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New Alliance for Food Security and Nutrition Annual Progress 2013-2014 and Summary Review Workshop Report

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The primary purpose of the review was to assess the performance of commitments made by the Government of Ethiopia, G-8 members and the private sector under the G-8 Cooperation Framework to Support 'The New Alliance for Food Security and Nutrition' in Ethiopia.

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Dr. Amdissa Teshome and Adrian Cullis

Abbreviations and Acronyms

AFD	French Agency for Development
AGRA	Alliance for Green Revolution in Africa
AKLDP	USAID's Agriculture Knowledge, Learning, Documentation and Policy Project
ADMe	USAID's Agriculture Growth Programme - Agribusiness and Market Development
ATA	Ethiopia Agricultural Transformation Agency
AUC	African Union Commission
BMZ	German Federal Ministry for Economic Cooperation and Development
CAADP	Comprehensive African Agriculture Development Programme
CEO	Chief Executive Officer
CFSP	Commercial Farm Support Programme
CGIAR	CGIAR Consortium of International Agriculture Research Centres
DFID	Department for International Development
DSM	Direct Seed Marketing
EU	European Union
EIA	Ethiopia Investment Agency
GAIC	German Agency for International Cooperation
GDP	Gross domestic product
GTP	Growth and Transformation Plan (2010-2015)
IDA	Italian Development Cooperation
JICA	Japan International Cooperation Agency
JSR	Joint Sector Review (of CAADP)
LOI	Letters of Intent
LVC-PPP	Livestock Value Chain – Public-Private Partnership Project
MoA	Ministry of Agriculture
MoEF	Ministry of Environment and Forests
MoI	Ministry of Industry
MoT	Ministry of Trade
NEPAD	New Partnership for African Development
PIF	Agriculture Sector Policy Investment Framework (2010-2020)
PPD	Planning and Programming Department
PSDTF	Private Sector Development Task Force
RED&FS	Rural Economic Development and Food Security – Sector Working Group
SLMP	Sustainable Land Management Programme
SUN	Scaling-Up Nutrition
USAID	United States Agency for International Development
WEF	World Economic Forum
WFP	World Food Programme

Executive Summary

Africa will be home to an estimated 2 billion people by 2050. Already dependent on significant food imports, concern is being expressed about the continent's long-term ability to feed itself.

In May 2012, President Obama together with three African Heads of State, G-8 leaders and corporate heads, launched the New Alliance for Food Security and Nutrition (hereafter called the New Alliance). The original vision was for the private sector, donors, and African governments to reduce poverty and support the implementation of the Comprehensive Africa Agriculture Development Programme (CAADP). The New Alliance Cooperation Framework for Ethiopia was launched in Addis Ababa in September 2012 with an overall goal to assist 2.9 million Ethiopian smallholder farmers to emerge from poverty by 2022. Responsibility for the coordination of the New Alliance in Ethiopia was delegated to the Private Sector Development Task Force (PSDTF).

From the outset, the New Alliance adopted annual reviews as the primary mechanism for country-level accountability on Cooperation Framework commitments, and as the primary forum for negotiating and agreeing on updates and changes in these commitments. In Ethiopia, the Executive Committee of the Rural Economic Development and Food Security - Sector Working Group (RED&FS) approved the annual review process in a meeting in March 2014. Assisted by New Alliance annual progress review guidance notes, the review team has reviewed progress against commitments set out in the Cooperation Framework.

The review findings were presented at a New Alliance for Food Security and Nutrition Progress Report 2013-2014 Workshop that was held at the Dessalegn Hotel on the 19th June 2014. The workshop officially was opened by H.E. State Minister Ato Sileshi Getahun and attended by more than 60 representatives of the Ministry of Agriculture, development partners, private sector, civil society organisations, farmers' cooperatives and AKLDP staff. Informed by the discussion at the workshop, a final validated report was submitted to the Ministry of Agriculture. A summary of the review workshop is presented in Part B of this report.

During the period of the review, the AKLDP team has studied New Alliance and Cooperation Framework related reports and documents, related information from a range of other sources, and consulted key informants and stakeholders. In line with the guidance notes, the review report is structured around an assessment of progress under three core components: government policy commitments, donor investment commitments, and private sector investment commitments. Based on its findings and the workshop discussions, the review team offers final conclusions and recommendations.

The New Alliance has its critics, including civil society organizations, leading public figures, investigative journalists and African small-scale farmers' organisations. For example, Olivier De Schutter, the out-going UN Special Rapporteur, notes that, 'The smallholder-led, country-led approach is the type of aid that has the greatest multiplier effects for the poorest, and presents the lowest risks of dependency. It remains to be seen whether private firms, in partnership with public donors, will be willing to support approaches that look more like this, and less like the rest of their investment portfolios'¹. Critics also point out that the New Alliance could have done much more to consult key stakeholders in particular at the national and local level and therefore support and strengthen CAADP and associated national platforms and processes.

In Ethiopia, despite real progress made by the Ministry of Agriculture (MoA) and the Ethiopia Agricultural Transformation Agency (ATA) the New Alliance faces different challenges, relating to ownership and commitment. To address these challenges, it is recommended the PSDTF establish a more inclusive, multi-stakeholder platform that draws representation from: MoA, Ministry of Industry (MoI), Ministry of Trade

¹ De Schutter, Olivier (2012). "Privatising Aid is a Dangerous Strategy". *The Guardian*, 11 December 2012. <http://www.theguardian.com/commentisfree/2012/dec/11/privatising-aid-dangerous>

(MoT), the ATA, development partners, the agriculture research community, and farmer and civil society organisations. Lessons learned in agriculture sector coordination under the RED&FS in Ethiopia suggest that in order to maintain an active multi-stakeholder platform it may be helpful to establish a small secretariat with designated staff to facilitate regular and interesting meetings - including periodic special discussion groups to cover issues of interest - and circulate relevant information.

The Cooperation Framework in Ethiopia includes 15 government policy commitments. In its inaugural meeting in February 2013, the PSDTF was directed by the MoA to prioritize eight of these policy commitments in order to focus effort, accelerate progress and identifying effective ways of working. At this point, a nutrition-related policy commitment could have been prioritized by the PSDTF. The review team recommends that over the next 12 months the PSDTF facilitates a re-design process that revisits the New Alliance policy commitments, associated milestone maps and timelines, and the way in which it operates. Given the importance of human nutrition challenges in Ethiopia, the re-design will need to assess options for including a clear nutrition commitment under the New Alliance.

The proposed re-design process affords the PSDTF an opportunity to engage with development partners and private sector companies and to review expectations and up-date commitments. As part of this process, it is recommended that consideration be given to establishing a robust monitoring system that can track and report on New Alliance related disbursements made by development partners and the private sector. A re-design process also offers an opportunity for new donors and private sector companies - including smaller Ethiopian companies - to join the New Alliance and by the same token, for inactive private sector companies to opt out of the New Alliance.

The New Alliance is committed to adopting a 'more African form'². In this regard, the New Alliance in Ethiopia is making good progress as it operates within the CAADP/MoA Agriculture Sector Policy Investment Framework (PIF) structure and processes. However, the proposed re-design process may help to accelerate integration, including future New Alliance reviews to be carried out within the on-going, annual PIF Review/Retreat process.

² *This terminology is awkward but is widely recognised, including within the New Alliance*

Part A: New Alliance Review

1. Introduction

1.1 Africa and the G-8 New Alliance

By 2050, some demographers forecast that Africa will be home to two billion people - it is the world's fastest growing population and the youngest. Rapid population growth in Africa is being accompanied by accelerated urbanization and as cities swell, future generations can expect to encounter major new challenges including food and nutrition security. Africa currently spends US\$40 billion on food imports and for some analysts, unless progress is made to adequately and sustainably feed its people, Africa's rapid and impressive economic progress will remain hollow.

The past decade has witnessed a resurgence of interest in African agriculture. In 2003, African Heads of State met in Maputo and committed to a 10 per cent allocation of national budgets to agriculture through CAADP.³ In 2009, the L'Aquila Food Security Initiative was launched at the G-8 Summit in L'Aquila, Italy.⁴ Global leaders agreed to reverse a decades-long decline in investment in agriculture and 'do business differently' by coordinating and supporting country-owned processes, and delivering on commitments. By December 2012, donors had pledged 106 per cent of the planned US\$22.2 billion. While disbursements overall had reached only 67 per cent of pledges, Canada, Italy, Russia, and the United Kingdom had each made full disbursements.⁵ It would seem too that progress continues to be made by donors to operate within country-owned processes.

In March 2012, the Chicago Council on Global Affairs released a White Paper calling on the US government to make global agricultural development and food security a priority agenda item at the G-8 Summit. The White Paper offered recommendations on how G-8 governments could advance an international commitment to agricultural development in order to increase global food production and alleviate poverty. Specifically, it urged G-8 Heads of States to sustain their financial commitments to food security, and launch an international research initiative to develop new agricultural varieties resistant to weather extremes, water scarcity, disease, and related risks. It also recommended G-8 members to spur innovation and engage the private sector by reducing regulatory barriers, building capacity, strengthening intellectual property protections, and adopting and implementing policies to increase trade in commodities and food.⁶

President Obama invited three African Heads of State, including the late Prime Minister of Ethiopia, Meles Zenawi, and corporate heads, to Camp David as part of the G-8 Summit in May 2012. Launched at this meeting, the New Alliance vision was for the private sector, donors, and African governments to reduce poverty and support CAADP implementation through responsible private agricultural investment, leadership engagement at the highest level, and transparent mutual accountability of stakeholders and partners.⁷ Through the New Alliance, African countries agreed to act on policy commitments, G-8 members agreed to align agriculture sector support behind CAADP, and corporations agreed to increase responsible investments in

³ CAADP provides Africa with a home-grown framework to guide sector policies, strategies and actions for transforming agriculture. Development and civil society partners have rallied behind CAADP to push Africa's agriculture to the centre of the development agenda. Since 2003, agricultural GDP has grown by nearly 4 per cent per annum and public agricultural expenditures rising by over 7 per cent per year (Grow Africa 2nd Annual Report, 2013-2014). However, as of 2010, only eight countries exceeded the 10 per cent target and analysis of the level of African governments' agriculture budgets reveals a mixed picture with Uganda's spending hovering at 3-4 per cent, while Nigeria allocates around 3.5 per cent of the federal budget to agriculture (Action Aid, 2013. Fair Shares: Is CAADP Working).

⁴ The Joint Statement on Global Food Security issued by the L'Aquila Food Security Initiative (AFSI) is signed by 26 countries and 14 multilateral organizations and supported by the Secretary General's UN High Level Task Force on the Global Food Security Crisis and its Comprehensive Framework for Action

⁵ L'Aquila Food Security Initiative, 2012 'Final Report'

⁶ <https://bit.ly/LDKHdR>

⁷ New Alliance, 2014 'Vision Document for 2014'

agriculture for the benefit of smallholder farmers. The New Alliance's strategy for expanding Africa's potential for rapid and sustainable agricultural growth includes:

- Working in partnerships by launching national cooperation frameworks that align with priority activities in the CAADP national investment plan and partnering with the African Union Commission (AUC) and NEPAD/CAADP through Grow Africa;
- Mobilizing private capital by supporting the preparation and financing of bankable agricultural infrastructure projects through multilateral initiatives including the Fast Track Facility for Agriculture referred to above;
- Taking innovation to scale by such action as launching a Technology Platform jointly with the Consortium of International Agriculture Research Centres (CGIAR), the Forum for Agricultural Research in Africa and a Scaling Seeds and Other Technologies Partnership housed at the Alliance for Green Revolution in Africa (AGRA);
- Reducing and managing risk, in particular by supporting the World Bank Platform for Agricultural Risk Management;
- Improving nutritional outcomes by supporting the Scaling-Up Nutrition (SUN) movement and increased consumption of bio-fortified crop varieties;
- Ensuring accountability by creating a Leadership Council which will report to the G-8 and Africa Union (AU).⁸

In September 2012 the Leadership Council of the New Alliance held its first meeting on the outskirts of the UN General Assembly, comprising G-8 representatives, Heads of State or high-level representatives from four African countries, CEOs from seven participating companies, one civil society organization and two regional farmer organizations.⁹ While the Leadership Council was expected to provide oversight, New Alliance critics suggest that it 'lacks Terms of Reference and a mandate outlining roles and responsibilities for members and clearly articulating how the Leadership Council relates to New Alliance decision making functions'.¹⁰

For 2014 the New Alliance is co-convened by the United States as the donor lead, and World Economic Forum (WEF) and the AUC.

1.2 Ethiopia and the New Alliance

Agriculture is a cornerstone of the Ethiopian economy and over the last three years has contributed on average almost 44 per cent of national GDP, and employs over 80 per cent of the population. Smallholder farmers and pastoralists - operating in more than 50 different agro-ecological zones - dominate the sector, producing 95 per cent of all production including coffee, oil seed, dried pulses, hides and skins, live animals and flowers that account for most of Ethiopia's export trade. While growth rates in the past decade have been impressive, agriculture remains characterised by subsistence, low input-low output rainfed systems. Increasing productivity in a way that helps smallholder produce enough food to meet their food needs and have a surplus to sell, is one of the Government's main policy agendas.

In Ethiopia the New Alliance's Cooperation Framework was launched in September 2012 and contains Government policy, the financial commitments of development partners, and the investment commitments of multi-national and local companies, as outlined in Letters of Intent (LOI). In February 2013, responsibility for

⁸ US State Department (2012) *G8 Action on Food Security and Nutrition*.

<http://www.state.gov/s/globalfoodsecurity/190282.htm>

⁹ *The Leadership Council meets twice a year. In 2014 the Council plans to validate the terms of reference, establish a secretariat, finalise the mutual accountability framework and outline the structure of the New Alliance including member country platforms to define the process for engaging with and joining the New Alliance*

¹⁰ McKeon, N. 2014 *The New Alliance for Food Security and Nutrition: a coup for corporate capital? TNI Agrarian Joint Programme. Policy Paper. TNI and Terra Nuova, Amsterdam*

the coordination of the Framework was delegated to the newly established PDSTF¹¹, comprising representatives from the MoA, ATA, international development partners, international NGOs, agriculture associations, chambers of commerce and the private sector. The Task Force is co-chaired by the MoA with the US Agency for International Development (USAID)¹² and UN Development Programme, with the latter taking responsibility after the first year from the UK Department for International Development (DFID).

The New Alliance includes a commitment to robust and credible annual performance reviews to ensure high, country-level accountability. In support of this the Rural Economic Development and Food Security¹³ (RED&FS) Executive Committee approved plans for a review of progress for Ethiopia in a meeting on 28th March, 2014. The review forms part of a wider review of progress across the ten New Alliance member countries that will inform a consolidated report to be prepared ahead of President Obama's meeting with African Heads of States in August, 2014. The review coincides with the African Union Heads of State and Government declaration of the *Year of Agriculture and Food Security* to mark the 10th Anniversary of CAADP. The year 2014 is also a base year for the next decade of CAADP and defining Africa's vision for the next 50 years of development under the umbrella of the Africa Agenda 2063, being '*A Shared Strategic Framework for Inclusive Growth and Sustainable Development and A Global Strategy to Optimize the Use of Africa's Resources for the Benefit of all Africans*'.

