

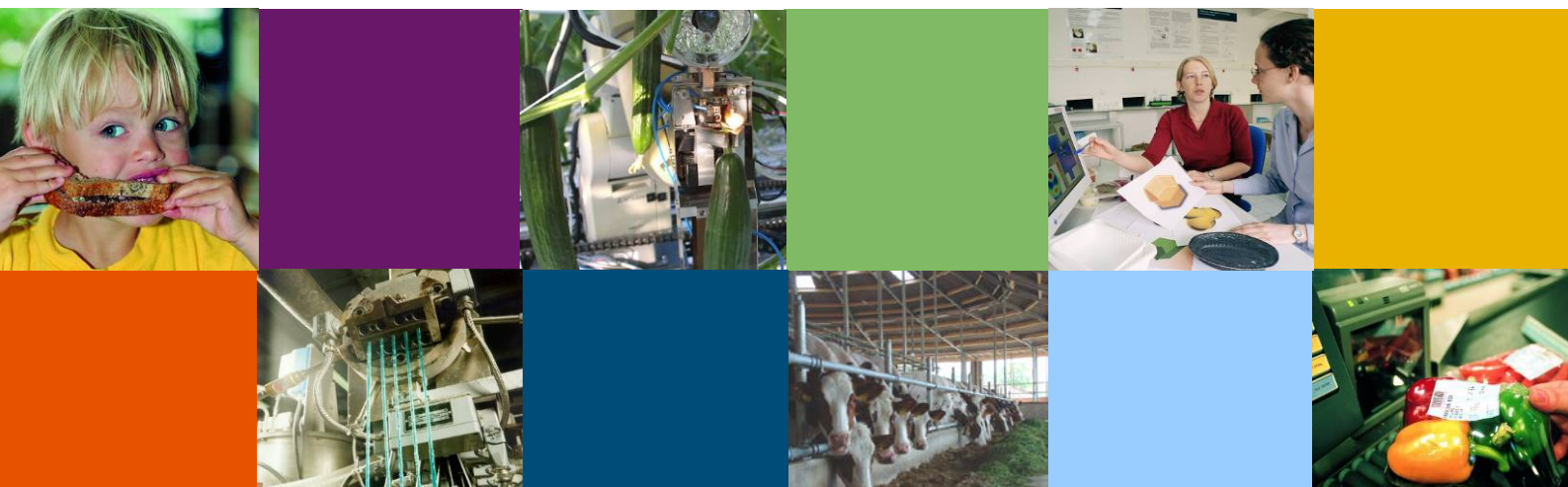


Single expert mission IAIP Ethiopia

Preparation for broader export mission

Willie van den Broek

Rapport 1673



Colophon

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1 Management Summary

The aim of the report is to reach Dutch agrifood industry or related experts and consultants to trigger their interest for support in agrifood production and processing in Ethiopia. Interested parties could be involved in a follow-up broader expert mission. The research has been carried out by Wageningen UR under coordination of the local UNIDO team, based at the Ministry of Trade. This report describes the results of a single expert mission to further understand the Ethiopian initiative on developing “Integrated Agro industry Parks”, the so called IAIP’s.

This mission made clear that Ethiopia is a country with very high potential for agricultural production for both local and international production (export). Many plans and strategies have been made and linked together to make the transition to a modern, competitive sector possible. However, the single expert mission did not find an action plan or strategy for Ethiopia to transform their agrifood complex towards a market-driven one. Therefore, the outcome of this mission is to advise the GoE to develop a market-driven strategy (an add-on to their existing plans) and adapt the logistic infrastructure (as developed for the 17 IAIP’s) to that strategy.

This report describes the identification of 3 potential agrifood supply chains where the Netherlands could provide support to help the first IAIP in Bulbulla to develop for global competition. Several issues have been identified (as identified in paragraph 5.1) that need to be discussed either on forehand or during the broader expert mission.

The broader expert mission is only advised when thorough preparation can be done on forehand. This could be done by the development of specific factsheets for each of the identified supply chain, using the literature and data as collected in the single expert mission. These factsheets need to be prepared by both experts with knowledge of the local situation and potential or interested entrepreneurs.

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2 Project Motivation

This report was commissioned by the Royal Dutch Embassy in Ethiopia and financed by RVO (Netherlands Enterprise Agency). The aim of the report is to reach Dutch agrifood industry or related experts and consultants to trigger their interested for support in agrifood production and processing in Ethiopia. Interested parties could be involved in a follow-up broader expert mission. The research has been carried out by Wageningen UR under coordination of the local UNIDO team, based at the Ministry of Trade. This report describes the results of a single expert mission to further understand the Ethiopian initiative on developing “Integrated Agro industry Parks”, the so called IAIP’s. The expert inception has focused focus on the following issues:

- the needs expressed by the Government of Ethiopia;
- the relevant topics, themes and counterparts for a following broader scoping mission of relevant experts later in 2016.
- the (Dutch) expertise required to make a concrete proposal for capacity building and support to Ethiopia in developing the IAIP in Bulbulla and possibly other IAIP’s during a broader scoping mission.

The output of the single expert mission are the Terms of Reference (ToR) and a description of the required expertise for a broader scoping mission to Ethiopia in the field of development of IAIP’s (specifically the IAIP of Bulbulla), including an overview of knowledgeable and available Dutch experts. The ToR should be based on both the needs expressed by Ethiopian counterparts and on available Dutch expertise and opportunities for Dutch companies.

