC in the provision of menstrual hygiene services to school girls, including planning and budgeting. 4,330 copies of training manuals and 424 copies of the facilitators guide for SNV’s School Led Total Sanitation and Hygiene (SLTSH) approach have been published and distributed by the SSH4A project.

WASH infrastructure in schools

SNV School WASH projects are also directly improving school WASH facilities, together with local partners and suppliers. For example, water supply lines, hand WASHing facilities and latrines are under construction by SSTPU in 11 urban and peri-urban schools, and girl-friendly latrines are being built or renovated and school waste disposal systems have been installed by GiC in 15 schools. In SNNPR water supply systems have been improved in 17 schools by ESHI, which has also provided cleaning materials, constructed incinerator pits and constructed or renovated hand WASHing facilities and latrine blocks for students and teachers, benefitting more than 850 schoolchildren.

Behaviour change awareness in schools

Making children understand the importance of sanitation and good hygiene is an important strategy towards both the proper use and maintenance of school WASH facilities, and spreading the messages in the wider community. The ESHI project has trained 352 school teachers, WASH Club leaders and woreda health personnel in SNV’s School-led Total Sanitation and Hygiene (SLTSH) approach, mini-media campaigning, in-class WASH promotion, and organising events and mass campaigns. As a result 15 schools in SNNPR are carrying out health promotion on a regular basis to reach more than 700 schoolchildren.

School clubs have proved to be an effective way to involve school children. Over 70 School WASH Clubs have been established and/or revitalised by the SSTPU, ESHI and GiC projects, which have also provided mini-media equipment and IEC/BCC materials to promote sanitation, hygiene and MHM in schools and communities.
Menstrual Hygiene Management

Studies and assessments across the world have shown that the lack of adequate WASH facilities for school girls, particularly after they start menstruation, can severely limit them in fulfilling their educational potential. Through implementing comprehensive and inclusive approaches to WASH in schools in 14 countries SNV has come to understand the crucial importance of addressing the needs of school girls by providing girl friendly latrines with water for WASHing and disposal facilities, facilitating access to affordable and appropriate sanitary wear, and reducing the stigma attached to menstruation. In June 2014 SNV launched the Girls in Control (GiC) project in Ethiopia, as part of its five-country pilot programme addressing menstrual hygiene.

An estimated 500,000 people are being reached by radio messages on menstrual hygiene, aired three times in a week in Amhara, Oromia and Tigray, after training by GiC of 35 media professionals, and a television quiz programme has been broadcast. To build community capacity to break the silence around menstruation and support girls and women by reducing the stigma, 560 community leaders from 80 kebeles have been trained and 4000 BCC materials on menstrual hygiene have been produced in English, Amharic, Tigregna and Oromifa, and distributed by GiC.

Various methodologies are being used by GiC to provide local access to appropriate, affordable menstrual protection for school girls. At least 6,000 school girls have benefitted through the training of 28 female small entrepreneurs in six localities to produce and distribute reusable pads. 2,723 school girls in Amhara, Oromia and Tigray have benefitted from access to reusable pads and underwear, under a revolving scheme of direct cash payments in instalments. In schools in the three regions 158 students, teachers, and health workers have been trained as trainers in the production and hygienic use of reusable sanitary pads. The success of these methodologies will influence the design of an anticipated scaling up of the pilot project in coming years.
V. Building Linkages
SNV believes that sustainable solutions can be developed through the dynamic exchange of ideas and experience between all the different people working on an issue. For example, we connect farmers and their organisations with markets and businesses, and engage with services, NGOs, and governments to facilitate conducive environments and strengthen value chains. This approach leads to innovative solutions. Some examples of linkages between partners and stakeholders in SNV projects in Ethiopia in 2014 are highlighted below.

Partnerships

SNV particularly values the linkages built with government, and funding and implementing partners, in a range of different kinds of partnerships.

- Some pilot projects designed to develop and demonstrate innovative new approaches are being implemented directly by SNV, working closely with government counterparts and private sector value chain participants. Such projects include IRES and GiC.

- In broadening and expanding approaches to a wider scale, in many projects, particularly in the Agriculture and WASH sectors, SNV is working alongside other implementing partners, including both international NGOs, such as CARE, and Ethiopian organisations. Implementing partners are shown in the summary tables for each sector.

- Some projects, such as GRAD, LMD and CSI are being implemented by consortia, in which SNV has specific roles building on its unique experience and expertise.

- In the biogas sector SNV is a long-time partner of GoE in NBPE, and is now contributing in Phase II towards the scaling up of biogas into a sustainable, wide-reaching energy solution for the country. The EDGET project builds on the Mass Hormonal Synchronisation and Insemination Project, a GoE livestock breed improvement programme.

- Innovative implementing partnerships with the private sector are being explored through projects such as ASPIRE, GRAD, EDGET and IBM.
Building Linkages

A partnership to widen scale:
Due to their appreciation of the financing model designed by ASPIRE, the OXFAM-UK programme operating in Ethiopia with funding from Comic Relief–UK transferred their guarantee fund of GBP 192,000 (approx. USD 298,000) to the ASPIRE Guarantee Fund (AGF). The OXFAM funds are being managed by the AGF to leverage credit financing for inputs to 7,300 female beekeepers who are receiving technical assistance under the OXFAM-UK apiculture promotion initiative.

