

Institution: The University of Huddersfield
Unit of Assessment: 19 Business and Management Studies
Title of case study: Sustainable enterprise development and livelihoods in South-West Ethiopia
<p>1. Summary of the impact (indicative maximum 100 words)</p> <p>Research by the University of Huddersfield is making a major contribution to maintaining the tropical forests of south-west Ethiopia and improving the livelihoods of those who rely on them. By identifying effective arrangements for sustainable resource management and small-scale business development, the research has led to increased production, enhanced links with national and international markets and developed new institutions, as well as leading to revised legislation. Over 105,000 hectares of degrading forest are being transformed into a working and profitable resource and 18 new enterprises now serve around 100,000 people. In total, an estimated fifteen million people benefit from new rules supporting forest enterprise development.</p>
<p>2. Underpinning research (indicative maximum 500 words)</p> <p>From the early 1990s, research programmes at the University of Huddersfield conducted in collaboration with Ethiopian partners in the field have shown that sustainable natural resource management needs an economic rationale and a sound business base [1, 6]. Increasing the economic value of natural resources is vital for encouraging communities to manage them in sustainable ways. In countries such as Ethiopia, which has lost more than 75% of its forests in recent decades, participatory forest management (PFM) has become a vital mechanism for both maintaining the natural environment and enhancing livelihoods. Huddersfield's studies on the economic and institutional basis of resource management go back to 1996 with a four-year project on the wetlands of south-west Ethiopia; a region of national significance as the producer of up to a tenth of Ethiopia's exports. The wetlands research identified the importance of economically attractive enterprises and community-based institutions for sustainable resource management. It established a local NGO and a European Economic Interest Grouping (EEIG), with Huddersfield a member, to develop this work. Adrian Wood (at the University since 1986 and Prof. of Sustainability from 2012) led the wetlands project supported by Dr Julia Meaton (Senior Lecturer in Business and Environment). Wood has since been PI on a number of enterprise projects in the area. Meaton resumed her involvement in 2010, concentrating on value chain analysis and business development [2].</p> <p>Forest enterprise research started in 1998 with Yihenew Zewdie's PhD thesis on forest resources and forest-based livelihoods, especially non-timber forest products (NTFPs) [3 & 4]. Completed in 2002, this pointed to the opportunities for the development of forest enterprises as a basis for sustainable forest management and livelihood improvement. Baseline research for the first forest project in 2003 and 2004 was followed by specific studies into institutions and incentives for forest management, NTFPs, and enterprise development to identify models for testing through action research. These were carried out by project staff and supported by local and international consultants, some being Visiting Research Fellows at the University. The research and the on-going project work have been undertaken primarily in partnership with the local NGO and EEIG established in 2000. The methodology is inter-disciplinary and participatory action research has been applied so that the researchers are facilitators for the local community and local government in testing the different arrangements to improve livelihoods and forest management [5].</p> <p>Studies have revealed that forest enterprises supplement the incomes of three quarters of households in the project area. Their value can be developed through increased production, improved quality, enhanced market links and improvements in the value chain. In this way the forest's value to local communities can be augmented. The research cautioned that simply handing over forest to the communities through PFM would not be sufficient to ensure sustainable management by local communities and that the prospect of greater economic returns would be key [6]. These overarching findings have since been supplemented by more specific insights from production trials with honey and spices, and evaluations of alternative institutional forms for forest management and enterprise. Other research has assessed the carbon stored in these forests and</p>

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the potential of earning income from voluntary market carbon trading, while appropriate arrangements for communities to benefit from this have been identified.