3 Background IAIP strategy Ethiopia

The background of Ethiopian's (Integrated Agro-Industrial Parks) IAIP strategy and opportunities are well described in the following brochures: “*The partnership for prosperity, inclusive and sustainable industrial development for Ethiopia*”; “*Integrated agro-industrial parks in Ethiopia*” and the “*Guide to doing business and investing in Ethiopia*”, see appendix 8 for references and further reading. However, for newcomers the background and interrelations between existing programs and involved institutions is rather complex. Therefore, three schematic overviews have been made for the links between the IAIP initiative and 1) the Ethiopian governmental institutions (ministries) and their strategic plans (Section 3.1), 2) executing bodies and sponsors (Section 3.2) and 3) the international relation between UNIDO and the PCP program (Program for Country Partnership) (Section 3.3). The latter coincides with the first overview, but because of different origins, they are shown separately. In addition, the aforementioned documents make use of many abbreviations of institutions, reports and programs; a complete overview of these abbreviations is given in the annex.

3.1 Relation IAIP versus Ethiopian governmental Institutions

The first schematic overview shows the adaptation of the Government of Ethiopia (GoE) of the GTP program. GTP stands for “Growth and Transformation Plan” and is meant to transform the present Ethiopian economy to a global competing one. It consists of 2 parts, part 1 was operational from 2009 till 2015. Part 2 is the successor of part 1 and is operational from 2016 – 2019. Several ministries have adapted their own strategy towards the GTP. The ministries that are relevant for the IAIP have described their strategic plans in the following documents:

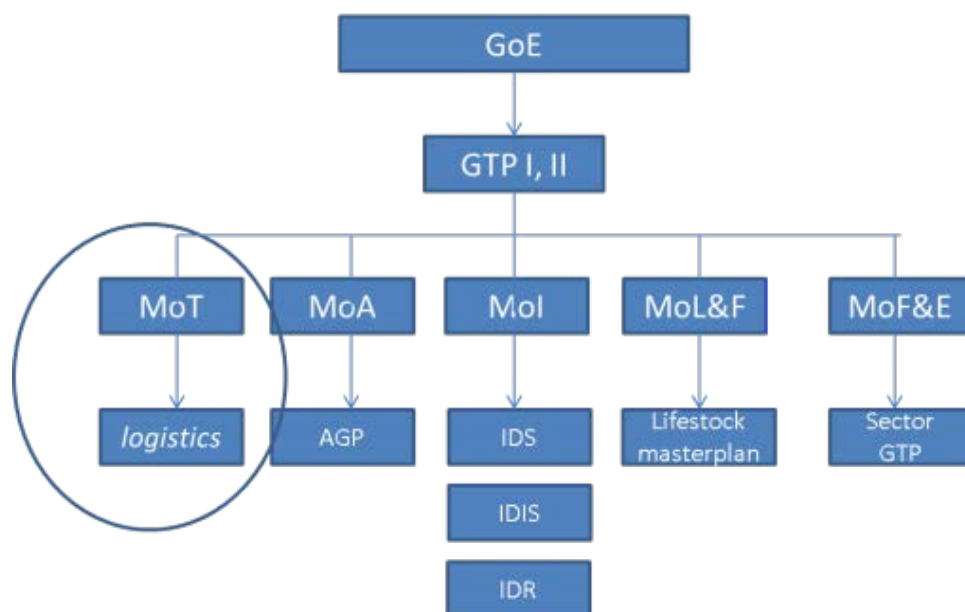


Figure 1: Relevant governmental institutions for the IAIP strategy

Ministry of Agriculture: *Agricultural Growth Plan (AGP)*
 Ministry of Industry: *Industrial Development Strategy (IDS)*
Industrial Development Institutional Setup (IDIS)
Industrial Development Roadmap (IDR)
 Ministry of Livestock & Fisheries: *Livestock Masterplan*
 Ministry of Finance & Economic Development: *Sectorial GTP's*

During the mission a remark was made to check the relevancy of the strategy of the Ministry of Transport (MoT) for the IAIP's, since there should be a special focus on agrologistics. Unfortunately, this could not be implemented during the visit.

3.2 Relation IAIP's versus executing bodies and sponsors

The second schematic overview shows the governance of the Program for Country Partnership (PCP).

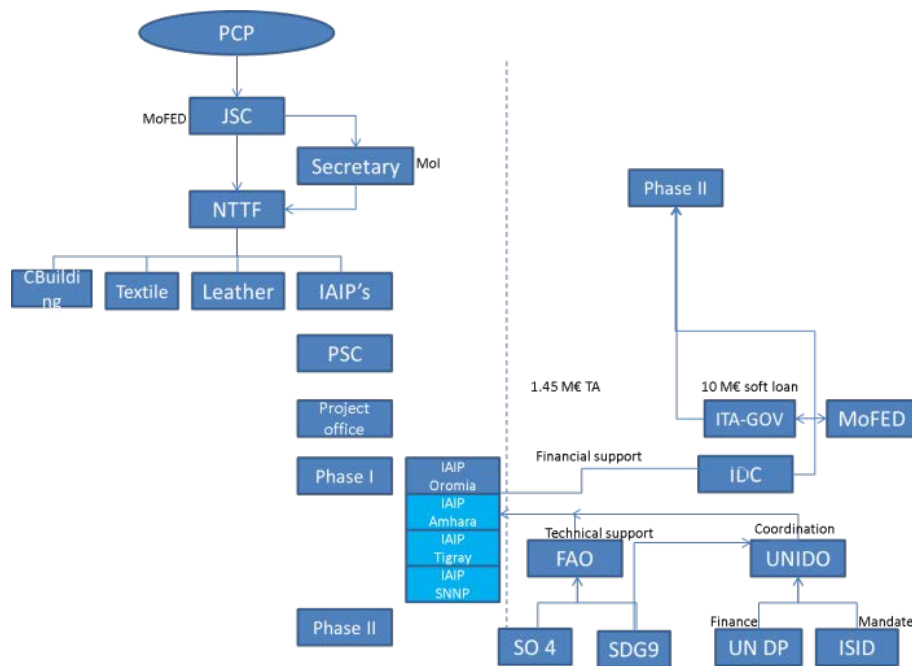


Figure 2: Governance structure of PCP program towards the IAIP strategy

The UN have made PCP operational for 2 countries: Senegal and Ethiopia. The Ethiopian PCP program has the following structure: a Joint Steering Committee (JSC), headed by the Ministry of Finance & Economic Development. It has a secretary which is headed by the Ministry of Industry. The program has a National technical task force (NTTF) to coordinate the agreed

activities. These activities entail 4 programs in the following sectors: leather, textile, IAIP and capacity building for these programs.

