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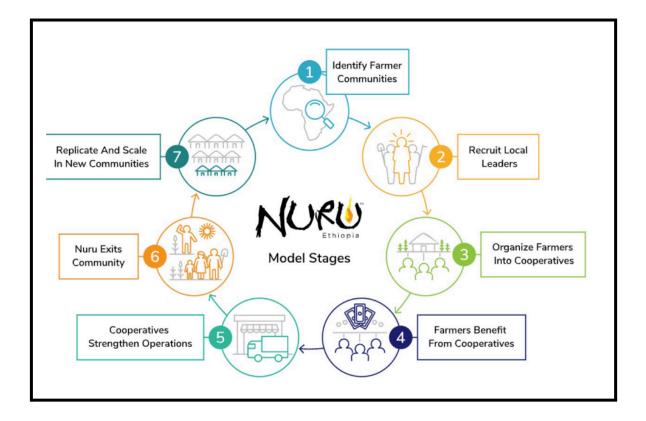
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NURU'S EXPERIENCE IN ADAPTING AMEA TOOLS FOR DELIVERING LOCALIZED, SUSTAINABLE BDS IN ETHIOPIA

From 2016 to 2022, Nuru Ethiopia adapted and used a combination of four AMEA tools: ABC, ALP, LINK, and SCOPE Basic. This Technical Note provides insights into this experience drawing from a recent <u>case study</u> with the aim to inspire AMEA members and partners in their use of AMEA tools.

NURU ETHIOPIA'S ADAPTIVE AND LOCALLY-LED COOPERATIVE DEVELOPMENT APPROACH

Nuru Ethiopia is a locally-led non-profit organization dedicated to building local capacities that support community resilience. Nuru focuses on cultivating service-minded leaders and equipping people with the tools and knowledge to lead their communities out of extreme poverty, helping farmers move from subsistence to building thriving farmer-owned and farmer-led cooperative agribusinesses. Nuru has developed an **ADAPTIVE** and **LOCALLY-LED** cooperative development approach that delivers business development services (BDS) and other agriculture and healthcare services over five to seven years, after which the cooperatives become increasingly self-reliant.



NURU'S BDS APPROACH TARGETS THREE SEGMENTS OF THE VALUE CHAIN

- 1. **PRODUCERS** to improve access to financial services and input provision
- 2. AGGREGATORS (Primary Cooperatives "PCs") to improve product quality and quantity, and access to better market prices
- 3. **WHOLESALERS** (Unions) who provide aggregation, input market promotion, and advocacy services.

RESULTS

Nuru delivered impressive cooperative development results, as shown in the table below. Moreover, individual farmers also benefit from this integrated BDS approach. Cooperative members were able to generate **\$401 USD OF EXTRA INCOME** in 2021, an **INCREASE OF 73 PERCENT** compared to their 2020 <u>baseline</u> <u>value</u>.

	2019	2020	2021	2022
No. of FOs Assessed	9	6	11	5
Organizational Maturity	3.2	4.0	4.1	4.4
Percentage of FOs that are profitable ²	67%	80%	88%	90%

Nuru supported FOs: Professionalism and Profitability Outcomes

ADAPTION AND COMBINATION OF AMEA TOOLS

Nuru supports **"INTENTIONAL PROGRAM ADAPTATION"** and experimented with AMEA Tools. This led to the following **BDS APPROACH** being adopted and **INSTITUTIONALIZED WITHIN NURU**¹:

CIAT'S LINK METHODOLOGY is used at the start of the program to support business landscape and value chain analysis, including market analysis, and financial performance analysis.

iCRA's AGRIBUSINESS CLUSTER (ABC) APPROACH is an overarching tool used to create a multi-actor network operating at the grassroots level (with different actors and business partners) for more improved collaborations, PC efficiency, and effectiveness in business activities.

SCOPE*insight's* **BASIC** assessment tool is used to **ENABLE** PCs and the Union to understand in detail the areas for improvement, and Nuru supports them to prepare a BDS plan. As the PCs are considered to be at a similar level of development Nuru adopted a **COHORT APPROACH**, which means a sample of PCs

¹ Each Nuru locally-led NGO adapts its BDS approach to the local context. The approach outlined in this technical note and the case study are unique to Nuru Ethiopia.

are assessed each year. In addition, re-assessment is conducted after a period of 2-3 years. This **REDUCES THE ASSESSMENT COST CONSIDERABLY.**

IFC'S AGRIBUSINESS LEADERSHIP PROGRAM (ALP) is aligned with the SCOPE*insight* assessment process. Nuru has used ALP to build localized and tailored curriculum modules that support cooperative development in terms of business skills, leadership, and financial management. The ALP service delivery mechanism has also changed with the integration of digital delivery.

LOCALIZATION AND EXIT STRATEGY

In 2022, Nuru Ethiopia started transferring key responsibilities to local partners, primarily the cooperative unions it had supported for multiple years, including the delivery of assessments and training. This was possible as the adaptation and integration of the tools had reduced cost per PC by over 75% from 2016 to 2021. As a result, Nuru has transitioned 13 of the first cohort of PCs from direct service delivery, who now receive all of their support from Hidota Union.

RECOMMENDATIONS FOR AMEA MEMBERS AND PARTNERS

1. DEVELOP A STRATEGIC PARTNERSHIP WITH TOOL OWNERS / BDS PROVIDERS

Nuru worked closely with tool owners to test, experiment, localize, and institutionalize the AMEA tools. This is possible if a program or organization adopts a strategic approach to developing BDS and is open to partnering with tool owners, as compared to a procurement process. The relationship should be iterative, trust-based, and all parties should be willing to adapt to local needs.

2. INVEST IN AN INTEGRATED PROGRAM FOR AT LEAST 5 YEARS TO ENABLE SUSTAINABLE OUTCOMES Nuru leverages funding from philanthropic and institutional donors that targets outcomes within specific communities and municipalities. This allows for a sustained presence, shared accountability to community development goals, and an ability to deliver impact in highly vulnerable places. This type of longer-term, integrated investment enables the adaptation necessary to ensure successful, sustainable outcomes.

- 3. DEVELOP AN EXIT OR TRANSITION STRATEGY THAT INCLUDES EMBEDDING BDS WITHIN A BUSINESS MODEL Nuru supported Hidota Union to set up an agribusiness training and extension department which took on BDS delivery to PCs. This was possible as there was a business case for BDS to be provided to PCs and the cost of BDS had been reduced significantly to be affordable for the Union to deliver. Moreover, by embedding the capacity within the unions and PCs they are better equipped to adapt to future shocks, stressors, and shifts in market dynamics.
- 4. EMPOWER THE AGRI-SMES THROUGH ASSESSMENT PROCESSES AND DATA SHARING Monitoring, evaluation and Learning (MEL) results are shared with supported cooperatives during the 5-7 years of targeted services. For example, the SCOPE*insight* assessment tool was used to EMPOWER THE AGRI-SME to understand their progress and develop an understanding of their future needs. Its' PURPOSE AS AN EVALUATION TOOL WAS SECONDARY. In addition, yield and income data summarized in annual impact reports are also shared with cooperatives and farmer members to enable greater leadership accountability and transparency between and within cooperatives.

Finally, as Nuru's holistic approach to community-led development extends beyond BDS for supported cooperatives, we recommend the reading of the full case study report.

If you have an interest in learning more or partnering with a Nuru locally-led NGO in Kenya, Ethiopia, Nigeria, Burkina Faso, or another country of interest, please feel free to reach out to <u>Casey Harrison</u>, and he can help connect you with the Nuru Collective.