¹¹ *The PSDTF reports to the Agriculture Growth Technical Committee and the RED&FS Executive Committee*

¹² *The United States is the New Alliance donor lead for Ethiopia (also Ghana, Mozambique and Tanzania)*

¹³ *The Rural Economic Development and Food Security (RED&FS) is the joint agricultural platform for Ethiopia which was formally launched in 2008 following an official request to the Development Assistance Group by Ethiopia's Minister of Finance and Economic Development, and in alignment with the Paris Declaration on Aid Effectiveness principles of local ownership, improved donor coordination, results-based approach and mutual accountability. Its effective functioning relies on the authority of its four Technical Committees (TCs), namely Agricultural Growth (AG TC), Sustainable Land Management (SLM TC), Disaster Risk Management and Food Security (DRMFS TC), and Livestock Sector Development (LD TC)*

2. Methodology

2.1 Guidance for Annual Reviews

The New Alliance guidance document for annual country-level reviews¹⁴ describes the primary purpose which is to 'bring together government, domestic and international private sector, development partners and civil society to a) review progress against commitments set out in the Cooperation Frameworks, b) assess overall progress in creating an enabling environment for responsible investment and fostering effective partnerships between public and private sector, and c) identify key priorities for action and any new commitments or adjustments to existing commitments in the Country Cooperation Frameworks. Once sufficiently established, the majority of these annual reviews will be managed as part of the Joint Sector Reviews under CAADP.'

The guidance document also explains that the 'annual reviews will be the primary mechanism for country-level accountability on New Alliance Country Cooperation Framework commitments by all the relevant parties and the primary forum for negotiating and agreeing on updates and changes in these commitments'. The guidance note underlines the importance of the following principles:

- **Validation:** data collected and presented for the annual review should be validated with all partners prior to finalisation. This will ensure consistent understanding of progress in cases where perspectives of perceived progress may differ across stakeholder groups;
- **Harmonisation:** consistent with aid effectiveness principles, annual reviews should be harmonised with broader mutual accountability processes, primarily with the CAADP Joint Sector Reviews (JSR) to the extent possible¹⁵;
- **Consultation:** reviews should include broader stakeholder consultation across civil society, private sector, government and development partners. An annual review should fit into a regular consultation process with these groups, either as part of broader sector consultation (e.g. sector working groups) or specifically for the New Alliance. All stakeholder groups should be included in these consultations, but increased consultation with civil society and local private sector is particularly important;
- **Transparency:** findings from the annual review should inform the country progress report, which will be made available to the public. In addition, revisions to any stakeholder commitments in the Cooperation Framework should also be documented and shared with the public. Ideally, documentation from the review, as with the broader JSR, should be available to the public on appropriate websites.

2.2 Objectives of the Ethiopia Progress Review

Based on the guidance note, the PSDTF developed Terms of Reference for the review team (See Annex 1) that outline the purpose, components, principles, roles and responsibilities, methodology and format and suggested steps to complete the Ethiopia Cooperation Framework annual review process. The PSDTF envisaged the following key steps: i) preparation of a draft Ethiopia-level progress report, ii) stakeholder meeting, and iii) finalization of the progress report.

2.3 Details of the Progress Review

Based on the ToR, the review team consulted a range of stakeholders and key informants to understand different perspectives on the progress made by the New Alliance in Ethiopia, in particular in relation to government policy commitments, and donor and private sector investment commitments. Some consultations involved face-to-face meetings, while others were telephone conversations in order to make efficient use of time and to minimize travel. The list of the stakeholders consulted for the review is presented in Annex 2.

¹⁴ *New Alliance for Food Security and Nutrition, 2014 'Guidance for Annual Reviews'*

¹⁵ *In the case of Ethiopia with the annual CAADP/ PIF annual review processes*

The review team collected and reviewed documentation that spans the range of new Alliance stakeholders: the Ethiopia Cooperation Framework, a range of progress reviews¹⁶, G-8 funding commitments and associated RED&FS tracking reports, and LOIs and other private sector documents (see References).

2.3 Limitations of the Progress Review

The review team recognizes a number of limitations in the completion of this review. The first relates to the policy commitments that are multi-sectoral and extend beyond agriculture to trade-related issues. Unfortunately, the review team was unable to meet representatives of the MoT and was therefore unable to include important trade-related perspectives. Discussion with PSDTF partners suggests the MOT has played only a peripheral role making it difficult to progress trade-related policy commitments.

Second, not all current G-8 representatives in Ethiopia appear to be familiar with the Cooperation Framework in Ethiopia and certainly some found it difficult to provide details on New Alliance-related disbursements made in 2013/ 2014. It is for this reason that Table 2 Summary of Commitments and Disbursements is both incomplete and subject to repeated revision.

Third, in much the same way, while representatives of private sector companies were willing to meet with the review team and discuss progress against plans at a general level, some were unable or unwilling to share details of actual disbursements against commitments.

¹⁶ AGRA, *Grow Africa, JSR and New Alliance progress reviews*

3. Africa-wide Progress and Issues

This section of the review report summarizes information across all of the New Alliance countries, which have increased from three countries to 10 countries since its launch.¹⁷ The section presents findings of New Alliance progress reviews including aggregated data on private sector investment. This general information provides a context against which to review the progress in Ethiopia, as detailed in section 4 of the report, as well as the Ethiopia case studies in section 5, and the conclusions and recommendations in section 6.

3.1 New Alliance 2012-2013

As already noted, the United States used its presidency of the G-8 to deepen the global commitment to food security. The New Alliance vision is to lift 50 million people out of poverty by 2022 and it works closely with the AU and Grow Africa¹⁸, convened by the AUC, New Partnership for African Development (NEPAD) and the WEF.

The New Alliance undertook its first annual progress review in March 2013. Covering the period of implementation from the launch in May 2012, the review covered all six member countries at that time, being Burkina Faso, Cote d'Ivoire, Ethiopia, Ghana, Mozambique and Tanzania. Recognising that it was premature to assess the overall impact, the review focussed on progress in implementing commitments, and associated issues and challenges. Key challenges and opportunities are presented in Annex 3.

The review report included aggregated information on 83 private sector companies - 37 African firms, 36 multinational enterprises and ten multi-stakeholder initiatives involving multiple corporations – which had been collated by Grow Africa and presented in Grow Africa's 1st Annual Report.¹⁹ Grow Africa reported that these 80 companies had invested more than US\$3.7 billion in African agriculture in the reporting period. Based on a self-reporting methodology, Grow Africa provided up-dates on 79 out of 97 private sector investment projects. For example, 100 per cent of projects were moving forward with internal company approvals; 94 per cent had begun preparatory work, including market research, field visits, partnership exploration/negotiation, and stakeholder consultation; and 61 per cent had started to invest with tangible progress on-the-ground.

Grow Africa also provided information on perceived constraints that were reported by private sector companies as impeding investment progress, including: laws, policies and regulations that constrained business operations; government capacity to respond quickly to private sector requests; the need for better communication between governments and the private sector, including opportunities for continued dialogue as companies refine business plans; and the limited finance to kick-start activities.

3.2 New Alliance 2013-2014

In May 2014 Grow Africa released its 2nd Annual Report (2013-2014) on investment by 123 companies in the now 10 New Alliance member countries. These companies implemented more than 170 LOI during the year, which generated: US\$970 million of investment, being US\$875 of capital and US\$95 of operational investment; 33,000 jobs (42 per cent for women); and provided services to more than 2.6 million smallholder farmers (21 per cent women).²⁰ Companies reported progress in individual LOI as follows: 3 per cent were completed; 15

¹⁷ Benin, Burkina Faso, Cote D'Ivoire, Ethiopia, Ghana, Malawi, Mozambique, Nigeria, Senegal and Tanzania. The New Alliance plans to move to a more African construct which is less specifically tied to the G-8 and in so doing broaden the number of partners - countries, donors and private sector companies

¹⁸ Grow Africa was launched in 2011 under the sponsorship of WEF, the AUC and the NEPAD, for whose CAADP it declared its support.

¹⁹ Grow Africa, 2013 '1st Annual Report on Private Sector Investment in Support of Country-led Transformations in African Agriculture (2012-2013)'

²⁰ Grow Africa, 2014 '2nd Annual Report on Private Sector Investment in Support of Country-led Transformations in African Agriculture (2013-2014)'

per cent were performing well; 31 per cent were on plan; 31 per cent had minor problems; 16 per cent had major problems; and 5 per cent had been cancelled. Once again, Grow Africa summarised the constraints that were identified by the private sector, this time under three thematic areas as outlined below.

- ***Innovating commercially sustainable agricultural business models:*** despite the progress, the need for commercially sustainable agricultural business models remained central to unlocking investment at a transformative scale. Grow Africa's partners called for catalytic action to overcome constraints, with bold and innovative businesses leading the way, specifically to ensure inclusive business models, up-to-date market data, reduce the cost of borrowing for small and medium enterprises, and improved skills training and management capacity building for farmers and agri-entrepreneurs.
- ***Making markets competitive:*** overall, the private sector recognised progress, but called for urgency and leadership from governments to make markets more competitive, particularly in respect of:
 - public goods such as affordable power, water, storage and transport systems, without which the private sector cannot function
 - open, well-regulated agricultural economies
 - enforcement of regional policy on seed approval and food trade to create larger regional markets
 - clarify land policy to support private sector - whether smallholder or multinational – investment.
- ***Elevating the pace and quality of multi-stakeholder collaboration:*** while all Grow Africa countries were reported to be actively nurturing transformative cross-sector collaboration, none had all the elements in place, including space for transformative collaboration, top level leadership, coordination and alignment, and government responsiveness.

The Grow Africa 1st and 2nd Annual Reports present the findings and views of private sector companies, but these were challenged by other important agriculture sector stakeholders, including the Leadership Council's single civil society organisation representative, Oxfam. Following a review of progress in three New Alliance member countries,²¹ Oxfam identified four main areas of concern as summarized below.

- ***Civil society participation and transparency:*** the New Alliance primarily focusses on governments, development partners and private sector companies. Recognising the role played by civil society organisation's in the lives of rural communities, Oxfam asked why the New Alliance structure did not mirror the more inclusive CAADP process that established and actively supported civil society platforms.
- ***Policy reforms to benefit business:*** it is widely recognised that increased private sector investment in African agriculture can bring benefits such as innovation and new capital. Oxfam's review findings however caution that to be effective, investments needed to be more appropriately designed, implemented and coupled with policies that address the specific challenges that small scale-producers face, including women.
- ***Accountability, standards and safe-guards:*** Governments - in donor and developing countries – are responsible for ensuring the New Alliance delivers on its poverty reduction objectives. To achieve these objectives Oxfam encouraged New Alliance stakeholders to establish a shared understanding of how investment activities connect to poverty reduction outcomes in order to measure progress against planned outcomes.
- ***Impact on small-scale producers:*** in order to deliver poverty reduction objectives, Oxfam advised that private sector companies will need to ensure broad-based and inclusive growth. Oxfam argued that this requires a clear vision for the role of small-scale producers that does not disconnect them from the

²¹ Ghana, Mozambique and Tanzania

formal and informal markets they serve. Oxfam expressed concern that private sector investment must strengthen agro-ecological farming practices and assist smallholder farmers adapt to climate change.²²

Other reviews of progress in New Alliance member states identified other concerns and examples are provided below.

- **Nutrition:** a review in Nigeria argued that the New Alliance focus on staple crops and the associated neglect of vegetables, pulses and animal proteins represented a missed opportunity to address micro-nutrient under-nutrition. By promoting import substitution, New Alliance policies also risked undermining gains made in food fortification. Before restricting imported foods, the report recommended that agriculture policies needed to build the capacity of domestic value chains to provide high-quality produce, while also strengthening regulatory institutions. It was further noted that this would require long-term commitment, but failure to act could jeopardize progress on under-nutrition.²³
- **No development support for agribusinesses:** a group of 12 organizations in Germany called on the Federal Government to end its support to New Alliance programmes that are developed in close collaboration with corporations and private foundations, but that largely exclude smallholder farmer associations and representatives of civil society. Rather, the group suggested that Germany should support smallholder farmer requirements for seed sharing and improved extension services.²⁴

Drawing this section to a close, it appears perspectives on the New Alliance are informed by different views on the future of global agriculture, and the extent to which lessons from past initiatives have been considered. On one side the New Alliance - together with AGRA, Gates Foundation and Grow Africa - proposes the rapid transformation of African agriculture through the commercialisation of food value chains and adoption of high-yielding crops, supported by increased use of inorganic fertilizer, irrigation and agro-chemicals. On the other side, it is suggested this 'industrial' approach overlooks the lessons of the Green Revolution that could safeguard Africa's land, water and bio-diversity resources for future generations. As a result of these contrasting perspectives, the New Alliance has generated a significant amount of negative press that draws attention to the lack of transparency and consultation and the growing perception that the initiative is supporting 'big business' at the expense of African smallholder farmers.

²² Oxfam, 2013 *'The New Alliance: A New Direction Needed. Reforming the G-8's public-private partnership on agriculture and food security. Oxfam Briefing Paper, September, 2013*

²³ IDS, 2014 *'Is Nutrition Losing Out in African Agricultural Policies? Evidence from Nigeria'. IDS Policy Briefing, Issue 52, February 2014*

²⁴ Oxfam Germany, 2014 *'Dangerous Partnership's*

4. The New Alliance Ethiopia Cooperation Framework

This section of the review report provides an overview of Ethiopian agriculture followed by a more detailed progress report of the New Alliance under three components viz. Government policy commitments, development partner investment commitments, and private sector investment commitments. In each of the three sub-sections, key issues are identified that inform the final conclusions and recommendations in the report.

4.1 The Agriculture Sector in Ethiopia

Ethiopia is the second most populated country in Africa after Nigeria with an estimated 90 million people. The average age is 17 years, and the annual population growth rate is 2 per cent. It is estimated that Ethiopia's population will increase to 120 million by 2030. Ethiopia is one of the poorest countries in the world, with an annual per capita income of US\$510 in 2011/12 and is ranked 173 out of 182 in the UNDP Human Development Index.²⁵ An estimated 80 per cent of Ethiopians - including almost all poorer smallholder farmers and pastoralists - live below the poverty line, with a daily income of less than US\$2 per person. The majority of Ethiopian smallholders are net consumers of food. Life expectancy at birth is 55 years, and infant and maternal mortality, and child malnutrition are among the highest in the world. Approximately 44 per cent of children living in Ethiopia's highlands are stunted.²⁶

The majority of Ethiopian smallholder farmers operate on less than one hectare, with more than 40 per cent on less than half a hectare. Farming systems continue to be dominated by cereal production which accounts for 65 per cent of agriculture GDP. Over the last a decade cereal yields have doubled to 18 million metric tonnes, but average smallholder cereal production is still below two tonnes per hectare the result of limited access to inputs, irrigation, agricultural markets, financial services and training. Cereal production is also affected by poor land management (the cultivation of steep slopes, deforestation and overgrazing) resulting in some of the highest rates of soil erosion and soil nutrient loss in sub-Saharan Africa.

Ethiopia's macro-economic strategy, *The Growth and Transformation Plan (GTP) 2010-2015*, envisions continued rapid economic growth and Ethiopia's emergence as a middle-income country by 2025. The Agriculture Sector Policy and Investment Framework (PIF) 2010-2020 is embedded within and aligned to the vision, and provides a strategic framework that prioritises investments, estimates agriculture sector financing needs and operationalizes the CAADP Compact²⁷ that was signed in September 2009. The PIF development objective is to increase rural incomes and national food security, and is embodied in the concepts of 'producing more, selling more, nurturing the environment, eliminating hunger and protecting the vulnerable against shocks'. Each concept is expressed in an agriculture theme viz. productivity and production, rural commercialisation, natural resource management, and disaster risk management and food security.

The CAADP Compact and the PIF assist in policy alignment and securing the required finance for agriculture sector development from domestic budgetary and international sources. The Government allocates more than 15 per cent of its total annual budget to agriculture, equivalent to 60 per cent of the PIF, with development partners funding the balance. However, a significant portion of expenditure supports the Disaster Risk Management and Food Security Sector's (DRMFSS) Productive Safety Net Programme. The PIF recognises that 'attracting private investment is central to successful rural commercialisation, along with attention to other dimensions of the enabling environment for rural commercial development'.

