



Bale Eco-Region Sustainable Management Programme
(BERSMP)

Annual Report

(January 1st - December 31st 2008)

FARM-Africa – SOS Sahel Ethiopia
Participatory Natural Resource Management Partnership

and

Oromia State Forest Enterprises Supervisory Agency (OSFESA)
Bale and Arsi Forest Enterprises

Reporting to;

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Acronyms

| | |
|-----------|--|
| AAU | Addis Ababa University |
| AFE | Arsi Forest Enterprise |
| BERSMP | Bale EcoRegion Sustainable Management Programme |
| BFE | Bale Forest Enterprise |
| BMNP | Bale Mountains National Park |
| BMNP-GMP | Bale Mountains National Park – General Management Plan |
| CBO | Community Based Organisation |
| CCG | Community Conservation Grant |
| CDF | Community Development Fund |
| CDM | Clean Development Mechanism |
| CER | Certified Emissions Reduction |
| CIP | Community Initiative Promotion |
| CPL | Collection Processing & Learning |
| DA | Development Agent |
| DNA | Designated National Authority |
| DOE | Designated Operational Entity |
| EARI | Ethiopian Agricultural Research Institution |
| EERI | Ethiopian Economic Research Institute |
| EFCF | Ethiopian Forest Coffee Forum |
| EPA | Environmental Protection Authority |
| FeMSEDA | Federal Micro and Small Enterprise Development Agency |
| FFE | Forum for Environment |
| FZS | Frankfurt Zoological Society |
| GEF | Global Environment Facility |
| GIS | Geographical Information Systems |
| GFM | Government Forest Management |
| GPS | Global Positioning System |
| GTZ | German Technical Corporation |
| IIED | International Institute for Environment and Development |
| INBAR | International Network for Bamboo and Rattan |
| IUCN | International Union for Conservation of Nature |
| IUCN EARO | International Union for Conservation of Nature – East Africa Regional Office |
| JFM | Joint Forest Management |
| MoARD | Ministry of Agriculture and Rural Development |
| MEMP | Mahale Eco-Region Management Project |
| NR&EP | Natural Resource and Environmental Protection |
| OBARD | Oromia Bureau of Agriculture and Rural Development |
| OSFESA | Oromia State Forest Enterprises Supervisory agency |
| PDD | Project Design Document |
| PES | Payment for Environmental Services |
| PFM | Participatory Forest Management |
| PFRA | Participatory Forest Resource Assessment |
| PIN | Project Idea Note |
| RAC | Regional Advisory Committee |
| REDD | Reduced Emissions from Deforestation and Degradation |
| RCMRD | Regional Centre of Mapping of Resources for Development |
| UNDP | United Nations Development Programme |
| TANAPA | Tanzania National Parks Authority |
| TNA | Training Needs Assessment |
| VCS | Voluntary Carbon Schemes |
| WCC | Woreda Coordinator Committee |
| ZSC | Zonal Steering Committee |

Executive summary

The BERSMP has made a very good progress in 2008 on all activities. Field level initiatives continue to take root in the development approaches of the Programme and Partners in the Bale and West Arsi zones. Also at the National level the Programme continues to network and influence key Government and institutional partners. Following is a brief summary of achievements on the six Programme themes in 2008.

Eco-Region Planning

Aiming at developing an Eco-Region system for the first time in Ethiopia, resource information gathering was started by acquiring the 2006 SPOT images of the area back in 2007. The identified key natural resources (forest, water and grasslands) are divided into blocks and compartments in the four woredas. Specific studies to add on analysis of human/ natural resources are conducted. Based on stakeholder consultations on the draft Eco-Region framework plan, additional data has been sourced from the Ganale and Wabe Shebelle river basin studies to enrich the development of a comprehensive database for Bale Eco-Region.

During the second half of 2008, a senior FZS technical staff, with Eco-Region planning experiences from a number of African and Asian countries have been working with the BERSMP planning team providing technical support to the development of the Bale Eco-Region Plan. The partnership also ensures coordination with similar planning processes undertaken in the Bale Mountains National Park

A number of workshops with the major actors were conducted focussing on the identification and ranking of Priority Components and Key Attributes of the Eco-Region, including the Threats, their direct and indirect causes, to them and the set up of the Core Planning Team. One data base center has already been established and functional at the Robe office. More at woreda/ zone level will be added shortly.

The Eco-Region database will make available information at different planning levels (Region, Zone and Woreda levels). This is for the Government, as well as Conservation and Development actors / decision makers to have access to planning information, at their respective levels. The data sets will be on the Natural resources, Social issues and Economic opportunities of the Bale Eco-Region.

Capacity Building

Based on a follow up TNA conducted at the beginning of the year, a number of key training events, workshops and field visits have been organized for community groups as well as for representatives of selected government institutions during the year. More formal capacity building in the form of education programmes for Government staff is also on going this year. These include sponsorship for 25 technical staff upgrading from diploma to degree level, 26 female students attending Diploma courses (including internship arrangements in their respective woredas), and 5 MSc students drawn from the 14 woredas of Bale and West Arsi zones.

During the year, a joint IIED / BERSMP Business Management Training has been provided on introductory Business Planning and Management for local actors from Bale Forest Enterprise, BERSMP, Zone / Woreda government partners, as well as actors from other Forest Enterprises, and the OSFESA.

Following on from this Business training and the recognition of the critical gaps in capacity to promote small and medium scale forest Enterprises and natural products business in Bale, a long term Business Mentoring contract with suitably qualified external consultants was set up to begin work early 2009.

The RAC, ZSC and WCC regular coordination meetings aimed at discussion of common issues and increased collaboration have by and large been conducted even though the officials' busy schedules have sometimes led to delays.

BERSMP has been working with MELCA (a local NGO), for the past 2 years. MELCA is engaged in an innovative approach of experience learning about environment and culture with its SEGNI (Social Empowerment through Group and Nature Interaction) programme. The BERSMP also supported MELCA for providing local level training on Watershed management and CBO financial and organizational management.

Participatory Natural Resource Management

PFM Investigation and negotiation work continued in the new areas as part of the spread of PNRM from Kebele to Kebele / Woreda to Woreda.

In 2008, the Programme has responded to Donor concern about the scale of implementation by commencing strategies for scaling up PNRM activities. In this connection, trainings, area selections, meetings, PFM action plan formulations, identification of partner GO/ NGO s and preparation of the PFM manual in the Oromo language have been conducted.

With regard to NRM CBO formation, after explanation and clarification of different types of CBOs, the direction followed was that the community should hold their own in-depth discussions and decide upon the appropriate CBOs that they want to establish. As a result both Cooperatives and Associations seem to be the preferred options amongst the communities. The CBOs have continued with the development of internal rules and regulations by which their organisations will be governed. One CBO in Dello Mena has been registered with the Cooperative Promotion Office and other groups are finalizing the process.

Participatory Forest Resource Assessment has been conducted and the results revealed that the Dello Menna and Harena Buluk forest are relatively less disturbed to other forest areas; whereas in Nensebo and Goba Woredas forest resource mining and clearance are now a critical problem. All forest areas are multiple use areas and of high significance in terms of local livelihoods. Forests are used for grazing, coffee, honey, timber, fuel wood, water, medicines and agriculture. Pressure on resources is increasing and clearance and forest fire were regularly recorded. The PFRA results form the information basis of forest management discussions of the issues arising for the actual forest condition. This in turn enables to the development of problem–solution based forest management planning process.

The BERSMP has been working closely with the Bale Forest Enterprise. A key area of discussion has been the clear definition of new forest management systems under the new Forest Enterprise(s). Discussions centred around 3 different forest management systems PFM / JFM / GFM. It has been agreed that the BFE and BERSMP need to work hand in hand to establish these systems on the ground, and in so doing learn how the new systems and their interrelations and links will work out in real terms.

The BERSMP has technically supported the completion of the Ethiopia country study – *Beams of hope in a Forest of Confusion - Small and Medium Forest Enterprises in Ethiopia* - which will be published by IIED in early 2009.

The BERSMP also continues to try to shift tree nursery production to community based tree nurseries, which seems a key challenge. The idea is to support sustainable business based tree nurseries.

Livelihoods

Significant progress has been made in the development of various Natural Product Enterprises building on livelihood option identification work in the previous year. The design for the construction of the Goba CPL centre was finalised in the first semester and the construction process is now taking place by cost sharing between BFE and BERSMP. A second CPL centre will also be established in Dollo Mena

Woreda. BERSMP and BFE have established a Coffee collection centre with forest coffee drying beds and a coffee storage facility.

BFE and BERSMP are also working together on Natural Forest Coffee as a key NTFP of the Mena Angetu and Harrenna Kokossa Forests. As part of the on-going work this year the Bale Forest Coffee has now been tasted in Addis Ababa, Europe and America. The coffee was found to be of good quality and suitable for export and specialist marketing.

BERSMP is working with local communities and the private sector to promote Community Based Tourism (CBT) in the Bale Eco-Region. The Programme continues to work with the Shaya River Community Management Group to develop river management and sport fishing.

Local level Natural Products sales opportunities were also organised. The Bamboo furniture trainees held a week long exhibition and sale of their Bamboo Furniture in Goba Town at the close of the training course. They also participated in the Robe Town Development Expo., selling Bamboo Furniture and demonstrating Honey and Coffee. Public reaction to all the natural products was very positive.

BERSMP has been channeling CDF funds in the form of soft loans and grants to community based CBOs and business groups. The grants are aimed to support innovation and be used as a match fund, in the set of Natural Products businesses. In addition, trainings have been conducted on bee keeping and coffee post harvesting.

Sustainable financing

In 2008, two studies have been conducted aiming at identifying sustainable financing opportunities for the Bale Mountain Eco-Region: PES and Carbon Finance. The results revealed that there is more potential on the Carbon Finance, than the PES. According to the feasibility study, a huge potential exists for Clean Development Mechanism (CDM) eligible Afforestation / Reforestation (AR) and for Reduced Emissions from Deforestation and Degradation (REDD) components, to be offered on the voluntary carbon market.

The Bale REDD project, which is the focus of the BERSMP, is expected to generate around 80 Mill tons of net CO₂ emission reductions (CERs) in 20 years with the value of some USD 320 million (undiscounted), an annual revenue of ca. USD 16 million. Benefit sharing in the respective SFM schemes will be worked out between Forest Enterprises and the CBOs.

Based on the results of the Carbon study a preliminary market survey was conducted to identify potential investors and public project development partners, and to receive feedback on the project design and requirements for engaging carbon buyers. Two audio conferences were conducted to clarify critical issues around the REDD project.

Next actions will be taken up into two phases. Phase I will deal with elaboration of financial, technical and institutional designs of the project aiming at securing investor commitments to finance the technical development of the project. And Phase II deals with PDD development and validation. In phase II the baseline and all tasks required to develop the PDD will be established. The final product of this phase is a validated PDD and the costs will be covered by the carbon credit buyers.

Policy

BERSMP has continued to work towards improving policy and regulatory frameworks. Lessons have been shared through via its website and through active participation in the PFM working group. Policy briefs have continued to be produced. In an effort to support PFM implementation in the Oromia region, a draft PFM guideline was prepared and is being reviewed by OSFESA. BERSMP has also been involved in a number of policy dialogue and advocacy activities.

A number of publications have been re-produced to provide practitioners practical guides to follow during PNRM implementation. BERSMP has also secured a number of publications from CIFOR that are found to be useful for the programme's natural resource management activities.

As a contribution to policy dialogue in NRM, the 2008 PFM working group workshop was organized jointly by BERSMP and FAO. The proceedings of the workshop is produced and posted on BERSMP's website.

Based on request from the Ministry of Agriculture and Rural Development, BERSMP has commissioned a consultant to produce code of enforcement and decree for the Ethiopian forest proclamation. This is done so with the expectation that the issue of PFM that is not clearly shown in the policy can be elaborated in detail thus making implementation in various regions much more feasible.

BERSMP has also organised a few days visit for members of parliament in Nov.2008. The objective of the visit was to make sure policy makers are aware of various natural resources work that are being done on the ground and that can support them in making informed decision. The group was impressed by what has been presented to them and have agreed to work with the programme closely so that important issues are duly presented to the parliament.

In trying to reach policy makers as well as the wider public and introduce its initiatives towards developing and implementing sustainable natural resource management systems, BERSMP has continued to use e-bulletins, weekly papers and radio and TV broadcasts.

I. Programme Development Context and Background

The Bale Mountains area of Ethiopia is characterized by priority forest areas, mountains and valleys, grasslands and agricultural land. The Bale Mountains National Park, at the centre of the EcoRegion, represents the largest area of Afro-alpine habitat on the African continent. This area forms the watershed of the Bale Massif, which is critical for the livelihoods and well being of hundreds of thousands of people in the highlands of southeast Ethiopia, and an estimated 12 million people in the lowlands of southeast Ethiopia, northern Kenya and Somalia. The Hareenna Forest, covering the southern part of the mountains, is the second largest stand of moist tropical forest in Ethiopia. The forests together with the Afro-alpine plateau are host to a globally unique and diverse fauna and flora, including a significant number of rare and endemic species.

The Bale Mountains is relatively environmentally intact. However, negative pressures on natural resources in the Bale Mountains are rapidly growing. Unsustainable natural resource exploitation and degradation throughout the area is increasingly threatening the sustainability of the environment, food security and sustainable livelihoods. Bale's rural communities are seeking to meet their livelihood needs by expanding exploitation of local natural resources. Current resource exploitation is opportunistic and unregulated. Agricultural land is expanding rapidly, grazing areas are heavily degraded necessitating the search for new pasture, forest areas are being cut and cleared, and water systems disrupted. There are no land use management plans. Land use rights and ownership is confused, and there is no control of resource use. Unplanned and unrestricted settlement is a significant and mounting problem. Existing settlements are growing, and new settlements are appearing in previously unsettled and environmentally sensitive areas. The Oromia Government has commenced the implementation of a programme intervention for the area that focuses on expanded conservation and development initiatives, bringing local communities into a central role in sustainable natural resource management, and building sustainable natural resource based livelihoods. The idea is to involve local communities in the sustainable management of the area as natural resource management partners to the newly formed Bale and West Arsi Forest Enterprises, supported by government services, across the whole Bale Massif. The FARM-Africa – SOS Sahel Ethiopia Bale EcoRegion Sustainable Management Programme (BERSMP) is set up to support both local government and communities to achieve this goal.

The BERSMP is an operational partnership between;
The **Government of Ethiopia** – The Oromiya State Regional Government, the Oromiya State Forest Enterprise Supervisory Agency / the Bale and West Arsi Forest Enterprises, and the Oromiya Bureau of Finance and Economic Development; and
Non Government Organisations – FARM-Africa and SOS Sahel Ethiopia, through their joint Participatory Natural Resource Management Programme.

Secondary partners include the MoARD, BoARD, EIAR, the Bale Mountains National Park, EWCP, FZS, MELCA, BBNC, TESFA and a growing number of Private Sector enterprises (Ecopia, Trout Fish Farmers PLC, Wild Living Resources) and Community Based Organisations (Resource management groups / natural products business groups).

The BERSMP has been designed as a two phase, six year intervention. Phase I will run from July 2006 – December 2009. During the period, the programme is predominantly working on four priority Woredas; Goba, Dollo Mena and Harrena Buluk in Bale zone, and Nensebo in West Arsi zone.

2. Programme Goal, Purpose and Outputs

2.1 Goal - The programme **Goal** is;

The unique biodiversity and vital ecological processes of the Bale Mountains Eco-Region(s), and the social and economic well-being of communities dependent on the Eco-Region's natural resources, are mutually and sustainably enhanced.

2.2 Purpose - The programme **Purpose** is;

To support the government and local communities in the sustainable management of natural resources in the Bale Eco-Region(s) while contributing to sustainable livelihoods and the local and national economy.

2.3 Outputs

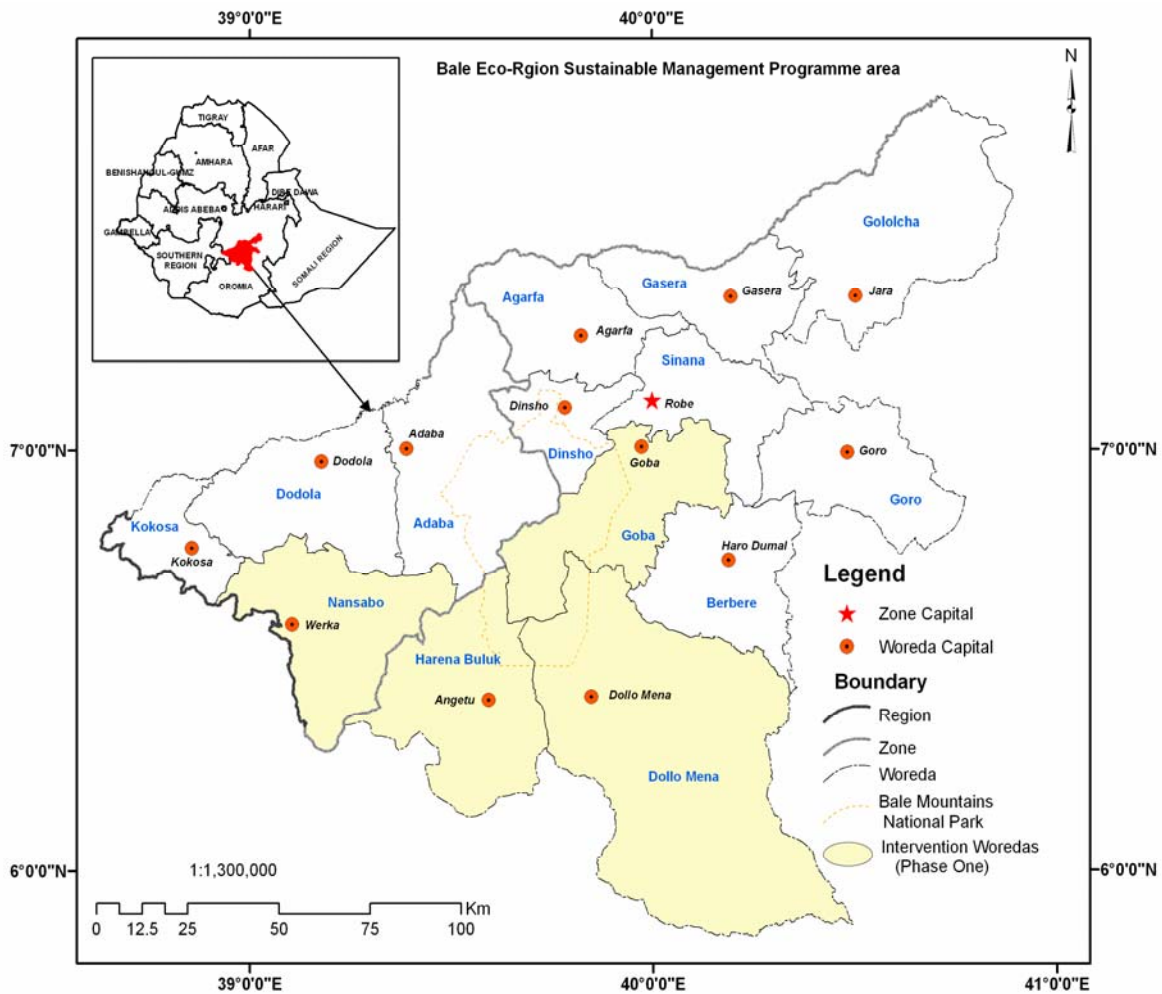
The six programme **Outputs** are;

1. Eco-Region(s) plan completed and being used.
2. Stronger Government and Community institutional capacity for sustainable NRM.
3. Functional and sustainable NRM and conservation systems in place, incorporating different environment and community needs.
4. Community natural resource based livelihoods diversified.
5. Sustainable financing mechanisms in place for the Bale Eco-Region(s) which benefit government and communities.
6. Improved / appropriate legal, policy and regulatory frameworks for Eco-Region(s) planning, CBNRM and protected areas.

