

Darwin Initiative Main: Annual Report

To be completed with reference to the “Project Reporting Information Note”:

(<https://www.darwininitiative.org.uk/resources/information-notes/>)

It is expected that this report will be a **maximum of 20 pages** in length, excluding annexes)

Submission Deadline: 31st May 2024

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Darwin Initiative Project Information

Project reference	28-010
Project title	Developing rural pathways to community resilience and ecosystem restoration
Country/ies	Ethiopia
Lead Partner	Tree Aid
Project partner(s)	SUNARMA
Darwin Initiative grant value	£383,527
Start/end dates of project	Nov 21 – Oct 24
Reporting period (e.g. Apr 2023 – Mar 2024) and number (e.g. Annual Report 1, 2, 3)	April 2023 – March 2024 Annual Report 3
Project Leader name	Cheru [REDACTED]
Project website/blog/social media	https://www.treeaid.org/projects/ethiopia/developing-rural-resilience-and-restoring-land/
Report author(s) and date	Tekle [REDACTED], Cheru [REDACTED], Nia [REDACTED], Fazal [REDACTED]

1. Project summary

The dry forests of Ethiopia are diverse, dynamic and resilient ecosystems. Endowed with a rich biodiversity, they provide a multitude of natural resources and environmental benefits including the mitigation of climate change and desertification. High numbers of Acacia, Boswellia and Commiphora species are found. The Combretum-Terminalia ecosystems have been found to sink higher carbon stocks both in the biomass and soil, than some other dryland vegetation reported in Ethiopia and elsewhere in the tropics. Therefore, these woodlands may play an important role in carbon sequestration in the long-term whilst supporting livelihoods of pastoral communities. Combretum-Terminalia woodlands harbour diverse woody species which produce commercial gums and resins, such as Boswellia papyrifera. Boswellia forests in Ethiopia provide a major source of frankincense, alongside other important ecosystem services. However, these dryland forests are threatened by severe biodiversity loss and degradation. B.papyrifera accounts for 2/3 of global frankincense production, a resin which is collected through tapping the tree bark, and whose global demand has great potential to support livelihoods of rural communities living in poverty. However, over-exploitation and unsustainable land use, including agricultural expansion, overgrazing and bushfires, is leading to a collapse in the regeneration potential of B.papyrifera, as well as threatening the livelihoods of locals who depend on them. B.papyrifera

is particularly important in the landscape of Metema, an arid and semi-arid area in the north-western lowlands of Ethiopia and can make up to 30% of agro-pastoral household income. This income serves as a safety net during the dry months, reducing risks associated with agricultural failures, exacerbated by climate breakdown. Insufficient regeneration of *B.papyrifera* leads to intensified and unsustainable tapping on the remaining *Boswellia* trees, negatively affecting tree vitality. Studies reveal *Boswellia* will produce fewer and lower-quality seeds when intensively tapped and can reduce germination rates from 80% (from untapped stands) to 14%. Studies indicate a collapsing *B.papyrifera* population and predict a 50% reduction of frankincense yield in the next two decades. Tree Aid conducted a community needs assessment in Metema (February 2020) involving extensive discussions with both the local community and local government. The assessment highlighted the decline in agricultural productivity, and production of forest products in the area. There is great need for effective tools to monitor land-use and frankincense regeneration and to determine and improve quality standards of extracted products. Additionally, the frankincense value chain is largely underdeveloped, with grading done by buyers rather than tappers, who lack the resources to do this effectively. There is an urgent need for protecting and restoring *Boswellia* forests alongside the promotion of sustainable tapping, to prevent the collapse of the species, further habitat loss and land degradation.

