



FINAL NARRATIVE REPORT

Ethiopia

Thematic window
Development and the Private Sector

Programme Title:
Edible Oil Value Chain Enhancement

August | **2013**

Prologue

The MDG Achievement Fund was established in 2007 through a landmark agreement signed between the Government of Spain and the UN system. With a total contribution of approximately USD 900 million, the MDG-Fund has financed 130 joint programmes in eight Thematic Windows, in 50 countries around the world.

The joint programme final narrative report is prepared by the joint programme team. It reflects the final programme review conducted by the Programme Management Committee and National Steering Committee to assess results against expected outcomes and outputs.

The report is divided into five (5) sections. Section I provides a brief introduction on the socio economic context and the development problems addressed by the joint programme, and lists the joint programme outcomes and associated outputs. Section II is an assessment of the joint programme results. Section III collects good practices and lessons learned. Section IV covers the financial status of the joint programme; and Section V is for other comments and/or additional information.

We thank our national partners and the United Nations Country Team, as well as the joint programme team for their efforts in undertaking this final narrative report.

MDG-F Secretariat

The analysis and recommendations of this evaluation are those of the evaluator and do not necessarily reflect the views of the Joint Programme or MDG-F Secretariat.

**FINAL MDG-F JOINT PROGRAMME
NARRATIVE REPORT**

Participating UN Organization(s)
UNIDO (Lead Agency) FAO ILO

Sector(s)/Area(s)/Theme(s)
Private Sector Development

Joint Programme Title
Edible Oil Value Chain Enhancement

Joint Programme Number
MDG-F-2053-D-ETH

Joint Programme Cost	
[Fund Contribution]:	USD 2,999,956
Govt. Contribution:	USD
Agency Core Contribution:	
Other:	
TOTAL:	USD 2,999,956

Joint Programme [Ethiopia]	
Region(s):	Oromia & Amhara
Oil Processors:	Oromia - Adama Amhara – Bahir Dar, Hamusit & Woreta
Farmers in Districts (Woredas):	Oromia: - Lode Hitosa, Digelu Ticho, Limmu Bilbilo & Tikur Inchini Amhara: Mecha, Derra & Forega

Final Joint Programme Evaluation	
Final Evaluation Done	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Evaluation Report Attached	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Date of delivery of final report: 30 th July 2013	

Joint Programme Timeline
Original start date: 01 January, 2010
Final end date: 30 June, 2013

Participating Implementing Line Ministries and/or other organisations (CSO, etc)
Ministry of Industry (Lead), Ministry of Agriculture & Ministry of Labour & Social Affairs

Report Formatting Instructions:
<ul style="list-style-type: none"> • Number all sections and paragraphs as indicated below. • Format the entire document using the following font: 12point _ Times New Roman.

I. PURPOSE

A. Provide a brief introduction on the socio-economical context and the development problems addressed by the programme.

As one of the centers of origins in the world for several oil crop plants grown in diverse agro-ecological surroundings and soil types, Ethiopia holds several advantages for scaling up its production of oilseeds. The issues and priorities critical to achieving the potential of the oil seeds sector in Ethiopia are varied. They range from the general level of growth of the country, requiring long-term solutions and macro-level policies, to those that are specific to the sector. The country has favorable agro climatic conditions for cultivation; the nature of the sub-sector is labor intensive; the prevailing business environment conducive; and the substantial local demand provides sufficient room for crushers to work at full capacity. Despite this potential, however, both oilseeds commodity production and edible oil processing industry in Ethiopia remain to a large extent underdeveloped. Issues and priorities of immediate and particular concern to the sector include production, processing and marketing aspects. Below is a further analysis of each of these aspects.

Production. Oil seeds are the third most important commodity in terms of production and export in Ethiopia. According to the Central Statistical Agency of Ethiopia (2008/2009), oil crops were cultivated in about 0.86 million hectares, involving close to four million small holder farmers in the main production areas. The main oilseed crops include sesame, nigerseed and linseed. Though this production contributes to household income, it is constrained due to too small-scale and fragmented land holdings. Eighty-six per cent of the sizes of holdings under oil seeds production fall in the range of less than five hectares, holdings of greater than five and less than ten hectares account for twelve per cent and those greater than ten hectares account for less than two per cent of the total estimated area under oilseeds. A low use of agro-inputs and poor farm management, and a lack of market-oriented production such as contract farming, warehouse receipt system together with the high cost and limited availability of inputs (improved seeds, fertilizer and chemicals) add to overall low productivity.

Processing. Most domestic oil processing is undertaken by an estimated 850 small-scale and micro oil processing plants, accounting for ninety-five per cent of the manufacturing base of the edible oil industry. Capacity utilization in the industrial branch is seriously constrained both by the quantity and quality of oilseeds available. Many of these small and medium enterprises use obsolete equipment and technology. Working conditions and the level of sanitary and hygienic standards is far below acceptable levels. Edible oil refining capacities are limited to some twenty-six medium and large industries, utilizing about thirty per cent of capacity. Considering import-intensity (a technical coefficient that measures the share or magnitude of imported intermediate goods to produce a unit of final demand) the edible oil industry, at less than two per cent, provides an opportunity/potential to be competitive both domestically and internationally given the domestic base of the raw material, oilseeds, and integration with the local economy.

The edible oil sub-sector, however, does not perform well in all aspects of its operational parameters. Capacity utilization of the edible oil sub-sector is by far the lowest among the food manufacturing sector industries and the average of the Ethiopian manufacturing industries over the past few years. The sub-sector has diverse and significant constraints.

Marketing. Marketing and distribution of oilseeds is mainly done by small and medium scale traders with poor marketing facilities, especially for collection, storage and transportation, which cause high post-harvest losses. The marketing chain is long, with many intermediaries adding little value to the final product, with high transaction costs being incurred. Lack of access to packaging services, poor access to financial services, and poor vertical and horizontal collaboration within, as well as external to the chain, all negatively impact the industry.

The JP has been operating in and trying to respond to this framework. In fact, its stated objective was to ‘*enhance the sustainable supply system of raw material at desired quantity and quality, promote efficient processing capacity and improve access to markets by the effective integration and lead role of the private sector in the entire value chain*’. The JP intended to integrate the private sector in all

aspects of the value chain, from production to processing to marketing and business support services. The JP was mainly targeting small farmers, and small and medium oil processors in the Oromia and Amhara Regions, as well as their supportive public bodies and private sector counterparts. Finally, the JP intended to pioneer a ‘private sector led supply of raw materials, capacity building for enhanced processing technologies and linkage promotion for access to finance and local and international markets’.

B. List joint programme outcomes and associated outputs as per the final approved version of the joint programme Document or last agreed revision.

In 2008, the government and the UN Agencies agreed to formulate a MDG-F joint programme with the objective to enhance the edible oil sector in the country by improving the supply system of raw materials, improving the oil seeds processing efficiency and access to markets of relevant stakeholders. The “**Edible Oil Value Chain Enhancement Joint Programme (JP)**” is designed as a pilot project to address the issues of the oilseeds sector. The JP has three outcomes & 18 outputs, namely:

Outcome 1 Productivity & competitiveness of private sector led agricultural production of oilseed is enhanced.

- Output 1.1 The supply of farm inputs (seeds, fertilizers and chemicals) is improved.
- Output 1.2 Access to credit is facilitated for the small holder and commercial farms to enable easier procurement of inputs.
- Output 1.3 Market-oriented farming is enhanced.
- Output 1.4 Enhanced investments in the production of oil seeds.

Outcome 2 The capacity and competitiveness of the stakeholders for processing of edible oil seeds is enhanced.

- Output 2.1 Storage, cleaning and grading of the oil seeds improved.
- Output 2.2 Improved processing efficiency in the targeted oil seed processing industries.
- Output 2.3 Product safety and quality improved.
- Output 2.4 The packaging of the final product is made more attractive for the market.
- Output 2.5 Edible oil producers capacity and competitiveness enhanced through PPP.
- Output 2.6 Access to finance for the processors including processors cooperatives improved.
- Output 2.7 Capacity of Business Development Service (BDS) providers enhanced to deliver relevant and effective services to the processors including processors cooperatives.
- Output 2.8 The Occupational Safety and Health (OSH) practice of the large processors and cooperatives strengthened.
- Output 2.9 Processors organized to get economic of scale, representation and voice.
- Output 2.10 Processors in the informal economy upgraded to graduate into the formal economy.

Outcome 3 Access to local and international markets for edible oil producers is improved.

- Output 3.1 Vertical linkages between oil seed producers, traders and processors are improved through clustering.
- Output 3.2 Linkages between the processors and marketing agents are enhanced.
- Output 3.3 Access to finance for the marketing agents and marketing cooperatives improved to enable bulk orders and bulk purchasing.
- Output 3.4 Marketing agents are enabled to access local, regional and international markets.

C. Explain the overall contribution of the joint programme to National Plan and Priorities

At the national macro strategy level, Ethiopia follows what is called the Agricultural Development Led Industrialization (ADLI) strategy. The main feature of this strategy is that agriculture is the primordial sector and the country should embark on developing high potential agricultural sectors

towards its goal of subsequent industrialization. Therefore, the edible oil sector definitely is one of the priority sectors. The current plan at work, the Growth and Transformation Plan (GTP), is an offshoot of this strategy. Again the edible oil sector has been accorded top priority position in the GTP. Therefore, all the JP contributions are perfectly aligned with the country's national plan and priorities.

In the Agro-Industry Sector Master Plan (AIMP) of the Ministry of Industry, edible oil is clearly indicated as a priority sector for development in the national plan. The problems and constraints in the sector are vast and the Joint Programme is only a pilot extracted from the master plan and has made significant contributions in the development of the sector, particularly demonstrating future directions and intervention focus areas.

The JP established a significant correlation with national priorities, which created the partnership framework with Government, notably the Ministry of Industry that provided serious impetus to implementation nationally and regionally. The State Minister for Industry was a key figure in the JP governance, with the National Steering Committee (NSC) and Project Management Committee (PMC) each showing a high level of knowledge about and commitment to the JP's intent and detailed design. The JP fit specifically and directly within the AIMP, with design closely aligned to Volume III, the Oilseeds Sub-sector strategy. This alignment was important in that it linked the content and process of the JP to the Government strategy, and the close correlation added to Government commitment to the JP. It also created a strong foundation of cooperation, so that national and regional partners contributed in a number of ways to addressing design and implementation challenges as they appeared. At both regional and national level, governance and technical support from stakeholders was of high quality. The PMC kept itself well-informed on JP developments, met regularly and provided leadership to the project team. Regionally, the Bureaus, the Universities and other committee members, assisted in improving implementation outputs within the technical and steering committee framework.. As proven during implementation, the economics of the JP are compelling for farmers and processors – their participation levels were high because they could see the immediate impact participation had on their incomes. At the partner level, Bureaus, Universities, Ministries, the economics were just as compelling, if not so directly important – all stakeholders readily saw the value to Ethiopia, and Ethiopia's economy, of improvements in domestic production and processing, and marketing of edible oil seeds. This readily visible link to economic change was strongly relevant to stakeholder participation in the JP.

The Edible Oil Value Chain Enhancement Joint Programme (JP) has showcased through a pilot phase an efficient oilseeds value chain & cluster development that promotes entrepreneurship, provides capital and services to farmers, raises demand for agricultural products and connects farmers with markets through the production, handling, processing, marketing and distribution of oilseeds. As a result, in the pilot areas, employment and income have been generated; the productivity and quality of oil seeds and edible oil production were enhanced. This has led to increased food security and innovation throughout the value chain & clustering thus increasing the incomes of the farmers, processors and traders and directly and indirectly contributing to the relevant MDGs (Goal 1 – poverty eradication, Goal 3 – gender equity promotion, Goal 7 environmental sustainability).

D. Describe and assess how the programme development partners have jointly contributed to achieve development results

The JP was implemented by three Addis Ababa based UN Agencies, UNIDO as the lead agency, FAO and ILO together with the respective national counterparts which include the Ministry of Industry (MoI) as the lead governmental institution, the Ministry of Agriculture (MoA), Ministry of Labour & Social Affairs (MoLSA) as well as their regional and woreda level representatives governed according to the MDG-F governance structure that is the National Steering Committee (NSC), Programme Management Committee (PMC), Regional Level Steering & Technical Committees (RLSC & RLTC). The governance structure worked rather well and smoothly and contributed to the success of the JP and achievement of the development results, because of:

- The strong ownership & leadership on the government's side particularly the Ministry of Industry and Regional authorities & counterparts ensured a stronger monitoring throughout implementation.
- The close correlation between the priorities, skills and experience of UN Agencies, and Agency staff, and the complementary/interrelated requirements of the different components of the value chain added clear strength of direction to implementation.
- The number of UN Agencies was limited within the JP and the value chain and the Agencies each had clearly defined and specific result areas within component – and in linking components.
- The project coordinators from the three agencies had from the very beginning developed a code/mode of project implementation which was strictly adhered and followed throughout the project life. Besides there was joint planning and execution of activities.
- The strong involvement and stake of stakeholders at the different stages of implementation, the governance structure and the various linkages helped in the achievement of results.

II. ASSESSMENT OF JOINT PROGRAMME RESULTS

A. Report on the key outcomes achieved and explain any variance in achieved versus planned results. The narrative should be results oriented to present results and illustrate impacts of the pilot at policy level)

Outcome 1 Productivity and competitiveness of private sector led agricultural production of oil seeds is enhanced.

