

# Investment in quality seed boosts incomes for host and refugee communities in Ethiopia's Gambella region

— August 2022



The Gambella region of western Ethiopia is well-suited to producing cereal crops such as maize, presenting an opportunity for improved incomes and food security for farmers and communities. However, this potential is not being met. Crop yields are low due to a reliance on poor-quality, recycled seed which restricts farmers to primarily producing for household consumption rather than the regional market.

With access to quality seed, yields could increase from an average of 1.2 tonnes per hectare to up to 3.5 tonnes per hectare. Farmers, however, have little choice but to continue with recycled, poor-quality seed. The commercial seed industry in Gambella is virtually non-existent and government-led seed production is currently limited and estimated to meet only 10% of demand.



## A lost opportunity for refugee and host communities

Gambella hosts a high number of refugees and the lack of good quality seed impacts food security for host and refugee communities alike. When supplies are low, food insecurity is high. Without land of their own, refugees depend on food distributions from humanitarian organisations and what they can purchase in local markets. When food is not available in the markets, dependence on food handouts increases. This

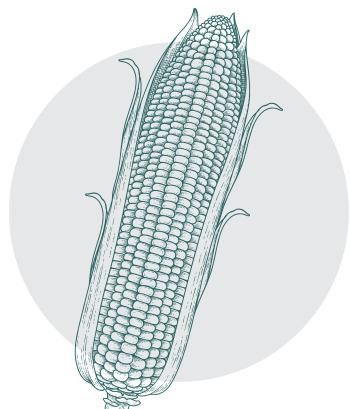
is particularly the case in Gambella where refugees are given food and not cash-based support, losing the sense of independence and dignity that comes with being able to decide what food to purchase. Furthermore, the food distributed by humanitarian organisations is currently imported by the World Food Programme (WFP), representing a lost economic opportunity for Gambella's smallholder farmers.



## Recognising the potential for seed production

Commercial seed multiplication is not something that every smallholder farmer will move into. However, if a skillful farmer did move into seed multiplication across, for example, a five-hectare production area, they would produce approximately 17.5 tonnes per harvest of quality seed. This would be enough to supply 140 other smallholder farmers with enough seed to improve their yields across one hectare of land as, on average, 25kgs of seed is used per hectare.

To begin seed multiplication, smallholder farmers require access to good quality seed or fresh foundation seed from research institutions. They also need to be trained in and adhere to good agricultural practices (GAP).





# SHARPE supports a sustainable seed multiplication business model

To increase the supply of quality maize seed available for smallholder farmers, the Strengthening Host and Refugees Populations in Ethiopia (SHARPE) partnered with a commercial farmer, Alworo Beher Agricultural Development Plc (Alworo), to multiply quality maize seed by working with a network of contract farmers. SHARPE introduced the contract farming model with a view to bringing smallholder farmers into the commercial seed multiplication business. This was identified as a means by which to establish a commercial seed multiplication sector with the potential to expand and meet local demand for quality seed.