3. Map of BERSMP Area

The map below shows the BERSMP programme area. The programme priority Woredas are Goba, Dollo Mena, Harrena Buluk (Bale) and Nenesebo (West Arsi). These Woredas are shaded in order to show their location and area coverage. During the Donor review (Dec 2007) the BERSMP team was asked how it was going to manage to scale up from 4 Woredas to 14 Woredas, from phase I to phase 2 of the planned programme. One of the arguments used by the team, concerning the issue of scale, is that even though the BERSMP has started working in 4 Woredas, the area coverage of intervention is > 50% of the EcoRegion, and includes much of the critical natural resources (Forests / Grassland / Water).

Figure 1: Bale Eco-Region Programme sites



4. Programme Progress - Activity Review

4.1 Eco-Region(s) plan completed and being used.

Resource information gathering – secondary data analysis – information gap analysis
Natural Resource / Human mapping and analysis
Information gap filling
Eco-Region(s) framework plan
Target resource sites identified
Plan monitoring, review and adaptation
Specific skills training
Zone / Region database centre established

4.1.1 Resource information gathering

The 2006 SPOT Satellite Images, purchased by the programme in 2007, have been widely shared with other conservation and development actors in the EcoRegion, including BMNP, FZS and EWCP, Faculty of Spatial Planning Dortmund University, the Darwin Initiative Harrena Forest Monitoring project management by Aberdeen University UK. In addition the images have been used as the basis for the setting up of the Bale Eco-Region database, they have been used in the different studies carried out by Consultants for BERSMP and by a number of MSc and PhD researchers.

GIS and Satellite Images data from the Ganala and Waba Shebelle river basin studies have both been sourced in order to enrich and support the development of a comprehensive database for the Bale Eco-Region.

4.1.2. Natural Resource / Human mapping and analysis

Previously BERSMP natural resource team has conducted resource mapping of the pilot Kebeles. The identified natural resources (forest, water and grasslands) were divided into blocks and compartments in Nensebo, Dello Mena, and Harana Buluk Woredas for the ease of management by the CBOs and to conduct Participatory Forest Resource Assessment (PFRA) activities. The first step of the PFRA is the production of natural resource maps which identify resource boundaries.

Mapping has remained a key element and aim of developing a clear spatial understanding of the Bale Eco-Region. Therefore, it has been a critical part of the on-going Settlement study (mapping - new settlement patterns and dynamics in Woredas), the Bale Livestock study (mapping - livestock movement and mobility), and Forest Coffee study (mapping - forest coffee areas).

The BERSMP and FZS will jointly sponsor the PhD work of Million Belay who will carry out the 3D Modeling of Dinsho woreda. The 3D model will then be used as the centre of resource and planning discussions with and between local Government and Communities.

4.1.3 Information gap filling

BERSMP is continuing to work with FZS and others in the joint support of students/ researchers who are working in the Eco-Region to investigate critical natural resource issues. Topics in this year of investigation include:

- ❖ Mountain Nyala population dynamics and sustainable Trophy Hunting – Anagaw Atickem, AAU / University of Oslo. 2007 data submitted – PhD study on going.
- ❖ Urban –Rural linkages and natural resource use. Umer Ibriham. MSc study - Civil Service Collage Addis Ababa.

Two AAU Earth Science Department GIS MSc. studies have now been completed. One study is techniques of mapping natural Bamboo forest resources. The second study is mapping Fire occurrence. The titles of the study were:

1. Forest cover change detection and Fire susceptibility mapping using remote sensing.
2. Comparison of the performance of selected image classification techniques on medium resolution data towards bamboo resource mapping.

The students are expected to produce reports for the programme after completing the data analysis. The Information will feed into the Bale Eco-Region database.

Settlement Study – This work on the settlement and population issues in the EcoRegion has now been completed. A consultant study on the human settlement dynamics in the four priority Woredas was conducted.

Key findings show that the Bale population is mobile (particularly on the South East of the Mountains) and maintains a number of both permanent and temporary households. The Bale area is also under pressure from in-migration and (illegal) settlement of peoples from the Southern NNP Region and Harerghe. Around Goba the encroachment of settlement into the forested slopes is happening at an alarming rate. The Household survey showed that rural housing is rapidly increasing and that there are no legal measures or mechanisms of house planning. Landuse and land cover change analysis shows a 10% change from forest to cropland in Dollo Mena and Harrenna Buluk, and 65% change from forest to cropland in Goba.

The overall aim of the study is to catalyse dialogue concerning the need for and the urgent introduction of settlement and landuse planning and management.

Bale Livestock Study – This is a significant piece of work and one of the most comprehensive reviews of livestock issues undertaken in Bale to date. The initial findings were discussed in a workshop held in Goba town in April. Since the release of the report at the end of June it has sparked a lot of interest amongst Bale stakeholders and Conservation and Development actors. Key conclusions and recommendations of the study include;

- highlighting the issue of reduced grassland and grazing resources available for livestock, due mainly to the conversion of grasslands to crop agriculture
- Increasing grazing pressure on natural Forests and Bale Mountains National Park, linked to landuse change, and a lack of wider landscape level landuse planning and management.
- The need to recognise, plan and manage mobile grazing systems, including the recognition and revitalisation of the traditional *Godantu* grazing system.
- The mismatch between the stated needs and priorities of livestock owners, and the focus of government livestock extension services.
- The need for a comprehensive livestock management plan for the Bale Eco-Region and the close co-ordination and collaboration of Zone / Woreda Government offices and conservation and development actors (NGOs).

The livestock study is currently being written up as a Policy Brief. All studies and reports carried out by the BERSMP, when completed, are made available on the BERSMP website (www.pfmp-farmsos.org).

4.1.4 Eco-Region Plan

An Eco-Region framework document has been developed and circulated to key partners for comment and critique. As the concept of Eco-Regional planning is taking shape the programme has identified / proposed different planning scales – Eco-Region (Bale / West Arsi) 1:125,000, Woreda 1:50,000, Kebele 1: 10,000. The main aim of Eco-Region Planning is to enable **Sustainable Development**. To

that end the three themes of **Environmental Sustainability; Social Development** and **Economic Development** will be focused upon, to balance the different needs of each sector.

Eco-Region Planning - began in earnest in the second half of 2008. It was agreed to undertake the EcoRegion planning process with the technical support and facilitation of Frankfurt Zoological Society (FZS). This enables us to tap into FZS's growing experiences in this field, and to ensure coordination with similar planning processes undertaken in the Bale Mountains National Park

Presentations were first made to the Zonal Steering committee with the result of Zonal level approval of the EcoRegion planning process and the set up of the Core Planning Team.

Eco-Region Planning Workshop I – Involving Zone and Woreda experts from across the Eco-Region, from different government offices such as Agriculture / Education / Health / Tourism etc. This first workshop focused on the identification of Priority Components and Key Attributes of the Eco-Region, the threats, and their direct and indirect causes, to them.

Eco-Region Planning Workshop II – Involving Zone, Woreda experts from across the Eco-Region, from different government offices such as Agriculture / Education / Health / Tourism etc. This second workshop focused on the ranking of Priority Components and Key Attributes and action strategy development.

Database Centre establishment - BERSMP is developing a Bale database, to be available at different planning levels (Region, Zone and Woreda levels). This information resource is for the government, as well as conservation and development actors / decision makers to have access to the database at their respective levels. The data sets will be built up under the Environment, Social Development and Economic Development planning themes of the Bale Eco-Region.

To establish the database BERSMP has completed the following preparatory work:

- ❖ Needs assessment, and requirement analysis-
- ❖ Database design and implementation,
- ❖ Customise MS access environment for easy data entry and report generation
- ❖ Provide advisory services to the Programme on the setup and management of the Database Centre, and preparation of the Eco-Region plan atlas of key information.

4.1.5 Target resource sites identified

Within the four priority Woredas, 2 kebelles have been selected in order to commence the set up of the programme;

- ❖ Goba – *Fassil Angeso* and *Ittitu Sora*
- ❖ Nensebo – *Huro Baro* and *Harawa Kuni*
- ❖ Harrena Buluk – *Kumbi* and *Shawe*
- ❖ Dollo – *Wabero* and *Chiri*

The development and implementation of natural resource management plans for these areas is on going. In this work the BERSMP is working on key natural resources, for example water, particularly the Shaya river, natural Bamboo forests in Shedem, Wild natural Coffee forests in Dollo Mena and Harena and Honey forests (all sites) as targeted resource sites.

Water resources are key target area for programme operation. Bale water and river maps have been developed for the Eco-Region planning workshops.

Working with the Bale Forest Enterprise, 5 Regional Forest Priority Areas within Bale have been targeted for the establishment of Sustainable Forest Management and Joint Forest Management systems.

Eco-Region Planning – Priority Components - Landscapes, particularly those encompassing human elements, are inherently complex therefore, given the limited resources available, it is impossible to manage and monitor all individual components and inter-linkages. The TNC-CAP process identifies focal conservation targets (as opposed to indicator targets) which are the **Priority Components** of the ecosystem that together characterise the biodiversity and ecosystem services that are in need of conservation or management. In Phase I, Priority Components for the Bale Eco-Region were identified under the three pillars of sustainable development: *ecological, economic and social*. The overall objective of the Eco-Region Plan is to improve the condition of these Priority Components in some way and to balance the interactions between them – reducing negative conflicts and contradictions while increasing positive complementarity. Thus, the Priority Components will be the basis for setting goals, carrying out management actions, and measuring effectiveness. Due to the holistic and wide ranging nature of the landscape, the management vision, high-level strategic plan and detailed action plans to address the threats to the Priority Components will also necessarily be holistic and wide ranging.

Ecological: Environmental Management

| |
|---|
| Hydrological system |
| Forests |
| Afroalpine and Sub-Afroalpine (Ericaceous belt) |
| Grassland |
| Wildlife |
| Natural Products (including NTFPs) <ul style="list-style-type: none"> • Medicinal plants / Bamboo / Fuel wood and timber / Coffee / Honey / Mineral water / Incense, gum and essential oils / Hunted species |

Economic Development

| |
|-----------------------------------|
| Agriculture (crops and livestock) |
| Tourism |
| Clean energy |
| Industry |
| Business development |
| Financial services |
| Infrastructure and services |

Social Development

| |
|---------------------------|
| Population and settlement |
| Culture |
| Health |
| Governance |
| Education and training |
| Social security |
| Community empowerment |

4.1.6 Specific skills training

Links continue with the Regional Centre for Mapping of Resources for Development (RCMRD) in Nairobi, Kenya, although the Centre was closed for a number months at the beginning of the year due to the political problems in Kenya.

Tanzanian National Parks Authority (TANAPA) / Frankfurt Zoological Society hosted a Mahale Mountains National Park / EcoRegion Experience Exchange visit. Bale Eco-Region Sustainable Management Programme (BERSMP) is using an Eco-Region planning approach which is developing and piloting the Eco-Region planning systems for the first time in Ethiopia. Mahale Ecosystem Management Programme (MEMP) is also using a similar approach in the Mahale Mountains area of Tanzania (The Mahale area has many similarities with Bale). Therefore, the programme made an experience exchange visit to the area, hosted by the MEMP, to share experience on the Eco-Region planning system, participatory natural resource management and livelihoods. Participants were from FARM-Africa & SOS Sahel Ethiopia BERSMP and Forest Enterprise government counterparts from Bale Zone and Oromia region.

FZS – BERSMP joint Eco-Region planning – Dr Karen Laurenson and Dr Debroah Randall, both senior FZS technical staff, are working with the BERSMP planning team, providing technical support to the development of the Bale Eco-Region Plan. They bring Eco-Region planning experience from a number of African and Asian countries.

4.2. Stronger Government and Community institutional capacity for sustainable NRM.

Government capacity needs assessment

Community capacity needs assessment

Government capacity needs delivered

Community capacity needs delivered

Government – Government co-ordination and communication

Community based Organisation identification, strengthening and establishment

4.2.1 Government and Community Training Needs Assessment (TNA)

Training Need Assessment (TNA) conducted - Following on from the initial TNAs carried out in 2007, the programme has also conducted further training need assessments in 2008. It is viewed that as BERSMP partners increasingly understand the Bale Eco-Region approach, they will be able to more clearly identify their skill needs and the key technical knowledge gaps in the implementation of the programme activities.

4.2.2 Government and Community capacity needs delivered - A number of key training and learning events have been conducted in 2008.

Woreda based Planning - activity planning workshops were conducted for the 4 priority Woredas - Woreda based Planning workshops were conducted in February 2008, in Robe. The overall objective of these meetings is to improve the planning skills of Woreda government and to give Woreda government partners a key stake in setting the activities of the BERSMP.

The specific objectives of the Planning meeting were:

1. Progress Review 2007 Woreda level programme activities
2. Develop 2008 annual plan of operations
3. Scaling up of BERSMP activities to neighbouring Kebeles

During the meeting issues such as; the status, achievements, and challenges regarding the Woreda level activity implementation were identified. The group then discussed how to improve and increase implementation in 2008.

During the meeting it was also discussed on the scaling up of the BERSMP activities into the remaining 10 Woredas in the Eco-Region, to develop strategies to scale up the activities. The Woreda meeting participants identified the natural resource potential and livelihoods opportunities in their respective Woredas that will help the programme to prioritize the Woredas to start the scaling up activities.

BERSMP - Woreda level training - the key approach to training and skills development is an approach of learning by doing. The BERSMP is designed around the core strategy of *participation*, as learning and enabling process. On-going participatory field activities are the core opportunity for both Government and Communities to learn new skills. Professional to Professional / Community to Community exchange visits are an important training approach that has been undertaken by BERSMP. Certain specific trainings have also been delivered.

Field based training in Participatory Forest Resource Assessment (PFRA) - Training was given to community Forest Management Groups prior to carrying out PFRA activities in all Woredas / forests sites. In order to introduce all programme stakeholders to the PFRA concept and practice, Woreda Development Facilitators supported by PNRM advisors facilitated introductory training sessions, followed by the actual practical field work (carrying out the PFRA itself). A number of Woreda level government partners were also involved (Counterpart staff / Enterprise staff / Dep. of Agri. / Women Interns)

Educational Programme - A key capacity gap identified at the start of the BERSMP was that of the level of qualification of Woreda technical staff. Woreda government offices therefore requested that BERSMP support a further education programme with Woreda offices. The BERSMP is now sponsoring Government selected technical staff in part-time higher education summer courses. This intervention is relevant and operational across all 14 Woredas.

The BERSMP sponsors the following Natural Resource Management Education Programme:

- ❖ **Diploma to BSc. programme**
25 Technical staff from the 14 Woredas are upgrading from Diploma to Degree level attending Wondo Genet College of Forestry and Natural resources
- ❖ **Special female internship, Grade 10 to Diploma programme**
Currently 26 female students drawn from Bale Eco-Region programme intervention areas are attending Diploma courses in Wondo Genet College of Forestry and Natural resources.
- ❖ **BSc. to MSc programme**
Five senior government technical staffs have joined the same college for their MSc. study (MSc. in Farm Forestry and Production Forestry).

Strengthening Female students' internship - BERSMP, with Wondo Genet College Forestry (WGCF), have arranged a special programme during the summer period to train young professional females to Diploma level in natural resource management. The young professionals attend summer college courses and are then attached to their respective Woreda office of Agriculture during the remaining nine/ten months of the year. The Young Professionals are engaged in the BERSMP activities at Woreda level. They support the Woreda Development Facilitator and Government Counterparts in the implementation of the programme activities and thus picking up valuable field experience in the process.

Business Management Training and Business Mentoring - At the end of May, Duncan MacQueen (Senior Forestry Business Advisor - IIED Forests and Landuse Programme) returned to Bale to deliver an introductory Business Planning and Management training course. The course was conducted in Goba Town in Bale. Participants involved were local actors from Bale Forest Enterprise, BERSMP staff, Zone / Woreda government partners, as well as actors from further afield, such as Finfinne / West Arsi / Borana-Guji Forest Enterprises, and the OSFESA. The report of the training is finalized – feedback from all those trainees involved was that it was a really useful and interesting working session – the main complaint – the training was too short.