Focusing on the IAIP, the overall objectives of the program are 3-fold: (a) drive the structural transformation of the Ethiopian economy; (b) to reduce rural poverty; and (c) to create a better environment for increased investment in agro-food and allied sectors. The program has a Project Steering Committee (PSC) and an executional body, the so-called Project Office. The project office is headed by UNIDO (dr. Fasil) and assisted by the FAO-SFE via technical support (Mr. Filippo Brascesco). The Project Office is responsible to develop 17 IAIP's, spread over Ethiopia as shown in Figure 3.

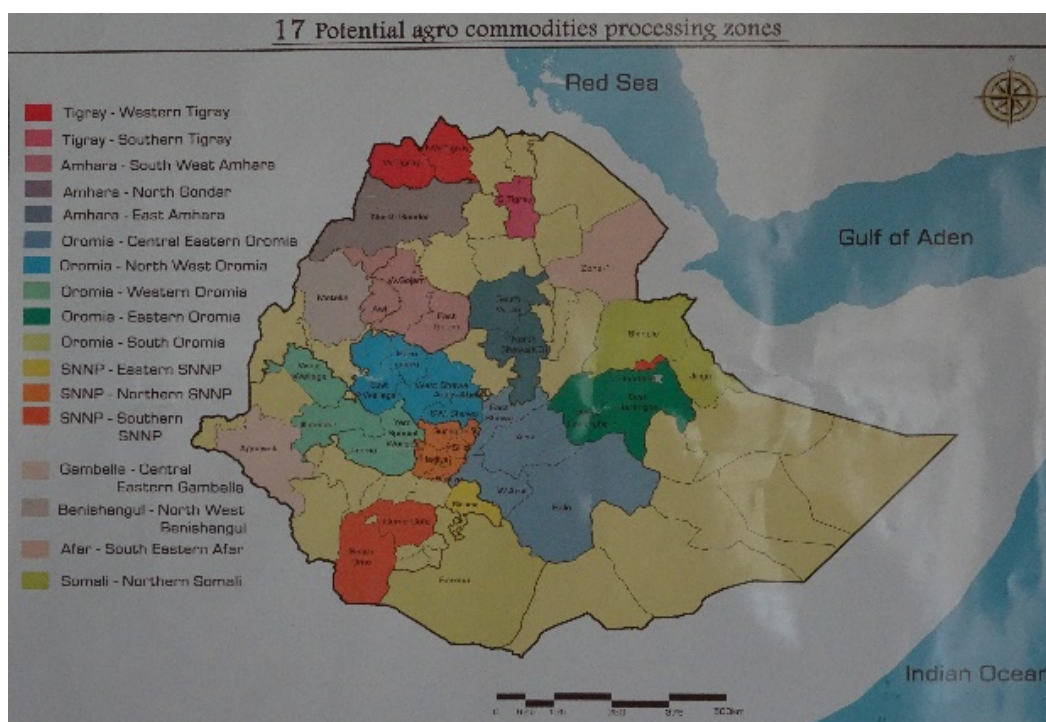


Figure 3: Ethiopian IAIP locations shown for the selected 17 zones (photo credit: W. van den Broek from UNIDO poster at their office)

For the first phase of the IAIP-strategy, there are 4 IAIP's scheduled for implementation and these are located in the regional states: Oromia, Amhara, Tigray and SNNP (note that Ethiopia has 9 regional states and 2 chartered cities: Addis Ababa & Dire Dawa). In figure 4, the growth corridor for the first phase is shown in yellow, including the 4 IAIP locations. The other growth corridors are scheduled for phase 2 and are shown in blue. Note the logistic connectivity between these locations.

The Royal Dutch embassy has indicated that the Netherlands are willing to support the development of the Oromia IAIP and promised to search actively for interest of Dutch agrifood industry to invest in this location. The location of the Oromia IAIP (red) and their feeding Rural

Transformation centers (blue) are shown in Figure 5. The proposed Oromia IAIP is located in East Shewa, near Bulbulla, north of Ibijata lake and it takes about 2.5-3 hour drive to Addis Ababa. This IAIP is supposed to cover the following Oromia zones: East Shewa, Bale, Arsi and West-Arsi.

The coordination of the Oromia IAIP is in hand of UNIDO and technically supported by FAO, both under ownership and leadership of the MoI and MoA&NR. The IAIP strategy fits into UNIDO's ISID mandate and is therefore co-financed from UN-DP. The same accounts for the FAO: the IAIP strategy fits into the Sustainable Development Goal number 9 (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation) and their own Strategic Objective number SO4: Enable more inclusive and efficient agricultural and food systems at local, national and international levels.

