



Hassen Fantaw Adem and his wife Zuriyash Yessuf from Dessie Zuria with their first potato harvest: "It was unthinkable to harvest 600Kgs of potato from 50Kg of seeds in a small plot of land as the drought was challenging to move out for migration".

**Project:**  
LIVESTOCK CREDIT REVOLVING FUND SCHEME AND POTATO EXPANDING PROJECT, DESSIE  
ZURIA, ETHIOPIA

**Proposal Submitted to:**  
Givewell Poverty Grant

**On behalf of Concern:**  
ETHIOPIA

**Concern US Contact:**

Marny McCaughan  
Foundations Officer  
Concern Worldwide, U.S.  
332 South Michigan Avenue, Suite 630  
Chicago, IL 60604  
Tel : 312.431.8400

Fax : 312.431.8830 [marny.mccaughan@concern.net](mailto:marny.mccaughan@concern.net)

## INTRODUCTION

### *Concern Ethiopia*

Concern's first engagement in Ethiopia was in 1973 when it responded to the acute food crisis. Since 1984, Concern has been continuously working in Ethiopia. Concern Ethiopia has an almost 30-year service in emergency and development related work. The humanitarian, rehabilitation and development activities carried out during this period have focused on Amhara Region, SNNPR and Addis Ababa in the area of emergency response, food security, HIV, education, health and nutrition and GBV.

Concern has developed a good reputation in the area and its response has saved thousands of lives both in the southern and northern part of the country. The various interventions on rehabilitation and long-term development addressed the most affected communities and have helped to alleviate the level of poverty. Concern Ethiopia currently has approximately 336 employees of which about 124 are emergency staff. National Staff makes up 98% percent of the employees, and there are only five expatriate staff in Concern Ethiopia.

## DESCRIPTION OF INTEREST

### *Program Overview*

Dessie Zuria (DZ) is one of the 20 Woredas (equivalent to a district) in the Southern Wollo Zone in the Amhara Region of Ethiopia. The population of the Woreda is about 205,700 according to the Woreda Council 2006 brochure. The altitude of the Woreda ranges from 1,800 to 3,500 m.a.s.l and is characterised by a rugged and undulating topography (steep slopes, hills, and plains). It is categorized into four agro-ecological zones, namely, higher highlands (*wirch*) 32%, highlands (*dega*) 25%, midlands (*woina dega*) 43%, and lowlands (*kola*). The Dessie Zuria livelihoods program area where Concern Ethiopia works consists of 11 the most vulnerable Kebeles (lowest administrative unit), which have been identified through a livelihoods analysis carried out by Concern Ethiopia by 2006<sup>1</sup>. Total population of the Kebeles is 72,144 people in 14,545 households.

Out of the total population in the area, 64,024 people or 89% of the population is living in the higher highland ecological zone where the climate is fragile due to various factors, such as: low crop productivity, uneven distribution of rainfall, poor animal health, backwards agricultural practices, land degradation high population pressure, and frosts. Other than agriculture, livestock is the other mainstay sector for the people in the area. However the productivity of this sector has deteriorated due to many reasons. High prevalence of animal diseases is a major problem, while poor feeding practices, and limited vet services, are also aggravating factors reducing the productivity in the livestock sector.

To address the socio-economic problems previously indicated, and to improve the economic situation at a household level in the program area Concern Ethiopia has been implementing, an integrated livelihoods program was developed to focus on Agricultural Diversification and Community Development. Since 2007 Concern Ethiopia's community development workers' experience in Dessie Zuria with this kind of intervention, has been that all tested varieties of improved potatoes can yield about 20Mt per hectare within a four month period. For this reason, potatoes have been found as the best crop to be expanded to more farmers due to its drought resistance nature, high productivity, as well as a cash and food source for targeted families.

Sheep rearing is the other major livelihoods interventions for this area. The restocking rate of small ruminants like sheep is higher than the large animals and beneficiaries can transfer their stock to a larger animal depending on their need and holding capacity. Another benefit of this intervention is that resources allocated for this revolving scheme have served additional targeted households in its established circulation system.