Following on from this Business training was the recognition of the critical gaps in capacity to promote small and medium scale forest Enterprises and natural products business in Bale. The Programme has been working to set up a long term Business Mentoring contract with suitably qualified external consultants. Towards the end of the year this tendering process was concluded with the appointment of MatchMaker Associates- Private Sector Development Consultants.

Participatory Forest Management Training - BERSMP has been implementing PNRM (Participatory Natural Resources Management) systems in four priority Woredas of Bale Eco-Region, since 2007. The Programme activities have concentrated on the four, phase I priority woredas. In order to scale up the PFM work into the other remaining Woredas of the Eco- Region, BERSMP organized training on Participatory Forest Management (PFM). The objective of the training was to build the capacity of a wider group of Development Partners, including government and non government institutions' staff. The aim of the training is to develop the ability of implementing PFM across the Eco-Region.

The training participants were drawn from eight (four pilot and four new PFM scaling up woredas) Woredas of the Eco-Region. The total number of training participants was 68, of which 17 were female.

PFM Training Participants

| Woreda | Number of Participants | | | | | Total |
|---------------|------------------------|-------------------------------------|--------------------------------|----------------------|------------------------|-----------|
| | ARDO/ PDO | Forest Enterprise (BFE & AFE) | Developme nt Agents (DA) | MELCA, FZS & BMNP | Internship students | |
| Goba | 1 | 3 | 2 | 3 | 2+1* | 12 |
| Dello Menna | 1 | 2 | 5 | 1 | 2 | 11 |
| Harena Bulluk | 2 | - | 5 | - | 1 | 8 |
| Nensebo | 3 | - | 3 | - | 2 | 8 |
| Dinsho | 1 | - | 2 | 2 | 2 | 7 |
| Agarfa | 3 | - | 2 | - | 2 | 7 |
| Gololcha | 1 | 2 | 2 | - | 2 | 7 |
| Goro | 2 | 2 | 2 | - | 2 | 8 |
| Grand total | | | | | | 68 |

Training on Bamboo cultivation and propagation - The sustainable management and livelihood potential of bamboo has long been recognized as a key area of work within PFM and NTFP promotion. The BERSMP has been working on the promotion of sustainable Bamboo resource management in the Bale area since early 2007.

Bamboo natural resources and natural forests are still relatively little studied and the initiatives to manage the resources are limited by a lack of basic knowledge concerning the Bamboo plant itself and appropriate Bamboo resource management. Therefore, it was agreed that, training for trainers (specifically focusing on the cultivation and propagation aspects) is needed for government partners, programme staff and other NGOs working in similar areas. For this purpose a 5 days training was given for 25 trainees with the following objectives:

- ❖ To give a broad overview of the floral biology, physiology and life cycle of the Bamboo species;
- ❖ To describe in detail the reproductive methods of bamboo, with particular reference to natural bamboo forest regeneration and nursery management;
- ❖ To provide an outline of the management of bamboo natural forests and plantations, with particular reference to soil and altitude requirements, planting, weeding and tending, harvesting period, rotation management, and pest and disease; and
- ❖ To provide trainees with a well set out training manual that details the training content.

The trainees are expected to put Bamboo natural stands under appropriate management and also promote homestead cultivation in their respective woredas by providing trainings to community members.

Training on tree seed management - BERSMP felt the need to fill in the gap on the side of its staff and that of counterpart organisations on tree seed handling and thus initiated training on tree seed. The aim was to contribute in broadening the know-how of community based tree seed management thus leading to better results in afforestation initiatives within the Bale eco-region and beyond.

The training was given to 23 professionals for five days and acquainted experts at woreda level with sound tree seed management techniques. Similar training will be provided to community members by these trainees. The session included all relevant themes of seed management that enable to launch viable seed systems and scaling up seed production, seed sources, seed collection and processing, seed treatments and seed quality, seed distribution and documentation and introduces viable nursery practices.

Land Tenure and Forest re-demarcation workshop - BERSMP in partnership with Bale and Arsi Forest Enterprises organized a three-day Land Tenure and State Forest re-demarcation workshop in Bale Zone, Goba town. The workshop involved woreda level professionals and selected Zonal and Regional representatives. The Workshop also drew both judiciary and executive bodies together. Invited participants were from Bale and West Arsi zones of Oromia relevant offices. Many witnessed as the gathering is the first of its kind bringing together a wider range of participants discussing solely on issues of Natural resources. The primary aim of the workshop was to create awareness on the newly issued Land Certification and Forest Re-demarcation guidelines. Higher officials both from Oromia Bureau of Agriculture and Rural Development and State Forest Enterprises Supervisory Agency briefed the participants on the issues of land tenure in the State Forests and the need and process of re-demarcation of the State Forests

Discussions on challenges of sustainable natural resource management consumed most of the workshop time. Different papers dealing with major concerns of unsustainable resource utilization and forest destruction were presented and discussed. Among these were a case study of Goba Woreda at Sustainable Development Crossroads, and the 2008 Bale Wild Fire assessment report. A paper aimed at raising the awareness of the participant under the title The Value of Forest Eco-systems of Ethiopia was also presented. Bale Mountains National Park together with Frankfurt Zoological Society has been undertaking National Park re-demarcation. Lessons captured so far were shared.

More than 324 individuals participated:

| | |
|--|-----|
| • Bale Zone | 22 |
| • Bale Zone (17 woredas) | 228 |
| • Bale Towns (Goba and Robe) | 7 |
| • Bale Forest Enterprise (Zonal) | 4 |
| • Bale Forest Enterprise, District Offices | 10 |
| • West Arsi Zone | 2 |
| • West Arsi Woredas | 37 |
| • Arsi Forest Enterprise | 2 |
| • Arsi Forest Enterprise(district) | 2 |
| • Arsi Town (Dodola) | 2 |
| • BERSMP | 8 |

MELCA – Environmental Education - BERSMP has been working with the local NGO MELCA for the past 2 years. With The Programme’s financial support MELCA has provided local level training on Watershed management and CBO financial and organizational management training, conducted from 21-25 May 2008 at Dinsho town. A total of 42 trainees participated out of which 12 were from Bale Beauty Nature Club based in Goba and the remaining 30 were local people from Dinsho town.

The watershed management training familiarized the trainees on the needs of conserving natural resources and the needs to follow watershed approach that the government is also implementing. It helped participants recognize the possibilities of creating income generating activities from tree seedling raising and different tree species seed collection.

The financial and organizational management training enabled the trained youths understand how important financial management is for running effective businesses. The trainees were able to see inwards and check their potentials, strength and weakness in starting new businesses. The trainees were trained to be capable of creating, maintaining, increasing and protecting money.

SENGI (Social Empowerment through Group and Nature Interaction) also means “Seed” in Afan Oromo. It is an innovative approach to experience learning about environment and culture. The SENGI programme takes youth into wilderness “on trail”, to experience nature, learn about traditional ecological knowledge of biodiversity and conservation, and foster leadership. The

programme is conducted under tutelage of Community Elders who share their knowledge and experience of traditional environmental management as well as environmental changes. MELCA conducted eleven SEGNI programmes in 2008. BERSMP funded the cost of them all. Some 201 individuals took part in the SEGNI (124 Males and 77 Females).

Goba Woreda Natural Resource crisis - In Goba woreda, the current level of resource mining is so huge that it is threatening the future sustainable development of the area. Excessive fuel wood flow from the surrounding Mountains to Goba town seems unstoppable. The prevailing free riding condition over the natural resources is going even further to hindering communities' willingness of taking up sustainable resource management and wise utilization opportunities. In an effort to understand the reasons behind community's reluctance towards the new PNRM management approach, BERSMP conducted a rapid fuel wood demand and supply survey and presented the findings to Community Elders and government institution in the Woreda.

Following the presentation, community leaders and woreda government officials vowed to regulate illegal mining of the Natural Resource. The Woreda Administration has passed instructions to the workshop participants to stop illegally unsustainable exploitation of the diminishing natural resources.

International Experience Exchange – Ghana International Forestry Conference -An International exchange visit was arranged for both the BERSMP and government staffs to Ghana, West Africa. Six (four BERSMP and two government staffs) were in Accra-Ghana to take part in an international conference on Traditional Forest-Related Knowledge and Sustainable forest Management in Africa from 15th to 17th October 2008. In the conference, best papers from all over Africa and elsewhere related to the subject were presented and discussed. Part of the deliberation was also visits to well managed resources including a national park and a botanical garden.

National level PFM & NR based Livelihoods Experience Exchange Visit - Farmer to Farmer exchange visits were organized for farmers/pastoralists drawn from four BERSMP pilot Woredas, Government institutions including Bale and West Arsi zone Cooperative Offices, Woreda Agriculture and Rural development offices, Arsi and Bale Forest Enterprises, BERSMP staffs as well as some BERSMP sponsored female interns working with the programme.

A visiting group consisted of 130 individuals, out of whom 78 are farmers and the remaining are technical staffs (see table below)

Table 2 Exchange Visit Participants

| Woreda | Farmers | DAs | Focal persons and Counter parts | FEP | Coop. | NR | Intern students | BERSMP | Total |
|---------------------|-----------|-----------|---------------------------------|----------|----------|----------|-----------------|----------|------------|
| Goba | 19 | 3 | 1 | 1 | 1 | | 3 | 1 | 30 |
| Delo | 19 | 5 | 2 | 1 | 1 | | 2 | 1 | 31 |
| Harena | 22 | 6 | 1 | 1 | 1 | 1 | 1 | 1 | 34 |
| Nensebo | 18 | 5 | 2 | 1 | 1 | 1 | 2 | 1 | 32 |
| W/A/Zone | | | | | 1 | | | | 1 |
| Bale Zone | | | | | 1 | | | | 1 |
| BERSMP field Office | | | | | | | | 3 | 3 |
| Total | 78 | 19 | 6 | 4 | 6 | 2 | 8 | 7 | 130 |

The objective of the Exchange Visit was to gain experience from successfully accomplished and still underway PNRM projects that have similarity or connection with what BERSMP is doing in the areas of participatory resource management and natural resource based livelihood diversification. The following were observed among others:

NTPF Research & Development Project South-West Ethiopia - The intervention operates in Bench Maji, Kafa and Sheka Zones of SNNPR is in its fifth year. Similarly to BERSMP, a PFM approach has been followed and livelihood activities supported. Recently, participatory land use planning has also been added. Rather than establish kebele level cooperatives that are engaged in both forest management and livelihoods, the NTFP project has formed PFM associations at village level that operate alongside private limited companies (PLC) that are currently trading honey.

PLCs have been established with a maximum of 50 members and each voluntarily contributes five per cent of their income to the corresponding PFM group. They have been supported through the provision of seed money, office and store construction and with numerous training programmes. Intermediate hives have been introduced. A kilogram of honey is now sold for 16 to 18 birr, whereas previously only three to seven birr was realized. In one instance a contract has been signed to supply unprocessed honey to Beza Mar. Alongside these activities, the project is supporting existing coffee cooperatives that were originally begun under the previous government. 50,000 birr was granted to secure organic certification previously, which was subsequently financed by a third party.

Yaayoo Biosphere Reserve - The Biosphere Reserve has been established as a gene bank for the over 100 varieties of coffee that can be found within the forest. It is composed of a 10,200 ha core zone surrounded by a Buffer Zone and then a Transition zone. Currently, there is a plan to convert a further 19,300 ha to a core area. The core zone is designated as an area free of human interference apart from non-destructive scientific research, while in the Buffer zone forest products can be collected. However, no forest clearance can take place and no hybrid species introduced. Further, the transition zone allows for livestock grazing and planting of non-hybrid varieties. 310 households have had their access restricted as a result of the interventions and have been offered no compensation or alternative livelihood option. It is hoped the area will be recognized by UNESCO, which will bring benefits for local communities. This is a new intervention in Ethiopia and remains a very interesting and emerging case study.

Wenchi Ecotourism Association (WETA) - WETA was established as a Cooperative in 1997 and currently has 250 members. Its structure consists of an executive committee with 13 members representing 11 groups that focus on specific activities (e.g. craft products, horse hire, guides etc.). They previously received technical and material support from GTZ and are currently working with the Slow Food Movement to market honey under the brand name 'Wenchi Volcano Honey' directly to the Italian market. They recently sold 150 kg for 30,000 birr. In 2007 the Cooperative's income was 198,080 birr and they have a total capital of 900,000 birr. Dividends are distributed monthly based on individual contribution and range between 100 and 400 birr. In addition, eight per cent is contributed to a community development fund. Through this, the Cooperative is paying the land utilization tax for all of the 350 households within the kebele as an incentive to stop cultivating new land. A major challenge for WETA has been an ongoing conflict with a local investor who has tried to gain exclusive management of the entire area, which the Cooperative has strongly opposed.

4.2.3 Government – Government co-ordination and communication

Regional Advisory Committee (RAC) – The OSFESA has been closely engaged with the BERSMP. The Regional Counterpart has made regular visits to the Programme site with the BERSMP Programme Manager. Key areas of work have been resolving the issue of how the programme should work with West Arsi Forest Enterprise. Clarifying the roles and ToR of the Zonal Counterpart, and leading a working group on the clarification on forest management systems to be adopted by the Forest Enterprises (GFM / JFM / PFM). Dr Girma Amete, Director of the OSFESA has made several visits to the Programme and is a committed supporter of the Bale Eco-Region approach to Sustainable

Natural Resource Management and NR based Livelihoods. He is also a key player in the development of the Bale Carbon REDD project (see section 4.5).

Zonal steering Committee (ZSC) - The Zonal Steering Committee has also been under review. Organisation and liaison between the BERSMP is now the clear role of the Zonal Counterpart (ToR review). The Programme, the BFE and the Zonal Government have been working together on issues such as the Wild Fire outbreaks and control that became significant in March / April of this year.

At the ZSC meeting in Shasamene Eco-Region Planning concept was introduced to the ZSC group. The planning process was approved and the BERSMP given the go ahead to develop the system.

The Zonal Counterpart has held a number of meetings with West Arsi Zone in order to discuss BERSMP activities. BERSMP has been elected to the West Arsi Research and Development Committee.

BERSMP, BFE, BMNP and FZS, EWCP have held a number of coordination meetings in order to discuss common issues and increase collaboration. This critical coordination between the BFE (supported by BERSMP) and BMNP (supported by FZS and EWCP) is looking at issues such as natural resource categorisation, land certification and State Forest and Park boundary demarcation.

At the request of the Bale Zonal Government, BERSMP contributed part of the cost towards the Zonal Administration vehicle repair. This action was justified in recognition of the joint movement across Zone during the Wild Fire outbreaks, and subsequent vehicle damage / wear and tear.

Woreda Coordination Committee (WCC) - Woreda Coordination Committees meetings have been conducted in the four Woredas of the Eco-Region. The committee continues to review BERSMP implementation status. A key area of work this year has been the review of Kebele level PNRM bylaws developed by the planning committees of forest management groups (all woredas) and river management groups (Goba Woreda) in their respective Woredas. The meetings are the real reflection of the partnership implementation of the programme by the government and NGO's. The WCC meetings also reflected the responsibility of ownership of the Programme by the government offices and raised understanding of all stakeholders about the Programme. During the meetings discussions were carried out on activity achievement against plan, implementation status, and challenges. During the meetings the WCC expressed their commitment to follow-up and support the Programme implementation in the remaining period of the Programme.

Scaling up of BERSMP activities within the priority Woredas - Following discussion on the scale of activities at the Donor review meeting in December 2007, BERSMP is planning to test options to scale up the Programme activities to the neighboring Kebeles, within the priority Woredas. It is also planned to gradually scale up activities to the rest of the ten Woredas of the Eco-Region.

To achieve this plan the BERSMP is working on the following strategies:

1. Increasing the involvement of the different Woreda government offices
2. Recognition of existing activities that are covering the Eco-Region, e.g. Eco-Region planning / Education support / Tree planting
3. Involvement of summer female Young Professionals (Diploma) and other summer professionals upgrading from Diploma to BSc, in Woreda level activities
4. Farmer to Farmer extension and exchange – the communities of the current pilot Kebeles will introduce the programme initiatives to their neighbouring Kebeles
5. Partnerships in implementation - Involve different local NGOs working in the Eco-Region (FZS, EWCP, MELCA, HUNDEE, Agri-service, and Bale Beauty Nature Clubs) in similar activities / BERSMP activities.
6. Translate FARM-Africa SOS Sahel PFM manual into Afan Oromo, so that DAs, Communities, and others can more easily understand the PFM manual and implement it.

7. Training and learning events – continue to build the skills and capacity across the Eco-Region through the organisation of cross cutting training courses and learning events, e.g. Annual Land Tenure workshop.

Scaling up in action - The plan for 2008 is to cover $\geq 50\%$ of the natural resource sites in the new Kebeles. Each Woreda (WCC) selected additional pilot Kebeles for the scale up. The criteria for the selection of the Kebeles were: Resource availability (Forest, Grassland and Water), natural resources based livelihoods options, and accessibility.

The selected new Kebeles per Woreda are:

Delo Mena - Deyu / Irba / Oda Dima, and / Walta'l Gudina

Goba - Buko / Shedem, and / Wajitu Shabe

Harana Buluk - Sodu welmel / Buluk / Garbi Galo / Sodu lallaftu / Anole - woodland Kebele

Nensebo - Garambamo / Mandoyu / Bulga / Qore

Social Services Support - Social Service support for Woredas - As part of the capacity building component of the programme, BERSMP is working on supporting the government in providing funding for HIV/RH actions. Last year BERSMP supported Bale and West Arsi Zones health office to work on HIV/RH training of community based health workers. They have conducted training for the Woredas of both zones for people working on health sector and other influential people on the areas of reproductive health and HIV. In 2008 the Programme extended the same support to the four priority Woredas of the Eco-Region. Currently Harrenna and Nensebo Woredas have developed proposals and received funding support. Goba and Dollo Mena are developing their proposal to submit to BERSMP.