²⁵ UNDP, 2013 'The Human Development Report'

²⁶ Defined by a height-for-age z (HAZ) score < -2

²⁷ The CAADP Compact is an initiative of the African Union's New Partnership for Africa's Development (NEPAD) Planning and Coordinating Agency (NPCA), and is founded on a vision and strategic framework to eradicate hunger and poverty, and place the continent on a path for sustainable socio-economic growth

4.2 New Alliance in Ethiopia

The New Alliance Cooperation Framework for Ethiopia was launched in Addis Ababa in September 2012 and contains 15 Government policy commitments, development partner investment commitments, and 14 LOI for planned investment by multi-national and local companies. The overall goal of the Cooperation Framework is to assist 2.9 million Ethiopian smallholder farmers emerge from poverty by 2022.

Where possible the New Alliance operates within existing country agriculture coordination structures.²⁸ In Ethiopia, the New Alliance is implemented by the Ministry of Agriculture and coordinated through the RED&FS, specifically the newly established PSDTF. The PSDTF met in February 2013 in an inaugural meeting attended by 15 Government, development partners, private sector and civil society organisations²⁹, and chaired by the ATA³⁰.

As mentioned, the RED&FS Executive Committee approved the review of New Alliance progress in a meeting in March 2014, as part of a wider review of progress in the 10 New Alliance member states. Guidance notes prepared for the New Alliance Leadership Council require that reviews be conducted within the existing CAADP-donor JSR of the PIF Implementation, and cover three components: Government policy commitments, and development partner and private sector investments. In fact, the review described in this report follows soon after the CAADP JSR and Grow Africa reviews, and will shortly be followed by the 3rd Annual PIF review.³¹ While each review has a different focus, the review team have been made aware of the dangers of duplication, and in future, the New Alliance review could be embedded in the annual CAADP/PIF review process.

4.2.1 Government Policy Commitments

The 15 policy commitments outlined in the New Alliance Cooperation Framework for Ethiopia (see Annex 4) cover four thematic areas:

1. Increase private sector participation in seed development, multiplication, and distribution - *two policy commitments*
2. Increase ability of the private sector to access markets by reducing barriers to competitiveness and increasing transparency of requirements - *seven policy commitments*
3. Strengthen land use rights to stimulate investment in agriculture - *four policy commitments*
4. Increase the availability of credit to the agricultural sector - *two policy commitments*

In its inaugural meeting in February 2013, the PSDTF was directed by the MoA to prioritize eight of these policy commitments and two key areas of work to support the implementation of the New Alliance: to improve mutual accountability and support the development and expansion of LOI. In this way, it was planned to focus effort, accelerate progress and identifying effective ways of working.

The eight priorities are as follows:

- Ratify the seed proclamation - *Policy Commitment 1*
- Establish protocols to identify regulatory/administrative changes, as necessary and encourages private sector in the seed sector - *Policy Commitment 2*
- Establish a one-window service that assists agriculture investors (domestic and foreign; small, medium and large enterprises) - *Policy Commitment 3*

²⁸ The exception is Tanzania where the Prime Minister established a Ministerial level committee to oversee progress on policy commitments and endorsed a Partnership Accountability Committee that includes representatives from the Government, development partners, private sector and civil societies, which has convened to advise and oversee progress

²⁹ Civil society organisations were represented by Oxfam

³⁰ The ATA was asked to chair the meeting as the MoA representative could not attend.

³¹ Scheduled for June 2014

- Publish and disseminate business licensing procedures through local radio, internet and newspapers - *Policy Commitment 4*
- Refine, as necessary, policies regarding agrochemical importation - *Policy Commitment 7*
- Refine, as necessary, regulatory framework to stimulate private sector engagement in livestock production - *Policy Commitment 8*
- Extend land certification to all rural land holders - *Policy Commitment 10*
- Enable financial institutions to support smallholder farmers and agribusiness - *Policy Commitment 14*

In a PSDTF meeting in March 2013 the PSDTF designated teams and lead agencies to establish milestone maps. It would appear that some of the designated teams did not meet in the period to October, 2013 while others met under different on-going committee structures and others³², including the Livestock Team, were active and met on a number of occasions.³³

In October 2013 the PSDTF presented its annual plan 2013/4 to the Agriculture Growth - Technical Committee that included commitments to 'elaborate detailed milestone maps of G8 New Alliance policy commitment including actors, deliverables and time lines' and 'makes specific reference to advancing three policy commitments.'³⁴ The three policy commitments are:

- *Policy Commitment 3:* Support the establishment of a one-window service that assists agricultural investors that functions as a role model
- *Policy Commitment 8:* Support and follow up on the refinement of regulatory framework to stimulate private sector engagement in livestock production, value chain development of animal products and health quality input delivery.
- *Policy Commitment 14:* Enable financial institutions to support small famers and agribusiness. (e.g. warehouse receipts, out-grower contracts, machinery leasing)

The plan also includes references to 'convert at least one Grow Africa investment opportunity to investment stage with at least one other reaching MOU stage' and 'convert at least seven Letters of Intent (LOIs) or other private sector partnerships into actual transactions or MOUs with a clear path forward.'

As presented in Table 1 (below), despite the progressively narrowing focus of planned PSDTF's engagement in support of Government policy commitments, progress is being made across most of the 15 policy commitments. It can be seen for example that good progress has been made on five policy commitments, some progress on seven policy commitments, and little or no progress on three policy commitments.³⁵


³² *The Land Team carried out most of its work met under different formal and informal land groups and task forces*


³³ *The Livestock Team met in April, June and July 2013*

³⁴ *PSDTF, (2013) Draft 2006 EFY Action Plan of Private Sector/ Market/ Value Chain Task Force*

³⁵ *The review team recognise that the classification is rather arbitrary and therefore has its limitations*

Table 1: New Alliance Ethiopia - Policy Commitments with Progress to May 2014

Good progress 

Some progress 

No progress 

Policy Objectives	Policy Commitment	Progress to May 2014
<p><i>Increase private sector participation in seed development, multiplication and distribution</i></p>	<p>1. Ratify seed proclamation</p>	<p>The draft seed proclamation was developed in 2012 by the MoA's Agricultural Inputs Marketing Directorate, ATA, Ethiopian Seed Enterprise and non-state actors including Pioneer DuPont and Ethiopian Seed Association.³⁶</p> <p>The Government of Ethiopia passed the Seeds Proclamation in January 2013 and it was released in the National Gazette in May 2013.</p>
	<p>2. Establish protocols to identify regulatory/administrative changes, as necessary and encourage private sector</p>	<p>To support the actual implementation of the seed proclamation, the Ministry of Agriculture (MoA) has drafted the seed regulations, validated in a workshop with all key stakeholders. Following a review by senior policy makers the regulations will be submitted to the Council of Ministers for approval.</p> <p>A Working Strategy Document: Seed System Development Strategy, 2013-2017 has also been developed through a participatory process led by the ATA. The Strategy has recently been submitted for approval to the Council of Ministers.</p>
<p><i>Increase ability of the private sector to access markets by reducing barriers to competitiveness and increasing transparency if requirements</i></p>	<p>3. Establish a one-window service that assists agriculture investors</p>	<p>Following a recent Proclamation amendment the Ethiopian Investment Agency has established a 'one-window service' for all investors providing 28 steps of the registration process in house. The ATA Public-Private Partnership Unit is focused on improving the process for agricultural investors and therefore, has been helping the EIA transform into a world-class agency, including efficiency of the 'one-window service'.</p> <p>The Ethiopian Revenues and Customs Authority and Ministry of Trade have signed an agreement with the Investment Climate Facility for Africa to establish an electronic Single Window system to reduce export, import and transit procedures and the costs for clearing goods thereby making Ethiopia a more attractive investment opportunity.³⁷</p>

³⁶ Although over 20 firms are licensed to produce seed only the following are registered as members: three government farms (Bale State Farm, Awassa State Farm and Coffee Plantation), Ethiopian Seed Enterprise, Pioneer Hi-Bred Seeds Ethiopia and 10 local private seed companies.

³⁷ <http://www.erca.gov.et> and <http://allafrica.com/list/aans/post/af/cat/ethiopia/pubkey/publisher/editorial:00011352.html>

	4. Publish and disseminate business licensing procedures through local radio, internet and newspapers	<p>The Ministry of Trade’s, Registration and Licensing Directorate publicises business registration, licensing and renewal procedures using noticeboards. The Directorate is an intended beneficiary of the electronic Single Window that will develop on-line facilities for business registration, licencing and renewal. It is also planning to expand its Addis Office to relieve congestion and produce brochures in Amharic and English to help investors.</p>
	5. Implement policy measures, as necessary, that secure ownership and crop trading rights for commercial farms	<p>No progress to report at this time.</p>
	6. Commit not to impose export quotas on commercial farm output and processed goods	<p>Following the 2008 food price crisis, the government imposed an export ban for all cereals, including maize.³⁸ These were lifted in 2010 and re-introduced in 2011. The Government is currently reviewing the lifting of the export ban on cereals.</p> <p>The Government has removed quotas on commercial farm exports of raw cotton. There are no export quotas on finished products - textiles and leather - as Ethiopia has adopted an export-led development strategy based on manufactured/processed goods.</p>
	7. Refine, as necessary, policies regarding agrochemical importation that ensure consistent application of regulations to private sector distributors and commercial farms; and to generic chemicals and brand name chemicals	<p>Ethiopia regulates the importation of agrochemicals in the interest of public and environmental health. Once licensed, imported agro-chemicals are retailed by small, medium and large-scale traders.</p> <p>Ethiopia has required agro-chemicals are transported by licenced traders. This regulation has now been relaxed and some importers - including foreign investors - are authorised by the Ethiopian Shipping Lines and Logistics Enterprise and Ethiopian Revenues and Customs Authority to use their transporters of choice.</p>
	8. Refine, as necessary, regulatory framework to stimulate private sector engagement in livestock production, value chain development of animal products and health quality input delivery	<p>The Government has enacted two proclamations on live animal, and hides and skins marketing. Developed by the Ministry of Trade in association with private sector stakeholders the proclamations were formulated in the spirit of promoting the export trade, which necessitated streamlining the domestic trade. The degree to which this will be achieved will be determined by the details of regulations and directives that are being developed with different stakeholders.</p> <p>The MoA is also carrying out studies that it is expected will result in the development of draft proclamations on animal identification, movement and traceability; an animal health, welfare and notification system; and veterinary services and veterinary professionals and para-professionals.</p>

³⁸ The export ban on teff has been in place since the time of the Emperor

	<p>9. Support an independent study of the impact to date of the Ethiopia Commodity Exchange</p>	<p>IFPRI/ESSP has been contracted to carry out the study in a phased approach that will start with a review of the coffee sector.³⁹ New York University is also undertaking a comparative review of domestic and international coffee prices supported by the Exchange. Following these studies, IFPRI will undertake a wider review of the impact of the Exchange on the welfare of small producers.</p>
<p>Strengthen land use rights to stimulate investment in agriculture</p>	<p>10. Extend land certification to all rural land holders, initially focusing on Agricultural Growth Program (AGP) districts (<i>woredas</i>)</p>	<p>While not specific to the New Alliance, ‘first-level’ landholding certificates⁴⁰ have been issued to an estimated 98 per cent of rural households in the four regions of Amhara, Oromiya, SNNPR and Tigray. More specific to the New Alliance, second-level landholding certification⁴¹ was started in 8 <i>woredas</i> in each of Amhara, Oromia, SNNPR and Tigray and the MoA, regions and donors are working closely to extend to all AGP <i>woredas</i>. Work has also started on the development of a legal framework for land-rights in pastoral/agro-pastoral areas.</p> <p>A review of the implementation of land laws and regulations land certification has encouraged smallholder investment in land rehabilitation and tree planting and increased gender equality.</p> <p>The Rural Land Administration and Utilization Directorate is being strengthened and a Land Administration Taskforce established in the State Ministry for Sustainable Land Management.</p> <p>The MoA together with USAID, DFID and the German Federal Ministry for Economic Cooperation and Development (BMZ) established a Land Administration Group in December 2013 with the purpose to improve land tenure security through a strengthened coordination among land partners. The partnership is based on the FAO Voluntary Guidelines (see Policy Commitment #13)</p>
	<p>11. Refine land law, if necessary, to encourage long-term land leasing and strengthen contract enforcement for commercial farms</p>	<p>The Government issued a federal proclamation on land administration (456/2005) and launched the Ethiopia Agency for Large-scale Agriculture Investment and Land Administration. Based on the proclamation, Amhara, Oromiya, SNNPR and Tigray Regions developed region proclamations. Afar, Gambella and Somali Regions have also issued regional land laws in 2014.⁴² Recent guidelines also provide guidance on the size of plots and monitoring.</p>

³⁹ The study is modelled on IFPRI’s teff study

⁴⁰ The Federal Rural Land Administration and Land Use Proclamation No. 456/2005 reaffirms ownership of rural land to the State but it confers indefinite tenure rights; provides for the registration and certification of land use rights; provides for land succession and leasing; bans further land redistribution, except under special circumstances; and provides for the preparation and implementation of land use plans and the establishment of land administration and use information system. The actual process of securing land tenure in Ethiopia is through land registration and titling. The land registration and certification process in Ethiopia has followed two steps: First-level certification which involves the identification, adjudication and registration of land holding rights at the local (Kebele) level without the surveying of land parcels, the issuing of certificates at Woreda level and the computerization of land registration records; Second-level registration which involves the surveying of land parcels. First level rural land holding certificates have been issued by the four regional states.

⁴¹ Unlike the first level, second level certification is more sophisticated and the process slower as it covers all land – cropping, grazing land and forests – for both small and large farms. Progress depends on woreda capacity and resource availability.

⁴² A collection land related proclamations and regulations can be found in <http://www.moa.gov.et/web/pages/proclamationland>

		Land law studies are currently supporting Amhara, Oromia and SNNPR review land administration proclamations. A Surveying Regulation has also been drafted and submitted to the Council of Ministers.
	12. Develop a land use planning framework for highland and lowland regions of Gambella and Benishangul, which will result in sustainable land use as well as improved service delivery and viable livelihoods	A Land Use Case Team has been established in the Land Administration and Utilization Directorate, State Ministry for Sustainable Land Management and regions have received training on local level participatory land use planning. The European Union's (EU) Global Climate Change Alliance is also piloting sustainable land use management in Gambella and Benishangul Gumuz under the SLMP. A forest case team has been established in the Ministry of Environment and Forests (MoEF) with the support of the EU to scale-up the Participatory Forest Management project (PFM) in support of improved forest management. PFM guidelines have been developed for 4 regions - Amhara, Benishangul Gumuz, Oromia and SNNPR and a total of 237,852 hectares are managed by community based institutions.
	13. Further develop and implement guidelines of corporate responsibility for land tenure and responsible agriculture investment	In 2011 the Government adopted the Social and Environmental Code of Practice for Agricultural Investment. ⁴³ The Government has however not yet formally adopted the FAO Guidelines. ⁴⁴ The EU through Germany (BMZ) and Italy (with FAO) is however proposing to assist the Ethiopian Land Investment Agency implement the Voluntary Guidelines.
Increase the availability of credit to the agricultural sector	14. Enable financial institutions to support smallholder farmers and agribusiness (e.g. warehouse receipts, out-grower contracts, machinery leasing, etc.)	Banks including New Alliance LOI signatories ⁴⁵ are required to purchase Treasury bonds to the value of 27 per cent per cent of all loans, resulting in liquidity challenges. Some have entered into co-financing arrangements with development partners in order to ease lending requirements for smallholder farmers and agro-processing initiatives. The New Alliance in Ethiopia recognises the importance of improved smallholders' access to finance through such innovations as the warehouse receipt system. The ECX is the sole institution to implement warehouse receipt system ⁴⁶ although the ATA and USAID's AGP-AMDe were piloting a community-level system in selected <i>woredas</i> in the four main regions. ⁴⁷ USAID's AGP-AMDe project has prepared a good practice Policy Brief. Diageo and ACOS Ethiopia PLC are also pioneering contract farming arrangements.

