

STRATEGIC PARTNERSHIP CONVENING AND CONVINCING

(SP C&C) PROGRAM

Final Report on Research Phase Pathway 3: Small-Scale Producers' Empowerment
and Access to Markets

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Acronyms

ADLI	Agricultural Development Led Industrialization
AMF	Assela Malt Factory
ARC	Agricultural Research Center
ATA	Agricultural Transformation Agency
ATVET	Agriculture Technique and Vocational Education Training
CPA	Cooperatives Promotion Agency
DAs	Development Agents
DOAD	District Office of Agricultural Development
DOCPA	District Office of Cooperatives Promotion Agency
EAISE	Ethiopian Agricultural Inputs Supply Enterprise
EEPA	Ethiopian Environmental Protection Agency
EIAR	Ethiopian Institute of Agricultural Research
ESE	Ethiopian Seed Enterprise
ETB	Ethiopian Birr
EUCORD	European Cooperative for Rural Development
FC	Facilitators for Change
FTC	Farmers Training Center
GOs	Government Organizations
GTP	Growth and Transformation Plan
HARC	Holota Agricultural Research Center
HUNDEE	Oromo Grassroots Development Initiative
ICCO	Inter-Church Cooperation for Development Organization
KARC	Kulumsa Agricultural Research Center
MFI	Micro Finance Institutes
MOI	Ministry of Industry
MONRD	Ministry of Agriculture Natural Resource Development
MOT	Ministry of Trade
MOWCA	Ministry of Women and Children Affairs
MOYSA	Ministry of Youth and Sport Affairs
NBE	National Bank of Ethiopia
NGOs	Non-Governmental Organizations
OSE	Oromia Seed Enterprise
OSRA	Oromo Self-Reliance Association
SP C&C	Strategic Partnership Convening & Convincing
STARS	Strengthening African Rural Smallholders
RUSACCO	Rural Saving and Credit Cooperatives
VCA	Value Chain Analysis

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1. INTRODUCTION

1.1 Background

ICCO Cooperation has launched a program of Strategic Partnership and Convening and Convincing (SP C&C) program in Ethiopia for the period of 2016- 2020 in collaboration with its consortium members (Edukans, Tear Fund and Light for the World) and local partners. The overall goal of the program is ensuring that Civil Society Organizations can contribute to decreasing inequality and injustice in societies in order to create the conditions for just economic, social and political development. To this end, the program has identified four pathways:

- Pathway-1: Creating space for civil society organizations,
- Pathway-2: Realizing inclusive and sustainable food systems,
- Pathway-3: Small-producers empowerment and access to markets, and
- Pathway-4: Moving towards a sustainable private sector.

For each of the pathway, different objectives, activities and expected outputs are set. The current assignment is focused on pathway three with the objective to improve smallholder producers' access to markets by empowering them to engage in dialogue with relevant stakeholders. According to the program, the objective could be achieved by ensuring small-scale farmers' engagement in effective and evidence based dialogue with value chain stakeholders to improve their access to inputs, skills and financial services. The impact of this dialogue in the long term is to ensure improved productivity of smallholders with inclusion of gender equality and persons with disabilities in the target value chains¹.

1.2 The Research Objectives

The initial phase of the program in Ethiopia is a research phase to be conducted on malt barley and potato value chains in Arsi, West Arsi and West Shewa in collaboration with four local partner organizations – European Cooperatives for Rural Development (EUCORD), Facilitators for Change (FC), HUNDEE Oromo Grassroots Development Initiatives (HUNDEE) and Oromo Self-Reliance Association (OSRA), which have presence in the selected areas and working on the value Chains' development. A choice was made to focus on malt barley producers in Arsi and West Arsi and on potato producers in West Shewa to align with ICCO's STARS program, which is under implementation in the same area, and on the same value chains.

The overall objectives of the research phase are:

- Deepening understanding of the situation in relation to the pathway theme in the selected areas,
- Gathering evidence for thematic dialogue which can be used by the partners and the beneficiary groups to improve dialogue capacity of farmer groups and inform dialogue agendas, and
- Complementing government inclusive policy implementation in agricultural Value Chains development.

¹ For details of the program background, refer to TOR of the research in Annex-1

Specifically, this first research phase has focused on four major thematic issues presented as follows:

1. Baseline study/situational analysis of potato and malt barley farmer groups in the West-Shoa, West-Arsi and Arsi zones,
2. Assessment to identify and select potato and malt barley farmer groups and/or Cooperatives that are inclusive and have interest to improve their capacity to engage in dialogue for better access to inputs, skills, finance and market,
3. Identification and analysis of relevant policies in relation to inclusive potato and malt barley value chains' development with focus on smallholders' access to inputs, skills, finance and the role of market forces, and
4. In-depth research on challenges of the value chains through gathering evidence on best practices and identifying entry points for dialogue to overcome the challenges.

In line with these objectives, the research is undertaken on producers' organizations of both value chains. Methodology of the research work and findings in relation to the smallholders' access to inputs, skills, finance and market in general and specifically in reference to different target groups of farmers who are poor farmers, women, youth and persons with disabilities is analyzed in this report.

1.3 Methodology

1.3.1 Target Group

This research in general has targeted producers' organizations of potato and malt barley value chains and specifically focused on the following categories: better off or model farmers, smallholder farmers who hold one or less hectare of land, women, youth and persons with disabilities. The groups are referred to as target groups hereafter and for each group its situation with regards to access to inputs, skill, finance and market is explored using different information generation tools. For relevant information generation, specific questions were asked in relations to the groups and members of each group were also contacted and interviewed wherever possible. Accordingly, the proposed improvements and capacity building need for dialogue are also made in reference to these groups as much as possible.

1.3.2 Preparation of Information Collection Tools

The research tools (questionnaire for producers' organizations' selection and capacity assessment, checklist for review of relevant policies on desk and checklist to conduct woreda level in-depth interview) were drafted and proposed by the consultants of Fair & Sustainable Ethiopia commissioned by the ICCO SP C&C program and Edukans. The draft tools were commented by ICCO Cooperation, Life for the World (LFTW) and the partner organizations. Having incorporated the comments, the tools were finalized and applied for generation of the necessary information incorporated and analyzed in this report.

1.3.3 Research Organization and Implementation

The research work is organized in four steps. The first step was identifying research topics and validating with partners. In the Gender Sensitive Value Chains Analysis (VCA), conducted in August 2016 by F&S Ethiopia with joint commissioning of STARS and SP C&C Programs of ICCO Cooperation, it was found that:

- Malt barley and potato value chains do not sustainably function in favor of small-scale farmers and often the small-scale farmers are insufficiently able to address their constraints in dialogue with value chain stakeholders, and
- Small-scale farmers in the malt barley and potato value chains in Oromia Region lack sustainable access to inputs, skills and financial services, which limits their access to and participation in markets.