This project seeks to reverse this trend, through improved governance and inclusive decision-making. The introduction of viable harvesting and regeneration techniques for frankincense and promotion of sustainable land management on farmland will reverse forest degradation and increase farmland productivity, reducing agricultural expansion. Livelihood opportunities will be promoted, incentivising sustainable exploitation, whilst increasing incomes. The overall objective of the project is to increase the incomes for 2,250 vulnerable households through improved management of 25,388ha of *Combretum-Terminalia* woodland ecosystem in six kebeles (Das Gundo, Lemlem Terera, Gubay Jejebit, Meshiha, Delello and Agamwuha) in North Gondar.

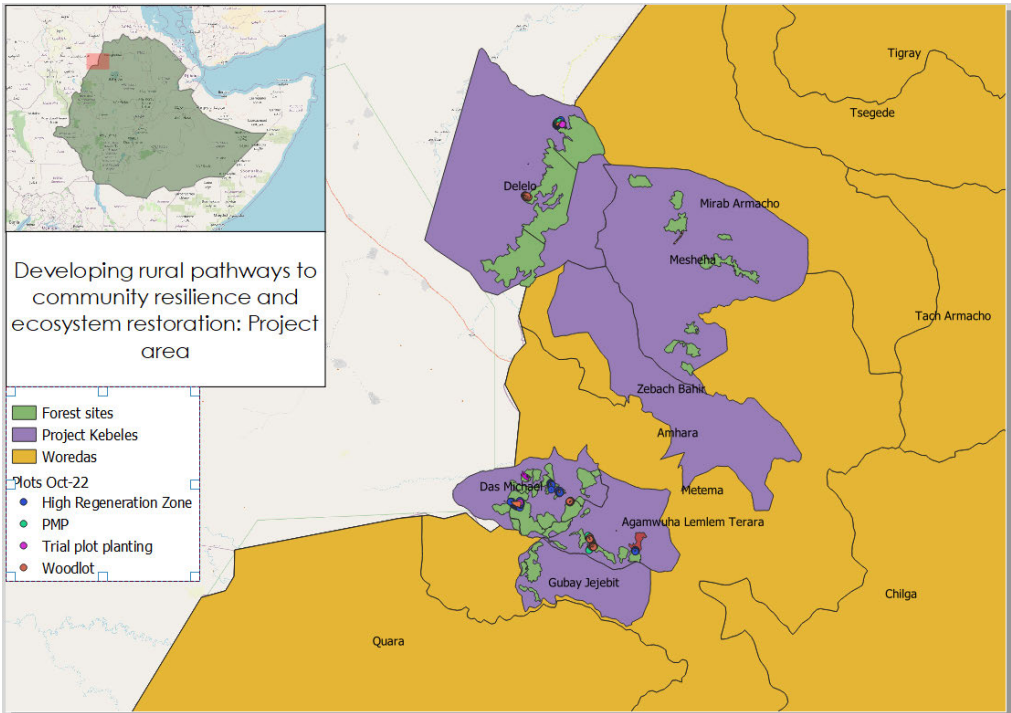


Fig. 1 Map of project kebeles and forest sites

2. Project stakeholders/ partners

The lead implementing partner in this project is the Sustainable Natural Resource Management Association (SUNARMA). SUNARMA is an environmental NGO (established in 2000), with an experienced project management team and expertise in natural resource management (NRM) and enterprise development. SUNARMA have been implementing a project around the frankincense value chain in the Metema area of Ethiopia since 2017, has in-depth community development experience and strong links with local and national government. Tree Aid and Darwin Initiative Main Annual Report Template 2024

SUNARMA have worked in partnership since 2013 on a series of projects so this helps to foster a strong working relationship. Tree Aid Ethiopia, Tree Aid UK and SUNARMA work closely and collaboratively to plan, implement and monitor the planned activities. Communication between parties is regular via email and remote meetings. The Tree Aid Ethiopia Project Manager engages frequently with SUNARMA and they have conducted joint trips to the project location in Metema for data collection and community engagement missions. SUNARMA was involved in the preparation of project documents according to government guidelines and got it signed by the regional government partners (the finance bureau, environmental and forest protection authority and cooperative promotion agency). It is an essential requirement when working with the local government departments that they will seek permission or orders from the higher authorities at regional and national level in order to support any project. This is where SUNARMA is playing a crucial role too.