⁴³ A comparison of the Government Code of Practice and the FAO Voluntary Guidelines shows some commonality and differences. Both are 'voluntary'. The Government's code of practice - based on a review of international best practice - however states that although the codes are not legally binding that other environmental laws and regulations to which they refer are. The Government's code of practice also classifies social and environmental compliance into three - gold (maximum), silver (medium) and bronze (minimum). Investors are required to meet the bronze level. The FAO Guideline places significant emphasis on humanitarian principles

⁴⁴ Food and Agriculture Organisation, 2012 'Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security'. Viale delle Terme di Caracalla, 00153 Rome, Italy

⁴⁵ Bank of Abyssinia and Zemen Bank

⁴⁶ Federal Democratic Republic of Ethiopia, 2007 'Ethiopia Commodity Exchange Proclamation No. 550/2007'. *Negarit Gazette* 13th Year No. 61, Addis Ababa

⁴⁷ *Ibid*, 2003 'Proclamation No. 372/2003 *Negarit Gazette* 10th Year No.2' This proclamation provides the legal framework for warehouse receipt system. The Ministry of Trade together with the MoA and Commercial Bank of Ethiopia launched a pilot project that has helped establish in-house expertise. The pilot was however aborted

	<p>15. Strengthen credit bureau system to improve access to financial information</p>	<p>The National Bank of Ethiopia established a computerised Credit Bureau System to support the Credit Reference Bureau which assists member banks provide, update and correct credit information electronically.⁴⁸ Through the Bureau borrowers or guarantors may obtain credit formation once a year free of charge or when banks process applications. At other times this information can be obtained for a fee.</p>
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⁴⁸ National Bank of Ethiopia, 2012 'Directives of the Establishment and Operation of Credit Reference Bureau'. Directive Number CRB/01/2012. Addis Ababa

Table 1 confirms the progress made by the Government to policy reform. Within the reform process progress on three policy commitments is particularly impressive and is detailed here:

Increase private sector participation in seed development, multiplication and distribution- policy commitments 1 and 2: as mentioned, the Seed Proclamation has been followed by a Seed System Development Strategy that was developed with stakeholder involvement. It has recently been submitted to the Council of Ministers for review. As a result of this progress, there are new opportunities to market seed including direct seed marketing (see Box 1) and Farmers Service Centres. With regards to the latter, six Farmer Service Centres have been established including the Ambo Farmers Service Centre that was visited by the Progress Review team. Funded by USAID through the Commercial Farm Support Programme (CFSP),⁴⁹ the Farmers Service Centres are a pilot approach for the private sector delivery of seeds, tools and veterinary inputs.

Text Box 1: Direct Seed Marketing (DSM)

In 2011 the Integrated Seed Sector Development programme launched a direct seed marketing initiative in two *woredas* of Amhara Region. This initiative has subsequently been scaled-up to 33 *woredas* in Amhara, Oromia and SNNP Regions.

Under the initiative, 15 seed producers - four public, two cooperative unions and nine private companies market hybrid maize varieties through primary cooperatives, seed producers and private agri-stores which are re- paid on a commission basis.

A review carried out by the MoA and ATA confirmed that DSM had many advantages including: timeliness, increased accountability, improved choice of varieties, reduced burden for government Development Agents and *woreda* staff, reduced distribution costs and increased up-take of certified seed.

The MoA and ATA are working with implementing partners to scale-up to 65 *woredas*.

- **Establish a one-window service that assists agriculture investors: domestic and foreign - small, medium and larger enterprises – policy commitment 3:** the establishment of a one-window service is progressing well and by January 2014 the Ethiopia Investment Agency (EIA) was providing 28 investment services. The Agency is being assisted by the ATA's Public-Private Partnership Unit and has recently completed a diagnostic to help establish the EIA as a world-class service provider for investors to Ethiopia.⁵⁰ Similar efforts are also being made through a collaborative arrangement between the Ethiopia Revenues and Customs Authority, the MoT and the Investment Climate Facility for Africa, to establish an electronic Single Window (eSW) system which will facilitate international trade by reducing export, import and transit procedures, and reducing the time and costs for clearing goods. The system is seen as helping to make the country's businesses more competitive, attract investment opportunities and stimulate the country's economic development.⁵¹
- **Extending land certification to all rural landholders, initially focussing on Agriculture Growth Programme woredas - policy commitment 10:** the Government has issued first-level landholding certificates to 98 per cent of rural households in the four main regions of Amhara, Oromiya, SNNPR and Tigray. In 2014 a start has been made to issuing second-level land certificates in eight *woredas* in each

⁴⁹ The main goal of the CFSP is to improve smallholder productivity, food security and incomes through the development of sustainable, private-sector driven agricultural input supply and services <http://www.cfspethiopia.org/>

⁵⁰ Monitor, Deloitte, 2014 'Supporting the Ethiopian Investment Agency to become a World Class One-Stop Shop for Investors. Final Engagement Report: Roadmap for Transformation. Commissioned by the ATA April 2014

⁵¹ <http://www.erca.gov.et> and <http://allafrica.com/list/aans/post/af/cat/ethiopia/pubkey/publisher/editorial:00011352.html>

of the same regions, making a total of 32 *woredas*. The process of issuing second-level certificates is much more detailed than first-level, as all land is included. Ethiopia's second-level certification process is informed by a review and alignment of federal laws with international best practices and other international obligations.

Through the review process, the review team has identified the following issues related to policy commitments.

- **Ownership:** there appears to be a general lack of awareness about the objectives - and in some cases the existence - of the New Alliance across government agencies in particular the MoT but also rather surprisingly, at relatively senior levels within some MoA directorates. This lack of awareness suggests a lack of ownership and commitment within parts of government.
- **Capacity:** it is well understood that policy reform is time consuming and requires resources and capacity, especially when related regulations and directives are rolled-out from the federal-level to the regions, zones and *woredas*. The Policy and Planning Directorate (PPD) faces staffing and capacity constraints and has recently reached out to the ATA to second staff. While this is a useful first step, considerably more will need to be done in the coming years to establish a strong PPD that is able to lead on policy related processes.
- **The PSDTF:** as outlined the PSDTF was mandated by the RED&FS to coordinate the New Alliance in Ethiopia. In the PSDTF's inaugural meeting eight of 15 policy commitments were prioritized and teams designated and lead agencies appointed to establish milestone maps. Contact with representatives of each of the teams would appear to confirm that with the exception of the Policy Commitment #8 team (Livestock), the teams did not meet on a regular basis.

The PSDTF has also taken on other responsibilities and its 2014 annual plan includes seven out of 14 planned activities that are not directly related to the Cooperation Framework. While these non G-8 related activities may strengthen agriculture marketing and contribute to the overall aim of the New Alliance, the PSDTF could have done more to meet regularly, agree tasks, and review and report on progress. The PSDTF could also have done more to establish and promote regular, inclusive stakeholder meetings in order to help generate interest and align support and commitment behind the New Alliance.

- **Attribution:** the government is making real progress on a number of the New Alliance policy commitments. However, it appears not all progress can be attributed to the New Alliance as a number of these policy processes⁵² pre-date the New Alliance. In these cases, the New Alliance has however served to help sharpen and accelerated policy gains.
- **Evidence-base:** the 15 policy commitments do not appear to be informed by or aligned with the Government's priority poverty reduction and under-nutrition commitments. As a result, it is difficult to predict how they will contribute significantly to the New Alliance vision for Ethiopia. In order to be able to claim attribution, the New Alliance will need to establish a credible and robust monitoring and review system that will generate evidence-based reports that will help inform policy and strategy processes.

⁵² For example, seed and land-related

4.2.2 Development Partner Investment Commitments

This sub-section of the report details progress made by G-8 development partners to align investments.⁵³

As outlined in the Cooperation Framework, G-8 commitments in support of CAADP and the Cooperation Framework in Ethiopia were expressed in a ‘flexible manner’. These commitments together with projected disbursements to May 2014, two years after the launch, and estimated disbursements against commitments are presented in Table 2 below. As can be seen, the information provided by the development partners against their commitments suggests mixed progress. The ATA is however undertaking a PIF fiduciary review of development partner investment that will provide the MoA and development partners with a detailed analysis of disbursements - including by sector - before the end of the year.⁵⁴

Table 2: Summary of commitments and disbursements (USD millions)⁵⁵

G-8 Partner	Total G-8 commitments 2012-2015	Projected Disbursement 2012-2014	Disbursement to date	Per cent disbursed against committed to April 2014
Canada	98	75	94.7	126.5
France	100	40	1.0	2.5
Germany	66	65.8	41.2	62
Italy	52	13.95	1.7	9
Japan	88	44	117.5	267
Russia	51	?	?	?
United Kingdom	281	178	101	56
United States	458*	463	376.2	81
European Union	321	245	199	81
Total	1'365	1,124.75	932.3	82.8

Source: Cooperation Framework and review team updates

* USAID: commitments to April 2014. Includes USD 310 for Productive Safety Net Programme
The colour ranking was proposed in the workshop and has been adopted by the review team. The colours represent good disbursement progress, some disbursement progress or little disbursement progress to-date.

In general, the review team found that G-8 members align development investment to government agriculture sector priorities, and that alignment has been greatly facilitated by the establishment of the RED&FS and its support for the PIF. The PIF Annual Review process was also cited by development partners as helping to increase donor awareness of the importance of alignment through the PIF.

Good examples are available to show how the RED&FS has aligned all development partners behind the PIF since 2008. Although the process pre-dates the New Alliance, G-8 partners confirmed that progress made by government on its policy commitments has provided a momentum to fast-track its programmes. Examples include:

- **Department for International Development (DFID):** as a result of the progress being made in land administration reform, DFID reports that its Land Investment for Transformation (LIFT) project is progressing well with second-level land certification in 140 *woredas*.
- **French Agency for Development (AFD):** has supported a feasibility study for the re-location of Addis Ababa’s main abattoir at *Kera* to develop a new, modern slaughter house to the south of the capital.

⁵³ Canada, France, Germany, Italy, Japan, Russia, United Kingdom and the United States with the European Union in attendance

⁵⁴ It is however not expected that the review findings will be available for the 3rd PIF Retreat scheduled for June, 2014

⁵⁵ The table is incomplete as the review team were unable to source and verify the data

The project is perceived by AFD to be at the nexus of the agricultural and urban development sectors and therefore complements other AFD related urban planning, solid waste management and the pilot Bus Rapid Transit System.

- **German Development Cooperation (BMZ):** is aligned to the PIF with a particular focus on supporting the Sustainable Land Management Programme (SLMP) and the New Alliance's policy commitment to strengthening land rights. BMZ is also offering support to the recently established Land Investment Agency and will support a drought resilience initiative in the pastoral areas that will include a land-tenure component. BMZ is also contributing to a new capacity building project in the seed sector.
- **Italian Development Cooperation (IDC):** is currently facilitating contract farming arrangements between smallholders through the cooperatives and agro-processors to improve the quality of durum wheat, pulses and natural forest coffee, and access new and more profitable markets. Through IDC's work, supply contracts have been signed between 5 cooperative unions and 27 farmers' cooperatives in Bale Zone, Oromia Region. Under the durum wheat programme, IDC has linked cooperatives to the Ethiopian pasta factories including the Dire Dawa Food Complex and Kaliti Food SC, while under the pulses work IDC has linked farmers' cooperatives with ACOS Ethiopia PLC and part of the Pedon Group (based in Italy) to access international markets. The pulses programme includes an insurance component that will reimburse ACOS the cost of seed provided to the farmers and the smallholders in case of crop failure. In both cases, partners have agreed to ensure that they follow principles of economic and environmental sustainability.
- **Japan International Cooperation Agency (JICA):** work in Ethiopia is formulated under four pillars that mirror the PIF's Strategic Objectives: agricultural productivity improvement, rural commercialisation, natural resource management, and disaster risk management and food security. Under its agriculture productivity initiative JICA is implementing a 'Quality Seed Implementation Project' which has benefited from the progress made under Policy Commitments 1 and 2. JICA also recognises its interventions should not be limited to the public sector as the sector is unable to meet smallholder farmer demand for seed.
- **United States Agency for International Development (USAID):** with the US Government's Feed the Future Initiative, USAID is supporting the New Alliance through the Agribusiness and Market Development Component of the Agricultural Growth Program and second-level land administration. It is also supporting several LOIs, including: DuPont Pioneer under a joint agreement with MOA and ATA; GUTS Agro Industries on the development of its chick-pea snack products; and the Abyssinia and Zemen Banks with loan guarantees for agriculture finance. It also provides support to the ATA.
- **European Union (EU):** under the 10th European Development Fund (EDF) the EU is supporting the PIF with programs under each of the four pillars and to each of the State Ministries. For example, under the newly formed State Ministry for Livestock Sector Development, the EU is supporting the Livestock Value-Chain – Public-Private Partnership (LVC-PPP) programme which seeks to add value to livestock commodity production chains by the integration of improved animal health, advisory and regulatory services. This work is linked to Policy Commitment #8.

Through the review process, the review team identified three issues related to development partner investments.

- **Ownership:** it would appear that not all G-8 development partners are not well informed about the New Alliance and therefore that not all can provide accurate and timely information up-dates on disbursements against commitments.

One or two G-8 members also appeared to question the real value of the New Alliance, pointing out that it had generated a lot of negative press and that in contrast to some countries in Africa, Ethiopia has a robust CAADP/ PIF process and is already a lead Grow Africa country and is therefore already committed to working with the agriculture sector private companies.

- **New Alliance Platform:** some development partners expressed the view that the PSDTF could have played a more active to support a more active and inclusive New Alliance stakeholder platform and that in particular it was a matter of some concern that it had largely failed to engage the Ministry of Trade. As a result, some development partner expressed the view that opportunities to support the development of the Livestock Proclamation and coordinate and harmonise the proclamation with similar livestock protocols in neighbouring had been lost. Mention was also made that the PSDTF had yet to secure the support of a nutrition institution and therefore establish a truly representative stakeholder platform.
- **Trust Fund:** development partners also offered the view that the PSDTF might establish a small trust fund to help its work in supporting on-going policy reform.

4.2.3 Private Sector Investment Commitments

This sub-section of the report details progress made by the private sector in 2013 in Ethiopia. The review team has drawn extensively on Grow Africa’s 2nd Annual Progress Report (2013-2014) and has been assisted by the ATA. To date, 16 private sector companies have signed LOI which outline their investment plans - an increase of two companies since the May 2012 launch of the New Alliance in Ethiopia. Grow Africa’s 2nd Annual Report presents aggregated information⁵⁶ on investment progress together with company-by-company highlights (see Status on the LOI below). It is reported that these 16 private sector companies generated US\$29 million of new investment in 2013 of which \$26 million was invested in capital projects and US\$3 million used for operating costs. The investment reportedly generated more than 1,000 jobs and 174,000 smallholders were provided with assistance (see Table 3). Of the jobs created and smallholders reached, Grow Africa estimates women accounted for 25 per cent of the respective totals. Note that all LOI data including investments made, smallholders reached, and jobs created through LOIs were self-reported to Grow Africa by the LOI companies.

Table 3: Numbers of smallholders reached in 2013

Number	Type of support
52,320	With services
11,760	With sourcing
11,760	With production
3,735	With training
98,002	Unspecified

The Grow Africa report provides details of the investment plans of the 16 companies during 2013. Highlights from the report include: ‘Heineken and Diageo report they are working with an increasing numbers of farmers and farmer cooperatives (primary cooperatives and cooperative unions) to increase the quality and quantity of malting barley. GUTS Agro Industry has secured a contract with the World Food Programme (WFP) to supply processed chickpeas as a supplementary food, while the ATA has carried out soil analysis and developed a framework for fertiliser blending across the country’ (Grow Africa, 2014). Detailed information from each of the 16 companies as presented by Grow Africa in its 2nd Annual Report is shown in Table 4 below.

