

CommonSense

Bringing 'Communities' and 'Sensors' together, improving food security in Ethiopia



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Consortium – 13 partners



END HUNGER >>> GROW FARMING
FARM AFRICA

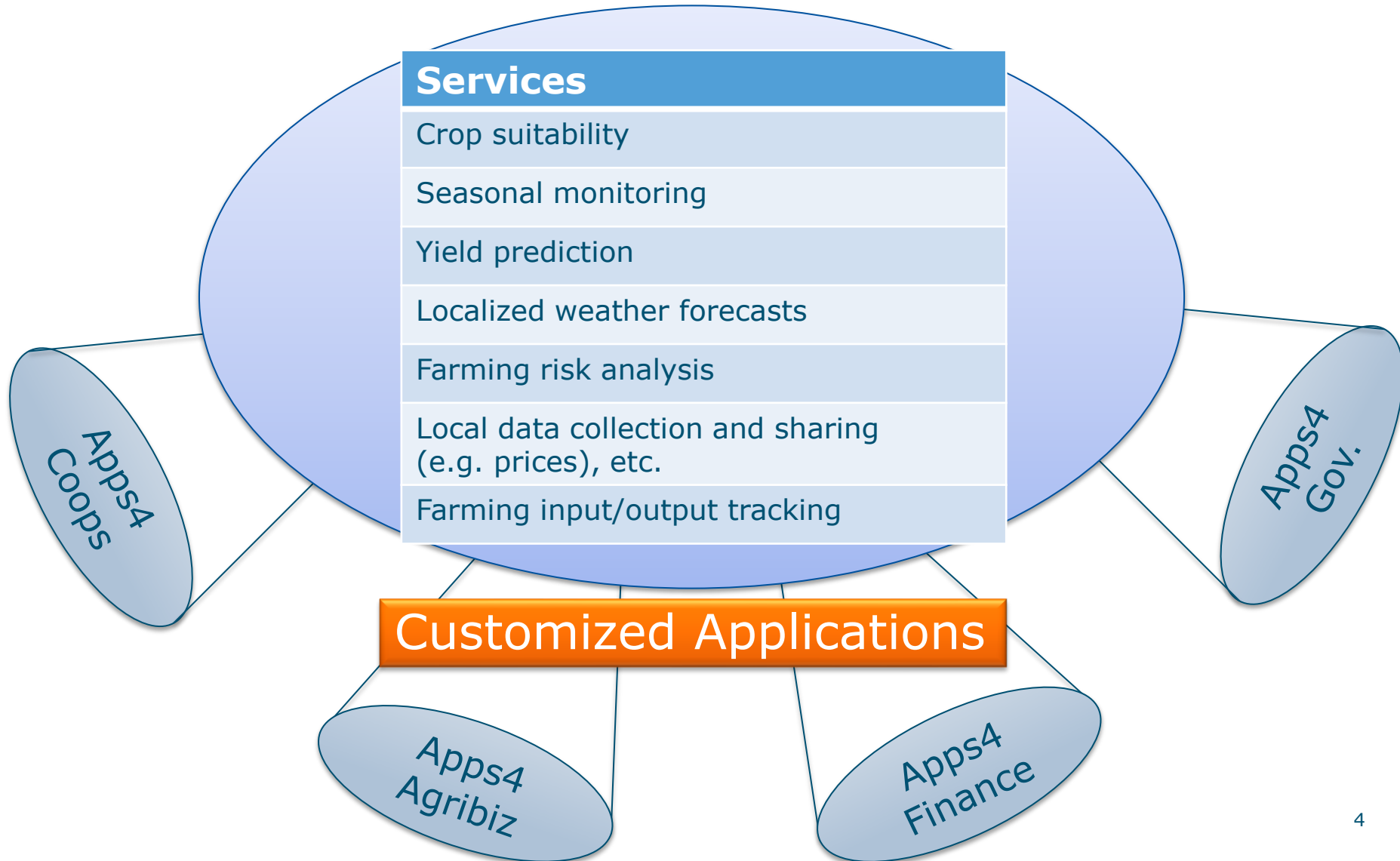
10 Ethiopian partners and local offices

CommonSense objectives

- CommonSense aims to **improve the ability of > 200,000 smallholder farmers** to sustain their livelihoods and food production
- By providing the associated **value chain actors with timely and relevant information services** about agricultural production from satellites and other data sources
- The services will be **sustained by a business model**, by our local partner Apposit

