### **Editorial**

Agriculture is back on the development cooperation agenda. Neglected for almost a decade, the importance of the sector was never in doubt. But, in many cases, the right approaches had not been found. Agriculture is vital for many countries, be it for food security reasons or as an important pillar for the national economy. It is a source of income for 450 million small farmers worldwide, and an employer for a large reserve labor force.

For 30 years, GFA has contributed innovative approaches to agricultural development. But, according to economist Joseph Schumpeter, few innovations really change the world. In agriculture, we have to find the right links between new ideas, resources available to farmers, market potential and economic benefits for parties in the value chain. Systematically exploiting such promising links is the best approach to make markets work for farmers and the agricultural sector.

This newsletter highlights a wide spectrum of agricultural development approaches employed by GFA. In Ethiopia, subsidizing investments in gully rehabilitation has led to long-term benefits for farmers and a sustainable environment. Another case in point is fostering the role of farmers' business associations in formulating favorable policy frameworks for the agricultural sector throughout Africa. In China, linking farmers to German agro-industry technology and public-private partnerships has been the latest trend.

We at GFA wish all our readers a delightful Christmas and a happy and peaceful 2014.

Hans-Christoph Schaefer-Kehnert Managing Director GFA Consulting Group

# New Approaches to Agricultural Development Best Practices only Work if Implemented Systematically

Few innovations truly change the world. New ways of solving problems will only succeed if they meet felt needs and are adopted systematically. This also holds true for development projects: The impact of a project is rarely something new, but often something put to action consistently. Given the efforts invested in so called best practices, it is surprising how little these are applied. Could it be possible that best practice sounds appealing but only works if implemented systematically?

In Ethiopia, GFA is implementing a project component that focuses on the development of best practices. GFA contributes to a Sustainable Land Management (SLM) program that GIZ has been implementing for the past 20 years. Quick impacts simply do not exist: Turning degraded land into arable land is a slow and input-intensive process, and people must be convinced that it is worthwhile investing in land considered lost. Hence, starting on a very small scale and creating positive examples are key to success. GIZ supports this line by providing training and improving planning processes.

As the Ministry of Agriculture should offer training and managerial support by itself, high-quality training material has to be developed and shared along a multistep transfer of knowledge. Trainers receive the whole package: manuals, adult learning methodology, training plans, teaching and learning aids. They train regional agriculture extension experts who just use part of the package to train village-based development agents. The agents apply teaching and learning aids to train farmers.

The training focuses on practices useful for reducing land degradation. Trainers inform a Best Practices Task Force on country-wide experiences in the field. Consequently, the task force decides which routines deserve to be elaborated as nation-wide Best Practices integrated into the SLM program. These are best practices as such: effective in a specific Ethiopian context and region. Lengthy discussions about what was good, what was better and what was best may take time and absorb valuable human resources. But practices that have proven effective should be disseminated at a larger scale. Ultimately, it will be farmers who decide which innovation or new practice is adopted and which is rejected. Hence, while the growing pool of Best Practices is a success it may deserve a more modest label.



SLM project stakeholders participate in a  $C^3$  Train the Trainer workshop in Addis Ababa



### **New Approaches to Agricultural Development** (continued from page 1)



#### **Agricultural Chambers of Commerce**

Another supposedly new approach developed from best practices may be implemented by the African Union's Comprehensive Africa Agriculture Development Program (CAADP). After decades of neglect, agriculture is back on the development agenda. At the same time, increased demand and high prices for agricultural products have substantially increased private sector investment in this sector.

CAADP is seeking a new way to facilitate the participation of agribusiness in the development process, an important but as yet lacking element. Its ambitious program foresees the creation of inclusive National Agribusiness Chambers similar to conventional chambers of commerce and trade. Such agribusiness chambers would build on existing institutions and organizations such as associations, cooperatives, unions, financial and other agribusiness service providers. Agribusiness chamber would group all important agribusiness players under one umbrella with one voice, which could articulate specific needs in the elaboration of CAADP strategies, investment plans and policies.

