



iDE Ethiopia
2020 Annual Impact Report

(Photo by Maheder Haileselassie
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MISSION

iDE creates income and livelihood opportunities for poor rural households.

FOREWORD

One of my first actions as a new country director during a time of great challenges—a global pandemic, natural disasters, and civil unrest—was to define a purpose statement to guide my team with a steady hand. Together, we committed to three specific objectives: 1) to protect our staff; 2) to continue to be there for our clients; and 3) to hold strong to our organization’s mission to increase the incomes and livelihoods of people living in poverty.

Since 2007, we have been implementing initiatives in Ethiopia for ending poverty. As of December 2020, we have increased incomes and improved the lives of 773,800 people from the highlands to the lowlands of Ethiopia. We have deep connections with the people for whom we are designing and delivering market- based solutions.

We are proud to have successfully completed five resilience building projects, which has become our core programmatic expertise. The impact we created through these initiatives has led to new partners and new opportunities to change lives.

We are fortunate to have cemented several new partnerships with organizations who are investing in our proven ability to increase resilience through markets for agriculture and sanitation. We look forward to 2021 when we will continue to invest in talent and innovation, two areas we know will drive impact efficiency.

This success is only possible due to the dedication and agility of the iDE Ethiopia team and the unwavering support and flexibility of our many partners. We could not have done it without you. We will continue to deliver our mission through collaboration, agility, and care—all to go beyond expectations for those we serve.



Olani Wirtu
Country Director
iDE Ethiopia

About iDE

OVERVIEW

iDE is a global development organization that co-creates with foundations, governments, individuals, for-profits, and nonprofits to develop lasting solutions to poverty. We design and deliver market-based solutions in Agriculture and WASH in 9 countries across Asia, Africa, and Central America. Much more than a collection of technologies and field offices, we are a globally integrated ecosystem of nearly 1,000 staff, passionate about innovation and entrepreneurship.

VALUES

Poor women and men have the right to a secure livelihood. Markets are the most powerful force for significant, widespread and lasting impact on rural prosperity. The rural poor are customers, producers, and entrepreneurs. We listen to and learn from the people we work with. We value innovation and entrepreneurship. We are results-oriented, aiming for significant impacts for large numbers of people. We strive for economic, social, and environmental equity and sustainability.

About iDE Ethiopia

iDE has been working in Ethiopia since 2007, with an initial focus on creating access to affordable household irrigation technologies to help smallholder farmers and agro-pastoralists produce and sell high value crops. As a result of this work, iDE Ethiopia received the “National Best Practice” Award in 2012 for its innovative, affordable, and scalable technologies and market-based approach. Building on its irrigation technologies, iDE Ethiopia has expanded its scope of work to meet the multifaceted needs of rural people. Utilizing a robust agricultural value chain development approach, iDE Ethiopia engages farmers in livelihood diversification, integrated natural resource management, and climate-smart crop production. This entails developing profitable enterprises to supply appropriate farm inputs, technologies, and technical advice, while also connecting smallholder farmers and agro-pastoralists to commercial markets.

In addition to supporting farmers and agro-pastoralists in crop production and income generation, iDE Ethiopia also works with local entrepreneurs to develop business models for clean drinking water and sanitation.

By promoting sanitation and safe water technologies and practices, iDE helps communities utilize the local market to improve their health and quality of life. Over the last 13 years, iDE Ethiopia has reached over 150,000 smallholder households in five regional states (Oromia, SNNP, Amhara, Tigray, Afar and Somali) through agricultural value chain development, sustainable land and water management, food security, and WASH projects that facilitated access to technologies, information, inputs, and financial services and products to improve rural livelihoods.



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Value Chain Development

To improve agricultural productivity and commercialization of smallholder farmers and agro-pastoralists in Ethiopia, iDE focuses on making market systems work for the poor and marginalized. Our market efforts focus on the productivity of targeted value chains—chickpea, lentil, durum wheat, malt barley, coffee, dairy, honey, vegetables and fruits, and small ruminants—by looking at the market in a holistic way and addressing the entire ecosystem of buyers and sellers. Our interventions are specifically built to achieve positive outcomes and address constraints in access to farm inputs, credit, technology, information, markets, training, and leadership opportunities for women and youth.

