

# Improving Ethiopia's position in the global organic food market

## Establishing and enhancing a local avocado and sesame value chain



### The Challenge

Ethiopia is the second-largest avocado producer in Sub-Saharan Africa and ranks among the top five sesame exporters in the world<sup>1</sup>. Its economy depends heavily on agriculture, which is employing 85% of the country's workforce. Also, the government's Growth and Transformation Plan II emphasises agro-processing and value addition to spur agricultural transformation and growth.

Yet, despite favourable natural climates, highly suitable agro-ecological conditions, proximity to local markets, comparatively low labour costs and being the origin of a highly demanded variety of sesame, the vast potential of both avocado and sesame sector remains largely untapped.

Small-scale avocado farmers suffer harvest losses due to poor post-harvest management and insufficient access to storage facilities and markets. Sustained and widespread monocropping over the years has depleted soils and thus degraded yields and increased the susceptibility of sesame to pests and diseases. Meanwhile, there is also a lack of hands-on training for farmers on sustainable farming, harvest processing, and technology use.

*'The collaboration has enabled us to make a risky investment in a challenging environment. With the support of GIZ, we can make sure that we build a sustainable value chain that benefits thousands of smallholder farmers, the environment and the business.'*

Maren Peters, Sourcing Development Coordinator, Tradin Organic Agriculture B.V.

### The Development Partnership

Founded in the 1980s in the Netherlands, Tradin Organic Agriculture B.V. (or Tradin Organic) is a European pioneer in the organic food trade, supplying the international food industry with globally sourced certified organic raw materials.

In 2019, Tradin Organic has established the company Sunvado, a factory processing high quality, organic avocado oil. The companies directly engage in the complete value chain from farming to processing to product export, working with more than 50,000 smallholder farmers.

Tradin Organic has vast experience in establishing organic farmer projects and factories in low-income countries. In combination with GIZ's experience in training qualified personnel and farmer groups as well as in collaborating with local research and TVET institutes, this will help to boost Ethiopia's sesame and avocado value chains sustainably. Introducing and implementing new technologies will help innovate Ethiopia's sesame and avocado sectors and strengthen its global position.

Therefore, Tradin Organic and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH join a development partnership as part of the develoPPP programme, from the German Federal Ministry for Economic Cooperation and Development (BMZ) that supports sustainable initiatives by private companies.

<sup>1</sup> As at 2020 according to FAOSTAT (2022), [www.fao.org/faostat](http://www.fao.org/faostat).



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## Our Solution

GIZ, Tradin Organic and Sunvado have developed a training plan for extension staff and farmers on all aspects of organic production and good agricultural practices through different communication channels including workshops, platforms and radio programs.

Farmer Field Schools (FFSs) have been established to train organic sesame farmers on topics such as managing soil fertility, intercropping, land preparation, cultivation and harvesting, pest and disease control, as well as organic certification requirements. With the support of the Research Institute of Organic Agriculture (FiBL) a participatory method of learning, technology adaptation and dissemination are used to help up to 3,400 smallholder farmers increase productivity and improve farm management.

Farmer Business Schools (FBS) have been introduced to more than 19,000 farmers improving their business skills as an important prerequisite for adopting improved techniques and investments in agricultural production. FBS sensitise farmers to market opportunities and possibilities and making profitable decisions to improve productivity, family income, and nutrition.

Most suitable avocado varieties were identified in a local research cooperation and crafting techniques were introduced. Two avocado nurseries create jobs for women and provided farmers with already about 80,000 seedlings. Through workshops on vermicomposting, farmers learn to produce their own fertilizers. Safe climbing training enabled 70 avocado collectors to improve their workplace safety and efficiency during harvest.

Sesame seed producer groups are established to ensure a reliable seed supply of steady quality for the sesame growers. Agricultural machinery and mechanization have been introduced to boost sesame yield and youth employment. Already 1200 ha of farmland have been worked by local service providers while creating six new jobs. Both, sesame and avocado farmers are being equipped with hives, tools and trained in beekeeping. Income, yield and even avocado oil content increased through improved pollination.

Tradin Organic helps farmers and cooperatives obtain organic certification by setting up Internal Control Systems to ensure traceability to field level and the highest level of organic integrity for their products. Sunvado will be fully responsible to prepare and implement the certification process and arrange long-term purchase agreements.

Sunvado's avocado factory creates jobs and employs new staff that is trained in the quality system and procedures. In this, the project cooperates with national college institutes (TVETs) to strengthen the national education structures and fill the knowledge gap between current curricula and the necessary practical skills and expertise needed in the agro-industry.

To ensure the high-quality of the food products, Tradin Organic has also invested in state-of-the-art machinery that will elevate food safety standards to meet EU and US regulations. Guidelines on managing and revaluing the by-products from oil processing are being developed to increase the sustainability of the agro-industrial park in Yirga Alem and Sunvado's production line.

### At a glance

<b>Duration</b>	01 June 2018 – 31 May 2023
<b>Country</b>	Ethiopia
<b>Objective</b>	Building an Avocado and Sesame Value Chain in Ethiopia
<b>Partners</b>	Tradin Organic and GIZ
<b>Goals</b>	<ul style="list-style-type: none"><li>• Average 40% annual income increase from organic avocado for 20,000 farmer households (9% female-headed)</li><li>• Contents of trainings provided are applied by 2,200 sesame farmers to improve income by increasing yields, quality or reaching the organic certification</li><li>• Create 300 new jobs in the avocado and sesame production and processing sector</li><li>• Improve knowledge and adaptation among farmer cooperatives and institutes</li></ul>

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