The JP has made an important contribution, in the context of a pilot programme, to delivering this outcome. For the group of oilseeds farmers who have been involved in the JP, and for their related primary cooperatives, productivity and competitiveness of oilseeds has been enhanced. Reports indicated that the productivity of linseed has increased from 7.2 quintal/ha (quintal = 100 kg) before the project intervention to an average yield of 14 quintal/ha. Though access to adaptable and preferred variety of nigerseed was unavailable, target farmers who planted local variety of nigerseed increased yield from 4.5 quintals to 8 quintals/ha. This is mainly attributed to the fact that farmers have adopted to use best performing varieties and associated management practices. Simultaneously the price per quintal of linseed increased from USD 40-43 to USD 59-70. This is because farmers are able to produce better quality seeds which have demand in the market and their capacity to negotiate with the oil processors. The processors also showed interest to purchase the products of the farmers. Much more work is yet to be done, and many more farmers and primary cooperatives must participate in the JP, or a related programme, for the sector to record significant benefits, and for Ethiopia as a whole, but the JP has demonstrated, clearly, the direction this work should take.

Outcome 2 The capacity and competitiveness of the stakeholders for processing of edible oil seeds is enhanced.

The JP has made significant contributions to this outcome. Processors of oil seeds have and express a renewed confidence in the sector, through linkages within the processing component of the value chain, and up and down the value chain (but particularly with seed growers and their related primary cooperatives and unions). These linkages, which function within the cluster arrangement of the sector, are the strongest indicator from the JP of the necessary future directions both for a potential scale-up of the JP and for the development of the sector nationwide. There is significant potential in Ethiopia for domestic production of edible oil to replace imports, and the JP has demonstrated particularly effective and successful ways towards improving small and medium size processor competitiveness and capacity to achieve this result. With one particular development, the JP has gone well beyond its design, and has established a clear plan for potentially critical changes to the structure and functioning of the oil seed sector in the future. This development which is the establishment in both the Amhara and Oromia regions of joint processing facilities, has been an exemplary demonstration of a public private partnership, and sets the stage for potentially significant developments in the sector.

Besides, the establishment of processors' Associations at the two project sites has greatly resulted in the creation of key institutions for the sector and in turn this institutionalization will definitely lead to the sustainability of project achievements. The other result of the JP which is difficult to quantify but has clearly shown remarkable achievement is the high capacity enhancement observed with all beneficiary groups, i.e., farmers, processors, public sector, financial institutions, private sector BDS providers and other support service providers, etc. The JP has successfully implemented various interventions that elevated the technical capacity of the above groups. The JP has also successfully demonstrated the possibility of installing quality systems and work practices such as Occupational Safety and Health (OSH) even in small enterprises.

Outcome 3 Access to local and international markets for edible oil producers is improved.

The JP has made strong contribution in the area of improving markets especially that of local markets. The most important aspect of the JP's success in this component of the value chain was not in relation to international markets, but in the development of the vertical linkages within the value chain that have contributed to an improved marketing framework for seed growers, cooperatives and processors. Besides, both farmers and processors are now very much aware of the requirements of their respective market places both in quality and quantity parameters. However, much more work is required within the value chain in the establishment of significant market arrangements with a focus on domestic edible oils, though clear directions have been demonstrated for scaling up during phase II.

Some of the key outcomes & results achieved by the JP are:

- The JP has unveiled strong potential and opportunities for increase in quality and quantity in the production of oilseeds by the technical support given to unions, cooperatives, farmers, agricultural field officers; the pilot activities done so far in the areas of supply of inputs, multiplication of seeds, trainings on better farm practices & extension services, multiplication of breeder and improved seeds, studies on contract farming, warehouse receipt and input voucher system, etc.; Seed cleaning equipment provided to Unions.
- Survival of the sector: Most processors gave their testimony that JP started at a critical time when they lost hope of the industry and were almost to close and move in to other businesses. So the first and most important result of the JP was to rescue the processing sector and case show that with appropriate interventions the sector is indeed profitable.
- Awareness: The JP created consciousness amongst the oil processors that their current processing practices are inadequate and they have to refine their crude oils for both socio (health) and economic (increased profit) benefits.
- Attitudinal change: The JP helped to build trust and strong network among members of oil processors who were previously reluctant to collaborate and competing against each other in the procurement of oilseeds.
- Institutional development: The Clusters in both regions have been now established. In both Oromia & Amhara Regions, Small and Medium Enterprises (SMEs) Oil Processors have formed 2 Sectoral Associations and 2 Business Companies (PLCs) with the objective of investing on common facilities, such as, refineries, packaging plant and joint purchase of raw materials and spare parts and relocation of their existing facilities from residential areas to industrial zones, etc. The continuously increasing financial contribution made by members of the cluster so far is a clear indication about the strong ownership of the project by the target groups, which in turn will guarantee the sustainability of the project achievements. In fact, processors have been supporting the results with their own resources. The Cluster members have agreed to relocate their pressing machinery into an Industrial zone which will facilitate safe operations and meeting national and international manufacturing norms. Both PLCs in the two regions have also been given the land by the regional governments for the relocation & development of the industrial zones.
- Technology upgrading: The installation of locally manufactured semi-refining equipment, certification by quality authorities and packing of edible oils of the processors and participation in national trade fairs and exhibitions which has resulted in increase in sales of edible oils and higher market outreach & more revenue and income for the processors.

- Edible oil processing enterprises have made remarkable improvements in the production processes and adaptation of better technologies & machinery (both imported & locally manufactured) and also significant improvements in relation to implementing workplace Occupational Safety and Health practices.
- Capacity building: Technical and hardware support for unions, associations, processors, public and private institutions, financial institutions, other stakeholders, Business Development Services (BDS) providers, etc., Specifically study tours conducted for policy makers and stakeholders to India & Malaysia to learn relevant experiences from both private and public sectors have resulted in significant attitudinal change and it is expected that practical actions resulting from this experience will move forward the SME sector in general and the Edible Oil Value chain particular.
- The JP has overcome the bottlenecks in the supply of oilseeds for the oil processors by establishing direct linkage between the processors, traders, brokers and regional agricultural marketing offices for sustained supply of oilseeds. The JP has established backward and forward linkages between processors, unions / farmers and processors with bigger refiners. Linkages were established between farmers unions and oil processors for supply of raw materials avoiding unnecessary intermediaries who disrupt the market linkages. Memoranda Of Understanding (MoUs) were signed between the PLCs and Farmers Unions & Cooperatives in both regions and the supply has now started.
- The JP has brought many stakeholders closer, such as the Universities, Regional Bureaus, Administrative organs and the financial sector for addressing the issues of the edible oil sector within the regions. Awareness has been created and the problems of the sector are now better understood and there is a willingness to support by Federal & Regional Government Officials and stakeholders.
- The intervention by the JP brought processors from informal to the formal economy.
- The JP has cleared the misconception in the financial providers that the sector is not bankable and they are now willing to consider requests from oil processors for loans. In relation to improving access to finance, the Development Bank of Ethiopia has created a new credit window to serve the edible oil value chain in three most important credit/project lines.
- The enhancement in leadership capacity has led the clusters to better understand the dynamics of business associations and equipped them with the techniques of goal setting, negotiation, dialogue, lobbying and general management. It also created the opportunity for more interaction among the two association leaders which paved the way for mutual cooperation and business partnerships/networking.
- The preparation of Strategic Business Plans (SBP) has helped the Clusters to pursue their roles in better and long term perspective with clearer visions and missions.
- The various interventions targeting the public sector Business Development Service (BDS) providers and Micro, Small and Medium Enterprises (MSME) sector policy makers and regulatory bodies are instrumental in capacitating policy makers and local BDS providers to better understand the benefits of value-chain based approaches and also to appreciate the required policy, meso and enterprise level support for sustainability and growth of private business enterprises.
- Acknowledging the above achievements and with the view to provide the required policy support to fully meet the project and national strategic objectives, the Government through the Ministry of Industry has started to look into the existing incentive mechanisms for the sub-sector for improvement. The issue of provision of land within industrial zones for processors has already been resolved, whereas consideration is being made by the Government to use its policy driven bank (Development Bank of Ethiopia) to facilitate loans to processors against 30% equity (with no requirement for collateral), as it is usually done for selected priority sectors.
- Finally, no changes in policy were so far directly triggered in the sector, but ILO conducted a Study on *Reviewing existing government Policy and Regulatory Framework of the Edible Oil Sector*. The government is expected to make the recommended improvements and there was willingness to do that during the validation workshop of the study and subsequent PMC meetings. Policy issues are expected to be addressed in the 2nd Phase of the JP with the coming of

a Food, Beverage and Pharmaceutical Development Institute and the establishment of the National Governance body under the guidance and responsibility of the Ministry of Industry.

B. In what way do you feel that the capacities developed during the implementation of the joint programme have contributed to the achievement of the outcomes?

The capacities developed during the implementation of the joint programme have contributed to the achievement of the outcomes in the following main ways:

- Achievement of specific results, as planned, within the limited timeframe and budget was achieved through:
 - Attitudinal change developed among farmers and processors in the sector, and between different stakeholders.
 - Common purchasing and joint sales by cluster members.
 - Joint investments of processors– joint refining facility, procurement, and marketing.
 - Increased investment by different stakeholders – notably processors, but also farmers and farmer cooperatives.
 - Improved skills levels demonstrated in cultivation of oil seeds.
 - Improved production efficiency in the processing of oil seeds.
 - Improved linkages (forward and backwards) demonstrated in the value chain.
 - Improved negotiation and advocacy capacity visible in processor associations.
 - Demonstrable improvements in marketing, throughout the value chain, and notable improvement for farmers and improvements by processors of the quality and packaging of their product.
 - Technical capacity of government, processors, association leadership and financial institutions increased in various areas of business development services, including access to finance.
 - Stakeholder relationships developed, through the cluster approach, including not just direct stakeholders in the value chain but relevant government, agency and support stakeholders as well.
 - Food safety improved.
 - Occupational health and safety improved.
 - New processing technologies demonstrated and introduced.
 - Certified, bottled and labeled products are now available in the marketplace.
- Delivery of visible changes in production and processing practice and in market linkages. Particularly noted are:
 - Improved confidence among processors related to their future in the industry, and in across the industry itself.
 - Improved processing practice, visible in a wide range of plants.
 - Improved quality of product, notable particularly with certified production.
- Demonstration of a clear path forward for the achievement of development results in the sector. Two approaches/methodologies were key:
 - The introduction of the cluster methodology was integrated with the value chain approach providing for a best practice and model for scaling up in the agro-business sector.
- Demonstration of the importance and effectiveness of the involvement of national, regional and local government, as well as private sector actors in addressing the needs and future directions of the sector.
- The capacity developed across UN Agencies and Ministries to implement a multi-sector approach demonstrated the multiplier effects of joint programs synergies to deliver development results with limited resources (time and funds).

C. Report on how outputs have contributed to the achievement of the outcomes based on performance indicators and explain any variance in actual versus planned contributions of these outputs. Highlight any institutional and/or behavioural changes, including capacity development, amongst beneficiaries/right holders.

As clearly described and summarized in the final evaluation report, from the implementation of the various activities and the interventions conducted during the lifetime of the JP the contribution of outputs to the achievements of outcomes are summarized as follows:

Outcome 1 Productivity and competitiveness of private sector led agricultural production of oil seeds is enhanced.

Productivity and competitiveness of oil seeds has been enhanced for the group of oil seed farmers involved in the JP and for related primary cooperatives. For the sector to achieve significant benefits results need scaling up but the JP has demonstrated, clearly, the direction such work should take.

Output 1.1 The supply of farm inputs (seeds, fertilizers and chemicals) is improved.

The supply of farm inputs is improved by the JP by creating a sustainable seed supply system. The seed producers received inputs from the cooperative union or from the primary cooperatives as a loan. The seed producers returned in kind after harvest. They made an agreement with the cooperative union to sell the multiplied seeds to the cooperative union. The cooperative union purchases the raw seeds 15% above market price as an incentive for the producers. Then, the cooperative union processes the seeds and stores for selling to smallholder farmers. The seed producers multiplied a total of 3207 quintals of improved seeds. However, adaptable and preferred improved nigerseed was unavailable in the seed enterprises and research institutes.

1.1.1 Technical support given to seed producers/farmer associations to enhance quality/quantity in oil seed production.

The output has been fully delivered for the seed multiplication farmers and primary cooperatives involved in the JP. Specific outputs include 1121 farmers involved in improved seed production, through distribution of certified seeds, as well as the distribution of improved seeds to some farmers. A total of 519 ha of certified seed were planted.

1.1.2 Capacity building on entrepreneurship, business planning, production and marketing provided to seed producers. (Linked to 1.3.2.)

For the farmers (and primary cooperatives) involved in the JP, farmer capacity, particularly in the production and marketing of oil seeds has been built. The training focused on development of training of trainers. The training targeted government staff, primary cooperative and cooperative union personnel in order to trigger a cascading effect of sharing knowledge, skills and changing attitudes. In total, the JP together with its counter parts has provided series of technical support for 1121 seed producers as part of capacity building. The technical support is supported with demonstrations.

The training of farmers focused on improved agronomic practices, including such as planting, fertilizing, seed multiplication and 'post-harvest loss management'. One further aspect of this has been the change in attitude of some farmers about site selection of their oil seed produce (before they planted mostly at the margins of the fields or on unproductive land), based on a proper thinking through of the costs/benefits. As a consequence of JP some farmers are even renting additional plots of land for production of oil crops.

214 primary cooperative members have been trained and business planning has been improved. As a result of this training 54 primary cooperative have produced their business plan to give clear developmental directions for the near future.

1.1.3 Access to fertilizers facilitated by a government and private sector facility. (Linked to 1.2.1.)

Farmers participating in the JP improved access to fertilizers, and have an increased understanding of how these can be best utilized to increase oilseed production. Systems for

resolution of financial shortages for procurement of inputs during cultivation of oilseeds were demonstrated, and farmers were able to give full attention to cultivation of crops.

