## Agriculture and Rural Development

1. **Strategic Direction**

Main focuses for agriculture and rural development are

* Increasing the capacity and extensive use of labour,
* Proper utilization of agricultural land, taking account of different agro-ecological zones,
* Linking specialization with diversification,
* Integrating agricultural and rural development,
* Strengthening the agricultural marketing system
* Effective implementation of the scaling up of best practices in the sector.

During the GTP period, a key strategic direction is to ensure smallholder agriculture becomes the main source of agricultural growth by scaling up interventions based on best experiences.

It is possible to increase the productivity of smallholder farmers by better utilizing smallholders’ labour, land and by using improved but less capital intensive agricultural practices and technologies.

There is also a growing national and international demand for agriculture products that justify the need for increased investment in agricultural to increase productivity and production.

#### a) Smallholder Agriculture Development

Smallholder agriculture development will focus on the following three strategic directions.

**Scaling up of best practices**: This strategy focuses on scaling-up best practices used by leading (model) farmers whose productivity is 2-3 times higher than the average.

To realize this strategic direction, particular attention will be given to

* Strengthening public capacities at all levels, (DAs, Services).
* Intensive use of good agricultural practices,
* Adopting, developing, testing and dissemination of new technologies .

**Expand Irrigation Development and Improve Natural Resources Conservation**:

These areas will focus on

* Development of underground and surface water,
* Irrigation development and
* Natural resource conservation.

**Production of high value crops**: Farmers and pastoralists will be encouraged to shift gradually from production of low value to high value products. This strategy will be implemented gradually and will take account of

* Geographic differences on specializations and
* Existence of favourable market and infrastructural factors.

#### b) Pastoral Development

Activities to be implemented in pastoral areas mainly focus on livestock resource. In that sense priority is given to

* Water development both for people and livestock.
* Improvement of pastoral land
* Irrigation development.
* Food security mainly in connection with infrastructure developments.
* Resettlement of pastoralists on voluntary basis
* Identifying, selection and dissemination of improved livestock breeds
* Improving livestock marketing system.
* Strengthening the implementation capacity.

**c) Private Sector Agricultural Development**

More effort will be made to improve and increase the role of the private sector

* In lowland areas - large scale commercial farming.
* In the highlands and areas close to major cities - high value horticulture products.
1. **Objectives**

The broad objective of agriculture and rural development in the GTP is to achieve accelerated and sustained growth that contributes to poverty eradication and achievement of MDGs.

1. **Major Targets**

Major targets for agriculture and rural development are indicated in the following table. GTP Targets for Agriculture and Rural Development

| **Description of Targets** | **2009/10** | **2014/15** |
| --- | --- | --- |
| **Cultivated land** |
| 1. Total cultivated land utilised by major food crops (mln ha)
 | 11.25  |  12.17  |
| 1. Production of cereals (mln ha)
 | 9.1  |  9.6  |
| 1. Cereals productivity (qt/ha)
 | 17  |  22 |
| **Agricultural inputs supply** |
| 1. Supply of improved seeds (mln qts)
 | 0.56  |  3.6  |
| 1. Supply of chemical fertilizers (both DAP and Urea) (mln tons)
 | 0.83 | 1.66 |
| **Agricultural extension** |
| 1. Number of beneficiaries of agricultural extension services (mln.)
 | 5. 09 | 14.64 |
| 1. Of the beneficiaries of agricultural services proportion of women and youth (%)
 |  | 40 |
| **Natural Resource Conservation Program** |  |  |
| 1. Area of land rehabilitated (mln ha)
 | 3.21  | 10.21  |
| 1. Land developed under community based water shade development program (mln ha)
 | 3.77  |  7.78  |
| 1. Total area of land subjected to soil fertility research (mln ha)
 | 0.894 |  2.82  |
| 1. Total area of land covered with forest and with forest master plan (mln ha)
 | 0.70 |  2.20  |
| 1. Area of land covered with multi-purpose trees (mln ha)
 | 6.06  |  16.21 |
| 1. Forest coverage (mln ha)
 | 13  |  18.23 |
| 1. Increase multipurpose trees (ha)
 | 5062 | 10154 |
| 1. Natural resources conservation activities in pastoral areas (ha)
 | 200,000 | 350,000 |
|  |
| **Small Scale Irrigation Program** |
| 1. Land developed under small scale irrigation (mln ha)
 | 853 |  1850  |
| **Food security** |
| 1. Number of households participate in safety net programs (mln)
 | 7.1  |  1.3  |
| 1. Food reserve (mln tones)
 | 0.41  |  3  |
| **Cooperative Development** |
| 1. Number of primary cooperatives
 | 33,636 |  56,904 |
| 1. Number of cooperatives unions
 | 212  |  546 |
| **Agricultural Research**At the end of the plan period new technologies development in cereals, livestock, soil, forest development and agricultural mechanization will reach 265, 140, 41,219 and 836, respectively |
| **Private Investment in the Agricultural Sector** |
| 1. Production coffee and tee and other export crops (mln tons)
 | 0.251  | 1.81  |
| 1. Transfer nearly 3.3 mln ha land to commercial farming investors in transparent and accountable manner
 |
| **Horticulture Development** |
| 1. Land area under flowers production (ha)
 | 1,586  |  3,000  |
| 1. Flower production (mln cuts)
 | 2,748  |  5,859.1  |
| 1. Land under the production of vegetables, fruits and herbs (ha)
 | 2,472  |  33,000  |
| 1. Production of vegetables, fruits and herbs (tons)
 | 58,400  |  979,600  |

1. **Implementation Strategies**

**a) Small holder agriculture**

The major implementation strategy is to scale up the best practices identified to date. To ensure effective scaling up the extension system will be improved, while the capacity of extension agents will be continuously strengthened.