⁵⁶ The Grow Africa report states that this is done ‘in order to protect commercial sensitivities and act as a neutral conduit for conveying feedback’. At this point, disaggregated information is not available to the PSDTF

Table 4: Status of Letters of Intent – 2013 in Review⁵⁷

In 2013, 1 company directed a Letter of Intent to Ethiopia, (with 1 more reporting progress under a Letter of Intent which makes reference to working in the country).

Goals	Year One Progress
<p>Heineken: increase agricultural production capacity and limit the dependence on imported malt barley</p>	<ul style="list-style-type: none"> ▪ Government, NGO and local MFI partners identified; Partnership Agreements created ▪ High-yielding barley varieties introduced, tested and registered by the Ethiopian authorities ▪ Multiplication of new Heineken seed varieties underway, including on-farm demonstrations ▪ Around 1,600 farmers reached with initial training and support in the form of finance and inputs ▪ Cooperative and nucleus farmer out-grower models established
<p>Swiss Re: develop micro-insurance solutions to agricultural risks by in-kind investment to support development of sustainable agri-risk management markets</p>	<ul style="list-style-type: none"> ▪ Partnerships forged with donors, businesses and governments for advancement of agri-risk transfer markets through International Finance Corporation- funded projects ▪ Held local trainings and awareness-raising events ▪ At pan-African level, 300,000 smallholders reached

In 2012, 14 companies directed Letters of Intent to Ethiopia.

Goals	Year Two Progress
<p>AGCO: Support capacity building on agronomy, agriculture intensification and mechanisation, by:</p> <ol style="list-style-type: none"> 1. Establish a demonstration farm for large and small-scale farmers, students and schoolchildren 2. Provide infrastructure and mechanisation, storage and livestock system support and including after-sales services 3. Offer finance solutions and develop leasing models for tractor supply to small-scale farmers with little capital 	<ul style="list-style-type: none"> ▪ Conducted several field trips ▪ Collaborating with the Kulumsa Technical Training Center (with German Ministry of Agriculture and the GoE as partners) ▪ Conducted meetings and discussions with ATA, USAID and other institutions on joint initiatives ▪ Exploring for projects with domestic partners

Goals	Year Two Progress
<p>Diageo: contribute to a scalable barley value-chain project with a potential to sourcing of 20,000 tonnes from 6,000 smallholders by 2016 for local use and export</p>	<ul style="list-style-type: none"> ▪ In partnership with the ATA, NGOs and farmers' cooperatives advanced the implementation of scalable barley value chain project in Sebeta ▪ Conducted market research, field visits and regional coordination workshop ▪ Scaled up operations by nearly 50per cent to reach around 1,100 smallholders, sourcing from around 550 ha using improved technologies ; plans exist to scale up to reach 6,000-8,000 smallholders in 2014 ▪ Completed strategic alignment for next 5 years; committed to invest \$1.5 million (2012-2016), aiming to attract additional processing and off-take investments, partners and funding
<p>DuPont: contribute to increased productivity by:</p> <ol style="list-style-type: none"> 1. Investing in a new seed warehouse/conditioning plant 2. Co-developing a rapid soil information system for farmers 3. Partnering to improve smallholder maize productivity through increased hybrid adoption 	<ul style="list-style-type: none"> ▪ New seed warehouse/conditioning plant completed and operational ▪ Soil Testing Programme cancelled ▪ Multi-partner Advanced Maize Seed Adoption Program (AMSAP) launched: steering committee formed, manager hired, 320 lead farmers identified, 20 farmer agro-dealers selected and trained, and 775 persons (including extension workers and farmers) trained ▪ Conducted multiple field visits to align stakeholders, and working with partners to scale up to reach 75,000 smallholders
<p>GUTS Agro Industry: Expanding food processing operations, by:</p> <ol style="list-style-type: none"> 1. Expanding food processing operations into baby foods, iodised salt, and corn-soy blends 2. Integrating further up the value chain in chickpeas 3. Increasing local sourcing of maize, soybeans and chickpeas by 40-50,000 tonnes. 	<ul style="list-style-type: none"> ▪ Reached 10,000 smallholders through 3 cooperative unions. i Signed MoU with WFP for production of chickpea-based ready-to-use supplementary food for a WFP Ethiopia, GoE, USAID and PepsiCo project ▪ Grant agreement with USAID (ACDI/VOCA) for production of chickpea-based product

⁵⁷ The information present is taken from the Grow Africa's Second Annual Report (2013-2014); all LOI data including investments made, smallholders reached, and jobs created through LOIs were self-reported to Grow Africa by the LOI companies.

Goals	Year Two Progress
<p>Hilina: food enrichment to improve the daily income and nutritional status of smallholders, by:</p> <ol style="list-style-type: none"> 1. Expanding agreements with smallholders who (through cooperative unions) supply chickpeas, unshelled and shelled peanuts, and soybeans 2. Introducing commercially-viable nutritionally-rich products 3. Developing industry/university links to make improved technologies available to farmers 4. Increasing local sourcing of cereals and legumes from 32,500 tonnes to 50,000 tonnes by 2015 	<ul style="list-style-type: none"> Construction of a National Agrifood Laboratory almost complete. The laboratory will help fill R&D gaps and address quality issues to enable improved products to meet international standards and fetch better prices for smallholder farmers Expanding operations in agro-processing and exploring regional trade opportunities
<p>Jain Irrigation: contribute to developing irrigation and agriculture sector infrastructure by:</p> <ol style="list-style-type: none"> 1. Developing an integrated agricultural cluster in an area identified as suitable 2. Adopting modern technology in irrigation, agronomic practices, harvesting, supply-chain management and produce processing 	<ul style="list-style-type: none"> Partnering with METEC Metals and Fabrication Industry to produce irrigation technology and scale up initiatives for developing irrigation and infrastructure
<p>Mullege: scale-up coffee operations and catalyse investment in other value chains by:</p> <ol style="list-style-type: none"> 1. Increasing local sourcing of coffee, oilseeds and pulses 2. Extending partnerships with local/international companies 3. Directly impacting 90,000 smallholders by 2015 	<ul style="list-style-type: none"> An initial investment of \$2 million made on the project, with plans to raise this to \$5 million in the next 3 years Processing area (for product drying and seedling preparation) expanded and living quarters for additional workforce constructed

Goals	Year Two Progress
<p>Netafim: contribute to advancing irrigation systems for smallholders piloting a household irrigation system, targeting 40- 50,000 smallholders over 5 years; 2. introducing large-scale drip irrigation projects in chickpea and/or sugarcane, in partnership with other companies working along the value chain; and 3. exploring 3 export-oriented projects in cooperation with local company partners in the coffee and banana value chains.</p>	<ul style="list-style-type: none"> Completed pilot project in household irrigation based on family drip system Collaborating with local partners on export-oriented projects, mainly in sugarcane, coffee and banana value chains
<p>Omega Farms: contribute to enhanced chickpea adoption by:</p> <ol style="list-style-type: none"> 1. Sharing improved chickpea production trial results with interested smallholders 2. Expanding commercial chickpea farm activities that create linkages with smallholder out-growers 3. Exploring opportunities to partner with other investors to integrate chickpea into processing activities (e.g. a plant to produce chickpea powder and hummus) 	<ul style="list-style-type: none"> Committed to exploring opportunities to partner with other investors to integrate chickpea into processing activities.
<p>Syngenta: Launch productivity partnerships providing advice, knowledge transfer, and solutions to farmers by:</p> <ol style="list-style-type: none"> 1. Developing at least one value-chain partnership 2. Partnering with at least one large-scale farm to support development of specific crops 3. Bringing in new technology, such as seed varieties 4. Investing in farmer training 	<ul style="list-style-type: none"> Expanding partnership with Fair Planet to commercialise vegetable seeds and train smallholders; conducted several field visits Value-chain partnership on chickpeas cancelled due to low priority for ATA Conducted initial trials for tomato and planning to improve market connectivity in 2014; demonstrated 600per cent yield increases compared to Ethiopian average Partnering with several large-scale farms (Saudi Star, SMP, Karaturi, Ruchi, and Jittu) to provide know-how, genetics and inputs, reaching 9,300 ha Reached 44,000 smallholders through improved biotechnologies

Goals

Year Two Progress

<p>United Phosphorus (UPL)/ Advanta: Contribute to improving productivity and income of smallholders with interest in corn, sorghum, sunflower, canola, rice, cotton, forages, legumes and vegetables through technology transfer via on-farm training schools (3,000 trainees planned in 1st year) and by acting as key input and knowledge partner to large farms</p>	<ul style="list-style-type: none"> ▪ Partnering with the International Fertilizer Development Center (IFDC) ▪ Conducting large-scale demonstrations of new sorghum seed technologies, which are better yielders and would improve productivity and farm incomes
<p>Yara: Build plant nutrition knowledge and co-develop national fertiliser market by:</p> <ol style="list-style-type: none"> 1. Developing an integrated approach to horticulture and coffee value-chain initiatives 2. Creating a tailored agronomic package (of people, tools and services) to support national priorities 3. Fast-tracking business investment programme to link trade and distributor model aligned to specific crops 4. Providing technical support to plant nutrition development capacity 	<ul style="list-style-type: none"> ▪ Invested more than \$60 million to date in developing a potash project in Dallol ▪ Undertook technical missions in consultation with the ATA and other stakeholders, especially in the coffee and horticulture sectors ▪ Supported introduction of water-soluble technology for horticulture ▪ Contributed to GoE's National Fertiliser Blending Programme as a discussion partner; continuing to sell commodities under the national tender system ▪ Supported national soil survey through soil sample analysis in coordination with the ATA

Goals Year 2 – No progress reported

Bank of Abyssinia: Contributes (along with Zemen Bank) to improved financial inclusion and mechanisation of agribusinesses by targeting lending facilities to agricultural equipment suppliers and leasing companies, in order to enable farmers to acquire necessary equipment and enhance farming yields.

Zemen Bank: Contributes (along with the Bank of Abyssinia) to improved financial inclusion and mechanisation of agribusinesses by targeting lending facilities to agricultural equipment suppliers and leasing companies, in order to enable farmers to acquire necessary equipment and enhance farming yields.

While the stated levels of investment are impressive, several companies confirmed that investment was part of longer-term, corporate commitments to expand their market share in Ethiopia, and therefore pre-dated the New Alliance. This would suggest that not all the investment progress that is reported by Grow Africa can be attributed to the New Alliance. Furthermore, the ATA confirms that the agriculture sector is continuing to attract additional bi-lateral investment that is independent of the New Alliance and does not involve LOI.

Grow Africa (2014) also summarised constraints expressed by private sector companies that if addressed, would 'strengthen Ethiopia's business enabling environment and encourage private sector companies to unlock further investment'.

- **Shortage of last-mile infrastructure:** although Ethiopia is currently advancing key infrastructure projects, this is often inaccessible to smallholders. Rural feeder roads are poor, limiting access to markets. Ethiopia's high reliance on rain-fed agriculture means improved irrigation capacity for smallholders could greatly enhance their productivity. Limited storage in turn means that crops need to be sold quickly to avoid wastage.
- **Protectionist trade policies:** certain protectionist trade policies present constraints to domestic and international companies alike. Specifically, financial regulations limit access to foreign exchange, while national fertiliser regulations hinder the import of fertiliser for commercial development.
- **Limited partnership support for domestic companies:** Pre-competitive challenges remain a significant barrier to investment and growth. Only with greater support from catalytic partners such as donor organisations, MFIs and NGOs can companies transform value chains to a point of commercial viability and self-sustaining growth. These problems are particularly acute for domestic companies. The ATA has played a vital role on convening such partnerships, but mostly for ambitious projects involving multinationals. Domestic companies would welcome greater engagement with the ATA in facilitating the partnerships and support that could unlock their business growth.

Grow Africa also reported that some of the 16 private companies did not proceed with their plans as anticipated and 'expressed frustration that as their investments were not directly aligned to ATA priorities they did not receive the support needed to forge partnerships and overcome constraints'. Grow Africa suggests that 'constructively, the ATA recognised this high demand for support to companies and has accordingly established a dedicated Public-Private Partnerships (PPP) Management Unit within the ATA to fill this gap' (Grow Africa, 2014). While confirming its intention to provide increased support to private sector companies, the ATA describes the primary purpose of the PPP is 'to create an enabling environment to generate international and national investment in the agro-processing sector with a view to add value to Ethiopian smallholder farmer production'. This is reflected in the 'forward look' section of Grow Africa's report where it presents investment opportunities 'identified by the ATA' (Grow Africa, 2014). As can be seen, the three examples have strong production and processing, or export dimensions.

- **Import substitution opening for malt barley production:** the Ethiopian malt barley market is fast-growing at 15-20 per cent per year, driven by corresponding growth in beer consumption of approximately 20 per cent p.a. Demand for malt barley is expected to grow from 58,000 tonnes in 2011 to 133,000 tonnes in 2016, while competition is limited and unable to offer a high-quality product. Brewers are importing 60 per cent of their malt requirements, creating attractive prospects for investment in domestic production of high-quality malt barley.
- **Teff processing offers as-yet untapped export possibilities:** *teff* is an indigenous gluten-free crop of Ethiopia with unparalleled nutritional value. Ethiopia would serve as an ideal base to create retail products for developed markets, such as Europe and the US. *Teff* goods have taken off in niche bakeries throughout these regions but have not yet been marketed at scale, providing a great first-mover advantage. Major product possibilities include bread, biscuits and snacks.

- **Growth market investment scope in priority-accorded maize value chain:** maize production has been growing at around 10per cent over the last 10 years, with all maize in Ethiopia currently non-GMO. Increasing urbanisation and income levels have led to a significant demand for corn snacks and corn flakes. Ethiopia imports over 50per cent of its current corn flakes consumption. This is expected to rise even further, based on an increase in annual demand of approximately 30per cent over the last eight years. Competition is low with the market served by only one domestic player and highly-priced imports. In addition, given the crop’s acknowledged status as a priority value chain for the purposes of the national Growth and Transformation Plan, there is also a considerable government focus on promoting and facilitating investments in maize production and processing.

Through the review process, the review team has identified three issues related to private sector investment:

- **Adopting a more African form:** the New Alliance in Ethiopia (and all member countries) relies on Grow Africa to aggregate progress reports on LOI in ‘in order to protect commercial sensitivities and act as a neutral conduit for conveying feedback’.⁵⁸ While this arrangement has worked well in the ‘development phase’, the dependence on Grow Africa is at variance with the New Alliance stated principles of a) operating in a spirit of mutual accountability - government, development partners and the private sector and b) moving to a more Africa form. As mentioned above, at some point it will be important for the New Alliance to become fully embedded within the CAADP/PIF review process in Ethiopia.
- **Letters of Intent:** the Cooperation Framework for Ethiopia outlines the purpose of LOI, to ‘advise, shape and participate in broad, inclusive and sustained private sector consultative mechanisms with the Government of Ethiopia’. Private sector companies in Ethiopia confirm the value of the New Alliance and LOI in providing a collective approach as an alternative to the previous bilateral engagement with policy makers. However, companies however expressed divergent views on what might be expected from ‘inclusive and sustained private sector consultative mechanisms’ and some have reverted to working bi-laterally with the ATA. This drift to a business-as-usual approach is underlined by the fact that new agri-business companies arriving in Ethiopia after the launch of the New Alliance are operating successfully without LOI through alternative bi-lateral arrangements facilitated by the ATA. This raises a question regarding the perceived long-term value of LOI.

Discussion with Ethiopian private sector companies also appears to confirm the view that by signing an LOI they would be eligible for grants and other forms of financial incentives and benefits. This lack of clarity has resulted in some frustration.