1.1.4 Support and incentives to enhance cooperatives and private sector participation in input supplies for oil seed producers.

This is a very successful ‘soft’ output of the JP in the context of a pilot project. Much more needs to be done, nationally, but the JP demonstrates an effective collaboration between cooperative unions, primary cooperatives and farmers in how supply of quality inputs can have a positive impact on production. Further, the established relationship ‘downstream’, to processors, increased demand, on the supply side, for quality of supply systems and quality of material. (Linked to 1.2.1.)

Output 1.2 Access to credit is facilitated for the small holder and commercial farms to enable easier procurement of inputs.

One of the most crucial bottlenecks of smallholder farmers in the country is lack of financial services for savings and loans. A revolving fund was established, with cooperative unions, and farmers were able to access funds for procurement of inputs. The JP has provided a total of USD 345,430.30 as revolving fund for 4 farmer cooperative unions. A total of 31 primary cooperatives benefited from the revolving fund. Out of the total amount of money 83 percent of the money was utilized for aggregating farmers produce and the rest is used for input purchase. 90 percent of the loan is returned to the cooperative union.

1.2.1 Credit facilities supported through financial intermediaries for procurement of farm inputs. (Linked to 1.1.3.)

Targeted farmers have improved access to fertilizers, and have an increased understanding of how these can be best utilized to increase oil seed production. Systems for resolution of financial shortages for procurement of inputs during cultivation of edible seeds were demonstrated, and farmers were able to give full attention to cultivation of crops. Four farmer cooperative unions and 31 primary cooperatives established a revolving fund to assist in input purchasing and aggregation of farmer produce. Credit agreements were established between the cooperative unions and the primary cooperatives.

Output 1.3 Market-oriented farming is enhanced.

Another key element of the JP for the farmers, primary cooperatives and cooperative unions under the JP, as the downstream linkages that have been created are fundamental changes, and indicate important directions in future development along the value chain. A memorandum of agreements was signed between cooperative unions and oil processors. The agreement was made to supply quality nigerseed and linseed to the processors with required quantity, quality and at the right time. Based on the forward agreement, the cooperative unions and/or primary cooperatives have sold a total of 7,079 quintals of oil crops (nigerseed and linseed) worth about USD 459,178.4. From this process 8,579 smallholders have benefited. As a result, primary cooperatives now have secure market access to sell their stock after the contractual agreement was signed with the processors and access to working capital through the revolving fund scheme which has also encouraged them to collect oilseeds from their members.

1.3.1 Contract farming procedures between cooperative unions/ primary cooperatives and agro-processor exporters are developed and implemented –linked to cluster zones approach (see 3.1).

The JP has demonstrated the benefits of creating agreement between the primary cooperatives and/or cooperative union and processors (individuals as well as associations and PLCs).

1.3.2 Capacity building and institutional support provided to cooperatives, small traders and other SMEs to improve their management skills and capabilities, to enhance their competitiveness and profitability.

Capacity-building activities have been provided at both farmer (cooperative) and processor level. A total of 1467 farmers, 241 persons from farmer cooperatives, 180 subject matter

specialists and 111 oil producers and small traders took part in the training. Whether or not the activities associated with this output will be effective in the longer term, i.e. whether or not management capacity has been built, can only be assessed at a later stage.

1.3.3 Pilot system in warehouse receipts linked to ECEX set up.

Some efforts were made in introducing a warehouse receipts system, including a study on a system, input vouchers and contract farming. As well, training was organised for partner institutions. However, the output was not delivered. From inception, it became clear that private warehouses were extremely limited in availability, nor at a standard optimal for operationalization of a warehouse receipts system. Upgrading of existing warehouses from JP funds was not possible due to the high costs. In this context activities related to the warehouse receipts system were not fully implemented.

Output 1.4 Enhanced investments in the production of oil seeds.

Some change is visible on the seed production side of the value chain, with farmers, primary cooperatives and cooperative unions – participants in the JP – all demonstrating stronger investment practices in oil seed production. However, no real focus was placed specifically on this output area during the JP, and the enhancements to investment which are visible are more likely to be attributable to other activities of the JP.

1.4.1 Investment enhancing strategy is developed verified.

Activities related to this output area were not undertaken, and the output was not delivered due to the JP focus on higher priority activities.

Outcome 2 The capacity and competitiveness of the stakeholders for processing of edible oil seeds is enhanced.

Processors of oil seeds express a renewed confidence in the sector, through linkages within the processing component of the value chain, and up and down the value chain (but particularly with seed growers and their related cooperatives and cooperative unions). These linkages, which function within the cluster arrangement of the sector, are the strongest indicator from the JP of the necessary future directions both for a potential scale-up of the JP and for the development of the sector nationwide. The JP demonstrated an effective and successful model to improving processor competitiveness and capacity to unleash the potential of domestic production of edible oil and achieve import substitution.

Output 2.1 Storage, cleaning and grading of the oil seeds improved.

The JP improved storage and cleaning processes of farmers and farmer cooperatives.

2.1.1 Cleaning and grading facilities (including storage) established in four market oriented cooperatives on a pilot basis.

Facilities were constructed and seed cleaning and grading equipment of 120 tons/day capacity are installed in two cooperative unions (in Amhara and Oromia). Besides the hardware, a system for cleaning followed by producers, producer cooperatives and processors alike is in place – seed is reaching the processors cleaner, and without contamination.

2.1.2 Results of the pilot effectively disseminated among other market-oriented cooperatives and processor.

From the trainings given and exposure visits done to oil processing plants with modern facilities, some of the processors have realized the significance of cleaning oilseeds and have purchased and installed locally manufactured cleaning equipment, which has resulted in increase in the extraction of crude oil and also improvements in quality.

Output 2.2 Improved processing efficiency in the targeted oil seed processing industries.

This component has been both the focus of the JP and its most apparent success. There are a number and range of success stories on the processing side that present improvements in the

quality of production and in the economic benefits which accrue from improvements in supply chain and processing technologies.

2.2.1 Oil extraction technology modernized in targeted processing plants.

As well as improved access to better quality and unadulterated seed, processors also demonstrate a better appreciation of the link between production practice and income, and the importance of cleaner processing practices, improved packaging and labeling. Targeted processors increased quantity of production, improved quality of oil and have better access to markets, which contributes to improvements in incomes and increased employment in their factories.

Output 2.3 Product safety and quality improved.

The JP demonstrated both the positive benefits for processors of improvements in processing practice that deliver higher levels of product safety and quality.

2.3.1 Selected processing plants upgraded to improve overall quality and food safety.

There is a visible improvement in the physical status of processing plants, with a related improvement in the overall quality of the product. Most notable is the number of processors whose production has been certified by the Ethiopian Quality Standards Agency. So far three processors are fully certified by the Standards Agency, three have applied and working to fulfill the requirements set by the auditors of the Agency and more are expected to go for certification. Activities and outputs of the JP in this output area are strong indicators of what can be achieved through a scaling-up of the JP.

2.3.2 Selected processing plants HACCP certified (ISO 22000).

HACCP certification has not been achieved as this will be the a focus of the joint processing facilities where processors are resettling (see 2.5).

Output 2.4 The packaging of the final product is made more attractive for the market.

2.4.1 Packaging lines of selected processing plants in Oromia and Amhara Regions upgraded.

The processors packaging and labeling work, and the participation in a number of trade fairs, has given these producers a higher visibility in the national market, and increased attractiveness of the product to consumers. The product is now sold beyond the immediate, local market, and is distributed and available on supermarket shelves of major cities in Ethiopia.

Output 2.5 Edible oil producers capacity and competitiveness enhanced through PPP.

2.5.1 Working group on edible oil with in PPP structure established and capacity to dialogue strengthened.

The JP defined both the nature of and a clear plan for potentially critical changes to the structure and functioning of the oil seed sector in the future. This envisages the establishment in both the Amhara and Oromia regions of joint processing facilities, demonstration of a public private partnership, and set the stage for potentially significant developments on the demand and supply side in the sector. The most critical aspects of this output, each of which points in particularly important directions of success, include: The provision of land for the facilities by the regional governments; The contributions being made by each individual processor to the financial establishment costs of the facilities; The involvement of the Regional Steering and Technical Committees (i.e, involvement of the cluster) in development activities; Processor Associations established and functional, providing a single voice for processors, improving communication up and down the value chain, and with government; Two processor PLCs established – formal entities that will form the core of joint processor involvement in the sector. The PLCs are strongly supported, including financially, by processors, and provide both a strong linkage to farmers and farmer cooperatives and to all areas related to the production of quality oil and its marketing.

The strong commitment of the PLC members is clearly demonstrated by the financial contributions they are making for common investments, as indicated below:

- Adama: 48 PLC members have mobilized 5,674,572 Birr so far for common investments in four payments and out of which they have paid 1,213,152 Birr compensation to farmers for the land they are allocated & additional 100 KBirr for operational costs. Each member is also going to contribute additional 30,000 Birr (total 1,440,000 Birr), which is half of Birr 60,000 they pledged to pay in six months and have gone half way of the fourth payment. Their total mobilization for common investments would then be 7,114,752 Birr. Regarding forward linkages about 120 MBirr transactions have been made between Addis Modjo refinery and Adama processors in the supply of cottonseed crude oil, which has shown to the processors the potential for refining oil and the availability of ample market.
- Bahir Dar: Similarly the PLC members have mobilized 2.4 MBirr so far for common investments and 118 KBirr for operational costs. They have now pledged and each member has started to contribute 5 KBirr every month for an indefinite period to mobilize enough funds for the establishment of the Industrial Zone.

2.5.2 Knowledge and best experience gained from other countries on edible oil sub sector.

Oil seed sector stakeholders, from political, extension, production and processing components of the sector, benefited from study tours and exchanges with the edible oil sector in India and Malaysia.

2.5.3 Agro-industry master plan promoted through PPP.

The AIMP and the JP demonstrated significant synergy in their joint contributions to sector developments. The Master Plan provides a well-considered structure and strategy, and JP demonstrates effective implementation. Together they provide a clear 'road map' for the future of the sector.

Output 2.6 Access to finance for the processors including processors cooperatives improved.

2.6.1 Barriers to access financial services lifted.

The misconception of the banking sector about the edible oil value chain was cleared which led this sector to be in equal footing with others to qualify for any lending. The Development Bank of Ethiopia (DBE) has taken this commitment to a higher level when it approved three new lines of credit relevant to the edible oil value chain, for: Edible oil refining projects; Integrated projects from farming to processing of oil crops; and, Cottonseed processing projects.

2.6.2 Processors are linked to financial service providers.

A couple of formal round-table discussion forums were held between the processors' and financial institutions which led to more interaction and networking. The JP and DBE jointly organized two seminars at the two project sites to discuss on these new developments and other access to finance issues. The seminars were targeted at private sector operators, public sector organizations, the financial sector and support service providers. Birhan International Bank has shown high interest to work with this sector and requested for a bilateral forum to discuss specific bank issues which was held successfully.

2.6.3 Capacity of processors and financial institutions enhanced.

A range of training programmes were delivered, to processors and the financial sector as part of the JP interventions. The trainings include: value chain finance, entrepreneurship & enterprise development, cluster development, financial literacy for processors. Representatives of selected banks also made a study tour to India and gained basic experience on SME lending.

Output 2.7 Capacity of Business Development Services (BDS) providers enhanced to deliver relevant and effective services to the processors including processors cooperatives.

2.7.1 BDS providers linked to the processors.

2.7.2 BDS providers avail BDS that is demand driven and responds to the needs of SMEs and larger processors.

A training program on Cluster Development Approaches was organized. The training targeted public and private sector BDS providers and enhanced the capacity of local and federal government organizations and BDS providers, particularly: Senior and mid-level officers from the Ministry of Industry; Federal Micro and Small Enterprises Development Agency (FEMSEDA); Regional Micro and Small Enterprises Development Agency (REMSEDA); Industry and Urban Development Bureaus, the relevant Bureaus of Agriculture, Agricultural Marketing, Cooperative Development, and Labour and Social Affairs; Local administration and municipalities; Financial institutions; Private consulting firms, and Universities.

As a result of the above interventions the capacity of BDS providers and especially that of the public sector is enhanced which resulted in taking the value chain issues seriously and embrace the sector and provide requested services as a matter of urgency.

Output 2.8 The occupational safety and health (OSH) practice of the large processors and cooperatives strengthened.

The JP worked closely with the Bureaus of Labour and Social Affairs deciding to target the JP's small and medium processors rather than with 'large processors and cooperatives'. While significant change is visible in the area of food safety and product quality among the beneficiaries, to achieve appropriate levels of health and safety in the industry (both in terms of the product and in terms of employees) additional improvements are needed among targeted processors and oil producers nationwide.

The JP also set the grounds to expand worker and product health and safety considerations and practice beyond the project life through the design and implementation of the joint processing facilities.

2.8.1 The state of OSH practices and gaps in the processing industry identified.

The JP started working on this output by helping the competent authorities, Ministry of Labor and Social Affairs and the two Regional Bureaus to commission a study on analyzing OSH practices and identifying the gaps using their experts. While the findings of the study showed for the first time the state of OSH in the edible oil processing enterprises at national level, it was in particular used as a baseline to design new interventions so as to fill the identified gaps.

2.8.2 Enterprise level OSH programmes in place.

There is a visible change in the structure and application of OSH practice with JP processors, including some demonstrations that processor understanding goes beyond a simple application of 'the law' to an understanding that improvements in OSH can bring improvements to the organization's competitiveness, profitability and sustainability. The Bureaus of Labor and Social Affairs at the two regions took the responsibility of implementing all OSH related interventions and as a result about 11 enterprises successfully implemented enterprise level OSH practices while it is work in progress with others.

