The Livestock Value Chain in Upper Egypt: Challenges and Opportunities
Toward a More Competitive Agricultural Sector

A National Conference 3-5 September, 2007

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ACDI/VOCA has a proven record of development success dating back more than 43 years.
On behalf of the entire ACDI/VOCA Egypt team, I would like to welcome you to this national event on The Livestock Value Chain in Upper Egypt. We are very pleased to be organizing this conference, with support from the United States Agency for International Development (USAID), to further the learning and collaborative development amongst livestock producers and other industry stakeholders initiated under the Agricultural Exports and Rural Incomes (AERI) Dairy and Livestock project four years ago.

The underlying theme of this event—increasing the competitiveness of the livestock sector in Upper Egypt—addresses the very core of the AERI project and its interventions. This publication celebrates the many achievements participants in Upper Egypt’s livestock sector have made to improve milk quality and animal health, expand dairy and livestock production, diversify product lines, increase smallholder coordination through association formation, and access a larger share of the domestic and export market.

I would like to thank all the conference participants and guest speakers for your engagement and contribution to the results generated by this event. I would also like to thank USAID as the funder of the AERI project, and also for their continued support of ACDI/VOCA since it first began work in Egypt 27 years ago. In the other program profiles at the close of this publication, we hope you find inspiration for the continued growth of other sectors also important to the overall competitiveness of smallholders in Egypt.

As the AERI project comes to a close after four successful years, our eyes turn towards the future. While many challenges remain, numerous opportunities can be seized by those who recognize the vast potential that exists in Upper Egypt and embrace their role as a key stakeholder in the livestock value chain.

May the next few days provide a forum to strengthen market-driven collaboration amongst producer associations, meat and dairy processors, input suppliers, service providers, and other actors in Upper Egypt’s livestock value chain. I know you will benefit from the knowledge and expertise of the presenters and panelists covering a wide range of industry-related topics. Your active participation will facilitate progress that capitalizes on the results achieved by AERI and contribute towards the increasing the competitiveness of Upper Egypt’s livestock industry.

Douglas Anderson

ACDI/VOCA Egypt Representative and
AERI-Livestock Chief of Party
Agricultural Exports and Rural Incomes (AERI): Dairy & Livestock
The goal of ACDI/VOCA’s four-year AERI Dairy and Livestock activity is to increase rural incomes and smallholder productive assets.
Inefficient marketing channels, a lack of reliable market information, weak agribusiness management skills and an absence of economies of scale have historically kept the Egyptian livestock sector from reaching its full potential. Smallholder farmers rely too heavily on outdated knowledge, inefficient practices and expensive inputs, making it nearly impossible for dairy and livestock businesses to break even. Marketing channels for smallholder products are clogged with middlemen and lack transparency. Government livestock extension and veterinary services have generally ignored smallholder needs, and private services for smallholders are virtually nonexistent.

To reverse these trends, ACDI/VOCA is implementing the $8.3 million, four-year Agricultural Exports and Rural Incomes (AERI) Dairy and Livestock project in six governorates in Upper Egypt. AERI is addressing constraints by applying a market-driven, business-oriented approach that employs a range of technical and business improvement strategies that focus on small producers, value-adding processors and private and public sector service providers. The goal of the project is to increase rural incomes and smallholder productive assets.

AERI’s vision for the Egyptian livestock industry is mutually reinforcing network of processing and production businesses and supporting service organizations that increase the quality, variety and volume of animal products in local markets. Within this network, AERI created a system of interlocked farmer-based entities linking smallholder producers to the domestic market chain.

These organizations serve to control and enhance product quantity, quality and value-adding opportunities. This approach transforms the traditional, individualistic approach to production and marketing and helps farmers achieve the scale necessary to strengthen their bargaining power. As smallholders’ income rises, ACDI/VOCA and its partners train smallholders to collectively reduce production costs and improve the quality and volume of their dairy and livestock products. By organizing themselves into larger input purchasing and output marketing units, smallholders achieve economies of scale to penetrate markets and link with critical technical and business support services to their mutual profit.
ACDI/VOCA is building on the methodologies, delivery systems, experience and institutional relationships of its previous projects in Egypt, which go back to 1980.

The AERI Dairy and Livestock project also advises small-scale dairy and livestock processors and traders on techniques to help them manage their businesses, supply raw products more efficiently and expand their overall product range, raising profits for processors and traders and increasing demand for the raw products that smallholders grow.

Additionally, ACDI/VOCA delivers technical assistance and business training to stakeholder firms and institutions engaged in critical business-support services for the industry, including livestock extension, feed and veterinary supplies, food processors, veterinary services and rural financial services. This helps overcome value chain inefficiencies and achieve the needed developmental changes requisite to success in the sector.

Village Business Promoters (VBPs), Livestock Extension Agents (LEAs) and veterinarian doctors are the main players in the chain in order to be able to increase the smallholders’ income.

*The VBPs main function is to:*
1. Promote AERI concepts and encourage smallholders to adopt the new ideas and practices.
2. Provide technical assistance to improve the livestock status within the village.
3. Assist in selecting the SMA members and capturing success stories.
4. Document the village activities and lessons learned.
5. Be part of the project’s monitoring, evaluation and documentation system to ensure that AERI’s impact is measured.

Through this project, ACDI/VOCA has refined the dairy and livestock value chain, focusing on specific stakeholders and utilizing targeted interventions. In the final year of the project, ACDI/VOCA is particularly targeting interventions to address several key systemic weaknesses in the marketing chains for dairy and livestock products. These include poor animal handling and transportation, and weak market infrastructure, market information systems and business linkages. The AERI Livestock project has introduced a set of tailored technical interventions to the sector stakeholders that has allowed them to manage their businesses better, increase capacity and expand and diversify overall product range. The results include higher processor and trader profits and an increased demand for raw products from smallholders.
AERI created a system of interlocked farmer-based entities linking smallholder producers to the domestic market chain.
Value Chain Approach: Strengthening Value Chains to Promote Economic Opportunities

The central goal of ACDI/VOCA’s value chain approach to private sector development is to accelerate economic growth and poverty reduction. Toward this end, ACDI/VOCA uses a participatory, stakeholder-driven approach to exploit opportunities for investment and growth in industries with high levels of micro and small enterprise (MSE) involvement.

The value chain approach analyzes the firms in a market chain—from input suppliers to final buyers—and the relationships among them. It analyzes the factors influencing industry performance, including access to and the requirements of end markets; the legal, regulatory and policy environment; coordination between firms in the industry; and the level and quality of support services.

Relationships among firms in an industry can facilitate production and marketing efficiencies and enable the flow of information, learning, resources and benefits.

ACDI/VOCA works with industry stakeholders to strengthen or restructure relationships and address resource constraints to increase the global competitiveness of the industry and the ability of small firms to contribute to and benefit from this competitiveness.

Working with the U.S. Agency for International Development (USAID), other donors, local governments and industry leaders, ACDI/VOCA promotes MSE access to critical technical, financial and business services to increase efficiency, improve quality and benefit from new markets. ACDI/VOCA provides technical assistance at the firm level to improve capacity to benefit from market opportunities, better inputs and more productive technology. At the market level, ACDI/VOCA alleviates constraints along competitive value chains by supporting suppliers of critical support services and by improving the business enabling environment to increase the contribution of the industry to economic growth and poverty reduction.
The AERI project provides training programs and technical assistance interventions in order to overcome value chain inefficiencies and achieve the needed developmental changes to succeed in the sector.
Developmental Approach

Potential for competitiveness dependent on:
- Efficiency/low cost
- Quality/product differentiation
- Upgrading

Framer and industry level upgrading by:
- Improving products
- Improving process
- Specializing in new functions
- Moving into new market channels

Upgrading requires:
- Access to supporting markets
- Access to learning, know-how, skills
- Appropriate incentives (consider risks, expected returns)

Integrated development approach as follows....