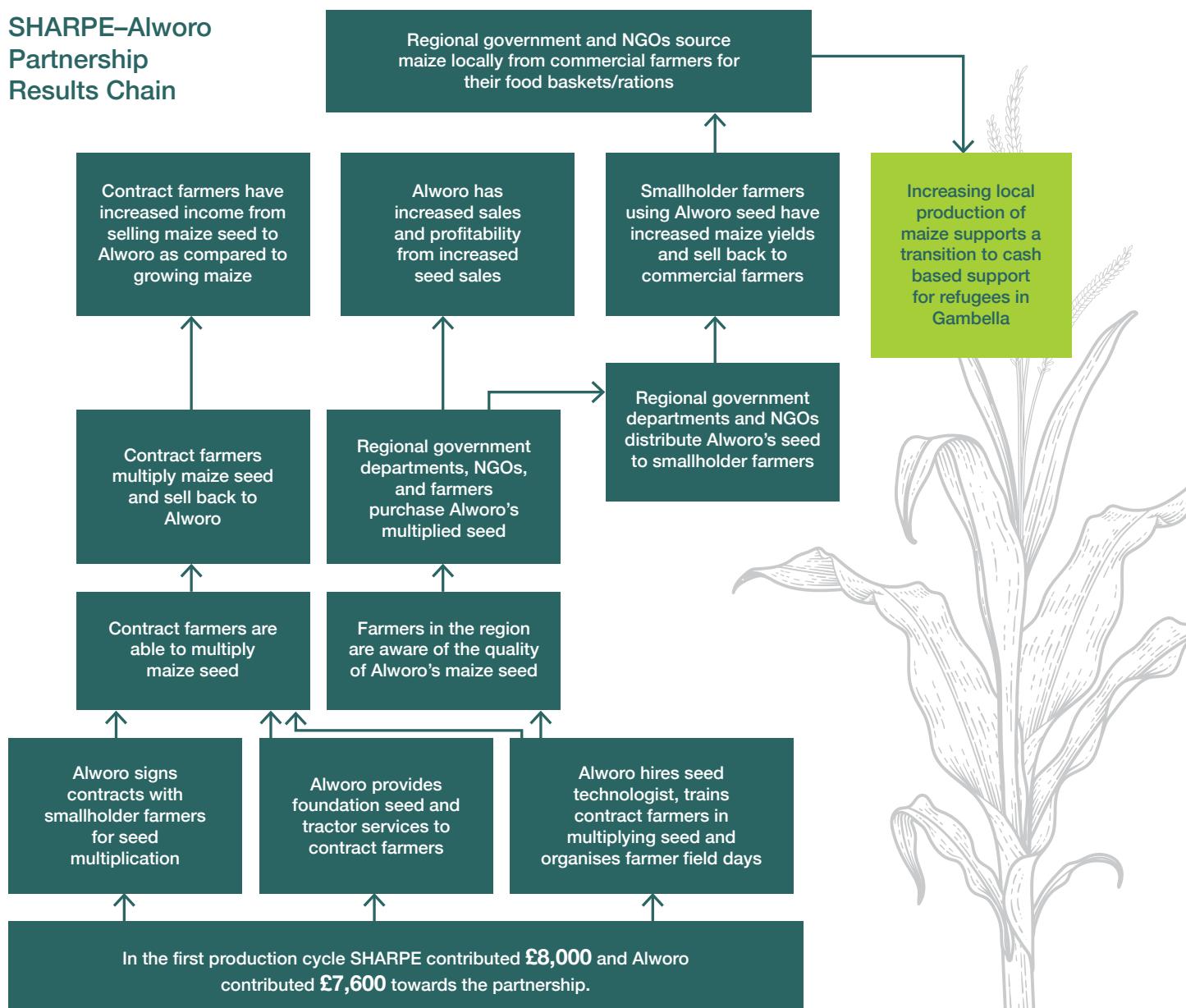
SHARPE worked with Alworo to support the contract farmers to apply GAP and meet the quality certification standards demanded by institutional buyers. Foundation seed was provided to the farmers, and Alworo offered its contract farmers a combination of advisory and

mechanisation services for maize crops through its field specialists. This supported the farmers to maintain the seed quality.

The contract farmers multiplied the maize seed and sold it back to Alworo at an agreed price, guaranteeing a market for the farmers.

In year one, Alworo received pre-orders from the Gambella Agriculture Bureau and international and national NGOs to buy maize seed for distribution to smallholder farmers in Gog, Itang, Gambella Zuriya and Abol woredas, with a view to increasing maize production and household incomes. In addition, Alworo began supplying WFP with improved maize seed for distribution to 150 smallholder farmers, with a plan to expand sales to WFP in the coming year.