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<sup>1</sup>Concern Ethiopia Sustainable Livelihoods Analysis Dessie Zuria Wollo Zone of Amhara Region, June 2006

An additional important activity in the proposed intervention is the introduction of vet services through Community-based animal health workers. Concern Ethiopia has experience in this kind of intervention and currently has trained 16 Community-based Animal Health Workers who are operating in Dessie Zuria in the Amhara Region livelihoods program. These Para-Vets are successfully providing animal health services to 9,402 households. Additionally, more than 47,010 heads of cattle can easily get basic medical treatments through the trained Para-vets. Some of the types of treatment that the Para-vets will be trained in are: treatment of internal parasites, treatment of external parasites, dehorning, castrations, dressing and providing primary education on animal health care to the local community.

Some of the most notable improvements in Dessie Zuria have been a 10% decrease in livestock death and the reduction of time needed to seek for veterinary services. There has also been an ease in transportation issues as the Para-vets, due to their proximity, are willing to go to the household to provide services. This intervention will also have positive effects in the proposed project areas as 61.8% of households reported decrease in their livestock, the main cause for the livestock loss reported was disease. <sup>2</sup>

To further complement the activities of the livestock credit revolving fund scheme there will be some activities focused on forage and fodder development. Concern Ethiopia has been implementing this kind of intervention in the program areas in Dessie Zuria. The rationale for this kind of intervention relies on the fact that the agriculture sector in that specific locality as well as in most of Ethiopia is characterised by mixed farming, crop growing and livestock rearing. Long years of poor management of grazing lands and the population pressure which has changed enormously from decade to decade have adversely affected the sources of animal feed. Currently, income from the livestock sector has declined due to difficulties with animal feed and animal health. One of the observations in this area has been that many of the animal health problems are aggravated by poor animal feed. This issue was also identified as a priority problem by the community during the planning phase of the Kalu food security program, as well as in the Dessie Zuria livelihoods program development phases.

Concern Ethiopia proposes a “Livestock Credit Revolving Fund Scheme and a Potato Expansion Program,” which will aim to economically empower 12,770 families, increasing their income by 50% and above, and 85% of allocated funds will be transferred in to the target beneficiaries to be parts of their wealth. The estimated cost is about US \$16 per family. The livelihoods of the target beneficiaries are expected to be improved by providing the families with highland tolerant improved varieties of potato tuber. Once the households have received the improved tubers, they will be instructed in their use by introducing best practices that have been experimented by the Concern Dessie Zuria livelihoods program since 2007. A second intervention will consist of setting up access to livestock credit through a revolving fund scheme through existing, community-based savings and credits cooperatives and multipurpose farmers service cooperatives already established in the area.

#### **The top five activities accomplished in 2008 in the Dessie Zuria Livelihood program:**

1. Diversification of agricultural product through introducing of highland tolerant fruit trees, potatoes, and improving irrigation practices. These inputs were provided to improve agricultural productivity in the areas of crop and vegetable promotion and animal health and fodder development, and they improved the income of 1,794 women and 1,534 men.
2. Livestock development and increasing production from the sector including a livestock credit scheme, fodder development and expansion of animal health services. A total of 2,213 households (1,682 female and 513 male households) have accessed livestock credit services through a revolving fund approach, since inception.
3. Water supply schemes which improved the access to potable water supplies for rural communities. 2,160 people, the majority of them women, gained access to potable water. Water scheme availability also improved for around 1,212 domestic animals.

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<sup>2</sup> Concern Ethiopia, Report in the Baseline Survey DZLHP, December 2007

4. Natural resource conservation activities, through the community-based enclosure site organization of hill sides with different conservation structures. 18.9 kms of hillside terrace and 1.5 kms of check dams were constructed. 660 people (46.1% female) participated in the natural resources activities.
5. Capacity building interventions for local government and community organizations for further project management and technical support. 39 women and 52 men from relevant government departments and community leaders were trained on team building, leadership, business planning and recording and documentation.