Gondar University, with whom SUNARMA has a long-standing partnership, is providing technical support in the project, specifically around on-the-ground GIS training. Through this project, Gondar University was also connected with Swansea University which is a positive step in making links between the stakeholders as well.

Swansea University and Forest Research, based in the UK, are also involved in delivering activities in this project, specifically remote sensing to monitor the condition of the *Boswellia* trees over the course of the project. Tree Aid UK has taken the lead in terms of contracting and engagement, however, joint meetings have been held between all partners to foster learning and plan for activities. The collaboration between Gondar University, Swansea University and Forest Research is an excellent opportunity for all partners to learn, exchange and work together to deliver a sub-set of activities. The project has faced difficulties in actualising the planned field activities relating to the partnerships with Swansea University and Forest Research during this reporting period due to ongoing insecurity around the project area and related travel bans. However, alternative ways for example, adopting activities from personal visits into virtual meetings are being considered and applied where possible.

The Ethiopian Forest Department (EFD) is introducing and promoting improved tapping methods to beneficiaries through practical hands-on training and assessment of the comparative benefit of using improved tapping tools on the trees. EFD team has identified 5 research plots with 60 trees in each, labelling 30 trees each for traditional and Indian tapping techniques for a comparative study. A total of 300 *Boswellia* trees are identified for the research purpose. Each tree is marked, numbered, diameter at breast measured and latitude and longitude recorded, and samples are collected every 15 days. More details are given under relevant activities/output sections in this report. A preliminary report is attached as an Annex (Annex 4.1).

The Ethiopian Biodiversity Institute (EBI) is in charge of establishing an in-situ conservation site which will be considered a national site that focuses on conserving the *Combretum–Terminalia* woodlands dominated by *Boswellia papyrifera* trees. Last year, during a field visit the EBI team identified 3 forest blocks for analysis and selected Gas Gundo Forest block as in-situ conservation site. Regular monitoring and observation of the site was planned for this reporting year but due to security concerns the expert team couldn't do any progress. Security situation allows, this now planned for the remaining duration of the project. In addition, EBI are responsible for conducting the baseline ecological survey and socio-economic survey.

Local communities, the Participatory Forest Management Cooperatives (PFMCs), primarily engaged in conserving, developing and sustainable utilisation of local forest resources are community based local institutions that will own and manage the proper administration of local resources. These groups are pivotal to our work and achieving the objectives. Local leaders have, and will continue to be, engaged in project delivery. Some local leaders such as religious leaders and elders provide indirect support to the project through their membership as part of the PFMC groups. A project achievement review with key stakeholders is conducted twice a year.

3. Project progress

3.1 Progress in carrying out project Activities

Output 1: Equitable governance and environmental stewardship of Combretum Terminalia woodland in six kebeles is promoted through eight PFMCs

Activity 1.4 Conduct participatory forest management plan

In this reporting year, 4 of the 6 PFMC management plans have been reviewed which means all 6 management plans have been reviewed to date and the 2 new management plans have been developed. All 8 PFMCs now have their management plans in place.

The process of reviewing existing and developing a new forest management plan entailed undertaking quite a few prior activities performed by the PFMC members with technical support from the project team and sector offices. These include boundary mapping for the newly established PFMCs, participatory forest resources assessment (PFRA), drafting forest management plans, and crafting internal rules. The boundary map serves as a guide within which boundary limits the forest resources assessment has to be conducted and to determine for which specific forest block the forest management plan should be prepared. The participatory forest resources assessment (PFRA) was intended to understand the forest situations, identify the key interventions considering forest development, protection, and utilization, and determine the type of forest resources and their extent of utilization. Drafting a forest management plan was done by the leaders of the PFMCs for its approval by the general assemblies (members of the PFMCs). Also crafted internal rules by the PFMC leaders that govern the proper implementation of the forest management plans and regulate access to forest resources.

