

Governing NTFP value addition chains:

Balancing access to resources and markets

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Basic argumentation

- There exist two main processes of NTFP value addition
 - Production systems
 - Extraction of wild resources
 - Domestication and cultivation of valuable species
 - Production to consumption chains
 - Marketing
 - Manufacturing
- Both systems are subject to governance

Governance of NTFPs

- NTFP governance:
 - The institutional process of decision-making and implementation of the organisation and regulation of the production and marketing of NTFPs
 - A multi-level and multi-actor process
 - Combination of formal and informal arrangements
 - Two main dimensions
 - Access to resources
 - Access to markets
- The governance arrangements are interrelated

Traditional state vs local systems of NTFP governance

■ State concession system

- State and market main stakeholders
- Focused on bureaucratic control on resource access and state revenue earning
 - Selected 'high potential' products

■ Locally embedded system

- Communities main stakeholders
 - Local land & tree tenure arrangements
 - Informal trade arrangements
- Focused on 'local livelihood' products
 - Subsistence use
 - Additional income earning

Newly emerging NTFP governance systems

- New forms of governance for regulating access to resources
 - Partial devolution and/or formalization of management authority to local communities
- New forms of governance for regulating access to markets
 - Formalization of informal trade arrangements
 - Development of socially-responsible trade arrangements
 - Fair trade
 - Partnerships between local producer, market enterprises and NGOs
- New forms of governance at interface of production and marketing system
 - Strengthening of role community stakeholders by development of producer cooperatives
 - Standards for quality of products and production systems

Example of pluriform NTFP governance systems in Ethiopia



Forest coffee production
In mountain forests



Gum/resin production
In dry woodlands

Contribution of NTFPs to household income

Vegetation type	Location	Income from farming	Income from NTFPs	Non-farm income
Mountain forests	Relatively isolated uplands	54%	41%	5%
	Mid hills with developed infrastructure	52%	46%	2%
Dry woodlands	Abergelle mixed farming region	30%	31%	38%
	Borana sylvopastoral region	52%	36%	11%

Mountain forests:

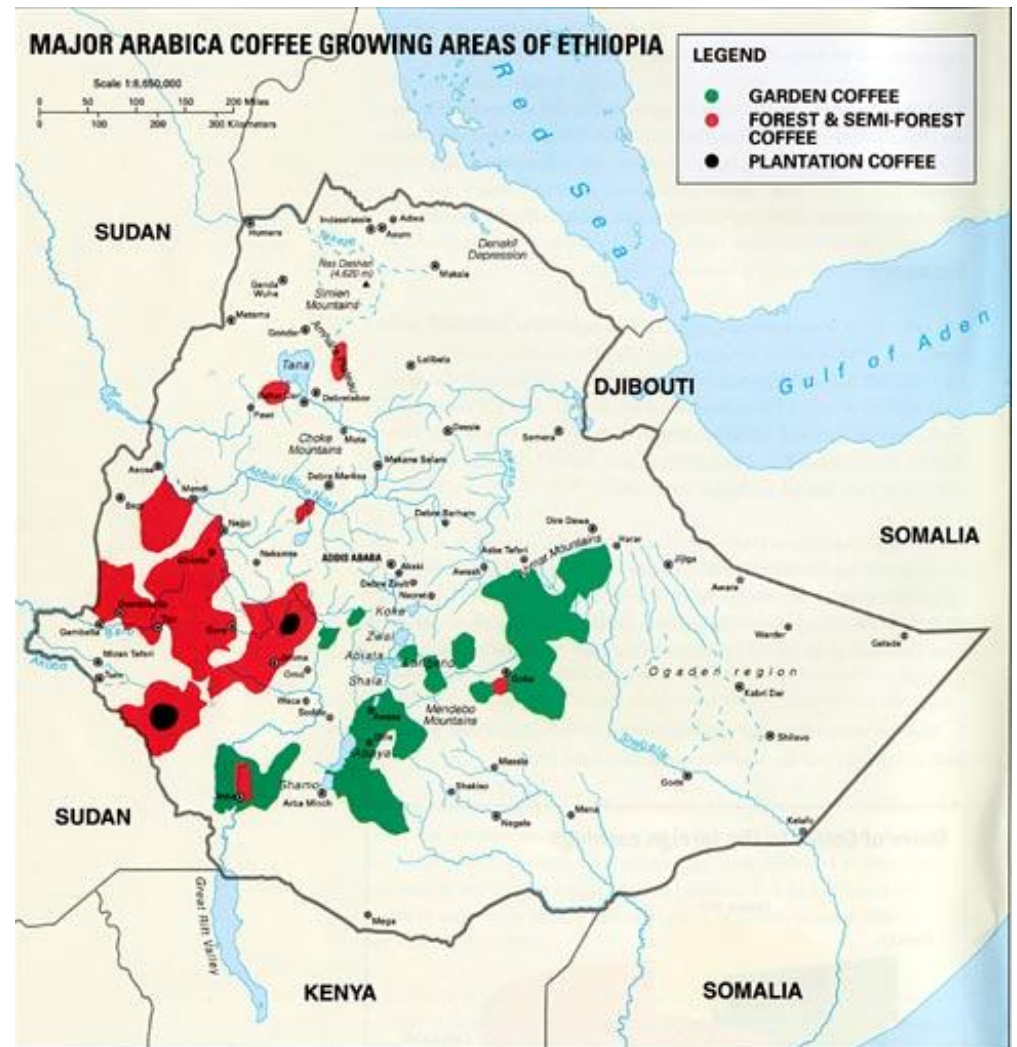
Area of origin of *Coffea arabica*



- Long history of use
- Production part of diversified farmer production strategy
 - Mixed farming and collection of multiple NTFPs
- Endogenous developments of production systems

Diversity of coffee production systems in Ethiopia

- Natural forests
 - Forest coffee
 - Semi-forest coffee
- Cultivation
 - Garden coffee
 - Plantation systems



Evolution in governance systems

■ Access to resources

- Traditional
 - Local land and tree tenure
- Formal state land tenure regulations
 - State forest reserves
 - Commercial estates
 - Private forest gardens
- Recent developments
 - Community-based conservation of coffee forests

■ Access to markets

- Traditional
 - Informal arrangements
- State regulation
 - Formal cooperatives
 - State controlled export
- Recent developments
 - International standards for ecologically and socially responsible production systems