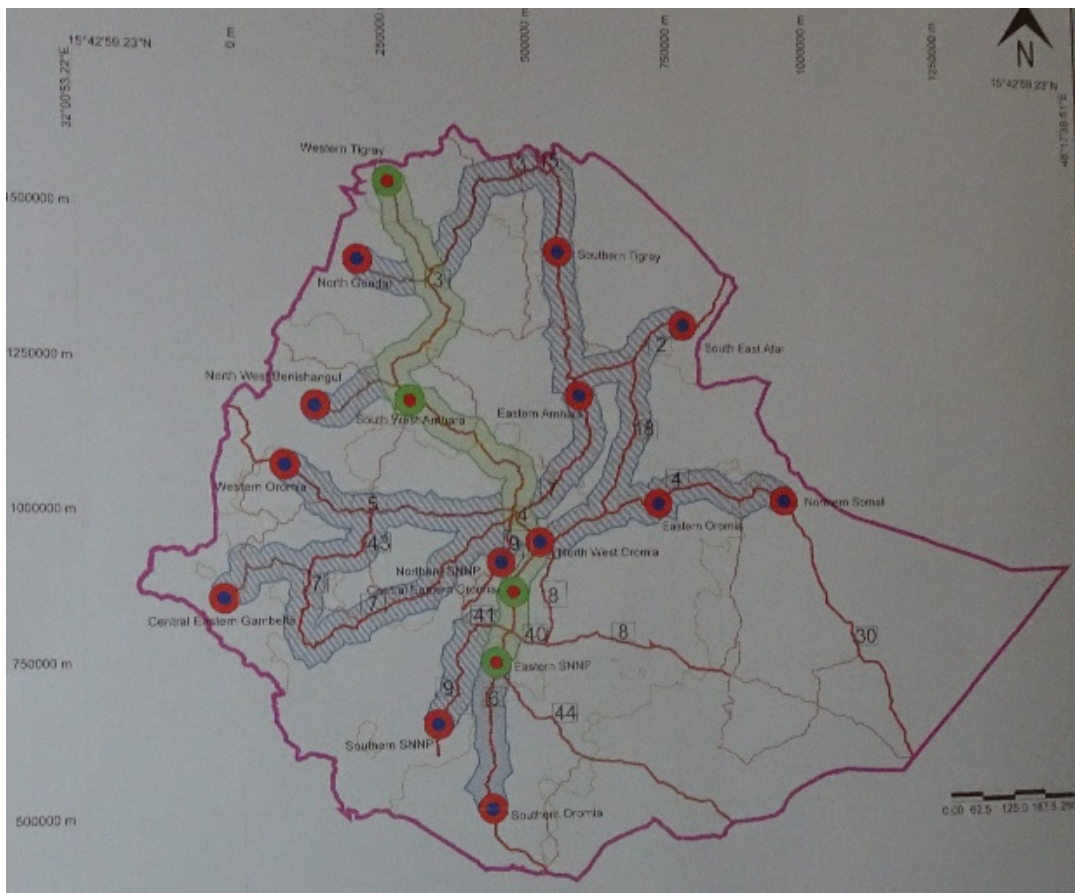


Figure 4: Strategic growth corridors and the 17 IAIP locations for phase 1 (yellow) and phase 2 (blue). (photo credit: W. van den Broek from UNIDO poster at their office)

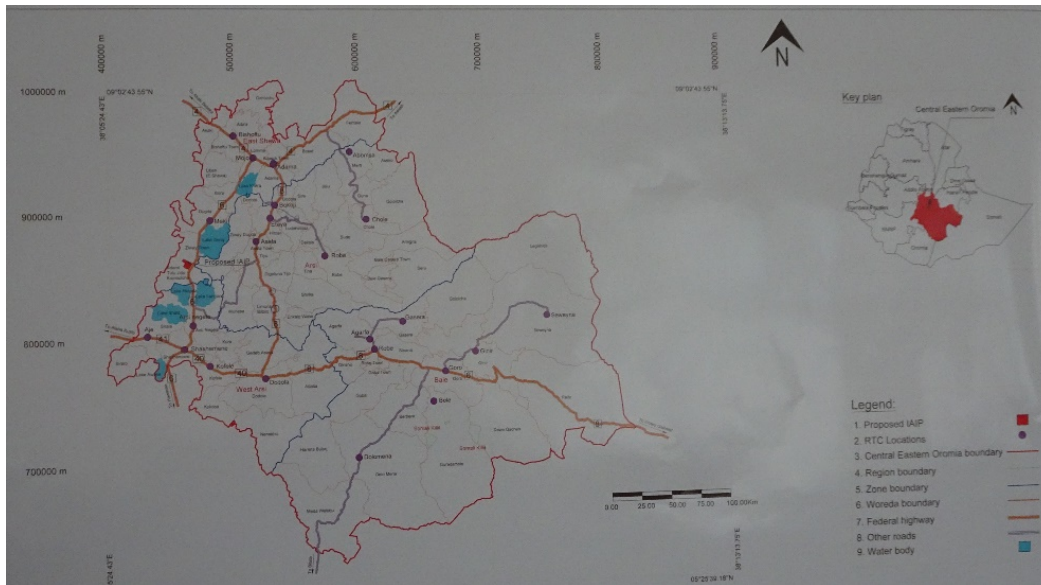


Figure 5: Strategic map of Oromia location. (photo credit: W. van den Broek from UNIDO poster at their office)

3.3 Interrelation UNIDO and PCP program

In the third schematic overview, the relationship between UNIDO and the PCP program is shown. In 2013, the member states provided UNIDO a mandate for the ISID program: Inclusive and Sustainable Industrial Development. To apply this mandate in practice, UNIDO developed a new business model to increase the impact of UNIDO's technical cooperation: the PCP model or Program for Country Partnership. The model allows the mobilization of external (read: international) partners and resources. UNIDO has initiated 2 pilots to make this model operational: one in Ethiopia and one in Senegal.

