



## Kebele Agro Economic Planning: supporting bottom-up planning and stakeholder collaboration for successful sesame-based farming systems

### **Case overview**

*Since 2017, with the aim to address the smallholder sesame farmers' challenge to access seeds, agro-inputs, training and input finance, Benefit-SBN has been promoting bottom-up planning. The programme piloted in 24 kebeles (2 kebeles/12 woredas) in 2017 and 2018. In 2019, after getting the buy-in from stakeholders at different levels, the activity has been extended to 50 kebeles. This document highlights the lessons learnt with the KAEP bottom-up planning tool and shares some recommendations.*

### **Background**

The yield gap in sesame production is still large. Instead of 8-10 quintals, most farmers do not get more than 4 or 5 quintals per hectare. This implies that farmers earn less than what is possible and it means that Ethiopia earns less from sesame exports, which are crucial for reducing the large trade deficit of the country. In addition, the yield gaps of rotation crops are large as well. The most important limiting factors for farmers' adoption of good agricultural practices are limited access to quality seeds and agro-inputs, row planters and to input credit. These bottlenecks have so far been insufficiently addressed. This requires coordinated action of different stakeholders, working together as a team.

Benefit-SBN developed a practical tool for Kebele Agro Economic Planning (KAEP) that is composed of a planning format, accompanied by an explanatory guide. The main elements of the KAEP are:

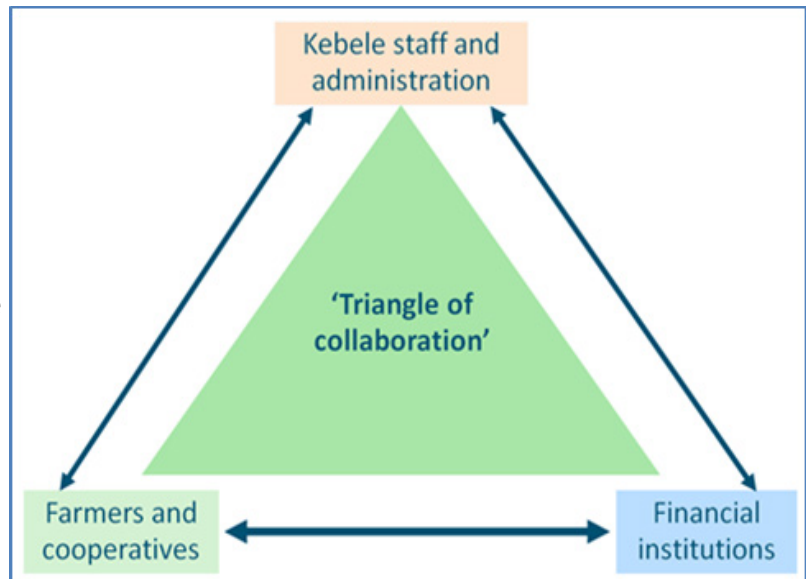
1. Profile: key information about the kebele (population, land use, labour, production and yields and marketing)
2. Assessment: activities and results of previous years and current situation (input supply, training of farmers, current adoption rate of 20 steps, agricultural credit provision and repayment, cooperative performance)
3. Mapping: kebele map with essential information and identification of possible Farmers Production Clusters
4. Planning: targets for upcoming season, agricultural input requirements, planning of training of farmers (agricultural practices, financial literacy), cooperative activity planning and agricultural credit needs.

The tool envisages that a tripartite kebele team works on the profiling, assessment, mapping and planning. This team is suggested to be composed of: (1) Kebele administration and DA's; (2) Farmers and cooperatives and (3) Local financial institutions and the kebele credit committee.

## Objectives

The main objective of the activity is to strengthen the collaboration and synergy among the kebele level stakeholders. Specific objectives are:

- Collaboration between DA's and cooperatives for training and coaching of farmers and for adequate and timely supply of the required quantity of quality seeds and agro-inputs.
- Better information of financial institutions on the best targeting of agricultural credit (to trained farmers, who are seriously interested in the adoption of best agricultural practices and who have a good credit repayment history).
- Organisation of clusters of collaborating farmers, allowing them to improve results and organise themselves for mechanization solutions, with a focus on row planters.



The collaboration would create a 'win-win' situation for all: better training and coaching of farmers, adequate and timely supply of required quantity and quality of seeds and agro-inputs, better risk management for financial institutions and effective uptake of the recommended agricultural innovations.

## What worked well and what are the achievements?

- Piloting and updating of the KAEP tool, based on experiences in 2017 and 2018.
- After information and discussion with the stakeholders at the regional level, ACSI/DECSI and the two regional BoAs endorsed the idea of bottom-up agro-economic planning and provide directions to the 13 woredas involved in the 2019 planning.
- Organisation of orientation training sessions with good participation of, and lively discussions with the KAEP committees of more than 50 kebeles. Organisation of follow-up and support.
- Elaboration of 48 Kebele agro-economic planning documents. It is recognized that the tool helps to (i) define and visualize the realities of the kebele; (ii) identify agro-input and agricultural credit needs and (iii) to define the credit amounts per hectare (for sesame and possibly rotation crops).
- Joint identification of agricultural credit needs, using the following criteria for farmer selection: confirmed sesame farmers, training in 20 steps, application or will to apply good practices, capacity to finance part of the farming activities, no outstanding loan.
- In 2018, one kebele in Mirab Armachiho used KAEP to identify eligible farmers, who got credit, applied good agricultural practice and increased their productivity. Although this is a very limited success, it was the first proof of concept.
- Good involvement of higher officials of ACSI, DECSI and BoA in the 2019 exercise, indicating that collaboration and bottom-up planning is increasingly seen as relevant for the sector.
- The 2019 planning exercise and credit allocation is still underway. In several woredas and kebeles, identified farmers already got credit from ACSI/DECSI. Although the results will still not be up to expectation, the follow-up on the KAEP will be much better.
- The analysis of credit needs and gaps, per kebele, woreda and the sesame zone at large can be used to provide input for discussing the efforts to be made to avail enough credit to the farmers, without which the increase of production will not be possible.

## What didn't work well?

- The 2017 exercise was merely a test of the newly developed tool, which was as such successful. However, at hindsight, it has to be acknowledged that formal buy-in of the regional authorities, cooperative unions and headquarters of the financial institutions should have been sought.
- In 2018, the KAEP was repeated in the same 24 kebeles, this time with the aim to plan and implement. The follow-up on the planning was not successful due to the late start of the activity and farmers' outstanding loans with the financial institutions.



- The KAEP is largely done by the development agents. Although the other stakeholders increasingly accept the approach towards collaborative and bottom-up planning, their actual commitment for implanting the KAEP is still limited. Although the level of commitment varied strongly from one woreda to another, doing business as usual is still quite strongly prevailing.

## Recommendations

- Ensure official approval from higher level officials. Formal approval in writing is indispensable for lower level officials.
- Invest in thorough discussions with higher officials so that the bottom-up planning can be an integral part of their work. A letter signed by the mentioned parties (regional authorities, unions and financial institutions) which clarifies the importance of the process and the need to have tripartite teams will help for the success of the activity.
- Start the process much earlier, in November, so as to have kebele plans and consolidated woreda plan ready before the agricultural season starts.
- Define the credit amounts per hectare (for sesame and possibly rotation crops), with consideration of a minimum percentage of farmers' own capital. This allows to assess the credit needs for the next season, per kebele, woreda and the sesame zone at large.
- Promote dialogue between regional administration, regional BoA, Union leaders and DECSI/ACSI with the aim to decide on the amount of credit available for the next season, preferably specified per kebele and/or woreda.