### ***Request for Support***

Concern Ethiopia is searching for additional funding sources for these programs due to the success obtained in these areas since 2007, and the growing demand from the target community to expand the programs and target more beneficiaries.

For this intervention, Concern Ethiopia requests the amount of US \$210,448. The plan is to continue its efforts to keep this program operating until the communities are strong enough to take them over. Concern Worldwide and Concern Ethiopia will continue seeking for funds actively in order to carry on this intervention beyond 2010. Opportunities through EU multi-country Calls for Proposals, Irish Aid MAPS funding program will be explored.

Since the program's inception, a total of 2,213 households (1,682 female and 513 male households) have gained access to livestock credit service through a revolving fund approach. Seven multipurpose service cooperatives and ten saving and credit cooperatives are involved in facilitating the workable credit scheme for poor households, with a very limited service charge. Additionally, 547 households (with 2,735 family members) are directly benefiting from savings and credit institutions.

According to the June 2009 Dessie Zuria livelihood program mid-term evaluation conducted by the government<sup>3</sup>, the identified outcomes are promising in bringing in sustainable changes in the targeted communities. Through this additional funding from Givewell, these development activities will be expanded. The funds obtained from the Givewell Poverty Grant will be transferred to the targeted families with limited administration costs. Small funds will enable generating high objectives when linked to the already ongoing systems and tested strategies.

### **Here are major activities expected to achieve over 2010:**

- Diversification of improved potato production
- Livestock credit through revolving scheme
- Fodder development
- Provide vet service through Community-based animal health workers
- Irrigation agronomy

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<sup>3</sup> This document is only available in Amharic.

## Budget in USD

Description	Unit	Qty	Unit	Total
<i>1. Direct Operation</i>				
Improved variety potato bulb purchase	Mt	150	394.400	59,156
Transportation of potato bulb	Mt	150	87.640	13,146
Number of small ruminants to be distributed	No	4,218	17.530	73,931
Demonstration low cost potato preservation techniques	No	50	262.900	13,146
Training for potato producers	Trainees	1500	6.135	9,202
Training for livestock credit scheme target groups	Trainees	1054	6.135	6,466
Training for service cooperative leaders in basic accounting	Trainees	22	9.202	202
Vet drug revolving fund through trained farmers (Par-avet)	Pcs	10,000	0.175	1,753
Fodder seeds purchase and provision	Mt	20	105.200	2,103
<i>2. Indirect support cost</i>				
Administration cost 10%	Lumpsum	-	-	17,910
Support Costs	Lumpsum	-	-	13,433
<b>TOTAL</b>				<b>210,448</b>

## DETAILED INFORMATION

### Clients

Dessie Zuria is one of the most populated districts (Woredas) in the Amhara region. It is a highland area with an altitude range of 1,800 – 3,500 m.a.s.l., has a total area of 1,329.52 sq. km and a population of 197,930 with a population density of 149 persons per square Km, i.e. more than double the national average which is 64 persons per sq. km. The district is divided into three main agro-ecological zones with higher highlands (*wurch* zone), highlands (*dega* zone) and midlands (*woina-dega* zone) constituting 32%, 25% and 43% of the Woredas total area respectively. About 43% of the total area is reported to be cropland (40% under rain-fed and 3% under irrigated crops), 23% covered by eucalyptus plantations, 11% left for grazing purposes, 17% left as wasteland and only 6% is considered to be cultivable but uncultivated. Mixed farming (crop and livestock husbandry), as in most of the highland areas of the country, is reported to be the norm<sup>1</sup>. Administratively, Dessie Zuria Woreda is divided into 31 Kebeles, 11 of which are covered by Concern's Dessie Zuria Livelihoods Program.