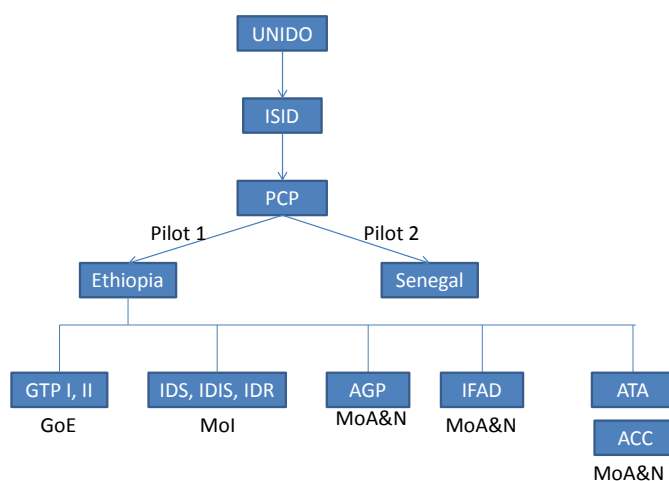


Figure 6: Interrelation between UNIDO and Ethiopian PCP program

In Ethiopia, the PCP is closely aligned with the national GTP program and the IDS program of the Ministry of Industry. Other alignments have been realized as shown in the schematic overview.

4 Methods

To prepare for a broad Dutch expert & business mission to the IAIP location(s), a single expert mission was scheduled to UNIDO and the Ministry of Industry to learn about the present IAIP-status, discuss their needs and discuss potential opportunities for Dutch industry and investors. The outcome of the single expert mission is a recommendation for a follow-up scoping mission. The program for the single expert mission is shown in table 1.

Place of visit	Date	Time	Participants	Contact person
Dutch Embassy	6 June	4.00 PM	Hans van den Heuvel	-
FAO	6 June	6.00 PM	Philippe Brasesco	-
UNIDO - Manager	7 June	9.00 AM	Dr. Fasil	Tsion, Tel: 0911862377
PCP/IAIP	7 June	11.00 AM	Moges Mesfin, Olijira Kuma Addamo, Tsegabu Teka, Tsion Dereje	Tsion, Tel: 0911862377
UNDP	7 June	3:00 PM	Dr Eyope ECA (UNDP office)	Tsion, Tel: 0911862377
MOI	8 June	8:00 Am	H.E. Dr. Tades Haile (State Minister)	Tsion, Tel: 0911862377
MoA&NR	8 June	9:00 AM	Department of Fisheries Department of Poultry	Tsion, Tel: 0911862377
PCP/IAIP	8 June	3:00 PM	PCP/IAIP team MOI	Tsion, Tel: 0911862377
BLESS Agri Food	9 June	10:00 AM	Mr. Belete (CEO)	Tsion, Tel: 0911862377
UNIDO – CoUnit	9 June	2:00 PM	Mr Dejene	Tsion, Tel: 0911862377
MoT	10 June	10.00 AM	Data collection	Tsion, Tel: 0911862377
Corn Institute	10 June	12.00 AM	Data Collection	Tsion, Tel: 0911862377
Supermarket	10 June	3:00 PM	Friendship & Shoa	Tsion, Tel: 0911862377
IAIP (Wrap up)	10 June	2:00 PM	Moges Mesfin, Olijira Kuma Addamo, Tsegabu Teka, Tsion Dereje.	Tsion, Tel: 0911862377

Table 1 : The program for the single expert mission from 6-9 June 2016

5 Results

The findings gathered during and after the single expert mission can be divided into process issues and those referred to the “Terms of Reference” for the broader IAIP scoping mission. Finally, a planning is proposed

5.1 Observed process issues

The first observation is about the week (June 7-10th) scheduled for the mission: it seemed to be an unfortunate mismatch. Due to a change of Agriculture counselor at the Royal Dutch Embassy and another incoming mission elsewhere in Ethiopia there was no support available during the mission from the Dutch Embassy. This would not have been an issue, however, at the end of the mission, an expectation difference between the UNIDO management and the Embassy representatives popped up. The UNIDO management did expect a Dutch technician to provide technical support in IAIP design, not exactly a supply chain expert to prepare for a follow-up mission. This issue could not be solved during the single expert mission but should be further discussed between the Royal Dutch Embassy and the management of the project office. It should be noted that the design consultants (Mahindra, India) were not in Ethiopia during the single expert mission. If a technical design expert would have been available, it would have been a pity that the design consultants were not around.

Another observation is about the visit program, made by UNIDO. The program and planning was well organized, but no supply chain companies (from raw material providers to processors or retailers) had originally been scheduled. During the visit, the program had been adapted and 1 company was visited (Hilina Enriched foods processing/Bless agrifood laboratory Services). This company was positive about the Ethiopian initiative on IAIP, but very critical on the execution of it, since they had the feeling not been invited for involvement. Although this was stated by a single company only, this remark should be bear in mind, and further analyzed/discussed in the broader expert mission. In the collected literature (after the single expert mission), little involvement of modern (international) industry or local frontrunners was observed in the discussions on sector opportunities. This should be checked in the broader expert mission.

5.2 ToR Scoping mission IAIP (BulBulla)

The Terms of Reference for a broader scoping mission of Dutch agrifood experts and industry to the Ethiopian stakeholders of the IAIP strategy can be divided into 3 activities: 1) the inventory of UNIDO requirements to successfully implement the IAIP strategy, 2) the topics, theme's and potential Ethiopian counterparts for the broader scoping mission, 3) the inventory of Dutch expertise for capacity building and support to develop the IAIP in Bulbulla and possibly other IAIP's.