3. References to the research (indicative maximum of six references)

1. Wood, A.P. (1993). Natural resource conflicts in south-west Ethiopia: state, communities, and the role of the National Conservation Strategy in the search for sustainable development. *Nordic Journal of African Studies*, 2(2), 83-99. <http://www.njas.helsinki.fi>
2. Meaton, J., Abebe, B., & Wood, A.P. (2013). Forest spice development – the use of value chain analysis to identify opportunities for sustainable development of Ethiopian cardamom (*Korerima*). *Sustainable Development*. Article first published online: 4 Oct. 2013, DOI: 10.1002/sd.1563. Impact Factor 1.884. Submitted in REF2.
3. Zewdie, Y. (2005). Forest access and rural livelihoods in southwest Ethiopia: an analysis of the record of forest management partnership, in, M.A.F. Ros-Tonen & A.J. Dietz (Eds.) *African Forests Between Nature and Livelihood Resources: Interdisciplinary Studies in Conservation and Forest Management*, The Edwin Mellen Press, pp. 95-111.
4. Zewdie, Y. (2011). *Not by maize alone: a study of forest access and forest-based livelihoods in highland Kafa, Ethiopia*. Saarbrücken, Germany: Lambert Academic Publishing. (ISBN 978-3-8443-9212-8).
5. Wood, A.P. (2007). Through whose eyes? Understanding stakeholders' perspectives on potential forest income as the basis for successful PFM, *Participatory Forest Management (PFM), Biodiversity and Livelihoods in Africa: Proceedings of the International Conference, 19-21 March 2007*, pp.1-6. (Available from University of Huddersfield. This source is widely cited in PFM discussions).
6. Sutcliffe, J.P., Wood, A.P., & Meaton, J. (2012). Competitive forests – making forests sustainable in south-west Ethiopia. *International Journal of Sustainable Development and World Ecology*, 19:6, 471-481. DOI: 10.1080/13504509.2012.740510. Impact Factor 1.213. Submitted in REF2.

Grant Contracts received by University of Huddersfield

Contract No. & Dates	Project Title	Value to UoH	Source of Funding
B7-6200/96-05/VII/ENV (1997-2000)	Sustainable wetland management in Illubabor Zone, south-west Ethiopia. (Ethiopian Wetlands Research Project)	Euro 550,000.00 P.I. A.Wood	European Union
B7-6200/2003/061-323 ET (2003-2007)	Rural poverty reduction and sustainable forest management & protection through the development of non-timber forest products and community institutions in SNNPRS. (NTFP-PFM Project)	Euro 1,174,347.82 P.I. A. Wood	European Union
ENV 2006 114-229 (2007-2013)	Forest landscape sustainability and improved livelihoods through non-timber forest product development and payment for environmental services. (NTFP-PFM Phase 2 Project)	Euro 2,673,854.67 P.I. A. Wood	European Union
DCL-ENV 2009 151-385 (2010-2015)	A new approach to the conservation of wild <i>Coffea arabica</i> in south-west Ethiopia: developing the potential of participatory forest management. (WCC-PFM Project)	Euro 1,994,009.20 P.I. A. Wood	European Union
19-025 (2012-2015)	Conservation of Ethiopia's wild coffee using Participatory Forest Management	£ sterling 246,507.00 P.I. A. Wood	DEFRA, UK Govt.

The above table shows the funds which Huddersfield has obtained for these projects. For the three

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most recent EU funded projects this is 80% of total project costs. An additional 20% has been obtained by the Ethiopian partner from the Dutch, Norwegian and Canadian embassies in Ethiopia. Funds via Huddersfield total around €6.391m plus £0.246m from 1997 to 2015.

Source 4 in section 5 of this case study provides evidence of the high quality of this series of linked research projects.

4. Details of the impact (indicative maximum 750 words)

University of Huddersfield research into maximising the value of tropical forests has been significant in bringing about a shift from ineffective state conservation efforts to active and productive forest management by empowered, organised, and informed communities who are developing a range of enterprises. The core impacts have been to enable these communities to produce greater volumes of better quality products, access international markets via better supply chains and to get higher prices. These have led to diverse and wide-ranging impacts in terms of business and product development, improved livelihoods and environmental management. More than 100,000 forest users have been directly affected by Huddersfield's work, another 200,000 in the area and up to 15m in the region have benefited indirectly, while the forest using communities now actively manage over 105,000 hectares as working forest (Corroborating sources 1,2,3,4).

The research has helped transform the local business landscape. Seven, entrepreneur led, forest product cooperatives have been established, most since 2011, including one that brought a minority group, the Mejengir, into the commercial world. Six honey-marketing companies (PLCs) are now operating, with trade increasing tenfold and prices rising tenfold since 2008. There has also been increased home production of NTFPs which has led to the greater involvement of women in production and raised their economic independence. (Corroborating sources 5 & 6). The total number of people directly or indirectly employed in forest-based enterprises arising from this research now stands at 3,000. Huddersfield's work has also demonstrated the importance of improved national and international trade links to the enduring success of these developments. As a result, the co-operatives, PLCs and other local traders have forged relationships with buyers from Addis Ababa and through them to the German fair-trade market (GEPA) and The Body Shop in the UK which confirms the purchase of all their honey, used in over 240 products, from organizations set-up through UoH projects (Corroborating source 7). They have established links with national level spice traders; and have earned intermittent certification of forest coffee through Netherlands-based Utz Kapeh, which oversees a worldwide programme to promote fair trade practices and "sustainable quality" among coffee farmers. Trade figures clearly evidence the impact of these advances with over 300 tonnes of honey sold in 2012.