Dry woodlands: Area of gum/resin production

■ Gums

- Acacia
- Commiphora

■ Incense

- Boswellia



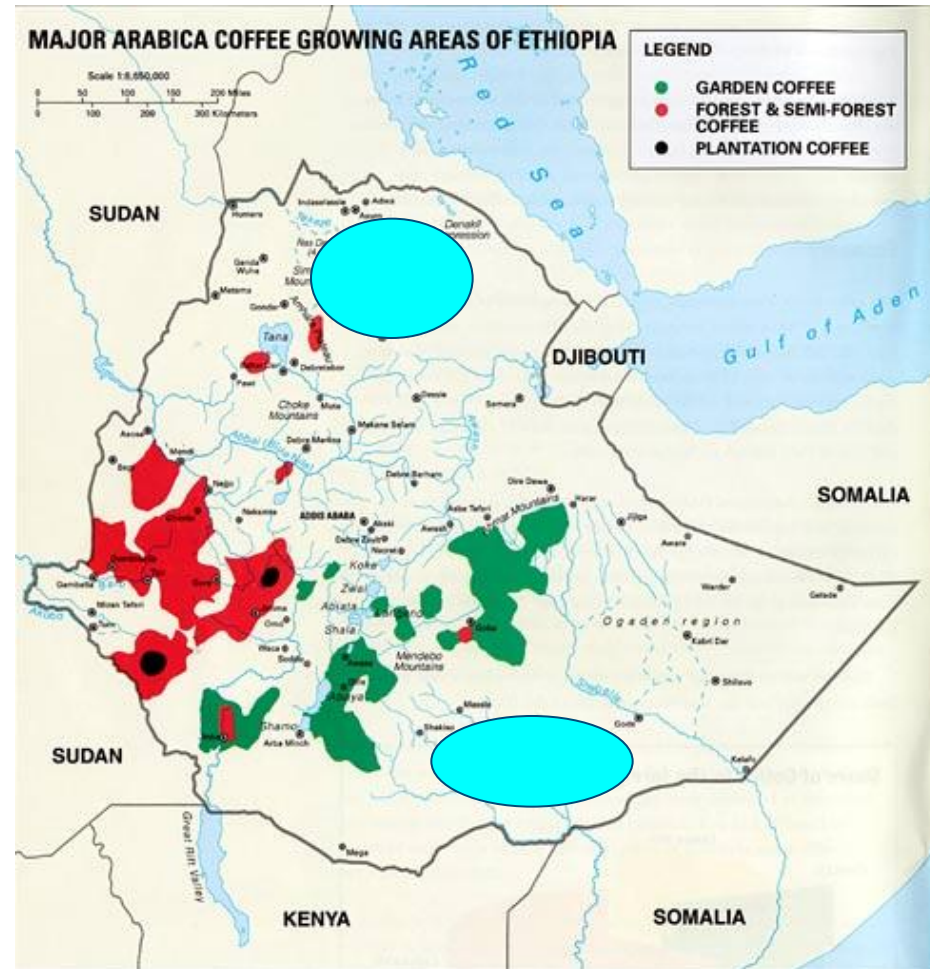
Two major production systems

■ Tigray, North Ethiopia

- Production introduced from Somalia by state enterprises
- Part agrosilvopastoral livelihood system

■ Borana, South Ethiopia

- Locally evolved production system
- Part of silvopastoral livelihood system



Contrasting traditional governance arrangements

■ Tigray region, North Ethiopia

- State regulated, concession system
- Traditionally monopoly of state enterprise
- Harvesting by hired local people or external labourers

■ Borana region, South Ethiopia

- No government control
- Well-established local *gadaa* system for regulating pastoral land-use
- But no local arrangements for gum/resin production
 - Free access to gum/resin resources

Characteristics gum/resin production in North Ethiopia



- For local people labour diversification rather than production diversification strategy
- Limited initial domestication
 - Incense production by tapping from wild trees
 - Some conservation of trees on agricultural lands

Gum/resin production in South Ethiopia



- Autonomous local development during last decade
 - Response to growing market demands
- Mainly coping strategy
 - Cash/drought relief crop
- No domestication
 - Collection of exudates from wild trees

Evolution in governance systems

■ Access to resources

- Only active change in Tigray region
 - Development of community-based production
 - Still little domestication of private cultivation

■ Access to markets

- Abolishment of state monopoly on marketing
- Stimulation of cooperatives
 - Sales rather than production oriented
 - Mainly focused on regulated market supply rather than on responding to diversified market demands

Contrasting NTFP governance characteristics and production outcomes

■ Coffee

- Original dichotomy between endogenous developed local governance arrangements and government regulation
- Advanced domestication and effective contribution to diversified farmer production strategies
- Growing importance of multi-stakeholder partnerships for marketing conform quality standards
- Sustainable production and conservation

■ Gums/resins

- Original open access or state controlled concession system changing to cooperative system mainly focused on regulated market access
- Limited local regulations for regulating access to resources
- Limited domestication and mainly contribution to opportunistic coping/ diversified livelihood strategies
- Prevalence of resource degradation

Conclusion

- Two main processes of NTFP value addition
 - NTFP production
 - NTFP (manufacturing and) trade
- Often contrasting developments in NTFP governance
 - Decentralization of governance arrangements for production and management *versus* centralisation of governance arrangements (e.g. through quality standards) for marketing (and manufacturing).
 - Only in some cases balanced development of interrelated institutional arrangements for access to both resources and markets

Thank you for your attention

