



SUMMARY OF PRECEEDINGS OF THE NRM TWG MEETING ON THE POTENTIAL OF RANGELAND PRODUCTS IN PASTORAL LIVELIHOODS AND ENTERPRISES

September 3rd 2009, Queen of Sheba Hotel, Addis Ababa

MAIN PRESENTATION

The main presentation was done by Susan Wren, an Organic and Natural Product Business Advisor and Coordinator, Bio-enterprise Development Programme, Kenya.

(A summary is provided below and the full version of the presentation (without photos) has been uploaded onto the website)

THE POTENTIAL FOR RANGELAND PRODUCTS FROM DRY-LANDS

Enterprises suitable for pastoral and agro-pastoral communities need to have realistic potential for low risk, medium to high as well as sufficiently attractive returns.

There is a big transfer of natural ingredients from the developing world to the western world and global demand has increased significantly over the last 10 years. Manufacturers not only acquire their supply from traders but also invest in their own production to ensure a sustained source and to save costs.

The markets for natural products cover a wide sector; culinary and herb teas, food flavourings, toiletries, cosmetics, baby products, fragrances, health care products, herbal supplements/nutraceuticals and accessories. High quality, natural, design conscious, ethically and environmentally endorsed products are strong trends.

There is wide natural abundance of medicinal plant materials in the dry-lands of Horn and East Africa and a long tradition for its use for the majority of ailments and disorders.

For the local and national market, the development of a range of medicinal plants could be sustainably wild harvested and domesticated, to develop a range of herbal remedies and supplements to target the associated diseases and disorders of HIV-AIDS and the major African ailments.

These can be processed simply and packaged for retail through community based naturopathic pharmacies. This enterprise will stimulate high involvement of women in wild harvesting and domestication of the selected medicinal plants, and the largely manual processing and packaging activities. The processing of herbal supplements is relatively inexpensive.

A well structured supply chain, depot centres and central processing facility will be required. Domestication in most cases will be fundamental to the future of the supply, and community herbal gardens can be developed along with herbal medicinal gardens established at the main centre. This can act as a living gene bank, multiplication material, exhibition for experience sharing and eco-tourism.

As the same incentives and social benefits exist for bodycare products, the national and regional demand for high quality natural ingredients based, well formulated bodycare products is increasing: several ingredients for bodycare products can be sourced from the dry-lands.

The wild harvesting and processing of fixed carrier and essential oils, used in the production of bodycare products and for nutraceuticals, provides a relatively fast route to developing bio-enterprise. Indigenous essential oils and equatorial tree seed oils (cape chestnut, baobab, etc) can be sustainably harvested and simply processed and sold to either traders or/and used to develop a range of bodycare product for national and regional markets.

Once economies of scale have been achieved, bulk export to Europe and the UK would be a viable option, and if certified, organic demand for these oils is consistently high. Likewise, there is strong potential for cultivated certified organic nutraceuticals and essential oils, which can be developed during the second phase of a potential bio-enterprise development initiative.

Essential oil crops provide a sound agri-business opportunity for small-scale growers as the hygiene and quality aspect are very minimal, by the nature of the essential oil distillation processing. There are several indigenous plants (i.e *Ocimum* species, *Lippia* species, *Tagetes minuta*, *Tarchonanthus camphoratus*) growing in abundance in Laikipia Kenya, for example that produce marketable oils.

Growing conditions in this region provide the opportunity to produce cultivated essential oils. Women are traditionally involved in wild harvesting and there is also for small scale cultivation of essential oil plants and herbs and spices.

Traditional bee-keeping exists in large pockets across the dry-land areas of Horn and East Africa: producer groups already operate at commercial levels and some are engaged in export supply.

There is immediate potential for increasing the supply and the quality of both the honey and wax through the development of well structured supply chains, and the construction of facilities and uptake protocols for specific quality and sustainability aspects.

The infrastructure and systems that will be required for developing the supply chain and the central processing centre necessary for serving rewarding markets will provide a framework for most of the other bio-enterprises proposed. Future introduction of intermediate and modern hives, plus processing of apitherapy products can provide employment for women and the less advantaged members of communities.

Craft enterprises exist in an organized form within some communities; they are generally small scale for small market openings such as tourism and targeting medium to high income consumers within the main commercial centres. As craft enterprises can be taken up by all members of society, often based on traditional activities, they can be important enterprises that have sound opportunities for expansion.

However, without adequate and well targeted external assistance, the investment risk is too high to encourage new business activity. Support for the opportunity cost of developing rural enterprises is potentially one of the more legitimate uses of donor aid. The priority opportunity cost areas that require external support (from both government and development agents) may include on-going extension and training, micro-credit, basic infrastructure and equipment.

KEY HIGHLIGHTS FROM THE DISCUSSION SESSION

i) Examples of challenges of working in dryland areas

Beekeeping can be and is an activity carried out in many arid areas and with new potential areas such as from single species trees and/or from *prosopis*. However no water means no honey. Bees cannot produce honey without water and as a result, Beekeeping has become a secondary activity.

Further, due to the encroachment of both state and private farming in pastoralist areas there has been an increase in the use of pesticides and in some places more than 40% of bee populations in this area have been lost.

This is a big challenge as landowners are not willing to reduce inputs to agriculture if not economically viable. However, recently, through the support of SNV, Ethiopia gained compliance to the requirements for the exportation of honey to EU countries. It required the development of a national chemical residue monitoring plan to ensure that chemical residues are not found in marketed honey. Valuable lessons can be learnt from SOS Sahel's projects supporting/developing honey production in the north of the country.

There is potential for small areas of cultivation alongside surface water bodies and perennial rivers, however extremely limited water resources and cultivatable lands means that farming methods must be supportive of soil fertility building and preventive of erosion, and maximize crop production potential. Organic farming techniques are particularly relevant, such as deep rooting nitrogen fixing crops, agro-forestry, intercropping, forage banks, maximizing ground cover etc.

ii) Challenges of Developing Dry-land/Rangeland Product Enterprises

NGOs are often seen as having a negative impact on rural livelihoods development due to their predominant short-term support and interest in such projects. All commercial projects require long term investment and on-going extension support.

However investment does not have to be high – for example income returns from gums and resins can be significantly increased if harvesters collect the different species into separate bags, rather than mixing together the exudes from differing species. If mixed, the material can not be readily separated on a grading table and the

product can then only be sold in the general incense market rather than having opportunity for international essential oil/fragrance markets.

Skins and hides is another area where simple and inexpensive changes in processing (curing) can make a big difference in the quality and market value of the end product.

We need to work with pastoralists within a 'real world' - market aware and orientated context – if we intend to assist them to harness new livelihood opportunities.

It is challenging to reconcile conservation/sustainable use of the resource with enterprise development. The internationally approved and established sustainable harvesting protocols and certification system is one example of a methodology for utilizing indigenous plant material in a sustainable, monitored and evaluated manner.

Certification is now administered through the FairWild Foundation, under the FairWild certificate. IMO (Institute for Market Ecology) provide inspection services to this labeling standard. Currently the black market is the most functional market for rangeland products such as gums and resins but it lacks any control and is highly exploitative. This market strengthens when there is restriction to legitimate market access. Sadly, government bans on the export of indigenous plant materials usually has this effect.

Rural business development fits well with current government priorities. To assess the potential of rangeland products business, it is necessary to first undertake feasibility and business plans to understand the opportunities, challenges involved, cost benefit and the business case. Developing visual models is the most effective way of stimulating change in rural communities; pilots are useful in this regard.

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