Toward this end, BERSMP has continued working in the area of reproductive health strengthening and promotion. The programme supported reproductive health promotion activities in two woredas of Bale and in Nensebo Woreda of West Arsi Zones. In an effort to strengthen and promote adolescence health in Harana Buluk woreda, with support provided from BERSMP, the woreda health office has managed to train 223 individuals for five consecutive days. The attendants were drawn from communities and government institutions.

The trained group constitutes: 94 community leaders, 53 community elders, 39 religious leaders, 14 traditional birth attendants and 23 Health extension workers. Social support was also provided to Mena Angetu woreda of Bale zone. The woreda used the money for reproductive health promotion, and also to support HIV/AIDS orphaned children. Nensebo Woreda of West Arsi zone was also among the beneficiaries of the BERSMP social support. The woreda health office trained 105 influential community leaders, 37 women and youth association members, and 20 traditional birth attendants drawn from twenty kebeles of the woreda on family planning, harmful traditional practices, HIV/AIDS and PMTC.

Part of the Social Fund has been used for the new Family Law promotion. New Family Law is enacted both at Federal and Oromia regional state level. The new law made considerable effort to address gaps in old laws in the light of the Ethiopian constitution, with particular focus on the guarantee of Child and Women rights. One important aspect of the new law is that it prohibits any form of polygamy. In areas like Bale, where polygamy is highly practiced and contributing to high population growth, full implementation of the law is vital. Unfortunately the law is not known to many still, and polygamy is widely practiced. BERSMP also provided support to Bale Zone Justice Department initiative of making the law known to wider communities, especially women. With the support, the Justice Department gave awareness training to c.5000 women in four woredas of the zone: Goba, Dinsho, Sinana and Gasara.

4.2.4. Community based Organisation identification, strengthening and establishment

Community level Forest Management Groups continue to be the focus of NRM CBO development. The issue of legal status has been key in discussions of how best to guide CBO strengthening. Cooperatives and Associations remain the most recognisable institutional forms by Government and

Community. However, there are still critical questions over the suitability and sustainability of Cooperatives and the limitations of Cooperative law and government capacity to support them. For example, in Wabero Kebele, Dollo Mena an already existing Multipurpose Business Cooperative is proposed as the new forest management Cooperative, as the Woreda Cooperative Office has stated that it can not service more than one Cooperative per Kebele.

Traditional NRM Institutions have not featured significantly in the work of the Programme except for the *Godantu* grazing system, repeatedly highlighted in the Bale Livestock study.

Business development groups, linked to the livelihoods component of BERSMP have been the focus of CBO business enterprise groups. Business groups working on forest coffee, pure honey, bamboo furniture, improved stoves, natural products trading groups are all being promoted and supported by the Programme.

Bale Beauty Nature Club - BERSMP continues to closely work with a local nature club based in Goba, called the Bale Beauty Nature Club. This is essentially a Youth action group. As part of the capacity building endeavour, the programme has continued to support the club's voluntary indigenous tree planting activities. Executive members of the club have been invited to various trainings (e.g. Business Management) and involved in PNRM discussions. The programme also gave the BBNC the opportunity to sell Natural Products along side its display at the Addis Ababa Exhibition Centre Fasika Natural Resource Products Expo. The Club has also participated in the Goba Natural Products expo during the Donor visit.

4.3 Functional and sustainable NRM and conservation systems in place, incorporating different environment and community needs

Investigation – resource use and users
Negotiation – plans and agreements
Implementation – management – inc stakeholder monitoring
Benefit sharing.
Conflict Management
Formalisation of new NRM systems

4.3.1 Investigation – resource users and uses

In general terms PFM Investigation work continues in new areas as part of the spread of PNRM from Kebele to Kebele / Woreda to Woreda.

Participatory resource mapping - The BERSMP is working towards scaling up of programme PNRM activities from the original 2 Kebeles commenced in 2007 into the neighbouring Kebeles, within the 4 selected priority Woredas. Towards this end, the PNRM / WDF field teams have continued to conduct participatory natural resource mapping in all Woredas as an entry point into the new sites. For example in Goba Woreda in the two new Kebeles of Wajitu and Shedem, and in Harana Buluk in four new Kebeles. As part of scaling up BERSMP's activities into new Kebeles of the priority Woredas PFM introductory meetings and participatory resources mappings were carried out in three Kebeles (*Erba, Waltayi Gudina and Burkitu*) of Dello Mana Woreda, two Kebeles in Harana Buluk and three Kebeles in Goba Woredas. In these Kebeles Plan Preparatory Committees (PPC) were setup. The purpose of these committees is to facilitate establishment of participatory natural management systems into their respective Kebeles.

Scaling up of PNRM activities to new Woredas within the Eco-Region – The Programme has responded to Donor concern about the scale of implementation of the BERSMP by commencing strategies for scaling up PNRM activities.

- Introductory PFM training has been given for 68 government and non government staffs working in the four new scaling up woredas (Agarfa, Dinsho, Goro and Gololcha);
- Two priority kebeles from each new Woredas were selected for intervention;
- Introductory meetings were conducted in the whole eight kebeles of the four new scaling up Woredas;
- Introductory meeting and Participatory resources mapping in two kebeles of Agarfa woreda have been carried out;
- PFM Action plans were prepared as part of the PFM training; and
- An Oromifa version of the PFM manual is under revision.

The BERSMP team made PFM introductory visits to Dinsho, Agarfa, Goro and Gololcha Woredas and discussions were held with staffs of Woreda Agricultural and Rural Development and Bale Forest Enterprise on the possibilities of implementing participatory natural resource management options in their localities. It was agreed to scale up PNRM activities into these Woredas and specific resource sites or Kebeles have been selected for intervention. Partner organizations (GOs and NGOs) for scaling up into these new Woredas were also identified.

Participatory Geographic Information System (PGIS) - Participatory GIS refers to the involvement of local communities in the collection of geo-location data that is then digitised and stored using GPS and GIS technologies. BERSMP has introduced this technique to the area last year and is continuing to use the approach, with the aim of gradually introducing practical landuse mapping / planning tools to local government staff and communities. The type of important information that is involved in this PGIS approach includes:

- Forest boundary demarcation – Forest Blocks and Compartments
- Participatory Forest Resource Assessment plots / grids

- River courses / coffee forest area / key natural resources
- Tourism sites / Settlements
- Mobility – livestock movement and routes
- Land Certification

Community Based Organization (CBO) set up - The set up of NRM CBOs is a key part of the investigation phase of PFM. Group set up has continued with the discussion and review of the appropriate type of CBOs, looking at the approach to traditional and modern institutions set up and their functionality. For example under review are traditional CBO's such as; *Gada*, *Idir*, and *Debo*, and more modern governance systems such as community level Associations, Private Limited Companies and Cooperatives. It was agreed that after explanation and clarification of different types of CBOs, the community should hold their own in-depth discussions and decide upon the appropriate CBOs that they want to establish. As a result both Cooperatives and Associations seem to be the preferred options amongst the communities.

CBOs continued with the development of internal rules and regulations by which the organisation will be governed.

- Internal regulations / by-laws and management plans - planning committees established.
- Internal regulations / by-laws establishment training - delivered to the planning committee members
- Draft Internal regulations / bylaws have been prepared in all pilot Kebeles by all the community – which is now under review by Woreda government offices.

CBO registration - Natural resource management user groups are being organized in all the four priority Woredas. However, to be legally recognized by the relevant government offices, CBOs must form either Cooperatives or Associations or PLCs. Therefore, the programme has had detail discussion with different government departments and the communities to decide which type of community based organization to establish. The general agreement was to establish cooperatives to keep the process moving forward, but to look to improve and strengthen options as time goes on. Therefore, in Dello Menna Woreda the Wabero Kebele forest user groups were registered by the Woreda Cooperative promotion office. Other forest management groups are on the process of cooperative set up.

Participatory Forest Resource Assessment (PFRA) – PFRA has been conducted in the two priority Woredas (Dello Menna & Harana Buluk) of the three priority Woredas in Bale. The assessment was conducted in four Kebeles (2 Kebeles in each Woreda). The activity was carried out with respective Kebele community groups (Forest Management Group representatives). The area of the forest assessed is as follows: Delo Mena: Wabero: 10,000 ha / Chiri 4593 ha / Harana Buluk: Kumbi: 15,230 ha / Shawe – on-going. PFRA has also been conducted in Nensebo Woreda in West Arsi zone, in two Kebeles: Harawa Kuni (Shambal Kadir & Tulu Lencha) and Huro Baro. The assessment was conducted by the forest management planning committee of the respective Kebeles. The work commenced with a basic training on Participatory Forest Resource Assessment methodology. The natural resources areas have been demarcated and assessed. The areas assessed were 5854 ha of natural forest, 1912 ha of grassland, and 288 ha of wetland.

PFRA results - Forest Resource status. As the PFRA data reveals the Dello Menna and Harena Buluk forest are relatively less disturbed compared to other forest areas; whereas in Nensebo and Goba Woredas forest resource mining and clearance are now critical problems. All forest areas are multiple use areas and of high significance in terms of local livelihoods. Forests are used for grazing, coffee, honey, timber, fuel wood, water, medicines and agriculture. Pressure on resources is increasing and clearance and forest fire were regularly recorded.

The PFRA results form the information basis of forest management discussions of the issues arising for the actual forest condition. This in turn enables / leads to the development of problem–solution based forest management planning process.

4.3.2 Negotiation – Natural Resource Management plans and agreements

Bylaw negotiation: Though the main concept of negotiation refers to the forest management plan and agreement documents, the community has discussed and negotiated on draft Bylaw formulation, which is part of the negotiation process. The draft Bylaws have been given to the Woreda Justice Office for review and to ensure the proposed Bylaws are in line with the country’s laws and policies, and CBO rules and regulations.

Key issues for negotiation in new forest management systems

- ❖ Local forest adjacent communities requested clarity over the issue of forest management and use rights. Concern was raised by the set up of the BFE, without clear explanation of the role of the new institution, and its implications to community management.
- ❖ Forest Management groups, especially those who live in the resource area, would like to be organised with exclusive rights to the forest resources and the ability to restrict non group members coming from outside, even if the outsiders are members of the Kebele.
- ❖ In some forest compartments people living in the forest have illegally fenced large forest areas. These fenced forest areas are to be reserved for agriculture and/or privately owned grazing areas.
- ❖ Other Forest Management groups have resisted the move towards private ownership. For example in natural bamboo forests, where fencing has been challenged, the fencing demolished in order to make the area one for common management and development.

Boundary conflict resolution - A number of new Woredas and Kebeles have recently been formed in the Bale Mountains area. This has led to a number of disputes over land and resource rights and responsibilities. The BERSMP has taken up a facilitator role in the resolution of such disputes.

- Controversial resource use borders between Kebeles and between Woredas have been identified.
- The community took up the issue and began community to community negotiation.
- Border dispute resolution committees, from different sections of the community, have been organized.

Bale Mountains National Park boundary negotiations - BMNP boundary negotiations have been on going through out the year. BMNP authority supported by FZS have set up Government / community boundary demarcation groups who have traced the existing boundaries with GPS and then presented them to the wider community for agreement consensus and confirmation. Key issues arising from the process include:

- ❖ Importance of full communication and collaboration between different development actors
- ❖ Certain areas are proposed to be un-demarcated in order to reduce the settlement (and associated problems) inside the Park boundary.
- ❖ Certain areas of the Park are proposed to be expanded to cover more forest area. This is an on-going issue to be negotiated between the Park and the Bale Forest Enterprise and has significance in terms community resource access rights.

Working with the BFE - Defining new Forest Management arrangements – The BERSMP has been working closely with the Bale Forest Enterprise. A key area of discussion has been the clear definition of new forest management systems under the new Forest Enterprise(s). Discussions centred around 3 different forest management systems PFM / JFM / GFM. It has been agreed that the BFE and BERSMP need to work hand-in-hand to establish these systems on the ground, and in so doing learn how the new systems and their interrelations and links will work out in real terms.

Further discussions have led to the conclusion that there is a need to simplify the three forest management systems. To this end it is proposed to use JFM as an umbrella term for the new forest management arrangements of the Forest Enterprise and Communities working together in close collaboration and partnership. Under JFM there are sub-systems of PFM and GFM which can be seen as a continuum of levels of participation and management roles.

New arrangements for Sustainable Forest Management

| | |
|---|---|
| Joint Forest Management (JFM) | |
| Umbrella term to define the new forest management arrangements between the Forest Enterprise and the local communities. | |
| <p>Participatory Forest Management (PFM) Forest management partnership between Forest Enterprise and Communities Emphasis on Community management and benefits</p> | <p>Government Forest Management (GFM) Forest management partnership between Forest Enterprise and Communities Emphasis on Government management and benefits</p> |

Forest Management Plan formulation - Forest Management Plan (FMP) formulation is one of the sub stages incorporated in the PFM Negotiation stage. Accordingly, facilitated by the BERSMP, the main actors in the management of the forest resources (the community FMG and Bale Forest Enterprise (BFE)) set up discussion forums to formulate FMPs. FMP is a document comprised of seven sections (*Introduction, Description of the forest, Objective of the Forest Management Plan, Forest Management Actions, Monitoring and Evaluation, Revision of the Plan and Approval of the plan*). Fundamentally, the result of PFRA (Participatory Forest Resource Assessment) is the foundation in formulating FMPs. In four of the Kebeles (*Kumbi, Shawe, Chiri, and Wabero*) of Harena-Buluk and Dello-Mena Woredas first draft FMPs documents have been produced and are under discussion at different levels. A series of meetings are required to come up with an agreed and workable FMP documents. The main issues and problems (land use competition, agricultural and coffee plantation expansion into the forest area, forest fire, overgrazing, damage to natural regeneration and expansion of settlement) identified during the PFRA exercise are the main important points for consideration in FMP formulation processes, and are being formulated in such a way that the problems and issues are covered in it.

Towards this end, management plan for the forest resources in Delo menna and Harana buluk woredas were prepared by the committee and approved by the general assembly. The next step will be negotiation between the two parties (BFE and Community groups) to develop contractual resources management agreement.

4.3.3 Implementation – management – inc. stakeholder monitoring

Participatory River Management Planning and implementation - Currently, the Shaya River in Goba Woreda and the resources within it especially the fish management plan are under negotiation and development. A river management planning committee has been set up in order represent the local community groups involved. The aim of the river management plan is to sustainably manage the river and its resources. The plan sets out the use of the river resource, especially, the Trout fish and the development of Sports fishing. Sports fishing fees will be collected from the anglers by the River Management Group. The Programme is also investigating the potential for setting up fish farms along the river.

The management problems identified by the River Management Group include encroachment by agricultural land expansion, clearing and cutting of riverine forests from the river banks, over fishing

and illegal fishing systems (poisoning). The RM group agreed to work to stop all activities that lead to degradation of river resources.

Law enforcement support

Forest Encroachment - There is a huge risk of total conversion of highly valued Harena-Kokosa forest into agricultural crop fields in Nensebo woreda of West Arsi zone as a result of continued illegal settlement of people coming from West Shoa, West Arsi and East and West Harerge of Oromia Regional state and Sidama zone of SNNPRS. BERSMP supported Nensebo Woreda and West Arsi Zone Administration initiatives of stopping this encroachment for once and for all.

Illegal Forest resource use in Goba Woreda and Goba Fuel wood Market Survey - The current fuel wood use in Goba is obviously and alarmingly unsustainable. Fuel wood is supplied to Goba town two days per week from the nearby kebeles. The species mostly used for fuel wood is the endangered and protected indigenous tree species (such as *Juniperus procera* and *Hagenia abyssinica*). Currently, the use of the fuel wood resources is open access and exploitation has reached a level where every resident of the rural kebele cuts the trees and brings fuel wood to markets in order to get their *share* of the resource.

The BERSMP has started a concerted effort to motivate and mobilise the relevant government actors (Bale Forest Enterprise / OBARD / Goba Woreda Admin / Goba Town Council / Police and Courts) to address the situation. BERSMP and BFE are trying to establish a community level sustainable management and use of the forest resources. However, the open access use / free for all situation of the resources is hampering the smooth implementation of the approach. Following a number of discussions, it was agreed by both organizations to conduct an initial rapid survey of the current unsustainable use of the resources, and from there strategize future sustainable management and use of the resources. Towards this end, a survey of fuel wood resource flows to Goba and out of Goba to other nearest markets was conducted. The result of the study, with possible solutions was presented to a meeting held in Goba town on October 09, 2008. The participants were from Goba Town Administration and Goba Woreda relevant offices and Elders from the relevant rural kebeles. This work is on-going.

Wild Fire - Fire Management Strategy for the Bale Mountains - Following the experiences of early 2008, A Forest Fire Management Strategy needs to be set up. A critical question to answer is; who should be the real fire managers? The answer is the resource owners, those who own (feel ownership) for a specific area of land and or resources. This answer again implies the imperative need to clarify resource ownership. Forest fire groups need to be set up as part of Forest Management Groups, equipped and trained. Involving communities in the management of the forest, by changing their role from illegal users to legal managers, not only is the occurrence of fire likely to be reduced, but also fire is controlled by the community as part of their management actions.

4.3.4. Benefit sharing

BERSMP and the IIED forestry partnerships – FOREST CONNECT – Sharing the Benefits of Forest Business - The FOREST CONNECT project is jointly managed by IIED Forestry and Landuse programme, FAO Forests and Livelihoods programme and the World Bank PROFOR. The BERSMP is a member of the FOREST CONNECT alliance. Two staff members, one from the BERSMP PNRM unit and other from OSFESA traveled to a workshop in Edinburgh in the UK in July, to take part in an international work session looking at developing tools for the policy recognition and practical promotion of small and medium forest enterprises. The BERSMP has technically supported the completion of the Ethiopia country study – *Beams of hope in a Forest of Confusion - Small and Medium Forest Enterprises in Ethiopia* - which will be published by IIED in early 2009.