## SHARPE-Alworo Partnership Results Chain

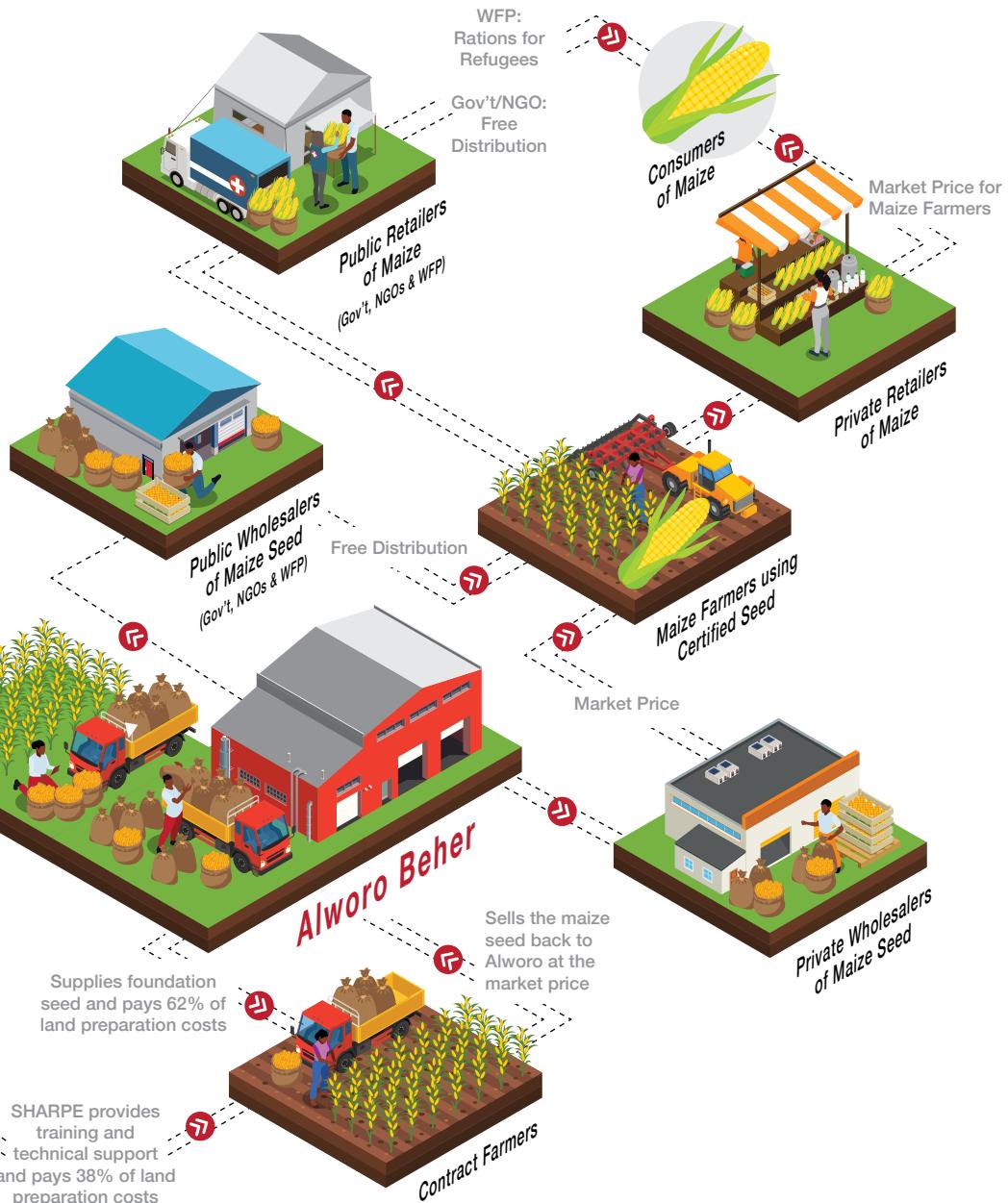




Partner:

Commercial Farmer

**Alworo Beher Agricultural Development Plc**



## Business model

## Results



**9 contract farmers** have produced **196 tonnes** of seed



**GBP 30,300 of additional income** for 9 contract farmers from seed multiplication



**6,038 smallholder farmers** have received Alworo's maize seed from NGOs and the regional government



**GBP 16,200 in additional sales revenue** for Alworo under the business model

## Sustainability

Increased sales revenue and profitability for commercial farmers, seed multiplying farmers and maize farmers

## Scale

- ▶ **9** contract farmers multiplying seed
- ▶ **6,000** maize farmers using quality seed
- ▶ Model to be expand in year two with **20** contract farmers multiplying seed for around **15,000** maize farmers



*Since my husband died, I have been supporting my family of eight through farming. Working with Alworo has increased my farm income and, in addition to managing household expenditures, I was able to cover the expenses for my son's wedding. I multiplied seed using four hectares of my land and harvested around three tonnes per hectare. Next season, I plan on growing even more seed for Alworo.*



**Ajilu Kiru**, Contract Farmer.



*We were introduced to Alworo through a workshop facilitated by SHARPE, after which we purchased five tonnes of maize seed from Alworo. We are very pleased with the seed quality as the germination was more than 95% from our own trials. We have distributed the Alworo seed to more than 150 smallholder farmers in Gog, Itang, Abobo and Abol woredas. Next season, WFP plans to facilitate access to 800 tonnes of maize seed for smallholder farmers to distribute to more than 15,000 farmers and Alworo will be the main supplier. We are aiming to support local farmers to increase maize production to provide greater food security for refugee and host communities alike. WFP would also like to purchase maize from these local farmers in the future.*

**Allan Mulando**, Senior Programme Policy Officer, WFP.



## Lessons learnt



The multiplied seed from commercial farmers is of better quality in terms of yield (95% seed germination) as compared to the existing basic seed sourced by the regional government (responsible for up to 60% of seed germination in Gambella).



Contract farmers require ongoing support from field experts and agronomists to follow GAP if they are to produce enough maize as commercial farmers and meet the seed quality standards demanded by buyers. In the first season, Alworo purchased just 60% of the total seed produced from contract farmers due to quality issues.



The potential for commercial seed multiplication in Gambella through contract farming is significant. Alworo and the nine seed-producing contract farmers all increased their profits, demonstrating the commercial viability of the business model. The demand for quality seed is large, with many institutional buyers such as the regional government, WFP and NGOs looking to purchase seed locally.



The increase in local maize production presents an opportunity to supply organisations such as the WFP who are increasingly looking to source food supplies locally for distribution in refugee camps.