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**ETHIOPIA**

## **Dansha Sesame Warehouse Inauguration**

**Remarks by Cullen Hughes, USAID**

**March 27, 2014**

**Dansha, Tigray, Ethiopia**

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I am happy to be in Tigray today, and on behalf of the U.S. Government, I welcome you all to this wonderful event.

Under President Obama's 3.5 billion dollar Feed-the-Future Initiative, the U.S. Government is one of Ethiopia's largest partners in developing the agriculture sector. In support of Ethiopia's GTP, our activities touch nearly all aspects of Ethiopia's agriculture industry.

Working closely with the ministries of trade and agriculture, USAID supports farmers' cooperative unions, government agencies like the Agricultural Transformation Agency and the Federal Cooperative Agency, and hundreds of private agribusinesses and business associations, like the Ethiopian Pulses, Oilseeds and Spices Processors and Exporters Association.

In addition, USAID also works with research centers, processors and exporters to accomplish four major objectives:

- First, to increase productivity and improve quality to meet international market standards;
- Second, to build capacity in financial management, marketing, post-harvest handling, quality inspections, grading, warehouse management and operational efficiency;
- Third, to increase market linkages and exports; and
- Finally, to increase access to credit and investments and add new technologies.

The sesame value chain is an important focus of USAID's technical assistance because of Ethiopia's significant capacity and potential. In 2013, Ethiopia was the fifth largest sesame producer and second largest exporter in the world—with exports of more than 200,000 metric tons.

In the sesame value chain, we are pleased with the results achieved this far:

- Exported sesame from Amhara and Tigray regions valued at more than 27 million US dollars;
- Achieved more than 15 million US dollars of incremental sales;
- Trained more than 8,900 smallholder farmers and created 239 full time jobs;
- Facilitated more than 33 million US dollars in rural and agricultural loans; and
- Established 27 demonstration sites and multiplied 83 metric tons of improved seed

Today marks another milestone as we inaugurate one of four 5,000 metric ton sesame warehouses constructed through our Agribusiness Market Development activity, which many of you know as AMDe, or pillar in Amharic. It is a flagship activity under the Feed the Future initiative in Ethiopia and represents one of USAID's largest contributions to the Government of Ethiopia's Agricultural Growth Program.

In Amhara, we partnered with the Metema and Selam farmers' cooperative unions to construct two warehouses and, here in Tigray, we partnered with the Setit Humera farmers' cooperative union to construct one warehouse and with the Dansha Aurora farmers' cooperative union to construct this beautiful warehouse where we are standing today.

These warehouses will allow the farmers' cooperative unions to increase access to loans and purchases, and market more sesame from their member primary cooperatives. The USAID investment of 1.4 million US dollars was instrumental in constructing the warehouses. These warehouses are expected to benefit 41,713 member smallholder farmers.

USAID plans to invest further in new technologies to benefit smallholder sesame farmers and expand agricultural export opportunities for Ethiopia including cost sharing innovation

grants to leading sesame farmers' cooperative unions for sesame cleaning machines to increase profitability and traceability required by some buyers, particularly in American, European Union and Japanese markets.

In the next two years, we expect to benefit more than 75,000 sesame farmers and increase exports by tens of millions of additional dollars per year for Ethiopia's smallholder farmers.

These warehouses are an important step for sesame farmers' cooperative unions in the Tigray and Amhara regions. We are confident that the new warehouses will help reduce post-harvest losses, increase exports and foreign exchange earnings, and contribute to the livelihoods of the smallholder farmers.

Thank you and I look forward to deepening our partnership and achieving even greater achievements in the years ahead.