In this context, GFA is carrying out a study on behalf of GIZ to analyze if comparable institutions to agribusiness chambers exist across Africa. The study aims at stocktaking existing agribusiness umbrella organizations in South Africa, Ethiopia, Senegal, Ghana and Cameroon. Based on this analysis, GFA will recommend what a successful agribusiness chamber could look like. The features of such a model chamber could be adapted to countries across the continent where such organizations do not exist or existing ones need to be strengthened.

The study's findings differ strongly from one country to another. In South Africa, for example, the agricultural sector is highly structured, farmers are organized up to the national level and most commodity-specific organizations are vertically integrated and offer business development services to their members. In the other countries, the level of organization is lower and only some of the commodity-specific organizations are vertically integrated. Moreover, most of them are under-financed as far as their intended responsibilities are concerned, and they depend on subsidies or donor organizations' assistance.

But the overall interest in potential agribusiness platforms is strong and many respondents believe that CAADP could act as a catalyst for the necessary fusion of existing but fragmented organizations. Currently, governments have to address different actors for policy positions and vice versa, which is strenuous and ineffective for both sides. There is a general consensus among private sector stakeholders that speaking with one voice would be more promising. Therefore, the CAADP initiative is seen as progress. Innovations do not necessarily require revolutionary approaches. At times, solving problems effectively may be more about experiential learning, organizing the lessons learned, and adapting them in the right context at the right time.

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### **German Agribusiness Investments in China**

China is the biggest rice, fruit, vegetable and pork producer worldwide. But rising demand for high-quality products and rapid urbanization put the agricultural production system under pressure. Therefore, the Chinese government formulated three policy objectives for modernizing agriculture: ensuring food security, improving food safety, and fostering rural development.

The prosperous situation in Chinese urban centers is contrasted by low income levels, widespread poverty and stagnating growth rates in rural areas. Agricultural production is dominated by small-scale farmers and largely inefficient state owned farms. Especially smallholder farmers struggle with degradation of soils, poor machinery and low farm incomes. Lack of know-how, practical training, land markets and credit availability aggravates this situation. Hence, the current economic five-year plan outlines that subsidies and additional funds will be provided and infrastructure investments will be carried out. President Xi Jinping stressed that farmers will be given greater freedom and rights regarding land tenure.

#### Sino-German public-private partnerships

Germany is a strategic partner of China when it comes to modernization of the agricultural sector. The German Ministry of Food, Agriculture and Consumer Protection (BMELV) has been funding projects in China through its Bilateral Cooperation Programme since 2008. Currently, there are two public-private partnership (PPP) projects. In its position as General Agent on behalf of the BMELV, GFA is responsible for designing, monitoring and evaluating these projects.

The Sino-German demonstration farm Ganhe is implemented in Northeastern China in cooperation with companies from the agricultural machinery and seed breeding sectors. The IAMO Institute in Halle and the Chinese Agricultural University in Beijing contribute scientific advice. The project aims at demonstrating state-of-theart crop production, including sustainable practices with regard to soil management, crop rotation and the use of agrochemicals as well as training of agricultural experts and managers of state farms. The project provides German companies with a

platform to present and demonstrate their technologies. Field days and other events ensure high attention of policy makers and investors. German companies gain better understanding of Chinese state farms as future clients. At the same time, Chinese partners profit from training, practice-oriented coaching and technology transfer.

Chinese investors tend to invest increasingly into cattle and milk production. Hence, the Sino-German project on the development of cattle breeding cooperates with six Chinese cattle farms in different regions and aims at increasing the productivity, quality and resource efficiency in this sector. German companies gain market access and bring in modern genetic and farm management practices. The PPP project supports Chinese investments by transferring modern technology and establishing demonstration farms for upto-date cattle production.