MAMO KEBEDE faced food insecurity every year. Despite farming to feed and provide for his family, Kebede found that his yields and earnings were not enough to consistently put food on the table. “My major crop was oat, which was very low in yield and decreasing over time,” said Kebede.

In June 2019, CARD field technicians, local leaders, and agricultural experts hosted a discussion in Kebede’s community. Participants identified the biggest problem as a lack of improved seeds. Kebede signed up for continued guidance from experts and, along with 14 of his neighbors, began planting high-value malt barley. When harvested, the barley output was double what he had grown before.

Switching from food barley to malt barley also meant earning a higher price at market. After selling 18 quintals of the barley and saving two quintals for his family and replanting, Kebede had enough income to begin investing in fattening sheep, further diversifying and increasing his revenue streams while ensuring his family is no longer at risk for hunger.



Photo: Mamo Kebede, a lead farmer engaged in the production of malt barley, which is among the high value commodities in his area, is increasing his income from the market linkages with Habesha brewery. (Photo by Ephrem Abebe/ iDE/2020)



(Photo by Olani Wirtu/iDE/2020)

Building Resilience

Highlighted Projects	Scale People Impacted	Impact Annual Income Increased in Dollars
REAL Funded by European Union	21,829 in 4 years	\$278
CARD Funded by Development Fund of Norway	6,636 in 4 years	\$468
SuCCESS Funded by The David and Lucile Packard Foundation	250 in 1 year	\$468
RESULT Funded by European Union	2,675 in 4 years	\$468
RIPA Funded by USAID	Targeting 12,000 ToPs* and 200 PFBAs**	\$350

*ToPs are People Transitioning out of Pastoralism
**PFBAs are Pastoral and Farmers Business Advisories

Climate-induced crises affect millions of resource-poor, food-insecure smallholder farmers, agro-pastoralists, and pastoralists annually in Ethiopia. iDE increases their resilience and long-term food security. Resilience involves understanding how to harness natural resources for economic livelihoods, connect different actors along value chains, and effectively convey lessons learned with governments to scale impact further. Our programs in building resilience address a set of multi-sectoral causes at the systems level. Globally, iDE has helped hundreds of thousands of people to build long term resilience against environmental, political, socioeconomic, and health shocks.

ALEMNESH AYALEW was eight months pregnant with her third child when she attended iDE’s cooking demonstrations and joined a mothers support group with other pregnant and lactating women. With her new knowledge, events in the lives of her first two children began to make sense. “I remember that both of them were affected by severe malnutrition and had to be admitted to the hospital,” said Alemnesh.

One of the practices Ayalew began with her third child was to feed him breast milk exclusively until 6 months of age when appropriate solid foods could be introduced slowly.

Ayalew’s son Mamush is now an active, energetic 21 month old with a big appetite. To increase the variety of foods the family eats, Ayalew started a household garden and uses the produce to cook healthy meals. She has also stepped up as a leader of health development in the community and shares childcare and feeding information with other women. In the last year, no children in Ayalew’s network were malnourished.



Photo: Alemnesh (far right) attends a cooking demonstration, mothers learn to feed cereal-legume based porridge enriched by animal products (milk & egg) and vegetables (carrot, pumpkin and kale). (Photo by REAL/iDE/2020)

Gender Equity

iDE Ethiopia believes gender equality is a human rights issue and prerequisite to sustainable human-centred development. Because of this, we have chosen gender equality and social inclusion among iDE Ethiopia's priority agendas and are highly committed to champion it among our communities and networks. iDE aspires for its systems and programmatic interventions to cross beyond gender sensitivity and responsiveness and become gender transformative. A full time gender manager was recruited in 2020 to lead the gender mainstreaming and integration in both our new consortium project, RIPA, and throughout iDE Ethiopia's works elsewhere. Guidelines for gender integration have been developed for RIPA and will be rolled out over 2021.

(Photo by Maheder Haileselassie/Getty Images
for David and Lucile Packard Foundation)

ABDO KANO and other coffee farmers in Jimma, Ethiopia weren't getting good returns for the intense physical labor that coffee farming requires. Abdo said that in the past, their soil would wash away in a strong storm, carrying with it all their hard work. In early 2019, the coffee farmers who owned land joined together as part of an iDE-led initiative to help them increase their productivity and incomes.