- **Alignment:** The government has made clear its interest in and commitment to attracting private sector investment to Ethiopia. However, it would also appear the government is particularly interested to attract private sector companies on the output and agro-processing side and that it is much less interested in attracting private sector investment on the input side (seeds, fertilizer and agro-chemicals). This view has not been well articulated by PSDTF with the result that there is still some confusion regarding government interests and commitments to private sector companies.

⁵⁸ *Grow Africa, 2014 ‘2nd Annual Report (2013-2014)’*

5. Private Sector Case Studies

5.1 Diageo – Ethiopia

Diageo, one of the world's leading premium drinks business, purchased Meta Abo Brewery - Ethiopia's second largest beer company in Ethiopia in early 2012. At the time of the acquisition, Diageo committed to invest in the people, brands, capacity and communities of Meta Abo Brewery. As a part of these broader commitments, the business began developing a program to source local raw materials in a commercially, environmentally sustainable manner that is socially inclusive. In 2012, Diageo launched a project with smallholder farmers in partnership with the Government of Ethiopia and NGO partners with the aim of sourcing 100per cent of agricultural raw materials in Ethiopia by 2017.

Diageo's pilot program in Ethiopia is a contract farming scheme with smallholders in two *woredas* in Oromia Region: Kersa Malima and Sodo Dachi, located near Sebeta, west of Addis Ababa. Through the scheme Diageo is building long-term relationships with small-holder farmers, primary cooperatives and the Melka Awash Farmers' Cooperative Union with a view to improve smallholder farmer production and productivity and ensure continued access to raw materials. A New Alliance partner in Ethiopia, Diageo is being assisted by the Ethiopian Agricultural Transformation Agency (ATA) and the Oromia Regional Bureau of Agriculture. Diageo also contracted an NGO⁵⁹ to provide farmer training in sustainable agriculture.

In the first year, the NGO made contract farming agreements with 760 farmers - 11per cent women-headed households – through which Diageo pre-financed inputs - seeds and fertilizer – that were distributed through 6 primary cooperatives. At harvest, Diageo offered farmers a market premium of up to 20 per cent - based on quality - to make growing malt barley more competitive. An AGRF review (Davies, 2013) reported as a result of inadequate communication with farmers, poor coordination of the stakeholders and poor harvest management only 50 per cent of the planned target of quality malt barley was delivered.

Following the review Diageo restructured and partnered with Technoserve. In the second year, Technoserve increased the number of contract farming agreements to more than 1,000 contract farmers - 9 per cent women-headed households - and provided training: cultivation, row-planting (the take-up rate remains low), plant protection, post-harvest handling and soil health - rotations that promote legumes to fix nitrogen and reduce the need for nitrogen-based fertilizer. Again, Diageo pre-paid inputs - seed and fertilizer - worth USD 95,000 that were distributed to farmers through the Melka Awash Farmers' Cooperative Union and 6 primary co-operatives, on a credit arrangement. At harvest, Diageo purchased 600mt malt barley from the Melka Awash Farmers' Cooperative Union. Farmers received USD 155,000 in cash for the barley delivered and paid 90 per cent of their input credit. Diageo appointed an independent company for quality control: 59 per cent of the barley delivered was classified as either Grade A or Grade A- (minus indicates discoloration due to waterlogging) with the remaining 41per cent Grade B or B-. Technoserve estimates yields averaged 2t/ha, well above the national average of 1.5t/ha.

The aggregation process - receiving, storing and transporting relatively small amounts of malt barley produced by individual farmers - is key to the long-term success of this contract farming arrangement and responsibility for this lies exclusively with the cooperative union and primary cooperatives. Diageo offers primary cooperatives a 13 per cent margin on its contract payments for this service.

A Progress Review field visit confirmed high levels of interest in the contract farming initiative at the Farmers' Cooperative Union, primary cooperative and farmer-level. For example, farmer reported that they valued:

⁵⁹ FARM Africa

improved access to inputs, the market premium, ease of marketing - the nearest primary cooperative - and prompt payment. Farmers informed the Review team that they had purchased assets including livestock.

Diageo demonstrates a strong commitment to learning and the development of the contract farming scheme including in partnership with Technoserve to: improve the availability of certified seed; increase the range of malting barley varieties including higher yielding 4 and 6 row varieties; offering soil testing in order farmer can make more efficacious use of fertilizers and plan crop rotations; reduce post-harvest losses through the adoption of improved technologies; and improve price setting through the agreement of farm-gate prices and premiums earlier in the growing season. Diageo has also expressed an interest in going beyond 'field level' monitoring and learning to include a better understanding of 'farmer wellbeing' - income, access to basic services and improved household nutrition - and capacity building for Melka Awash Farmers' Cooperative Union and primary cooperatives. These interests are in-line with the New Alliance's stated purpose: to assist 2.9 million Ethiopians emerge from poverty by 2022.

5.2 DuPont Pioneer

Pioneer arrived in Ethiopia in 1990 (then known as Pioneer Hybrid) and over the following 23 years has been involved in the promotion of hybrid maize seed. In 2001, the DuPont buy-out launched DuPont Pioneer in Ethiopia which is continuing to promote hybrid maize seed in Amhara, Oromia and SNNP Regions. DuPont Pioneer estimates it holds a 25 to 30 per cent of the hybrid seed market in Ethiopia.

Maize is not an indigenous cereal to Ethiopia and until relatively recently the area planted was under 1 million hectares. As a result of increased population pressure and declining land holdings, an increasing number of farmers are adopting maize to boost household productivity. For the last five year it is estimated that 8 million smallholders grow more than 2 million hectares of maize. In parts of SNNP Region early yielding varieties of maize are followed by other crops as part of a double-cropping system. The majority of farmers use open-pollinated, farmer-saved seed.

DuPont Pioneer secures pre and commercial hybrid plant material for adaption trials from its Eldoret and research stations and only after two years of National Yield Field Trials are proven hybrids released for commercial sale. The hybrids are first released to out-growers for bulking and finally for general release to farmers. Each planting season, DuPont Pioneer organises field days for farmers to learn about the agronomy associated with hybrid varieties and provides support throughout the planting season for individual farmers. DuPont Pioneer also provides capacity building for agronomists, cooperatives and famer organizations and builds relations with individual farmers. On training days it is underlined that in order to realise its potential, hybrid maize requires the recommended⁶⁰ application of fertilizer.

DuPont Pioneer signed a New Alliance LOI in May, 2013 to 'develop and scale a model to enhance the productivity of smallholder farmers in Ethiopia by increasing the use of hybrid seed as well as distribution of post-harvest storage in select districts of within the Government of Ethiopia's AGP. The signatories intend to launch a new initiative to this end, named the Ethiopia Advanced Maize Seed Adoption Programme (AMSAP) intended to benefit at least 35,000 smallholder farmers.⁶¹ Hence AMSAP was designed to increase maize production above levels associated with open-pollinated varieties.

⁶⁰ Hybrid maize requires twice the fertilizer amounts that open pollinated maize varieties use

⁶¹ Memorandum of Understanding: Ethiopia Advanced Maize Seed Adoption Program (AMSAP) between The Government of Ethiopia's Ministry of Agriculture, Government of Ethiopia's Agriculture Transformation Agency, E.I. du Pont de Nemours and Company and the U.S. Agency for International Development, January 2013

In the first year, AMSAP was introduced in 16 AGP *woredas* with 320 model and lead farmers. DuPont Pioneer provided hybrid seeds and on-farm input training, while USAID's Agribusiness Marketing Development coordinated the establishment of demonstration plots and conducted agronomic and post-harvest handling training for more than 4,000 farmers and extension workers.⁶²

Through the combined use of increased, recommended levels of fertilizer and improved management, average yields have been increased from 3.4 tonnes/ ha to 8 tonnes/ ha, an increase of more than 100 per cent. At the start of the second year, AMSAP established another 3,200 demonstration plots and expects each plot to expose 50 smallholder farmers to the benefits of planting hybrids. The adoption of hybrids by farmers who had not planted hybrids before AMSAP is showing impressive take-up rates and this is expected to continue throughout the period of implementation.

Over three years, the productivity of 35,000 maize smallholder farmers in 16 *woredas* in Amhara, Oromia and SNNP Regions is expected to increase by at least 50 per cent and post-harvest losses reduced by 30 per cent. This will be accomplished through: (i) the provision of hybrid seed to demonstration plots and field training sessions; (ii) the establishment of a network of farmer-dealers and the current cooperatives to provide high-quality inputs and agronomic advice; and (iii) the facilitation of credit and grants for the construction of seed and post-harvest storage facilities. It is also expected that the increased productivity will result in an increase in smallholder farmers' income of 20 per cent.

As part of its LOI commitment, DuPont Pioneer has invested USD 2 million in a seed plant as a result of which it has increased hybrid seed production from 4,000 tonnes in 2013 to 9,000 tonnes in 2014. DuPont Pioneer confirmed that at the end of the first week of May, 2014 that more than 70 per cent of 9,000 tonnes of hybrid seed had been sold to farmers.

DuPont Pioneer has identified a number of enabling environment related challenges: Government subsidised seed sales through the national and regional seed enterprises, shortage of access to irrigable land for seed bulking, absence of a focal seed department in the MoA, poor quality of seed testing laboratories and shortage of basic seed. DuPont Pioneer also recognised the value of the New Alliance and Seed Association in bringing about positive change in the sector.

⁶² USAID, undated 'Success Story, Ethiopia's Accelerated Maize Seed Adoption Programme'

6. Conclusions and Recommendations

In this section of the report, issues that have been identified through the review process are compiled and analysed, and recommendations are offered to assist further discussion and reflection within the New Alliance partnership in Ethiopia.

6.1 Africa-wide Progress and Issues

Section 2 of the report includes information on the New Alliance, member countries and key lessons that have been documented in the first two years of implementation across Africa. Key issues that were identified in the review process include on-going debates on the New Alliance's focus on commercialisation and a framing of agriculture modernization around high-yielding crops, inorganic fertilizer, irrigation and more use of agro-chemicals. Arguably, this fails to take into account the lessons of the Green Revolution in Asia in terms of environmental sustainability, and the need to safeguard Africa's land, water and bio-diversity resources. The New Alliance recognises these debates and has proposed more consultation with civil society, public engagement, and on-line communication.

Recommendations

In order to address these issues in Ethiopia, the PSDTF will need to move quickly to tackle perceived New Alliance short-comings, and the review team makes two recommendations:

- **Structured learning:** the New Alliance in Ethiopia is part of a pan-African initiative that is informed by a global vision to alleviate poverty and reduce food and nutrition insecurity. In Ethiopia the vision is to lift 2.9 million people out of poverty. Valuable food and nutrition security lessons have been learned in BRICS countries⁶³ that could potentially complement and help inform New Alliance thinking. For example, Brazil's Zero Hunger programme has halved the number of people living with hunger in five years, while lessons from India - both positive and negative - could help Ethiopia benefit from Green Revolution thinking while avoiding the more costly mistakes.

It is therefore recommended the New Alliance facilitate a series of exchange visits for Ethiopia's senior food and nutrition security researchers and key New Alliance leaders with these two countries. In addition, it is strongly recommended that the New Alliance platform commissions a study on the most cost effective ways of lifting people out of poverty and food and nutrition insecurity.

- **New Alliance platform:** the PSDTF has established a New Alliance platform, but the platform has yet to deliver levels of inclusivity that the New Alliance leadership recognise are required to carry forward the vision. Part of the vision is that the New Alliance is mainstreamed within Africa-wide agriculture sector processes, including CAADP.

It is recommended that the PSDTF establishes an inclusive platform that includes farmer and civil society organisations. In addition, it is recommended that the New Alliance platform operates within the RED&FS and related CAADP/PIF structures and that in this way it adopts a more African form. Once the New Alliance has been fully incorporated into the CAADP/ PIF annual review process, it will no longer be necessary to continue parallel New Alliance annual progress reviews.

⁶³ Brazil, Russia, India, China and South Africa, which are all deemed to be at a similar stage of newly advanced economic development

6.2 New Alliance in Ethiopia

Section 4 of the report presents an overview of Ethiopian agriculture and introduces the New Alliance in Ethiopia. The section also reviews the progress being made under the Ethiopia Cooperation Framework. The review section is structured around three components - Government policy commitments, development partner commitments, and private sector investment commitments.

6.2.1 Government Policy Commitments

Through the review process, the review team has identified the following issues related to policy commitments.

- **Ownership:** there appears to be a general lack of awareness about the objectives - and in some cases the existence - of the New Alliance across government agencies in particular the MoT and MoI but also rather surprisingly, at relatively senior levels within some MoA directorates. This lack of awareness suggests a lack of ownership and commitment within parts of government.
- **Capacity:** it is well understood that policy reform is time consuming and requires resources and capacity, especially when related regulations and directives are rolled out from the federal level to the regions, zones and *woredas*. The Policy and Planning Directorate (PPD) faces staffing and capacity constraints and has recently reached out to the ATA to second staff. While this is a useful first step, considerably more will need to be done in the coming years to establish a strong PPD that is able to lead on policy related processes.
- **The PSDTF: The PSDTF:** as outlined the PSDTF was mandated by the RED&FS to coordinate the New Alliance in Ethiopia. In the PSDTF's inaugural meeting eight of 15 policy commitments were prioritized and teams designated and lead agencies appointed to establish milestone maps.⁶⁴ Contact with representatives of each of the teams would appear to confirm that with the exception of the Policy Commitment #8 team (Livestock), the teams did not meet on a regular basis.

The PSDTF has also taken on other responsibilities with the result that its 2014 annual plan includes seven out of 14 planned activities that are not directly related to the Cooperation Framework. While these non G-8 related activities may strengthen agriculture marketing and contribute to the overall aim of the New Alliance, the PSDTF could have done more to meet regularly, agree tasks, and review and report on progress. The PSDTF could also have done more to establish and promote regular, inclusive stakeholder meetings in order to help generate interest and align support and commitment behind the New Alliance.

- **Attribution:** the government is making real progress on a number of the New Alliance policy commitments. However, it appears not all progress can be attributed to the New Alliance as a number of these policy processes⁶⁵ pre-date the New Alliance. In these cases however, the New Alliance has served to help sharpen and accelerated policy gains.
- **Evidence-base:** the New Alliance's vision for Ethiopia is to lift 2.9 million people out of poverty by 2022. While the New Alliance has a decade to fulfil this vision, it has yet to establish an evidence base to confirm the 15 policy commitments or a robust monitoring system that will support informed policy

⁶⁴ While teams and lead agencies were established it appears that there is some confusion regarding their mandate, with some lead agencies commenting that their role was largely restricted to 'stock-taking', with little or no room for policy engagement

⁶⁵ For example, seed and land-related processes

commitment related work. The policy commitments also do not appear to be informed by or aligned with the Government's priority poverty reduction and under-nutrition commitments. As a result, it is difficult to predict how they will contribute significantly to the New Alliance vision for Ethiopia. In order to be able to claim attribution, the New Alliance will need to establish a credible and robust monitoring and review system that will generate evidence-based reports that will help inform policy and strategy processes.

Recommendations

- **Information dissemination:** in order to improve general levels of knowledge and understanding with regard to the New Alliance, it is recommended the PSDTF prepares a briefing paper on its work in Ethiopia to-date. It is also recommended that this be followed by bi-annual up-dates that provide all stakeholders with details on progress being made on policy commitments and development partner and private sector investment commitments.
- **PSDTF:** the special role of the PSDTF is noted. The PSDTF however appears not to be particularly active and is certainly failing to deliver the levels of leadership and coordination that are required to take forward the New Alliance in Ethiopia.

It is recommended that the PSDTF draws lessons from more successful RED&FS task forces⁶⁶ and that it establishes a small secretariat to facilitate monthly meetings and organise quarterly stakeholder platform meetings to discuss topical issues. These quarterly meetings could include lunches⁶⁷ and the opportunity for stakeholders to network.

