

Technical and business skills development training for forage seed business clients

Report of a FeedSeed project training workshop

Debre Zeit, Ethiopia, 7–11 April 2014



International Livestock Research Institute

April 2014

About the FeedSeed project

Some 555 million poor livestock keepers reside in rural areas in the developing world. Their inability to feed their livestock adequately throughout the year is the most widespread technical constraint to increased livestock productivity, better livelihoods, and more sustainable use of natural resources.

A critical constraint to increase the availability of animal feed or forage is the lack of profitable and sustainable forage seed companies.

The FeedSeed project adopts a public-private partnership approach to help create a sustainable forage seed supply system in Ethiopia. ILRI and its project partners are working with interested and qualified entrepreneurs to start forage seed businesses. The project also works to create a public business incubator that provides training and mentoring to entrepreneurs as they set up and build private seed businesses. The incubator shall be equipped with a seed processing unit which will be used to provide technical training on seed threshing, cleaning and sorting to the entrepreneurs who will invest in and build their seed businesses.

The results of the project will include:

1. A well-functioning, sustainable forage seed business incubator at EMDIDI;
2. At least 30 seed business entrepreneurs trained over 2 years;
3. At least 20 successful and sustainable seed enterprises established and profitable in 2 years;
4. At least 20,000 poor livestock keepers trained in seed and forage production and thus feeding their livestock better.

The FeedSeed project is funded by the Deutsche Gesellschaft fuer Intenationale Zusammenarbeit (GIZ) and the German Federal Ministry for Economic Cooperation and Development

In April 2014, the FeedSeed project team conducted five days training at the Ethiopian Meat and Dairy Industry Development Institute (EMDIDI) located in Debre Zeit. The overall purpose of the training was to assist project business clients (farmers, private companies and cooperatives) to start or expand forage seed businesses and ensure a good return on investment. These enterprises will produce and sell quality seeds to the wider farming community to increase livestock productivity and the incomes of livestock farmers. The training content covered both technical and business skills and also business development topics which were identified by the trainees during the pre-training assessment. (See annex II for the program).

The trainees were identified from different regions in Ethiopia based on the criteria set for potential forage seed business client selection by the FeedSeed project and agreed upon by key partners. The trainees represented individual farmers, private companies and a women-owned cooperative. The trainees came from four regional states -- Afar, Amhara, Southern Nations and Nationalities Peoples Regional State (SNNPRS) and Oromia regional state. (See annex 1). A total of 15 project business clients attended the training. The technical and business training was provided Asebe Abdena and Teklu Kidane. The training program was officially opened by Dr. Barry Shapiro, ILRI FeedSeed Project Leader.



Training Participants and ILRI FeedSeed team

The training also included plenary discussions, workshop exercises in groups, practical field work and a visit to a privately owned commercial forage seed company called Eden Field Agri Seed Enterprise. The practical field work was instrumental in training trainees how to

select and prepare land for forage seed production, as well as sowing and isolation. ILRI's farm facility in Debre Zeit was used as the demonstration site and trainees were briefed and shown different methods of sowing, in rows and broadcasting. They were given seeds to sow including *Sesbania sesban* (browse), *Trifolium quartinianum* (herbaceous legume), *Chloris gayana* (grass), as well as *Panicum maximum* (grass) by root splitting and Napier grass by cutting.

The following topics were covered in detail under the technical training:

- Types of forage seed species under different agro-ecological conditions
- Forage seed crop establishment
- Forage seed crop production possibilities and methods
- Site selection for forage seed production (soil, water, climate)
- Management of feed seed crops:
 - Seed sources, selection and preparation
 - Land selection and preparation
 - Seed bed preparation and benefits
 - Seed physiology
 - Farming and sowing techniques
 - Sowing and planting techniques and timing
 - Isolation and weed control
 - Use and management of fertilizer
 - Diseases and deficiency symptoms
 - Water requirements and management of irrigation in forage seed production



Field layout



Seed Scarification



Planting

The business training combined entrepreneurship and business management skills with the intention to help trainees understand key characteristics of successful entrepreneurs and

how to establish and run sustainable seed businesses. During the business skills training, trainees were able to work in groups and conduct business simulation games.