Based on this review and the objective of the SP C&C program to enable smallholders to engage in dialogue with their stakeholders in order to empower them and improve their access to market, the following main issues were identified for further research and validated by the partner organizations:

- **Gender and disability inclusion:** What is the position of women and people with disabilities in the value chains? What are their challenges? How can their situation be improved?
- **Availability and access to enabling production factors:** what inputs, skills and finance are required for the target groups to produce and supply adequate quantity and quality products? Are they accessible? What are the main opportunities & challenges to improve the situation?
- **Access to market:** what is the level the of the target groups access to the market? What are the existing opportunities and challenges to improve their access? Which market forces affect their access to reliable and sustainable markets?

The second step is identification of (potentially) inclusive and willing producers’ organizations for engagement in the dialogue process using predetermined selection criteria. Per PO, the challenges experienced by the selected producers’ organizations to access inputs, appropriate skills, financial services and market are assessed. Furthermore, their dialogue capacity or experience is also reviewed to identify their capacity gaps in this regard to propose dialogue capacity development work. Accordingly, the four partner NGOs have identified 30 different smallholder producer organizations, and assessed their capacity to engage in dialogue with their stakeholders in different issues that related to the organizations members’ access to inputs, skill, finance and market. Details of the selected producers organization is presented as follows²:

Table 1: List of Selected Producers Organizations

No	Partner Organization	Type of elected SPOs	Quantity	Location of the selected POs	Remarks
1	EUCORD	Model farmers Group	3	Lemu Bilbilo & Tiyo	
		Youth groups	2	Koree	
		Multipurpose cooperatives	2	Kofele	
2	FC	Multipurpose cooperatives	6	Jeldu district	
		Potato seed producers	2	Jeldu	
3	HUNDEE	Multipurpose cooperatives	8	Lemu Bilbilo, Tijo and Honkolo Wabe	
4	OSRA	Potato seed producers cooperatives	5	Welmera	Women groups included
		Self-Help Groups	2	Adaa Berga	

² For details of the selection process and capacity assessment of the POs, refer to partners’ reports in Annex 3.1 - 3.4

Total	30
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The third step is review of policies and practices in relation to agricultural supply of inputs, skill development, financial service provision and market development. The fourth step is identification of best practices gained in both local and international experiences in relation to the key issues under, research to create deep understanding of the situation and explore the possibility of adopting some of the practices to the context of malt barley and potato value chain with smallholder producers.

1.3.4 Information Collection and Analysis

For each of the research steps, different information collection and analysis methods were used. By design, the research is conducted using quantitative and qualitative information, generated using different tools in the process of the research work. The research topics were identified through desk review of the VCA report and validation during a joint meeting of SP C&C program stakeholders and partners. Producer organizations selection and their dialogue capacity assessment were done using a mix of both quantitative and qualitative information collection and analysis. Both the quantitative data and qualitative information were generated from the targeted groups and their organizations that encompass primary cooperatives, model farmers, seed producers and self-help groups.

All the activities of information collection, analysis, selection and capacity assessment of the potential producers groups were implemented by the partner organizations in their respective operation areas. Desk research to review policies and the practical applications at the level of the farmers was done through in-depth interview with the relevant officers at the district level within the various line departments. Secondary sources were used to review local and international best practices in the thematic areas. Furthermore, relevant research documents were referred to and experts at different levels such as Agricultural Research Centers, Agricultural Transformation Agency (ATA) and Federal and Regional Ministries and Bureaus were consulted to enrich and cross-check the field data and information.

Finally, the information collected from different sources and analyzed by the research team was presented to two validation workshops organized for malt barley and potato value chains stakeholders in Assela and Holota, on May 17 and 19, 2017 respectively. The participants of the workshops have also contributed to the research outcome in their discussions on the findings of the research and through group works³ on issues presented to them for exercise. Thus, this report is the outcome of all the information collected from different sources, analysis and the validation workshops inputs.

1.3 Scope

The scope of the research is limited to the identified research issues and the linkage with malt barley and potato value chains. Geographically, the area of study is limited to specific districts in Arsi, West Arsi and West Shewa Zones. The number of producers organizations selected and assessed is also limited to the partners' intervention targets and the SP C&C program objective. Therefore, the research scope is specific in its coverage of topics, geography and targets groups.

³ Validation workshops participants group work results are found in Annex 4

1.4 Limitations

The biggest limitation of this research is the scant information or lack of documentation on specific policies in relation to malt barley and potato value chains development in general and specifically in relation to their inputs supply, producers' skill development, financial service provision and market access development. In fact, as malt barley is becoming an important commercial crop, it has attracted some attention. Because of this, there are some indications on its production and market development in some important documents of the government such as GTP-II. Potato seems to be a forgotten crop despite its high importance for food security because of its high yield per small area and rich nutrition, especially carbohydrate content. Because of this, the research team has tried to relate from a selection of generic policies and research findings on agricultural inputs,' development and supply, producer's skill development, financial service provision and market access development to the value chain crops under study.

1.5 Organization of the Report

The research report is organized in nine sections. The first section deals with the introductory issues that explain the why and how the research is initiated, methodology of the research and organization of the report. The second section briefly informs about the research areas and performance of the value chains. Sections three to six deal with malt barley and potato smallholder producers' access to inputs, skills, finance and market. Section seven specifically addresses the situation of women, youth and persons with disabilities. Section eight gives an overview of the smallholder producers' organizations capacity or experience in dialogue with their stakeholders to resolve their challenges and indicates capacity gaps and needs for building and issues for dialogue at different levels with different stakeholders. Section nine concludes the research findings and gives recommendations.

2. BRIEF DESCRIPTION OF THE RESEARCH AREAS AND PERFORMANCE OF THE VALUE CHAINS

2.1 Description of Arsi and West Arsi Zones and the Malt Barley Value Chain Performance

Arsi and West Arsi zones are two of the Oromia National Regional State administrative zones located in the south and south eastern part of the region. The main parts of the zones are highland and suitable for barley production. Since long ago, farmers of the areas traditionally grow barley as their main food crop. Kulumsa Agricultural Research Center (KARC) engaged in barley research years back and contributed to improvement of seed varieties and agronomic practices of the crop. Moreover, establishment of Assela Malt Factory (AMF) has transformed the malt barley value chain development from food to commercial crop.

However, with the advent of different brewery factories in the country over the last five years, the production volume and malting quality of the local varieties couldn't meet the factories' demand. To overcome this, Heineken brewery imported two new malt barley varieties of higher yielding and better malting quality with the consent of the government responsible bodies. The varieties were tested for their adaptability and performance in the agro-ecology of Ethiopia of which two varieties - Traveler and Grace – were proven to be viable varieties by the relevant research centers and registered by the Ministry of Agriculture. Following that, Heineken and some partner organizations such as EUCORD and HUNDEE massively promoted the varieties to the farmers in Arsi and West Arsi zones. Because of this process and excellent performance of the varieties, in a short time, production of the two varieties has covered significant land size and the production and productivity of malt barley has also been revolutionized.