In learning to form soil bunds, and prune and stump their coffee plants, Abdo and his neighbors are increasing the productivity of their plants. With higher quality coffee and greater bargaining power through their group, the Omo Bako farmers can see a brighter future. "Our children will learn from this work and know how to grow better," said Abdo Kano. The group plans to use their extra income to establish a processing mill, so they can process the coffee themselves for export rather than selling to a co-operative.

"What makes me proud is that we have a future," said Abdo. "We see a brighter future because we are learning and improving."



Photo: Abdo Kano on his coffee farm in Ethiopia, where nearly 95% of the coffee produced is grown on small-scale rainfed farms. (Photo by Emily Karol/iDE/2019)

Markets for Sanitation



(Photo by Andrea Hernandez/iDE/2020)

iDE’s WASH model builds robust sanitation market systems by working with three groups of market actors: sales agents, latrine producers, and health extension workers. These last-mile agents generate demand; manufacture and install latrines; and monitor use and maintenance. iDE’s sanitation marketing model addresses not just latrine supply but also drives uptake at scale through marketing and behavior change strategies. By using a Human-Centered Design methodology, we bring the user’s voice into the development of products and services. And we achieve additional inclusivity by working with microfinance institutions to ensure rural households can access loans for purchasing improved toilets.

Sanitation Impact Highlights To Date	
875,350 ETB (\$23,035)	Profit for local latrine manufacturers
525,210 ETB (\$13,820)	Commissions for latrine sales agents
17,507 (87,535 people)	Scale: Number of households reached
\$5.9M	Total Economic Impact*
\$1:\$14.2	Cost Effectiveness: Every dollar in grant funding generates \$14.20 of increased in annual income.

*Economic impact is based on cost savings, improved productivity, and monetized health impact (reductions in diarrheal disease) due to improved sanitation.

Markets for Water

Water Filter Impact Highlights Since 2018	
6,169	Number of water filters sold through the private sector in the Amhara region
37,014	Number of people who have access to safe drinking water



In the Amhara region, iDE is providing access to safe drinking water through low-cost and affordable water filters by engaging in public-private partnerships. Private companies ensure the production and supply of water filters, while iDE increases knowledge and awareness of them, and links potential customers with microfinance organizations. With the Ethiopia Government Department of Health, a key partner, we disseminate messages and training on the importance of consuming safe drinking water.

Resilience in Pastoralist Area (RIPA)

The RIPA project seeks to improve the resilience of pastoralist communities in the southern regions of Ethiopia through strengthening their absorptive, adaptive, and transformative capacity, particularly in the face of the major challenges imposed by climate change. As an implementing partner of the RIPA project, iDE aims to improve the lives of people transitioning out of pastoralism, including pastoral youth and women, by maximizing their livelihood diversification and financial inclusion opportunities. Drought, resource scarcity, and weak markets have threatened the viability and sustainability of pastoralism, leading more pastoralists to decrease their reliance on livestock and agricultural production for sustenance and income generation. As these pastoralists seek alternative, less climate-vulnerable livelihoods, RIPA will improve their adaptive capacity by strengthening local markets and value chains, as well as design and develop inclusive business and financial services. This approach will enable them, especially women and youth, to access and utilize critical resources and markets needed to diversify their livelihoods.

Human-Centered Design

iDE uses a Human-Centered Design (HCD) approach, which is a leading qualitative innovation methodology that maximizes the likelihood of adoption, long-term sustainability, and scalability of a market-based solution. We design and deliver holistic offerings, usually a combination of product and service, along with plans for marketing, financing, and distribution. HCD starts with people. We seek to understand people's aspirations, motivations, needs, and behaviors through intense listening, observing, and engaging directly with community members. In doing this, we do not make assumptions about what people want or need; instead, we begin to understand people's lived experiences and realities. We then create solutions together, allowing for ownership and sustainability of community solutions. In designing together, we regularly utilize collaborative tools, such as mapping value chains, sharing photos, and brainstorming sessions with rapid prototyping.