**Crop production and productivity**:

**Adequate moisture areas**: In areas with adequate moisture the focus will be on the scaling up strategy. In this aspect:

* efficient ways of utilizing rain water and
* use of beneficial technologies,
* improved agricultural practices, will be expanded.

It is expected that, of those farmers who participate in the scaling up program, 90% will record productivity results that meet the model farmer benchmark.

In order to increase crop production and productivity, technologies and practices that improve soil fertility will be encouraged.

 Parallel to an increased use of chemical fertilizers, the amount and coverage of organic fertilizer use will be increased.

Modern, drainage methods will be introduced in order to get full benefit from Vertisols.

Special attention will be also given to small scale irrigation schemes development. Technologies that improve access to and use of water resources will be widely encouraged and applied.

**Technology multiplication, supply and distribution**: Expansion and use of improved technologies will be applied to ensure the quantity and quality of fertilizer, improved seeds, and small farm machineries.

**Natural resources management**: In areas with adequate moisture, soil and water conservation works will be implemented with community participation. Forestry development, protection and utilization works will be carried out in a similar way.

**Livestock resources development**: Livestock development will be promoted alongside the scaling up strategy of crop production. The focus will be on fattening, dairy, poultry and honey production, breed improvement, pasture development and animal health.

In addition adequate support will be provided to increase the production and productivity of high value products (such as: coffee, sesame, cotton, spices, vegetables and fruits).

**Research-extension-farmers linkage**: Help for farmers’ to absorb technology, scaling up use of improved technologies, and support for the technology distribution and operating systems will be further reinforced.

Initiatives to identify, test, produce and disseminate new technologies will be introduced.

**Moisture deficit areas:**

Focusing on the scaling up of outstanding experiences, strategies are to:

* enhance the development agents and farmers’ skills,
* strengthen the organisational capacity of the extension system,
* multiply technologies suitable for these areas
* establish a comprehensive input and marketing system.

The major focus will be natural resource development and protection interventions; such as: watershed development, soil and water conservation works.

The safety net program will be used for the watershed development works as designed.

Moreover, small ruminants, honey bee and poultry development will be widely integrated with the watershed development interventions.

Pastoral areas**:** An important component of agricultural development will be the selection and distribution of local breeds, animal health services, natural resource management.

The Food Security Program or The safety net program will be implemented

Non-farm income generating activities will be encouraged.

The early warning system will be strengthened. In terms of preparedness for disasters, food and non-food reserves will be increased with storage capacity built to meet the increase, particularly of food security reserves.

**b) Pastoral development:**

The main emphasis will be given to

* Water resources development for livestock and people.
* Improvement of pasture land
* Development of irrigation schemes.
* Food Security Program,
* Expansion of livestock marketing system.
* Private investment in pastoral areas

**c) Private sector investment in agriculture**

**Horticultural development**: Measures will be continuously taken to address the three major problems of the sector:

* marketing problem,
* logistical constraints,
* transport limitations.

**Large scale farming development**:Large scale farming by private investors in lowland areas where abundant extensive land exists will be expanded and given due attention. The necessary arrangements will be made to increase private investors’ participation by

* Identifying areas that are not inhabited but are suitable for agriculture.
* Effective land administration system
* Providing essential infrastructure service and support services.

The products should focus for export or raw materials for domestic industries. Emphasis will be on cotton, date palm, tea, rubber tree and similar types of crops.

**d) Agricultural Marketing:**

Modern agricultural marketing systems, such as the marketing practiced through Ethiopia Commodity Exchange, will be strengthened.

* Quality control of agricultural products will be put in place
* Primary markets will be established and strengthened.
* Market infrastructure will be provided
* An agricultural marketing information system will be established.
* Cooperatives will be promoted to play a significant role in the marketing system.

**e) Research-extension-farmers linkage**:

Strengthening the linkages between research, extension services and farmers is essential to thie end:

* The research-extension-farmers councils at different levels will be strengthened.
* Initiatives to identify, test, produce and disseminate new technologies will be introduced.

**f) Building the capacity of implementers**

The scaling up strategy triggered to achieve a meaningful increase in smallholder production and productivity building the capacity of all the implementation agencies and individuals is a decisive issue. This includes:

 Strengthening of human resources, operations and organizations, at all levels.

The farmers training centres for enhancing farmers’ skills will be expanded and strengthened.