The contribution of Huddersfield's research and guidance is reflected in the growth, influence and success of institutions specifically dedicated to sustainable and productive forest management and trade. In 2012 and 2013 five Participatory Forest Management Associations were established to coordinate community-based active forest management, supported by some 120 PFM member groups that oversee forest enterprise, trade and management at a community level. As illustrated by data assembled by Huddersfield researchers, the management skills employed by these organisations, which are informed by a very deep appreciation of the inherent worth of their surroundings, have contributed to a notable reduction in forest clearance in recent years. Understanding the comparative values of public limited companies versus co-operatives along with the comparative advantages of Associations versus Co-operatives for forest management has led to better business structures and better forest management institutions.

All of the above factors have combined to produce various impacts on the livelihoods of local populations. Survey data from the independent impact assessment study by Conscientia PLC in 2013 quoted in the End of Project Evaluation Report of LTSI (Corroborating source 4) show that the significant proportion of family income now obtained through trade in forest products has increased by 24% due to the project activities (Corroborating source 8). This will possibly be increased when carbon trading is started following approval of the Project Development Document by Plan Vivo. The research's influence on forest policy has been crucial for enabling and

accelerating these various advances, with Huddersfield's work shaping a number of key reforms. Over the period 2008-2012 Huddersfield supported the regional government to develop a new forest policy which was promulgated in 2012. This has specific aims of developing a working forests/forest enterprise view and encouraging the development of multiple products to add value to the forest. This revised policy and legislation applies to the 15m people in the region, almost all of whom use forest products in their daily lives, and especially the 5m who live in districts with major forest areas.

Awareness of the revised legislation is being raised by a dissemination campaign targeting not just communities but local government offices. Further efforts, to support the national level debate about forest policy have included conference presentations and workshops within Ethiopia (Corroborating source 5). These have been vital for engaging different audiences and the consequent adoption of Huddersfield's findings. Project funding to the end of 2015 is guaranteed and Prof. Wood has been asked to submit a follow-on proposal.

5. Sources to corroborate the impact (indicative maximum of 10 references)

1. Letter of endorsement from the Rural Development and Natural Resources Desk, European Union Delegation to Ethiopia . This body is the main funding agency for this work. Letter dated 16th October 2003.
2. Letter of endorsement from the Natural Resource Development and Conservation Process, Bureau of Agriculture, Southern Nations, Nationalities and Peoples' Regional State – the main government agency with which the projects collaborate. Letter dated 3 July 2013.
3. Letter of endorsement from the Ethio Wetlands and Natural Resources Association. Project Partner. Letter dated 17 October 2013.
4. Abbott, P. et al. (2013). End of Project Evaluation Report for NTFP-PFM Phase 2 Project by LTS International Ltd, Edinburgh, 69pp. (This report covers project evaluation from 2007 to 2013. In summarising the 3.3m Euro project the report notes that, 'The evaluators can confidently state that these impacts would not have happened without the influence of the project').
5. Proceedings of the 'National Workshop for Sharing the Experiences of NTFP-PFM Southwest Ethiopia Research and Development Project, June 3-4, Addis Ababa'. This contains verbatim quotations from the manager of Shato NTFP Trading PLC – one of the trading bodies the project has helped establish and which has major links with Addis Ababa honey buyers and from the manager of Ganiti Forest Management Association – one of the five associations established with project help to give legal status to the forest communities to take over forest management from the government.
6. Letter dated October 2013 from Ganiti Forest Management Association summarising the impacts of the projects on production, marketing, land use and livelihoods.
7. Letter of endorsement from The Body Shop, UK. Letter dated 15 October 2013.
8. Project Impact Assessment for NTFP-PFM Phase 2 Project, Conscientia Training, Consultancy and Research PLC. Report of September 2013.