

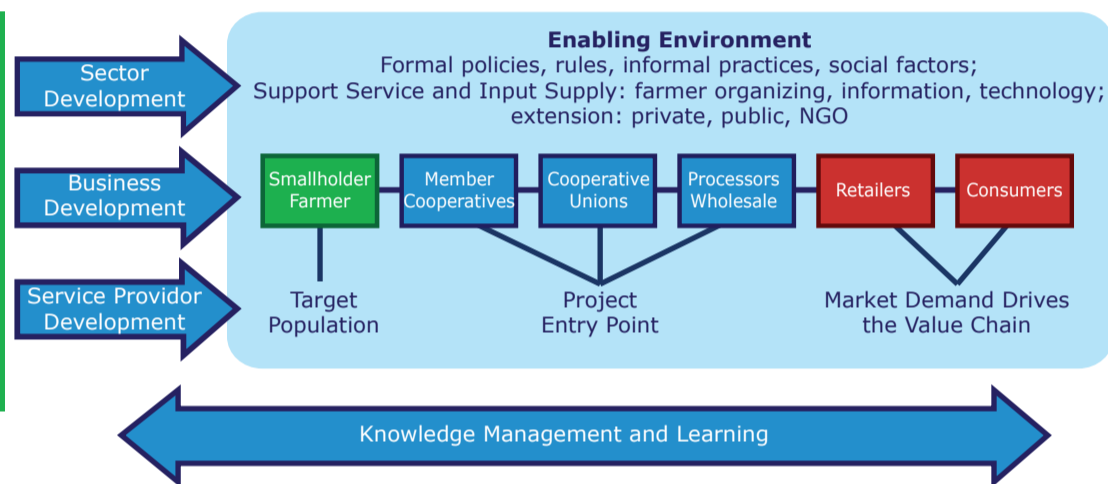
Cooperatives for Change

Value Chain Approach for Cooperative Development in Ethiopia

Cooperatives for Change (C4C): Value Chain Approach for Cooperative Development in Ethiopia is a four-year project (2012-2016) implemented by SNV in partnership with Agriterra. C4C enhanced the business performance of 16 Farmer Cooperative Unions, reaching out to 160 primary cooperatives, and benefitting 44,000 smallholder farmers raising their productivity and incomes. C4C strengthened unions to adopt innovative business practices for improved service delivery and output marketing. The project is funded by the Bill and Melinda Gates Foundation. Agriterra also invests in the project with own funds.

Unique features

- Based on the needs of farmers, PCs and unions
- Flexible and tailor made approach
- Cooperative business development in combination with a value chain approach
- Unions in the driver's seat
- Peer-to-peer learning (nationally and internationally) from farmer to farmer from cooperative to cooperative



Business development

- Strengthening business plan capacity
- Mobilizing internal and external finance for work capital and investments
- Brokering and establishing market linkages
- Feasibility studies and business plan development for agroprocessing ventures
- Business cluster meetings

Knowledge development and learning

- Development of case studies, project briefs, commodity bulletins on various topics
- Organization of workshops (Internal Capitalization)
- Study tours and peer-to-peer learning
- Presentations at conferences, workshops and symposia

Results in a nutshell

- 13 unions gained access to \$14 million commercial and cooperative banks.
- 14 unions professionalized their management, by implementing accounting systems (Peachtree), improving HR management
- 6 unions raised over US \$2 million through internal capitalization and improved their financial capacity.
- 10 unions invested in agro-processing and seed processing.
- A tenfold increase in output marketing from an average per union of 175 metric tons in 2012 to 1,750 mt in 2016, equaling a gross revenue of US \$6.3 million (for all 16 unions).
- 10,000 model farmers and 1,000 extension workers trained in production and product quality.
- 44,000 farmers benefitted from improved inputs and services such as extension, post-harvest handling and seed supply, among others.
- 4,200 farmers in 40 cooperatives piloted the use of Purdue Improved Crop Storage (PICS) hermetic bags to reduce crop losses from weevils and other insects,
- Farmers reported 14% higher crop productivity in C4C crops (wheat, haricot bean, chickpea, oil seeds) leading to 20% (US \$130) increase in annual farmer's income.

Sector development

- Mapping and optimizing value chains
- Identifying and addressing sector constraints through action planning in business clusters

Service provider development

- Optimizing public and private service provision to farmers, cooperatives and unions (inputs, extension, financial services)
- New technologies being introduced to cooperatives (storage, software, ICT)