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Launch of the Agricultural Growth Program-Livestock Market Development Project

REMARKS BY DENNIS WELLER

USAID ETHIOPIA MISSION DIRECTOR

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I am greatly honored to be here in Oromia and to launch USAID's Livestock Market Development project in support of Ethiopia's Agricultural Growth Program. Let me set the context for this important project and for the U.S. and Ethiopia's partnership in agriculture and livestock market development.

In 2009, President Obama launched the Feed the Future Initiative as the United State's contribution to a commitment by the world's wealthiest and most industrialized countries, known as the G-8, to promote agriculture and nutrition to achieve global food security. Recognizing the importance of the private sector to achieve this goal, in 2012, on behalf of the G-8, President Obama launched the New Alliance for Food Security and Nutrition to bring the expertise and experience of the private sector to the task. Ethiopia was one of the first three countries in Africa to participate in the New Alliance.

In 2010, Ethiopia started implementation of the five-year Growth and Transformation Plan (GTP), in which the Government of Ethiopia (GoE) recognized the importance of agricultural development in its Agricultural Growth Program (AGP). USAID, under the Feed the Future Initiative, concentrates its support to the AGP in the area of markets and agribusiness.

Last year, USAID in Ethiopia launched the first of a series of interrelated programs to help exploit the potential of the agricultural sector and lift millions of households out of poverty. The first is the AGP Agribusiness Market Development and Expansion Project, known by the Amharic acronym AMDe, which focuses on developing markets in the area of maize, wheat, sesame, coffee and honey.

So today it is a great pleasure for me to announce the start-up of a second project, the AGP-Livestock Market Development project, a five-year, \$38 million project in the high potential livestock areas of four regional states: here in Oromia, in Amhara, in Tigray and in the Southern, Nations, Nationalities and People's Region.

The project's strategic objectives are aimed at improving smallholder incomes and nutritional status through achievement of three key areas of intervention: (i) increased productivity and competitiveness of businesses related to beef, dairy, and hides (ii)

U.S. Agency for International Development
Entoto Road
US Embassy
P. O. Box 1014
Addis Ababa, Ethiopia

Tel. : 251-11-1306002
Fax : 251-11-1242438
Website: <http://ethiopia.usaid.gov/>

USA Address:
2030 Addis Ababa Place
Washington, DC 20521-2030



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improved policies and regulations to facilitate growth and competitiveness, including through improved quality and sanitation standards (iii) and improved quality and diversity of household diets through livestock products.

The main Livestock Market Development beneficiaries will be smallholder households (small producers) with enough productive assets for minimal commercial engagement. We estimate some 200,000 households will benefit. A particular focus will be on women, who can be key actors in the value chains but who have not been benefitting from their participation due to cultural and social reasons. The project is also designed to include households whose livelihoods have been affected by HIV/AIDS and benefits from partial funding by the U.S. President's Emergency Program for Aids Relief (PEPFAR).

There are many challenges facing the livestock sector, including low productivity and high transaction costs, difficult access to credit and undeveloped small enterprises, poor or insufficient market information and linkages. The Livestock Market Development project will work with government, producers and private entrepreneurs to find solutions and create policies that are conducive to realizing the potential of the livestock industry. We believe the project will play a catalytic role in bringing about a transformative change in the coming five years.

The project will be implemented by a consortium of highly experienced international and local organizations in strong collaboration with federal and regional government agencies. I am proud to introduce our team. CNFA will lead implementation for USAID along with local partners in each region: Organization for Rehabilitation and Development in Amhara (ORDA), Relief Society of Tigray (REST), Hundee, and Self Help Africa-Ethiopia.

So, on behalf of the American people, let me convey best wishes for success and I look forward to working together with our partners in the government, the private sector and various civil society associations to get this important job done.

Thank you.