The FOREST CONNECT alliance will give us the opportunity to access similar work in other countries, share experience, ideas and information, and meet other foresters working on similar challenging issues in promoting SFM and the promotion of SMFE's as key benefits of communities.

Visit the FOREST CONNECT website at <http://www.iied.org/NR/forestconnect>

Tree Seedling Planting – The BERSMP continues to try to shift tree nursery production to community based tree nurseries, which seems a key challenge. The idea is to support sustainable business based tree nurseries. To this end BERSMP is supporting a community group to grow and produce grafted Apple seedling (*Malus sp.*). The CBO group is also producing *Hypericum revolutum* seedlings under an out-growers contract with the programme, the first time such an arrangement has been tried. Both these initiatives have been successfully completed.

The Bale Forest Enterprise also continues to develop its tree nursery programme with BERSMP support. Together we have set up a network of tree nurseries to service BFE's own (plantation), and the community tree planting needs. Tree nurseries sites are at Goba, Dollo Mena, Goro, Garsera and Sinana Woredas. BERSMP has supported the BFE nurseries with direct budget support. As our partner organisation this is justified as BERSMP aim to support the rapid and strong establishment of its new government partner organisation, as well as enabling the BFE to have a rapid positive environmental impact through tree planting. The BERSMP has sourced over 80 kilos of *Grevilla robusta* seed for nursery production. The aim here is to promote *Grevilla robusta* as an alternative to *Eucalyptus sp.* as a fast growing exotic tree species in plantations.

4.3.5. Formalisation of new NRM systems

Bale Forest Enterprise and Forest Land Certification: Special Issue Focus Workshop -

Continuing the theme from last years Land Access, Tenure Rights and Land Management both in Bale and West Arsi Zones, BERSMP, in collaboration with Bale and West Arsi Zonal Forest Enterprises, Bale and West Arsi Zonal Administrations, Oromia Bureau of Agriculture and Rural Development, Frankfurt Zoological Society and Ethiopian Wolf Conservation Project have held a number of coordination meetings in order to discuss common issues and increase collaboration.

Land tenure, land category and Landuse change remain the key issues. The strengthening of communications and collaboration will give us a critical opportunity to address these issues as a group of conservation and development actors, rather than the prevailing contradictions in approaches that has pre-existed. A 2008 Workshop was held to continue the focus on these issues (see section 4.2)

4.4 Community natural resource based livelihoods diversified

Opportunities for NR livelihood diversification / income generation identified
Enterprise feasibility studies – Market analysis
Government / Community specific skills built
Linkages with public and private sector on NR enterprises developed
Livelihood diversification implementation – CDF / CCG
Scale up through Woreda offices

4.4.1 Opportunities for NR livelihoods diversification / income generation identified

Initial livelihoods studies were carried out in 2007, although a number of livelihoods diversification studies are on going, such as the Wild Forest Coffee Marketing and Sports Fishing Marketing. All livelihoods studies are available on the Programme website www.pfmp-farmsos.org

4.4.2 Enterprise feasibility studies - Natural Products

Building on the livelihood option identification work in 2007, the following progress has been made in the set up and development of various Natural Product Enterprises.

Bale Natural Products Collection and Processing (CPL) Centres –

Goba CPL centre - The design for the construction of the Goba CPL centre was finalised in the first semester. The construction process is now taking place. The first phase construction will establish a Plant Materials Drying Barn, Bamboo workshop and Honey processing and packaging unit. The site will also have a retail shop for selling the natural products to Tourists as well as local customers.

Currently BFE and BERSMP have divided roles and responsibility among themselves to move the construction forward. According to the cost sharing action plan the BFE will supply wooden materials required for the construction. The BERSMP is to supply industrial materials like cement, concrete blocks and corrugated iron sheets. However, in terms of monitoring the progress of the construction both organizations are closely working together.

Dollo Mena CPL centre – A second CPL centre will be established in Dollo Mena Woreda. At this site we will use land already belonging to the Bale Forest Enterprise, the Dollo Mena Saw Mill. To commence work in 2009 BERSMP and BFE have established a Coffee collection centre with forest coffee drying beds and a coffee storage facility.

Sustainable Harvest Protocols – The Sustainable Harvest guideline is still under development. Sustainable harvest is obviously a critical issue in natural products initiatives. The work will be relevant for the harvesting of plant material for essential distillation / wild herb collection / and other plant products, such as potential bio-pesticide from forest tree species *Warburgia ugandensis* (*Salutaris*).

Forest Coffee Marketing and Promotion - BFE and BERSMP are working together on Natural Forest Coffee as a key NTFP of the Mena Angetu and Harrenna Kokossa Priority Forests. As part of the on-going work this year, the Bale Forest Coffee has now been tasted in Addis Ababa, Europe and America. The coffee was found to be of good quality and suitable for export and specialist marketing. It is now understood that the correct harvesting (red cherries), drying (off the ground) and packing (Hessian sacks) is essential to ensure the quality of the coffee. These are the areas the Programme has been working with Coffee harvesters in this second half of the year, in order to ensure the product quality.

Improved Coffee collection, drying and marketing – Coffee harvesting and post harvest management are the key practices in producing a quality coffee product. The current situation in Bale is far from ideal. People from different woredas of the Bale and West Arsi zones of Oromia come to the forest areas and collect the ripe and unripe coffee cherries in November and December. This practice is due to the reluctance of farmers to carry out repeated harvests (time budget) and for fear

of theft of the crop. These activities result in low quality coffee presentation to local and national markets.

BERSMP/ BFE are now supporting the community in capacity building and facilitation of the business direction. Currently, the programme is facilitating the link between the BFE and the coffee farmers at the production level. The arrangement is that the community will agree to supply a properly ripened red cherry coffee to the BFE collection centre. In return BFE will buy the ripe coffee from coffee farmers at a premium price. BFE will pay a 25% higher price on top of the price in the local market for the ripe quality coffee cherries. The BF Enterprise will then directly sell the Bale Wild Coffee to the international market by seeking interested buyers, willing to pay premium prices for specialist organic coffee from sustainably managed forests. BERSMP is also closely working with the community to supply such a quality coffee and with BFE to identify potential buyers around the world. The programme is also supporting the community through supplying them of mesh wire to construct raised drying beds and proper Hessian sacks to improve post harvest coffee handling and storage.

Delo menna

1. 50 farmers (25 in chirri & 25 in wabero) selected to supply well ripened (red cherry) coffee
2. Improved harvest and storage - 150 Hessian sacks purchased and supplied
3. Drying beds - 4 rolls (100m²) wire mesh purchased and supplied
4. Other necessary materials purchased i.e. nails for the construction of drying beds
5. Store construction site inside the Delo menna BFE sawmill
6. Drying beds construction site identified

Ongoing activities

1. Construction of dry coffee store and coffee drying beds
2. Coffee Storage
3. Training of farmers

Haranna Buluk

1. 50 farmers (25 in Shawe & 25 in Kumbi) selected to supply well ripened (red cherry) coffee
2. Improved harvest and storage - 150 Hessian sacks purchased and supplied
3. Drying Beds - 4 rolls (100m²) wire mesh purchased and supplied
4. Other necessary materials purchased i.e. nails for the construction of drying beds

Ongoing activities

1. Training of farmers
2. Construction
3. Coffee storage

Eco-Tourism - BERSMP is working with local communities and the private sector to promote Community Based Tourism (CBT) in the Bale Eco-Region. The Programme continues to work with the Shaya River Community Management Group to develop river management and sport fishing. As part of Shaya River Sport fishing, discussions also continue with Ato Solomon, a local land holder and potential tourism investor. Ato Solomon is planning to develop a Tourism Base Camp close to the Shaya River. BERSMP has been assisting and supporting Solomon in the site survey and the site plan designs. BERSMP also invited Solomon to the Business management training which resulted in the

formulation of a business management plan. Construction on the site has commenced after the rainy season late in 2008.

The programme has made contact with other similar organisations in Ethiopia working on community Based Tourism, in order to share experience and get support from them. To this end, the BERSMP continues to work with Tourism in Ethiopia for Sustainable Future Alternatives (TESFA). BERSMP has also been discussing tourism ideas and options with the Zonal Tourism office (Bale Tourism site identification) and with partner BFE (establishing Forest Lodges), the BMNP / FZS / EWCP (National Park and Tourism).

4.4.3. Government / Community specific skills built

Key Training activities relevant to livelihoods diversification are also reported under Section 4.2 Capacity Building, for example, Business Planning and Management training.

In addition, BERSMP financially supported 10-day forestry training at the Boter Becho Forestry Training Centre. The training was conducted by OSFESA for its newly employed staff with the aim of providing practical knowledge on sustainable management of forests with emphasis on Participatory Forest Management (PFM). 39 forestry staff from six Forest Enterprises (Bale, Borana-Guji, Hararge, Iluababora, Jimma and Welega) participated in the training. Major contents of the training included:

- Forest policy
- Forestry operations
- Wildlife conservation / utilization
- PFM initiatives in the country with particular emphasis on scaling up in the Oromia region.

Government and Community Eco-tourism exchange visit - Government and Community training on ecotourism related capacity building is one of the natural resources based livelihood diversification activities. Currently, the programme is working towards capacity building of government staffs and community groups. To this end BERSMP has organized a one week study tour on Eco-Tourism experience exchange visit. The visit was made to Wenchi community based Eco-Tourism, Bishangari Eco-Lodge and Adaba-Dodola forest Eco-Tourism sites. The total number of participants was 26 peoples. The participants were from Bale Zone and 6 Woreda government staff, and community representatives from the six Woredas (Goba, Goro, Sinana, Agarfa, Dawe kacha and Delo Menna Woredas).

The tour participants learned much about the community based ecotourism. They realized that if resources are sustainably utilized by the community living with the resources it will also be sustainably managed by the community. They are enthusiastic to establish a community based ecotourism in Bale where the area is naturally gifted.

Participation in Natural Products promotion exhibitions – Local level Natural Products sales opportunities were also organised. The Bamboo furniture trainees held a week long exhibition and sale of their Bamboo Furniture in Goba Town at the close of the training course. They also participated in the Robe Town Development Expo., where Bamboo Furniture was sold and demonstration of Honey and Coffee products were carried out. Public reactions to all the natural products were very positive.

4.4.4. Linkages with public and private sector on NR enterprises developed

Ethiopian Trophy Hunting Association – by invitation BERSMP, working with Wild Life consultant James Young, delivered a business based Private Sector / Community partnership presentation to the Professional Hunting Association meeting (the presentation can be seen on the website). The aim of the presentation was to basically argue for the win-win situation of Trophy Hunting Businesses working with, and involving, local communities. It was stressed that both parties

will gain from working together in terms of business growth and stability, and that rising levels of conflict, between the two parties, will also be addressed.

Following the Business presentation, the initial reaction of the ETHA was very positive. However, little progress on the ground has been made with arguments of Hunting Concession Area boundaries arising between the Hunting Companies and adjacent communities. Further the Hunting companies accused the BERSMP of stirring up the Communities against the Private Sector and made complaints to senior levels of government. The BFE has also become involved but was again unable to reach working understanding with certain private companies. It seems back to the drawing board with this initiative.

Trout Fish PLC - Trout Fish PLC was set up in 2008 in Adaba Woreda in West Arsi Zone and is essentially a Private Sector Fish Farming operation. Following discussions to identify potential areas of common interest, the BERSMP / BFE team visited the site towards the end of 2008. It has now been agreed that the professional expertise of the Trout Fish PLC can be used across Bale. BERSMP / TF PLC will enter into a partnership agreement for the community management of Riverine forests opposite the Trout Fish PLC land.

Community and Bale Forest Enterprise Product Value Chain linkage established - Bale Forest Enterprise (BFE) is one of the potential business partners of the community in its concession areas. As it is well known, the BFE concession area lies in the Bale massif where the area has sound ecological value than the economic value of NTFPs. Hence, BFE is mainly working on the Non-timber Forest Products (NTFP) in the NTFP potential Woredas of the Eco-Region. Currently the Enterprise and the rural communities are working together on the Coffee and honey. The arrangement / agreement between the two parties is as follows:

Coffee: the current trend in Dello menna and Harana Buluk is that they provide non-quality coffee (unripened, mixed with impurities,) to the local traders. This had been resulting in low grade of Bale coffee in the central market. To divert the situation BFE and BERSMP established partnership agreement between the community and BFE in promotion of Bale forest coffee to the national and international markets.

Therefore, the agreement is that the communities are working in sustainable production of forest coffee. They harvest well ripened coffee and provide it to the BFE. They provide quality red cherry coffee. Both parties committed to the promotion of Bale Forest coffee. The BFE is buying the quality coffee from the producer farmers. The BFE then properly dry, de-pulp and store in proper storage and sell to the relevant markets.

BFE and BERSMP constructed a coffee store, drying floor and wire mesh coffee drying bed in Delo menna and Haranna buluk. The BFE will be buying best quality (red cherry) coffee from the farmers at a premium price (25% higher than the local market price). The 25% higher price is for the ripened quality coffee and is an incentive for the coffee farmers to collect only the well ripened coffee to keep the high quality.

Honey: the bee farmers organized themselves into apiary groups for the production of quality and bulk honey. They supply the honey to Bale Forest enterprise and the BFE will add value to the product and sell to the national and/or international markets.

Currently the programme has organized 190 bee farmers into 18 groups and they have produced 250 transitional hives (Kenyan top bar hive).

BFE and BERSMP are currently also working towards dual certification (organic and sustainably managed forest) of both coffee and honey.

4.4.5. Livelihood diversification implementation – CDF / CCG

Use of the CDF as an appropriate technology investment fund – Essential oil trial

production in Bale - BERSMP is trying to develop an essential oil production in the Eco-region. Currently, the oil production aims to use local plant material i.e., roots, seeds, leaves, etc. Previously, the essential oil production was made in Addis Ababa by the Amio Engineering PLC and tested in the laboratory for the oil contents and found to be good. The production trial has also been repeated in the Bale, Robe from 19/7/2008 – 21/7/2008.

The plant materials used were:

1. Juniper
2. Fennel
3. Eucalyptus globules / citrodora
4. thyme

The trail of essential oil production was made also at field level in Robe. The trail was successful in the production of the oil from *E.globulus*. The program is closely working with Essential Oil Research Centre (EORC) of Ethiopian Institute of Agricultural research (EIAR).

The programme is recently signing an MOU with EIAR on how to collaborate towards sustainable essential oil production in Bale Eco-region.

Warburgia (Warburgia ugandensis) plant - Wurbargia ugandensis was identified as one of the potential natural product for rural community livelihood improvement in the Bale Eco-region. The distribution of the tree/plant in the eco-region is on the lower altitude of the south-eastern side of the Bale Mountains National Park (BMNP) in Delo Menna, Harana Buluk and Barbare woredas. It is believed that the plant is endemic to this part of Ethiopia. The programme is working for the new plant's product development for the export of dried milled material to bio-pharmaceutical companies, or for retail medicinal markets at national and regional levels, for example for the floriculture companies in Ethiopia.

However, it is important to conduct research trials to establish exact data before these species are promoted as commercial small scale operations. Therefore, the programme has collected the manually milled *warburgia* leaves of old, young and mixed parts of the leave and sent to Addis Ababa for laboratory testing. The objective of preparing the plant for use is to reduce the use of inorganic chemicals and hence reduce environmental pollution.

Investment in improved Honey production - Delo mena and Harana Buluk - The honey production potential in the Bale Eco-region has high potential. However, conditions of honey and other bee products production, harvesting, processing and marketing system in the Project Area (Bale) are generally poor, resulting in reduced yields and market opportunities. The current system of production is traditional where the bee farmers are using traditional beehives for honey production. The traditional beehives are constructed from tree logs where they unsustainably cut the trees and are constructed from bamboo. Beehive management is currently not practiced by farmers, especially seasonal management of the colony to reduce absconding. There is no bee forage cultivation and provision of supplementary feeds for the colony, i.e. sugar, flour and adequate water for colony management. That is, the harvesting system is not properly done by the bee farmers. They harvest the honey with dead bees, mixed with wax and other impurities and also use smokes during harvesting that reduces the quality of honey. This was because of several factors: no competition that demands quality, location of the hives being on top of trees, and the quantity of honey produced is very low and all is sold in the local markets.

Therefore, Bale Eco-Region Sustainable Management Programme (BERSMP) and Bale Forest Enterprise (BFE) are trying to work with the bee farmers to improve the production, processing, packaging and marketing of the bees' products.

Delo menna

1. 6 apiary groups (4 in Chirri and 2 in Wabero kebeles) identified and registered.
2. Each group consists of 10 – 15 members.
3. The total interested bee farmers registered in both kebeles so far are 70.
4. Each group has elected Chairperson, vice chairperson and secretary
5. 4 apiary sites were selected and some of them were also fenced by the farmers.
6. The construction of the transitional bee hives ongoing by each of the groups

Ongoing activities

1. Purchase and supply of bamboo, lumber and other necessary materials for the bee farmers to construct the transitional hives
2. Apiary site selection
3. Establishment of the rest of 5 groups
4. Transitional hive construction

Harana Buluk

1. 5 apiary groups established (4 groups in Shawe and 1 group in Kumbi)
2. Each group consists of 15 members

Ongoing activities

1. Apiary site selection
2. Supply of materials for the construction transitional bee hives
3. Establishment of the rest 3 groups
4. Transitional hive construction

Apple seedlings distributed to farmers - As part of supporting community livelihood improvement, BERSMP also is supporting community in providing highland fruits to farmers. To this end, the programme has purchased and distributed 263 apple seedlings to 26 farmers in Fassil Angesso kebele in Goba woreda.

Most of the community in the Goba area are engaged in unsustainable fuel wood trading. Therefore, the idea of introducing the fruit tree is to divert their dependence on fuelwood trade.