The project operates in the regions of Oromia, Amhara, SNNPR and Tigray and will end in December 2017

CommonSense Platform



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**Bringing 'Communities' and 'Sensors' together,
improving food security in Ethiopia**

CommonSense strategy

- User centred design, prototyping
- Link to existing networks and projects
- To complement other G4AW initiatives: MPCl and weather
- Capacity building
- For now focus on: value chains (sesame, potato) and financial sector (several crops).
- Later possible other value chains
- Setting up 3 Pilots

Pilot 1: Sesame value chain



Pilot 1: Sesame value chain

- **Collaboration:** Sesame Business Network/AgriTerra/EIAR
- **Services to:** farmer's unions, cooperatives.
 - Localized weather forecasts
 - Seasonal Monitoring
 - Crop Yield Prediction
 - Multi-Peril Crop Insurance
 - Data collection and sharing within value chain
- **Results:** improved farm management by farmers and planning/management of inputs and outputs by Unions, risk mitigation for the farmer.
- **Upscaling potential:** 100.000 sesame farmers via 5 unions in Tigray and Amhara, supporting 500.000 seasonal labourers

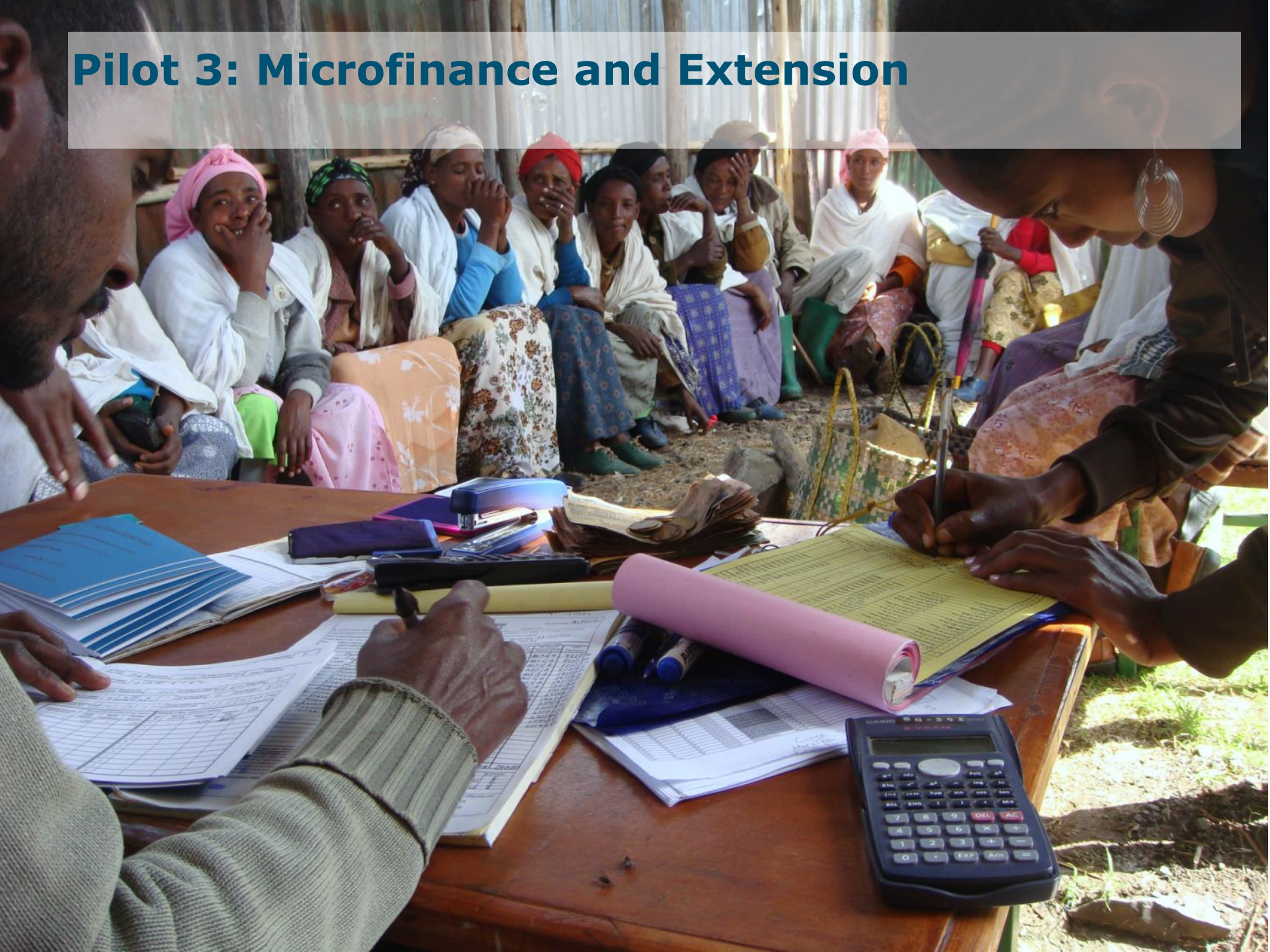
Pilot 2: Potato value chain



Pilot 2: Potato value chain

- **Collaboration:** Agribiz, Cascape, Solagrow, Verisinvest
- **Services to:** farmer producer groups and agribusiness
 - Localized weather forecasts
 - Risk assessment (Crop suitability, soil, climate history, geomorphology, farming practice)
 - Potato yield prediction
 - Market prices
 - Data collection and sharing within value chain
- **Results:** improved farm management and planning
- **Upscaling potential:** 12.000 in agribusiness, 1.000.000 in Ethiopia (Oromia, SNNP)

Pilot 3: Microfinance and Extension



Pilot 3: Microfinance and Extension

- **Collaboration:** Busaa Gonofaa, SFPI, Harbu, Terrafina
