ETHIOPIA - Marketing wild coffee to protect forests

The communities that surround the forests earn meager incomes from honey collection and wild coffee production. High levels of poverty have forced many of Bale’s residents to convert forest lands into croplands and fell trees for timber. While annual deforestation is low at 11 percent, this rate is expected to accelerate due to more people moving into the Bale region from drought-stricken areas; additionally, degradation of tree saplings to make room for wild coffee impedes forest regeneration. Aware of these challenges, this project uses “conservation agreements” to incentivize conservation of Bale’s forests by improving wild coffee production and connecting farmers to high-value specialty coffee markets.

What is a “conservation agreement”?
It is a deal between a community and a group or person funding a conservation project. In exchange for making specific conservation commitments, communities receive benefits from the funder.

THE COMMUNITIES AGREE TO:
• Stop converting forest lands to non-forest land uses
• Stop cutting down shade trees planted in the forest buffer zones
• Participate in seedling production and tree planting
• Set up local systems for monitoring and protecting biodiversity
• Ensure that participatory forest management members patrol the forest as per their agreed schedule
• Enforce corrective measures against members who violate any of the forest management agreements
• Take precautions to protect the forests from fires

IN RETURN FOR:
• Training in pre- and post-harvest coffee handling
• Improved organizational capacity of forest management co-ops
• Biodiversity monitoring training
• Coffee processing and handling equipment, such as mesh wire and hessian sacks
• Construction of a central coffee warehouse

INVESTMENT
CAPPP: $399,121
Other donors (Guernsey Overseas Aid Commission, MAT, European Union): $515,027

IMPLEMENTER
Farm Africa is an innovative non-governmental organization that reduces poverty in rural eastern Africa by helping farmers grow more, sell more and sell for more. Farm Africa develops approaches that help farmers to improve their yields and incomes without degrading their natural resources.

PARTNERS
Oromia Forest and Wildlife Enterprise
• Oversees participatory forest biodiversity monitoring; evaluates the project annually; provides technical and law enforcement support

Forest Management Cooperatives
• Mobilizes community to patrols and submits biodiversity monitoring reports to OFWE

Cooperative Promotion Office
• Provides technical and financial support, financial management trainings and annual audits to co-ops

Coffee and Tea Authority
• Delivers training and technical support in coffee production, coffee stamping, nursery management and monitoring the moisture content of coffee
MONITORING

A team of volunteer biodiversity monitors from the communities conduct regular forest patrols to document levels of compliance to the conservation commitment. A mid-term evaluation will be completed in August-September 2018.

ENVIRONMENTAL INDICATORS

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Baseline</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td>Annual deforestation rate</td>
<td>1.1 percent</td>
<td>&lt;1 percent</td>
</tr>
<tr>
<td>Saplings/hectare</td>
<td>2,248</td>
<td>Maintained/improved</td>
</tr>
</tbody>
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SOCIO-ECONOMIC INDICATOR

<table>
<thead>
<tr>
<th>Year</th>
<th>Household income/yr from wild coffee sales</th>
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<tbody>
<tr>
<td>2017</td>
<td>14,130 Birrs (US$ 515)</td>
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<tr>
<td>2019</td>
<td>21,200 Birrs (US$ 773)</td>
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</tbody>
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RESULTS TO DATE

Conservation agreements have been negotiated and signed with 13 communities living near Bale’s forests, and they have received biodiversity monitoring training and are performing monitoring activities. Trainings on coffee quality improvement and post-harvest handling are also in progress. Moreover, at the end of the most recent coffee season, a private sector buyer—Beharu PLC—purchased the wild coffee at a premium price on a pilot basis.

PRIVATE SECTOR ENGAGEMENT

Farm Africa has facilitated sales between wild coffee producers and Beharu PLC, a company that purchased the coffee at a premium—500 Birrs ($19) per quintal of coffee—above the prevailing market prices. Procurement is conditional upon the community fulfilling their conservation commitments. Actions will be taken to build a commercial relationship between Bale’s wild coffee growers and the Oromia Coffee Producers’ Union.

WHAT’S NEXT?

Increased income from the wild coffee enterprise, coupled with conditional market access, is expected to drive the sustainability of the conservation agreements beyond CAPPP funding. Oromia Environment, Forest and Climate Change Authority (OEFCCA), a local government body, will continue to oversee the relationships between value chain actors, as well as communities’ compliance to conservation agreements. Farm Africa will continue to develop initiatives that boost coffee production in the area, and to build more formal links to national and international markets.