

iDE Ethiopia
2022 Annual Impact Report

DOERS NOT DREAMERS

When iDE founder Paul Polak first visited Ethiopia in the 1980s, Somalis were being driven across the border by conflict in their home country.

He noticed the refugees were struggling as they carried wood, water, and food with rudimentary carts pulled by donkeys.

Practical and innovative, Paul used abandoned car parts and displaced blacksmiths to modify the carts, making them much more efficient. The improved carts were then sold by the blacksmiths to other refugees on credit, with payments made from income generated by hauling goods with the carts. Five hundred carts were sold, producing more than \$1 million in net income for cart owners over three years.

For nearly 40 years, iDE has been working with entrepreneurs like the Somali refugees, coming up with market-based fixes to enduring challenges. We believe the market offers the best way to incentivize people and find sustainable solutions that can be passed down through generations.

Our in-country staff begin by listening to every stakeholder, working their way around barriers and through bottlenecks to build local economies and value chains that deliver goods and services to “last mile” rural and remote areas. These geographically-defined “resilient market ecosystems” add three-dimensional layers of opportunity, touching people’s lives as they buy affordable goods in the market, plant improved crops in their fields, and access clean water in their homes.

Letter from the Country Director

CHANGING THE WORLD IS A TEAM SPORT

As I reflect on the past two years, including the challenges of 2022, I am struck by the immense difficulties Ethiopia has faced including security, climate change, macroeconomic instability, and employment issues. Despite the challenges of the moment and those that lie ahead, the emotions I feel are those of gratitude and optimism. I am grateful for the dedication of our staff and the support of our community and donors. I am also grateful for our partnerships with local government stakeholders, private sector partners, and those who work with us to serve the last mile customers and communities.

I’m optimistic about our future because of the momentum we’ve built together despite our challenges. We have become more agile, creative, and innovative in our approach. With these operational strengths in addition to our working values, I have full confidence in our leadership team’s ability to rise to any challenge that comes our way in the spirit of service to our clients and communities.

Our business unit is growing, generating over \$4 million in new revenue in the past year. In 2023, we anticipate a 55% increase in revenue compared to 2022, building upon an average of 20% growth over the preceding two years. This continuous growth is the result of our disciplined teams, systems, and processes that help us maintain the trust of our partners, and stay focused on making deep and lasting impact for the people of Ethiopia.

Yours in impact,

Olani Wirtu,
iDE Ethiopia
Country Director



LET'S CHEER ON THE CHANGE-MAKERS IMPROVING THEIR COMMUNITIES.



Malnutrition is widespread in Yeshi's area of Ethiopia and young mothers need more education on how to prepare nutritious foods.

YESHI BELETE NEVER THOUGHT OF HERSELF AS AN ENTREPRENEUR until she started working as a nutrition sales agent. As a mother of two daughters, she was motivated to improve childhood nutrition in her community while earning an income to help raise her own young family. Once iDE provided her with startup capital and worked with her to strengthen her business skills, she was on her way.

“My motivation started during the nutrition marketing training. I liked the objective of the intervention on reducing the stunting of children and providing service for community members. In addition, the project provided startup capital for me to able to start the business” - Yeshi Belete.

In addition to handing out educational materials and hosting community events, she makes and sells a nutrient-dense product called mitin, a flour blend of 13 different cereals and pulses. Her customers can prepare it at home as a porridge or a drink with the addition of warm water. As understanding and awareness about the importance of balanced nutrition have increased in the community, so too have Yeshi's sales of mitin.

Thanks to her successful business venture, Yeshi's mitin sales are increasing from time to time. But her impact goes beyond her personal gains. Yeshi's dedication to improving childhood nutrition has enhanced the overall health of her community, as more families have access to a diverse and nutritious diet.

HER TIME TO GROW



iDE has a rich history of empowering smallholder farmers across the world to improve their income opportunities, however, women face disproportionate barriers.

iDE's HER TIME TO GROW project aims to empower women in Ethiopia, Ghana, and Zambia through agricultural value chains by combining structured market connections with savings groups. The project employs a women-centered-design process and continuous measurement and iteration to identify and validate new approaches that accelerate impact. Using the Human-Centered Design methodology, iDE engaged with target clients and stakeholders to identify problems, co-create and test solutions, and develop intervention strategies. The project is now in the implementation phase, piloting intervention strategies developed through this process.

9,225

women will be empowered

40,000

individuals will benefit

HERE FOR MEANINGFUL CHANGE



iDE Ethiopia is laying the groundwork for increased agricultural production and resilience to climate change for rural communities.