- **Services to:** MFIs and Development Agents
 - Localized weather forecasts
 - Crop suitability
 - Risk assessment (Soil, climate history, geomorphology, farming practices)
 - Data collection and sharing within value chain
- **Results:** More efficient loan system -> more loans, lower price -> more production options -> Risk mitigation for farmers
- **Upscaling potential:** 75.000 clients of the MFI's. Outside these 3 MFI's > 2.000.000 farmers are taking loans.

Licence to operate



Licence to operate

- Government
- Food security, satellite data, data are highly sensitive
- Trust within the consortium
- Trust from the end user
- Understanding the local context

Business case



Business case

- Alternative model
 - From targeting individuals to 'b2b'
- Tension between the government and the business perspective
- Tension between the business objective and the project objective
- Tension between the project approach as formatted in the tender and a business strategy

Are you reaching the farmers?



Are you reaching the farmers?

Now in dialogue, next year with services

- 3 local MFI's
- Local insurer
- Unions and cooperatives
- Solagrow
- Sesame business network

Lesson learned



Lessons learned

- Context is more important than technique
- The context is constantly changing
- It's a process rather than a project
- The impact of the G4AW program will be far beyond the services it will deliver.

CommonSense

Questions?



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Business case



Business case

	Cumulative Unit Sales (5 years)	Revenue p/unit	Cumulative Revenue (5 Years)	Cumulative Costs (5 years)	EBITDA (5 Years)
Farmer Management Product	1,126,200	€2.00	€ 2,160,400	€5,578,146	€545,064
Crop Monitoring and Estimation Product	1,473,787	€12.00	€285,160		
Credit Risk Assessment Product	3,760,474	€0.60	€1,131,036		
Insurance Risk Assessment Product	170,000	€0.60	€368,000		