Press Release

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New Chickpea Products Launched by New Alliance for Food Security and Nutrition Partner *Guts Agro Industry*

Addis Ababa, Ethiopia, April 10, 2014 – The U.S. Government, through the United States Agency for International Development (USAID), assisted Ethiopian enterprise Guts Agro Industry in the launch of a new nutritious chickpea *shiro* product using chickpea purchased from farmer cooperative union partners, including Becho Weliso, Erer and Lume Adama from the Oromia Region. The collaboration is a result of the public-private partnerships fostered by the <u>U.S. Feed the Future Initiative</u> and the New Alliance for Food Security and Nutrition.

Chickpea is one of the leading value chains in Ethiopia ranking sixth in the world and first in Africa, with an annual production of over 322,000 metric tons (MT) (FAO's 2010 report). According to Ethiopia's Central Statistics Agency there are more than 800,000 smallholder farmers involved in chickpea productions in the country. Developing the chickpea value chain is an important goal of USAID's Agricultural Growth Program-Agribusiness Market Development project, part of the U.S. Feed the Future initiative. The project is engaged in six value chains seeking to provide increased income to over one million smallholder farmers.

Under a USAID-facilitated memorandum of understanding with chickpea producers, Guts Agro Industry sourced 4,000 MT of chickpea for local processing from 52,000 smallholders in the cooperative unions. USAID also assisted Guts Agro Industry with the expansion of its processing lines to support the company's vision of becoming a niche player in the specialty nutritional food processing business using chickpea.

"Guts Agro Industry committed to expand its operation by collaborating with the Government of Ethiopia and its development partners at a <u>G8 summit for "The New Alliance for Food and Nutrition Security" held in Washington D.C. in May 2012</u>," said Endigu Legesse, Guts Agro Industry CEO. "I am proud that we are able to fulfill that commitment to the benefit of the farmers, my employees and Ethiopian customers."

Guts Agro Industry has also launched a new ready to cook chickpea *shiro* powder branded as "*Yanet Shiro*." This nutritious, savory and popular Ethiopian meal is made of chickpea ground into flour mixed with spices. Another new chickpea product includes dry roasted chickpea snacks, or *kolo*, which is the first of its kind to be produced in Ethiopia.

Guts Agro Industry is an ISO 22000 certified nutritional food processing company in Ethiopia specializing in supplementary and therapeutic foods. It has two production facilities located in Hawassa and Bishoftu towns.

"Chickpea farmers who participated in multiplying the new Kabuli seed variety have gained up to 100% yield increases and higher market value" said USAID official Gary Robbins at the launch. "We are confident that the new products processed and packaged by Guts Agro Industry will set a trend in value addition, increase exports, and contribute to the improved livelihoods of the farmers."