5.2.1 *Inventory of UNIDO's requirements and needs to successfully implement the IAIP strategy have led to the following issues*

In the list below, the UNIDO's requirements are summarized:

- (Foreign) investors should be attracted to the park. The preparation for a broader follow-up mission of Dutch agro experts and industry is a first step initiated by the Dutch government. What investors are needed for the Bulbulla site, depends on the consortia themselves: what do they know already themselves and what is missing? To attract new foreign industrial companies to the Bulbulla site, it is recommended to design a specific local factsheet that provides (as much as possible) quantitative information on the given supply chains. Moreover, the political situation in Oromia will also require additional information of local (political, social and economic) stability. Therefore, a suggestion is made to develop 3 factsheets for the earlier mentioned candidate supply chains. Two types of investors were discussed. The first type of investors are foreign industrial companies or consortia that will initiate their own business at the site, using their own expertise, experience and (some) financial capital. The second type are financial investors only (such as governments (Italy, Netherlands, Worldbank, African Development Bank, EIB) to finance (some of the) activities at the IAIP.
- Support in agrologistics should be provided. Note that agrologistics were defined as all activities from produce harvest to consumer purchase (so including processing, storage transport and distribution). . It aims at getting the right agro-product, at the right place, at the right time, according to the right specifications (including quality and sustainability requirements) at the lowest cost. Specific support actions that were mentioned by UNIDO were: reviewing supply chains and market strategies.
- How to make management of agro processing clusters operational should be investigated. In straight forward implementation, the operational IAIP management will be responsible for the general infrastructure at the site (transport infrastructure, water management, power supply, security, waste management) but might also manage the implementation of innovation and/or sustainability as one of the unique selling points. The operational IAIP management support the onsite settled entrepreneurs and business people in their operation. What services need to be provided and how they need to be organized is dependent on the requirements of the IAIP members. The Netherlands could provide support since several IAIP-like sites are already in

operation for many years. However, each site has its own history and characteristics, so Dutch experience and lessons learned need to be translated to the Ethiopian situation. Examples of potential Dutch parties that could provide support are: Agriport A7 and Freshpark Venlo.

- Specific supply chain factsheets should be developed. These factsheets need to be developed in co-design with entrepreneurs to make the IAIP-strategy in Ethiopia attractive for foreign direct investment. To prepare supply chain factsheets for the Bulbulla site in Ethiopia, it is advised to involve Dutch domain experts, Dutch industry and Ethiopian counterparts. These factsheets could be spread among Dutch sector industry (or sector organisations) to organize and investigate their interest. Once interested parties or consortia have been identified, they could elaborate on missing expertise for training and setup specific training programs for their supply chains. Potential candidate institutions for these type of trainings are the Dutch polytechnics, such as HAS - Den Bosh, CHA - Dronten or Van Hall-Larenstein - Velp.

5.2.2 *Topics/themes for Dutch agro industry and Ethiopian counterparts*

The following topics/themes were mentioned by the Ethiopian interviewees that could be interesting for Dutch agro industry, and potential Ethiopian counterparts to meet in a broader scoping mission. These topics are:

- 1) Fattening & slaughtering for cattle, including feed,
- 2) Poultry Slaughtering & processing,
- 3) Potatoes,
- 4) Others, but most mentioned: aquaculture, and subsequently: fruit, coffee, sesame (Arab countries), corn (baby food).

Note that dairy is not mentioned here, since a dairy consortium is already under construction.

Ad 1) Fattening & slaughtering for cattle including feed

Ethiopia has the biggest cattle stock in Africa but is not the biggest exporter of bovine meat. Several opportunities were mentioned to add value to bovine supply chain by initiating intensified bovine fattening at Bulbulla (buying young cattle from regional sources) and slaughter these animals for potential export markets. Since fattening in the final stage requires a significant contribution of feed, it is advised to consider this topic in cooperation with the feed sector.

Ad 2) Poultry Slaughtering & processing, Here, the same reasoning as for bovine production is adapted. However, there is poultry feed production already available in the region.

Ad 3) For potatoes production, a major production area is already available in the South –East of Bulbulla. This area could feed the Bulbulla site for potato processing, especially for industry potatoes such as chips and French fries. However, the interviewees advised to check the market opportunities for both local markets and export markets first, since present local markets seem to be in an early development stage.

Potential local contacts for these topics/themes are:

Cattle, meat & dairy processing sector:

Grazeland farm (Harry Teuben); Verde Beef (Bruce Hamilton); Holland Dairy Ethiopia (Harm Tomassen), EMPEA (Getachew Hagos); ELFORA (Arega Yirdaw); Genesis farms (Behailu Wolde Belainesh); EMDIDI (Ato Abebe Kebede); Luna Export Slaughter House Plc (Tesfalidet Hagos); Modjo Modern Export Abattoir Plc (Hadgolegn Mitiku); Halal Food Industries Plc (Mubashir Jalili); HELIMEX (Hashim Ethiopian Livestock Meat Exporter); Meat & Dairy Industry Development Institute (Meharu Kemal);

Feed sector:

Alema Koudijs Feed PLC (Lemma Asfaw), Astral Foods (Christiaan Schutte); Feedco Animal Feeds PLC (Devan Khagram); EMDIDI (Ato Abebe Kebede); Bless agrifood (Mr. Belete).

Potato sector:

Solagrow (Jan van de Haar, Jaco Hendriksen); EARO (Gebremeddin Woldegiorgios); CIP-CGIAR, International potato center Addis Ababa (Steffen Schulz); Ethiopian Potato Processing Company – EPPCO (contact via RVO - FDOV14ET06); Ethiopian Agricultural Research Institute (Alemu Worku); Deepa Industries (Kenya)

Poultry sector:

ELFORA (Arega Yirdaw); Alema Farms (Alemayehu Amariam); Genesis farms (Behailu Wolde Belainesh), Ethiochicken (David Ellis); SAFE Poultry PLC (Samson Wossen); Astral Foods (Christiaan Schutte);

Besides these sector companies, it is advisable to discuss market opportunities with strategic managers / logistic managers (not with the local manager) of (some of) the following supermarkets: Shoa, Friendship, Fantu, Get Farm, Bambise, The Twins, Atkilt Tera.

