

Egypt

During the 1980s, Egypt imported half of its food while exports remained low. Despite many unique offerings and untapped potential, rural Egyptians faced serious barriers to becoming active participants in the country's promising economic future. Since 1980, ACDI/VOCA has worked to stimulate long-term growth and create opportunities in numerous sectors by improving agricultural technologies and market information, supporting microenterprises, and increasing access to credit and financial services.

Improving Productivity and Income through Technical Assistance

ACDI began work in Egypt in 1980 with the **Small Farmer Production Project (SFPP)**, funded by the Principal Bank for Development and Agricultural Credit. Under SFPP, ACDI introduced then-novel techniques for farm management and financing to banks, agricultural research institutions and smallholders. SFPP was a resounding success and continued for seven years, during which we helped issue loans to 90,000 farmers with a repayment rate above 98 percent. The adoption of structural recommendations, such as exemptions from government crop quotas for program participants, was an important policy



experiment on Egypt's path to more open markets.

In a USAID-funded Policy Implementation Case Study from 1985, evaluators from the Rural Development Institute reported, "We continue to be strongly impressed by SFPP as the single most successful AID-supported agricultural project we have seen anywhere." Building on this success, ACDI launched a microcredit program with the National Bank for Development whose approximately 42,000 loans resulted in a median income increase of 90 percent among loan applicants.

Farmer-to-Farmer Activities in Egypt

In 1987, ACDI opened a Middle East regional office in Cairo. In the same year, VOCA began

implementing its USAID-funded **Farmer-to-Farmer (F2F) Program** in Egypt. The initial F2F program continued through 1996 and provided on-farm technical assistance and technology transfer in horticulture, apiculture, livestock, dairy and aquaculture to 600 lead farmers through exchanges with 289 U.S. volunteer consultants. Lead farmers further disseminated this knowledge to approximately 12,000 peers.

ACDI/VOCA's current five-year regional F2F program in Egypt, in consortium with Land O' Lakes and Winrock International, began in 2009. This program continues the tradition of technical exchange between more than 170 volunteers, 3,700 direct beneficiaries, and 27,000 indirect beneficiaries primarily in the horticulture and dairy sectors.

Financial Services Drive Entrepreneurial Growth and Boost Female Participation

ACDI/VOCA followed SFPP with a series of programs to strengthen the financial sector and its connections to smallholder farmers, entrepreneurs and microenterprises. The majority of these programs also actively assisted women farmers in boosting their levels of inclusion in the country's market. From 1987 to 1995, ACDI/VOCA worked with the National Bank for Development under two USAID-funded programs to extend microcredit loans to nearly 100,000 rural and urban customers. The **Rural Cottage Industries Development Project** from 1994 to 1998 increased women's participation in rural economic development by providing small

loans, nonfinancial services and entrepreneurial training.

ACDI/VOCA's UNDP-funded **MicroStart Program** (1999-2004) helped three microfinance institutions achieve full financial and operational stability. During this time, they tripled their outstanding portfolio and increased their portfolio's percentage of women customers from 28 to 62 percent. Overall, increasing availability of financial services combined with intensive training in farm and small-scale enterprise management has meant that thousands of Egyptians, most notably women, have sustainably increased their income and become leaders in driving Egypt's economic growth.

Agricultural Growth and Access to Markets: A Combination for Prosperity

Alongside its work to improve the finance sector, ACDI/VOCA implemented several technical assistance programs to build strong market linkages along horticulture, livestock, dairy and other value chains. We partnered with USAID on these programs and got funding from a variety of organizations, including the World Bank, UNDP/UNCDF, PERSGA, CropLife Africa Middle East and the Egyptian Ministry of Agriculture and Land Reclamation (MALR).

From 1994 to 2004, ACDI/VOCA's groundbreaking **Marketing Information Project (MIP)**, funded by USDA and the MALR, made free-market fruit and vegetable prices available throughout the country for farmers, middlemen, investors, and exporters through a range of media. Under this program,

37,500 farmers learned cost-saving harvest and post-harvest practices and ways to use price information to improve marketing strategies. On average, farmer income for produce cultivated under MIP guidelines increased 24 percent.

ACDI/VOCA's \$12-million, USAID-funded **Aglink Program** (1996-2004) addressed production and management challenges in the meat, dairy and feed sectors to strengthen commercial ties between U.S. and Egyptian processors. The program provided expertise, equipment, agricultural inputs and services to participants. In eight years, Aglink was responsible for 13,000 new jobs and over \$27 million in trade between the two countries.

ACDI/VOCA continued to strengthen the livestock and dairy sectors through a strategic combination of production and marketing assistance under the \$8.6 million, USAID-funded **Agricultural Exports and Rural Incomes (AERI)** program. From 2003 to 2007, AERI organized 7,438 smallholder livestock producers—90 percent of whom were women—into 46 registered smallholder marketing associations. The program helped 109 dairy processors to expand their product mix, improve quality and safety procedures, and market 12 new dairy products.

ACDI/VOCA also contributed to an AERI horticulture component through a combination of marketing promotion and capacity building for extension services. Overall, ACDI/VOCA increased beneficiary incomes by \$5.8 million (\$822 annually per household). Perhaps more importantly, our work left in place a

sustainable, trained network of extension and veterinary staff, village-based businesswomen promoters, new processing technologies and proven, replicable business models.

ACDI/VOCA is currently implementing the **Agribusiness Linkages Global Development Alliance** to develop the food processing industry, particularly in the tomato sector. Started in 2008, the \$11.9 million partnership with USAID, the H.J. Heinz Company and ACDI/VOCA helps smallholder farmers to profitably serve as reliable suppliers of high-value produce. As a result of streamlined production, farmer-buyer linkages and market analysis, the production season for processing tomatoes has increased from 110 to 210 days. During the same time, 81 percent of farmers have reported implementing new technologies and practices, and farmers' net income from tomato cultivation has more than doubled.

Pioneering Innovative Media for Technical and Health Messaging

Over the course of its history in Egypt, ACDI/VOCA has disseminated powerful messages through innovative use of media. In 1997 ACDI/VOCA aimed to improve farmers' business and agricultural practices by producing **Serr el Ard (Secrets of the Land)**, a television show that integrated farming advice into a soap-opera format. The show aired 180 prime-time episodes over five years and continues to educate and entertain farmers and urban viewers today.

From 2001 to 2004, the **Dairy Director Project (DDP)** trained and supported

processors and health extension agents to promote awareness of the nutritional value of sanitary, processed dairy products. DDP produced 24 television commercials that were broadcast on donated airtime worth over \$13 million. These commercials reached 58.4 million Egyptians. At the same time, a face-to-face education campaign about safe milking and milk's nutritional value reached 41,745 mothers and primary caretakers. Thanks to the increased demand generated by this campaign, retail prices of milk and dairy products rose by more than 16 percent during the life of the project.

Future Work in Egypt

ACDI/VOCA's programs have improved productivity and expanded market linkages for thousands of smallholder farmers, increased women's economic participation, and disseminated agricultural techniques and health messages to millions of Egyptians through innovative media campaigns. In the future, we will continue to use a variety of strategies to help rural Egyptians increase nutritional awareness and agricultural competitiveness.

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