



Annual Report 2021

Yoba for Life under SNV/BRIDGE

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INTRODUCTION

Yoba for Life has brought its experience in impacting the nutrition and business of such informal producers in Uganda and Tanzania. A partnership between the Yoba for Life Foundation and the SNV/BRIDGE project introduced in 2020 the approach of supporting small scale producers of fermented milk (ergo) to adopt processing practices which obtain safe, standard and healthy products. The key approach was to transform existing milk shops from selling spontaneously fermented milk to selling probiotic yoghurt made from pasteurized milk. This was proven feasible, as the production methods introduced are simple and the starter culture is easily accessible and affordable.

As the fermented milk market in Ethiopia is very significant, the prospect that introduction of probiotic yoghurt can contribute to the transformation of the market is realistic. While the health and nutritional attributes of probiotics are an important factor, the key drivers for producers are the easy production methods and longer shelf life, and for consumers the familiar product and better safety, consistency and taste. From a sector perspective, it contributes to formalization of a significant segment of the dairy sector (the probiotic yoghurt is pasteurized), and with additional certification and regulation, also safety concerns can be addressed. Building on the success of the initial introduction in 2020, the approach was significantly up-scaled in 2021, both in Addis Ababa as well as the regional towns in which the BRIDGE clusters operate: West Amhara; Hawassa – Shashemene; and Mekelle – Adigrat. Additionally, the promotion of yogurt in schools was started.

This report highlights the major achievements of Yoba for Life activities in 2021, under production, marketing, matching grant distribution, school feeding program, lab testing and certification, expansion of activities and challenges sections. The analysis and inferences made are excluding data from Mekele cluster because of disconnected information flow as the war advanced in the region in most of the year.

PRODUCTION

Yoba yogurt production by smallholder yogurt producers and cooperatives in 2021 is displayed in Figure 1 below. Fluctuations in the numbers of active producers and their production volume was noticed due to fasting season demand drops, culture supply and seasonal fluctuations in milk volume and quality for yogurt making, among many other reasons perceived by the producers.

Weekly production doubled in 2021 from less than 6000 liters per week at the start of the year to more than 12000 at the close of the year. Productivity of producers has increased from 94 liters per producer per week during the first quarter to 149 at the end of the year.

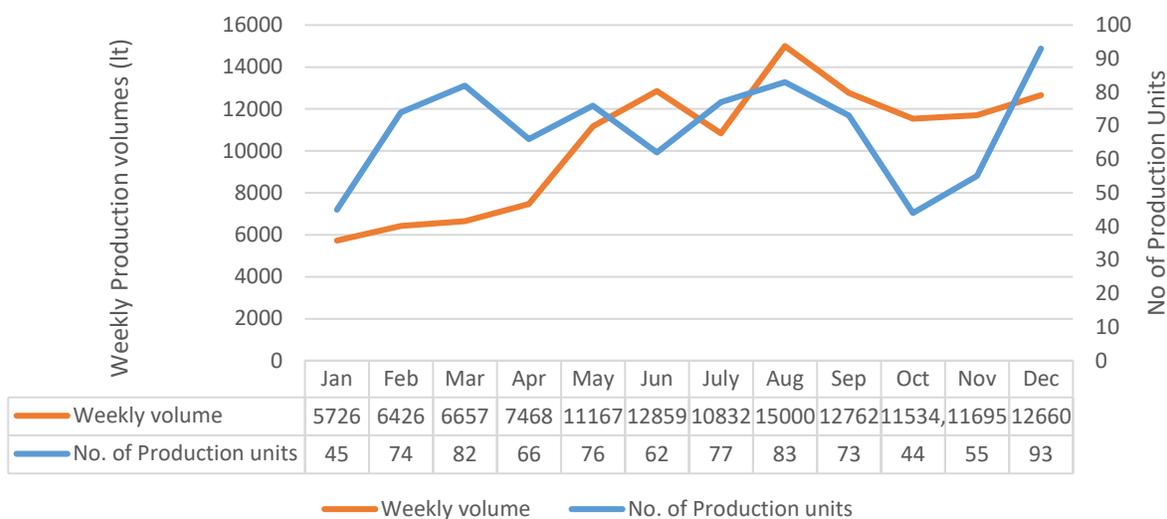


Figure 1 Development of the production volumes (orange line) and number of production units (blue line) during 2021.

Data from Mekele cluster was recorded only for the period of March to June because the war erupted and disconnected communication with the cluster nutrition team. The 4 months data from Mekele cluster showed that the demand for Yoba's technology was very high when peace is sustained.

