

## Agricultural Growth and Transformation

### Strengthening National Capacity through Sustainable Increases in Agricultural Production and Productivity

#### Period:

March 2011-June 2016

#### Location:

Federal level, Amhara, Oromia, Tigray, Southern Nations, Afar and Somali, regions

#### Budget: USD 50 million

Bill and Melinda Gates Foundation: USD 11.8m  
Canada: USD 9.8m  
Spain: USD 0.4m  
UNDP: USD 4.8 million  
*Unfunded: 23.2 million*

#### Implementing partners:

Ministry of Agriculture, Ethiopian Agricultural Transformation Agency, Ethiopia Institute of Agricultural Research

#### Opportunities:

The agricultural sector in Ethiopia provides employment to 85% of the population (of which women constitute 49.5% according to the 2007 census data), contributes 44% to the country's GDP and 85% of the country's export earnings. The country's aspiration for achieving overall economic growth largely depends on the performance of the agriculture sector.

The sector requires substantial transformation in order to sustain economic growth, reduce poverty and ensure food security. To this effect, the Government of Ethiopia has established the National Agricultural Transformation Agency (ATA) with the mandate of identifying systemic constraints to agricultural development and growth, design solutions that will help achieve sustained structural transformation and support the coordination and integration of agricultural development projects among various institutions.

The agricultural sector is the country's major source of economic growth under Ethiopia's Growth Transformation Plan (GTP), with attention given to productivity and production increase which is crucial for the country's effort to attain food security and increase export earnings.

Agriculture in Ethiopia has experienced steady growth since 2004. Though the overall trend is encouraging, both in terms of overall agricultural production and productivity, the sector suffers from major structural problems. Despite an average investment close to 13% of the total expenditure, Ethiopian agriculture remains low input, low-value and subsistence oriented, and is vulnerable to frequent climatic shocks.

#### Strategies:

The project aims to contribute to increased agricultural productivity and commercialization in a sustainable manner through creating a favorable policy environment and facilitating additional knowledge and investment in the sector.

The project's core strategies are:

- **Institutional capacity development:** Provision of demand-driven support to operational systems and processes, facilitating innovative solutions for institutional capacity development,
- **Partnership and resource mobilization:** developing a multi-partner pooled mechanism geared at creating an enabling environment that will facilitate the flow of additional resources to the agricultural sector.
- **Up-stream strategic and programmatic support:** Provision of substantive evidence based analytical studies, global knowledge sharing on good practices, analytical tools and models and demand-driven technical assistance interventions.



# UNITED NATIONS DEVELOPMENT PROGRAMME

## Actions:

Project activities include:

- Enhancing the capacity of Ministry of Agriculture, Agricultural Transformation Agency and regional structures to properly implement GTP, the national Policy Investment Framework and the five-year Agricultural Growth Programme through deployment of senior staff, study tours and trainings.
- Facilitating the identification, sourcing, importation and multiplication of new and proven agricultural technologies.
- Exploring innovations that create a more market-oriented, agro-ecologically adaptive financially sustainable and gender-sensitive extension system that meets the needs of smallholder farmers by closely aligning extension service with market opportunities and with cooperatives and research institutions.
- Enhancement of strategies related to integrated soil fertility management, watershed management, environmental sustainability and land use strategies, cropping practices and other critical natural resource priorities.
- Strengthening the seed sector by expanding the availability and adoption of improved seeds in hybrid, open and self-pollinating varieties of cereals and high value-crops.
- Enhancing input markets by improving farmers' access to high quality inputs such as seeds, fertilizer and financial services.
- Improving output market value chains by strengthening the link between smallholder production systems and local and export markets for priority commodities.
- Under the National Agricultural-Products Quality Infrastructure (NAPQI) framework investing in national and regional laboratories in the country to address quality issues concerning, not only of outputs, but also of agricultural inputs and production mediums such as soil, water and air as a means for instituting an end-to-end quality framework for the entire agricultural sector.

## Progress to Date

- UNDP, in collaboration with national authorities and the Bill and Melinda Gates Foundation, facilitated the initial recruitment of high caliber staff for the ATA. This has resulted in effective planning and implementation of the key priority intervention areas of the ATA. ATA has been instrumental in demonstrating innovative technologies and practices enhancing the capacity of actors in the agricultural sector.
- Our interventions also include large-scale impact initiatives, such as the scaling up of Teff agronomic practices and supporting activities to increase Teff production and productivity complimented by the Teff breeding program. Innovative technologies such as mechanized row planters and combining mechanical broadcasters with broad-bed makers, are being tested as a way to scale-up Teff row planting.
- UNDP has also partnered with MoA and ATA to support the Ethiopian Agricultural Research Institute in upgrading its agricultural products quality monitoring and testing laboratory. Ethiopia's farmers will now be able to access information, meet the international quality standards and sell their products more competitively on global and local markets.
- To promote commercialization of the agricultural sector, which is the bedrock for economic growth and industrial development, UNDP supported the government of Ethiopia to articulate a robust policy for commercial farmers through a diagnostic study of existing commercial farms in the country.

## Impact:

By 2015, institutional services, an effective marketing system and appropriate technology and practices will be significantly improved to enable a sustainable increase in agricultural production and productivity.

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