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:

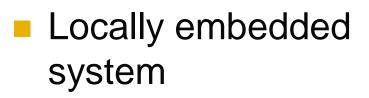
- The institutional process of decision-making and implementation of the organisation and regulation of the production and marketing of NTFPs
- A multi-level and multi-actor process
- Combination of formal and informal arrangements
- Two main dimensions
 - Access to resources
 - Access to markets

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



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

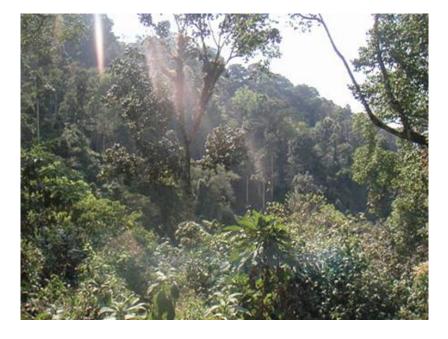


Newly emerging NTFP governance systems

- 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

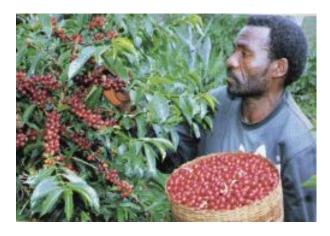


Contribution of NTFPs to household income

| 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 Borana | 30% | 31% | 38% |
| | sylvopastoral region | 52% | 36% | 11% |



Mountain forests: Area of origin of Coffee arabica





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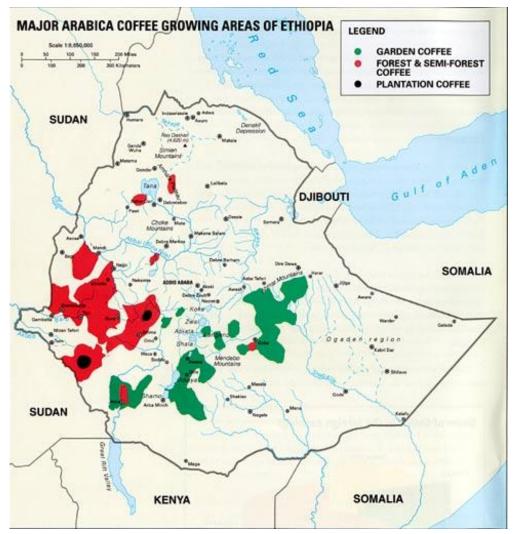
For quality of life

- 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

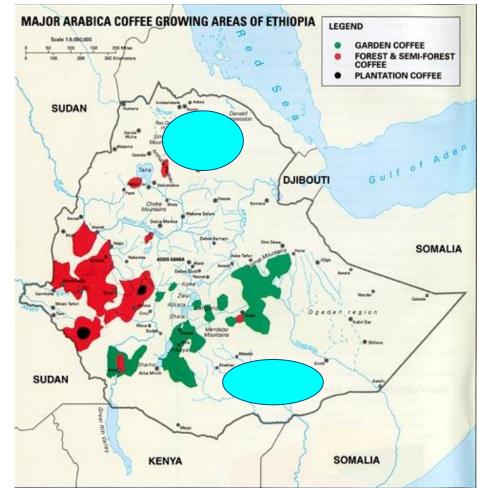
- Production introduced from Somalia by state enterprises
- Part agrosilvopastoral livelihood system

Borana, South Ethiopia

- Locally evolved production system
- Part of silvopastoral livelihood system

For quality of life

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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 landuse
 - 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 cq 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 multistakeholder partnerships for marketing conform quality standards
- Sustainable production and conservation

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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