Output 2.9 Processors organized to get economic of scale, representation and voice. (See 2.5 above)

2.9.1 *Association and/ or entrepreneurs' cooperatives formed which provides relevant and effective services to the processors.* (Linked to 2.5 and 3.1)

One of the most successful achievements of the JP is its effort to help the establishment and official registration of two processors' associations at the two project sites. This helped to unite and mobilize all processors under the umbrella of each association. Currently the Adama and Amhara Edible Oil Associations have 54 and 38 enterprises as members. This is effectively almost 100% of the existing processors at the respective localities. More over the establishment of the two PLCs for the investment on common facility centers is also another credit of the JP.

Output 2.10 Processors in the informal economy upgraded to graduate into the formal economy. (See 2.5 above)

2.10.1 *Key drivers of informality among the processors identified.* (See above)

2.10.2 *Enabling capacity, system and infrastructure in place to facilitate the transformation.* (Linked to 2.6 and 2.7)

By establishing the two associations and bringing processors' together, the JP helped informal processors to officially register with the government trade registry thereby effectively transforming their informality and graduating into licensed businesses. This transformation has brought about the creation of one-voice under the leadership of the association and also halted some mal-trade practices and unnecessary competition among themselves.

Outcome 3 Access to local and international markets for edible oil producers is improved.

As mentioned above, the JP focused on national markets for import substitution as a priority rather than on international markets, as this was more relevant to the impact for people and feasible within the scope of the JP.

Output 3.1 Vertical linkages between oil seed producers, traders and processors are improved through clustering.

Vertical linkages concretely translated in MoUs between the PLC and the farmer's primary cooperatives/cooperative unions consolidated the functioning of the relationship between seed growers and processors and they are strong indicators of future directions for development of the sector. The agreements benefit all components of the value chain, and the Ethiopian economy generally.

3.1.1 *SME Networks formed and joint actions undertaken.*

The establishment of the PLCs and the joint refining operations are specific examples of the formation of SME networks and the undertaking of joint actions. The JP has been particularly effective in demonstrating the value and effectiveness of networking, and of joint activities by growers, grower cooperatives and processors.

3.1.2 *Business Development Service (BDS) upgraded to offer services to SME oil processors.* (See 2.7 above)

Output 3.2 Linkages between the processors and marketing agents are enhanced.

On the marketing side, the JP's emphasis has been on the linkages within the value chain, and on strengthening the market relationships therein. Processors were able to participate in national trade fairs thanks to improvements in packaging and labeling. Further, a study, *Market Assessment and Development of a Marketing Strategy for the Edible Oil Sector of Ethiopia* also informed and assisted producers and processors going forward.

3.2.1 *Joint marketing actions facilitated to networks of processors.* (See above)

Output 3.3 Access to finance for the marketing agents and marketing cooperatives improved to enable bulk orders and bulk purchasing.

3.3.1 *Marketing agents and cooperatives are linked to financial service providers.* (See 2.6 above)

3.3.2 *Savings and credit cooperatives established.* (See 2.6 above)

As a value chain approach, improving access to finance to marketing agents was also addressed along with Output 2.6.

Output 3.4 Marketing agents are enabled to access local, regional and international markets.

The kind of marketing agents for edible oil as described in the project document do not exist. In the edible oil sector almost all processors are both producers and sellers of edible oil. Therefore, the JP supported the establishment of the two PLCs so that they provide modern marketing services to the sector and eventually grow into big marketing agents. Such capacitated and strong marketing agents will have the critical mass to meet market requirements and access new market places. So the JP focused on creating local capacity on marketing techniques, developing marketing strategy and understanding market requirements through visiting similar industries in other countries such as India.

3.4.1 *Capacity of marketing agents strengthened to access new markets* (See 2.3 and 2.4)

D. Who are and how have the primary beneficiaries/right holders been engaged in the joint programme implementation? Please disaggregate by relevant category as appropriate for your specific joint programme (e.g. gender, age, etc).

The project document did not describe targeted beneficiaries. Therefore, at the commencement of the JP, criteria were set and missions were conducted to identify, select and limit the areas for the intervention of the JP in both Oromia and Amhara Regions and to define direct beneficiaries and their locations. Thereafter the JP reported regularly on targets in three separate categories. The focus of the JP was on oil seed farmers and processors – men and women. No specific focus, neither in design nor in implementation, was placed on women or youth farmers or processors, but on the sub-sector as a whole. The project document did not include any disaggregation of intended beneficiaries, although numbers were reported on subsequently during implementation.

The direct beneficiaries of the JP are: (1) Oil Producers organized into Clusters and PLCs, (2) Small holder farmers (3) Farmers Cooperative Unions and (4) Primary Cooperatives working as members of Cooperative Unions.

Oil Producers: (Targeted: 4 large processing plants; Reached 54 in Oromia & 38 in Amhara – Total 92 SME Oil Processors)

- Oromia: Oil producers in Adama town. A Cluster Diagnostic Study was conducted and 54 producers have formed a Cluster to begin with and a Regional Oil Producers Sectoral Association now. Out of these 50 producers have formed a business company (PLC) for establishing common facilities, such as refinery in an industrial zone.
- Amhara: Oil producers in Bahir Dar, Hamusit & Woreta towns. A Cluster Diagnostic Study was conducted and 38 producers from the three towns have formed a Cluster and a Regional Oil Producers Sectoral Association. Out of these 32 producers have formed a business company (PLC) for establishing common facilities, such as refinery in an industrial zone.

Farmers: Targeted 8,800 men and 4,600 women and reached 1467 (1399 male and 68 female) seed producer farmers in both regions within 4 Unions and 31 Primary Cooperatives). In addition, 8579 smallholder farmers have benefited by selling their products to primary cooperatives.

- Oromia: 4 Woredas were selected in Oromia in Arsi & West Showa Zones and 3 Farmers Cooperative Unions, specifically Hitosa, Galema & Ambo Unions were selected for the intervention in the production of oilseeds. Oilseeds growing farmers in Farmers Primary Cooperatives are chosen through these Unions together with Regional, Zonal and Woreda Agricultural Offices for direct beneficiaries and provided with seeds and inputs.
- Amhara: 3 Woredas were selected in Amhara, i.e., Derra, Fogera & Mecha, all in Merkeb Farmers Cooperative Union for the intervention in the production of oilseeds. Oilseeds growing farmers in Farmers Primary Cooperatives are chosen through in this Union together with Regional, Zonal and Woreda Agricultural Offices for direct beneficiaries and provided with seeds and inputs. So far multiplication of breeder seeds done during the three seasons and planting of the improved seeds has been done during the past farming seasons.

Farmers Cooperative Unions: Targeted 2 and reached 2 Unions: Seed Cleaning & Grading Equipment: Two Unions, Hitosa in Oromia & Merkeb in Amhara have been selected and provided each with 120 tons/day of seed cleaning & grading equipment. Both Unions have completed the construction of the buildings for the equipment and the installation & commissioning of the machines by the supplier is also completed and the equipment are handed over to both Unions.

E. Describe and assess how the joint programme and its development partners have addressed issues of social, cultural, political and economic inequalities during the implementation phase of the programme:

a. To what extent and in which capacities have socially excluded populations been involved throughout this programme?

The JP influenced mainly two aspects enhancing the social inclusion of direct beneficiaries, namely, better economic opportunities and the creation of civil networks and facilitation of political participation.

On one side, the capacity building work carried out tackled initial asymmetry of information, lack of trust among stakeholders and capacity gaps both at technical and managerial level, to enable the JP beneficiaries to tap into economic benefits of being part of an integrated value chain.

On the other side, activities as the creation of Edible Oil Associations, the support of Farmer Cooperatives and Unions, as well as the training of government officials, the promotion and facilitation of dialogue around value chain bottlenecks facilitated the interaction, engagement and participation of stakeholders in decision-making processes at various levels.

b. Has the programme contributed to increasing the decision making power of excluded groups vis-a-vis policies that affect their lives? Has there been an increase in dialogue and participation of these groups with local and national governments in relation to these policies?

Thanks to the creation of the Edible Oil Associations and the PLCs, and through the support and trainings provided to Farmer Cooperatives, Unions and farmers, these groups are better able to analyse/formulate their collective and individual interests and present/advance issues affecting their lives and work.

Moreover, the JP started and facilitated a number of meetings between farmers and processors representatives and government counterparts establishing a platform for dialogue for beneficiaries to inform or influence the decision making processes at local and national level affecting the edible oil sub-sector.

c. Have the programme and its development partners strengthened the organization of citizen and civil society groups so that they are better placed to advocate for their rights? If so how? Please give concrete examples.

As mentioned above, the JP worked on the involvement of all edible oil value chain stakeholders in the targeted areas, supporting on one hand the direct beneficiaries to advocate for their interest through individual (farmers and processors) and institutional (BA, PLC, Cooperatives and Unions) capacity building, and on the other hand exposing government official to other best practices and benchmarks and enabling to better understand and respond to demands and issues.

d. To what extent has the programme (whether through local or national level interventions) contributed to improving the lives of socially excluded groups?

The direct beneficiaries are not considered socially excluded groups as such in the Ethiopian society, yet it is recognized that small farmers and processors have a comparative disadvantage in competing with other economic actors. On this basis, the JP improved the overall access of beneficiaries to information on the sector and relevant networks and this has in turn is providing better opportunities and contributing to the attainment of their economic and social rights.

F. Describe the extent of the contribution of the joint programme to the following categories of results:

a. Paris Declaration Principles

The JP contribution to the five principles outlined in the Paris Declaration on Aid Effectiveness can be summarized as follows.

Ownership was core strength of the JP. In fact, the Ministry of Industry (MoI), owner of the project, exercised a strong leadership from design throughout implementation. Ownership was demonstrated by the guidance, involvement and in depth knowledge of the JP and was determinant in contributing to the achievement of outputs and outcomes.

The commitment and leadership of the Government has been exemplary. Further, the commitment of the Ministry of Industry to the detail of JP design and implementation processes brought with it a high level of commitment in the National Steering Committee (NSC) and the Programme Management Committee (PMC), which also flowed out to the regions – ‘directions from the Ministry went directly to the Bureaus’.

Besides this, the Ethiopian Quality Standards Authority also demonstrated strong partnership. Moreover, at the regional level, Bureaus – particularly but not solely the Bureaus of Industry – also provided strong partnership involvement. The Universities in Adama and in Bahir Dar were strong local contributors to implementation, and to the successes of the JP. A proof of the commitment of all stakeholders was the admirable level of participation and engagement at PMC meeting and trainings.

Alignment of JP was absolute. The formulation of the JP document involved thorough consultations among the three UN agencies and their Government counterparts and the final document was perfectly aligned to the Government and UN priorities. The JP responded to a request of the Government for an intervention in the Edible Oil sector, identified as a priority sector within the Agro-Industry Sector Master Plan (AIMP) and was fully aligned with the Edible Oil Sub-sector strategy developed by the Ministry of Industry with the support of UNIDO and FAO.

Harmonization. Overall activities were designed providing clear attributions among agencies and therefore did not require great coordination efforts between agencies when the implementation of individual agencies was timely and according to the programme. Clearly differences in operations and procedures existed across agencies but these were handled with a degree of flexibility to adjust to constraints and provide timely backup options. To harmonize implementation a guideline was also agreed among the agencies’ coordinators defining the *modus operandi*. To increase harmonization and respond to the request of MoI, the 3 UN agencies always interacted as one through the National Programme Coordinator/UNIDO.

Managing for results. Overall the JP has reached an important level of implementation, and can be described as having been efficient and effective in delivering planned outputs and outcomes.

During the JP preparation process, the MoI insisted on a simple design with few UN agencies involved to facilitate coordination and maximize results. This insistence was important to the efficient implementation of the JP, for the tight correlation of activities and outputs within the project's logic and the close correlation with Government priorities.

Under the JP, activities were designed and allocated in a complementary way to exploit the comparative advantages and competencies of each agency together with their Government counterparts. Moreover, the strong ownership and close monitoring of delivery by the Programme Management Team, the Regional Steering Committee and the Program Management Committee ensured RBM practices were in place and proper follow up on risk mitigation action were taken.

Mutual accountability. As far as mutual accountability and monitoring are concerned, there was a concerted effort to perform jointly M&E and reporting activities and ensure accountability of agencies and stakeholders were attained. This was of particular importance as implementing a value chain programme means that, on one side, activities can be clearly separated/allocated according to the core strength of the agency but, on the other side, activities are closely intertwined, therefore a delay affects execution of other activities and overall delivery.

As with other MDGF programmes, a National Steering Committee and Programme Management Committee were established. In order to ensure close monitoring and follow-up, the JP also formed a Programme Management Team, Regional Steering Committees and Regional Technical Committees.

Concerning UN agencies accountability, the coordination and guidance provided by the RCO mitigated the risks attached to a high turnover of Heads of Agencies during the period of JP implementation.