Demand for the malt barley crop is higher and is increasing at a higher rate, surpassing the local supply of the crop in the market. Meaning demand has surpassed production of the malt barley crop. Production of malt barley in general and of these two new varieties is favored more by better-off farmers who have a bigger land size and other resources to invest in the production of the crop. Efforts to include smallholders, women, youth and persons with disabilities in the business have been exerted by different development bodies including the partners of this research –EUCORD and HUNDEE. The current research to identify the challenges of smallholders in accessing inputs, skills, finance and market on one hand and selecting potential smallholder producers' organization for dialogue to improve the situation on the other is also part of this overall effort.

2.2 Description of West Shewa Zone and the Potato Value Chain Performance

West Shewa zone is another zone of Oromia National Regional state found in the west of Addis Ababa. More than half of the zone land coverage is highland and suitable for potato production. Jeldu and Welmera woredas are among the agro-ecologically best endowed districts for potato production and the majority of the farmers in the woredas grow potato. Using this suitability and proximity, Holota Agricultural Research Center (HARC) has made deep research on potato in the two woredas and developed different varieties which are released for use. Despite the effort of the research center and its achievement, there exists no public or private commercial potato seed producer to take up the starter seeds from the research center and multiply them for distribution to potato growers not just

4 ACCESS TO SKILLS

4.1 Main Required Skills and Sources of Supply

Ethiopian agriculture is predominantly the domain of smallholders whose average landholding is about 1 hectare or less. It is the sector that majorly provides food for the population, creates job opportunity for more than 70% of Ethiopians and contributes over 40% to the GDP. Over 90% of these contributions are made by these smallholder producers (Hagos and Geta 2016 and CSA, 2008). Despite such significant role of the sector in general and the smallholders in particular, the sector has been suffering from different constraints that include shortage of capital, inputs and technology to improve its production and productivity. To address the challenges and make the sector viable for the people engaged in it and to exploit the potential of the sector for the country's development endeavors, different policy measures were taken by the government of Ethiopia. Those policies were in general formulated to bring about rapid and sustained economic growth, broad-based and inclusive agricultural development to guarantee maximum benefits to most of the population, minimize dependence on foreign aid, and promote the development of a market-oriented economy in Ethiopia.

In the strategies and implementation programs of the policy, the GoE has also tried to formulate a combination of resources to be used for the agriculture development by taking the smallholders capacity and context into account. Accordingly, intensified use of improved inputs (improved seed, fertilizers and agro-chemicals) and enhanced farmers' agronomic skills were taken as strategies for the sector rapid growth. This strategy was pursued with the conviction that the inputs and skills enhancement are agricultural scale neutral and can be effectively used by the smallholders.

The focus of this topic is on the identification of the required agricultural skills and their sources. Accordingly, the required skills for any crop producer farmer are agronomic practices, crop protection, proper harvest and post-harvest handling, natural resources (especially soil and water) management and how to access and benefit from the agricultural commodity market. In consideration of at least some of these needs, the growth policy direction and the inputs identification plan of the GoE has attempted to develop knowledge and skills sources and structures on which transfer can happen to farmers in the community.

In general, agricultural universities, research centers and institutions are considered as sources of knowledge and skill. Particularly, in the design of tailor made skills development and transfer of the same to the producers, the GoE has set up an extension directorate embedded in the structure of Ministry of Agriculture from Federal level all the way to District level whose mandate it is to design, develop and deliver skill training services for the farmers. To help this, over 25 Agricultural Technical Vocational Education Training (ATVET) centers were also established to train Development Agents (DAs) for three years in different subjects like Plant Science, Animal Science, Natural Resource Management and Cooperatives Development and then deployed to each village of the country to train and provide extension services for each individual farmer. Over 8,500 Farmers Training Centers (FTCs) were also established at village levels to serve as training and demonstration centers for the farmers. Moreover, specialized agencies such as Agricultural Transformation Agency (ATA), different local and international development organizations such as FAO and CIP and Non- Governmental Organizations (NGOs) also served as sources of skills training and systems of transfer of knowledge to the farmers.

4.2 Policy and Practice on Smallholders Skill Development

The Agriculture and Rural Development (ARD) policy underlines that the skills and knowledge possessed by the labor force in agriculture is inherited from past generation and new knowledge and skills are yet to be introduced as such. These indigenous agricultural skills are considered as an important resource that can be scaled up by promoting improvements on existing agricultural practices of the uneducated farmers through the expansion of agricultural extension services. As to the policy document, regarding improving farmers' agricultural skills, top priority task is to improve the agricultural practices of the uneducated farming population and thereby achieve a quick increase in agricultural production. To help the policy direction, establishment of different institutions including the ATVETs and structures in the Ministry of Agriculture and Rural Development have been implemented. Part of the plans was the establishment of about 15,000 FTCs in which all the subject specialists will be assigned to train and provide extensive extension services for the farmers who reside in villages where each FTC was set up. The DAs who are supposed to provide training and extension services for the farmers are also expected to be trained for three years in theory and practice at the ratio of 30:70 in their respective subject areas.

In practice, according to reports from in-depth interviews conducted with district level responsible bodies, discussions held with farmer groups, associations and others, though the total number of DAs trained and assigned is over 60,000, their competence, knowledge and skills level on agriculture is very limited due to several reasons. Among other things, limited practical experience during apprenticeship when in school and spending more time on theory while in the training institutes, which should have been the reverse has limited the competence of the DAs. Moreover, after they graduate, they never get on-job trainings that could help refresh their untapped skills and make them be in touch with new and emerging developments in the field of agriculture. In addition, the curriculum was lacking soft skills that are required for development of agriculture as business and other relevant soft business skills. This has meant that the development agents are limited to offering services on the production side of agriculture only. The effect of which has been limited access to reliable markets by the producers and their ability to effectively act in the market. Besides, since the development agents do not get adequate pay, including additional financial allowances to facilitate their work, they are heavily demoralized to even pursue other development courses to improve on their knowledge and skills. These factors have led to a high turnover rate of among DAs, which ultimately resulted in their limited number per village in contrast to what is planned.

The number of established FTCs is also nearly half of the plan (8,500). Since the budget and facilities of the centers are very limited, the services offered are very minimal. Although it was expected that at least three subject specialist DAs were to be assigned in each FTC, in practice only one or two DAs are found in most FTCs. Though the DAs are trained in specific subject in the training centers, in practice they are assigned to provide training and extension service in all agricultural fields. For instance, there is a possibility for a DA that has been trained in plant science to provide training and extension service in animal science as well. This kind of training specialization and contrary in duty assignment definitely reduces effectiveness of the DAs. Because of this, and in some cases, the experts in district level structure of Ministry of Agriculture and Rural Development proposed that the training should be on wider agricultural issues instead of having specialized subjects could be a better option, if adequate number of subject specialists can't be assigned per FTC.