(Photo by CARD Team/iDE/2020)



COVID- 19 Response

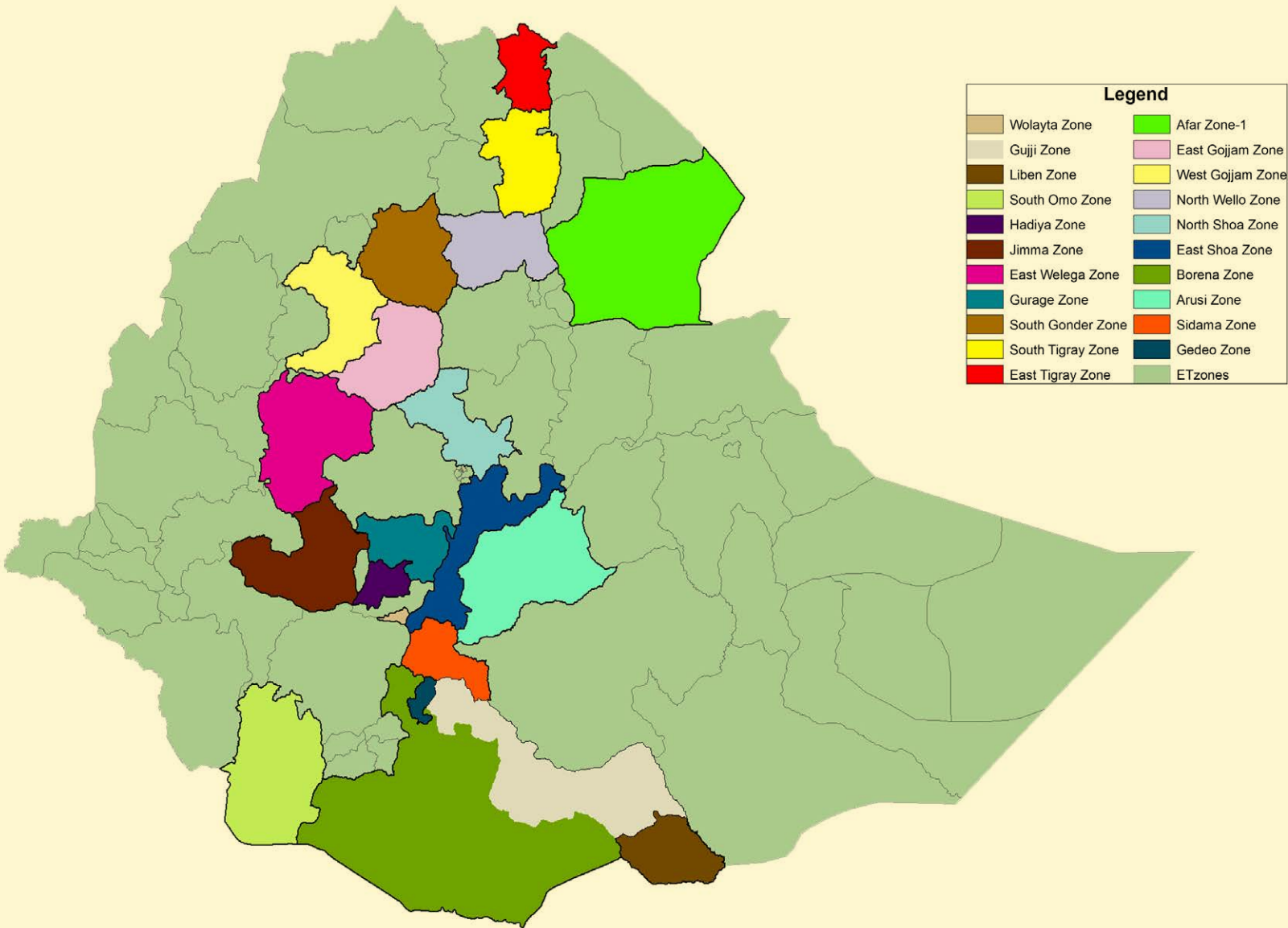
The coronavirus epidemic has made it clear that we need, as leaders, to create a high-trust environment with our employees through a more transparent, collective, and positive style of leadership. The crisis has also meant redoubling our efforts to recognize the engagement and contribution of employees in their completely new or adapted work context. It has become more important to celebrate successes, listen carefully, show empathy, and allow employees to express their personal feelings in what has been clearly a difficult situation for all.