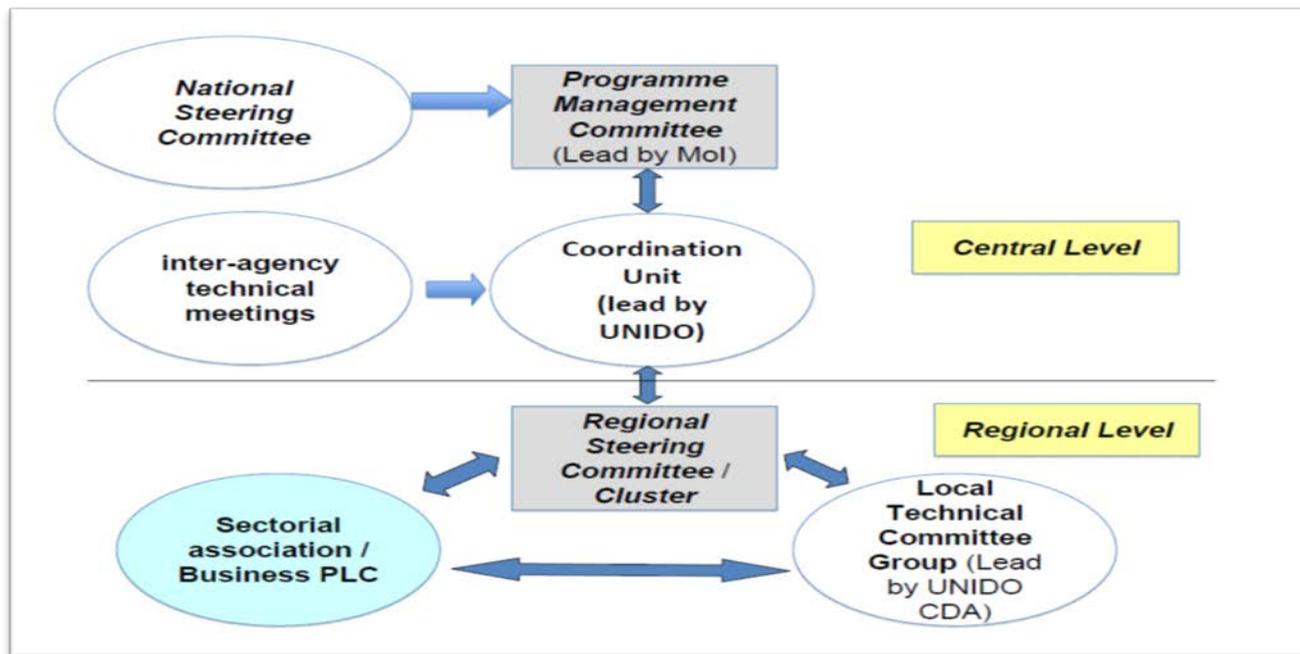
The JP has demonstrated particular strength in fulfilling the intent of the Paris Declaration, in particular the principle of national ownership and fulfils national strategies, public policy directions and the Ethiopia UNDAF.

- ***Involvement of CSO and citizens***

Given the value chain focus of the JP, the primary CSOs involved in the project were Cooperatives, Unions and Business Associations as well as PLCs. A number of technical and sectoral associations and organizations were also engaged to ensure forward and backward linkages and networks were created.

- ***Innovative elements in mutual accountability (justify why these elements are innovative)***

There was no major innovation in the mutual accountability framework. The Edible Oil JP followed general governance guidelines provided under the MDGF framework. The accountability and governance structures worked well as all stakeholders were strongly committed and support from both the MDGF Secretariat and the RCO was continuous. Below is an overview of the mutual accountability/governance framework.



b. Delivering as One

Within the structure of the JP, the UN concept of Delivering As One (DAO) was demonstrated effectively. DAO worked conceptually, but in the end 'each Agency had its own policies, own procedures and own implementation approaches. For DAO to really work there has to be a single budget, a single administration, a single policy framework. However, there was a real sense among JP staff that 'the relationship was good', but that this was mostly as a result of the fact that each was working on their own implementation. It can be argued that DAO worked well on the JP for the same reason that the JP overall was a success – the close correlation in Agency mandates and output/outcome areas and the close correlation with the JP and the oil seed sector value chain; ie, not because of a DAO approach per se, but because of the tight logic in the JP's design.

- ***Role of Resident Coordinator Office and synergies with other MDGF joint programmes***

The RCO played a central role in the overall coordination of the Joint Programmes in Ethiopia, including the Edible Oil Value Chain Enhancement JP. In fact, the RCO coordinator for the MDGF programmes liaised on an ongoing basis with the Ministry of Finance and Economic Development (MoFED) and the Line Ministries engaged in the different JPs as well as with all UN agencies and implementing partners, and it acted as a *trait d'union* between these stakeholders, the MDGF Secretariat in New York and the Spanish Representation to Ethiopia in Addis Ababa. The RCO facilitated the communication and interaction among all these stakeholders to ensure proper flow of information and timely response to requests and follow-on actions.

As far as the Edible Oil JP is concerned, the RCO was pivotal in keeping the commitment of UN Heads of Agencies high at the JP management level and in raising process, delivery and more, in general RBM related issues at technical/JP coordinator level.

- ***Innovative elements in harmonization of procedures and managerial practices (justify why these elements are innovative)***

There was no particularly innovative approach to harmonization. This aspect was definitely facilitated by the good interpersonal relations and coordination among the respective agencies coordinators and by the drive to results shown by the Cluster Development Agents and FAO local experts. Moreover the 3 agencies agreed on some procedural and day-to-day management guidelines for communication and operations that eased communication and interaction.

- ***Joint United Nations formulation, planning and management***

The formulation of the Edible Oil Value Chain Enhancement in Ethiopia Joint Program (JP) document involved thorough consultations among a number of UN agencies leading to the final selection of 3 agencies and their government counterparts for the implementation of the JP. The final program document was perfectly aligned to the Government of Ethiopia and UN priorities.

Overall activities were designed providing clear attributions among agencies and therefore did not require great coordination efforts between agencies when the implementation of individual agencies was timely and according to the programme. Yet, implementing a value chain programme means that, on one side, activities can be clearly separated/allocated according to the core strength of the agency but, on the other side, activities are closely intertwined, therefore a delay affects execution of other activities and overall delivery.

In order to make the programme realistic, given the JP aimed at enhancing the entire edible oil value chain, the geographical scope was limited to 2 regions and niger and linseed only were targeted.

III. GOOD PRACTICES AND LESSONS LEARNED

A. Report key lessons learned and good practices that would facilitate future joint programme design and implementation.

In the case of the JP the following aspects were fundamental lessons learned for the achievement of planned results in the field of ‘development and private sector’ among UN and Government in Ethiopia.

1. The strong leadership on the government’s side ensured a more strongly correlated design (related to the value chain), a tighter logic to the results framework and a drive to the programme throughout implementation.
2. This close correlation between the priorities, skills and experience of Agencies, and Agency staff, and the requirements of the different components of the value chain added clear strength of direction to implementation.
3. The number of Agencies was limited, strictly, to critical, core components of the JP. There were no ‘add-ons’ – the design logic was tight, within the JP and within the value chain and the Agencies each had clear, and specific result areas within component – and in linking components.
4. The cluster methodology has been an effective approach to a ‘whole of value chain’ implementation.
5. The ‘inception period’ allowed some redefinition of activities (based on the diagnostic studies) while retaining the output/outcome framework within the value chain structure. Yet, the inception should be considered in addition to the implementation period and not as part of it.
6. The contribution of the Universities has added particular technical and social/ethical value to implementation approaches.
7. Implementation was much more effective where specific resources, trained resources, were assigned to delivery – the Cluster Development Agents added value throughout implementation of the work with processors; the agronomist specialists engaged following the mid-term evaluation to address weaknesses on the production side had a significant positive impact, both on implementation activities and on results.
8. Translating existing policies into pilot initiatives will ensure full governmental support and having a champion among the Government counterparts supporting the program will facilitate solution of bottlenecks.
9. The PRODOC formulation stage is capital and will largely determine the success of JP implementation. Nevertheless, as the initial program document may not be based on enough in depth information, a thorough diagnostic at the very early stages of the programme is determinant for the development of a realistic and well coordinated JP.

10. Within such a short timeframe to implement a complex approach, UN agencies need to be flexible and quick in reacting to changes in circumstances to ensure a more effective implementation.
11. An integrated/multi-sectoral approach to development should be adopted to multiply results and increase impact but this can only be ensured by minimizing overlap of activities among agencies and clearly separating outputs and responsibilities.
12. The different procedures and operations of different agencies should be closely analyzed and exploited to ensure the use of best procedures and smooth implementation.
13. On the operational side, having the JP focal points sitting together (even if part time) in a physical space would enhance the communication among agencies.
14. The fielding of Cluster Development Agents, acting as local coordinators for the different agencies, was a vital arrangement for timely implementation and trust building with beneficiaries. In fact, the CDAs were mainly implementing UNIDO activities and subsequently FAO decided to have a similar arrangement in order to monitor more closely activities and speed up implementation.
15. There is a growing interest among woredas to expand the land area covered by nigerseed and linseed and increase in the number of farmers growing oilseeds as the major crops. For instance, Amhara Bureau of Agriculture has given more attention to expand oil crops as part of its extension services and extension package preparation for oilseed production is underway for the coming season.

The JP drew on a number of lessons learned from other initiatives in agro-processing in the oil seeds sector. They are worth mentioning here:

- From SNV: An ‘intervention in the sub-sector needs to focus on the whole value chain. Intervention either at processing, production or marketing would not help much’.
- Also from SNV: To ‘enhance coordination and dialogue among various stakeholders in the value chain in the Oromia and Amhara Regions at local level in order to catalyze improvement of productivity and competitiveness for sustainable growth’, i.e, it would *not focus at the national level but locally*.
- JP design included ‘development of policies and strategies as required under the framework of the existing government strategies’, to strengthen and ensure an appropriate policy framework.
- As an effective way of promoting the rights, responsibilities and entitlements of marginalized groups, JP design incorporated the involvement of small and medium enterprises in the value chain.

The following summarizes the key good practices which have contributed to JP success:

- The cluster methodology added value to JP implementation – the effectiveness of coordination, communication and ‘whole of value chain’ engagement contributed specifically to the JP’s success. All members of the cluster comment on the positive impact the cluster approach had on activities and outputs.
- The value chain approach was a key success factor in JP design and implementation. Joint programming was particularly well suited to the value chain approach of the JP, although the role and insistence of the Government of Ethiopia in discussions about the actual make-up of the JP were also of significance. Of particular relevance to the role of joint programming in the success of the JP was the tight correlation between output areas and UN Agency responsibilities/capacities, coupled with the tight correlation between output areas and the edible oil value chain. The significance of these two factors in the success of JP design and implementation is, primarily, that there was nothing superfluous in either design or implementation. Every activity and output area contributed directly to anticipated results, and, generally, contributed ‘forward and backwards’ in the value chain. The Government insisted on a smaller group of UN Agencies than was initially discussed – and the correlation between implementing Agencies, Government ministries and outputs/outcomes has, in the end, been an important success factor.

Ministry/Bureau-Agency synergies, as well as the related producer-processor-marketer relationships provided a much more significant design and implementation context than would have been possible with a focus on a single component. The evolving relationships between farmers, cooperatives and processors (Associations and PLCs) was in no way forced – the response in the field to evaluation enquiry was very strong in awareness of the economic benefits of this change in practice.

- The real need in the sector, and the fact it is ‘ripe’ to move forward, was a strong contributor to JP success. The economics are compelling for the nation, for farmers and for processors.

In terms of lessons learned to ensure sustainability and an effective exit strategy, the actions below should have been integrated in the JP to ensure a solid exit strategy.

- A donor strategy integrated with the Communication and Advocacy Plan and grounded in the M&E reports should be prepared in the last year and implemented in the last 6 months of the project.

B. Report on any innovative development approaches as a result of joint programme implementation

The combination and self-reinforcement of the value chain development and the cluster development approach was an innovative development approach piloted through the Joint Programme. In fact, the Ministry of Industry considered this a best practice for replication and scaling up.

These two approaches can easily be reconciled since both share similar constraints: (i) individual firms often face sector-level constraints that they cannot address alone; (ii) to enhance the corporate/industry competitiveness you need both competition and cooperation mechanisms and, therefore, it is fundamental to build trust among different actors; (iii) the governance (using this term to denote co-ordination of economic activities through nonmarket relationships) is particularly important for the generation, transfer and diffusion of knowledge leading to innovation which enables firms to improve their performance.

Given the extensive scope of the interventions that may be required for agribusiness development, there is an economic rationale for an integrated approach where a value chain methodology is combined with a cluster development component. The enhancement of a value-chain implies a structural transformation of the production process away from subsistence-oriented, household-level production and household-based agro processing toward a finer division of labour, greater specialization and more intense linkages and exchanges among the actors operating in the sector.

The general strategy of the programme has been that of addressing simultaneously and in a coordinated way bottlenecks affecting different levels of the value chain: raw materials production, processing capacity and quality of the final product, marketing channels. A sort of ‘value chain big push approach’ has been followed with the crucial novelty of integrating the typical measures adopted in value chain development methodology with cluster development components.

UNIDO, as the lead agency, assumed the overall coordination, while the responsibility of each specific sub-outcome were assigned to each agency on the basis of respective core competencies and technical expertise, thus replicating also in the interventions the idea of a “chain” in which each agency has a well defined role and intervenes at a specific stage of the value chain. This also allowed for the realization of a multi-sectoral approach that linked the work and competencies of different counterpart Ministries and institutions.

In the practice, the creation of a SMEs cluster reduced the transaction costs, generating and strengthening linkage and pulling along other value chain actors while other interventions like the provision of credit fund removed the financial constraints that were pushing farmers to cultivate other cash crops. The technical assistance improved the productivity and, as a consequence, the returns from farming this crop. Finally, the linkages between farmers, cooperative and processors has

eliminated the problem of linking demand and supply at production level: as soon as seeds are collected in relatively small quantities they are shipped directly to processors and hence the primary cooperative can re-employ the (revolving) funds for purchasing seeds from farmers. All of this was made possible by the continuous trust building and technical and managerial capacity building work performed at local level and through the cooperation between public and private sector.