Besides the regular public extension service, the role of specialized agencies, international development organizations and NGOs is very important. In the case of both crops under study, malt barley and potato value chains, the role of these organizations in producers' skill development and building the capacity of the producers' organization is very significant. NGOs like EUCORD, HUNDEE and Techno Serve have played important role in promoting Travel and Grace Varieties of malt barley to the producers and enabling them to produce quality malt barley according to the standard of the breweries. Similarly, the role of HARC and CIP has been high in developing and promoting improved potato seed in Jeldu and Welemera districts through organization of seed produces cooperatives and provision of starter seeds and skills on how to multiply potato seed.

4.3 Smallholders Access to Skills and Gaps

All the farmers' skill development policy direction and strategies are designed and implemented by the political and intellectual elites', without considering the small holder farmers' expectations, practices and inputs. This has put the first constraint on effective dissemination of the required skills and acceptance by the farmers. At the initial stage of the new participatory agricultural extension development system in 1990s, the DAs were forced to work on the field of individual farmers beyond training and demonstration, while the farmers and their fellow neighbors were standing by and looking at the DAs with surprise as it was strange to them.

As the new service provision model got familiarity and significant number of farmers started to practice, services of the DAs being limited to the so called "model farmers" who are early receptors of innovations and technologies. With such farmers, the DAs try all new and improved inputs and agronomic practices, sometimes with subsidized or free inputs supply, and scale up to all other farmers after effectiveness of the new inputs and practices are proved. The other farmers (mainly the smallholders, women, youth and persons with disabilities) were meant to learn from the practice of the model farmers on farmers' days and personal observations. In addition, the DAs and other extension training service providers, once or twice in a year, call meetings of farmers to orient them on new inputs, plans and expectations from agricultural activities in their area, etc., which are to be tried on the model farmers field and to be scaled up as best practices of model farmers to the general farming community. To date, this is the way in which smallholders sometimes are able get access to skill development and the public extension services.

4.4 Main Challenges of Smallholders to Access Skill Development Services

Smallholders' access to skill development is challenged by combination of different social, economic and extension service provision methodological factors. Socially, groups such as farmers with small landholding, women, youth and persons with disabilities are self-excluded from attending the so called "trainings" organized by the skill development service providers, who are often DAs and agricultural experts at district level. The trainings are not training in the real sense; they are generic orientations given in a short time to raise the farmers' awareness on some of the issues like inputs distribution planning. Such meetings are organized to discuss on multiple issues in which the extension could be one. For the target groups, especially for women, who are also overburdened by their social division of labor, attending such public gatherings is not part of the mainstream social practice, though it is gradually improving. Similarly, persons with disabilities are also excluded from such places due to different social pressures and their own limited physical abilities to move from place to place and attend such meetings.

Economically, as these groups are resource poor to invest in new inputs and equipment, they do not often dare to attend skill trainings on new practices. On one hand, they do not have financial means for purchase of the inputs and on the other; they lack confidence and fear risk to commit their meager resources on the new inputs for which, it is often thought, the extension skill is required.

More importantly, the extension service provision methodology of the system is more excluding for the smallholders, women, youth and persons with disabilities. Since the new participatory extension system is introduced and got familiarity, the priority target of the system is model farmers with the assumption that other farmers can learn from them and the practice can be scaled up. In practice, this approach didn't work for the smallholders, especially for groups like women farmers, resource poor youth and persons with disabilities who have different pressures. If these groups must be addressed, then tailor made extension services that fit their situation need to be developed and provided while taking into consideration their social and economic context.

4.5 Expected Improvements

From review of policies and research documents on skill development, in-depth interviews with district level practitioners and the producers' organizations capacity assessment, it has been understood that there are a number of limitations in smallholders access to skill. To improve the situation and address all farmers in general and specifically the SP C&C target groups (smallholders, women, youth and persons with disabilities), the following measures need to be taken:

- ✓ Skills development in the agricultural sector in Ethiopia is insufficiently budgeted for and/or poorly prioritized in terms of financial resources both at ATVET and FTC level. Hence, the GoE both at national and regional level should allocate the necessary budget for these skills training institutions and centers. In addition, the skills training institutions and centers should devise and implement their own income generating schemes as a way of increasing their resource base,
- ✓ Inadequacy of the curriculum in covering all the required hard and soft skills for production and marketing aspects is a major challenge in skills training at ATVETs. Moreover, less attention to practice and an overemphasis on theory in the training process is very prevalent. Among other consequences, this undermines the role of DAs who can typically only bring theoretical knowledge to bear on their task. Therefore, a review of the curriculum to including practical, business skills and other relevant skills, including pedagogic skills is of paramount importance,
- ✓ The literacy and numeracy skills level of farmers are an impediment to grasping and implement agricultural technologies. It is, therefore, recommended that literacy and numeracy skills should be promoted, for example in the form of Informal Adult Learning,
- ✓ In developing the extension policy and farmers skill development programs, the experience, expectation and context of different social groups need to be taken into account and inclusion of all these social groups by the system should be ascertained,
- ✓ The Farmers Training Centers (FTCs) are required to be endowed with the necessary facilities, equipment and qualified human resources to prepare and provide adequate demonstration and training services, and
- ✓ District level responsible bodies need to closely follow, review and support skill development services provision process of the DAs, not focusing only on demonstrating high productivity levels with model farmers but rather emphasize inclusion of less endowed groups.

4.6 Policy Dialogue Issues on Skills

The following dialogue issues are identified for improvements:

Table 2: Issues of dialogue in relation to smallholders' access to skill development service

No	Issues of Dialogue	Main stakeholders for decision making	Entry level for dialogue initiation	Objectives of the dialogue
1	Improve DAs' training system to capacitate them in all the necessary skills and practices	MoNRD, RBoNRD, MoE, TVETs	District OAD and OCPA, DAs and village administration	Producers acquire comprehensive skill training on production & marketing
2	Develop inclusive extension system	MoNRD, BoNRD, District/zonal ONRD	District OAD & OCPA, DAs	Smallholders, women and persons with disabilities receive tailor made trainings
3	Assign & maintain adequate and capable DAs	BoNRd, Zonal and District offices agriculture	District OAD & OCPA, DAs	Smallholders, women & persons with disabilities get quality and up to date skills and services
4	Fulfill the Capacity FTCs for demonstration & training provision	BoNRD, Zonal and District office of Agriculture	District OAD & OCPA, DAs	Smallholders, women & persons with disabilities get regular and practical training & demonstrations.

Similarly to the other input related services, provision of skill development and extension services is achieved by joint efforts of different stakeholders at different levels. Policy directions set at higher levels guide practical operations. In this situation, for the smallholder producers' organization, trying to influence the policy towards their interest is not an easy task. They need to identify a suitable entry point at their level and present their members' interests there. The local responsible body that receives the demand of the producers' organization either has to respond to the demand with its capacity or link them with higher level decision makers for further consideration.