Recognising the demands made on the PPD, it is recommended that PSDTF members consider seconding staff to the PPD.

- **Evidence-base:** as outlined above, the 15 policy commitments require an evidence base, drawing on a monitoring and review system.

It is recommended the PSDTF commission a series of studies including drawing information from other countries with impressive gains in tackling food and nutrition insecurity, and that this information informs a wider review of New Alliance policy commitments. It is proposed these studies are carried out in 2014 and that the findings help inform a re-design of the Cooperation Framework early in 2015. Once the re-design process is complete, it will then be necessary to establish a robust monitoring and review system that will enable the New Alliance to report on progress against the policy commitments on an annual basis.

6.2.2 Development Partner Investments

Under this component of the progress review, the following issue areas were identified:

- **Ownership:** it would appear that not all G-8 development partners are well informed about the New Alliance and therefore, some of them cannot provide accurate and timely information up-dates on disbursements against commitments.

Some G-8 members also appeared to question the real value of the New Alliance, pointing out that it had generated a lot of negative press and that in contrast to some countries in Africa, Ethiopia has a

⁶⁶ PSNP/ HABP and DRM Agriculture Task Force

⁶⁷ The review team does not recommend that these 'business' style lunches should be subsidised

robust CAADP/PIF process and is already a lead Grow Africa country and is therefore already committed to working with agriculture sector private companies.

- **New Alliance platform:** some development partners expressed the view that the PSDTF could have played a more active role to ensure a dynamic New Alliance stakeholder platform and in particular expressed concern that it had largely failed to engage the MoT. As a result, some development partners expressed the view that opportunities to support the development of the Livestock Proclamation and coordinate and harmonise the proclamation with similar livestock protocols in neighbouring countries had been lost. Mention was also made that the PSDTF had yet to secure the support of a nutrition institution and therefore establish a truly representative stakeholder platform.
- **Trust Fund:** development partners also offered the view that the PSDTF might establish a small trust fund to help its work in supporting on-going policy reform.

Recommendations

Recommendations relating to ownership and the need for a more inclusive New Alliance platform are common to all components of the review and the associated recommendations are already outlined in the section above.

- **Nutrition:** it is strongly recommended that the New Alliance invite nutrition institutions to attend the PSDTF and that it move forward to add nutrition related policy commitments. It is also recommended the New Alliance track development partner and private sector companies nutrition-related investments.

6.2.3 Private Sector Issues

Under this area of the progress review, the following issue areas were identified:

- **Adopting a more African form:** the New Alliance in Ethiopia (and all member countries) relies on Grow Africa to aggregate progress reports on LOI in 'in order to protect commercial sensitivities and act as a neutral conduit for conveying feedback'.⁶⁸ While this arrangement has worked well in the 'development phase', the dependence on Grow Africa is at variance with the New Alliance stated principles of a) operating in a spirit of mutual accountability - government, development partners and the private sector; and b) moving to a more African form. As mentioned above, at some point it will be important for the New Alliance to become fully embedded within the CAADP/PIF review process in Ethiopia.
- **Letters of Intent:** the Cooperation Framework for Ethiopia outlines the purpose of LOI, to 'advise, shape and participate in broad, inclusive and sustained private sector consultative mechanisms with the Government of Ethiopia'. Private sector companies that have sign LOIs in Ethiopia confirm their value in providing a collective approach as an alternative to the previous bilateral engagement with policy makers, while potential new companies have expressed concerns regarding the difficulties of engaging the New Alliance. Signatory companies have also expressed divergent views on what might be expected from 'inclusive and sustained private sector consultative mechanisms' and some have reverted to working bi-laterally with the ATA. This drift to a business-as-usual approach is underlined by the fact that new agri-business companies arriving in Ethiopia after the launch of the New Alliance are operating successfully without LOI through alternative bi-lateral arrangements facilitated by the ATA. This raises a question regarding the perceived long-term value of LOI.

⁶⁸ Grow Africa, 2014 '2nd Annual Report (2013-2014)'

Discussion with Ethiopian private sector companies also appears to confirm their misconception that by signing an LOI they would be eligible for grants and other forms of financial incentives and benefits. This lack of clarity has resulted in some frustration.

- **Alignment:** The government has made clear its interest in and commitment to attracting private sector investment to Ethiopia. However, it would also appear that the government is particularly interested to attract private sector companies on the output and agro-processing side and that it is much less interested in attracting private sector investment on the input side (seeds, fertilizer and agro-chemicals). This view has not been well articulated by PSDTF with the result that there is still some confusion regarding government interests and commitments to private sector companies.

Recommendations

Under this component of the progress review, the following issue areas were identified:

- **Adopting a more African form:** it is recommended that the New Alliance in Ethiopia moves to a more African form including embedding fully in the CAADP/PIF review process. In this way, it is envisaged that the New Alliance annual progress review will become aligned with and a component of the annual CAADP/ PIF review process.
- **Letters of Intent:** LOI offer private sector companies an opportunity to do business differently. The apparent drift to a business-as-usual approach threatens to undermine the gains made with the result that transaction costs will increase and, perhaps more importantly, that valuable opportunities for private sector coordination and learning will be lost.

It is recommended the PSDTF commissions a review of the value and appropriateness of LOIs as a tool to describe private sector investment intentions.

- **Alignment:** it is recommended that the New Alliance clearly articulates the government's agriculture-sector private sector investment priorities as they relate to an outputs focus and agro-processing. In this way, the New Alliance and PSDTF will be better placed to identify and address bottlenecks and related policy and strategy challenges.

Part B: Summary of New Alliance Review Workshop

This Part B section of the review report summarizes the presentation and discussion of the New Alliance review workshop that was held at the Dessalegn Hotel on the 19th June 2014. The review findings were presented at a New Alliance for Food Security and Nutrition Progress Report 2013-2014 Workshop that was held at the Dessalegn Hotel on the 19th June 2014. The workshop officially was opened by H.E. State Minister Ato Sileshi Getahun and attended by more than 60 representatives of the Ministry of Agriculture, development partners, private sector, civil society organisations, farmers' cooperatives and AKLDP staff. A full list of the participants is presented as Annex 5.

1.1 Agenda, Expectations and Presentation

The workshop agenda was structured around a welcome, self-introduction, an official opening, a presentation of the draft review findings by the AKLDP team and group discussion. The agenda is presented as Annex 6.

As participants arrived they were offered the opportunity to write out expectations on a post-it note and post on a board at the side of the meeting room. Examples of expectations include the following:

- Talk about the New Alliance's nutrition component
- Strengthen the PSDTF
- Discuss the institutionalisation of the New Alliance platform
- Better understand the New Alliance
- I would like to see more discussion of nutrition and micro-nutrient fortification
- Convince me the New Alliance is fully inclusive of Ethiopia smallholder farmer interests
- Understanding the New Alliance, role of development partners, niche for civil society
- To encourage the policy commitments to be expanded to include nutrition
- Hope to hear whether Ethiopia is on the right track or not with regards to food security
- Understanding how much Ethiopia is fulfilling its New Alliance commitments
- Agree on the contents and the presentation of the draft report
- To raise/ increase awareness and commitment of the New Alliance to a new level
- Where we are in implementing New Alliance policy commitments? The way forwards?
- Better understanding of the New Alliance – what it is and how it is working
- Learn what the New Alliance did well up to now and how we use that for the future

Following a welcome address by Cullen Hughes, USAID the workshop was officially opened by H.E. Ato Sileshi Getahun. The State Minister welcomed the participants and expressed his appreciation for the high level of participation from all relevant sectors of the New Alliance partnership. He went on to thank AKLDP for the draft report and to underline the Government of Ethiopia's strong commitment to the New Alliance and the workshop discussions. He mentioned that he looked forward to the discussions and he encouraged the participants to participate in the discussions in order that the workshop findings could inform the final draft of the report.

Following the official opening, the review team presented their findings. The presentation is available on request from AKLDP TSION.FISSEHA@TUFTS.EDU The presentation was followed by a short question and answer session. Examples of questions include the following:

- The review has not addressed the 'why' question. 'Why' have not all the government commitments been followed through on?

- The progress made by development partner in meeting their commitments does not appear to have been matched by similar policy progress. Have development partners invested in the areas that really help government meet its commitments?
- One of the policy commitments is to improve the business environment and make it easier to do business in Ethiopia. Has real progress been made? This is not really addressed in the report.
- What is the real impact of the New Alliance? What is the value added?
- It is clear that progress has been made and that the private sector are more engaged in Ethiopia than they were. However it appears that there is still a long way to go. What is the team's view?
- At this point in time do the policy commitments really make sense? Is for example policy commitment #5 an issue now? What is the team's view?
- To learn if there is any recognition within the New Alliance that promoting commercial agriculture can have negative impacts on the poorest of the poor smallholders and what is being done to safeguard Ethiopia's smallholders from these negative effects?
- Have DPs put in new money to the New Alliance or are they using existing money?
- The review team has colour coded progress for the Government's policy reforms - green, yellow and red. Why has the team not used the same for development partner commitments in order it is clearer what progress each development partner is making.
- To learn what locally appropriate and inclusive business models the New Alliance is promoting in Ethiopia to ensure the full participation of smallholder farmers

1.2 Group Discussion

Following the presentation and question and answer session, the workshop facilitator randomly divided the participants into three working groups – government policy reform, development partner investments and private sector investments – to discuss issues identified in the review report, discuss the recommendations and to offer any additional actions. The actions listed under the three groups are presented below.

1.2.1 Government Policy Commitments

Under this area of the progress review, the following actions points were identified:

- In order to support and strengthen the work of the PSDTF it will be necessary to establish secretarial support in order to function well
- The PPD should be involved in the PSDTF and be represented at meetings
- The PSDTF should reach out to the Ministry of Trade and Central Bank with offers of assistance to reach GTP targets. The PSDTF should then mobilise development partners and private sector support
- The PSDTF should quickly establish a system to track progress and establish an information sharing system/ knowledge portal
- The PSDTF should strengthen public-private-cooperative union dialogue in the agriculture sector
- Establish a transparent process to identify and track policy commitments and ensure that these are well understood throughout the whole of the MoA

1.2.2 Development Partner Investments

Under this area of the progress review, the following issue areas were identified:

- To integrate the New Alliance through the PSDTF with the MoA's Policy Investment Framework 2010-2020
- Ensure regular engagement, involvement and participation of all stakeholders in the New Alliance

- The Ministry of Health should be represented on the PSDTF in order to ensure that nutrition issues are addressed and policy commitments made
- The PSDTF should establish a tracking system for monitoring and reporting on progress made by private sector investors
- Reinforce the RED&FS Secretariat with more staff in order to support task forces including the PSDTF

1.2.3 Private Sector Investments

Under this area of the progress review, the following issue areas were identified:

- The PSDTF should find ways to ensure that the New Alliance adopts a more African form in Ethiopia and then make recommendations to the RED&FS Executive Committee. The PSDTF should also seek the advice of the African Union
- The PSDTF needs to be more accountable to the RED&FS and encourage wider stakeholder engagement in meetings including other ministries and the full range of stakeholders in the agriculture sector. To do this, the RED&FS will need to strengthen the PSDTF

1.3 Workshop Closure and Participant Feedback

Following the group discussion and final plenary, the workshop was officially closed. During the closure, the participants were invited to complete a feedback form. The findings of the feedback are presented in Annex 7.

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Annex 1: Terms of Reference

As part of the New Alliance commitment to mutual accountability and to feed into the 2014 New Alliance Progress Report, each New Alliance country should conduct an annual review of progress against New Alliance Country Cooperation Framework commitments by June 2014. This commitment is outlined in each Cooperation Framework. Similar to the [2013 New Alliance Progress Report](#), the 2014 New Alliance Progress Report will be released mid-year and will rely on country-level progress reports to provide a comprehensive update on progress and challenges against country-level and global enabling action commitments.

This document outlines guidance for the 2014 country-level annual reviews (“annual reviews”).

Purpose: Annual reviews will be the primary accountability mechanism for all Cooperation Framework commitments. The purpose of the annual review process is to bring together an inclusive group of government, domestic and international private sector, development partners, and civil society stakeholders to:

1. Transparently review, share, and discuss progress and challenges against all Cooperation Framework commitments;
2. Generate a mutually agreed upon country progress report by June 30, 2014 that will be input into the 2014 New Alliance Progress Report; and
3. Assess overall progress and challenges creating an enabling environment for responsible, inclusive investment (including implementation of the Voluntary Guidelines).
4. Identify key priorities for action and discuss any proposed new or revised Cooperation Framework commitments.

Components: Annual reviews will include two primary components: (a) a country-level progress report against all Cooperation Framework commitments, and (b) a facilitated stakeholder meeting to discuss the progress report and other issues related to progress and challenges implementing the New Alliance.

Principles: Annual reviews should be based on the following principles:

- **Inclusivity:** Annual reviews should include broad stakeholder representation across civil society, private sector, government, and development partners. Each stakeholder group should have a chance to provide substantive participation, including providing input into the progress report, contributing to the review meeting agenda, and offering an opportunity to present during the stakeholder meeting. Increasing civil society (including farmer organizations), and local private sector participation in New Alliance monitoring and implementation is particularly important.
- **Collaboration:** The annual reviews should provide an opportunity for substantive dialogue and collaboration between stakeholder groups to improve New Alliance outcomes. Data collected and presented for the annual review, for example, should be shared with all stakeholder groups for discussion and endorsement prior to finalization. This will ensure consistent understanding in cases where perspectives of perceived progress may differ across stakeholder groups.
- **Transparency:** Improving transparency of New Alliance implementation and results is essential. Official minutes from the annual review meeting and the country level progress report will be available to the public. Annual reviews are also an opportunity to engage media.

Harmonization with Joint Sector Reviews: Consistent with aid effectiveness principles, annual reviews should be harmonized with broader mutual accountability processes in the food security sector if possible. In particular, all annual reviews should draw information from, be linked to, and align with Comprehensive Africa Agriculture Development Programme (CAADP) Joint Sector Reviews (JSRs) to the degree possible. If JSRs are not yet operational or collaboration is not feasible prior to June 2014, countries should still undertake New Alliance annual reviews consistent with the principles and process outlined above, in preparation for the overall New Alliance Progress Report, and in anticipation and preparation for eventual JSRs.

The African Union sees JSRs as a key instrument for supporting mutual accountability and implementing the new CAADP Results Framework. The African Union Commission (AUC) released JSR guidance in 2013,⁶⁹ which outlines how to conduct JSRs and what should be included in a quality JSR. In 2014, the AUC and the NEPAD Planning and Coordination Agency (NPCA) have designated the Regional Strategic Analysis and Knowledge Support System (ReSAKSS) to support seven New Alliance countries⁷⁰ to implement this guidance, introducing JSRs where they do not exist and strengthening them where they already exist.

Countries with JSRs should attempt to integrate New Alliance annual reviews into the JSR process by including data collected on all specific New Alliance commitments and a stakeholder meeting to discuss progress against these commitments in time to finalize a country progress report by June 30, 2014. In this case, all data collected against specific NA commitments could be developed into a “special topic report” as part of the larger JSR Country Report that would double as the New Alliance country-level progress report. During the JSR stakeholder meeting or upcoming JSR workshops scheduled in the seven countries receiving ReSAKSS support, a special session could take place to review progress against New Alliance commitments with New Alliance stakeholders. In out-years, it is anticipated that all New Alliance countries, as part of CAADP, will conduct JSRs that will include review and reporting against New Alliance commitments, thus obviating the need for a separate New Alliance annual review.