5.2.3 Inventory of expertise to support the LAIP consortium to develop the LAIP in Bulbulla, and possibly other LAIP's during the broader scoping mission.

The third part of the inventory covers the expertise required for supporting the IAIP consortium:

- Presentation on supply chain design and cluster development. This has already been done during the single expert mission.
- Expertise to develop specific factsheets for the aforementioned topics for the Bulbulla-IAIP. These factsheets should be used to attract (foreign) direct investments for the 17 IAIP's.

These investors could be financial investors only, but also farmers, growers, processors who bring in their own supply chain expertise.

- Support in the strategy on agrologistics: reviewing supply chains and info from markets to clarify comparative advantages.
- Support in capacity building for operations on agro clusters (IAIP's)

Dutch expertise on the aforementioned topics could come from Wageningen UR and the Dutch Universities for applied Agricultural Sciences (Dutch polytechnics or “Agrarische Hogescholen”). Potential Dutch industry for these topics could be approached via the following sector organizations: [COV](#), [FME](#), [GMV](#), [LTO](#), [NAO](#), [NEPLUVI](#), [NEVEDI](#), [NVE](#), [VAVI](#), [VSV](#), [VVS](#), [NABC](#).

Examples of potential companies that could be approached:

- Fattening & slaughtering for cattle including feed: Teeuwsen, Luna, De Heus, Marel, Nutreco.
- Poultry: Holland Africa Poultry Partners; Dutch Poultry Center;
- Potatoes: Agrifood cluster Emmeloord; HZPC, AVIKO, Stet Holland, KWS, Agrico, Tolsma-Grisnich.

6 Discussion

6.1 Preparation of broader scoping mission

The terms of references have been described in Section 4. To prepare for the broader expert mission, the following issues are advised to discuss, either before or during this mission:

- The development of plans for the IAIP's should clearly separate the commercial goals & strategy to stimulate the agro economy and the goals & strategy to involve participation of small farmers. Although they could perfectly reinforce each other, they could also cause hesitation for new investors. In the single expert mission, there were no objections found for the IAIP strategy, but from the interviews arose the idea that more opportunities could be developed if advanced industry could be involved in developing goals and strategy. For example via involvement in panel discussions.
- Several interviewees mentioned the idea that each IAIP should stimulate at least 1 large supply chain company to initiate the IAIP business, to allow a certain continuity of volume size.
- Ownership and responsibilities of the IAIP management and the relation to the GoE.
- Clarify the level of cooperation (cooperatives) of farmers in the Oromia region that need to produce inputs for the supply chains as scheduled for the Bulbulla-IAIP.
- For the identification of IAIP opportunities, make use of the several sector reports as mentioned in the literature overview and data that was made available by the MoT or provided by the UNIDO team.
- Make use of the UNIDO team members to quickly getting acquainted with the Bulbulla-IAIP or other agrifood matters. They are very helpful and pleasant to work with.



Figure 7: UNIDO team members (from left to right: Olijira, TSION, Tsegabu and Moges) and Willie van den Broek (Wageningen UR, left on the photo), photo credit: W. van den Broek at UNIDO office.

Note that the Dutch approach to develop new supply chains is market driven. According to Wageningen University & Research, a market driven approach to design an IAIP entails 3 main steps: 1) a market analysis, a value chain analysis and a functional site description. The market analysis entails a procedural activity to select (in co-design with local entrepreneurs) the best product-market-combinations (PMC's) for a given location (Bulbulla), from a limited number of potential markets (e.g. Addis Ababa –ET, Adama-ET, Rotterdam-NL, Shanghai-CN, Abu Dhabi-UAE) and a limited number of agriproducts (e.g. potato-chips, frozen chickens, bovine offal). In a value chain analysis, for each selected PMC, 1 or more scenarios are formulated. Each scenario varies in product volume and supply chain configuration (also called structure) such as: (production facilities, warehousing, transport modalities (truck, ship, plane), external infrastructure such as port availability, custom facilities). In a functional site description, an in-depth analysis will be carried out focusing on how the supply chain could be organized and how effective it could be. Dimensioning criteria are: 1) market size (e.g. aiming at middle and upper class segment in the target market; 2) rules of economies of scale (for processing, logistics and facilities); 3) rules of symbiosis: through balanced dimensioning of different supply chains, present at the site. If the local government in Oromia would need further support in developing a market driven approach for the Bulbulla site, the Netherlands could provide support via e.g. Wageningen University & Research who have developed their own approach.