SPECIFIC SITUATION OF WOMEN, YOUTH AND PERSONS WITH DISABILITIES

The category of smallholder farmers comprises different sub-groups, among which women, youth and persons with disabilities. The extent to which these group members are included in different interest groups of producers and their level of access to the basic production enabling factors such as improved inputs, skills, finance and market varies. The situation of these group members in the study areas of the research is summarized for each category below.

7.1 Women

The level of women's engagement in agricultural production activities is as significant as men either as women headed household leaders or as co-farmers with their husbands. Therefore, they deserve proper consideration in all the efforts to enhance production and productivity on one hand and ensure equity and justice between the two sexes of the society on the other. This research has tried to assess how much the target producers organizations are women inclusive in membership and their leadership. In fact, number alone cannot clearly indicate how much women's role is strong and influential in the producers' organizations activities. However, it can give clue and the ground for the future capacity building intervention in order to enhance the role of women both in their contribution to the production system and sharing benefits of their efforts on the basis of justice and equity. The following table shows the level of women participation in the membership and leadership of women in different producers organizations assessed by the partner organizations.

Table 3: Level of women's participation in different producers' organizations

No	Name of partner	Type & number of producers Organizations		Level of women participation		Remark
				Membership*	Leadership**	
1	EUCORD	Type	No			
		Model farmers	3	All @ 3&4	0	Groups of better-off farmers
		MPC	2	All @ 4	0	Smallholders in general
		Youth groups	2	All @ 1&5	Only one @ 3	
2	FC	MPC	6	All @ 2-5	Only 3 @ 3-5	
		Seed producers	2	All @ 4&5	All @ 3&4	
3	HUNDEE	MPC	8	All @ 1-3	Only 2 @ 3	
4	OSRA	Mixed	7	All @ 2-5	Only 3 @ 4-5	The POs are mix of MPCs, SHGs and seed producers

* Levels are represented: 0 = nil, 1 = <2%, 2 = <5% & >2%, 3 = <10% & >5%, 4 = <20% & >10%, 5 = >20%

** Levels are represented: 0 = nil, 1 = 10%, 2 = 15%, 3 = 25%, 4 = 35%, 5 > 40%

The above table indicates that women are involved both in membership and leadership in different producers' organizations. However, the degree of their involvement varies from organization type to organization type. In general, women's membership to the POs varies from level 1 to 5 with domination around levels 2 & 3. This means, the number of women membership in the POs is mainly between 2%-10% of the total membership size. To look into it specifically, model farmers, though they include women in membership, they do not have one in leadership. All the rest have also included women in their membership to some degrees. But women's share in leadership seats is low (equal to level 2 or 15% of the number of leaders in most cases). This means, if the total number of a PO's leadership is 12, the number of seat occupied by women is less or equal to 2. With this

number, their capacity to influence decisions of the PO's leadership in favor of women's interest is definitely limited.

Given this condition, women's access to inputs, skill, finance and market through the POs by influencing the POs' decisions in favor of their interest is limited. From practical interviews conducted with women's groups and individuals and woreda level experts in different offices, it was understood that women are better addressed only by MFIs financial services. Most of the MFIs have predetermined commitments to destine their services to women in significant proportion due to their better credit worthiness and social mandates they have. However, even those MFIs do not have specific financial service products in relation to either malt barley or potato value chains' development, except some of them such as BG MFI, Wasasa, etc., which provide malt barley value chain financing in a limited extent both in their volume of financing and coverage of outreach.

With regard to the agricultural inputs and skills provision, women are rarely targeted as direct receivers of the services. This is because of different reasons according to the interviews conducted with experts at different levels. Among those reasons the main ones are:

- Household resources for inputs purchase are mainly under direct control and decision of household head and most households access inputs through the household head,
- Though agricultural skill trainers call all farmers for training, often men appear in the training and it is assumed women and children receive the skill from the men ,
- There is no specific women's condition oriented inputs and skill training provision or supply system, etc.

Because of these and other related factors, women's access to production enabling factors is very limited. And their production activities and livelihood situation are also either dependent on their male counterparts, if they are in wedlock, or facing the challenge, especially if they are leaders of women headed households, without any enabling situation.

The same situation prevails in relation to their access to market as well, though there is limited difference between the two value chains. As it has been explained under the section of smallholders' access to market, malt barley market is organized either through direct supply to companies or supply organization by cooperatives, farmers groups such as model farmers and MFI groups or private traders. Since women's production capacity and their membership to the producers' organizations is limited, their main outlet is local private traders. The local private traders are often the least preference of producers for their different alleged behaviors and practices.

Differently to malt barley, potato market is yet disorganized and characterized by seasonal variation both in supply and price of the product. Women are more active in both production and marketing of the crop as it can be produced from small-scale in backyard to high-scale as field crop and its marketing is also possible from small quantity to bulk loads. The women's role in small quantity productions and marketing are very significant though the return from the crop marketing is low.

7.2 Youth

Youth is another social group of agricultural producers whose age falls between 15 -29 years and engages in production and marketing of malt barley and potato value chains and organized in the

assessed producers groups by this research. The level of youth access to inputs, skills, finance and market is mainly determined by the nature of the social group, ownership of productive resources and activities in the agricultural production. The group's members are naturally active in labor and relatively have better insight to accept and try new things in their livelihood activities as most of them are literate and have better access to information. As a result, some of the youth group members who have got some start up means have managed to benefit from both value chains. Accordingly, some of them become model farmers in malt barley and seed producers in potato value chains respectively. Those youth have strong desire as well as the means to get access to all the enabling factors of production either by their own personal effort or through involvement in membership and leadership of different forms of producers' organizations.

The main challenge of most youth group is their limited access to productive assets, mainly land. The only means by which they could get access to land is either by gift from their family or rent-in from people who have extra land or not able to cultivate by their own labor. Both means are rare means for many youth as their families are smallholders and their landholding size is small to share and rent-in is also very difficult for most of the youth as they do not have financial means of their own and their access to financial services is also limited due to the hidden collateral system⁴ of the institutions. These situations in turn significantly limit their access to the production enabling factors and their participation in the producers' organizations.