Use of the CDF as a business development support grant – Encouraging the set up of new natural products businesses – BERSMP has been channeling CDF funds in the form of soft loans and grants to community based CBOs and business groups. The grants are aimed to support innovation and be used as a match fund, in the set of Natural Products businesses. The Programme has provided CDF investment funds for locally set up trading groups – Groups trading in Natural Products. For example, a Women's groups in Dollo Mena Woreda trading in buying and selling of Honey and Coffee.

Towards this end, two women groups in Chiri and Wabero secured loan-grant (a revolving fund of 20,000 ETB each) from BERSMP. Each member got a loan of 1000 ETB from the fund for duration of 6 months with an interest rate of 10 ETB at the end of the period. Therefore, 90% of the women that borrowed the money made a profit that ranges from 500-1200ETB per head and paid back the money

with the interest to the women saving and credit groups. The women saving and credit groups started second round loan to the remaining members of the groups.

4.4.6. Scale up through Woreda offices

Beekeeping training conducted: Beekeeping training was conducted in the priority Woredas. The training was prepared for the bee farmers and Woreda government office beekeeping experts. The training participants were 95 bee farmers and 30 beekeeping technical staffs from government offices. The training focused on bee biology, advantages and disadvantages of different types of beehives (traditional, transitional & modern hives), and practical demonstration of transitional beehives (2 was constructed during the training in each Woreda).

Coffee post harvest training: Dello menna and Haranna Buluk woredas are rich in organic coffee/forest coffee genetic resources. The coffee currently coming out of the area is very poor in terms of quality. The coffee farmers are using traditional systems of coffee post harvest handling (collection, drying, and storage). They collect unripened coffee, dried on soil and collected into sacks with impurities. This has resulted in low grade coffee at national auction centre as compared to other areas. The reason for harvesting unripened coffee was due to fear of coffee thieves

BERSMP in partnership with the Bale Forest Enterprise is working towards the improvement of the coffee quality after harvesting. Towards this end the organizations conducted a three days post-harvest handling training in both towns of the woredas. The number of coffee farmers that participated on the training was 110. The trainers were invited from Oromia Bureau of Agriculture and Rural Development – coffee development department and Bale Zone Office of Agriculture and Rural Development – Coffee experts.

4.5. Sustainable financing mechanisms for the Bale EcoRegion which benefit government and community

- Develop sustainable finance options
- Increase / retain revenues / tax Benefit sharing – concessions / regional revenue – re-investment in local government services
- Eco-Region sustainable financing options established
- Concessions for consumptive utilisation (hunting / fishing)
- Government capacity for sustainable financing built

4.5.1 Develop sustainable finance options

The consultancy aimed at identifying sustainable financing opportunities for the Bale Mountains Eco-region has been concluded by Unique Forestry Consultants (UFC) and presented in two parts. Part I of the assessment focuses on the general environmental services that could be included into payment schemes (PES) benefiting especially the region's communities. Based on this fundamental assessment, a business case for a carbon finance project is elaborated and presented in Part II together with a Project Idea Note (PIN) to approach carbon funds.

Payment for Environmental Services (PES)

The assessment on PES revealed that there are basically three environmental services provided by BMER: water (quality and flow), biodiversity and carbon sequestration.

A potential water based PES opportunity was identified with regard to the Melka Wakana hydropower scheme, which is fed by rivers from the BMER. The turbines are negatively affected by increasing siltation and irregular water flows, both a result from unsustainable land use practices in the watershed, along river-banks and around the dam itself. An open and constructive discussion was held with representatives of the Ethiopian Electrical Power Corporation (EEPCO) resulting in a basic understanding that the path of streamlining PES into the power plant operation business should be continued. A next step of an awareness raising workshop for the high level management of EEPCO, and to set up a functioning network of institutions and stakeholder (e.g. with Oromia State Forest Agency and the Bureau of Agriculture) was suggested to be undertaken.

With regard to biodiversity related PES, the region is currently offering small scale approaches. The project area is part of a global biodiversity hotspot. Currently, numerous small scale enterprises explore this potential by introducing tourism activities in the region, such as ecotourism, trekking, hunting and fishing. In the short run, there is need to improve communities' participation in income generation from biodiversity conservation in the region. In the future, large scale approaches to offer biodiversity (products) of the BMER to international companies (e.g. eco-sponsoring or bioprospecting) may be an option. To pursue this aim, an inventory of these biodiversity resources and a close co-operation with relevant institutions (i.e. the Ethiopian Institute of Biodiversity Conservation) is recommended.

It was concluded that, as the Oromia region forest policy shows a clear emphasis on combining sustainable forest management with community development and that the institutional development with regard to carbon finance opportunities at the Federal Environmental Protection Agency level is already developed, for the moment pursuing the carbon finance opportunities is a priority. Moreover, as the instruments of Environmental Impact Assessment (one pillar of many PES schemes) and related policies are not yet developed with clear enforceable regulations in Ethiopia, for now only the process of discussion and networking will continue in order to make PES feasible in the medium and long term at a larger scale.

Carbon finance

According to the feasibility study, a huge potential exists for Clean Development Mechanism (CDM) eligible Afforestation/Reforestation (AR) and for Reduced Emissions from Deforestation and Degradation (REDD) components, to be offered on the voluntary market.

Around 600,000 ha in the Bale Mountain Eco-region have been identified as a suitable project area for a REDD project. In addition, some 3,000 ha will be set up as a CDM eligible reforestation project, 2,000 ha of which will be managed by the Forest Agency while the other 1,000 ha are to be used for a community based woodlot planting project. This will also serve as a leakage mitigation measure.

The REDD project will be managed employing three types of Sustainable Forest Management (SFM): forest areas managed by Community Based Organizations (CBOs) with exclusive user rights; Joint Forest management (JFM) schemes managed jointly by CBOs and Forest Enterprises; and forest areas under full management of Forest Enterprises.

The REDD project is expected to generate around 80 Mill tons of net CO₂ emission reductions (CERs) in 20 years. At a market value of USD 4 per CER, this would amount to USD 320 million (undiscounted) total and around 6.5 tons CO₂/ha or USD 25/ha per year. The annual revenue from carbon trading could therefore be USD 16 million, or net USD 25/ha per year. Benefit sharing in the respective SFM schemes is subject to contractual agreements between Forest Enterprises and the CBOs. Investment costs are estimated to be around USD 2.4-3.0 million.

The CDM reforestation project by Forest Enterprises, consisting of 50% eucalyptus, 25% cypress, and 25% *Grevillea* plantations, is expected to generate 1.3 millions of gross CER with a value of around USD 5.2 million (at an Internal Rate of Return [IRR] of 17%) in 20 years.

The CBO managed woodlot planting project, consisting of 50% eucalyptus and 50% *Grevillea* plantations, is expected to generate 400,000 of gross CER in 20 years. It will focus on highly degraded, deforested riverbanks and generate some USD 1.6 million total or USD 90/ha per year (undiscounted).

4.5.2. Increase / retain revenues / tax Benefit sharing – concessions / regional revenue – re-investment in local government services

In relation to creating partnerships between the Private Sector and Communities in trophy hunting business in the Bale area, discussions have been made with OSFESA (that supervises three of the five wildlife concession sites in the area). Prior to the presentation of private–community partnership ideas to the Ethiopian trophy hunting business association members (indicated under output 4), discussions made with OSFESA revealed that the organization is willing to establish a benefit sharing framework to communities from its income of trophy hunting. This is a positive move and is hoped to also encourage the private companies to engage in partnership and benefit share with communities.

In this connection, as part of exploring sustainable finance options and payment systems for environmental services, a consultancy work is underway to assess opportunities to increase and retain public revenues within the new management of local resources in the context of the Bale Eco-region. The objectives of the consultancy are:

- To assess natural resource based revenue generating goods and services the benefits of which can be shared between concerned stakeholders in the context of the BERSMP.
- To provide the BERSMP and OSFESA with a detailed framework for benefit sharing among relevant stakeholders.
- To assess and recommend appropriate institutional framework necessary for the implementation of a relevant benefit sharing mechanism.
- Based on examples of Bale and Arsi enterprises, to workout an implementation modality for the “community development fund” that is earmarked by OSFESA for community development undertakings.

The expected outputs include a proposed benefit sharing framework indicating the existing sources, possible options, mode of sharing and retention, etc. and outline of proposed implementation modalities. The results will be expected during the beginning of the first quarter and will be used as an input for PNRM negotiations, including carbon funds, among stakeholders.

4.5.3 Eco-Region sustainable financing options established

Based on the results of the pre-feasibility study a preliminary market survey was conducted to identify potential investors and public project development partners and to receive feedback on the project design and requirements for engaging. Personal meetings (by the consultants) including two investment Banks in New York, two Investment Funds with specific investment vehicles for climate change, and one large US based energy utility were conducted. In addition, the investor roundtable on “increasing investment in Tropical Forestry” organized by McKinsey on behalf of the Clinton Climate Initiative on May 28th 2008 was used as a platform to consult other potential investors about their interest to purchase REDD carbon offsets from or to invest in the project.

Two audio conferences were arranged to clarify issues based on the feedback received. This was done between the BERSMP/ Forest Agency, UFC and TerraCarbon (a potential carbon buyer company based in Washington).

Main points of audio-conference no 1

| Issues/ concerns | Solutions/ responses |
|--|--|
| Leakage management strategies | <ul style="list-style-type: none"> - The whole massif will be treated (areas will not be left out) - setting up of plantations (to compensate for a possible leakage or be traded under CDM framework) - introducing improved cooking stoves (Colleges, prisons, hospitals, etc will also be targeted as they consume huge amounts of biomass for cooking) |
| Inclusion of the Bale Mountains National Park as it is not part of the current assessment (in relation with leakage) | <ul style="list-style-type: none"> - discussions with BMNP and Oromia Agriculture Bureau to possibly combine the offer into a single package is already on going |
| Implementation and operational capacity (long term success) | <ul style="list-style-type: none"> - the Regional Forest Agency has accepted PFM as a strategy - the agency is planning to set up a project implementation unit to specifically deal with carbon finance - carbon fund is an additional benefit to provide an incentive (out of a stream of benefits that the forest can generate) - adoption of PFM approach was quick rolled out |
| Methodological issues (on monitoring) | <ul style="list-style-type: none"> - agency's team is well experienced - some baseline information on deforestation rates available - satellite images can be used for change detection - participatory forest resource assessment (PFRA) is being adopted as a monitoring tool |
| Legal and institutional framework | <ul style="list-style-type: none"> - forests in the area are under the agency by concession form government - in the event of any re-structuring, duties and responsibilities will be transferred to the new organization (as has always been the case) - letter of support/commitment can be obtained from the regional government if necessary |
| Financial structures | <ul style="list-style-type: none"> - a separate bank account for community's share - board of trustees (with representatives of government and CBO s) will manage the funds |
| Future national REDD mechanisms | <ul style="list-style-type: none"> - confirmation obtained from EPA that a possible future national level REDD approach will not affect the current project |

Main points of audio-conference no 2

| Issues | Responses/ Actions |
|---|---|
| High costs for “Phase I activities” | <ul style="list-style-type: none"> - the size of the REDD project is huge - investors requested an in-depth clarification on issues such as financial, technical and institutional designs including marketing strategies - it was argued that, even though the cost seems higher, it is less than 1 % of the first year’s revenue of the REDD project - It will be seen if some activities can be handled by our staff to bring down costs - A detailed activity and cost plan will be produced by the consultants and this will be presented to the Donor Consortium |
| CQS’ s potential offer of USD 25,000 as contribution for Phase I activities | <ul style="list-style-type: none"> - this was not accepted as it could undermine the negotiation power of the project developer |
| Time frame | <ul style="list-style-type: none"> - Depending on the kick off meeting in Addis, it could be shortened to 3-5 months |
| Is it guaranteed that the project will really take off? | <ul style="list-style-type: none"> - It was explained that it is difficult to make any guarantees in the event of a failure. This is taken as any other business |
| Success fees | <ul style="list-style-type: none"> - To be further discussed |
| Reconnaissance flight over Bale to have an overview of the eco-region area | <ul style="list-style-type: none"> - A group consisting of UFC, TerraCarbon, BERSMP and OSFESA to participate - To be arranged for mid January |

Next actions will be taken up into **two phases**. **Phase I** will deal with the following activities aiming at securing investor commitments to finance the technical development of the project:

- Mission to Addis to clarify project marketing strategy, legal and institutional framework & reconnaissance flight over the area
- Refine and elaborate financial design of the REDD project
- Refine and elaborate technical design of the REDD project
- Develop legal & institutional design of the REDD project (Subcontract for Climate Focus and local legal council)
- Develop marketing documents, including technical summary and term sheet
- Carry out follow-up calls and meetings with potential investors, and assist with negotiations
- Development Emission Reductions Purchase agreement

And **Phase II** deals with PDD development and validation. In phase II the baseline will be established and all tasks required to develop a PDD. The final product of this phase is a validated PDD and the costs will be covered by the carbon credit buyers.

The magnitude of the remaining work before the PDD and related costs were not initially foreseen as most of these activities came to light after the feasibility study is completed and repeated discussions between stakeholders and potential buyers. During the annual Donor Meeting in December 2008, this issue was discussed in light of the huge potentials in the carbon finance undertakings by BERSMP and agreed that the Project continues to work with UFC for the Phase I activities and final preparations are being made.

4.5.4. Concessions for consumptive utilisation (hunting / fishing)

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4.5.5. Government capacity for sustainable financing built

In an attempt to work together to catalyse carbon finance activities in Ethiopia, a one day discussion was organized by UNDP (at which various agencies such as Ethiopian Environment Protection Authority, UNEP, British Embassy, Finland Embassy, Addis Ababa University, FARM Africa/SOS, World Vision Ethiopia, Clinton Climate Foundation, Royal Netherlands Embassy, SNV, German Agro Action, Horn of Africa Regional Environment Center and Network, etc. participated). A presentation on current status of Bale carbon (demonstrating an example of a REDD initiative in Ethiopia) was given by BERSMP. The discussion focussed on providing participants with a better sense of ongoing CDM/REDD activities in the country; carbon finance opportunities in Ethiopia; the challenges and barriers to implementing these opportunities; and a platform for discussing possible ways of working together to catalyse carbon finance activities in Ethiopia. Further networking among stakeholders was strongly suggested aiming at:

1. Creating the enabling conditions for project developers – building technical capacity in different sectors, and providing background data / scoping studies / public goods to lower the technical and cost barriers to project implementation.

2. Building a supportive policy environment – technical capacity in the DNA, addressing legislative and policy-level issues, and creating promotional literature for overseas carbon investors.

3. Translating supportive conditions into actual CDM/ REDD projects – addressing the financial barriers to project implementation and directing well-developed Project Idea Notes (PINs) to appropriate carbon buyers.

4.6. Improved / appropriate legal, policy and regulatory frameworks for Ecoregion(s) planning, CBNRM and protected areas

Lessons captured – best practice – publications
Show and tell tours / Study tours
Policy analysis – policy briefs produced
Policy dialogue
Media Outreach

4.6.1 Lessons captured – best practice – publications

Re-printed PFM Guideline and PFM process film

The PFM guideline entitled “The Key Steps in Establishing Participatory Forest Management: A field manual to guide practitioners in Ethiopia”, that was published by the FARM-Africa and SOS Sahel Ethiopia’s PFMP programme was reprinted as demands for it by practitioners has increased.

Further the PFM process film that was also produced by PFMP was re-produced and distributed to various stakeholders in order to promote PFM and provide other practitioners with a tool they can use.

Supported publication of bamboo processing manuals

In order to support the various national bamboo initiatives in the country and to supplement the programme’s bamboo activities, the programme has collaborated with the Eastern Africa Bamboo Project to publish 5 sets of bamboo processing manuals.

Secured essential PNRM publications

The programme has secured a number of publications from CIFOR that are found to be useful for the programme’s natural resource management activities.

Publication of promotional materials

For promotional purposes as well as to strengthen our networks with our stakeholders, greeting cards, bookmarks, pens, t-shirts and activity and wall calendars for 2009 were produced and distributed.

Produced PFM Working Group Workshop Proceedings

The 2008 PFM working group workshop proceedings is produced and posted on BERSMP’s website. See statements on the workshop below.

4.6.2 Show and tell tours / Study tours

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4.6.3 Policy analysis

Policy brief

BERSMP has produced the second policy brief entitled “New Institutions and New Partnerships for Participatory Natural Resource Management and Food Security” in June 2008. This brief gives highlight on the development context of BERSMP and OSFESA, how the new partnership is working, and the need for enabling policy environment.

The third policy brief, *Livestock and Livestock Systems in the Bale Mountains Eco-Region* is in its final draft stage. This is prepared by one of the consultants who have carried out the study in the eco-region. The brief is expected to be finalised and printed as soon as comments are incorporated.

Code of enforcement and decree on forest development, conservation and utilization of Ethiopia

Based on a request from the Ministry of Agriculture and Rural Development, the programme has commissioned a consultant to produce code of enforcement and decree for the Ethiopian forest policy. This is done so with the expectation that the issue of PFM that is not clearly shown in the policy can be discussed in detail thus making implementation in various regions much more feasible.

4.6.4. Policy dialogue

Organised PFM working group workshop

BERSMP and FAO jointly organized the 2008 PFM working group workshop on March 18-19, 2008 in Awassa. The high number of participants both from governmental and non governmental organizations indicated that PFM is now much better understood and accepted as a sustainable forest management system among stakeholders. The group discussed on a number of identified key issues including policies and sustainability of PFM. The need for a Federal body to take over the lead in managing the PFM working group was widely agreed but details were left to be exhausted and finalised by the identified government bodies, with the facilitation of BERSMP.