The livelihoods analysis in Dessie Zuria conducted by Concern Ethiopia has pointed out that people's livelihoods and availability of assets have been affected by shocks and critical trends. As a result more than 60% of households in the area have become food insecure. The material wealth of 50 to 66% of the farmers in the program area has decreased. In female-headed household this is especially concerning, as according to the different studies women are more vulnerable than men<sup>4</sup>. The Dessie Zuria Livelihoods Program managed by Concern is implementing different activities to reduce food insecurity within the program Kebeles, through targeting the resource-poor households in the community, especially those households headed by women. For beneficiary targeting, Concern Ethiopia has carefully considered gender issues. For all interventions women are targeted to a level of 30-50% in order to maintain a consistent gender balance in the program. Some specific activities targeting specifically women have been included to positively affect their productive and reproductive roles (such as increasing access to resources through the various schemes; and through the family planning intervention, these activities already have the necessary funding). Focus has also been made on increasing their community management roles through technical and organizational trainings.

<sup>4</sup> Concern Ethiopia, Dessie Zuria Report on Gender Analysis, September 2006

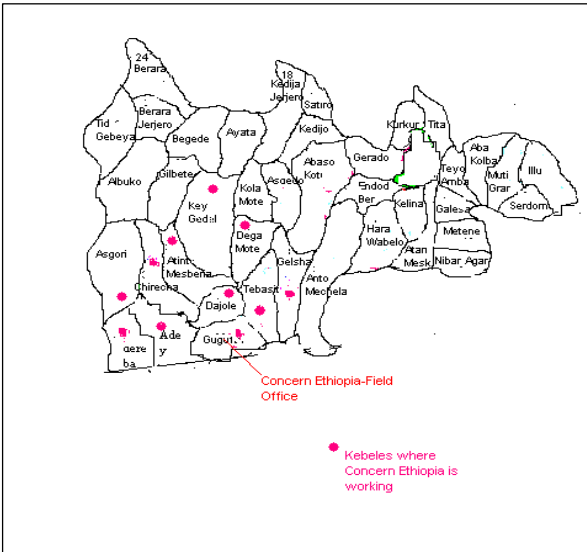
A wealth ranking exercise was facilitated by Concern Ethiopia field workers in early 2007. It was done in 110 villages. A list of households was prepared and verified to ensure everyone was included. Three different groups consisting of eight community members, including men, women, elders and youth were selected by the community to take part in the exercise. These community members contributed to developing criteria that divided the community into four categories listed below. The three groups then allocated the households identified into the four categories, very poor, poor, medium and better-off. Finally, results were triangulated at a community-wide meeting and individuals were given the opportunity to dispute the presented findings. The Kebele administration approved the whole process and the findings. In summary, it is the community themselves who rank their wealth status and develop ranking criteria. Concern field workers are facilitators in the process. Concern Ethiopia later identifies target households within 'the poor' and the 'the very poor' categories as beneficiaries for the interventions.

The table below shows local criteria for the different socio-economic categories:

<b>The Better-offs</b>	<b>The Middle-level</b>	<b>The Poor</b>	<b>The Very Poor</b>
Have land > 1.5 hectare Have 2 oxen, 1-2 cows, 1 mule, 1 donkey, 10-20 sheep; Have 1 house with corrugated iron sheet with additional hut; Have additional income from petty trading; Are able to cover food consumption throughout the year; Are able to cultivate their own land properly; Share land from others; Are able to send their children up to high school; Have cash deposit; Have tree planting site; Are able to store grain at harvest time and later sell it at high price; Give more animals to the poor on a shared-rearing basis; Are respected and honored; Are mostly targeted for government extension packages May have a grinding mill.	Have land 4-6 'timads' Have 1 or 1 pair of oxen, 1 cow, 1 mule, up to 10 sheep; Cover food consumption for 8-10 months; Have Eucalyptus tree plantation around homestead; Have access to agricultural inputs and technologies; Are able to send their children to school; Engage in trading activities.	Have up to two 'timad' (0.5 hectare) of land; May rent out their small land to better farmers May have 1 ox or 1 cow, 1 donkey and up to 3 sheep; Sell the labor of their children; Are able to cover 3-4 months' food; Additional income based on daily labor and safety net; Poor housing conditions.	Have no livestock and small plot of farm land; Live in poor <i>tukuls</i> ; Some of them go for begging; Are mainly dependant on relief aid and PSNP <sup>5</sup> . Sell the labor of their children, wife and their own labor to better-off farmers; Seasonally migrate; Are mainly women who can not express their ideas properly; Are excluded from social activities; Have very limited access to credit. Not able to send their children to school