Table 4: Level of youth participation in different producers' organizations

No	Name of partner	Type & number of producers Organizations		Level of youth participation		Remark
				Membership*	Leadership*	
1	EUCORD	Type	No			
		Model farmers	3	All @ 3 & 4	All @ 2 & 3	Groups of better-off
		MPC	2	All @ 4	All @ 3	Smallholders
		Youth groups	2	All @ 5	All @ 5	
2	FC	MPC	6	All @ 4 & 5	Only 2 @ 2 & 5	
		Seed producers	2	All @ 2-5	All @ 4&5	Relatively better-off and educated
3	HUNDEE	MPC	8	All @ 2-5	Nil	
4	OSRA	Mixed	7	Only 4 @ 2-5	Only 3 @ 3 & 4	The POs are mix of MPCs, SHGs and seed producers

* Levels are represented: 0 =nil, 1= <5%, 2= <10% & >5%, 3= <20% & >10%, 4= <30% & >20%, 5= >30%

**Levels are represented: 0 = nil, 1= 10%, 2= 15 %, 3= 25 %, 4= 35%, 5 > 40%

Youth inclusion in the producers' organizations' membership and leadership is affected by their economic roles and needs for the organizations' services. As youth refers to both male and female, their number in the membership of the producers' organization in aggregation is high. Accordingly, almost all the assessed producers' organizations have included youth in membership at level 4 on average which means 20-30% of the total memberships of the organizations are youth. The number of youth at leadership level is also estimated to be between level 3 & 4 which means about 30% of the leadership is youth. From both the membership and leadership positions, youth has taken significant number and that could give them influential role for those who are members of the POs.

⁴ Hidden collateral is found in the credit solidarity group formation system. Although the MFIs claim that they require only strong solidarity group to provide credit, the group members exclude resource poor persons.

7.3 Persons with Disabilities

Persons with disabilities⁵ of different degrees are also found in the farming communities. This research has also tried to assess the level to which these groups of people are included in the different producers groups and they have the opportunity to access the enabling factors of agricultural production. According to all the producers capacity assessment and the in-depth interviews conducted with experts at woredas level, persons with disabilities are limited in number and the most marginalized groups in accessing the necessary inputs, skill, finance and marketing services of both the malt barley and potato value chains. The main reasons for marginalization of the group are:

- Limited physical ability of the individuals to move and undertake different activities as much as they need,
- Social disregards and forgetting them by the responsible bodies in provision of the services,
- Their resource poorness to buy the inputs they want or to use as a means of proxy collateral to access credits through solidarity groups,
- Limited access to information and skill training for production improvement and market access, etc., and
- Purposive exclusion of some micro –finances from provision of credit through solidarity groups for persons with disabilities.

Because of these reasons and related factors, most of the persons with disabilities are out of access to the improved enabling factors of production and their participation in producers’ organizations membership and leadership is limited.

From the table presented in the following page, it can be easily seen that both in membership and leadership positions, the role of persons with disabilities is insignificant. It is only in the producers organizations assessed by FC that the persons with disabilities are better visible both in membership and leadership. The reasons for their limited participation could be either absence of such persons in the community and/or hidden discriminations and self-exclusions of the persons themselves because of some social pressures. To find the concrete reasons and provide reliable solutions, specific and focused studies might be required in the future.

Table 5: Level of Persons with disabilities participation in different producers’ organizations

No	Name of partner	Type & number of producers Organizations		Level of persons with disabilities participation		Remark
				Membership*	Leadership*	
1	EUCORD	Type	No			
		Model farmers	3	All @ 1/2	0	Groups of better-off
		MPC	2	All @ 1	0	Smallholders
		Youth groups	2	0	0	
2	FC	MPC	6	All @ 5	Only 2 @ 2 & 3	
		Seed producers	2	All @ 3	All @ 2 & 5	

⁵ Any person whose body is defected and his/her full production ability is affected is considered as person with disability.

3	HUNDEE	MPC	8	All @ 1/2	Only 1 @ 2	
4	OSRA	Mixed	7	All @ 1/2	0	The POs are mix of MPCs, SHGs and seed producers

*Levels are represented: 0 =nil, 1= <2.5%, 2= <5% & >2.5%, 3= <10% & >5%, 4= <15% & >10%, 5= >15%

**Levels are represented: 0 = nil, 1= 5%, 2= 10 %, 3= 15 %, 4= 25%, 5 > 35%

7.4 Policy Dialogue Issues for the Target Groups

The general policy dialogue issues in relation to smallholders' access to inputs, skill, finance and market are addressed for each production and market access enabling factors in the previous sections. Under this section specific issues that affect women, youth and persons with disabilities are addressed. The following issues are, therefore, identified and proposed for policy dialogue to improve women's, youth and persons with disabilities access to the enabling factors.

Table 6: Issues of dialogue in relation to women, youth and persons with disabilities

No	Issues of Dialogue	Main stakeholder(s) for decision making	Entry point for dialogue initiation	Dialogue objectives
1	Develop specific & inclusive extension service for the target group	District OAD, ATVETs, DAs, NGOs, District OWC	District OAD, DAs	Women, youth & persons with disabilities needs addressed
2	Deploy women extension service providers	Regional/national BOAD, ATVETs, NGOs,	District OAD, DAs, NGO project	Women served better
3	Develop women & persons with disabilities targeted inputs supply system	Cooperatives/unions, Seed enterprises, NGOs, Agro-dealers	District OAD, OCPA, Primary coops	Target group got better access to improved inputs
4	Facilitate women & persons with disabilities access to market in their area	District Offices of CPA, Trade and Companies,	District OWC, OCPA, Kebele administration	Women and persons with disabilities get access to reliable market

Representatives of the target groups can present issues of their members to the responsible body at the entry point. However, the target groups' them-selves either do not have representatives in the producers' organizations at all or if they have any, they are not assertive on the issues. Therefore, the target groups' organizational and the organizations' leaders' dialogue capacity buildings are critically required.

9. DIALOGUE CAPACITY DEVELOPMENT OF SMALLHOLDERS

8.1 Overview of the Target Producers Organizations: Challenges, Capacity and Potential for Dialogue

Thirty different producers' organizations were selected and assessed on their experience and capacity to engage in dialogue with relevant stakeholders on how to improve their access to inputs, skill, finance and market for both potato and malt barley value chains. Accordingly, the malt barley value chain partners EUCORD and HUNDEE selected 15 POs in Arsi and West Arsi zones while similarly potato value chain partners FC and OSRA selected 15 POs in West Shewa zone. 19 of the POs have over 500 members each. The other 11 POs have 50 to 400 members each. The total number of farmers that could be addressed through this initiative is over 11,000.

In terms of their capital ownership (liquid and fixed), 14 of the producers' organizations have over ETB 500,000 while other 5 producers' organizations own ETB 250,000 to 500,000. The remaining 11 producers' organizations have less than ETB 150,000 each. The POs that have less capital are youth producers groups promoted by EUCORD and Self-Help groups promoted by OSRA.

The POs were selected and assessed based on their relatively high potential of the respective value chains crop production as well as their interest to engage in dialogue with their stakeholders to improve their situation. Nevertheless, the POs' experience in participation to joint meetings with different stakeholders is limited. Leadership of 9 POs assessed by EUCORD and HUNDEE and 3 assessed by FC have experience of attending three and more joint meetings with different stakeholders including buyers of their produces and government officials and experts at different levels. The rest have less experience; 6 of them reported that they do not have any experience of attending this type of meetings. The only meetings they often attend are the General Assembly (GA) of their union, consultative meetings with buyers on how to produce and supply adequate quantity and quality products (in the case of malt barley) and discussions on the planning and performances of inputs distribution and outputs marketing.