AERI Livestock Program: Technical Components

1. IMPROVING smallholder product quality and volume
2. INCREASING the profitability of processors and traders
3. STRENGTHENING input supply and other agricultural support services
4. INCREASING efficiency in the marketing chain

CROSSCUTTING THEMES
- Gender Equity
- Family Nutrition and Health
- Environmental Considerations
- Civil Society
ACDI/VOCA alleviates constraints along competitive value chains by supporting suppliers of critical support services.
AERI-Livestock Key Results

- **7,438** smallholder livestock producers (90% of whom are female) have organized into **327** smallholder farmer groups that in turn created **46** registered Smallholder Marketing Associations (SMAs).

- Incomes have increased for direct beneficiaries by **$5.8 million** (LE33,173,310), or an average annual increase of **$822** (LE4,663) per smallholder household.

- **109** dairy processors have been assisted in expanding their product mix, improving health, sanitation and quality standards and increasing profits and have developed and marketed **12** new dairy products.

- **2,619,7** liters of milk were collected and marketed through the collection centers of both SFGs and SMAs with a total value of **$651,803** (LE3,695,727).

- **87.08 ton** of cheese, **12.7 ton** of butter and **21.37 ton** of ghee produced and marketed with a total value of **$182,885** (LE1,036,958).

- **7,438** smallholder farmers have received technical training to improve herd management, animal health, product quality and business management, all leading to higher output. An additional **48,187** smallholders have been assisted through technology diffusion.

- **331** village business promoters (89% female), **309** veterinarians (28% female) and **309** livestock extension agents have received training to develop their capabilities, strengthen linkages with smallholders, and identify business opportunities with an end goal of enabling them to offer services on a commercial basis to SMAs.
Increase in Annual Net Incomes of AERI-assisted Smallholders

*From inception to date*

Targeted smallholders will increase profitability of dairy and livestock operations as measured by increases in annual net income of 10% after the first year of working with AERI, 20% after the second year and 10% after the third year (AERI strategic objectives).

By the end of the AERI project, ACDI/VOCA has left in place:

- A sustainable cadre of private sector extension and veterinarian staff
- A sustainable cadre of trained village-based businesswomen promoters
- New processing technologies
- Successful, proven business models that can be replicated by smallholders to increase incomes and improve livelihoods
The AERI Livestock project is leading a successful campaign which involves disseminating the information and the recommendations that were given to livestock smallholders in Upper Egypt throughout the duration of the project. The campaign involves “leaving-behind” informational and reference material on the various topics that will later benefit the smallholders. The materials are produced based on extensive research with the intended target groups in mind in order to maximize the chances of the message reaching the targeted end-user.

**Leave-Behind Campaign**

Empowerment of the livestock smallholders in Upper Egypt is dependent on their access to resources, the AERI project has launched the Fattening Program where smallholder associations are given access to financial institutions that provide loans without applying the normal collateral requirements. Loans cover the value of fattened animals, feed cost, and veterinary care. The interest rate includes insurance on animals which fully compensates the beneficiaries in case of mortalities. One percent of the interest rate goes to the associations as income. The project has employed several interventions to insure maximal utilization of the provided loans, such as helping the associations to bulk purchase production inputs for their members on a whole sale basis. Furthermore, direct technical assistance has been provided to beneficiaries on nutrition and health care. The marketing committees have been trained on applying ideal standards for fattening animals’ selection. This has enabled the associations to assist their members in procuring and selling their animals via untraditional marketing channels.

This program has resulted in attracting 400 members who received around LE4 million in excess of the original target of 225 beneficiaries.
Veterinary Campaign Outreach Key Results

35 veterinary campaigns have been conducted, reaching 27,407 smallholders, treating 97,915 animals, preserving productive assets and saving over $323,279 (LE1,842,643) for smallholders.
Several Observational Study Tours (OSTs) have been commissioned by the AERI Livestock program as an effective vehicle for technology transfer. OSTs to developing countries with socioeconomic contexts similar to Egypt’s, provided the board members of associations an opportunity to observe a fully-functional smallholder milk production, collection, processing and marketing systems. Tours have been organized for eight countries including India, Morocco, Kenya and Turkey for carefully selected stakeholders’ representatives from the livestock sector.
ACDI/VOCA Timely Action: Avian Flu

During the recent Avian Flu (Bird Flu) scare in Egypt, there were many misconceptions and rumors spreading about the nature of the disease and the facts surrounding it, especially among rural village inhabitants. ACDI/VOCA reacted to the situation by distributing material containing useful information on the Avian Flu and fowl care to several rural areas in Egypt. Over 23,000 flyers, provided by USAID, were distributed.
## AERI-assisted Associations

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The dairy and livestock sector in Upper Egypt is important for strategic and economic reasons to Egypt. Largely an untapped agricultural potential for horticulture and livestock, the region offers significant opportunity to contribute to exports and the domestic food processing industry while alleviating household poverty.

The tremendous potential of the livestock sector in Egypt is largely lost to a number of constraints. It is a fragmented industry resulting in an absence of economies of scale, inefficient marketing channels, and a lack of reliable market information. Small farmers tend to rely on traditional knowledge and apply inefficient practices. They are unable to access quality feed at reasonable cost, and often unwittingly manage their dairy and livestock assets at a loss. Due to this operating environment, they are readily exploited by profiteers.

The dairy and livestock sector in Upper Egypt is blessed by fundamentally good people that can and will, given the opportunity, listen and respond to sound practical advice to better their livelihoods. Shown the advantages of leveraging their numbers, smallholders are quick to take matters into their own hands by forming village based economic units, Smallholder Marketing Associations (SMAs).

Operating in a limited number of targeted villages through the SMAs, the AERI introduced and demonstrated the efficacies of three business models that are simple to finance and implement, which in turn fosters social capital and a community of services. These are milk collection centers, feed mixing units and veterinary service centers. As a group, smallholders purchase properly formulated feed rations in bulk, often obtaining this on credit and paid for through delivery of milk. They obtain veterinary services at group discounts and organize village centers to collect, grade and sell milk based on weight rather than volume. All of this results in streamlining and strengthening their value chain and increasing their net household income.

Constraints remain and limited resources pose a challenge. The road map to a broader and stronger sector is simple, yet effective. By strengthening Upper Egypt’s livestock value chain horizontally by enhancing cooperation and encouraging the present AERI-formed SMAs to twin with nascent associations and vertically by encouraging other stakeholders in the value chain to participate effectively in the process, this sector can play a substantial role in the economic arena of Egypt in the future.
The impact could cross many domains: social, economic, environmental and political. By facilitating access to credit, assets increase. By strengthening technical, business and managerial skills for private sector extension agents and veterinary services, assets are preserved. By linking smallholders to transparent market channels through village-based associations and their services, and leveraging those groups into a larger community of services where resources are shared, incomes are increased. Quality of life improves, including nutrition, health and education. By learning appropriate enterprise and association governance, interest and participation in community activities is engendered.

In particular, four discrete opportunities are yet to be realized that can positively impact the livestock sector:

1. Upper Egypt is home to approximately 45% of the livestock population but a disproportionate amount of milk is not pasteurized or packaged. By formalizing this market with the cooperation of major processors and packagers, income will increase and nutrition and health will improve for the producers and families.

2. The milking season is tied to the berseem (clover) season and subsequently is 100 days shorter. By utilizing crop residues and processing by-products that are cost comparative to soy protein for animal feed, severe environmental issues can be addressed and yield increased.

