



## Darwin Initiative/D+ Project Half Year Report (due 31<sup>st</sup> October 2019)

<b>Project reference</b>	25-013
<b>Project title</b>	Non-Timber Forest Product Micro-Enterprises for competitive forests and livelihoods in Ethiopia (NTFP-ME)
<b>Country(ies)/territory(ies)</b>	Ethiopia
<b>Lead organisation</b>	Centre for Sustainability, Responsibility, Governance and Ethics (SURGE), Huddersfield Business School, University of Huddersfield (UOH)
<b>Partner(s)</b>	Ethiopian Biodiversity Institute, Ethio-Wetlands Natural Resources Association, Apinec, Ecopia, Nati Spices
<b>Project leader</b>	Professor Adrian Wood
<b>Report date and number (e.g. HYR3)</b>	HYR2
<b>Project website/blog/social media etc.</b>	<a href="https://research.hud.ac.uk/institutes-centres/surge/src/projects/environmental-sustainability-and-natural-resource/honeyspiceandjams/">https://research.hud.ac.uk/institutes-centres/surge/src/projects/environmental-sustainability-and-natural-resource/honeyspiceandjams/</a> @CSRC_hud <a href="https://research.hud.ac.uk/institutes-centres/surge/src/">https://research.hud.ac.uk/institutes-centres/surge/src/</a>

**1. Outline progress over the last 6 months (April – Sept) against the agreed baseline timetable for the project (if your project has started less than 6 months ago, please report on the period since start up to end September).**

**Output 1.** In the last six months, all three honey micro-enterprises reported in AR1 have completed the legalisation process, with a further two established and in the process of legalisation. This takes the total to five across the three operational districts. This is two more than originally planned but reflects both the potential and the large distances in between villages. The private sector partner, Apinec, undertook a visit in July to assess quality and found it to be very high in one of the micro-enterprises, and medium in the other. (It has not yet visited the two newest ones.) Over 2MT of honey was produced and purchased. Apinec's offer price was lower than that of the local Cooperative Union, so the honey was sold to the Union and generated a profit. Follow-up training has been delivered by Apinec.

**Output 2.** In the last six months, two forest fruit micro-enterprises have been established in the three operational districts, one legalised and the other due to complete legalisation within 2019. A third micro-enterprise is under establishment with discussions between villages about the most suitable location. Initial forest fruit assessment and product show-casing was undertaken by Ecopia, private sector partner, in August. Training across all three districts is underway, having been moved from September to October to avoid clashing with the Ethiopian New Year. Ecopia's product range extends beyond forest fruits to include spices and coffee-related bi-products for use in soaps, scrubs and other cosmetics, as well as the juices and jams that formed part of the original LogFrame. Training is accompanied by provision of equipment for production and storage in keeping with Ethiopian laws concerning product transformation.

**Output 3.** In the last six months, the two spice micro-enterprises reported in AR1 have completed legalisation, with a further two established and due to complete legalisation in 2019. Training was delivered by Tepi National Spice Research Centre in May 2019. The spice

partner, Nati Spices, has proved unwilling to visit the area because of the long period of insecurity (August 2018-Feb 2019) and, we suspect, because of the relatively small quantities of spice currently being harvested by communities. The project team has therefore been supporting the micro-enterprises to identify more local (rather than national) market opportunities and to plan bazaars at which their produce will be exhibited.

With regard to **Outputs 1-3** and the reviewer comments on AR1, details on specific products, volumes of each product and quality assessments should be included in the next Annual Report in April 2020. They will include production volumes and quality assessments from Apinec, the Union (which bought the honey) and Ecopia. Further information will be provided by the records from each micro-enterprise.

**Outputs 1-3** have also been affected by the length and complexity of the legalisation process for micro-enterprises. This varies between districts but takes up to six months. The project will develop a learning note on this process. However, it has made good use of cooperatives that the team supports in the same districts, which have provided a mechanism for the legal sale of NTFP products that have been collected as part of this project.