Generally, there is no experience in which members or leaders have attended meetings of policy related issues in relation to inputs supply, farmers skills development, financial service provision and market access. Many of the PO leaders and even the Woreda level experts took the question with surprise when they were asked if the farmers or their organization leaders have any experience of attending discussions on policy issues. All believe that policies are incepted, researched and formulated by the high level experts and politicians; not by contribution of local people like producers and producers' organizations. In that sense, all the policy formulations, strategies and implementation programs are designed and implemented in a top down manner. Notably, this applies as well to the support service providers such as the agricultural development. It is impossible to ensure if the given policies, strategies and programs are effective or not, as there is no clear procedure of feedback provision for the implementers especially for POs.

The current situation clearly indicates that POs' experience with regard to meetings with their stakeholders and therefore their capacity to influence the meetings towards their interest is very low. According to interviews with the PO leaders, agendas of the meetings they attended were prepared by the organizers without even their consent and therefore, their role was often limited to listening to the explanations of the experts from the organizers and accepting pre-cooked decisions often

proposed by those organizers. Furthermore, the PO leaders have explained that even if they try to push the interest of their organization and members in the meeting, either it is said out of agenda or left out due to shortage of time until the preplanned agendas will be addressed. On top of that some of the PO leaders indicated that they lack effective communication skill to strongly push their interest in such meetings and often overwhelmed by the experts from the stakeholder organizations, whether they are buyers organizations or the government bodies. In general, all the leaders of the PO consider themselves as passive participants in such meetings.

8.2 Main Issues for Smallholders Dialogue with Stakeholders

Dialogue issues with different stakeholders were identified for each production and market access-enabling factor. In this section, in addition, issues raised by the farmers and their leaders are presented. Each PO has presented its own issues according to its own perception. However, for simplicity's sake they are presented here in clusters:

Table 7: Issues of dialogue identified by the smallholder producers organizations

No	Issues of Dialogue	Potential stakeholder(s) for decision making	Entry level for dialogue initiation	Dialogue Objectives
1	Sustainable supply of quality and adequate quantity of inputs in time	EAISE, ESE, OSE, CPA, MOANRD/BOANRD, ARC, unions	District OAD, OCPA, Coops, DA	Producers are sustainably supplied with quality inputs
2	Fair price of inputs: seed, fertilizers and Agro-chemicals	EAISE, ESE, OSE, CPA, Cooperatives, Unions	District OCPA, cooperative, DA	Smallholders get access to improved inputs
3	Market access facilitation, linkages establishment and maintenance	CPA, Oromia Marketing Agency, Offices of Trade & Industry	District OCPA, Trade & Industry Offices, DA	Producers get access to reliable market
4	Access to appropriate financial services	MFIs, Banks, Buyers, input suppliers, etc.	Local branches of the institutions	Producers get access to financial services
5	Producer organizations business capacity development	National, regional, zonal and district level CPA, NGOs	District OCPA, DA, NGO project	Producers collective marketing improved
6	Inclusive and appropriate skill training on both agronomic and marketing	MoANRD/BoANRD, CPA, ATVET, NGOs	District OAD, OCPA, DAs, NGO Projects	All producers get access to necessary skills
7	Infrastructures development: access roads, telecom, banks, market places	Road Authority, Ethio - telecom, banks, MFIs, companies, NGOs, etc.	District OAD, Administration, Kebele, DAs	Smallholders in remote areas get access to services
8	Access to land	District Administration and ODA, Land administration	Kebele Administration, DAS	Landless youth get land for production

As can be seen, the lists of dialogue issues that are identified by the POs shows many similarities with those issues identified under each item of production enabling factors. With regard to stakeholder selection, although this study has made a first step and has identified the relevant organizations, the next step would be to identify the relevant *individuals* within those organizations that can serve to develop the dialogue agendas that will be developed by the POs, and develop working relations with them. On a higher level, policy makers need to be identified in the same manner.

8.3 Smallholders Dialogue Capacity Gap

As discussed above, the POs do not have adequate experience and opportunity to identify and discuss on issues of interest with stakeholders. The only experience some of the producers' organizations had is invitation to attend meetings organized by some stakeholders (NGOs, Government line departments, buyer companies, cooperatives or unions, etc.). In such meetings, since the organizers prepare agendas of the meetings by their own initiatives to address certain issues they feel to be addressed, their possibility to address the producer's interest is limited. Such participation is also limited to relatively few POs, considered more relevant by the organizers.

8.4 Expected Dialogue Capacity Building Support for Smallholders

Because of their lack of significant experience in dialogue agenda identification and presentation to their stakeholders, the POs need a wide range of capacity building support. Each of the POs assessed by the partner organizations has identified different areas of capacity building needs to be effective in its dialogue agenda identification and presentation to the stakeholders. Those issues are summarized as follows:

- Techniques on how to identify critical issues of dialogue and present for dialogue,
- Negotiation skill with buyers of their products for fair price,
- Skills and methods on how to assess market demand, identify reliable buyers and establish market linkages,
- How to collect information on topics of dialogue and make evidence based negotiation,
- Communication skills to understand the interest of the other party of the dialogue to match with one's own interest,
- Principles of dialogue - how to give and take and convince the stakeholders to take into account the smallholders issues or challenges, and
- How to convince political elites and policy makers to consider smallholders in the policy formulation, implementation and feedback collection process.

These are some of the capacity building support need they could imagine without having any experience what they have to do and how to engage in effective dialogue. Most of the PO leaders indicated their strong interest to engage in dialogue with their stakeholders on different issues. But they do not know how to identify the issues properly, communicate to the relevant stakeholders and convince them to consider their interests.

9. CONCLUSIONS AND RECOMMENDATIONS

9.1 Conclusions

This research is conducted with the objective to identify evidence based dialogue issues and dialogue capacity gaps of the smallholder POs in the potato and malt barley value chains, in order to ensure their empowerment and access to production enabling factors and the market. The group of producers labeled as smallholders and targeted for the research is defined as resource poor farmers whose land holding size is equal or below 2 hectares of land, women, youth and persons with disabilities. To empower these producers in their activity of production of the value chain crops and ensure their access to market, research was conducted on the following main topics:

- Gender and disabilities inclusion of potato and malt barley value chain POs,
- Availability and access to enabling production factors: inputs, skills, finance, and
- Access to market and market forces that influence its operation.

Research tools were developed and implemented to assess availability and the smallholders' access to inputs, skill, finance and market. The research has:

- Selected inclusive POs in both value chains and assessed their challenges in relation to their members' access to production enabling factors and their capacity to work on their challenges through dialogue with relevant stakeholders,
- Reviewed policy provisions on availing and distribution of the production enabling factors from policy documents and related research works,
- Conducted interviews with district level government bodies and other stakeholders responsible for the production enablers availability and distribution to producers, and
- Assess best practices from both national and international sources to adapt to the target value chains' producers.