3. Buffalo milk is high in butterfat and a valued commodity. Over one million tons at current production levels are produced in Upper Egypt. By funding strategically located processing plants, owned and managed by smallholder associations, buffalo milk products, including buffalo mozzarella cheese for export, can contribute substantially to prosperity and sustainability in this region.

4. Through better herd management practices and improved genetics, yield could triple and still be under world averages.

Prosperous people are content and contributors to a civil society. Models based on this roadmap exist, and if followed the dairy and livestock sector in Upper Egypt promises a bright future for its smallholder citizenry, as well as their communities and the country as a whole.
On March 1, 2007 U.S. Ambassador to Egypt Francis J. Ricciardone visited the Zein El Deen dairy association in Sohag. The association is being assisted by ACDI/VOCA’s Agricultural Exports and Rural Incomes (AERI) project.

Doug Anderson, ACDI/VOCA’s chief of party, welcomed the ambassador and introduced local officials including Mohamed El Sayed Mohamed, association chairman, and Ms. Gamalat, board member and secretary, who ably guided the tour.

She explained how AERI is helping the association. Zein El Deen’s milk collection center, feed mixing unit, and veterinary unit were provided under an earlier USAID contract, but ACDI/VOCA is organizing the association to take full advantage of these resources. For example, Member Abou Rami said modern farm equipment, including a tractor, a threshing machine, a plough, a trailer and a soil leveler, is helping to dramatically lower production costs.

At the veterinary clinic, the visitors observed Dr. Ahmed using sonar equipment, and training provided by AERI, to examine a cow for pregnancy. He has also been trained in hoof trimming, artificial insemination and specialized surgery. The doctor spoke of the facility’s care in dehorning and hoof trimming, which he said was once the task of the local carpenter who needlessly lacked knowledge of the physiology of the hoof.

Dr. Ahmed showed the surgical instruments, the spraying machine, calving and parturition-aiding tools and other equipment the project has provided. He said the AI tools will improve genetic stock and contain disease. He mentioned the link that AERI has created to specialized professors at Assuit University.

The ambassador’s party moved to the milk collection center and the management office, where they saw the motorcycle equipped to collect milk from remote areas and the backup electrical generator. It will be used to keep refrigeration equipment going and preserve milk quality when the electricity goes off. When passing the old collection and testing facilities, Ms. Gamalat wryly referred to them as the association museum.
Before entering the milk collection center, the party donned hygienic overshoes and hats. A member named Nawal explained the process of receiving milk from households, which, beyond measuring, includes testing butterfat content, pH and acidity to help determine price.

The group took in the cooling tanks, milk extractor and the feed mixing unit. The chairman explained the advantages of bulk purchasing for feed and other inputs.

Ambassador Ricciardone ended the visit by talking with women beneficiaries. He learned that twice a day they milk their cows and buffaloes and make deliveries to the milk collection center. They usually carry on their heads four to five liters per trip in winter and three to four liters in summer.

USAID lauded the tour as a “great success” and added that the visitors were "very impressed with the work that has been done as well as how the women and farmers expressed their achievements and took so much pride in them."
Eight officials from the U.S. government’s Helping to Enhance the Livelihood of People Commission, or the HELP Commission, visited the ACDI/VOCA-supported milk collection center run by the Silya Livestock Development and Milk Marketing Association in Egypt on Jan. 9. They learned how initiatives like the ACDI/VOCA-implemented, USAID-funded Agricultural Exports and Rural Incomes (AERI) project help achieve sustainable development.

The HELP Commission’s 21 members report to the U.S. Congress, the president and the secretary of state on the effectiveness of U.S. government-funded development programs around the world.

The visitors observed operations of a smallholder dairy farmers’ milk collection center in Silya, which is one of the largest villages in the Fayoum district. Center staff explained how the center collects the milk in USAID-branded canisters from smallholders and analyzes it to determine quality and price. The center also provides support services to its members to maximize dairy production and increase profits.

Three of the HELP Commission delegation met with two dairy farmers who utilize the center’s resources. The smallholders explained how they use the association’s services for proper livestock rationing and obtaining the best price for their product.

Smallholder farmers in Silya, which has a large livestock capacity, produce 95 percent of the village’s milk. The AERI project, which began serving Silya in May 2004, formed the Livestock Development and Milk Marketing Association in November of that year to ensure sustainability. Though it began with only 25 members, the association quickly grew in only two years to 186 members, of whom 113 are men and 73 women. Five women and four men sit on the association’s board of directors.

In order to enable the association to effectively serve its members, ACDI/VOCA’s project provided technical assistance in financial management, association bylaws, animal nutrition, animal herd management and animal health care. AERI provided the Silya association 117 training days for 89 individual members. A notable mark of AERI’s success is that in May 2005 the Silya association was approved as a milk collection center serving village smallholders in addition to those of neighboring hamlets.
AERI provided the Silya association 117 training days for 89 individual members.
Reda Mohammed Mahfouz from Assiut City, married with three children, went to veterinary school with high hopes of fulfilling her dream of becoming a successful veterinarian. Reda thought her dream of becoming a veterinarian was finally coming true when she graduated in 1991 and moved to Beni-Zeid to open a practice. Instead, she was greeted warily as an outsider and as a woman. After years of seeing her neighbors choose a local male veterinarian to treat their animals, she settled for an administrative role in the local clinic. "I felt inside that the challenge was difficult, however hope is always there. Therefore, I started by trying very hard to win the villagers' confidence, but being a woman incited the people to seek the help of my colleague instead of me, because he is a man and one of the villagers," explains Reda.

That all changed when she encountered the Agricultural Exports and Rural Incomes (AERI) training. "I was delighted to be familiar with such a project and the wonderful dream of mine began to loom on the horizon once again." She polished her technical skills, participated in seminars on animal health and breeding and studied advanced treatment and surgery. "I acquired much more experience. In addition, I was chosen to participate in the seminars held in the village for young breeders, and I also made some domestic visits with the project to follow up the animal's health condition. I participated in treatment and surgical campaigns provided by the AERI project and I managed to treat many of the sanitary and reproduction problems. This was the start of my real career and the people started to have faith in me." Reda's dream was finally turning into reality.

In 2006 Reda decided to open her own veterinary clinic. Today, her expertise is acknowledged. She treats difficult surgical cases not just in her village but all over the region, and her income has increased 700 percent. "I am happy for being a successful woman in my career and married life, since I now contribute to improve my family status and the men of Beni-Zeid Village respect me because I offer them a good and distinguished service. Now after you heard my story, do you believe it?"

Over 300 veterinarians, almost a third of them women, have participated in advanced training offered by the AERI Livestock program. The doctors enjoy increased opportunities, and the smallholder livestock producers enjoy improved services. Since 2003, 30 veterinary campaigns have been conducted, reaching 23,627 smallholders and treating 89,279 animals. In-kind contributions have been valued at over $300,000. I offer them a good and distinguished service.
Over 300 veterinarians, almost a third of them women, have participated in advanced training offered by the AERI Livestock program.
Intisar Ahmed Hassan lives in El Sheikh Youssef village of Al Maragha district, Sohag governorate. Intisar is 31 years old, and is a widow and a mother of six children. Intisar graduated from a technical high school. The one and only source of income for her family was her deceased husband’s stipend of a few pounds. One day, Intisar was invited to attend the first orientation meeting about AERI Livestock project objectives and activities, hoping that someone would help her to leverage her livelihood. Intisar was very impressed by the AERI project and decided to dedicate herself to work as a volunteer to help her village people.

At the beginning, she formed a group of 25 smallholders near her house and the neighborhood (the main activity of that group is the dairy business). Now, Intisar is called a Village Business Promoter (VBP). She is working among twelve other VBPs in El Sheikh Youssef. These VBPs received intensified training programs of AERI Livestock project. Intisar was always willing to provide what she learned to her group and to anyone asks for her help.