Facilitating such activities involved a series of village-level general public meetings to verify the maps and the findings of the forest resources assessment report and approve the reviewed or the newly developed forest management plan and the crafted internal rules or bylaws.

During their work on these management plans, PFMCs also discussed their day-to-day plans and activities. The day-to-day forest management activities include forest protection such as forest patrolling, forest development or enhancement activities like tree planting and enclosure of regeneration sites, and forest resources use according to the agreed and approved forest management plan. An example title page of a forest management plan in Amharic is attached (Annex 4.2).

Activity 1.5 Participatory identification of enclosure areas for hotspots of Boswellia degradation for regeneration (1 per PFMC)

Two additional enclosure areas for hotspots of Boswellia for regeneration were identified and mapped in two new PFMCs forest management areas in Agamwuha and Delello. All 8 enclosure areas are now in place.

Activity 1.8 Facilitate development of bylaws

Despite social unrest in connection to security issues in the project areas between April and June 2023, the project successfully facilitated the development of bylaws, an activity that was carried over from the second-year annual plan. This was achieved for all PFMCs except Meshaha during the first round, as priority was given to communities where security was comparatively better. For Meshaha PFMC the activity was conducted in Q3 (July-Sep 2023). The project has, therefore, ensured that now all the eight of the project's PFMCs have their own approved bylaws which would serve as an internal rule by which all the members have to abide by.

Two-stage discussions were employed in facilitating the development of the bylaws in each PFMC site. The project team began their facilitation by having meetings with the leaders of each PFMC in their respective villages to brainstorm the importance of managing the forest and having bylaws and then to discuss the next action of defining the contents of the bylaws. The project team organised public meetings in each village, during which majority of the PFMCs' members were in attendance. In the respective public meetings, the project team along with the PFMCs'

leaders facilitated the meetings so that the members understood the purposes of forest management and the contents of the bylaws. In-depth discussions were conducted about the contribution of the forest to the PFMC members, the status of the forest under PFMC, threats to the forest, and the mechanisms to minimize the human and cattle pressure on the forest. PFMC members were also informed about the permitted and restricted activities inside the forest. The rights, responsibilities, and obligations of PFMC members were also incorporated in the bylaws. The developed bylaws are gender-sensitive, in that statements are included that encourage increased female participation in PFMCs in terms of membership and leadership positions. During the meetings, lists of measures or penalties were also identified and agreed upon by the public. The formulated bylaws were approved by the General Assembly and the project supported the printing and distribution of the bylaws in local languages in August 2023.

1.9 Develop methodology that can map, support and measure the gendered impacts of the interventions at community and household level

To better understand the existing gender situation within members of the PFMCs and in the communities overall, Tree Aid conducted a gender study through a local consultant, Zufil Research Consultancy. The study sought to know the level of involvement of women in decision making processes both at household and community level. The study included a desk review of the existing policy documents of the government, a thorough overview of practical implementation of these policies in urban and rural areas, and focus group discussions and interviews. The study focused its work to subsistence agriculture, urban pity trade, and household chores.

Due to presence of restrictive social norms, individuals feel fear and hesitation to change their behaviour towards gender roles even though they are willing to. Therefore, social and behaviour change interventions are required at three levels: at individual level (women), at household levels (particularly targeting husbands), and community level (targeting the general population). The recommendations of the study will be integrated into project delivery and design wherever possible. The report from the consultants of the gender survey is attached with this report as an Annex (Annex 4.3)

Output 2. Sustainable harvesting and regeneration techniques of frankincense begin to be used in Combretum Terminalia woodlands to promote responsible exploitation and reverse resource degradation

2.2 Site identification for comparative analysis of traditional vs Indian tapping method (by Ethiopia Environment and Forest Research Institute (EEFRI/EFD))