As part of this effort, iDE Ethiopia carried out a study to uncover the effects of the global pandemic on staff performance and morale. The study helped us to understand how our staff balanced the need to be efficient in their role while

also staying safe. In response, we have applied a mix of flexible approaches and strategies to ensure that we maintain the momentum of working as a cohesive team while ensuring the safety and security of our employees.

Resiliency is the most consistent call to action right now but we would like to offer an expanded and pragmatic view of what that means. In short, resilience plus warmth equals leading people through this crisis. The formula is meant to understand what people are going through first and then to respond appropriately. As a new normal emerges over our human horizon, the definition of what it means to lead others will evolve. A pragmatic view of a better future and our ability to lead through transformative times, which will come again, seems especially relevant.

Where We Work



Our results in Ethiopia

150,491

The number of households impacted through our programs to date

780,828

The number of individuals impacted through our programs to date

\$266

The average annual net household increase in income or livelihood savings in 2020 (in US dollars in terms of purchasing power parity)

3:3

The 2020 ratio of income (or savings) generated by households for every dollar deployed by iDE (calculated on a 3-year rolling average)

Evidence and Analytics



(Photo by Ephrem Abebe/iDE/2020)

iDE emphasizes delivering cost-effective programs which offer verifiable value for money, both for donors as well as for the marginalized households with whom we work. iDE measures its progress through an approach to measurement, evaluation and learning that we refer to as Evidence & Analytics, which includes both data for action and data for impact. We use statistical analysis tools for in-depth study and carry out a number of data-collection processes and research to understand whether we are having an effect on outcome areas of interest. The wealth of data that is collected in our data for action processes, combined with internal expertise in rigorous evaluation, and human-centered design, allows iDE to obtain estimates on key outcomes (i.e., income, productivity, women's empowerment, resilience, etc.) as well as a multitude of intermediate outcomes.

Financial Inclusion



(Photo by Ephrem Abebe/iDE/2020)

Fewer than a quarter of Ethiopian adults have a formal bank account. Ethiopia socioeconomic survey data show that better education, financial literacy, gender, age, living in urban settings and in the capital city, and preference for formal financial services are associated with a greater level of financial inclusion in Ethiopia.¹

As part of our role in addressing the specific needs of resource-poor women, youth, smallholder farmers, and pastoralists in Ethiopia, iDE promotes voluntary savings by informal groups such as Self Help Groups, Village Savings and Lending Groups, and Women Economic Groups. We address the structural bottlenecks underpinning poor access to financial services and products. Our solutions increase people's capacity to make investment decisions such as adopting productivity enhancing technologies and practices. We have designed and implemented several innovative micro-financing solutions for poor rural households through diverse partnerships with micro-finance institutions, rural savings and credit cooperatives, and farmers' business organizations.

¹ From "Financial Inclusion in Ethiopia: Using LSMS (Ethiopia Socioeconomic Survey) Data" by Desalegn, G. and Yemataw, G., Ethiopian Journal of Economics, Vol. XXVI, No 2, October 2017.

Ethiopia has the second-largest youth population in Africa with 30 million people aged 15-29, and that number is expected to rise. It also has some of the highest rates of youth unemployment, in part due to inadequate business and technical skills, lack of vocational and technical training, limited access to credit, and lack of information about opportunities.

iDE has been pioneering a solution to help youth overcome these challenges through the development of rural youth enterprises, such as manufacturing latrines, water well drilling enterprises, farm business advisors, commercial fodder production, beekeeping, irrigation, and tree nursery production. Through our human-centered design methodologies, we design enterprises that appeal to youth and are viable and feasible in their local context.

Recurrent drought in Ethiopia results in widespread failure of seasonal crops, pasture, and forage, leading to massive livestock death in pastoralist areas. This causes widespread hunger among the affected population. The drought of 2015-16 due to El Niño led to hunger for about 10 million people. Vulnerability to extreme weather events is a continuing concern, especially for people reliant on agriculture for their livelihoods.

iDE takes a proactive approach to increasing drought resilience centered on better development of financial, human, physical, and natural capital; strengthening economic and social systems; and increasing the ability to adapt to adversity. iDE has proactively designed and implemented various resilience building initiatives to mitigate and adapt to climatic induced shocks and disasters over the last decade.