THROUGH THE CARD-2 PROJECT, iDE partners with communities to diversify and increase agricultural production as a means of boosting income levels among households facing economic and social challenges.

Farmers gained access to high-yielding and stress-tolerant seeds to grow crops and improved irrigation technologies, resulting in higher crop yields. To ensure the production was sustainable, the project also supported farmers when it came to conserving soil, water, and agroforestry resources, as well as growing high-value tree seedlings on land owned by farmers and communal holdings.

“I have a dream and hope to use modern technologies and ensure quality farming and wants to use ground water to secure water shortage and harvest more” - Tilahun Solomon

To boost resilience to climate change and severe weather events, farmers were instructed to diversify agricultural production by using irrigation, stress-tolerant crops, and nutritious vegetable production.

In 2022, 1586 clients including women, jobless youth, and people with special needs were supported with training, loans, and other forms of assistance for income-generating activities.

This progress was made despite the multiple ongoing challenges of political unrest, price fluctuations, input shortages, delayed rain, crop diseases.

Ultimately, our goal is to ensure that everyone across Amhara can access high-quality sanitation.

THE WORLD NEEDS MORE TOILETS



OVER THE PAST DECADE, we have continued to deliver results building markets for sanitation across Ethiopia. Since launching our programs in 2013, we have sold over 19,000 slabs between Wolaita and Amhara region, working in close partnership with the health extension workers, microfinance officers, and local government.

Since iDE exited Wolaita at the end of 2020, we're proud that sales continue on, with latrine business owners still turning a profit installing slabs for community members. 1,751 slabs were sold in 2022 alone! This year, we will offer another round of refresher training to the business owners to ensure that local production continues to grow. This is part of our approach to create sustainable and effective change in the long term — investing in communities by building local knowledge and resources.

In Amhara, the picture is less rosy. We have recruited and trained 32 latrine business owners and 96 sales agents. Over 2022, we conducted two rounds of human-centered design to better understand the barriers and gaps in the market and to test a range of products and price points. Challenges on the supply side include the rising costs of cement and rebar, making materials unaffordable and hindering production growth of business operators. On the demand side, a lack of financing options is slowing down purchases, as it becomes more difficult for customers to afford the increasing price of the product.

Currently, we are working with an international research firm on a learning agenda to test out viable subsidy mechanisms for the purpose of informing government policy.

HERE FOR CHILDHOOD NUTRITION

iDE developed a business model that combines nutrition benefits for children with a profitable market opportunity for rural sales agents.



THE HEALTHY VILLAGE PROGRAMME in Ethiopia aims to improve the health of children under two years old by reducing stunting and the incidence of water- and fecal-borne diseases. To achieve this goal, iDE is creating markets for sanitation while also exploring a similar approach focused on nutrition. Through an extensive human-centered design process, iDE developed a business model that combines nutrition benefits for children with a profitable market opportunity for rural sales agents.

After researching in early 2022, iDE discovered that although cereals and pulses are available in the community and cooking demonstrations are common, feeding nutrient-dense porridge to children is limited. iDE identified community members interested in becoming nutrition sales agents and trained them to conduct marketing and sales. This enables them to earn an income while increasing access to nutritious foods for local households.

Since launching the pilot 8 months ago, the 10 nutrition sales agents have sold over 1187 Kg of Mitin, a cereal made of multiple types of grains that ensures children receive the nutrition they need to grow.

1,330

customers

10

nutrition sales agents trained

INVESTING IN A POSITIVE CLIMATE FOR CHANGE



“During this drought, I have survived. I see people lose their cattle. But the fodder helped me to mitigate the drought. I am able to feed my child and myself during the drought season.”
 – Yohans Lokody

DURING 2022, THE LOWLANDS of Ethiopia experienced the worst drought in 40 years. As a result, available livestock feed resources decreased, leading to low productivity, livestock loss, and high food insecurity. To mitigate these impacts, iDE supported agro-pastoralist youth enterprises to engage in commercial fodder production through the RIPA project. A co-investment partnership with iDE, Jinka Agricultural Research Center, and pastoralist enterprises provided improved fodder seed varieties, irrigation systems, and technical assistance.

159 pastoralist youths in Dassanech woreda of South Omo were organized into five enterprise groups and began producing forage through irrigation from the Omo River. This allowed them to maintain their own livestock’s health, generate critical income, and decrease their dependency on government and emergency aid organizations.