Moreover, the research work has assessed the POs interest, experience and capacity to participate in dialogue with their stakeholders to improve their smallholder members' access to the desired inputs and market for the future. The research has addressed 30 POs of different forms that include self-help groups, model farmers groups, MFI-supported groups and cooperatives. The POs have over 11,000 members. Potato value chains producers are selected and assessed in west Shewa while for malt barley they are located in Arsi and west Arsi zones. The main findings of the research are the following:

1. Seed development, multiplication and distribution systems of both value chains are complex and their sustainability is limited. Basic seed of two important malt barley varieties are supplied from abroad by Heineken and multiplied by OSE on commission basis. If Heineken stops importing and commissioning OSE for multiplication, availability and distribution of the seeds will be significantly affected. Potato basic seed is developed in-country by HARC. However, since there is no interested and effective public or private seed enterprise to multiply and distribute potato seed, it is managed through producers cooperatives organized by HARC. These cooperatives and some private limited companies whose shareholders are also farmers multiply and distribute the seed without adequate inspection and certification. Because of this, the seed quantity is limited and its quality is also not ascertained.
2. The main inputs - improved seed, fertilizer and agro-chemicals - for both value chains are either not adequately and timely available or accessible to the smallholders. Especially, smallholders at a distance from all-weather access roads have great difficulty to get the required inputs.

3. The price of the inputs is in general high and not affordable for the resource poor smallholders, women, youth and persons with disabilities. Because of the high price, most of the resource poor smallholders, women, youth and persons with disabilities apply the inputs below recommended rates (if at all) and therefore, their productivity is low,
4. Despite different regulations and institutional arrangements to control, inspect and verify efficacy and environmental safety of the agro-chemicals import, registration, distribution and use system, its supply chain is characterized by lax oversight, resulting in potential danger for the environment and human health,
5. Skills training development and dissemination to producers mainly focuses on production side skills with no or limited soft skills, skills on post-harvest handling and marketing of the products. It also targets model farmers who have already better insight and have a better resource base to afford needed inputs. The assumption of the skill providers in focusing on the model farmers is that the model farmers will develop best practices of new technologies and other producers will copy from them to scale up. But in reality the resource poor smallholders rarely learn from those farmers and therefore, the existing extension approach is not complete in its nature and inclusive by its approach,
6. Financial institutions that provide services for the rural economy are very limited in type (MFIs and RUSACCOs), in their services and products and outreach. Access to their services is very limited for most resource poor producers, youth and persons with disabilities. Women in a slightly better situation in accessing MFIs' credit services because of their better credit worthiness and the MFIs social mandates. But in terms of financing inputs and activities of the value chains under study, the services are insignificant: Only some MFIs provide limited service for the malt barley value chain financing,
7. The target smallholders have limited access to reliable and remunerative markets to sell their produce in both value chains. However, producers of malt barley are relatively better off due to higher and more organized demand for the crop. Smallholder producers of potato value chain are vulnerable to the challenges of price instability, maneuvering of brokers and in some cases total lack of market linkages. In both value chains, better-off farmers know how to make the best out of the available opportunities.
8. Lack of entrepreneurial and financial management training services either from the extension system or from other public and private bodies has limited the smallholders' courage and confidence to take risk and invest in improved inputs and activities of agriculture in both value chains for better productivity and return,
9. The average level of inclusion of women, and persons with disabilities is found to be low both in POs membership and leadership. The situation of youth inclusion is better. Less inclusion of women and persons with disabilities have occurred due to both economic situation of the groups and social factors,
10. The experience of the POs in dialogue with relevant stakeholders is very limited. There is no suitable platform in which smallholders can pursue their issues and influence their stakeholders to consider their interests and experiences.

In conclusion, the performance of the malt barley value chain is better though still a lot of improvements need to be made to realize the full potential of all the value chain actors. In terms of inclusion of different groups from the farming community, in both value chains, better-off farmers are

benefiting more while the great majority of the community members which are grouped as resource poor smallholders, women, youth and persons with disabilities remain marginalized.

9.2 Recommendations

To improve the current situation of the target groups, there are a number of actions to be taken by different stakeholders including the POs themselves. The research team has identified the following issues that require improvement in order to empower the POs and ensure their access to production enabling factors and the market:

a) At Local/District Level

1. Ensure availability of all the improved inputs in quality, quantity and timely at accessible points for all the producers,
2. Organize and avail inclusive skill training and extension service provision for all categories of farmers including the better-off, resource poor, women, youth and persons with disabilities through direct contact with each group,
3. Stimulate supply and demand of diversified and flexible financial service products such as crop specific agricultural activities financing and insurance services,
4. Support and facilitate an inclusive market access system that addresses all the target groups by directly linking the producers and buyers,
5. Provide entrepreneurial and financial management trainings, advice and coaching services for the target groups to enhance their courage to invest their limited resources or borrow from financial institutions and finance their improved inputs and agricultural activities for better production and productivity,
6. Train and support smallholders in identification of crop diseases, selection and access to appropriate agro-chemicals and their safe application,
7. Ensure inclusiveness of POs regarding all the social groups of the community, with emphasis on women and persons with disabilities in both their membership and leadership,
8. Build POs internal capacity in their business operation and management and externally in their capacity to identify issues for dialogue and engage their stakeholders and
9. Facilitate organization of joint meetings of POs with relevant stakeholders at local level to discuss on issues and find solutions.

b) At National/Regional Level

1. Facilitate the establishment of an effective and sustainable seed system in which the research and development, multiplication after release, seed quality assurance and certification and distribution to users are clearly understood and practiced,
2. Reduce inputs production and supply costs by locally producing and/or improving their storage and distributions system,
3. Enforce legislations and regulations issued to control agro-chemicals' import, storage, distribution and use for environmental safety and health,
4. Develop comprehensive and complete skill development and transfer systems that address skill need from production up to marketing of the products,
5. Encourage development of diversified and flexible financial service products by the financial institutions with extended outreach,

6. Provide a strong legal framework for guiding and inspection of RUSACCOs to protect them from fraud and build their members confidence,
7. Develop and facilitate smallholders linkage with reliable and accessible markets,
8. Develop proper systems for PO internal capacity building in their business operation and management and externally in their capacity to identify issues for dialogue and engage their stakeholders, and
9. Establish a platform where the smallholders can regularly present their issues and try to influence their stakeholders in line with their interest.

ICCO and its partners can use these recommendations as a guide, which can be used to further study and address the specific constraints they represent. This document has provided the WHY and the WITH WHOM aspects of the dialogue strategies that can be put in place by and for the POs. An important question that needs to be identified in the remainder of the program is the HOW question; specific dialogue strategies with clearly identified targets, stakeholders and beneficiaries have to be developed, put in place, monitored and evaluated in order to create and measure progress on the issues identified that limit the access of SP C&C target groups to the production enabling factors inputs, skills and finance as well as to remunerative markets.