Youth and Enterprise Incubation

(Photo by Ephrem Abebe/iDE/2020)



Climate Change

(Photo by Ephrem Abebe/iDE/2020)



DONORS

Australian Centre for International Agricultural Research
Allan & Nesta Ferguson Foundation
Big Lottery Fund
Bill & Melinda Gates Foundation
Comart Foundation
Coca-Cola Foundation
Comic Relief
Development Fund of Norway
Government of the Netherlands
Government of Norway
European Commission
Global Affairs Canada
Headley Trust
Irish Aid
Interchurch Organization for Development Cooperation
Packard Foundation
Sainsbury Family Trust
Syngenta Foundation
The Renewable Energy and Energy Efficiency Partnership
UNICEF
United States Agency for International Development
Vitol Foundation
Waterloo Foundation
Comart Foundation

PRIVATE SECTOR

Amio Engineering PLC
Shaya Shone (SYS)
Resilience BV
NAZAVA Riam Water Filters
Agua Consult
Davis and Shirtliff Ethiopia

COMMUNITY BASED ORGANIZATIONS

Becho Woliso Cooperative Union
Berek Aleltu Cooperative Union
Biftu Selale Cooperative Union
Bora Dembel Cooperative union
Damota Wolaita Farmers' Cooperative Union
Duro Langanno Fruits and Vegetables Producers and Marketing Cooperative Union
Elto Farmers' Cooperative Union
Meki Batu Vegetable and Fruits Producers and Marketing Cooperative
Yerer Cooperative Union

GOVERNMENT PARTNERS

Regional Government of Tigray
Regional Government of Amhara
Regional Government of Oromia
Regional Government of SNNP
Regional Government of Benishangul-Gumuz
Regional Government of Somali
Regional Government of Afar
Ministry of Agriculture

Ministry of Health
Ministry of Water, Irrigation and Electricity
Job Creation Commission

NGOs

CARE
OXFAM GB
OXFAM CANADA
SOS SAHEL Ethiopia
Rift Valley Children and Women Association
Self Help Africa
Digital Green
Vita
Caritas Intel Belgium
ECC-SDCO
Keller-Bliesner Engineering, LLC, USA
Ethiopian Agricultural Transformation Agency
Amref Health Africa
VSF Germany
Action for Development
Mennonites Economic Development Associates (MEDA)
Hunde Grass Root Association
Ethiopian Society of Appropriate Technologies (ESAT)
Farm Africa
PCI
GOAL

RESEARCH AND ACADEMIC INSTITUTION

Asian Vegetable Research and Development Center, The World Vegetable Center
International Water Management Institute
International Livestock Research Institute
CIMMYT
Coady International Institute
International Crops Research Institute for the Semi-Arid Tropics
Areka Agricultural Research Center (ARC)
Hawassa ARC
Melkasa ARC
Jinka ARC
Jimma ARC
Jlmma University
Ethiopian Institute of Agricultural Research
Frankfurt School of Finance
Professional Assistance for Development Action (Pradan)
Haramaya University, Ethiopia
Nebraska University, USA

iDE Global and National Strategy

In 2020, iDE began the development of a strategy called “Playbook to Thrive,” which represents a focus on innovation, knowledge sharing, and nimble adaptation amidst changing circumstances. Also in 2020, iDE continued development of our Infinite model which frames our market-based approach by outlining the progress of programmatic approaches (from assessment to understanding gaps through scale-up) to move people operating within a market ecosystem from poverty to prosperity.

iDE Ethiopia initiated a five-year strategy in 2016 and later updated it in 2018 to accelerate our impact and scale reaching households with programs in the WASH and Agriculture sectors over five years (2016 to 2020). iDE Ethiopia’s priority thematic areas are agriculture with a focus on climate change, resilience building, gender equity and social inclusion, food security, sanitation marketing, agriculture and nutrition, youth entrepreneurship, and business incubation.

As part of iDE’s “Playbook to Thrive” global strategy, iDE Ethiopia is aiming to build our brand reputation through a focused and international communication strategy; developing evidence-based storytelling capacity; and strengthening our management information systems, and Evidence and Analytics capacity.

iDE delivers market-based solutions that create sustainable, lasting change. We believe that entrepreneurs can be found everywhere, and that through design and innovation, they can have the opportunity to build a better world for themselves, their families, and their communities.

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(Photo by Maheder Haileselassie
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