The business training included the following topics:

- Matching people with project/business ideas
 - Business idea generation and screening techniques
 - SWOT analysis framework
 - Understanding entrepreneurial characteristics
 - Forage seed business case analysis (group work)
- Why establish a forage seed business?
- Deciding to establish a forage seed business
 - Simple market research techniques
 - Business viability test (decision factors)
 - Current and future market opportunities
 - Critical steps to establish a forage seed businesses
 - Self-assessment exercise
- Knowing the market
 - Profile of target markets
 - Competitors' marketing strategies
 - Market share
 - Product features/quality
 - Expanding/contracting/stagnant markets
 - Demand/supply situation (past, present, future)
- Why a business plan?
- Preparing a marketing strategy and goals
- Preparing sales, costs, cash flow and profit plans
- Managing and expanding the business
- Risk management.



Trainees in group discussion

Experience sharing visit to Eden Field Agri Seed Enterprise

The experience sharing visit to Eden Field Agri Seed Enterprise was valued by the trainees. Trainees were able to see how the enterprise planted and managed different species of forage seed using an irrigation system and how to control weeds and pests. In addition, the trainees exchanged ideas with the owner of the enterprise regarding seed quality, market, opportunities and challenges. Absence of regulation to control seed quality, traceability of basic seed sources and nutritional value of different forages, shortage of laboratory facilities and inadequate supply of forage seed were some of the concerns raised by Eden Field.

Regarding markets for forage seed, the owner of Eden Field mentioned that currently 50% of its major buyers are NGOs, 48% are regional governments, while individual farmers are only 2%. According to Eden Field, the share of individual farmers is small because farmers are unaware of the importance of feeding their cattle good quality forage; they also lack purchasing capacity. On the other hand, trainees felt that even though purchasing capacity is one of the stated factors, access to seed and awareness of the use of improved forages are the problems that require attention in analyzing and improving markets for forage seed.

Trainees commented that there is still a severe feed shortage in their respective regions compared to available supply. This visit provided FeedSeed project clients the opportunity to learn the types of seeds being offered by Eden Field and the price for each species. It is expected that the parties will start doing business with each other. Together, they can also contribute towards resolving the shortage of forage and forage seeds in the country.



Trainees on experience sharing visit - Eden Field Agri Seed Enterprise

Trainees were also taken to ILRI's Field Gene Bank located in Zeway town where they were able to see a wide-range of species preserved for future use.



ILRI Field Gene Bank in Zeway

Outcomes

- All the trainees agreed to start/expand their feed seed business and five of them already purchased basic seed right after the training;
- Trainees nominated three people to coordinate joint activities with the FeedSeed project and lead the network they created during the training. The network is to help expand the businesses, share relevant information and for lobbying purposes. The three nominees elected as focal persons are:
 - Kasahun Daba (for SNNPRS)
 - Seid Hussien (for Amhara region)
 - Mohamed Awol (for Afar region)
- The trainees discussed the possibility of creating a registered association of their own or joining a similar association. This will be decided after studying the pros and cons of each alternative;
- All the trainees found the training useful and educational and were satisfied in taking part (according to their assessment of the training);
- Finally, draft Memorandum of Understandings (MoUs) between the project and clients were discussed in plenary and all expressed their consent to the roles and responsibilities of each party as stated in the MoU. In the meantime, clients mentioned that the document should bear ILRI's official stamp. The MOUs shall be presented at the next project team meeting for further discussion.

Next steps

- Followup to provide *on-the-spot* technical assistance to trainees to establish proper forage seed farms and plant for the coming season;
- Facilitate access to quality forage seeds from sources such as ILRI's Herbage Seed Unit and Eden Field;
- Assist seed business entrepreneurs to make their marketing plans, start establishing market linkages, and contact potential buyers of forage seed;
- Assist clients in preparing business plans which can be used to secure bank loans, if needed;
- Provide post-harvest training before harvest time.