Through AERI intensive training, Intisar learned a lot about animal feed formulation and its proper ingredients until she became the only source for the smallholders in the neighborhood to know about AERI balanced rations and the importance of animal health care and many other subjects related to livestock care.

After receiving technical training on animal nutrition, animal herd management, and animal health care, Intisar proved to be a remarkable, cooperative, active VBP. For that reason Intisar was selected with another five VBPs to attend special training about dairy processing techniques in Sakha Training Center for Dairy Processing in Kafr El Sheikh. Over the three-day training program, she learned the correct techniques for processing quality Karish cheese, yogurt, ghee, white cheese, cream and butter. When Intisar arrived at her village, she decided to apply exactly what she learned to begin her own business. She started to process yogurt, following the technique of milk pasteurization she acquired.

After tasting Intisar’s yogurt, the only grocery store in the village immediately asked to be supplied with 50 cups daily. Intisar and the grocer verbally agreed for her to wholesale the cup of yogurt for LE0.35 and to be retailed for LE0.50.

Now, Intisar nets LE66 monthly from her business venture. Intisar said that it’s just a start, “I need to open new marketing channels and to find a cheaper price for the production ingredients.” Intisar became a good example to all her village people who also sought to increase their incomes. Finally, Intisar encouraged many smallholders to begin small dairy business mini-projects in order to improve their way of living.
Through AERI intensive training, Intisar learned a lot about animal feed formulation and its proper ingredients.
Mustafa Geedy, a dairy processor from Assiut, owns El Sayeda Zeinab, a dairy processing firm. Prior to his involvement with AERI, Mustafa faced a lot of problems and difficulties at his 20 square meter sized plant, including reliable product quality, standard processing results, and methods for processing specific products like cured milk, Karish cheese, and white cheese.

In February 2005, Mustafa joined the AERI Dairy and Livestock project and received training in areas that addressed his particular needs. Training included proper ways to receive the milk, yogurt processing techniques, and ideas for new products such as cured milk with fruits. As a result of applying project recommendations, the plant’s yogurt production increased from 2,000 cups/day to 2,500 cups/day, which he sells for LE0.65 per cup of yogurt.

With increased production and income, Mustafa was able to purchase a new 200 liter capacity milk cooler tank, an incubator, and five aluminum bottles for milk warming. As a result, El Sayeda Zeinab increased its overall capacity to 500 liters/day producing yogurt, raw milk, and a variety of other products. Mustafa began diversifying his product line and began offering cured milk with fruits in addition to cured milk, a product which was in high demand. He now sells a 250 gm cup for LE1.50. Mustafa’s profit not only increased through expanding yogurt production but also through diversifying his product lines.

Due to his persistence and thorough implementation of AERI’s recommendations, Mustafa was selected to receive an intensive practical training session on how to process white cheese, sour cream and ghee. Moreover, in their interventions with dairy processors, AERI staff applied a market-driven and business-oriented approach. The processors benefited from new knowledge about efficient management methods, learned not only through intensive trainings, workshops, and seminars but also through in-country learning visits to other firms in other regions. Processors were able to exchange experiences, knowledge, and witness first hand the results of using proper tools and techniques.

After visiting other dairy processors in Alexandria and Damietta, Mustafa kicked off comprehensive improvements in his dairy firm. Armed with increased profits, business development skills, and the knowledge to expand his products, Mustafa decided to pump more investment into El Sayeda Zeinab to expand his business. He purchased new equipment, including a 1000 liter volume separator (LE3,000) to separate the sour cream of milk to produce ghee and...
Karish cheese, and a boiler (LE3,000) to process white cheese. He added 15 square meters to his business and established a nine square meter cooler room to store white cheese, ghee and yogurt. After these investments, his production capacity more than tripled from 500 liters of milk to 1,500 liters. To keep up with this expansion, Mustafa also hired two new laborers to support his three person team.

Today, Mustafa is selling four new products: white cheese for LE12 /kilo (of which he sells 100 kg/week); Karish cheese for LE10 /kilo (of which he sells 50 kg /week); ghee for LE30 /kilo (of which he sells 40 kg /week); and sour cream 150 gm for LE3 (of which he sells 20 cups/day). After expanding his business, diversifying products and increasing investments, Mustafa is looking forward to continuing this growth trend to better his business and to satisfy all of his customers’ varied tastes and needs.

As a result of AERI recommendations and improved production equipment, the quality of the yogurt improved and production increased from 300 to 1000 cups/day.
In rural Upper Egypt, the majority of women face several constraints to gaining access to markets. Through the AERI Dairy and Livestock project, women's economic empowerment has overcome the gender-based constraints to women's participation in economic activities and expanded their assets and capabilities.

After their involvement with the AERI project, many women smallholders experienced the long-term effects of the acquired new skills and knowledge, livelihoods transformation and upgrading, and their capability to build their assets and rise out of poverty.

In line with the USAID's concerns about the integration of gender throughout its portfolio, the AERI project has ensured the inclusive participation of women. The project's gender integration and involvement resulted in two main impacts: first, women's full participation in economic activities and second, women's empowerment with the acquired knowledge.

With the various technical assistance that the women received, the increase in milk quality and productivity has increased women's contribution to family's income. As a result, many smallholders were able to benefit from the increased income by channeling this income to cover the needs of their families such as: affording better health services for their children and improved nutrition from the family. In the same regard, the project benefited many female-headed households by enabling the widows to continue supporting their families through the increased income generated from their livestock activities.
Since the SMAs have been in charge of creating links with traders who would pay a fair value for the milk, the smallholders no longer have to sell to the traditional milk collector with cheap prices. Then, and for their first time, the female smallholders’ choices and options were enlarged and hence their freedom to take action to shape their lives.

When numerous cases of foot-and-mouth disease appeared in several governorates in Upper Egypt, the AERI project intensified its efforts to increase the awareness of smallholders about the disease and its symptoms, and provided them with the necessary precautions, and carried out big awareness campaigns. "After I knew everything about this disease, I was able to protect my animals from it. Moreover, I was able to diagnose the disease at an early stage at my neighbors' animals and they immediately applied my recommendations and then went immediately to the vet who confirmed what I said. I was very proud of myself that day. All the neighbors knew about it," said one of the female smallholders from Beni-Sueif village of Kasr Rashwan. “I know what to do when my animals are sick while my neighbors would call the doctor," added a smallholder female farmer from Menya village of Shousha.

In rural Upper Egypt, it is sometimes challenging for a man to take a recommendation from a woman. “A friend of my husband was complaining about his animals' bad health conditions. I recommended that he should immediately clean the barn itself and not to rely solely on spraying the animals. Afterwards, we learnt that his animals are in a better health conditions, thanks to my recommendations. I was very proud of myself that day and so was my husband," said a woman from Kasr Rashwan at Beni-Sueif Governorate.

In addition to all the benefits for the smallholders, women emphasized that there has been proliferation in the knowledge across the various communities. Thus, women have been effective 'agents of change' in spreading the knowledge to other neighbors, friends and even relatives in other villages.

As for the project’s Village Business Promoters (VBPs), they were provided with extensive training that enabled them to become heavily involved in milk collection centers, processing operations, making and marketing of silage to the village’s residents. After the VBPs were empowered with such knowledge and trainings, they provided smallholders with the necessary technical assistance and also promoted AERI concepts, ideas, and practices in the local communities. “Before being involved with the project, I felt I was not doing anything useful to my community. After being involved with AERI, everyone in the village knows me. For the first time, men would come to seek my advice for their animals. I feel very proud of myself and so do my parents,” said Abeer from Assuit.