# Sino-German Center for Food and Agriculture

During a meeting of German chancellor Angela Merkel and Chinese Premier Li Keqiang in May 2013, a Memorandum of Understanding was signed to increase bilateral cooperation. A Sino-German Center for Food and Agriculture will be established as an umbrella for all bilateral BMELV activities in China. BMELV and GFA have initiated discussions with relevant stakeholders from the entire German agricultural and



Demonstrating soil filtration capacity

food sector, including business partners, government agencies and academic institutions. A central office in Beijing will be in charge of advisory services, networking and coordinating activities. Other pillars will be existing and new decentralized demonstration projects. Areas of cooperation will be biogas, food safety, forestry, agricultural research, plant and animal production. In addition, vocational training systems and a trainee program for young leaders will be implemented in the agricultural sector.

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Field day and machinery demonstration in Ganhe



# **European Union Ambassador Visits ADELNORD Project in Lebanon**

Upon invitation of the Federation of Municipalities of Donnieh in North Lebanon, European Union Ambassador, Ms Angelina Eichhorst, visited projects funded by the European Union and implemented by the ADELNORD project on 6 Nov, 2013. Since 2010, technical assistance for this project has been provided by GFA and ELARD. The project has three components: development and rehabilitation of agricultural infrastructure such as irrigation canals, agriculture roads and small lakes for irrigation water storage, community development, and supporting the protection of natural resources. The ambassador's delegation paid a visit to rehabilitation works of an irrigated area in Mrebbine in the mountain area of Donnieh, which is approaching completion. The president of the Federation of Donnieh Municipalities, Mr Mohamed Saadieh, presented development efforts in the region and outlined urgently needed support to additional projects.

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#### **GFA at Career Fair in Nairobi**

Staff of the GFA recruiting department participated in the first-ever DEVEX International Development Career Fair in Africa held 15-16 October in Nairobi. More than 45 employers and over 300 development professionals attended the Career Fair in order to present themselves and discuss best practices and latest trends in sustainable development in various workshops and panels. One of the main topics was the current trend of foreign

aid 'going local' as many donors put their focus on local talents and local partnerships. New challenges range from identifying talents and local organizations for successful and sustainable partnerships to differences in compensation and benefit packages between local and expatriate experts. This adds to the already complex process of hiring personnel for global development assistance positions. Hence, human resource and recruitment leaders from international NGOs, consulting firms and donor agencies working in East Africa had an intense debate on the impacts these trends are having on the job market. In particular, they discussed the changing roles of expatriates and local development professionals, and strategies for professionals to remain marketable in this dynamic environment.

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## Iraqi Civil Servants visit Hertie School of Governance

Staff of the Higher Institute for Security and Administrative Development visited the Hertie School of Governance on a study tour to Berlin from 13-23 Oct, 2013. The visit was part of an EU-funded project implemented by GFA Consulting Group. Participants acquired key knowledge and skills to improve the management and governance of the institute and to develop a strategic plan for its future development. They were introduced to instruments in the management of public institutions, and learned about latest trends and standards in major aspects of university management. The Higher Institute for Security and Administrative Development is striving to acquire university status and become a viable cooperation and exchange partner for reputed universities internationally. Hence, the tour program also provided an introduction to the main features and standards of higher education in Europe.

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### A Success Story in Afghanistan

The Baghlan Agriculture Project of GIZ implemented by GFA supports smallscale farmers in the Baghlan Province with assistance and equipment related to poultry keeping for meat and egg production. For the majority of farmers in this region, a family's income from agriculture and livestock raising is too low to make ends meet. The project supports almost a thousand women farmers. One of them, Ms Rowgul from Doshi District, reported that she used to raise five chicken, which were often sick and died so that she had hardly any revenue from poultry raising, the only source of income for many women. When project activities started, she took part in skills training and practice-oriented field days conducted by the GFA team of experts. Now she has 14 chickens in her newly-built hen house. She looks after the birds' hygiene and takes vaccination recommendations and dates seriously. She collects the eggs and sells them at the local market. This increases her disposable income for her children's needs. Eggs have become part of meals more often so that food security of her family and protein provision of her children in particular have been gradually improving.

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