Variable	Q 1	Q 2	Q 3	Q 4	Annual
Number of Newly trained	173	94	63	74	404
Average number of permanently Active producers for the quarter	67	68	76	73	71
Number of Prospective producers	39	54	126	152	93
Average weekly production (litres)	6270	10498	12762	12660	10548
Customers reached *	12143	20331	24716	24518	20428

*Customers reached calculated using formula generated from a consumer survey data size of 250 random consumers in Addis Ababa.

Table 1. Some milestones reached in 2021.

The number of active producers varied throughout the year. Producers temporarily stop production when they face quality milk supply shortage or market drop during fasting seasons. Accordingly, a total of 131 intermittently active producers, of which on average 71 of them were permanently active producers in the year 2021. Compared to the target set on the work plan for 2021 which includes reaching 130 active producers target was slightly over achieved regardless of the temporary drop outs. A total of 404 individuals were practically trained on probiotic yogurt production at small scale in 2021, giving an investment return rate of at 17.6% in terms of permanently active producers and 32.4% intermittently active producers. Among the reasons behind this low level of adopters of the technology, the higher input costs (labour, energy, and packaging material) from the supply side while difference in taste of probiotic yogurt compared to traditional Ergo from the demand side are worth mentioning. Yoba strategically focused more on new trainings provision for first time producers than providing continuous support to trained Yoba yogurt producers. This is identified as one internal factor contributing to the lower adoption rate of the technology. The fact that no mass media promotion campaign was made has also contributed,

as external factor, to the low demand for probiotic yogurt as the general consumer awareness is not yet raised to the level that can create substantial demand on the dairy products market in the country. Such campaign was not realized as the national standards preparation/adoption to accommodate health claims of probiotic yogurt consumption is not yet completed. However, all promotional activities are proceeding as planned using the nutritional benefits information.

To estimate the number of unique consumers reached, a survey was done among 250 Yoba consumers to get insight in consumption size and frequency. This helped in developing a formulae for the calculation of the number of unique consumers based on weekly production volumes. Based on the production reached, and using the formulae, our consumer outreach has been around 20,428 consumers on average per quarter in 2021.

Yoba started in 2020 with appropriate technology of pasteurization using firewood as source of heat energy and blanket as incubation system to produce probiotic yogurt. However, it is known that the use of firewood has negative impact on the environment. In addition, failing fermentations were observed from inconsistent incubation temperature using blankets. To address these issues, Yoba has contracted a workshop to develop an electric powered pasteurization and incubation system for probiotic yogurt production.

MARKETING

To help producers get attractive market and expand Yoba probiotic yogurt in Ethiopia, marketing materials such as posters, flyers, banners and light boxes were developed and used in various campaigns and awareness creation events in Addis Ababa and the clusters.

Yoba, BoPInc and the SNV-BRIDGE research team conducted a consumer survey to develop a market strategy for Yoba probiotic yogurt upscaling in Ethiopia. The survey and workshops resulted in a marketing strategy draft document as compiled by BoPInc. Two types of end consumers (family consumers and individual consumers) and an intermediate consumer archetype (yogurt producer) were identified and analysed. The scaling-up strategy suggested marketing campaign tools to popularize the product, including roadside yogurt testing events, standardized pitching and training videos, social media advertising clips, posters, flyers and light boxes.

MATCHING GRANT DISTRIBUTION

As part of the production improvement strategy, it was planned to support promising producers through a matching grant. Applications from three producers were reviewed and granted to co-finance important investments that help them get certified by local health bureaus. Teshome Tenkolu Milk, Mar Milk and Christland Dairy were the beneficiaries of the matching grant totalling 20,000 Euros. This has supported the licensing of two of the three producers. To proceed with the grant distribution activity, however, Y4L's host organization, Fair and Sustainable Ethiopia, is a corporate entity without the right to hand out grants of any sort without paying 30% tax under the Ethiopian tax laws. As a result, payments were made as advance until a sustainable solution arises. After discussion with relevant stakeholders and key informants in the NGO sector it was decided that the donor, SNV, as a registered organization should handle the grant disbursement being exempted for such taxations. Yoba is now working in close collaboration with the

BRIDGE nutrition team to support in screening and technically supporting producers to apply for an appropriate matching grant.

SCHOOL YOBA YOGURT FEEDING

Four issues were planned to be explored under the School Feeding Program (SFP): (1) introduction of school yoghurt in milk producing areas (i.e. cooperatives and/or processors providing yoghurt to nearby schools, as part of community engagement); (2) introducing probiotic yoghurt within the existing (government) school feeding schemes; (3) encouraging private schools to include probiotic yoghurt within their menu; (4) where schools have canteens (mostly private), probiotic yoghurt can be included in the product range. However, after a series of discussions with the public SFP coordinators and advisors BRIDGE's SFP was decided to be piloted on private schools for future scaling up and/or mainstreaming in public schools.