The AERI project was able to involve the socially excluded and those with less voice in the community. Although women are at greater risk of poverty because they have relatively limited material assets and also more limited social assets, the project’s activities provided the smallholders with social capabilities like leadership, relations of trust, a sense of identity, and the capacity to organize.
Nagat Sofy Mahmoud is a dairy farmer living in the village of El Mandara in Fayoum. She is married with seven children and her husband works for a daily wage. Prior to AERI’s interventions, smallholders in El Mandara had limited knowledge about animal production and struggled to meet their daily expenses in an area with very high poverty levels. Smallholders relied primarily on feed rations consisting of a mix of corn, wheat bran and pellets of unknown content. This ration mix was insufficient to cause any increase in production or quality. When Nagat became an active member in an AERI-formed Smallholder Farmers Group (one of six SFGs in El Mandara), she began to benefit from recommendations on animal herd management, animal health care and nutrition. When a Smallholder Marketing Association (SMA) was later formed, Nagat also became an active member in the association, which provides smallholders in El Mandara the structure to negotiate more leverage with buyers. Recognizing the problem the insufficient feed was causing for its members, Nagat’s SMA facilitated purchases of Total Mixed Ration (TMR) for some SMA members. Nagat borrowed some money from her neighbor to buy this improved ration and started feeding it to her animals; after 12 days of positive results, Nagat decided to use TMR feed only. Previously, Nagat’s daily feed costs equaled LE16.35 (or LE5,967 per year) and consisted of 60 kg of clover and 4 kg of mixed corn, wheat, and pellet ration. Using the new ration, however, Nagat only spent LE10.80 per day (or LE3,942 per year), on feed. Over an entire year, she was able to realize LE2025.75 in savings from feed purchases alone. Nagat not only saved money through the SMA-facilitated bulk purchase of TMR, but because of the improved ration, milk production increased from 6 kg to 7.5 kg per day.

Nabila Ragab Abu Zid is a 37-year-old widow and a smallholder in the village of Dahsour in the El Badrashein district in Giza. Nabila has three girls and three mentally disabled boys. To pay for these expenses, she relies on a monthly subsidy of LE130 from the Ministry of Social Affairs and income generated from her livestock production. She owns one buffalo and one cow and lives on profits from their milk. In 2006, Nabila attended several AERI project seminars on nutrition and mixed feed rations. As a result, she bought Total Mixed Ration (TMR) at the price of LE1.20/kg (she uses 3 kg per day of TMR), which is less expensive than common types used in the village at LE1.40/kg. Prior to using the TMR, Nabila needed 4 kg per day of the traditional feeds. Thus, Nabila was able to save LE60 per month by using the TMR and most importantly provide the right nutritional feed to her animals. Consequently, not only was Nabila able to save money by using TMR, but the improved feed caused her animals to produce better quality milk. Quantity of milk increased from 4 kg to 7 kg, and as the milk production increased, Nabila’s monthly income increased by LE153. Overall, Nabila earned LE153 per month from the increased milk production and saved LE60 per month on feed rations. Her total net savings equal LE213 per month (LE2,556 per year). Since this improvement in her income, Nabila is now able to provide for the health expenses of her three disabled sons. As a widow and female head of her household, Nabila has empowered herself with the necessary skills to improve her life and the lives of her family. The technical knowledge and practical skills she now incorporates on a daily basis will allow her to continue to support the livelihood of her family for many years to come.
In line with the USAID’s concerns about the integration of gender throughout its portfolio, the AERI project has ensured the inclusive participation of women.
ACDI/VOCA
EGYPT
A Successful Partner with USAID Since 1980
ACDI/VOCA is a private, nonprofit international development organization with 44 years of experience providing highly specialized, hands-on technical assistance to USAID, international donors, host governments, private enterprises, financial institutions, organizations, communities and business service providers. ACDI/VOCA promotes economic opportunities for farmers, businesses and communities through the innovative application of sound business practices in its four core practice areas: agribusiness systems, enterprise development, financial systems and community development. Currently managing 76 projects in 38 countries including three in Egypt, ACDI/VOCA has built a reputation for effective interventions based on in-depth understanding of the unique markets, stakeholders and cultural contexts of the countries in which we operate.

ACDI/VOCA has increased agricultural productivity and trade in the Middle East and around the world through our demand-driven, participatory, and systematic approaches to project design and implementation focused on strengthening value chains through horizontal, vertical and clustered linkages; developing mutually beneficial relationships between buyers and suppliers; and promoting more efficient business practices that lead to higher profits for all stakeholders.

ACDI/VOCA in Egypt
During the 1980’s, Egypt was importing half of its food while exports remained low. The effects were particularly harsh on the rural Egyptian population, who despite many unique offerings and untapped potential, faced serious constraints to becoming active participants in the country’s promising economic future. Since 1980, ACDI/VOCA has been implementing projects in Egypt in all four core practice areas, and our innovative work has made a measurable difference for millions. ACDI/VOCA projects have stimulated long term growth and opened many opportunities in Upper and Lower Egypt through improving agricultural technologies and market information, and increasing microenterprise activity and rural access to credit. The current Agricultural Exports and Rural Incomes – Dairy and Livestock project is no exception, and part of ACDI/VOCA’s long history in the Land of the Nile.

Our history here is testament to a long and successful partnership with the United States Agency for International Development (USAID). Working in over two-thirds of the 27 governorate in Egypt, ACDI/VOCA has collaborated closely
with the Ministries of Agriculture and Land Reclamation (MALR) and Health, through funding from a range of donors, including the World Bank, UNDP/UNCDF, PERSGA, and MALR. USAID has been ACDI/VOCA's primary funder and partner in economic

ACDI/VOCA first work in Egypt was a short term project assisting the Principal Bank for Development and Agricultural Credit to improve their administration and loan practices. At the conclusion of the consultancy, the bank had disbursed 90,000 loans to Egyptian farmers with delinquency at under two percent. Building on this success, ACDI/VOCA launched a microcredit program with the National Bank for Development, whose approximately 42,000 loans resulted in a median income increase of 90 percent for loan recipients.

With funding from USAID, ACDI/VOCA sent its first volunteer consultant to Egypt in 1987 under the highly successful Farmer-to-Farmer program. Over the course of the nine-year, thrice renewed program, 288 more highly skilled volunteer consultants would follow, providing on-farm technical assistance and technology transfer in horticulture, apiculture, livestock and dairy, and aquaculture to thousands of farmers. Working with a core group of 600 farmers, who in turn disseminated knowledge to 12,000 peers through in-country Egyptian farmer-to-farmer link visits, the program increased yields, decreased costs, and increased incomes of participating farmers by an average of $19,000. A U.S. study tour component also expanded training for 290 farmers and extension agents and promoted cross-cultural relationships. The program produced a $3 return for every $1 investment of USAID grant funds.

The 1990s saw a return to work in the rural finance sector, with several programs focused on interventions at multiple levels. The Rural Cottage Industries Development program, funded by USAID, increased women’s participation in rural economic development by providing small loans and non-financial services, as well as training in entrepreneurial assessment and business start-up skills. Addressing needs at the institutional level, the MicroStart program successfully built the capacity of three local microfinance institutions, who by project’s end had all achieved 100% financial and operational sustainability, quadrupled their outreach, and tripled their outstanding portfolio, 62% of which constituted women clients.

ACDI/VOCA's groundbreaking Marketing Information Project (MIP), made free-market fruit and vegetable prices available throughout the country for farmers, middlemen, investors, and exporters through a range of media. 750 project-trained extension
agents trained 37,500 farmers in 42 districts in Upper and Lower Egypt. In 2002, an impact study revealed an average increase of 24% in farmer income for each MT of procude cultivated using the improved post harvest practices introduced under MIP.