2,855

ToPs group members trained

145

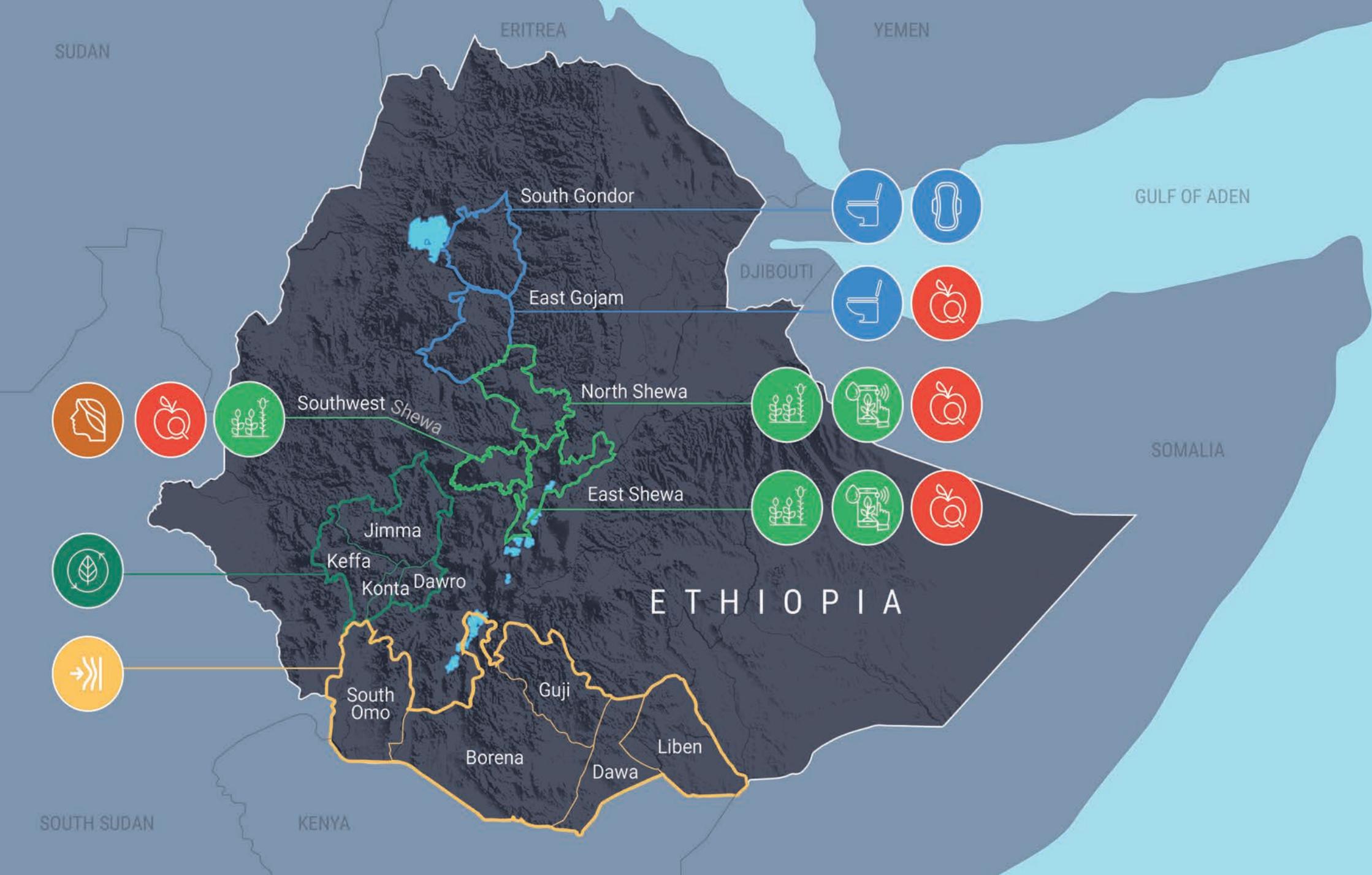
ToPs groups

225

ToPs linked

7

Private sectors



OUR IMPACT IN 2022

159,765

The number of new households impacted through our programs in 2022.

840,181

The number of new individuals impacted through our programs in 2022.

\$301

The average annual net household increase in income or livelihood savings in 2022 (in US dollars in terms of purchasing power parity).

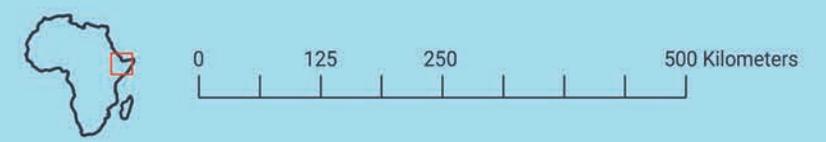
\$2.6:1

SROI - Our Social Return on Investment is the ratio of income (or savings) generated by households per dollar deployed by iDE Ethiopia (calculated on a 3-year rolling average).