Following the working group workshop, discussions have been held with the NRM department head of MoARD. The discussions were mainly to introduce the programme to the new department head and also brief him on the outcome of the PFM-WG that suggested MoARD to be the lead organisation. The meeting has been positive with the department head showing full interest in working together including as part of the PFM-WG. Further discussion will be held in the next quarter to decide on the direction to be taken

Organised policy tour for members of parliament

BERSMP has also organised a few days visit for members of parliament in Nov.2008. The objective of the visit was to make sure policy makers are aware of various natural resources work that are being done on the ground and that can support them in making informed decision. The parliamentary members who visited the BERSMP programme site were from three standing committees that are relevant to the natural resource management work the programme is carrying out in the Bale Mountains Eco-region. The group has previously visited the Chilimo forest participatory forest management site of FARM-Africa and SOS Sahel Ethiopia. This visit showed the group how that concept has been translated into a broader context and wider area. The group was impressed by what has been presented to them and have agreed to work with the programme closely so that important issues are duly presented to the parliament.

Carried out advocacy initiatives

BERSMP was actively engaged in the advocacy efforts coordinated by FfE in organizing and presenting a paper on "The Value of Forest Services" at the "Ethiopian Forestry at Crossroads: Proposal on New Direction for Sustainable Development" workshop.

4.6.5 Media Outreach

E-bulletin

The programme is regularly producing the *Bale e-bulletin*. Three issues have been produced and distributed via e-mail to partners and collaborators. The purpose of producing the electronic document is to keep interested parties abreast and aware of programme actions and developments.

On the news

Based on the media trip to Bale in 2007, *Embilta* newspaper published an article on the Sports fishing initiative being facilitated by BERSMP on their January 4th, 2008 issue and Panos Ethiopia broadcasted a programme on BERSMP on its Environment programme, on FM 97.1 (May, 6th, 2008). In addition, a media group accompanied the members of parliament during the programme visit. Therefore, their visit as well as various activities of the programme was reported on ETV and Sheger Radio (FM 102.1) in November 2008.

Akirma is a magazine that is printed three times a year by the Forum for Environment and discusses

on various issues regarding Environment and Development. Issue #20 was released in September and one of the major topics addressed was Participatory Forest Management. Among many actors the FARM-Africa / SOS Sahel Ethiopia previous PFMP and current BERSMP staffs were important participants.

Exhibition

The programme took part in the exhibition organised by the Oromia Regional State to celebrate the national day of Nations and People. Various forest products including coffee, honey and bamboo were presented and sold at the exhibition. Higher officials as well as interested groups and individuals visited the exhibition.

BERSMP Website

All publications produced by BERSMP and other relevant ones are regularly updated on the BERSMP website, www.pfmp-farmsos.org.

Networking

The programme works and links up with various institutions that will support and strengthen its initiatives. One such organisation that can support our bamboo initiative is the International Network for Bamboo and Rattan (INBAR). Thus, the programme has become an affiliate member of INBAR in order to link with individuals and organizations that have been involved in this sector for a long period of time and also to access the publications available for members.

The programme has also become a member of the bamboo taskforce that is being facilitated by the GTZ ecbp - Engineering Capacity Building Program. The taskforce plans to support the country's bamboo sector in order to utilize the huge potential available in Ethiopia.

5. Activities analysis – progress against plan

Table I. Progress against plan (January 01, 2008 – December 31st, 2008)

| Activities | Unit | 2008 Annual Target | Semester II target | Achievements | | Deviation/ Reason for Deviation | Corrective Actions Taken |
|---|-----------------|--------------------|--------------------|------------------|-------------------------|-------------------------------------|--------------------------|
| | | | | In the Semester. | Cumulative | | |
| Output I. Eco-region(s) planning | | | | | | | |
| EcP Workshops & Visits | meeting/ visits | 3 | 1 | 2 | 3 | | |
| Resource Base Investigation | study | 2 | 0 | - | 2 | | |
| Technical Facilitation - Planning Specialist | Consultancy | 2 | 0 | - | 1 | | |
| Stakeholder Meetings | meeting | 6 | 2 | 2 | 4 | | |
| Plan monitoring, review & adaptation(Eco-system Monitoring System Design) | consultancy | 1 | - | - | - | Planning system being developed | Ongoing |
| Monitoring & Database Centre Establishment | centre | 3 | 3 | 1 | 1 (more in the process) | | |
| Publications (Plans & Maps) | publication | 1 | 1 | - | - | | Ongoing |
| Output 2. Institutional capacity building | | | | | | | |
| Training Needs Assessment | need assessment | 1 | 0 | - | 1 | | |
| Training & Courses on specific areas | training | 8 | 5 | 6 | 6 | ????? | |
| Training 10 grade complete students in Diploma course & internship | students | 26 | - | - | 24 | | |
| Upgrading from Diploma to BSc | students | 24 | | - | 24 | | |
| Special study MSc | students | 5 | | - | 10 | Budget was sufficient to support 10 | |
| Regional Advisory committee Meeting | meetings | 2 | 1 | - | - | | |
| zonal steering Committee meeting | meetings | 4 | 1 | - | 2 | Busy schedules with gov officials | |
| Woreda coordinating committee Meeting | meetings | 16 | 4 | 6 | 6 | Busy schedules with gov officials | |
| Farmer-Farmer Exchange Visits | visit | 5 | 1 | 1 | 1 | | |
| Community-Govt PLA Activities, Workshops & Stakeholder | Field days | 240 | 60 | 60 | 180 | | |

| Activities | Unit | 2008 Annual Target | Semester II target | Achievements | | Deviation/ Reason for Deviation | Corrective Actions Taken |
|---|----------------------|--------------------|--------------------|------------------|------------|--|---|
| | | | | In the Semester. | Cumulative | | |
| Meetings | | | | | | | |
| CBO Development, Mentoring/Training (1 per Kebele per month) | visit | 72 | 18 | 36 | 54 | Resource assessment took more time | |
| Social services support/HIV/RH | Woredas | 6 | 0 | 3 | 4 | | |
| Output 3. Sustainable Natural Resource Management | | | | | | | |
| Investigation, Negotiation and Implementation | person day | 360 | 90 | 90 | 360 | | |
| Developing Management systems bylaws, agreements on different resource management | person day | 360 | 90 | 60 | 215 | Mangt plan dev't delayed | |
| Support Negotiation and Implementation | person day | 360 | 90 | 20 | 40 | Resource assessment took more time | |
| Enforcement Task Force (Rules & Regulations) | Woreda | 4 | 2 | 1 | 1 | Agreement signing was delayed | Nensebo woreda supported to evict illegal encroachers |
| Benefit Sharing Agreements Establishment | agreement | 1 | - | - | - | Agreement signing was delayed | |
| Support innovative Local NGO (community extension) | contract | 1 | 50% | 50% | 100% | | |
| Output 4. Community NR based Livelihoods | | | | | | | |
| Diversified Livelihoods Options Feasibility Assessment | assessment | 1 | 1 | - | - | | |
| Small & Medium Business Feasibility Plans and market analysis study | Study/business plans | 12 | - | - | 2 | | |
| Livelihoods/Business Training for Community | Woreda | 4 | - | - | - | | |
| Livelihoods/Business Training for Govt | Woreda | 4 | 2 | - | 1 | | |
| Tree Seedling Development Support | groups | 20 | 5 | - | 23 | | |
| CDF financed community dev't activity | fund/group | 48 | 12 | 9 | 9 | Business plan development training had to be conducted | Consultants hired and will be implemented in the 2009 |

| Activities | Unit | 2008 Annual Target | Semester II target | Achievements | | Deviation/ Reason for Deviation | Corrective Actions Taken |
|--|-----------------|--------------------|--------------------|------------------|------------|---|--------------------------|
| | | | | In the Semester. | Cumulative | | |
| CPL center development | center | 4 | 2 | - | 1 | | |
| Private Sector (Small Business Dev't) | applicant | 3 | 1 | - | - | | |
| Develop CBT infrastructure | groups | 3 | 1 | - | - | Ecotourism is under development | |
| Livelihood Dev't Promotion & Exchange | events | 5 | 1 | 1 | 3 | | |
| Tourism Fair/Expo | expo | 1 | - | - | - | | |
| Tourism Network Establishment | networking | 1 | - | - | - | | |
| TH Partnership Establishment | TH area | 2 | - | - | - | Private sector not ready | |
| Sport Fishing Working Groups Establishment & Training | Woreda | 2 | - | - | - | | |
| Trout fish farm set up | farm | 1 | 1 | - | - | | |
| Govt Training in TH/SF Support, Management & Enforcement | Woreda | 2 | 1 | - | - | | |
| Tourism Learning Exchange | visits | 2 | 1 | 1 | 1 | | |
| Natural Resource Based Industry Support/Woreda office scale up | person day | 720 | 180 | - | 360 | Bamboo training for 90 days by three trainers conducted | |
| Local Tourism Office Start-up Grant | grant | 1 | - | - | - | | |
| Output 5. Sustainable financing | | | | | | | |
| Sustainable Financing (Review & Development) | study/project | 1 | - | - | 2 | | |
| Revenues and local government Financing mechanisms | study | 1 | - | - | 1 | | |
| Benefit Sharing procedures guide | w/s & guideline | 2 | 1 | 1 (ongoing) | 1 | | |
| Establish SF mechanisms | meetings/visits | 2 | 1 | 1 (ongoing) | 1 | | |
| Share experience on SF mechanisms | Study Tour | 1 | 1 | - | - | | |
| Concessions for consumptive utilisation (hunting / fishing) | concession | 2 | 1 | - | - | | |

| Activities | Unit | 2008 Annual Target | Semester II target | Achievements | | Deviation/ Reason for Deviation | Corrective Actions Taken |
|---|---------------------------------|--------------------|--------------------|------------------|------------|---------------------------------|--------------------------|
| | | | | In the Semester. | Cumulative | | |
| Gov capacity for sustainable financing built | Training/monitoring meetings... | 1 | - | 1 | 1 | | |
| OUTPUT 6. Improved/ appropriate legal, policy and regulatory frameworks for Eco-region (s) planning, CBNRM and protected areas | | | | | | | |
| Policy Framework Study and Working group | Working group | 3 | 1 | 1 | 3 | | |
| Publications | | 4 | 2 | 2 | 4 | | |
| Policy Briefs | brief | 4 | 2 | 1 | 2 | | |
| Policy Tour | Study tour | 2 | 1 | 1 | 1 | | |

6. Office Construction

The construction of the new BERSMP office has been completed in 2008 and the programme taken final ownership of the Office building. Despite the difficulties of construction, the delays and cost implications, all due to the gross incompetence and shortcomings of the Contractor, BERSMP hope to be using the new office premises from July 2008.

7. Oromia Regional State Green Awards Programme 2008

FARM-Africa and SOS Sahel Ethiopia were proud to be informed that the Bale Eco-Region Sustainable Management Programme was awarded the NGO Category - First Runner up - Green Award, by the Oromia Regional State.

8. Participation in National and International Events, Workshops and Conferences

- **Horn Of Africa Environmental Group** – BERSMP was invited to attend the Djibouti meeting of this group and make presentation on its Eco-Region planning approach and advances made by the programme on Carbon Trading.

- **EWCA visit to Bale** – BERSMP present the outline of the BERSMP to Ethiopian Wildlife and Conservation Agency. The BERSMP is a proposed model for the new GEF funded Protected Areas Systems Programme which commenced this year.

- **Oromia Millennium closing celebration** - Bale natural products were displayed and sold at this event. Sales of products (honey / coffee / bamboo furniture) were brisk and customer feed back very positive.

- **Addis Ababa Fasika Natural Products Expo** - Bale natural products were displayed and sold at this event. Sales of products (honey / coffee / bamboo furniture) were brisk and customer feed back very positive.

- **MoARD Millennium Exhibition** - Bale natural products were displayed and sold at this event. Sales of products (honey / coffee / bamboo furniture) were brisk and customer feed back very positive.

- **National Forest Programme (NFP)** – BERSMP is a member of the National Multi Stakeholder Steering Committee for the FAO supported NFP and is actively engaged in working with the MoARD.

9. Financial Utilization of 2008

For the reporting period, the total available fund was € 693,264.00 (€ 599,414.00 is transferred from the donor consortium and € 93,850.00 is brought forward from 2007). Fund utilization during the year was € 831,111.57. This means that € 137,847.57, in excess of the income, has been pre financed. For details, please see the financial report annexed to this report (annex 1 and 2).

**Annex 1:
Expenditure Report for the Period of July – December 2008**

Exchange rate used:

- Average rate from Jan.-June' 08 (1st Semester =14.3796)

- Average rate from July-Dec' 08 (2nd Semester =14.0516)

CURRENCY- EURO

| No. | BUDGET LINE | ANNUAL BUDGET | EXPENDITURES | | TOTAL | VARIANCE | % |
|------------|--|------------------|--------------------------|--------------------------|------------------|-----------------|------------|
| | | | 1 st Semester | 2 nd Semester | | | |
| I | I. Activity Based Budget | | | | | | |
| I.1 | Output 1: Ecoregion Plan completed and being used | | | | | | |
| I.1.1 | Mapping & Remote Sensing Data | - | - | - | - | 0.00 | |
| I.1.2 | EcP Workshops & Visits | 7,782.00 | 5,352.00 | 1,419.18 | 6,771.18 | 1,010.82 | |
| I.1.3 | Resource Base Investigation | 2,876.00 | 3,654.00 | - | 3,654.00 | (778.00) | |
| I.1.4 | Technical Facilitation - Planning Specialist | 11,673.00 | 7,232.00 | - | 7,232.00 | 4,441.00 | |
| I.1.5 | Stakeholder Meetings | 6,000.00 | 349.00 | 2,190.01 | 2,539.01 | 3,460.99 | |
| I.1.6 | Data review & Compilation | - | - | - | - | 0.00 | |
| I.1.7 | Community Profiles and settlement dynamics (Local Contract) | - | - | - | - | 0.00 | |
| I.1.8 | Eco-system Monitoring System Design | 7,938.00 | 136.00 | 14,425.29 | 14,561.29 | (6,623.29) | |
| I.1.9 | Monitoring & Database Centre Establishment | 11,673.00 | 358.00 | 8,059.32 | 8,417.32 | 3,255.68 | |
| I.1.10 | Publications (Plans & Maps) | 5,000.00 | 408.00 | 570.22 | 978.22 | 4,021.78 | |
| | Sub Total Output One | 52,942.00 | 17,489.00 | 26,664.01 | 44,153.01 | 8,788.99 | 83% |
| I.2 | Output 2: Stronger Government /Community institutional capacity for sustainable NRM | | | | | | |
| I.2.1 | Training Needs Assessment | 920.00 | 12.00 | - | 12.00 | 908.00 | |
| I.2.2 | Training & Courses on specific areas | 12,000.00 | 4,707.00 | 4,410.03 | 9,117.03 | 2,882.97 | |
| I.2.3 | Training 10 grade complete students in Diploma course | 16,654.00 | 2,369.00 | 11,140.98 | 13,509.98 | 3,144.02 | |
| I.2.4 | Upgrading from Diploma to BSc | 6,001.00 | 271.00 | 7,276.98 | 7,547.98 | (1,546.98) | |
| I.2.5 | Special study MSc | 18,750.00 | - | 18,558.78 | 18,558.78 | 191.22 | |
| I.2.6 | Regional Zonal & Woreda Advisory committee Meeting | 2,800.00 | - | - | - | 2,800.00 | |
| I.2.7 | Zonal Steering Committee meeting | 2,800.00 | 483.00 | 2,101.18 | 2,584.18 | 215.82 | |
| I.2.8 | Woreda coordinating meeting | 9,901.00 | 4,456.00 | 1,416.71 | 5,872.71 | 4,028.29 | |
| I.2.9 | Farmer-Farmer Exchange Visits | 7,500.00 | - | 6,841.93 | 6,841.93 | 658.07 | |

| No. | BUDGET LINE | ANNUAL BUDGET | EXPENDITURES | | TOTAL | VARIANCE | % |
|------------|---|-------------------|--------------------------|--------------------------|------------------|------------------|------------|
| | | | 1 st Semester | 2 nd Semester | | | |
| 1.2.10 | Community-Govt PLA Activities, Workshops & Stakeholder Meetings | 2,876.00 | 548.00 | 45.12 | 593.12 | 2,282.88 | |
| 1.2.11 | CBO Development, Mentoring/Training (1 per kebele per month) | 14,400.00 | 689.00 | 10,386.87 | 11,075.87 | 3,324.13 | |
| 1.2.12 | Social services support/HIV/RH | 12,000.00 | 2,645.00 | 7,483.03 | 10,128.03 | 1,871.97 | |
| | Sub Total Output Two | 106,602.00 | 16,180.00 | 69,661.60 | 85,841.60 | 20,760.40 | 81% |
| 1.3 | Output 3: Sustainable NRM and Conservation systems in place, incorporating different environmental and community needs | | | | | | |
| 1.3.2 | Investigation, Negotiation and Implementation | 4,314.00 | 5,282.00 | 1,256.21 | 6,538.21 | (2,224.21) | |
| 1.3.3 | Developing Management systems baylaws, agreements on different resource management | 4,314.00 | 205.00 | 1,912.31 | 2,117.31 | 2,196.69 | |
| 1.3.4 | Support Negotiation and Implementation | 4,314.00 | - | 5,362.36 | 5,362.36 | (1,048.36) | |
| 1.3.5 | Enforcement Task Force (Rules & Regulations) | 3,892.00 | - | 581.40 | 581.40 | 3,310.60 | |
| 1.3.6 | Benefit Sharing Agreements Establishment | 3,892.00 | - | 6,044.61 | 6,044.61 | (2,152.61) | |
| 1.3.7 | MELCA (local NGO) Community Extension | 23,346.00 | 10,089.00 | 5,641.71 | 15,730.71 | 7,615.29 | |
| | Sub Total Output Three | 44,072.00 | 15,576.00 | 20,798.59 | 36,374.59 | 7,697.41 | 83% |
| 1.4 | Output 4: Community NR based livelihoods diversified | | | | | | |
| 1.4.1 | Diversified Livelihoods Options Feasibility Assessment | 2,876.00 | 2,902.00 | 90.24 | 2,992.24 | (116.24) | |
| 1.4.2 | Small & Medium Business Feasibility Plans and market analysis study | 6,000.00 | 4,718.00 | 30.25 | 4,748.25 | 1,251.75 | |
| 1.4.3 | Livelihoods/Business Training for Community | 2,000.00 | 2,977.00 | - | 2,977.00 | (977.00) | |
| 1.4.4 | Livelihoods/Business Training for Govt | 4,000.00 | 3,924.00 | - | 3,924.00 | 76.00 | |
| 1.4.5 | Tree Seedling Development Support | 58,000.00 | 30,126.00 | 28,992.80 | 59,118.80 | (1,118.80) | |
| 1.4.6 | CDF financed community dev't activity | 92,653.00 | 17,142.00 | 75,522.98 | 92,664.98 | (11.98) | |
| 1.4.7 | CPL Center development | 31,128.00 | 467.00 | 31,788.65 | 32,255.65 | (1,127.65) | |
| 1.4.8 | Private Sector (Small Business Devt) | 3,000.00 | 24.00 | 2,681.13 | 2,705.13 | 294.87 | |
| 1.4.9 | Develop CBT infrastructure | 7,500.00 | 151.00 | 8,285.52 | 8,436.52 | (936.52) | |
| 1.4.10 | Livelihood Dev't Promotion & Exchange | 9,000.00 | 517.00 | 6,694.85 | 7,211.85 | 1,788.15 | |