**Output 4.** In the last six months further efforts were made to identify Ethiopian laboratories (and even international laboratories based in Ethiopia) with the capacity to undertake the necessary analysis of the Luya seed. None were identified by the Ethiopian Biodiversity Institute (EBI). As a result, it was agreed that the University of Huddersfield's Innovative Physical Organic Solutions (IPOS) team would undertake the analysis. The paperwork required by EBI, including a Material Transfer Agreement, as well as various other documents is being finalised. It is planned that EBI will oversee harvesting of the seeds before they are pressed and dried in Addis Ababa and physically accompanied to the UK by a biochemist from EBI, who will oversee the analysis. In the meantime, background research on Luya has been conducted by the IPOS team. Once the paperwork is complete, IPOS will conduct a two-stage analysis involving High Performance Liquid Chromatography to separate out the compounds after which Nuclear Magnetic Resonance will determine compound structures and potential uses. IPOS estimates two months of work for the analysis to be completed. Analysis will adhere to EBI regulations and the International Treaty on Plant Genetic Resources for Food and Agriculture.

With regard to **Output 4** and the reviewer comments in AR1. The project intends to assess the seed's potential and share findings with EBI and relevant communities. If analysis identifies commercially viable compounds, the project will look to develop early-stage business plans to seek to secure further funding for further analysis, use of certain compounds in product development, etc. It is not possible to be specific until the compounds have been identified and compared to existing commercial uses. Some overspend may be anticipated on this line.

**Output 5.** The biodiversity baseline survey was conducted by a team from Hawassa University in July. Community-based training of selected species was conducted in all three operational districts in early October, having been delayed to allow for Ethiopian New Year in September.

**Output 6.** Project posters have already been produced and disseminated. Flyers are currently under development.

**2a. Give details of any notable problems or unexpected developments/lessons learnt that the project has encountered over the last 6 months. Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.**

Since March 2019, the security situation has stabilised in three of the four districts in which the project operates. As a result, project activities have recommenced in those three districts. The fourth district remains insecure and the staff member has been withdrawn in agreement with LTS. A Change Request Form has been submitted to LTS and a decision regarding the proposed use of funds originally intended for the suspended fourth district (Yeki) is awaited.

Although the security situation has improved it has had a lasting impact on communities living in the areas covered by the project. As a result, commitment to the project has been slower than usual, but is now improving.

Political changes throughout the country have resulted in frequent changes in government staff, leading to slower decisions and the need for repeat visits in order to progress project activities. This is best illustrated by the time taken to officially register the micro-enterprises, which takes about six months.

It has not been possible to persuade Nati Spices to visit and train communities so the project's own team is supporting local spice trade development with input from a consultant.

**2b. Have any of these issues been discussed with LTS International and if so, have changes been made to the original agreement?**

Discussed with LTS:	Yes
Formal change request submitted:	Yes
Received confirmation of change acceptance	Partial, pending final decision

**3a. Do you currently expect to have any significant (e.g., more than £5,000) underspend in your budget for this year?**

Yes  No  Estimated underspend: £

**3b. If yes, then you need to consider your project budget needs carefully.** Please remember that any funds agreed for this financial year are only available to the project in this financial year.

If you anticipate a significant underspend because of justifiable changes within the project, please submit a rebudget Change Request as soon as possible. There is no guarantee that Defra will agree a rebudget so please ensure you have enough time to make appropriate changes if necessary.

**4. Are there any other issues you wish to raise relating to the project or to Darwin's management, monitoring, or financial procedures?**

Official registration of the micro-enterprises has been more time-consuming than originally anticipated, in part because of high turnover of government staff, but also because it transpires that micro-enterprises are a less familiar structure and concept in rural areas than in urban. As a result, the project has worked with a number of cooperatives in order to buy and sell NTFPs that are linked to the micro-enterprises but that could not officially be sold by them. This proved particularly effective in ensuring that the honey harvests were not missed prior to official registration of the micro-enterprises. The project will develop a Learning Note on this process.

**If you were asked to provide a response to this year's annual report review with your next half year report, please attach your response to this document. Additionally, if you were funded under R25 and asked to provide further information by your first half year report, please attach your response as a separate document.**

**Please note: Any planned modifications to your project schedule/workplan can be discussed in this report but should also be raised with LTS International through a Change Request. **Please DO NOT send these in the same email.****

Please send your **completed report by email** to [Darwin-Projects@ltsi.co.uk](mailto:Darwin-Projects@ltsi.co.uk). The report should be between 2-3 pages maximum. **Please state your project reference number in the header of your email message e.g. Subject: 25-035 Darwin Half Year Report**