Amhara agro-dealers group dreams big

By Anmut Zeleke,
AGRA’s Amhara Regional Consultant

The Misrak Agro-dealers’ Group in Amhara have a binding slogan: “We will be big investors in Future”. Indeed, this is a dream they are fully committed to.

The group is organized by an AGRA funded project - Improving Market-Led Production of Selected Agricultural Commodities in Targeted Woredas of Amhara (IMPACT-Amhara), and it has existed since 2018. The implementing consortia organizations lead by the Sasakawa Global 2000 (SG2000), include Technoserve Inc. (TNS) and Farm Radio International (FRI).

The project is designed to increase the productivity and strengthen access to output markets of wheat, teff and maize of smallholder farmers in targeted woredas in Amhara region and thereby contribute to the improvement of income and livelihood of smallholder farmers and their families. The project has the following four expected outcomes:

Outcome 1: Strengthened agricultural input systems and supply chain;

Outcome 2: Increased adoption of target crops productivity enhancing technologies and practices;

Outcome 3: Reduced post-harvest losses; and

Outcome 4: Strengthened target crop value chain for increased access to structured output markets

To realize the introduction of improved technologies that increase crops productivity and reduce post-harvest losses, the project established youth groups to demonstrate and deliver improved technology based services for the project targeted areas.

Misrak Agro-dealers’ Group comprises three women and two men and is contributing a lot in the introduction of new improved technology that reduces maize post-harvest losses in the maize producing woreda of Burie Zuria. Group members have different educational qualifications, ranging from 10th grade to a graduate of Bachelor of Science. Before they set Misrak Agro-dealers Group, they had no income at all and used to provide unpaid labour to their families’ small holding farms.

The Burie Zuria woreda in which the members live, is a rural district with high potential for maize but with limited application of improved technologies and agricultural practices. Farmers in the woreda used to shell their maize manually. The manual shelling of maize increases post-har-
vest losses, reduces grain quality, is time consuming and makes homes uncomfortable because it reduces space for living and sleeping.

As a strategy to demonstrate and increase the adoption of improved technologies, IMPACT-Amhara supplied Misrak Agro-dealers an improved shelling machine with a cart worth US$ 2,420. Following the introduction of the new shelling machine, maize growing farmers are able to shell their maize conveniently. In one of the villages of Burie Zuria woreda, Sartekez, about 85 farmers shelled 232.7 tons at a cost of $6.30 a ton.

The organized youth groups are not only giving service to improve technologies. More than 390 farmers in the village have attended the sub-woreda level demonstration days. Organized youth groups have been able to earn a gross profit of $1,140 in one season from the service they gave to the farmers. This profit is about 47% of the shelling machine cost.

Misrak Agro-dealers’ group is highly motivated with the benefit they are getting and the service they are giving to the farmers. As the group was giving post-harvest service to the project beneficiaries, the partner government and the project further strengthened their effort by facilitating them to be engaged in agro-input suppliers/agro-dealers/ so that they could use the extension system for their shelling machine prospecting. In this regard, the project supported the group with seed money worth $2,700. Fulfilling the necessary requirements of the trade bureau, the group members have established an agro-dealer’s shop and started to supply a range of agro-chemicals needed by the small holder farmers.

Now, the Misrak agro-dealer is functioning as an important partner for the AGRA ultimate goal of transforming smallholder farming from a solitary struggle to survive to a business that thrives. In both the shelling machine and the agro-input supply, the group earned about 61,440 Ethiopian Birr (1,920 USD) as a gross profit from one season’s shelling service and one month’s sale of agro-chemicals.

Apart from the profit they got, they organized field days for about 390 farmers on the shelling machine and supplied 550 smallholder farmers timely and quality agro chemicals. Within a month, the group supplied about 722 litres of agro-chemicals and revolving about 378,000 ETB (11,800 USD). From the sales, Misrak agro-dealers earned 25,000 ETB (780.00 USD) gross profit.

Encouraged by the income and the social benefit they are getting, group members are searching for diversified economic opportunities, including engagement in other economic opportunities like wood work and renting of farmland. They are saving the amount they are earning to be engaged in high value service giving activities like purchase of tractors for ploughing and loading purposes. They are looking for large scale investment activities.

These results were possible through the involvement of different actors, including local and regional institutions. The local administration and agriculture office support was high in the selection of group members, organizing them into groups and supporting them into a service delivering entity.

The local administration helped them to celebrate the starting of their business and facilitated model farmers to use the shelling machine and agro-chemicals from Misrak Agro-dealer. The Amhara Metal Works Enterprise, Amhara Quarantine Authority and the Bureau of Agriculture at different levels were helpful in the establishment and training of the organized agro-dealers.

From the results of shelling service and agro-input supply, the Misrak agro-dealers are highly encouraged and are determined to be “big investors in the area in the near future”.

To date, the IMPACT-Amhara project has organized about 12 post-harvest service provider groups with 70 youth members (12 women) and 12 agro-dealer groups with 26 youth members (14 women).