In 1997 ACDI/VOCA commenced two programs with USAID support to improve farmer’s business and agricultural practices. Targeting a wide audience, ACDI/VOCA produced Serr el Ard (Secrets of the Land), a television show that integrated agricultural best practices with into a soap-opera format. The show aired 180 prime-time episodes over the five-year project and continues to educate and entertain farmers, and urban viewers, today. The AgLink program, one of USAID Egypt’s most successful programs, addressed production and management problems in the beef and dairy sectors, strengthening commercial ties between the U.S. and Egyptian processors by providing expertise, equipment, agricultural inputs and services. The program is responsible for over $27 million in trade between the two countries, created 13,000 new jobs, and increased processor export sales by 80%, or $18.5 million.

Through a separate USAID-funded dairy initiative, ACDI/VOCA trained and supported processors and health extension agents in order to promote awareness of the nutritional value of sanitary, processed dairy products, while educating 41,745 mothers and primary caretakers about safe milking and the important nutritional value of milk. ACDI/VOCA has also strengthened the Ministry of Agriculture and Land Reclamation’s participatory planning and rural appraisal capacity in support of community development initiatives for 38 Bedouin local communities in the Matrouh governorate, one of Egypt’s poorest.

USAID’s Agricultural Exports and Rural Incomes programs, of which ACDI/VOCA implements the $8.6 million Dairy and Livestock Component and contributes to the Horticulture Component, have reached thousands of smallholder livestock and horticultural producers in Upper Egypt through production, processing, marketing, and business interventions that will long outlast the life of the four-year program. The methodology and results described in more detail in these pages attest to this long-term impact and provide a launching point for future economic growth in the dairy and livestock sector.

Throughout an over two decade-long partnership with USAID in Egypt, ACDI/VOCA’s projects have improved productivity and expanded market linkages for thousands of smallholder and commercial farmers, innovated in expanding financial service options for agricultural and other rural enterprises, increased women’s participation in a range of farm and off-farm economic activities, exposed millions of Egyptians to agricultural recommendations and health messages through innovative media campaigns, and strengthened US-Egyptian relations through technical exchanges and facilitation of tens of millions of dollars of agricultural trade between Egypt and the United States.
The AgLink program is responsible for over $27 million in trade between the U.S. and Egypt and created 13,000 new jobs, and increased processor export sales by 80%, or $18.5 million.
ACDI/VOCA has worked in over two-thirds of the 27 governorates in Egypt implementing agricultural, microfinance, family nutrition and community development programs.
The Farmer-to-Farmer program targeted 600 lead farmers, mainly in the Nile Delta and newly reclaimed desert areas, who in turn transferred their technical knowledge to 12,000 neighboring farmers.
ACDI/VOCA’s much-lauded Farmer-to-Farmer program in Egypt began in 1987 and ended in 1996. It supported increased investment, productivity and income generation in nearly half of Egypt’s governorate and contributed markedly to the expansion of the country’s agricultural sector. FtF provided technical assistance to farmers and extension agents in farm management, production and post-harvest handling covering a wide variety of fruit, vegetable, livestock, honey and dairy products.

It targeted 600 lead farmers, mainly in the Nile Delta and newly reclaimed desert areas, who in turn transferred their technical knowledge to 12,000 neighboring farmers. During all 3 phases, 289 volunteer assignments were completed and 290 farmers and extension agents traveled to the U.S. for study tours and on-farm technical training.

Phase I
Under Phase I (1987-90), ACDI subcontracted to VOCA to conduct 57 volunteer assignments for technical assistance in areas including herd health and dairy, fruit, vegetable and honey production. In a survey of 50 Egyptian farmers who participated in the program, 58 percent said that their income had increased by 10-70 percent as a direct result of following volunteers’ recommendations.

As part of the first phase, ACDI implemented its Loading Dock and Laboratory Project (1989)—conceived by a FtF volunteer. This consisted of establishing a fully equipped and supplied field veterinary laboratory, and then training one veterinarian and three technicians in the collection, storage and analysis of blood and urine samples, and the detection, diagnosis, and prevention of livestock diseases. To reduce animal loss, the project also designed and constructed three low-cost loading docks, which could easily be replicated in other livestock markets throughout Egypt.

Phase II
In 1990, USAID approved a three-year, second program phase (1990-93), which consisted of 109 volunteer assignments fielded by VOCA, and U.S.-based, on-farm training for 170 Egyptian farmers provided by ACDI. The volunteer assignments addressed herd health, artificial insemination, pruning and beekeeping for hundreds of middle-sized and larger farmers. Most of the volunteers conducted village meetings and on-farm demonstrations that also included smallholder farmers. Another component in this phase focused on training women residing in the newly reclaimed desert areas in food processing and basic business skills. Selected female participants traveled to the U.S. for additional training.
Phase III
Under the Farmer-to-Farmer Phase III (1993-96), ACDI conducted 123 month-long volunteer assignments. In addition, 120 Egyptian farmers and extension agents traveled to the U.S. for field visits and training. The program also launched in-country participant training that sent farmers from one region to spend time with those in another who were applying technologies newly learned from the American volunteers. The program worked directly with 600 leading farmers, who in turn disseminated knowledge to an estimated 12,000 peers through on-farm demonstrations, village seminars and word of mouth. A field survey found that as a result of the project incomes of participating farmers increased by an average of $19,000.

Farmer-to-Farmer Program Key Results

- 289 volunteer assignments were completed and 290 farmers and extension agents traveled to the U.S. for study tours and on-farm technical training.
- 58 percent said that their income had increased by 10-70 percent as a direct result of following volunteers’ recommendations.
- The program worked with 600 farmers who in turn disseminated knowledge to an estimated 12,000 peers.
- A field survey found that as a result of the project incomes of participating farmers increased by an average of $19,000.
From 1994-98, the Rural Cottage Industries Development Project (RCID)—another FtF-inspired project—provided loans and business training services to women entrepreneurs in the New Lands, increasing their participation in economic development. There were seminars in marketing, feasibility studies, pricing, distributing, packaging and project planning for small enterprises. RCID also assisted the Alexandria Association of Home Economics, an Egyptian NGO, in project design and implementation. RCID, funded by USAID through the National Council of Negro Women, achieved its targets in credit delivery, microenterprise development and local institution-building and had significant impact. The loan program had an astonishing 100 percent repayment rate, with 50 percent of clients reporting increased business activity and 80 percent reporting increased facility with pricing, costing and marketing.
AgLink provided technical expertise to Egyptian agribusinesses and promotes trade and investment through consulting and outreach activities.
Started in 1997, Agribusiness Linkages for Egypt (AgLink) was a six-year program designed to build stronger commercial ties between the United States and Egypt. The U.S. Agency for International Development’s mission in Egypt funded the $11 million ACDI/VOCA project. AgLink provided technical expertise to Egyptian agribusinesses and promotes trade and investment through consulting and outreach activities. Specific methods for creating linkages included:

- targeted technology transfer between Egyptian farmers and U.S. experts
- firm-to-firm exchanges whereby Egyptian representatives traveled to the United States and U.S. representatives traveled to Egypt
- farmer exchanges where selected Egyptian farmers traveled to the United States to study livestock production and marketing
- seminars and peer training sessions in which Egyptian agriculturalists visited exemplary farms identified by AgLink staff for observation and emulation

AgLink was a client demand-driven operation with a distinctive market orientation. Market-led production was promoted through improved coordination between primary producers and processors, an emphasis on quality, identification and exploitation of clients’ competitive advantages, and the linking of potential trading partners.