| No. | BUDGET LINE | ANNUAL BUDGET | EXPENDITURES | | TOTAL | VARIANCE | % |
|------------|--|-------------------|--------------------------|--------------------------|-------------------|------------------|------------|
| | | | 1 st Semester | 2 nd Semester | | | |
| I.4.11 | Tourism Fair/Expo | 5,000.00 | - | 1,841.85 | 1,841.85 | 3,158.15 | |
| I.4.12 | Tourism Network Establishment | 900.00 | - | - | - | 900.00 | |
| I.4.13 | TH Partnership Establishment | 2,000.00 | 1,956.00 | - | 1,956.00 | 44.00 | |
| I.4.14 | Sport Fishing Working Groups Establishment & Training | 3,000.00 | - | 674.30 | 674.30 | 2,325.70 | |
| I.4.15 | Trout fish farm set up | 3,114.00 | - | 155.00 | 155.00 | 2,959.00 | |
| I.4.16 | Govt Training in TH/SF Support, Management & Enforcement | 3,000.00 | 1,461.00 | 1,535.80 | 2,996.80 | 3.20 | |
| I.4.17 | Tourism Learning Exchange | 3,000.00 | - | 647.61 | 647.61 | 2,352.39 | |
| I.4.18 | Natural Resource Based Industry Support/woreda office scale up | 8,629.00 | 8,256.00 | 803.36 | 9,059.36 | (430.36) | |
| I.4.19 | Local Tourism Office Start-up Grant | 1,556.00 | - | 1,266.76 | 1,266.76 | 289.24 | |
| | Sub Total Output Four | 246,356.00 | 74,621.00 | 161,011.10 | 235,632.10 | 10,723.90 | 96% |
| I.5 | Output 5: Sustainable financing mechanisms in place for the Bale Eco-region which benefit government and communities | | | | | | |
| I.5.1 | Sustainable Financing (Review & Development) | 11,673.00 | 9,741.00 | 704.55 | 10,445.55 | 1,227.45 | |
| I.5.2 | Revenues and local government Financing mechanisms | 2,895.00 | - | 2,591.20 | 2,591.20 | 303.80 | |
| I.5.3 | Benefit Sharing procedures guide | 4,000.00 | 61.00 | - | 61.00 | 3,939.00 | |
| I.5.4 | Establish SF mechanisms | 10,000.00 | - | 10,109.64 | 10,109.64 | (109.64) | |
| I.5.5 | Share experience on SF mechanisms | 11,673.00 | - | 4,224.63 | 4,224.63 | 7,448.37 | |
| I.5.6 | Concessions for consumptive utilization (hunting / fishing) | 1,438.00 | - | - | - | 1,438.00 | |
| I.5.7 | Gov capacity for sustainable financing built | 2,000.00 | - | - | - | 2,000.00 | |
| | Sub Total Output Five | 43,679.00 | 9,802.00 | 17,630.02 | 27,432.02 | 16,246.98 | 63% |
| I.6 | Output 6: Improved and appropriate Legal, policy & regulatory frameworks in place, for ecorgion planning, CBNRM and protected area. | | | | | | |
| I.6.1 | Policy Framework Study and Working group | 4,200.00 | 1,845.00 | 1,213.38 | 3,058.38 | 1,141.62 | |
| I.6.2 | Policy Briefs | 2,400.00 | 163.00 | 1,205.78 | 1,368.78 | 1,031.22 | |
| I.6.3 | Policy Tour | 11,673.00 | - | 10,493.32 | 10,493.32 | 1,179.68 | |

| No. | BUDGET LINE | ANNUAL BUDGET | EXPENDITURES | | TOTAL | VARIANCE | % |
|------------|--|-------------------|--------------------------|--------------------------|-------------------|------------------|------------|
| | | | 1 st Semester | 2 nd Semester | | | |
| 1.6.4 | International Study Tours | - | - | - | - | 0.00 | |
| | Sub Total Output Six | 18,273.00 | 2,008.00 | 12,912.47 | 14,920.47 | 3,352.53 | 82% |
| | Sub Total Outputs 1-6 | 511,924.00 | 135,676.00 | 308,677.79 | 444,353.79 | 67,570.21 | 87% |
| 1.7 | Technical Field Based Project Staff | | | | | | |
| 1.7.1 | Field Programme Manager (1) | 41,535.00 | 23,092.00 | 22,842.36 | 45,934.36 | (4,399.36) | |
| 1.7.2 | Planning specialist (1) | 7,031.00 | 2,929.00 | 3,294.13 | 6,223.13 | 807.87 | |
| 1.7.3 | Livelihood Specialist (1) | 8,160.00 | 3,120.00 | 3,446.04 | 6,566.04 | 1,593.96 | |
| 1.7.4 | Participatory Development Officers (3); Forestry, Grassland/livestock & Water resources Advisors | 20,833.00 | 8,162.00 | 9,719.12 | 17,881.12 | 2,951.88 | |
| 1.7.5 | Woreda Level Community Development Facilitators (4) | 17,428.00 | 6,370.00 | 8,009.89 | 14,379.89 | 3,048.11 | |
| 1.8 | Technical Field Based Government Focal Persons | | | | | | |
| | Addis support unit with in Government office | | | | | | |
| 1.8.1 | General Manager | - | - | - | - | 0.00 | |
| 1.8.2 | Deputy General Manager | - | - | - | - | 0.00 | |
| 1.8.3 | Regional Coordinator | 6,163.00 | 1,558.00 | 2,569.49 | 4,127.49 | 2,035.51 | |
| 1.8.4 | Regional Level Focal Person | - | - | - | - | 0.00 | |
| 1.8.5 | Regional GIS expert | - | - | - | - | 0.00 | |
| | Zonal support unit with in Government office | | | | - | | |
| 1.8.6 | Zonal Programme Coordinator | 6,537.00 | 1,503.00 | 1,647.50 | 3,150.50 | 3,386.50 | |
| 1.8.7 | Zonal Level Focal Person | - | - | - | - | 0.00 | |
| | Woreda support unit with in Government office | | | | - | | |
| 1.8.8 | Woreda Level Focal People (4) | 2,226.00 | 1,126.00 | 1,643.92 | 2,769.92 | (543.92) | |
| 1.8.9 | Woreda Level Community Development Facilitators (4) | 2,226.00 | 2,044.00 | 1,878.68 | 3,922.68 | (1,696.68) | |
| 1.8.12 | Other woreda and zonal NR staff (115) | | - | - | - | 0.00 | |
| 1.9 | PNRM Unit Technical Support | | | | - | | |
| 1.9.1 | PNRM Programme Coordinator | 14,491.00 | 6,040.00 | 6,998.20 | 13,038.20 | 1,452.80 | |
| 1.9.2 | Information Technologist | 7,796.00 | 3,063.00 | 3,256.03 | 6,319.03 | 1,476.97 | |
| 1.9.3 | Assistant Documentation officer | 4,957.00 | 1,914.00 | 2,535.33 | 4,449.33 | 507.67 | |
| | Sub Total Technical Staff | 139,383.00 | 60,921.00 | 67,840.72 | 128,761.72 | 10,621.28 | 92% |

| No. | BUDGET LINE | ANNUAL BUDGET | EXPENDITURES | | TOTAL | VARIANCE | % |
|------------|--|-------------------|--------------------------|--------------------------|-------------------|-------------------|------------|
| | | | 1 st Semester | 2 nd Semester | | | |
| | Coordination, Monitoring and Evaluation | | | | | | |
| 1.9.4 | Publication | 4,500.00 | 64.00 | 4,072.36 | 4,136.36 | 363.64 | |
| 1.9.5 | Media outreach (sponsor programs) | 6,000.00 | 4,906.00 | 212.79 | 5,118.79 | 881.21 | |
| 1.9.6 | Mid-term Final Review (2 consultants) | 20,402.00 | - | - | - | 20,402.00 | |
| 1.9.7 | Audit fee | 2,685.00 | - | 572.89 | 572.89 | 2,112.11 | |
| 1.9.8 | Monitoring cost Regional partners | 2,501.00 | - | 1,379.72 | 1,379.72 | 1,121.28 | |
| 1.9.9 | Monitoring cost (FARM/SOS UK and Addis) | 12,000.00 | 4,053.00 | 7,943.66 | 11,996.66 | 3.34 | |
| | Subtotal Coordination, Monitoring and Evaluation | 48,088.00 | 9,023.00 | 14,181.41 | 23,204.41 | 24,883.59 | 48% |
| | Total Activity Based Budget | 699,395.00 | 205,620.00 | 390,699.92 | 596,319.92 | 103,075.08 | 85% |
| 2 | Capital Investment | | | | | | |
| | Equipment, Materials & Supplies | | | | | | |
| 2.1 | Transport | | | | | | |
| 2.1.1 | WD Hardtops & 2 Double cabin | - | 2,855.00 | 85.40 | 2,769.60 | (2,769.60) | |
| 2.1.2 | Tractor and trailer | - | - | - | - | 0.00 | |
| 2.1.3 | Motorbikes | - | - | 744.48 | 744.48 | (744.48) | |
| 2.1.4 | Horses & Tack | 1,167.00 | 52.00 | 45.90 | 97.90 | 1,069.10 | |
| 2.2 | Office, Office Furniture & Computer Equipment | | | | | | |
| 2.2.2 | Computers & Printers | 4,000.00 | 3,082.00 | 190.01 | 3,272.01 | 727.99 | |
| 2.2.3 | Computers Accessories & GIS Software | 3,113.00 | 186.00 | 752.12 | 938.12 | 2,174.88 | |
| 2.2.4 | Fax machine | - | - | - | - | 0.00 | |
| 2.2.5 | Data Projector | 2,297.00 | 1,072.00 | 355.83 | 1,427.83 | 869.17 | |
| 2.2.6 | GIS Hardware (Plotter & Monitor) | 2,228.00 | - | - | - | 2,228.00 | |
| 2.2.7 | Office Furniture | 1,556.00 | 425.00 | 899.29 | 1,324.29 | 231.71 | |
| 2.2.8 | Field Equipment, e.g. GPS & Forestry Equipment | 10,000.00 | 6,524.00 | 243.89 | 6,767.89 | 3,232.11 | |
| 2.2.9 | Solar Power | - | - | - | - | 0.00 | |
| 2.2.10 | Camping Equipment | - | - | - | - | 0.00 | |
| 2.2.11 | Backup Generator | - | - | - | - | 0.00 | |
| 2.2.12 | Photocopier | 1,987.00 | - | 1,814.74 | 1,814.74 | 172.26 | |
| 2.2.13 | Digital Cameras | - | - | - | - | 0.00 | |
| | Total Capital Investment | 26,348.00 | 14,196.00 | 4,960.86 | 19,156.86 | 7,191.14 | 73% |
| 3 | Recurring Expenditure | | | | | | |
| 3.1 | Local Office/Project Running Costs | | | | | | |
| 3.1.1 | Vehicle Running Costs - Field | 24,476.00 | 13,390.00 | 10,849.84 | 24,239.84 | 236.16 | |
| 3.1.2 | Vehicle Running Costs - PNRMU | 9,790.00 | 5,138.00 | 4,653.14 | 9,791.14 | (1.14) | |

| No. | BUDGET LINE | ANNUAL BUDGET | EXPENDITURES | | TOTAL | VARIANCE | % |
|------------|---|-------------------|--------------------------|--------------------------|-------------------|-------------------|------------|
| | | | 1 st Semester | 2 nd Semester | | | |
| 3.1.3 | Vehicle Hire | - | - | - | - | 0.00 | |
| 3.1.4 | Per diems -Travel Bale | 4,314.00 | 1,647.00 | 2,226.00 | 3,873.00 | 441.00 | |
| 3.1.5 | Per diem Travel PNRM office | 2,876.00 | 542.00 | 1,053.18 | 1,595.18 | 1,280.82 | |
| 3.1.6 | Consumables - Field Office Supplies | 18,522.00 | 3,366.00 | 11,842.73 | 15,208.73 | 3,313.27 | |
| 3.1.7 | Consumables - PNRMU Office Supplies | 5,954.00 | 1,180.00 | 4,772.01 | 5,952.01 | 1.99 | |
| 3.1.8 | Office Rent/Robe & PNRMU office share | - | - | 4,250.91 | 4,250.91 | (4,250.91) | |
| 3.1.9 | 8a Office Construction at Robe | - | - | - | - | 0.00 | |
| 3.1.10 | Field Office Services (Tel/Fax, VSAT, Electricity, Maintenance) | 10,584.00 | 3,911.00 | 6,414.16 | 10,325.16 | 258.84 | |
| 3.1.11 | PNRMU Office Services (Tel/Fax, Electricity, Maintenance) | 5,293.00 | 1,871.00 | 3,415.27 | 5,286.27 | 6.73 | |
| | Subtotal Local Office/Project Running Costs | 81,809.00 | 31,045.00 | 49,477.25 | 80,522.25 | 1,286.75 | 98% |
| 3.2 | Administrative Support Staff Costs | | | | | | |
| 3.2.1 | Administration & Finance Officers (2) | 9,545.00 | 3,655.00 | 4,238.05 | 7,893.05 | 1,651.95 | |
| 3.2.2 | Store Keeper/Cashier (1) | 2,233.00 | 1,219.00 | 828.96 | 2,047.96 | 185.04 | |
| 3.2.3 | Secretary (1) | 2,563.00 | 968.00 | 1,071.36 | 2,039.36 | 523.64 | |
| 3.2.4 | Office Assistant (1) | 2,000.00 | 312.00 | 429.10 | 741.10 | 1,258.90 | |
| 3.2.5 | Drivers (2) and Driver Mechanic (1) | 6,500.00 | 2,222.00 | 2,962.07 | 5,184.07 | 1,315.93 | |
| 3.2.6 | Guards (3) | 4,068.00 | 2,270.00 | 1,524.09 | 3,794.09 | 273.91 | |
| | PNRM Unit Administration Support | | | - | - | 0.00 | |
| 3.2.7 | Senior Finance Officer | 8,253.00 | 3,369.00 | 4,061.95 | 7,430.95 | 822.05 | |
| 3.2.8 | Driver (1) | 3,687.00 | 1,598.00 | 1,981.44 | 3,579.44 | 107.56 | |
| | Subtotal Administrative Support Staff | 38,849.00 | 15,613.00 | 17,097.03 | 32,710.03 | 6,138.97 | 84% |
| | Total Recurring Expenditure | 120,658.00 | 46,658.00 | 66,574.28 | 113,232.28 | 7,425.72 | 94% |
| | Total Direct Project costs (DPC) | 846,401.00 | 266,474.00 | 462,235.06 | 728,709.06 | 117,691.94 | 86% |
| | Admin. Charge 10% | 84,640.00 | 27,485.00 | 57,155.00 | 84,640.00 | 0.00 | |
| | Contingency(5% DPC) | 42,320.00 | 8,373.00 | 9,389.46 | 17,762.46 | 24,557.54 | |
| | Total | 973,361.00 | 302,332.00 | 528,779.52 | 831,111.52 | 142,249.48 | 85% |

Annex 2:

SUMMARY OF INCOME & EXPENDITURES (December 31 2008)

| DESCRIPTION | 2008 | | 2007 |
|---|------------|---------------------|--------------------|
| INCOME | | | |
| TRANSFERRED FROM THE DONOR | 599,414.00 | | 658,379.00 |
| INTEREST | - | | - |
| BBF | 93,850.00 | | 318,494.00 |
| TOTAL INCOME | | 693,264.00 | 976,873.00 |
| EXPENDITURE | | | |
| PERSONNEL COST | 161,471.79 | | 158,167.00 |
| MONITORING & EVALUATION | 23,204.42 | | 18,239.00 |
| ACTIVITY COST | 444,353.79 | | 365,079.00 |
| CAPITAL COST | 19,156.86 | | 118,458.00 |
| RECURRING COST | 80,522.25 | | 125,009.00 |
| ADMIN CHARGE | 84,640.00 | | 78,495.00 |
| CONTINGENCY | 17,762.46 | | - |
| SUB TOTAL | | 831,111.57 | 863,447.00 |
| EXCESS OF INCOME OVER EXPENDITURE | | (137,847.57) | 113,426.00 |
| EXCHANGE RATE EFFECT IN TRANSLATING FUNCTIONAL CURRENCY (BIRR) TO EURO | | | (19,576.00) |
| ENDING FUND BALANCE | | - | 93,850.00 |
| RECEIVABLE (PAYABLE) FROM/TO SOS | | | 113,972.00 |
| RECEIVABLE FROM FARM AFRICA | | - | (20,122.00) |
| TOTAL | | 0.00 | 93,850.00 |