<sup>5</sup> Productive Safety Net Program managed by Ethiopian Federal Government





**Map of Dessie Zuria Woreda in Amhara Region-Ethiopia**

*Impact Studies*

## Case Study One:



Hawa in her productive farm land

Hawa Endris is one of the thousands of Concern’s Livelihoods program beneficiaries living in Dessie Zuria woreda, Cherecha Kebele. She lived with her old mother and has four children from three different husbands. Hawa suffered through extreme poverty which in the previous two years became so bad that she was forced to beg from her neighbours and relatives in order to feed her children. She was neglected by her relatives and neighbours due to her status.

**Hawa’s Testimony of the Benefits from the Livelihoods Program:** “Thanks to Concern livelihoods program, my life changed significantly.” Before the start of Concern’s program in our kebele my living condition was very low and I was in the poorest of poor social group. At that time I was not able to send my children to school. One of my sons dropped from school and worked for rich farmers, the other also left us for religious studies mainly to cover his food and the third one also was hired by a better off family to watch cattle.

After Concern started to implement the program, I was nominated for potato development according to my wealth status. Through continuous technical support and follow up from Concern community development workers I harvested 14 quintals (1.4Mt) of potato for market and earned around USD \$150.00 in 2008. This does not include the consumption for my family.

I spent the income for stocking enough grain and bought an ox with the remaining part to build my asset capacity. This also increased my annual crop production significantly. Then, I sold the ox after it was fattened well for USD \$250.00 and bought one cow immediately which gave me a calf after a few months and enabled us to have better diet and additional income through the selling of milk and butter. Currently my economic status changed, my living condition improved. I learned a lot how to make money. This effort will continue for more wealth creation.”

“Currently I am empowered in all aspects. I can challenge an attack through legal forum I have “Idir” local cooperative institution especially during death; I am a member of self help group and women association. I involved actively in any meetings and public occasions, dressing better as other women do”.



## Case Study Two:



Mohamed seid with his milking cow beside to his Tukul

Ato Mohammed Seid Ali is a poor farmer who lives in Dajolei Kebele. He is the head of the house of a family of five. He is categorized under poor social group according to wealth and well being ranking. He was selected to be one of the target households in to the program.

**Ato Mohammed Seid Ali's Testimony of the Benefits from the Livelihoods Program:** 'I was very poor in social and economic aspects. I was suffering from social aspects extremely. However Concern has pulled me up from the extreme poverty to the current condition. To tell you frankly, if the selection process was done through government representatives, nobody would have remembered me due to governance at kebele level. Concern targeted me based on the given criteria in 2008. And then, I received only 50Kgs of potato and planted in my small plot of land with intensive technical support from Concern field workers. I harvested one Mt of potato after four months by using traditional irrigation practices and sold 80% of the quantity for \$191.60 USD at the local market with good unit price. Immediately, I bought a cow with a calf. Now, my family is enjoying not only on consumption but also on the respect and participation in different social and political issues. We are eating meals three times per day which is improved significantly both its quality and quantity. My family is realized as I have gotten a chance with some initial inputs and knowledge; it is possible to overcome the challenges of food shortage with stable coping mechanisms. This project shows me a path towards self sufficiency in food security and I promised to travel through it. All my family engaged in further production of potato. One of my children is attending in elementary schools in my kebele. I gave him all the necessary stationery and better quality cloths. Thanks to Concern, all things are fulfilled and no obstacles will challenge me.'