OUR APPROACHES

-  SANITATION
-  MHH (Menstrual Health & Hygiene)
-  NUTRITION
-  AGRICULTURE
-  DIGITAL AGRICULTURE
-  WOMEN'S EMPOWERMENT
-  CONSERVATION
-  RESILIENCE BUILDING

ACCESS TO RURAL FINANCE IS CROSS CUTTING THOUGHTOUT



IDE'S CORE PILLARS



Start with People

We use Human-Centered Design to understand people's lives and the barriers and accelerators to accessing our services.



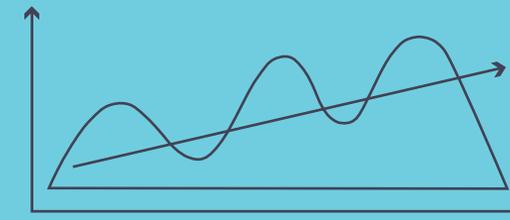
Design to Context

We ask people what they want in our products and services. We prototype and iterate on designs until we have a final product that is affordable and desirable.



Business Delivers

We mobilize the private sector by building a strong business case for WASH in the bottom of the pyramid market. We reduce the risk of market entry for entrepreneurs and connect market actors.



Results Rule

We collect and analyze real-time data on quality, cost-effectiveness, and performance using a cloud-based information system, allowing us to prioritize investments and adapt our approach.

HANDSHAKES OVER HANDOUTS



“Because of the drought we encountered in the last months, many youths want to engage in this business.” — Abebe Lotuliya

ABEBE, A 25 YEAR OLD MAN with 5 children is involved in a fodder and banana production business for the Resilience in Pastoral Areas (RIPA) project. He is a confident, energetic, and hopeful young man. He used to be a pastoralist and knew nothing about agriculture. When iDE came to his kebele for support and research, he was given the opportunity for fodder production training as part of his transition out of pastoralism (ToPs) youth group.

“During the drought in the last months, my cattle were safe. They didn’t die. I was feeding them the fodder. My life is improved now after I started working in fodder production.” Abebe Lotuliya.

In the past he used to move his cattle to different places for grazing. His wife would collect wood from the bush which is far from his home and sell it in the market, buying food with the money to feed the children.

After he engaged in the fodder production business, Abebe is able to feed his cattle on his own land and let his wife sell the fodder in the market. He is now able to feed his family and save half of his income in a Omo micro-finance institution.

THANK YOU TO OUR DONORS, PARTNERS, & STAKEHOLDERS

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Omo Fishery

Government Partners

Regional Government of Oromia
Regional Government of Amhara
Regional Government of SNNP
Regional Government of Somali
Regional Government of SWEP

Financial and Digital Service Providers

Wasasa MFI S.C
Chromepay LLC

Community-based Organizations

Fana Gudina saving and credit union
Meyad saving and credit cooperative
Wontu Farmers` multipurpose basic cooperative
Andod Washa Farmers` multipurpose basic cooperative
Dermemusa Farmers` multipurpose basic cooperative
Segele Farmers` multipurpose basic cooperative
Dire Dogomsisa Farmers` multipurpose basic cooperative
Qersa Hamus Gabeya Farmers` multipurpose basic cooperative
Germama Dhaka Dhaba Farmers` multipurpose basic cooperative
Akako Farmers` multipurpose basic cooperative
Godino Farmers multipurpose basic cooperative
Lugo Farmers multipurpose basic cooperative
Yerer Silase multipurpose basic cooperative
Abdi Gudina Farmers` seed production and marketing cooperative
Oda Farmers` seed production and marketing cooperative

ABOUT iDE ETHIOPIA

IDE HAS BEEN WORKING IN ETHIOPIA SINCE 2007, with an initial focus on creating access to affordable household irrigation technologies (HITs) to help smallholder farmers 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 smallholder farmers and pastoralists and agro-pastoralists. 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 pastoralists to commercial markets.

In addition to supporting farmers 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, communities utilize the local market to improve their health and quality of life. Over the last Fourteen years, iDE Ethiopia has reached 159,050 smallholder households in five regional states (Oromia, SNNP, Amhara, SWEP, and Somali) through improved agricultural production, resilience building, sustainable land and water management, food security, and WASH projects that facilitated access to technologies, information, inputs, and services to improve rural livelihoods.



“CHANGE NOT CHARITY”

invokes the essence of iDE’s approach to ending poverty. Across the world, we are powering low-income communities to confront challenges and develop resilience to climate change.

ideglobal.org/ethiopia