Three researchers from EFD (Dr. Wubalem, Dr. Abeje Eshete and Dr. Shasho Megersa) travelled to the project area during the month of June 2023 to evaluate the research activities for the season and discuss with frankincense tappers involved in both tapping methods in the identified 5 research sites (Copy of the report is Annex 4.1). Tree Aid M&E officer and an official from the Bureau of Agriculture in Genda Wuha Town had a one-day discussion with the tappers. The team thoroughly discussed with tappers to get more insight and know their views on their actual experience and progress on the tapping research activities, get their perceptions on both the techniques, challenges they faced, and suggestions for improvement, etc. They also visited research sites and observed how the tapping had been done and discussed with the respective tappers. The tappers have perceived that the Indian tapping method is more efficient in terms of time. However, one concern the tappers highlighted was the height of the first tapping to the trees. The new tapping was performed starting 25 cm from the ground, as it is indicated in the manual adapted from the Indian experience and distributed to all trained tappers translated to local language. However, the resin tappers suggested to move the first tapping height to 50cm from the ground to avoid fire and provide comfort for the tappers. During the visit the team also collected resin samples for general analysis as well as in-depth laboratory analysis. Moving forward the team will focus on:

- Analysing the resin yield data obtained to compare with resin yield from the traditional method.

- Considering the tapping height from the ground and revise the tapping guidelines.
- Producing the technical report comparing both tapping methods. The final report is expected in September 2024 and will be shared with the final project report.

Activity 2.3 Training on Indian tapping method (20 PP*12 VTEs) 120 people in year-1 and 120 people in year-2

The second round of the training that was planned for October - November 2023 could not be delivered due to insecurity in the project area caused by the conflict between the local militia and government forces. The activity was instead conducted in the month of May 2024 and will be reported in the next half year and final report of the project.

Activity 2.4 Distribution of improved tapping tool

As part of the training delivered in May 2024 (see Activity 2.3), 130 trainees received the tapping tool kit and brochures. This will be reported in detail in the next reporting period.

Activity 2.5 Field and spectral data collection for inventory and condition assessment

Due to security restrictions, facilitators were unable to fly to Ethiopia during the proposed period for this activity, and the activity was initially postponed to August 2023 to be conducted virtually. Though the local teams were trained on the use of the poly pen and other remote sensing devices, the situation remained so tense due to security concerns and government restrictions on movements in the project area that even the local team couldn't go to the field to collect relevant data required for the analysis.

This activity is now being planned for June - July 2024. Tree Aid conducted a discussion with the research team from our partners in the UK (Swansea University and Forest Research) to plan a field visit and discuss technical considerations including identifying and agreeing on the right time of data collection from the trees, appropriate sample size, and number of samples to be collected from each tree and from what parts.

The ongoing support from UK partners has been limited due to the security situation preventing any field visits. During the early part of 24/25, the project will review the budget and activities to assess the viability of delivering activities as originally planned.

Activity 2.6 Development of cartographic products using remote sensing to support the development of forest management plans

This activity could not be completed due to security challenges. See comment at end of activity 2.5.

Activity 2.7 Training government and project staff on GIS and remote sensing

This activity could not be completed due to security challenges. See comment at end of activity 2.5.

Activity 2.8 Determination of Frankincense quality variables

EFD have collected samples from the trees that they are testing. These samples have been shared with Forest Research who, in collaboration with the University of Birmingham, will run analysis to assess the chemical composition of the samples. These will be verified against the type of tapping and apparent health of the trees from which they came. Further detail on this activity will be included in the next report.