6.2 Preparation of factsheet for broader scoping mission

From the interviews in the single expert mission three supply chains have been identified as potential for the IAIP in Bulbulla. The interviews showed promising feedback from local experts, but these interviews were all, but one, derived from governmental or NGO institutions. Only 1 entrepreneur was interviewed. To translate these opportunities for Dutch agrofood industry with possible interest to setup or participate into setting up these supply chains in Ethiopia, an intermediate activity is proposed: to gather additional (investment) data for these specific supply chains that commercial Dutch companies can make interested. What data this will be, can only be derived from representative companies in these supply chains, internationally active, but don't necessarily need to have a focus on Ethiopia. Examples of candidate companies or branch organizations are given in this report. The desired information from these Dutch agrifood representatives should be summarized in a so called "factsheet". This means that the content for each supply chain factsheet should be based on this feedback and will probably be different for each of the aforementioned supply chains. Than these factsheets can be used to distribute among the Dutch agrifood network to attract potential companies for the broader scoping mission. If the quantitative investment data for these supply chains are positive and attractive for the Bulbulla site, it allows the attraction of seriously interested commercial agrifood companies. Especially given the turbulent news from local protests towards foreign (agrifood) investors in Ethiopia, there will be a need for trustful quantitative data on market potential. The factsheets could be complemented when the same procedure is executed for the Ethiopian agrifood industry. The work in Ethiopia could be done by the present UNIDO team in

cooperation with the FAO partners if they interact with the counterpart team in the Netherlands. These extended factsheets are intended to facilitate matchmaking during the broader scoping mission and are further referred to as Terms of Sector References (ToSR). Once matchmaking had led to the creation of business cooperation and consortia, it can be concluded what specific expertise and knowhow is lacking per supply chain. Depending on these specific needs, Dutch polytechnics, non-governmental institutions or commercial companies could help to develop specific programs to build local capacity.

6.3 Planning of further activities

The following activities are advised to proceed with the IAIP implementation:

- Discuss the single expert report with Royal Dutch Embassy of Ethiopia and RVO.
- Discuss the single expert report with UNIDO-Ethiopia
- Prepare the broader expert mission (factsheets, workshop)
- Create the ToSR (Terms of Sector References), including capacity building. These are meant to set goals for in the broader expert mission.
- Plan the second expert mission during the Forum, scheduled for the first week in October 2016.

7 Conclusion

Ethiopia is a country with very high potential for agricultural production for both local and international production (export). Many plans and strategies have been made and linked together to make the transition to a modern, competitive sector possible. However, the single expert mission did not find an action plan or strategy for Ethiopia to transform their agrifood complex towards a market-driven one. Therefore, the outcome of this mission is to advise the GoE to develop a market-driven strategy (an add-on to their existing plans) and adapt the logistic infrastructure (as developed for the 17 IAIP's) to that strategy.

This report describes the identification of 3 potential agrifood supply chains where the Netherlands could provide support to help the first IAIP in Bulbulla to develop for global competition. Several issues have been identified (as identified in paragraph 5.1) that need to be discussed either on forehand or during the broader expert mission.

The broader expert mission is only advised when thorough preparation can be done on forehand. This could be done by the development of specific factsheets for each of the identified supply chain, using the literature and data as collected in the single expert mission. These factsheets need to be prepared by both experts with knowledge of the local situation and potential or interested entrepreneurs.

8 Literature

Further reading on strategy and opportunities on IAIP's in Ethiopia:

- PCP Ethiopia Brochure
- Ethiopia Country Profile
- Ethiopia IAIP Overview
- Ethiopia IAIP Presentation
- Feasibility study Business plan for integrated ACPZ and IAIP Central Eastern Oromia
- Investment Forum One pager
- Investment Forum Save the Date
- Livestock Masterplan final for CD

Topics Documents

- Markets for fresh and frozen potato chips in the ASARECA region and the potential for regional trade: Ethiopia, Tanzania, Rwanda, Kenya and Uganda, Tesfaye et al., CIP, ISSN 0256-8748 2010
- Potato prospects for Ethiopia: on the road to value addition, Haverkort et al., Wageningen UR – PPO no 3250236012, 2012
- Annual Report Topsector Potato India and Ethiopia, Annette Pronk et al., Wageningen UR report 620, 2015
- Opportunity to invest in a cattle feedlot & abattoir, ATA, 2014
- The Agribusiness Innovation - Initiative in Ethiopia: Creating Jobs through Agribusiness Innovation, Enabling a climate smart, competitive, and sustainable agribusiness sector, Brethenoux, J. et al., InfoDev/Worldbank, 2012
- Investment opportunities in the Ethiopian Aquaculture sub-sector, A. Yalew et al., Wageningen UR – CDI, 2015
- Boere, A. et al., 2015, Business Opportunities Report Poultry #3 in the series written for the "Ethiopian Netherlands business event 5–6 November 2015, Rijswijk, The Netherlands
- Livestock Market Development, Value chain analysis for Ethiopia – Meat & Live Animals, Hides Skins & Leather and Dairy, AGP-Livestock Market Development Project AID-663-C-12-00009, 2013
- Sheep and goat value chains in Ethiopia: A synthesis of opportunities and constraints, Legese, G. et al., ILRI, ISBN: 92-9146-358-2

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10 Appendix for abbreviations

ACC	Agricultural Commercialization Clusters
AGP	Agricultural Growth Plan
ATA	Agricultural Transformation Agency
FAO	Food & Agricultural Organization
GoE	Government of Ethiopia
GoI	Government of Italy
GTP	Growth & Transformation Plan
IAIP	Integrated Agricultural Industrial Park
IDC	Italian Development Cooperation
IDIS	Industrial Development Institutional setup
IDR	Industrial Development Roadmap
IDS	Industrial Development Strategy
IFAD	International Fund for Agricultural Development
ISID	Inclusive Sustainable Industrial Development
JSC	Joint Steering Committee
MoA&NR	Ministry of Agriculture & Natural Resource
MoFED	Ministry of Finance and Economic Development
MoI	Ministry of Industry
MoL&F	Ministry of Livestock and Fisheries
MoT	Ministry of Transport
NTTF	National Task Force
ODA	Overseas Development Assistance
PCP	Program for Country Partnership
PSC	Project Steering Committee
RTC	Rural Transformation Center
SDG9	Sustainable Development Goals no9
SO4	Strategic objective no4
UN-DP	United Nations Development Program
UNIDO	United Nations Industrial Development Organization