AgLink worked with clients primarily from Egypt’s livestock sector, and activities focus on three subsectors: dairy, meat and meat processing, and feed and farm supply. AgLink actively promoted beneficial linkages between farmers and agribusiness firms within Egypt as well as among a broad network of agribusiness contacts in the United States. A primary goal of AgLink was to bring Egyptian companies up to a level where they were prepared to receive foreign private investment. To this end, AgLink provided both technical assistance to improve agricultural methods, and networking opportunities for business-to-business ventures—necessary elements for long-term economic growth.

AgLink clients were especially impressed by the responsiveness of AgLink’s staff to client needs. In addition, clients expressed that the project had played a significant role in the growth and expansion of their businesses, generated a significant sector-level impact and fostered a collective spirit among Egyptian farmers.
AgLink Program Key Results

- AgLink facilitated over $27 million in trade with the United States and processing clients experienced an 80% increase in export sales, amounting to over $18.5 million.
- Clients added 2,079 MT of meat and 82,031 MT of milk to Egypt’s domestic supply, causing revenues to grow by $24.5 million.
- AgLink created over 13,000 new jobs and more than 13,000 non-clients also adopted new farming practices or technologies based on AgLink activities.
- AgLink interventions with smallholders resulted in a 30% cost reduction through improved techniques.
- Revenues of the project’s core clients increased by more than $72 million, and non-core clients’ revenues increased by over $196 million.
In 2001, AgLink received a two-year extension. The new phase of AgLink continued to develop associations, expanded trade linkages and provided technical assistance, but also expanded the initial program area to include Upper Egypt. Based in Minya, AgLink instated a new strategy of targeting smallholder farmers (farmers with six or fewer head of livestock) through implementation of Participatory Rural Appraisal (PRA) to assess smallholder needs, followed by extensive training. In addition to the establishment of sustainable livestock associations, the project trained Ministry of Agriculture and Land Reclamation extension agents in order to institutionalize project services, helping ensure the sustainability of the project.
In a DDP survey of 12,181 participants, all of the families adopted at least 10 of the 12 DDP milk-handling recommendations, and 19.6 percent adopted all 12, a 20-fold increase over the initial target.
From 2001 to 2004, ACDI/VOCA’s Dairy Directive Project (DDP) worked throughout Egypt to prevent child malnutrition and the illnesses associated with contaminated and spoiled dairy products by promoting improvements in the dairy sector.

DDP implemented a two-pronged approach: increasing the availability of hygienically processed dairy products throughout Egypt by providing technical training to commercial and smallholder dairy processors, and stimulating demand for safe dairy products through a public awareness campaign about their high nutritional value. The $1.5 million USAID-funded DDP helped to decrease the rate of malnutrition and infant/child mortality in the 6 target Egyptian governorate from an average of 45 deaths per thousand children under the age of 5 in 2000 to 40 in 2004, according to Ministry of Health data. To achieve this, DDP increased the availability of safe, hygienic processed dairy products and played a large role in increasing consumer demand for retail milk and dairy products, with retail prices increasing by more than 16 percent during the life of the project, which reduced the price gap between loose and packaged milk by 37 percent.

When the project began, over 90 percent of the milk sold in Egypt was purchased from “street peddlers,” men on donkeys, bicycles and motorcycles who sell milk from large aluminum containers. This unpasteurized and unrefrigerated milk came from village collection tanks and was commonly tainted with canal water, formalyn and even livestock waste. In contrast, the commercial production system, while more sanitary, was characterized by inefficiency and substandard practice as well as a lack of timely services, supplies and inputs. In addition, there was a traditional belief in Egypt that packaged and processed foods were less fresh and nutritious. Through its trainings and media outreach, DDP educated 41,745 smallholder mothers and other primary family caretakers who participated in 1,979 village meetings on safe milk-handling practices and the nutritional value of dairy products. In a DPP survey of 12,181 participants, all of the families adopted at least 10 of the 12 DDP milk-handling recommendations, and 19.6 percent adopted all 12, constituting a 20-times increase over DDP’s initial target of 2,000 smallholder families.

An important tool for increasing awareness was DDP’s successful media campaign, which consisted of over $13 million in donated free airtime on local television channels to broadcast 24 public service ads promoting safe dairy handling and providing nutrition information to 58.3 million viewers. Other media results include:
58,574 children viewed three feature-length DDP videos of entertaining characters and lively original songs to learn about the nutritional benefits of dairy products

20,000 copies of five educational brochures designed and distributed by DDP to relay the project’s message of the importance of clean, safe milk

3,000 calendars distributed annually for three years containing health tips and recipes for cooking with dairy products

three radio dramas aired with plot elements promoting safe, sanitary dairy products and dairy-based nutrition

Working with the Egyptian Ministry of Health, DDP conducted training for 247 health educators agents (HEAs), whose role involved conducting village-based meetings and household-level follow-up to provide improved, hygienic milking, processing and consumption patterns among smallholder families. DDP also cycled all 247 of these HEAs through its “training of trainers” courses, leaving the HEAs with the capacity to train others in the future. At project close, these core HEAs had trained 1,385 other incoming HEAs. With this strategy, DDP fostered the commitment of the ministry to continue supporting HEA activities as part of its own strategy.

DDP’s successful media campaign consisted of over $13 million in donated free airtime on local television channels to broadcast 24 public service ads promoting safe dairy handling and providing nutrition information to 58.3 million viewers.

While the project focused on commercial dairy processors and smallholder dairy producers, significant additional benefits accrued across the entire dairy industry in the form of linkages between commercial producers and processor associations. In particular, the project supported the development of the Egyptian dairy sector by:

- delivering technical and managerial assistance to commercial dairy processors
- assisting the Egyptian dairy industry to form a dairy processors’ association
- conducting a national public awareness campaign for dairy-product use and safety
Through its trainings and media outreach, DDP educated 41,745 smallholder mothers and other primary family caretakers.
The MIP increased horticultural marketing efficiency through the maintenance of a sustainable horticultural market information service.
When the ACDI/VOCA Marketing Information Project (MIP) first started in 1994, the Egyptian government had recently lifted restrictions on fruit and vegetable marketing. However, farmers were still very much dependent on traditional, inefficient sources of marketing information. MIP was the first project of its kind in Egypt, making free-market fruit and vegetable prices available through public media and providing training to producers, extension workers and others on the use of this marketing information. Ended in 1999, with five full phases of funding support from the Egyptian Ministry of Agriculture and Land Reclamation (MOALR), MIP improved the transparency and efficiency of the fruit and vegetable markets in Egypt, through the dissemination of market prices and information through the public media.

In Egypt, the Marketing Information Project increased horticultural marketing efficiency through the maintenance of a sustainable horticultural market information service. The project made wholesale market prices available through television, radio and newspapers, and trained farmers in the use of this marketing information.

Daily telecasts, broadcasts and newspaper coverage of accurate and timely “same-day” prices rivaled the quality and reliability of daily market news reports in the United States. Egyptian exporters used the project’s information to negotiate equitable and export-competitive prices with wholesalers. The price information via the public media, combined with the price trend data published in the project’s monthly market bulletin, was a powerful factor in increasing marketing efficiency. Each month, 1,000 copies of the bulletin were distributed. These were used by horticultural extension agents (HEAs) in extension training in helping farmers develop marketing strategies. Surveys showed awareness of MIP’s price information-through TV, radio or newspapers—among about 90 percent of farmers, who were learning the skills to interpret this information.

MIP V built on this network of price information dissemination to improve the efficiency of horticultural marketing: extensive training for HEAs and farmers in postharvest best practices was provided to improve the HEAs’ technical effectiveness and increase farmers’ incomes by ensuring that more of their produce reached the market in good condition. Over 670 HEAs in 11 governorate throughout Upper Egypt and the Delta were trained as post-harvest specialists. They provided training to 25,500 farmers, 90 percent of whom were smallholders.
Sustainability was built into the project from the outset: the professional project staff and the wholesale market surveyors were MOALR employees and highly experienced in all operational aspects of the marketing information system. In addition, the MIP-trained HEAs incorporated marketing information into their regular programs.