SFP was initiated for the first time in different regions of Ethiopia in December 2021 using sachets (Bahirdar and Addis Ababa) and cups (Bishoftu, Batu and Hawassa) both at 150ml probiotic yogurt, collectively feeding 2771 students. Good acceptance of the nutritional and health benefits of probiotic yogurt was noted from the pilot program in all BRIDGE clusters and in Addis Ababa. Parents, school children, teachers and the school community in general expressed their interest to increase the number of students enrolled in the SFP. The target was to reach 25,000 students but the achievement is around 10%, due to the process taking longer time than planned to source affordable packaging solutions for drink type yogurt following our Ugandan experience. Yoba is in the lead for the SFP in Addis Ababa and provided technical support in the BRIDGE clusters. Accordingly, the SFP started in Addis Ababa at the end of the quarter with 1064 students of Lideta Girls Nativity School (a.k.a Catholic Cathedral School).

The SFP is pioneered in Bishoftu, Oromia, with 248 students of BCI School and expanded to Batu city with additional 120 students. The price is 50% higher compared to Addis Ababa and Bahir Dar mainly because of the packaging material choice which is in cups. Parents are now paying for half of their children's school yogurt while the balance is covered by BRIDGE. The SFP in Hawassa also started with 80 students and 63 teachers in two schools. The payment model is similar to the one in Oromia as promotional phase.

Yoba provided technical support for two producers and the nutrition and research team in Amhara region and started feeding more than 1200 students in Bahir Dar. As the program started towards the end of the year, parents have not started paying for their children's school yogurt yet. Yoba provided machinery installation, branding and packaging material support to two producers (Wawi dairy and Awisa Dairy) in Bahir Dar.

Discussions were initiated with GAIN on our experience in SFP and possible join action in Addis Ababa and Amhara region where their new project is planned to be implemented. There are opportunities to link BRIDGE project beneficiary cooperatives and individual producers in Amhara and Addis Ababa in this new initiative for the coming years.

LAB TESTING AND CERTIFICATION

In 2021 laboratory testing support was given to 19 producers that were preparing to get producer certificates. Repeated sample analyses were made to producers whose product samples did not comply with the microbial standards of Ethiopian Standards Authority. Continuous support by production coordinators was given to such producers.

Yoba supported and trained producers on how to get certified as producers by representative offices of the Ethiopian Food and Drug Authority. Through this support, a total of 12 certified producers are actively producing Yoba yogurt in the country, reaching 40% of the targeted 30 certified producers for 2021. Four of the 12 certified producers have received full support from Yoba team to start and finalize their certification process. Though its severity varies between municipal, regional and federal levels, the certification process requires producers to fulfil standard production premises, and processes which comes at noticeable investment on production buildings and machinery. In addition, it requires production personnel health and product conformity to the standards. Therefore, this rigorous process coupled with the infant market for probiotic yogurt in the country has resulted in less interest among producers to get certified regardless of Yoba team support.

Yoba probiotic starter culture was registered by EFDA in 2021 providing permission for commercial use. Additionally, registration of Yoba probiotic yogurt as standard at the Ethiopian Standards Authority was initiated in 2021. However, due to budget release delays it was not concluded in the planned period and thus pushed to the next year plan.

EXPANSION OF ACTIVITIES

Yoba started with 2 production coordinators in Addis Ababa in 2020 and expanded gradually to have one production coordinator for each of the BRIDGE clusters in Oromia, Hawassa and Bahir Dar at the end of the same year. In 2021 Yoba hired a country representative, an additional production coordinator and SFP coordinator for Addis Ababa to grow to 7 staff membered organization in Ethiopia.

KEY CHALLENGES

- Security issues in the north affected production and scaling up Yoba probiotic yogurt introduction in Mekele and Northern Amhara areas.
- Understaffed clusters overloaded with SFP, production coordinating and monitoring activities. Considering the geographic coverage of Amhara and Oromia regions and the number of producers in Addis Ababa, providing timely and adequate follow up support to producers and bringing them to active production was not fully achieved.
- Delays in budget release in the 2nd and 3rd quarters seriously affected Yoba's performance in 2021.

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ANNEX: SUMMARIZED FINANCIAL REPORT

Item	Credit(ETB)	Debit (ETB)
Fund transfer to Yoba NL	1,366,867.00	
Fund transfer to Yoba ET	5,237,580.00	
Professional fee Staff		1,963,299.96
Field Expenditure Staff		842,917.73
Laboratory test		293,868.76
Administrative fee F&S		571,006.35
Administrative cost NL		2,733,734.00
Grant		1,710,105.99
Other expense		1,074,425.98
Total expense		9,189,358.77
Total funds received	6,604,447	
Balance	(2,584,911.77) *	

*deficit balance