Roles and responsibilities: The annual review process will be led by the country-level lead group for the New Alliance (e.g., Partnership Accountability Committee in Tanzania) in close collaboration with the national CAADP team responsible for the JSR (if applicable). If this New Alliance lead group does not yet exist, we recommend the government and donor co-lead develop this group to oversee accountability for New Alliance implementation and ensure ownership and participation among all stakeholders in-country. This lead group may rest within an existing national agricultural planning or coordination body (e.g., Agriculture Sector Working Group, CAADP Country Team) or a dedicated task force or leadership group set up specifically for the New Alliance. This group should have representatives from each stakeholder group (civil society, government, development partners, and private sector). If the New Alliance country-level lead group and the CAADP in-country team are different, they should collaborate closely and rely on ReSAKSS analysis to the extent possible for New Alliance reporting. In out-years, as JSRs become standardized and undertaken on an annual basis, it is anticipated that separate New Alliance reporting may be minimal or no longer be needed.

The lead group will be responsible for coordinating inputs for the review of Cooperation Framework commitments, and producing a country-specific progress report. The lead group may seek technical assistance in this process from other external, impartial agencies in collecting or analyzing the data.

For example, Grow Africa has again agreed to lead the review of all New Alliance private sector commitments to inform both country-level annual reviews and the annual [Grow Africa report](#) in 2014. This process is already underway, with Grow Africa surveying all companies with New Alliance Letters of Intent (LOIs) on investment progress and government capacity for investment facilitation. Data from this process will be available by approximately early May. Grow Africa will provide this data to government and donor leads in each country as input into the annual review.

Primary roles and responsibilities for the annual review are in the table below:

⁶⁹ References: CAADP MA-M&E JAG, 2012 and “Concept note: Implementing the CAADP Joint Sector Review Guidelines: What should be reviewed?”, April 2013.

⁷⁰ Countries targeted: Burkina Faso, Ethiopia, Ghana, Malawi, Mozambique, Senegal, and Tanzania

	Activity	Lead	Timing
Country Level Review	Joint Sector Review (JSR) process	National CAADP team, with technical support from ReSAKSS and others	Annually
	Reporting on Cooperation Framework commitments and outcomes	Country-level lead group for New Alliance, with support from Grow Africa for LOI progress, in consultation with ReSAKSS if active in country	Annually by June
	Producing a country progress report for Leadership Council	Country-level lead group for New Alliance (government lead to submit final report to co-conveners of Leadership Council)	Annually by June 30

Participation: The country-level lead group should invite a broad number of representatives from all stakeholder groups (government, domestic and international private sector, development partners, and civil society) to participate in the annual review process. While the lead group itself may consist of a small number of representatives from each stakeholder group, participation in the annual review should be open to much broader participation, including relevant civil society groups, including farmer organizations; all LOI companies and other interested private sector companies; private sector apex/interest groups; relevant government departments, ministries, and agencies; and development partners.

Ongoing dialogue: While important, annual reviews should be just one part of an ongoing multi-stakeholder dialogue to monitor progress, address challenges, and share information on the New Alliance. Regular, multi-stakeholder meetings in country are essential to facilitate this dialogue.

Modifying commitments in Cooperation Frameworks: Discussion and possible endorsement of any proposed new or revised Cooperation Framework commitments should be an element of the annual review. Modifications include the addition or revision of LOIs, policy commitments, donor commitments, or civil society commitments. To make revisions, the lead group should solicit suggested revisions from stakeholder groups during review preparation and include suggested new or revised commitments in the draft annual review report to be circulated two weeks prior to the stakeholder meeting. The proposed revisions will be presented for a no-objection vote and those without objection, will be put forward for the lead group's final approval. For those proposals that receive any objection, working groups and a date for follow-up discussion should be established. Additional guidance related to formal revision of Cooperation Framework commitments including development and finalization of new Letters of Intent is forthcoming, including support mechanisms available for negotiating new commitments.

Methodology and format: The lead group should tailor the methodology and format for annual reviews (both the progress report and stakeholder meetings) based on preferences and country context, keeping in mind that the format must allow for reporting on progress toward all Cooperation Framework commitments. The stakeholder meeting could take several forms, including a series of consultations, a one-day workshop with or without follow-up sessions with various stakeholder groups, or another appropriate alternative.

Annex A provides an example outline for the country-level progress report and Annex B outlines suggested indicators. Many of the Annex B indicators come from data that will be provided from the Grow Africa annual reporting process. The ultimate goal of the New Alliance is to contribute to reductions in poverty, which will require monitoring of higher-level impact indicators to be agreed upon through finalization of the New Alliance mutual accountability framework. It is anticipated that the higher-level impacts will be analyzed and reported on through the CAADP JSR process. This process will require broad consultation and alignment with the new CAADP Results Framework and a review of data availability and data collection plans. For 2014 annual reviews, the focus will be on measuring progress against specific Cooperation Framework commitments but higher level outcome indicators should be included as appropriate based on data availability.

Suggested steps to complete an annual review are below, but should be tailored to fit country context:

1. Preparation of draft annual, country-level progress report

- a. Government leads draft summary of progress against policy commitments in Annex 1 of Cooperation Framework, in discussion with entire lead group if desired. Any proposed revisions to policy commitments should be drafted for consideration.
- b. Lead group requests all development partners with funding commitments in Annex 2 of the Cooperation Framework report on disbursements against these commitments and how this spending is aligned with the CAADP Country Investment Plan. In addition, development partners should report on progress of global enabling actions active in country. Last, development partners should submit any proposed changes to CF commitments for consideration. Note: all development partners should vet disbursement figures with headquarters offices.
- c. Grow Africa sends lead group data collected on private sector progress against Letters of Intent in Annex 3 of Cooperation Framework.
- d. Lead group coordinates with Grow Africa to communicate with LOI partners to ask for any proposed revisions to existing LOI commitments for consideration.
- e. Lead group reaches out to key civil society stakeholders, including farmer organizations to request their input on New Alliance progress and challenges and solicitation of suggested additions or revisions to CF commitments for consideration
- f. Lead group uses information to assemble progress report (see Annexes A and B).

2. Stakeholder meeting

- a. Designate professional facilitator for meeting.
- b. Create agenda for meeting that allows time for a representative from each major stakeholder group to present progress and challenges from their perspective; includes a session to discuss progress against each major set of commitments (donor, private sector, and government) in draft progress report; and allows time to address key challenges going forward. For the private sector, this representative may include a private sector interest group, Grow Africa, or other appropriate organization.
- c. Set time and date for the meeting.
- d. Invite all relevant stakeholders to meeting.
- e. Circulate the draft progress report for review two or more weeks in advance of the stakeholder meeting.
- f. Designate note-taker to document official minutes for the meeting.

3. Finalization of progress report

- a. Lead group edits and finalizes progress report based on outcomes from meeting. Any suggested revisions to the Cooperation Framework commitments should be included as an annex.
- b. Lead group vets progress report at highest level necessary for public dissemination.
- c. Lead group submits country progress report to Leadership Council co-conveners by June 30, 2014.
- d. Public dissemination of report.

Annex 2: List of Key Contacts

Name	Organisation	Position
Abebech Assefa	Embassy of Canada	Team Leader, Food Security and Agricultural Growth Program Officer
Abu Yadeta	EU	Senior Land Registration Expert
Adem Siraj	Ministry of Agriculture, Land Admin/ Use Directorate	
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Alessia Squarcella	IDC	UN Fellow - Private Sector
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Teshome Lakew	MoA Agric Inputs Marketing Directorate	Director
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Annex 3: Private sector challenges identified in Grow Africa's 1st Annual Report (2013-2014)

The Grow Africa report includes a number of challenges identified by private sector partners. They include:

- **Country-level leadership:** the New Alliance will only be sustainable at country-level if led by each partner country;
- **Facilitating a new type of dialogue:** Cooperation Frameworks provide an important tool to track and account for mutual commitments. To add value, commitments need to be developed through on-going dialogue involving all stakeholders;
- **Institutional 'pace' and capacity:** private sector partners report a mismatch between the responsiveness expected by the private sector and the capacity of government agencies;
- **Joined-up government:** high-level leadership has been critical to the progress, but needs to be reflected in the commitments of line ministries and local government;
- **Access to finance:** access to investment and working capital in agriculture remains a major constraint to investment despite efforts to improve these services;
- **Leveraging and focusing public investment:** private sector partners identify many pre-competitive investment needs and market failures that constrain progress on investment projects;
- **Women's economic empowerment:** improving women's access to productive assets and to agricultural services and supporting women as entrepreneurs in agriculture would make a significant contribution to the New Alliance's goals;
- **Learning how to work with smallholders at scale:** there are good examples of smallholder engagement in new investment projects, but the New Alliance needs to learn how to engage with smallholders at scale;
- **Engaging local and global civil society organisations (CSOs):** many existing partners recognise the contribution CSOs could play. There is a need for closer engagement with CSOs and greater transparency on the part of the New Alliance to address their concerns and draw on their expertise⁷¹.

⁷¹ *New Alliance for Food Security and Nutrition (2013) Progress Report Summary*

Annex 4: Government of Ethiopia Key Policy Commitments

Objective	Framework Policy Actions	Timeline
Increase private sector participation in seed development, multiplication and distribution	1. Ratify see proclamation	June 2012
	2. Establish protocols to identify regulatory/ administrative changes, as necessary and encourages private sector that: <ul style="list-style-type: none"> - allows market pricing of seeds, including at-risk farmer support system; - incentivizes the private sector to commercially multiple and distribute seeds, including a focus on cooperatives; - links government research institutions to universities and extension services; - incentivizes international seed companies to operate in Ethiopia seed markets, with the exception of certain open/self-pollinated or indigenous crops, specifically teff, coffee, niger seed and inset; and - allows cooperatives and individual farmers to source seed from any supplier. 	December 2012
Increase ability of the private sector to access markets be reducing barriers to competitiveness and increasing transparency of requirements	3. Establish a one-window service that assists agriculture investors (domestic and foreign – small, medium and larger enterprises) to: <ul style="list-style-type: none"> - obtain a business license; - secure access to land; - obtain market information on pricing and production availability; - identify added-value opportunities (eg agro-processing, grading and sorting, warehousing and storage etc); - identify livestock industry and commercial ranging opportunities (e.g. abattoirs, feedlots, etc); and - access financing. 	April 2013
	4. Publish and disseminate business licensing procedures through local radio, internet and newspapers.	April 2013
	5. Implement policy measures, as necessary, that secure ownership and crop trading rights for commercial farms.	December 2013
	6. Commit not to impose export quotas on commercial farm outputs and processed goods.	September 2013
	7. Refine, as necessary, policies regarding agro-chemical importation that ensure consistent application of regulation to private sector distributions and commercial farms; and to generic chemicals and brand name chemicals.	June 2013
	8. Refine, as necessary, regulatory framework to stimulate private sector engagement in livestock production, value chain development and animal products and health quality input delivery.	June 2013
	9. Support an independent study of the impact to-date of the Ethiopia Commodity Exchange.	June 2013

Strengthen land use rights to stimulate investment in agriculture	10. Extend land certification to all rural land holders, initially focussing on Agriculture Growth Program (AGP) <i>woredas</i> .	June 2015
	11. Refine land law, if necessary, to encourage long-term leasing and strengthen contract enforcement for commercial farms.	December 2013
	12. Develop and share a land-use planning framework for highland regions and the lowland regions of Gambella and Benishangul, which will result in sustainable land use as well as improved service delivery and viable livelihoods.	April 2014
	13. Further develop and implement guidelines of corporate responsibility for land tenure and responsible agriculture investment.	June 2013
Increase the availability of credit to the agriculture sector	14. Enable financial institutions to support smallholder farmers and agri-businesses (e.g. warehouse receipts, out-growers contracts, machinery leasing, etc.).	December 2013
	15. Strengthen credit bureau systems to improve access to financial institutions.	December 2012

Annex 5: Participant List – New Alliance Progress Review Workshop – 19th June

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Annex 6: New Alliance Progress Review Workshop – Agenda

Agenda		
Session	Lead	Time
Registration and coffee	Tufts/ AKLDP	9.00
Welcome	MoA Representative	9.30
Introductions and Agenda	Facilitator	9.45
Presentation of The Progress Review	Tufts/ AKLDP	10.00
Question and Answer Session	Facilitator	10.20
Coffee Break		10.30
Group Work: a) Government policy commitments b) Development partner investment commitments c) Private sector	Facilitator with Group Chairs and Rapporteurs	11.00
Group presentations and discussion	Facilitator with Rapporteurs	11.45
Wrap-up	Facilitator	12.45
Close	MoA Representative	12.55
Lunch Depart		1.00

Annex 7: New Alliance Progress Review Workshop – Participant Feedback Form

New Alliance for Food Security and Nutrition 2014 Country-Level Review Meeting – 19 June 2014

Sector Affiliation (please check a box): Government <input type="checkbox"/> Civil Society <input type="checkbox"/> Private Sector <input type="checkbox"/> Donor <input type="checkbox"/> Farmer Organization <input type="checkbox"/>	
Country Name: Ethiopia	
Participant Name (optional):	

We welcome your comments about the time you have spent at the New Alliance Review Meeting. Please tick the appropriate box.

	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't Know	NOTES
NA Review Meeting Objectives						
My expectations of the meeting were met	2	4	19	2	4	I learned little new for the future
The specified objectives of the meeting were met		4	15	2	8	
The structure and purpose of the meeting were clearly explained		4	12	10	2	
The main conclusions and/or next steps of this meeting are clear	1	6	15	4	4	
Venue and Content:						
Tufts/AKLDP presentations were audible, clear and informative.	3	6	12	8		I read the report before the meeting – I learned nothing new
Any materials distributed were useful		2	15	12	1	
Participation and interaction were encouraged		1	15	12	1	Better time-keeping would have helped
Adequate time was provided for discussion and feedback.	5	11	9	4		Not enough time for discussion
Group work was well structured and useful	2	8	14	2	3	
The venue and facilities were appropriate	5	8	10	4		Poor sound system (x3)
Looking Ahead:						
I believe this meeting has had a positive influence regarding the New Alliance partnership		3	13	7	6	
I believe that my commitment will make a difference to the NA's success in Ethiopia.		1	14	7	5	
I believe that if the actions identified in the meeting are implemented, the New Alliance in Ethiopia should exceed expectations		2	13	6	7	

Other Comments

1. How have you been involved in the New Alliance partnership and commitments prior to the meeting?
If so, how?
 - Marginally
 - Yes (x5) including: I participated in the World Economic Forum
 - No (x5)

2. What was most useful or enjoyable about the meeting?
 - Participation of the State Minister was encouraging
 - Feedback on the NA progress made in Ethiopia
 - The recommendations
 - Informal discussion/ group work (x3)
 - The overview of the New Alliance
 - The good mix of people from different agencies with different agendas

3. What could have been done differently to improve the meeting?
 - Better venue (room too big – echoing)
 - Too little time was given to the next steps it is hard to conclude it was successful
 - Better composition of the working groups
 - Working groups too big
 - Objectives of the working group not clear
 - More time for discussion to develop suggestions further
 - More participation of the private sector
 - Less plenary time and more time for discussion and inputs from the participants

4. Have your perceptions about New Alliance changed after this meeting? If so, how?
 - No (x4)
 - Yes (x2)
 - I am now aware of the New Alliance and how my project contributes to it
 - I still have strong reservations and concerns about the New Alliance
 - It needs to be integrated fully into GoE policy processes
 - The New Alliance is interesting and may help the country to reduce poverty

5. Do you have any other comments about any aspect of the meeting?
 - The report is exceptionally weak. There is no explanation about what is inhibiting the program. Recommendations are vague and provide no clear vision of the way forward
 - I believe a lot of work needs to go into the New Alliance
 - The stakeholders should include financial institutions especially when it comes to moving ahead the commitment of the private sector
 - I think this question is too big for a half day workshop
 - It would be useful to have a review of the workshop
 - I wanted more time to discuss the recommendation and why we are have some difficulties with the policy commitments
 - I enjoyed it – lets move forward on this

Thank You!