Multi-stakeholder sector development
Bringing stakeholders from different levels and sectors together for joint planning, coordinated action and review, contributes towards effective implementation. For example, the SSH4A WASH results programme for SanWaghimra, Amhara, launched in 2014, brought together 56 participants from the Federal Ministries of Health (FMoH) and Water, Irrigation and Energy (MoWIE), the regional Bureaus of Health (BoH) and of Finance and Economic Development (BoFED), Amhara Mass Media Agency (AMMA) and sector experts at zonal and woreda levels, before implementation started. This was followed by stakeholder workshops for 22 participants from zonal and woreda level administrations and health and education offices, to create mutual understanding on the key plans and budget requirements towards achieving the targets and deliverables. This agreed plan was cascaded to each woreda, involving 581 participants, including Woreda WASH Team members, kebele leaders and managers and other community members.

Value Chain Linkages
Building linkages between participants at different stages of the value chain can lead to increased production, more efficient markets, improved access for consumers and increased income for producers. SNV projects facilitate linkages between producers, financial institutions and buyers to strengthen the value chains in all the agriculture, renewable energy and WASH sectors. For example, to support woreda level government experts and communities in maintaining the functionality of WASH facilities SNV has financed the development of a database (yellow pages) of private sector and NGO WASH service providers in four regions, under NUWI-II.
Sector-wide issues

Achieving lasting change often involves bringing different stakeholders together to address sector-wide issues that cannot be resolved at local levels. For example, the impact of agro-chemicals on beekeeping has the potential to undermine the progress being made by the apiculture sector in the country.

Through GRAD, SNV has cooperated with the regional apiculture boards and other partners in Amhara and SNNPR to bring stakeholders together at the regional level to draw up a joint action plan in which different actors have taken responsibilities. In Tigray ASPIRE has brought regional stakeholders together to address honey adulteration and illegal trading.

In the dairy sector EDGET has addressed the sector-wide challenge of safe and hygienic collection and transportation of milk. SNV has secured a royalty free license to develop, manufacture and distribute innovative distribution food grade plastic milking and transportation equipment, known as the Milk Transportation System (MTS) in Ethiopia, Somalia and South Sudan. The MTS is an invention of Global Good to address the challenges faced by smallholder farmers in developing countries. In Ethiopia the MTS will be marketed through private sector agro input dealers by the use of a pro-poor voucher system.

Cross-sectoral linkages

Linkages between sectors can facilitate sharing the benefits of technologies and approaches in which SNV has special expertise. SNV’s expertise in renewable energy is contributing to the design and testing of community biogas and energy efficient stove technologies and approaches under the agriculture sector’s climate smart project, CSI. Training and financial support is being given for farmer-to-farmer training; establishment of demonstration biogas sites; and technical training for woreda livestock experts in the development, operation and maintenance of biogas plants and income generation from bio-slurry. In the WASH sector SSTPU is facilitating the construction of biogas plants in urban market place sanitation facilities, and bio-slurry management and use for vegetable gardening.
VI. Some Lessons Learned
In order for people to make improvements in the way they are doing things, whether in farming, cooking or hygiene and sanitation, they need knowledge, skills and access to the necessary inputs. The challenges lie in bringing these to the largest number of people in the most cost-effective ways, and putting in place systems and patterns of behaviour that will last and ensure that improvements are sustained.

SNV’s experience in implementing a whole systems approach and making connections between a wide-range of stakeholders, both globally in Ethiopia, have led to a number of significant lessons which can contribute to the dialogue on how to make development sustainable.

- Increasing the competence and confidence of the people charged with responsibilities within the existing structures, and enabling them to fill gaps in knowledge and learn new skills and approaches, are effective ways of helping the communities they serve find new solutions.

- Expanding the problem solving network to new stakeholders and partners, in support of government personnel, can widen the range of people who can be reached and allow for new, innovative solutions to be found and maintained.

- The private sector has a very important role to play in increasing people’s access to knowledge and inputs they need. SNV’s expertise in strengthening markets in the sectors we work in has shown that participants at all stages in the value-chains can learn new ways to do things, increase their incomes and be motivated to work towards sustaining the difference they see.

- Expanding the reach and effectiveness of value chains, through teaching people new skills and providing access to finance, can bring new income earning opportunities, particularly for young people in rural areas.

- Increasing the economic participation of women and enabling them to develop new knowledge and skills can significantly improve the income and food security of families and boost the nutrition and educational attainment of children.
• Demonstrable results are very effective in persuading people to make changes and try new approaches. It is important to expose people at all levels to new ideas and knowledge and share experience of what works. SNV places great emphasis on knowledge development through our comprehensive planning, monitoring and evaluation system, Managing for Results, as well as bringing stakeholders together, facilitating learning visits and using all forms of media to share what has been learned and establish a wider evidence base for dialogue.

**International Knowledge Development:**

Based on a request from the government, C4C organized a Cooperative Entrepreneurship Study Tour to The Netherlands, involving the Minister of Agriculture (MoA), Mr. Tefera, vice-presidents and agricultural heads of the regions, CEO of the Agricultural Transformation Agency and the Director of the Federal Cooperative Agency. The purpose of the high level delegation study tour was to expose participants to the successful contribution that cooperatives can make to the economy and exchange views on various cooperative issues, including governance, member commitment, internal capitalisation and business models.
SMART Development in Ethiopia