C. Indicate key constraints including delays (if any) during programme implementation

a. Internal to the joint programme

In general terms, one of the issues affecting timely management responses in the JP has been that of accountability. In fact, as responsibilities are shared among UN agencies, often it is difficult to hold accountable all agencies to deliver and be responsive to risk management and problem solving. This was the case especially as Heads of Agencies, in a position to unblock situations of *impasse*, experienced a certain degree of turnover. Often, the JP is a priority for the leading agency who assigns dedicated staff but less so for others who may assign focal points in charge of a larger portfolio of projects but not in a position to address higher level issues.

Endogenous delays from a technical point of view were reported at the very beginning of the JP implementation due to a design oversight (no improved oil seeds in Ethiopia required by FAO for the improved seeds distribution component).

The detailed situation analysis showed the JP had to build trust among stakeholders before undertaking other activities.

Finally, the acquisition of land to create a cluster gathering oil seeds processors onto the same premises took a considerable time has been a major achievement integrated into the JP at a later stage with the delivery of substantial JP activities (bring together the processors, support their installation & possible renewal of machinery, facilitate the lending processes so that common machinery is being purchased, etc).

b. External to the joint programme

Generally, the strategy and results initially defined under the programme document were realistic, yet, some developments considerably impacted the execution given the actual implementation of activities in the field was limited to less than two and a half years. Indeed, the 6 months no cost extension contributed to ensure that results were achieved.

In fact, the start-up phase was affected by several factors that highly impacted the execution including exogenous ones, as the elections 6 months after JP approval and the subsequent lead ministry division into the Ministries of Trade and Industry (with the reassignment of focal point for the JP and revision of the governance/accountability structure), and a 2 months payment delay to effectively initiate the activities (impacting recruitment of staff to start the work in the field).

The allocation by local authorities of land for the two industrial zones also took longer than planned but finally was finalized, setting the ground for the relocation of processors.

c. Main mitigation actions implemented to overcome these constraints

The programme was adjusted selecting on-farm local seeds for distribution while at the same time starting the improvement cycle of breeder seeds into basic seeds ready for certification. The seeds breeding process was completed and agencies were flexible to adjustments, but the changes initially impacted overall implementation rate which led to late disbursement of the 2nd tranche of funds.

Some UNIDO and ILO activities were revised, as the detailed situation analysis showed first the JP had to build trust among stakeholders and to facilitate discussions about competition, quality standards, processing/marketing issues and then PPP, HACCP certification or international marketing would follow.

On these bases and to respond to the land acquisition delays to develop the edible oil industrial zones and clusters further, all channels were explored to secure the acquisition of land to create a cluster gathering oil seeds processors onto the same premises, and the PMT finally decided to bring the issue up to the State Minister of Industry to act with other Line Ministries and Regional authorities.

D. Describe and assess how the monitoring and evaluation function has contributed to the:

a. Improvement in programme management and the attainment of development results

The mid-term evaluation was of particular value to the JP team, and to the ultimate success of the JP. An improvement plan was developed from the mid-term evaluation, and was implemented by the JP team. There were a number of specific contributions from evaluation that were important, but the most significant was the clear commentary on the slowness of delivery of some aspects, coupled with specific recommendations for resolving these issues. Implementation approaches were changed as a result of the mid-term evaluation, and the JP demonstrated more effective results as a direct result of these changes. The second most important change, as a result of the mid-term evaluation, was with regards to the communication and advocacy strategy/plan. A specific focus was placed on communication as a result of the evaluation, and it has proved to be an effective component of implementation since that time. Finally, and possibly most important from the perspective of outcomes, the mid-term evaluation occasioned a greater specific contribution from Government – the land for the joint processing facilities. The issue of land allocation was deadlocked during the mid-term evaluation and was only resolved after it, and will likely bring significant long-term strength to JP outcomes.

b. Improvement in transparency and mutual accountability

Transparency has not been an issue in the implementation of the JP and mutual accountability was ensured through a governance structure that granted flow of information from technical to managerial level and from regional to federal level. The RCO and the leading agency intervened in cases where action from other stakeholders was required and not timely carried on.

c. Increasing national capacities and procedures in M&E and data

Limited contribution can be reported on the increased capacities and procedures in M&E and data collection stemming from the JP. In fact, this was an area where improvements could be made.

d. To what extent was the mid-term evaluation process useful to the joint programme?

See point a.

E. Describe and assess how the communication and advocacy functions have contributed to the:

a. Improve the sustainability of the joint programme

The area of communication was found to be weak during the implementation of the JP and following the MTE recommendations, the JP worked on improving this aspect.

The aim of the communication and advocacy plan, mainly focusing on external communication, was to produce relevant materials and define relevant channels to disseminate information concerning the JP for increased visibility and resource mobilization purposes. Target audiences were diverse ranging from the general public to sector related experts, policy makers and development partners, including donors. Through the implementation of the plan, the JP reached a wide public increasing the visibility and interest in the program (information requests were received and journalists published articles on local and international media).

b. Improve the opportunities for scaling up or replication of the joint programme or any of its components

Conferences, workshops and expert groups meetings were used as channels to engage practitioner and donors working in fields related to the JP (private sector, value chain

development, food security...). For instance, the Ministry of Industry was able to engage the AfrExIM Bank for possible resource mobilization in Phase 2, following a presentation delivered at a trade related conference in Addis Ababa.

c. Providing information to beneficiaries/right holders

PMCs and JP meetings were used to disseminate information and update beneficiaries. Cluster Development Agents and FAO experts fielded at the project sites were also main channels for internal communication and distributed materials and information produced as per communication and advocacy plan.

F. Please report on scalability of the joint programme and/or any of its components

a. To what extent has the joint programme assessed and systematized development results with the intention to use as evidence for replication or scaling up the joint programme or any of its components?

The JP has taken ample stock of the experience and approach piloted throughout three years of implementation and, following the MDGF Secretariat guidelines and reporting frameworks, documented information, processes, lessons, success stories and best practices.

Encouraged by the achievements of the JP, the PMC has agreed that the JP has been a particularly important and successful initiative, and it is critical that it is scaled-up and consolidated and a Project Proposal for Phase II of the project to be prepared and submitted before the end date of the JP. The 2nd phase is required for the following main reasons: (1) to consolidate the achievements gained so far; (2) because the nature of the JP is Value-Chain and Cluster Development which require longer time than the existing JP; (3) the delay in the acquisition of land has affected the delivery of activities related to Common Facilities Center (CFC); (4) the time and resources required for the establishment of Industrial Zones, designing, tendering, building the CFC facilities, selection & purchase of facilities such as refinery equipment; etc.

UNIDO has taken the initiative, employed a consultant and project document for Phase 2 of the project that would last 5 years and have a budget of some \$7,000,000 has been prepared and submitted to Ministry of Industry, the implementing government body. The 2nd Phase of the project is envisaged to be implemented by the three previous UN Agencies but the owner of the project is going to be the Food, Beverages and Pharmaceutical Development Institute under MoI. Currently with the lead of MoI, preparations are underway for resource mobilization and a donor conference for soliciting funds is scheduled in September, 2013.

The Phase 2 would closely align with the current JP, and aims to improve the function and outcomes of the whole of the edible oil value chain. Four outputs are planned:

- Improved production of oil seeds and productivity in the oil seed sector.
- Improved processing and packaging of edible oils.
- Improved access to finance for processors – through their associations.
- Establishment of a national value chain coordination body.

b. Describe example, if any, of replication or scaling up that are being undertaken

The importance of consolidating and extending the support to the work initiated under the JP cannot be overstated. The JP has been a particularly important and successful initiative, and it is critical that it is scaled-up and consolidated. As mentioned above, the JP team has prepared a project document for Phase 2, a programme that would last 5 years and have a budget of some \$7,000,000.

Other UN agencies, such as, UNWOMEN, UNCDF have been taking lessons from the Edible Oil JP and developed programs in the sector responding to some emerging needs or covering other geographical areas of focus.

c. Describe the joint programme exit strategy and asses how it has improved the sustainability of the joint program.

Throughout implementation, the JP focused on capacity development of direct beneficiaries and their associations as well as of government institutions and local/national government officers with the view that the knowledge transfer and managerial/technical skills could be transferred and extended after the JP ends to other stakeholders in the sector and thus to ensure the networks created will continue the work initiated under the JP.

Associations, PLCs and other organizations were also supported in the development of roadmaps, action plans and actual design of facilities as the industrial zone, the realization of which goes beyond the JP scope. The institutional development (notably, but not solely within processor associations and the PLCs) increases the possibilities for/ likelihood of longer term success. Cluster stakeholders from government and the private sector demonstrate a strong commitment to the initiated change. However, as the implementation currently stands there is no guarantee that results will be sustained. The engagement of municipalities, the provision of land for the joint facilities and the contributions in finance to the joint facilities from individual processors are all strong indicators of the potential for sustainability. As the final evaluation underlined, however, until the facilities are actually constructed, and are operating (physically, and in the sense of a functioning joint organization), it is not certain that they will succeed.

Knowing the work initiated still needs consolidation and improvement, as part of the advocacy and communication plan to ensure sustainability and prepare an exit strategy for the JP, a number of project site visits of national and international institutions and donors were conducted in the field. These had the aim of catalyzing interest and possibly further support to the JP beneficiaries. During these visits practices and lessons were shared and the overall JP model was illustrated. The Programme demonstrated an effective and sustainable approach to development of the oil seed sector.

The Government of Ethiopia, beneficiaries and UN agencies all agreed about the potential sustainability of the demonstrated benefits and results of the JP. Nevertheless, a second phase of the JP is required to consolidate the change that has been demonstrated by the JP.

In this view, a final workshop was held after the end of the JP to disseminate key documents and information related to the JP, particularly the results of the final Edible Oil JP evaluation, and to present the draft project proposal jointly prepared by UNIDO, ILO and FAO for a second phase of the Programme.

The Ministry of Industry took the lead in the resource mobilization process for the second phase of the programme and advocated for UN agencies to commit some bridging funds for the transition period during which these resources should be mobilized.

IV. FINANCIAL STATUS OF THE JOINT PROGRAMME

A. Provide a final financial status of the joint programme in the following categories: 1. Total Approved Budget 2.Total Budget Transferred 3. Total Budget Committed 4.Total Budget Disbursed

UN Agency	Total Approved Budget	Total Budget Transferred	Total Budget Committed	Total Budget Disburse	Outstanding Balance
UNIDO	1,156,724.00	1,156,724.00	1,136,298.31	841,449.26	20,425.69
FAO	1,061,062.00	1,061,062.00	881,163.00	735,591.00	179,899.00
ILO	782,170.00	782,170.00	760,899.18	721,200.91	21,270.82
TOTAL	2,999,956.00	2,999,956.00	2,778,360.49	2,298,214.17	221,595.51

B. Explain any outstanding balance or variances with the original budget

The total outstanding (uncommitted) balance is USD 221,595.51 (see above Table) from the field offices of the Agencies. However, these figures might be different from the HQs of the Agencies when the JP is financial closed.

V. CERTIFICATION ON OPERATIONAL CLOSURE OF THE PROJECT

By signing, Participating United Nations Organizations (PUNO) certify that the project has been operationally completed.

PUNO	NAME	TITLE	SIGNATURE	DATE
UNIDO				
FAO				
ILO				

VII. ANNEXES

1. List of all document/studies produced by the joint programme

- 1) Edible Oil Value Chain Enhancement JP Project document
- 2) Questionnaire Baseline Survey
- 3) Ethiopian Agro-Industries Master Plan – Oilseeds Sub-sector (November 2009)
- 4) Edible Oil Value Chain Enhancement. Baseline Study in Oromia and Amhara Regional States, Ethiopia (May 2011, Beyene Tadesse)
- 5) Draft Report of Diagnostic Study of the Bahir Dar Edible Oil Cluster, UNIDO (December 2010, Tsegabu Tekla)
- 6) Adama Cluster Diagnostic Study, UNIDO (December 2010, Olijira Kuma)
- 7) Mid-Term Review of the Joint Programme Edible Oil Value Chain Enhancement (March 2012, Vincent Lefebvre)
- 8) Ethiopia - Private Sector Development: Edible Oil Value Chain Enhancement Joint Programme Improvement Plan
- 9) Edible Oil Value Chain Enhancement Joint Programme - Sustainability Strategy
- 10) Market Assessment and Development of a Marketing Strategy for the Edible Oil Sector of Ethiopia. EEA. (January 2012)
- 11) ILO Fact Sheet on MTE (March 2012)
- 12) Improving the Performance of the Ethiopian Edible Oil Value Chain - Phase II Project Document
- 13) Final Evaluation (July 2013, Jim Newkirk)
- 14) Programme Management Committee presentations (8)
- 15) Programme Management Committee Minutes (8)
- 16) Programme Management Team Minutes (32)
- 17) Quarterly Reports (12)
- 18) MDG-F Bi-Annual Reports (6)
- 19) ILO Study Tour Report (India, Feb 2012)
- 20) UNIDO Report on Study Tour in India (India, July 2012)
- 21) JP Fact Sheets (2010 and 2011)
- 22) Draft Marketing Assessment Edible Oil Report (ILO, March 2013)
- 23) Lessons Learned Revised (UNIDO, April 2013)
- 24) Five Year Business Plan (2011-15) of Amhara Edible Oil Processors' Association
- 25) Five Year Business Plan (2011-15) of Adama Edible Oil Processors' Association
- 26) Occupational Health and Safety Practices & Gaps of Edible Oil Processors' in Amhara Regional State