MIP V, the fifth phases of MIP, introduced another “first” for Egypt: the conducting of economic studies for 24 horticultural crops that document the increase in income to farmers as a result of using the improved postharvest practices promoted by the project. These studies revealed that there has been an average increase of 24 percent in farmer income for each ton of produce (both fruits and vegetables) cultivated using the improved practices.

Price information via the public media, combined with the publishing price trend data in the project’s monthly market bulletin, were powerful factors in increasing marketing efficiency.

MIP V continued the effective features of the previous phases. The collection and dissemination of wholesale market prices for key crops (with at least a 95 percent rate of accuracy) for farmers, middlemen, investors and exporters continued to be provided. This enabled farmers to make informed crop management and marketing decisions. The training in postharvest best practices also continued and expanded to three additional governorate and will serve an additional 170 HEAs (for a total of 840 HEAs) and 9,000 farmers (for a total of 33,350 farmers). This enabled farmers to cut waste and improve their revenues by using more cost-effective harvesting and postharvest methods, including packing, packaging and transportation.

In addition to expanding geographic and training coverage, the MIP extension featured the introduction of a new research component. MIP collaborated with MOALR’s Horticultural Research Institute to develop, test and introduce improved packing materials and reusable containers. These enabled a significantly higher percentage of produce to reach the market in prime condition, thus considerably increasing farmers’ income while making more quality produce available for export.
Studies revealed that there has been an average increase of 24 percent in farmer income for each ton of produce cultivated using the improved practices.
ACDI/VOCA’s MicroStart Project identified models for lending procedures that work best in Egypt.
When the Marketing Information Project (MIP) first began in 1994, the Egyptian government had recently lifted restrictions on fruit and vegetable marketing. However, farmers were still very much dependent on traditional, inefficient sources of marketing information. MIP was the first project of its kind in Egypt, making free-market fruit and vegetable prices available through public media and providing training to producers, extension workers and others on the use of this marketing information. Ended in 1999, with five full phases of funding, MIP improved the transparency and efficiency of the fruit and vegetable markets in Egypt, through the dissemination of market prices and information through the public media.

The project made wholesale market prices available through television, radio and newspapers, and trained farmers in the use of this marketing information. Daily telecasts, broadcasts and newspaper coverage of accurate and timely “same-day” prices rivaled the quality and reliability of daily market news reports in the United States. Egyptian exporters used the project’s information to negotiate equitable and export-competitive prices with wholesalers. The price information, combined with the price trend data published in the project’s monthly market bulletin, was a powerful factor in increasing marketing efficiency. Each month, 1,000 copies of the bulletin were distributed. These were used by horticultural extension agents (HEAs) to train farmers to develop marketing strategies. Surveys showed awareness of MIP’s price information to be about 90 percent.

MIP also provided extensive training for HEAs and farmers in postharvest best practices to improve the HEAs’ technical effectiveness and increase farmers’ incomes by ensuring that more of their produce reached the market in good condition. Over 670 HEAs in 11 governorate throughout Upper Egypt and the Delta were trained as post-harvest specialists. They provided training to 25,500 farmers, 90 percent of whom were smallholders.

Sustainability was built into the project from the outset: the professional project staff and the wholesale market surveyors were MOALR employees and highly experienced in all operational aspects of the marketing information system.

MIP also conducted economic studies for 24 horticultural crops to document the increase in farmer income as a result of improved postharvest practices. These studies revealed an average increase of 24 percent in farmer income for each ton of horticultural produce cultivated using the improved practices promoted by the project.
The collection and dissemination of wholesale market prices for key crops (with at least a 95 percent rate of accuracy) for farmers, middlemen, investors and exporters enabled farmers to make informed crop management and marketing decisions. The training in postharvest best practices expanded to three additional governorate and served an additional 170 HEAs (for a total of 840 HEAs) and 9,000 farmers (for a total of 33,350 farmers). This enabled farmers to cut waste and improve their revenues by using more cost-effective harvesting and postharvest methods, including packing, packaging and transportation.

MIP also involved a research component, collaborating with MOALR’s Horticultural Research Institute to develop, test and introduce improved packing materials and reusable containers. These enabled a significantly higher percentage of produce to reach the market in prime condition, thus considerably increasing farmers’ income while making more quality produce available for export.

MicroStart Program Key Results

- **Over 670 HEAs in 11 governorate throughout Upper Egypt and the Delta were trained as post-harvest specialists. They provided training to 25,000 farmers, 90% of whom were smallholders.**

- **Studies revealed an average increase of 24% in farmer income for each ton of horticultural produce cultivated using the improved practices promoted by the project.**

- **The training in postharvest best practices expanded to three additional governorate and served an additional 170 HEAs (for a total of 840 HEAs) and 9,000 farmers (for a total of 33,350 farmers).**
A CDI/VOCA provided technical advisors to the Community Development Unit (CDU) of the Matrouh Resource Management Project (MRMP), working on-site with 38 Bedouin local communities in the preparation of Community Action Plans (CAPs) and Annual Work Plans and Budgets. This assistance ensured that all community stakeholders were invested in the long-term viability of their action plans, and that all available community resources were used to their maximum potential to realize the goals presented in the plans. The project identified skill gaps of CDU staff and designed a follow-up training program. In addition, the project developed a process for participatory implementation and monitoring and evaluation of the annual work plans. ACDI/VOCA also executed training on participatory methodology and processes for members of the CDU and the sub-regional support centers and MRMP senior staff.

The project involved working on-site with 38 Bedouin local communities in the preparation of Community Action Plans (CAPs) and Annual Work Plans and Budgets.
ACDI/VOCA’s innovative agribusiness development methodologies are based on 40 years of extensive experience combining theory and practice in 120 developing countries.
The Enhanced Livelihoods from Smallholder Horticultural Activities Managed Sustainably (El-Shams) project empowers smallholder horticultural growers with the skills necessary to compete in Egypt's growing high-end domestic and export markets. This is achieved through building the organizational, marketing and technical capabilities of smallholders and farmer associations (FAs) and linking them to market-oriented private sector agribusinesses, regional trade associations and traders, exporters and investors to produce a sizeable, sustainable increase in horticultural exports, domestic sales, local income and agricultural and non-farm jobs.

As a subgrantee to CARE-Egypt on this four-year program, ACDI/VOCA fields U.S.-based volunteer consultants, leads smallholder farmer associations to international trade shows and study tours, and trains elite horticultural government extension agents (HEAs) on high-value crops and post-harvest techniques, marketing skills and sustainable business development. Volunteers provide short-term technical assistance in a variety of horticultural topics, including integrated pest management, improved post-harvest practices, business planning and sustainability, marketing and association strengthening for smallholder horticultural farmer associations.

ACDI/VOCA also organizes and leads delegations of smallholder farmer association representatives to international and regional trade shows, such as Fruit Logistica in Germany, Salon International de l'Agroalimentaire International (SIAL) in Paris and MacFruit in Italy. While abroad at these events, ACDI/VOCA arranges study tour meetings with exporters, distributors, supermarkets and others to maximize valuable learning as a result of exposure to the international market, including competing products, import/export requirements, packaging and promotion standards, new product innovations, etc. Training to HEAs is focused on developing an elite horticultural extension service through the Ministry of Agriculture and Land Reform that, by project’s end, can support the sustainability, competitiveness and growth of smallholder agriculture in Egypt.
ACDI/VOCA’s work varies and yet all projects are bound by a common thread: a commitment to empowering people so that they may live better lives.