Annex I: Trainees

NAME	COMPANY	ADDRESS	
		REGION	SPECIFIC LOCATION
Petros Dubisso	Private Farm	SNNPRSRS	Hawassa Zuria, Tula Kebele
Degu Kebebew	Gadissa Gobena Commercial Farm	Oromia	Ambo Town
Melkamu Kassahun	Private Farm	SNNPRSRS	Hawassa Zuria Alamura Welbata
Kassahun Kema	Sidama Seed Enterprise	SNNPRSRS	Hawassa Zuria, Hawela Kebele
Degefa Bejira	Hadia Seed Production and Agro Industry PLC	Oromia	Sasiga Woreda, Anger 8
Lealem Berhane	Private Farm	Amhara	Debre Markos, Gojam
Mekuria Abebe	Private Farm	Oromia	Merab Arsi Zone, Adaba Woreda
Seid Hussen Bushira	Seid Improved Forage Seed Enterprise	Amhara	South Wollo, Worebabu Woreda
Adinew Ayele	Farmer	SNNPRSRS	Hosana area, Lemu Woreda, Jawi Kebele
Aberash Ludago	Farmer	SNNPRSRS	Hosana area
Abiy Tsemru	Private Farm and Zelalem Fattening Lot	Oromia	Mesrak Shoa Zone, Dugda Woreda, Meki City
Mohammed Awol Hassen	Private Farm	Afar	Afar Region, Dubti Woreda
Teshome Endale	Anno Agro Industry	Oromia	East Wollega Zone, Gobu Sayo District
Adugna Bejina	Farmer	Oromia	East Woelga Zone, Arjo Gudetu, Jeldu Kebele
Belay Bada	Private Farm	SNNPRSRS	Hawassa Zuria, Shembedino Kebele

Annex II: FeedSeed Training Program

Debre Zeit, 7-11 April 2014

Monday, 7 April

9:00-9:15 A.M	Registration of Trainees	
9:15-9:30	Welcome Address /Project Briefing	Barry Shapiro
9:30-9:45	Group Introduction	Teklu Kidane
9:45-10:15	Coffee Break	
10:15-10:30	Introduction and expectations	Teklu Kidane
10:30-10:45	Training overview: -Why Business Building Skills -Why Seed Production Skills	Teklu Kidane Asebe Abdena
10:45-12:30	Matching People with Business Ideas	Teklu Kidane
12:30-1:30	Lunch	
1:30-2:30 P.M	Tour of Herbage Seed Unit	Asebe Abdena
2:30-3:00	Why establish a Feed Seed Business	Teklu Kidane
3:00-3:30	Coffee Break	
3:30-5:00	Why establish a Feed Seed Business	Teklu Kidane

Tuesday, 8 April

8:30-9:30	Site selection for forage seed production	Asebe Abdena
9:30-10:00	Seed crop establishment	Asebe Abdena
10:00-10:30	Coffee Break	
10:30-12:30 P.M	Seed crop establishment	Asebe Abdena
12:30-1:30	Lunch	
1:30-3:00	Deciding to Establish a Feed Seed Business	Teklu Kidane
3:00-3:30	Coffee Break	
3:30-5:00 P.M	Knowing the Market	Teklu Kidane

Wednesday, 9, April

8:30-10:30	Practical Establishment	Asebe, Tesfaye Yirsaw, Fetene
10:30-11:00	Coffee Break	
11:00-12:30	Why Business Plan?	Teklu Kidane
12:30-1:30	Lunch	
1:30-2:30	Why Business Plan?	Teklu Kidane
2:30-3:00	Costs, Sales, Cash Flows and Profit Plans	Teklu Kidane
3:00-3:15	Coffee Break	
3:15-4:00	Costs, Sales, Cash Flows and Profit Plans	Teklu Kidane
4:00-5:00	Record keeping to Improve Your Business	Teklu Kidane

Thursday, 10 April

8:30-10:00	Managing and expanding your business	Teklu Kidane
10:00-10:30	Coffee Break	
10:30-11:30	Management of Seed Crops	Asebe Abdena
11:30-12:30	Cultivated forage crops	
12:30-2:00	Lunch	
2:00-3:30	Business simulation game/exercise	Teklu Kidane
3:30-4:00	Coffee Break	
4:00-4:30	Discussion on lessons learnt on the game	Teklu Kidane

Friday, 11 April

8:00 A.M-11:00P.M	Experience Sharing Visit to Eden Field	Etsubdink/Asebe/Teklu
11:00-11:30	Training feedback	Etsubdink
11:30-12:15	Next steps (signing of MoU)	Etsubdink
12:15-12:30	Closing remarks	Kasahun Daba
12:30-2:00	Closing lunch	