### *Technical Reports*

#### **1. Concern Ethiopia, Sustainable Livelihoods Analysis Dessie Zuria, Wollo Zone of Amhara Region- June 2006.**

This is a report on sustainable livelihoods analysis in Dessie Zuria Woreda of North Wollo Amhara Region. The objective of the study is to gather livelihoods information to be used as a basis to develop a long-term integrated livelihoods project proposal for Dessie Zuria Woreda by involving communities, local NGOs, CBOs, relevant government offices and the Concern Ethiopia field office.

**2. Concern Ethiopia, Dessie Zuria Report on Gender Analysis, September 2006**

This report covers a detail analysis of gender relations conducted in Dessie Zuria Woreda. The aim of conducting the gender analysis was to provide input for the new livelihoods program being developed in Dessie Zuria Woreda so that when designed, project strategies would be tailored to respond to the different needs and capabilities of men and women in the area. The findings revealed that by and large social and cultural factors place huge barriers on women's participation in development activities, as a result of which women have limited opportunities for improving their livelihood.

**3. Concern Ethiopia, Report on the Baseline Survey Dessie Zuria Livelihood Program Area, December 2007**

This is a report on the baseline survey of the 11 kebeles covered by Dessie Zuria Livelihood Program (DZLP), implemented by Concern Ethiopia. DZLP focuses on reducing vulnerability and improving food and income security of communities in 11 kebeles through improving access to food and income, improving capacity local government and community organizations as well as promoting family planning in the program kebeles. The objective of the baseline survey is to collect information that would give an up-to-date picture of household economies of target communities, which can be used as a benchmark for measuring change resulting from program interventions.

**4. Concern Ethiopia, Dessie Zuria Mainstreaming Analysis Report, June 2007**

This is a report done on the results of various mainstreaming events that were carried out in the Dessie Zuria program areas including an HIV/AIDS Mainstreaming Workshop which was organized for the program's major stakeholders, namely program staff at all levels followed by government sector office representatives and then community groups like kebele leaders, youth and women as well as teacher associations and even municipality representatives.

## **ADDITIONAL NOTES**

*1. Are you seeking funding for a program that is intended to become self-sustaining over time?*

A system has already been established for sustainability of the project beyond the life of the project. A number of community organizations such as: a water user association, saving and credit cooperatives, and Kebele development committees, established for grass root level management, and different levels of government line offices are closely working with Concern for timely implementation and future sustainability of the project. In addition, a Memorandum of Understanding has been developed and signed among the different parties for proper management of the project once Concern's support is no longer needed. The decision of Concern to hand-over the project will be taken jointly with the Government and in particular, the communities, once the project is strong enough.

*2. Has your organization, in the past, started programs with charitable funds that have become self-sustaining (i.e., continuing to operate with no further charitable support) over time? If so, please provide the region, the year the program was started, and for how many years the program has continuously operated without donor support.*

Angkor Mikroheranhvatho (Kampuchea) Co. Ltd (Angkor Microfinance Kampuchea, AMK) is a licensed Microfinance Institution (MFI) operating in Cambodia. AMK originated from the savings and credit components of the community development work of Concern Worldwide in Cambodia from 1993 but only became a directly implemented program in 1999. Following the new Cambodian microfinance regulation, AMK became a separate company and obtained a license from the Cambodian central bank in 2004. AMK mission is 'to help large numbers of poor people in Cambodia to improve their livelihood options through the sustainable delivery of appropriate and viable microfinance services'. Thus, AMK's priorities as a provider of rural finance are centered in its operational and financial sustainability, while maintaining its social objectives.

### **ADDENDUM A – for full studies/reports that you might want to provide**

Annex 1: Dessie Zuria livelihood analysis report

Annex 2: Dessie Zuria livelihood program baseline survey report

Annex 3: Dessie Zuria gender analysis report

Annex 4: Dessie Zuria HIV and AIDS mainstreaming analysis

Annex 5: Dessie Zuria HIV and AIDS Analysis review session

Annex 6: DRR Research, findings and analysis

Annex 7: DRR, Synopsis report