

The Learning Alliance is a learning-by-doing process in value chain development, organised in clusters: farmer organisations and service providers who have existing working relations. In the Learning Alliance 18 farmer organisations upgrade their business and market position in the value chain.

The Learning Alliance includes workshops, assignments and coaching visits by the coordination team. All clusters successfully completed the assignments on Basic value chain analysis, Self-analysis for trade partnership, Financial analysis and coaching, and Cluster action planning. The final stage of the Learning Alliance is a business planning contest and documentation of lessons learned. The Learning Alliance has the support of 5 members of Agri-ProFocus: SNV, ICCO, KIT, Agriterra, Cordaid and from FFARM and IIRR in Ethiopia.



Challenges for farmers

Since the early 1990s Ethiopian smallholder farmers are organised in cooperatives and grain banks with the support of government, service providers and donor agencies. Many of these farmer organisations successfully completed the first phase of building basic technical, organisational and business capacities. They now face the challenge of improving their capacities for marketing and value chain development. Some critical capacities that farmer organisations now need to develop are:

- Market-oriented production
- Quality assurance and logistics
- Building business partnerships with other chain actors
- Entrepreneurial skills
- Bankable business plans.

Learning-by-doing

The learning process is organised between farmer organisations and service providers along existing working relations. Each of these clusters identified a product for learning purposes. The approach follows the 4 phases of value chain development: mapping and assessment of the value chain, building of engagements between the chain actors, upgrading of the chain, and monitoring and evaluation.

The learning process is based on practice by integrating training - and working activities in a continuous loop of learning, applying, and reflecting. Coaching on assignments and the financial situation in between the workshops proves to be a powerful intervention to link up between learning in workshops and action.

Workshops

- Inception Workshop
Mar 2007 - Addis Ababa
- Mapping the Chain
Nov 2007 - Addis Ababa

- Strengthening the Actors
June 2008 - Awassa
- Finance & Services
Feb 2009 - Debre Zeit
- Business Planning
Sept 2009 - Ambo
- Business contest and documentation
Feb 2010 - Addis Ababa

Results

During coaching several changes in entrepreneurial attitude were observed: the confidence level of the farmer organisations is increasing and they continuously look for new opportunities. Business planning is improving, in particular where existing partnerships are already established. See the back for jury statement on the business contest and the quality of the business plans.

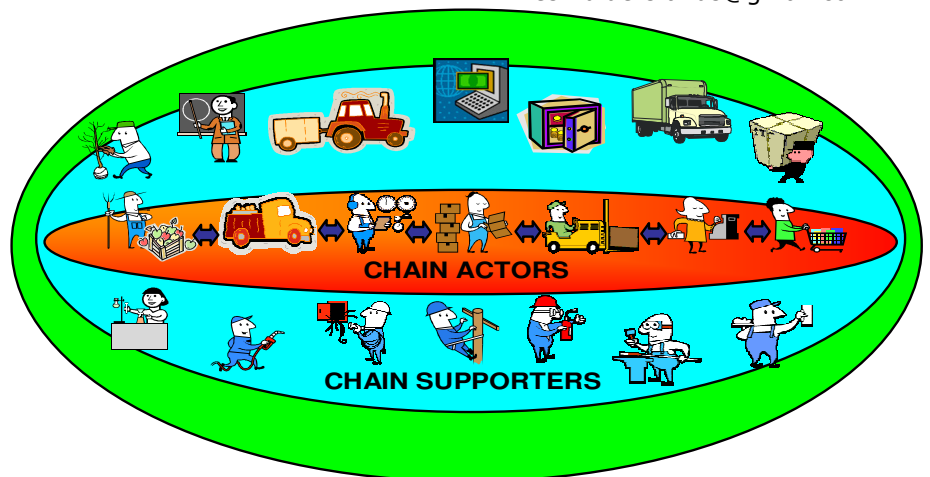
Way forward

Learning-by-doing also applies to the organisers. Lessons learned are documented in a bulletin (Mid 2010). Follow-up and up-scaling of this approach is being discussed in the APF country focus process.

For more information

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Overview of 18 clusters participating in the Learning Alliance

Product	Farmer PO	Service Provider	Business contest
Maize	Lalisa Walgay-Dembi Dollo	Nekemte CS	special prize learning strategy
Teff	Edero	EOC-Didac	
Haricot	Burka Gudina (Kerensa CB)	CDI	special prize funding strategy
Wheat	Alabedas (Chelanko)	Hundee	special prize pro-poor strategy
Teff	Efaberi (Borecho)	Hundee	first prize!
Teff	Abdi Boru	OSRA	
Wheat	Maja Gero (Sayo Mechal)	ADAA	
Incense	Goro Roba Marketing Coop	AFD	special prize gender strategy
Incense	Sochi Gudina Market Coop	AFD	special prize gender strategy
Teff	Gola Roge	FCE	second prize!
Soybean	Tulu Ifa Mofo CB	FCE	
Dairy	Buruh Tesfah Coop	SHDI	
Dairy	Gelgel Coop	SHDI	
Honey	Wollela Multi Coop	ESBA	special prize capacity building
Coffee	Dimbira Gojeb Ogaya	Jima Bonga CS	
Honey	Agama Forest User Group	APINEC	third prize!
Wheat	Dedie Farmers Coop	IIRR	
Linseed	Gimebe	ERSHA	

Notes from the jury of the Business Development Plan Contest (February 2010):

"Based on the plans and results it can be concluded that the contest has contributed to development of the clusters and to stronger positions of farmer organisations in value chains."

"Especially the Farmer Organisations (FOs) that expanded on their core business (buying and selling products) were convincing in making their plans realistic and feasible. The best business plans were simple, specific, well budgeted and clearly focussed."

"Some very innovative business models were seen in honey, incense & gum and linseed."

"FOs are inclined to doing more chain activities themselves. Additional costs and risks of these chain activities are not sufficiently taken into consideration."

"For further development of the clusters it is important that chain operators – FOs and other operators – will be strengthened in their leadership position in the clusters...Moreover it is important to get more significant involvement of other operators in the clusters and to develop special products for value chain financing."