- 27) Occupational Health and Safety Practices & Gaps of Edible Oil Processors' in Oromia Regional State
- 28) Industrial Zone Location Study for the Bahir Dar Edible Oil Cluster
- 29) Industrial Zone Location Study for the Adama Edible Oil Cluster
- 30) Study on Reviewing Existing Government Policy and Regulatory Framework of the Edible Oil Sector
- 31) Marketing Strategy of the Adama Edible Oil Cluster
- 32) Marketing Strategy of the Bahir Dar Edible Oil Cluster, and
- 33) Draft report - Agro-Value Chain and Cluster Development: Toward an Integrated Approach (UNIDO, 2013)
- 34) Design of 30 TPD Edible Oil Refinery Plant
- 35) Cottonseed Supply, Preparation & Processing Equipment Study
- 36) Draft Standard for Virgin & Cold Pressed Oil
- 37) TOR for Design Consultancy Service for Industrial Zones in Adama & Bahir Dar
- 38) Equipment Specifications of Edible Oil Processing Plant

2. List all communication products created by the joint programme

- 1) Communication and Advocacy Plan 2012/2013
- 2) Media Clips' List 1
- 3) Brochure with pictures
- 4) Project Fact Sheet for MDG-F Ethiopia Publication and One UN Website
- 5) Photos Database

¹ As far as **media clips** are concerned, below here are some websites with news about the Joint Program.
 (Jan 2012) Ethiopian Society of Mechanical Engineering website on workshop for local design of machinery: http://www.esme.org.et/index.php?option=com_content&view=category&layout=blog&id=27
 (Jan 2012) Success story on UNIDO website: <http://www.unido.org/index.php?id=1002080> ,
 (Feb. 2012, Addis Fortune, local newspaper in En) Article on Joint Programme: http://addisfortune.com/Vol_12_No_616_Archive/Spark%20of%20Hope%20for%20Ethiopian%20Edible%20Oil%20Industry.htm
 (March 2012) Website of Amhara Edible Oil Mill Owners and Sectoral Association supported by JP: http://amharaedibleoilmosa.com/index.php?option=com_content&view=article&id=53&Itemid=28
 (March 2012) UNIDO newsletter: http://issuu.com/unido/docs/ut5_web (page 8)
 Website Adama Edible Oil processors association (Oromia Region) supported by JP: <http://adamaedibleoilprocessors.com/index.php/itemlist/date/2012/6/images?limitstart=0>
<http://adamaedibleoilprocessors.com/index.php/projects/edible-oil-value-chain-project/item/81-ethiopia-edible-oil-value-chain-enhancement-joint-programme>
<http://adamaedibleoilprocessors.com/index.php/projects/adama-edible-oil-cluster-project>
<http://adamaedibleoilprocessors.com/index.php/component/k2/itemlist/category/64-workshops--training>
 (November 2012, Addis Ababa) Field trip to Adama project site co-organized with CTA during the International conference on agricultural value chains 'Making The Connection: Value Chains for transforming smallholder agriculture': <http://makingtheconnection.cta.int/field-trip>, http://makingtheconnection.cta.int/sites/default/files/programme_en.pdf, http://makingtheconnection.cta.int/sites/default/files/jp_site_adama.doc
 (Jan 2013) MDG-F website: <http://www.mdgfund.org/story/uniting-ethiopia-s-oilseed-producers>
 (July 2013) One UN website: http://et.one.un.org/index.php?option=com_content&view=article&id=107:converging-ways-forward-oil-seed-production-gets-new-life&catid=82&Itemid=492

- 6) Video on Edible Oil Joint Programme and Video on MDG-F Joint Programmes in Ethiopia
 - 7) Success stories, 2 published on the MDG-F website and on UNIDO website (<http://www.unido.org/index.php?id=1002080>), 'Converging Ways Forward: Oil Seed Production Gets New Life' story published on One UN Ethiopia website
 - 8) List of missions and events supported to facilitate lessons learned and information sharing
 - 9) Photo Essay with captions (submitted to MDGF Secretariat to be posted on MDGF website), and
 - 10) Posters (available at UNIDO office)
-
- 3. Minutes of the final review meeting of the Programme Management Committee and National Steering Committee (attached)**

 - 4. Final Evaluation Report (attached)**

 - 5. M&E framework with update final values of indicators (attached)**

**‘Edible Oil Value Chain Enhancement’ Joint Programme
Programme Management Committee
Minutes No. 08**

Date: June 07, 2013

Time: 10:30 – 13:00 Hrs

Place: Ministry of Industry – Conference Hall

Present were:

1. HE. Mr. Tadesse Haile, State Minister, Federal Ministry of Industry (MoI)
2. Dr. Mebrahtu Meles, Federal Ministry of Industry (MoI)
3. Mr. Dandena Chemed, Federal Ministry of Industry (MoI)
4. Mr. Zergaw Feleke, Federal Ministry of Industry (MoI)
5. Mr. Yonas Yazachew, Federal Ministry of Agriculture (MoA)
6. Mr. Fitsum G/Michael, Federal Ministry of Labor & Social Affairs (MoLSA)
7. Mr. Assegid Adane, United Nations Industrial Development Organization (UNIDO)
8. Mr. Muluneh Woldekidan, United Nations Industrial Development Organization (UNIDO)
9. Mr. Tsegabu Teka, United Nations Industrial Development Organization (UNIDO)
10. Mr. Oljira Kuma, United Nations Industrial Development Organization (UNIDO)
11. Mr. Hailegebriel Habte, United Nations Industrial Development Organization (UNIDO)
12. Mr. Amare Negash, International Labor Organization (ILO)
13. Mr. Aresawum Mengesha, Food & Agricultural Organization (FAO)
14. Dr. Nigussie Alemayehu, Food & Agricultural Organization (FAO)
15. Mr. Gari Duguma, Food & Agricultural Organization (FAO) – Oromia
16. Mr. Dereje Mekonnen, Amhara Industry & Urban Development Bureau (AIUDB)
17. Mr. Temesgen Shone, Oromia Industry & Urban Development Bureau (OIUDB)
18. Mr. Tesfaye W/Aregay, Ethiopian Standards Agency (ESA)
19. Mr. Tamirat Ketsela, Adama Edible Oil Processors Sectoral Association
20. Mr. Endalkachew Negatu, Adama Edible Oil Processors Sectoral Association
21. Mr. Getinet Asres, Bahir Dar Edible Oil Processors Sectoral Association
22. Mr. Messeret Takele, Bahir Dar Edible Oil Processors Sectoral Association

Agendas of the day:

1. Introduction of participants and Agendas
2. Progress Report on JP Activities
3. Presentations by CDAs
4. 2nd Phase of the JP
5. Preparations for Final Evaluation, JP Review Workshop & Closure
6. Discussions

Agenda 1: Introduction of participants and Agendas

After welcoming the participants to the Eighth PMC meeting of the “Edible Oil Value Chain Joint Program (JP)”, it was opened by inviting the participants to introduce themselves and the organizations they represent. After the introductions, Agendas were presented by JNPC and it was agreed to proceed as scheduled.

Agenda 2, 3, & 4: Progress Report on JP Activities; Presentations by CDAs; & 2nd Phase of the JP

Presentations were done on the JP (*Progress Report on JP Activities; Presentations by CDAs & 2nd Phase of the JP*):

- The NPC informed the participants that this is the last PMC meeting for the 1st Phase of the JP which is going to end on 30 June, 2013. The total financial commitment of the JP is now 83 % and it was reminded that all Agencies to speed up and commit the remaining amounts before 30 June, 2013 as the MDGF Secretariat does not want any unused funds to be returned.
- The progress report of the JP activities was presented by the focal persons of FAO & UNIDO at length focusing mainly on cumulative developments after the 7th PMC meeting since December 19, 2012 and also on the ways to speed up implementation in the remaining life time of the JP (see attached the presentations herewith).
- The CDAs also presented reports on the progress of activities on Clusters and PLCs in both regions (see attached the presentations herewith).
- Further to the decision taken during the last PMC, a Task Force was formed and a Consultant from UNIDO has conducted the study for the 2nd Phase. The proposal has been submitted to MoI. The main points highlighted in the Project Proposal document for the 2nd Phase of the JP were presented in detail (see attached the presentations herewith).

After the presentation of the reports, the Chairperson HE Ato Tadesse Haile appreciated the progress of the JP and opened the floor for further discussions and also the following decisions were made:

1. HE Ato Tadesse Haile appreciated all the efforts done in the execution & conduction of the JP since the beginning and declared the activities for the pilot project can be considered a success and that MoI will further work to scale up the results gained through the 2nd Phase by the new Food, Beverage & Pharmaceutical Institute which is being established.
2. **Dr. Mebrahtu Meles.** He briefly presented on the progress on the establishment of Food, Beverage & Pharmaceutical Institute and informed that the Project Proposal for the 2nd Phase submitted to the MoI is under review and confirmed that the initiatives which started on the oilseeds value chain will continue in more robust & vigorous way and at higher scale with many other interventions which were not even considered in the 1st Phase. He stressed that the achievements so far should be properly documented, and the various studies to be compiled and handed over to the Institute.
3. **Mr. Dandena** also stressed on that an exit report to be prepared after the Final Evaluation together with Lessons Learned & recommendations for future continuing activities.

4. **Mr. Fitsum** from MoLSA asked some questions regarding semi-refining, certification & multiplication of oilseeds and answers were given by oil processors and also by FAO focal person.
5. **2nd Phase of the JP**: Various questions and suggestions were also raised by participants on the need for 2nd Phase, and the MoI has assured that all required actions will be taken by the Ministry to mobilize resources for the following phase.

Agenda 5: *Preparations for Final Evaluation, JP Review Workshop & Closure*

The participants were informed that the selection & employment of the consultant is now finalized by UNIDO HQs and it was agreed that the JP PMT to handle the preparations for the Final Evaluation according to the guidelines of the MDGF Secretariat and all Agencies & stakeholders to prepare for proper conduction of the evaluation.

In addition it was agreed to conduct JP Review Workshop (after evaluation) & close the JP according to MDGF Secretariat guidelines also.

HE Ato Tadesse Haile thanked all participants and closed the meeting by reminding all participants to exert maximum effort and work harder in the remaining limited time and commit all funds. The participants through the JNPC also thanked HE for his unreserved support for the JP and his guidance through all stages & asked the MoI to aggressively follow up on the 2nd Phase.

Minutes recorded by: Muluneh Woldekidan, JNPC

**Edible Oil Value Chain Enhancement Joint Programme
Monitoring & Evaluation Framework**

	Expected results (Outcomes and outputs)	Indicators (with baseline and indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Responsibilities	Risk and assumption
	Outcome 1. Productivity and competitiveness of private sector led agricultural production of oilseeds is enhanced (Lead Agency FAO)	Indicators: <ul style="list-style-type: none"> - Oilseed yield [tonnes/ha]; - Unit price of oilseed [Birr/kg]; - Unit cost of production [Birr/kg]; Baseline: <ul style="list-style-type: none"> - Oilseed yield: 0.72 tonnes/ha; - Unit price of oilseeds: 4.7 Birr/kg; - Unit cost of production: 5.77 Birr/kg (CSA Data); Target (2012): <ul style="list-style-type: none"> - Yield: 1,0 tonnes/ha; - Unit price of oilseed: 5.2 Birr/kg; - Unit cost of production: 1.0 Birr/kg; 	<ul style="list-style-type: none"> - Survey at the end of the project; - CSA data (Targets to be fine-tuned after the baseline survey)	Terminal report	FAO	<ul style="list-style-type: none"> - The macro-economic conditions and political climate remains stable; - The government and other partners remain committed to Program priorities;
1.1	The supply of farm inputs (seeds, fertilizers and chemicals) is improved. (FAO)	Indicators: <ul style="list-style-type: none"> - Amount of seeds produced in the project area; - Amount of seeds supplied in timely manner; - Amount of imported inputs (chemical and fertilizer) supplied in timely manner; Baseline: Not available	<ul style="list-style-type: none"> - Periodic progress reports; - Gap analysis report; - Cooperative licenses, membership list; - Participants list; - Documentation of proceedings; 	Quarterly/ annual/ mid-term/ terminal report	FAO	<ul style="list-style-type: none"> - Capacity limitation; - Delay in getting returns from the field; - Delay in disbursement of fund;
1.2	Access to credit is facilitated for the small holder and commercial farms to enable easier procurement of inputs. (FAO)	Number of credit service beneficiaries	Survey to credit service providers	Annual/ mid-term/ terminal report	FAO	<ul style="list-style-type: none"> - Capacity limitation; - Delay in disbursement of fund;
1.3	Market-oriented Farming is developed (FAO)	Indicators: <ul style="list-style-type: none"> - Number of contract farmers in project areas; 	<ul style="list-style-type: none"> - Project report; - List of participants, training 	Quarterly/ annual/ mid-term/ terminal report	FAO	<ul style="list-style-type: none"> - Capacity limitation; - Business environment; - Enforcement of contract;

	Expected results (Outcomes and outputs)	Indicators (with baseline and indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Responsibilities	Risk and assumption
		<ul style="list-style-type: none"> - Pilot warehouse receipt system developed; - Number of SMEs, cooperatives and traders trained in business management; <p>Baseline: Baseline conducted by SNV BOAM</p>	proceedings;			<ul style="list-style-type: none"> - Delay in disbursement of fund, willingness of farmers;
1.4	Enhanced investment in the Production of oilseeds (FAO in collab. with UNDP)	<ul style="list-style-type: none"> - Investment promotional materials/ strategy developed; - Investment in oilseeds sector; 	Investment materials /strategic document	Mid-term/ terminal report	FAO	Delay in disbursement of fund
	Outcome 2: Capacity, capacity utilization and quality of the end product the targeted oilseed processing plants is enhanced	<p>Indicators:</p> <ul style="list-style-type: none"> - Oil production [tonne/year] - Capacity utilization [%]; - Quality [% of production meeting standards]; <p>Baseline:</p> <ul style="list-style-type: none"> - Oil production: X tonne/year; - Capacity utilization: 55%; - Quality: 30% meets the standards; <p>Target (2012):</p> <ul style="list-style-type: none"> - Oil production: 2*X tonne/year; - Capacity utilization: 80%; - Quality: 80% meets the standards; 	<ul style="list-style-type: none"> - The exact level of current oil production will be determined at project start-up; - Survey at the end of the project; 	Terminal report	UNIDO	<ul style="list-style-type: none"> - The macro-economic conditions and political climate remains stable; - The government and other partners remain committed to Program priorities;
2.1	Storage, cleaning and grading of the oil seeds improved.	<p>Indicators:</p> <ul style="list-style-type: none"> - Number of cleaning and grading facilities used; - Estimated post harvest losses %; <p>Baseline:</p> <ul style="list-style-type: none"> - No storage, cleaning and grading facilities for oilseeds exist; - Post harvest losses are estimated to 20%; - Raw material for processors often of poor quality; <p>Targets:</p> <ul style="list-style-type: none"> - 4 Cleaning and grading facilities operational; - Post harvest losses in targeted cooperatives 	<ul style="list-style-type: none"> - Seed cleaning equipment procured; - Report on effects on post harvest losses for dissemination purposes prepared; 	Quarterly/ annual/ mid-term/ terminal report	UNIDO	The targeted cooperatives are able to improve their income by selling oilseeds of a higher quality

	Expected results (Outcomes and outputs)	Indicators (with baseline and indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Responsibilities	Risk and assumption
		drop to less than 6%;				
2.2	Improved processing efficiency in the targeted oilseed processing industries	<p>Indicators:</p> <ul style="list-style-type: none"> - Extraction efficiency % <p>Baseline (2008):</p> <ul style="list-style-type: none"> - Outdated processing plants produce less than 200 kg oil per tonne oilseeds (<20%) <p>Target:</p> <ul style="list-style-type: none"> - Extraction efficiency of 400 kg oil per tonne installed in targeted factories (40%) 	<ul style="list-style-type: none"> - Business plans prepared; - Equipment procured and installed; 	Quarterly/ annual/ mid-term/ terminal report	UNIDO	The processors are able to increase their volume of procurement of oilseeds and are willing to expand their businesses; Effective and full cooperation from financial institutions;
2.3	Product safety and quality improved	<p>Indicators:</p> <ul style="list-style-type: none"> - Number of HACCP certified processing plants <p>Baseline:</p> <ul style="list-style-type: none"> - Only one edible oil factory in Ethiopia is HACCP certified and employ quality standards. <p>Targets:</p> <ul style="list-style-type: none"> - 4 processing plants upgraded and employ international safety and quality standards 	<ul style="list-style-type: none"> - Gap analysis; - HACCP training reports; - Internal Audit reports; - External Audit reports; - Certificates; 	Quarterly/ annual/ mid-term/ terminal report	UNIDO	The processors are able to market products of higher quality without losing market shares caused by increased costs of production
2.4	The packaging of the final product is made more attractive for the market	<p>Indicators:</p> <ul style="list-style-type: none"> - Number of processing plants using modern packaging lines <p>Baseline:</p> <ul style="list-style-type: none"> - Only one edible oil factory has a modern packaging line installed <p>Targets:</p> <ul style="list-style-type: none"> - 4 processing plants upgraded and have a modern packaging line installed 	<ul style="list-style-type: none"> - Report on packaging material; - Progress reports on upgrading of packaging lines; 	Quarterly/ annual/ mid-term/ terminal report	UNIDO	The processors are able to market products of higher quality without losing market shares due to increased costs
2.5	Edible oil producers capacity and competitiveness enhanced through PPP	<ul style="list-style-type: none"> - Number of studies commissioned; - Number of PPP forums organized; - Number of study tours made; - Number of trained personnel; 	<ul style="list-style-type: none"> - Study reports; - List of participants; 	Quarterly/ annual/ mid-term/ terminal report	UNIDO	Delay in disbursement of fund

	Expected results (Outcomes and outputs)	Indicators (with baseline and indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Responsibilities	Risk and assumption
2.6	Access to finance for the processors including processors cooperatives improved. (ILO)	<p>Indicators:</p> <ul style="list-style-type: none"> - Number of processors benefiting from financial institutions; - Number of financial institutions providing loans to the processors; - Number of special loan windows negotiated; <p>Baseline:</p> <ul style="list-style-type: none"> - Number of oil seed processors with access to financial services less than 5% <p>Targets (2012):</p> <ul style="list-style-type: none"> - Number of processors benefiting from financial institutions increased by 25%; - Number of financial institutions providing service to the edible oil processors increased by 40%; 	<ul style="list-style-type: none"> - Survey reports; - Training and workshop participants lists; - List of guidelines developed; - List of financial institutions; <p>(Baseline and target is to be modified after the baseline survey)</p>	<ul style="list-style-type: none"> - Participants lists collected at workshops and trainings; - Inception survey 2010; - End-of-project survey 2012; 	ILO	<ul style="list-style-type: none"> - Effective and full cooperation from financial institutions; - Stability of the financial sector; - The political and the macro-economic situation remains stable; - Ability and willingness of the processors to utilize the financial institutions;
2.7	Capacity of Business Development Service(BDS) providers enhanced to deliver relevant and effective services to the processors including processors cooperatives	<p>Indicators:</p> <ul style="list-style-type: none"> - Number of processors reached by BDS providers; - Number of improved services offered by the BDS Providers; <p>Baseline:</p> <ul style="list-style-type: none"> - 15% of processes are benefiting from BDS <p>Targets:</p> <ul style="list-style-type: none"> - 50% of the processors benefited from improved BDS <p>Timeframe:</p> <ul style="list-style-type: none"> - 2010-2012 	<ul style="list-style-type: none"> - Baseline survey and impact assessment study in 2012; - Workshop and training reports; - Quarterly progress reports; - Final customer survey among processors; <p>(Baseline and target is to be modified after the baseline survey)</p>	<ul style="list-style-type: none"> - Participants lists collected at workshops and trainings; - Quarterly/ annual/ mid-term/ terminal report 	ILO	<ul style="list-style-type: none"> - The political and the macro-economic situation remains stable; - Willingness and commitment from all stakeholders; -

	Expected results (Outcomes and outputs)	Indicators (with baseline and indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Responsibilities	Risk and assumption
2.8	The occupational safety and Health (OSH) practice of the large processors and cooperatives strengthened	<p>Indicators:</p> <ul style="list-style-type: none"> - Number of large processors, and cooperatives with OSH management system; - Number of Safety and Health Committee in the large processing companies; <p>Baseline:</p> <ul style="list-style-type: none"> - 0 large processing company and cooperatives have comprehensive OSH systems in place; - 2 large crushing or refining companies have adequate safety and hygiene standards; <p>Target:</p> <ul style="list-style-type: none"> - 15 processing industries have comprehensive OSH programmes; 	<ul style="list-style-type: none"> - Assessment reports; - Workshop reports; - Quarterly progress reports; - Final customer survey among processors; - List of processing industries with OSH system; <p>(baseline and target is to be modified after the baseline survey)</p>	<ul style="list-style-type: none"> - Participants lists collected at workshops and trainings; - Quarterly/ annual/ mid-term/ terminal report 	ILO	<ul style="list-style-type: none"> - Willingness and commitment of processors; - Continued interest of leaders in large processing industries
2.9	Processors organized to get economic of scale, representation and voice	<p>Indicators:</p> <ul style="list-style-type: none"> - Number of new associations formed that provide relevant and effective services to the processors; - Number of processors accessing information, market information through the association; - Increase membership of processors cooperative unions or association; <p>Baseline:</p> <ul style="list-style-type: none"> - One association, the Ethiopian Pulses, Oilseeds and Spices Processors Exporters Association (EPOSPEA) providing limited service <p>Targets:</p> <ul style="list-style-type: none"> - 2 associations formed; - 50% of the members accessed information through the Association; - No of members of each cooperative unions/associations 	<ul style="list-style-type: none"> - Manual for developing associations in place - Quarterly progress reports - Member lists of newly established associations <p>(Baseline and target is to be modified after the baseline survey)</p>	<ul style="list-style-type: none"> - Interviews; - Quarterly/ annual/ mid-term/ terminal report; 	ILO	Commitment and willingness of the processors to be organized

	Expected results (Outcomes and outputs)	Indicators (with baseline and indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Responsibilities	Risk and assumption
		<i>(Baseline and target is to be modified after the baseline survey)</i>				
2.10	Processors in the informal economy upgraded to graduate into the formal economy	<p>Indicators:</p> <ul style="list-style-type: none"> - Number of informal processors registered as SME or cooperatives; - No of informal processors benefiting from BDS service; <p>Baseline:</p> <ul style="list-style-type: none"> - 1000 <p>Targets:</p> <ul style="list-style-type: none"> - 100 informal processors registered as SME or cooperatives; - 40% accessed BDS services; <p><i>(Baseline and target is to be modified after the baseline survey)</i></p>	<ul style="list-style-type: none"> - Workshop report; - Strategy in place; - Quarterly progress reports; - List of formally registered operators; - Survey among informal processors regarding access to and value of BDS services; <p><i>(Baseline and target is to be modified after the baseline survey)</i></p>	<ul style="list-style-type: none"> - Quarterly/ annual/ mid-term/ terminal report; - Government statistics of licensed enterprises; 	ILO	<ul style="list-style-type: none"> - Informal operators are willing to actively participate and collaborate on the programme; - The political and the macro-economic situation remains stable;
	Outcome 3: Access to local and international markets for edible oil producers is improved	<p>Indicators:</p> <ul style="list-style-type: none"> - % of producers with access to international markets - Local market share [%] <p>Baseline:</p> <ul style="list-style-type: none"> - 0 % of producers with access to international markets - Local market share [X %] <p>Targets (2012):</p> <ul style="list-style-type: none"> - 10 % of producers with access to international markets - Local market share [90%] 	<ul style="list-style-type: none"> - Survey at the end of the project <p><i>(Baseline and target is to be modified after the baseline survey)</i></p>	Terminal report	ILO	<ul style="list-style-type: none"> - The macro-economic conditions and political climate remains stable; - The government and other partners remain committed to Program priorities;
3.1	Vertical linkages between oil seed	<p>Indicators:</p>	<ul style="list-style-type: none"> - Monitoring by cluster 	Quarterly/ annual/	UNIDO	Support and commitment of local

	Expected results (Outcomes and outputs)	Indicators (with baseline and indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Responsibilities	Risk and assumption
	producers, traders and processors are improved through clustering	<ul style="list-style-type: none"> – Number of networks undertaking joint actions; – Number of BDS offering adapted services to small scale oil processors; <p>Baseline:</p> <ul style="list-style-type: none"> – Not available (depending on selected clusters) <p>Target:</p> <ul style="list-style-type: none"> – At least one cluster of oil processing SMEs has enhanced its business performance 	development agents (CDAs) assigned in the target clusters	mid-term/ terminal report		government
3.2	Linkages between the processors and the marketing agents are enhanced	<p>Indicators:</p> <ul style="list-style-type: none"> – Amount of transactions between the processors and the marketing agents <p>Baseline:</p> <ul style="list-style-type: none"> – Not available <p>Target:</p> <ul style="list-style-type: none"> – 10% increase 	Monitoring and surveys by cluster development agents (CDAs) assigned in the target clusters	<ul style="list-style-type: none"> – Quarterly/ annual/ mid-term/ terminal report; – Supplementary surveys (at the start and end of project); 	UNIDO	Oil processors are willing to cooperate in marketing
3.3	Access to finance for the marketing agents and marketing cooperatives improved to enable bulk orders and bulk purchasing	<p>Indicators:</p> <ul style="list-style-type: none"> – Positive cash flow; – Number of marketing agents and marketing cooperatives benefiting from financial services; – No of savings are credit cooperatives established; – Number of SACCO members; <p>Baseline:</p> <ul style="list-style-type: none"> – 20 % of marketing agents and marketing cooperatives have access to finance and knows the rules and regulations to access fun and repay loans <p>Targets (2012):</p> <ul style="list-style-type: none"> – Number of marketing agents and marketing cooperatives benefiting from financial institutions increased by 50%; 	<ul style="list-style-type: none"> – Strategy document; – List of financial institutions; – Workshop and training reports; – Quarterly progress reports; – Final customer survey among processors; <p>(Baseline and target is to be modified after the baseline survey)</p>	<ul style="list-style-type: none"> – Participants lists collected at workshops and trainings; – Quarterly/ annual/ mid-term/ terminal report; 	ILO	<ul style="list-style-type: none"> – Instability of the financial sector; – The political and the macro-economic situation remains stable; – Effective and full cooperation from financial institutions

	Expected results (Outcomes and outputs)	Indicators (with baseline and indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Responsibilities	Risk and assumption
		<ul style="list-style-type: none"> - 1 savings and credit cooperative established; 				
3.4	Marketing agents are enabled to access local, regional and international markets	<p>Indicators:</p> <ul style="list-style-type: none"> - No of new export destinations; - No of study tours organized; - % of total imports by the targeted beneficiaries; <p>Baseline:</p> <ul style="list-style-type: none"> - 0 access to international market; - Insufficient international, regional and market orientation; - Limited knowledge of the expectations and requirement of the international market; 	<ul style="list-style-type: none"> - Participants list; - Marketing strategy; - List of countries exported to; - Study tour reports; - <p>(Baseline and target is to be modified after the baseline survey)</p>	<ul style="list-style-type: none"> - Quarterly/ annual/ mid-term/ terminal report; - Interviews; - Study tour participants 	ILO	<ul style="list-style-type: none"> - Instability of the financial sector - The political and the macro-economic situation remains stable - No new external shocks (global economic crisis, natural disasters) - Countries to be visited are open to provide information