Output 3: Improved farmland productivity through the adoption of sustainable land management and climate smart agriculture practices for 2,250 households

Activity 3.2 Training on locally appropriate climate smart agriculture practices and technologies for smallholder farmers

Following the training of trainers (ToT) provided to technical experts from the local government and project team, training on locally appropriate climate-smart agriculture practices and technologies was conducted for smallholder farmers. The training material on climate-smart agriculture which was adapted from FAO technical papers for the purpose of the ToT training

was further simplified and translated into Amharic in a way that farmers could easily understand and apply. The training contained the following topics:

- Brief background and definition of climate change.
- Causes and consequences of climate change.
- How to mitigate climate change.
- General information about climate-smart agriculture.
- Brief description of climate-smart crop production, animal husbandry, forestry, irrigation, and water harvesting systems.
- The amount of GHG emitted from the agriculture sector and how to mitigate it.
- The potential of forest resources as a carbon sink and carbon sequestration.

The overall aim of the project was to train 2,250 beneficiary households on this topic. During this reporting period, the training reached 1,142 over 3 rounds of training, representing 50.7% of the overall target. Unfortunately, due to the ongoing rates of extremely high inflation in Ethiopia, the original budget allocated for this activity was not sufficient to reach the intended target number of participants. The completion of this activity will be considered in any future rebudgeting activities, provided that the security situation is stable enough for it to take place.

PFMCs	Participants		
	M	F	T
Tach lemelem terara	114	15	129
Agam wuha	44	4	48
Gundo	222	53	275
Das	83	55	138
Zewude badima	48	16	64
Dellelo	46	23	69
Meshaha	186	139	325
Lay Lelem terara	85	9	94
Total	828	314	1,142

Table 1: Attendees of all climate-smart agriculture training sessions by kebele

Activity 3.3: Distribution of agroforestry trees for individual beneficiaries 1000 fruit seedling/year

Between July and September 2023, 772 grafted mango seedlings were distributed to and planted by 198 households (188 men and 10 women) who are members of the PFMCs. This activity is aimed at improving the livelihood of the PFMC members through agroforestry practices, which is one of the alternative methods to diversify the livelihood opportunities for the local communities whilst also promoting improved soil health. Before the distribution of the seedlings, assessments were made on whether the farmers had suitable land for mango fruit tree production, and the availability of water in the dry season. Failure to reach the target of 1,000 seedlings is entirely attributed to the increased inflation rates in Ethiopia. The total number of seedlings provided across the lifetime of the project is 1,822 representing 91% of the overall target.

PFMC	Number of Mango seedlings distributed to PFMC members	Number of beneficiaries		
		Male	Female	Total
Gundo	120	41	0	41
Das	180	27	2	29

Lay lemlem terara	120	27	0	27
Tach lemlem terara	148	49	0	49
Delello	130	25	5	30
Agamwuha	74	19	3	22
Total	772	188	10	198

Table 2: Distribution of Mango seedlings to beneficiaries by PFMC

Activity 3.4 Distribution of forage seeds, cutting, and seedlings for selected 540 households (50 per household)

Cowpeas were identified as one of the type of forage seeds which can best suit the dry land agroecology of Metema. Procurement was started in the first quarter of 2023. This forage has been chosen for its multipurpose benefits such as increasing biomass, supplementing household food demands and nutritional needs, and improving the farmland soil fertility as it is nitrogen-fixing. 120 target farmers were identified and oriented to prepare a piece of land for the cultivation of the forage seed.

Between July and September 2023, the project distributed 6.3 quintals of cowpeas to 166 households (153 men and 13 women). All the distributed seeds were planted by all the smallholder farmers, and the performance of the forage seed was very good as observed during field monitoring visits.

PFMC	Unit of measurement	Quantity forage seed distributed to PFMC members	Number of beneficiaries		
			Male	Female	Total
Gundo	Quintal	2	56	4	60
Das	Quintal	1	45	3	48
Lay lemlem terara	Quintal	1	22	3	25
Tach lemlem terara	Quintal	0.5	3	0	3
Zewdebadma	Quintal	1.3	17	3	20
Agamwuha	Quintal	0.5	10	0	10
Total		6.3	153	13	166

Table 3: Distribution of forage seeds to beneficiaries by PFMC

The desired outcome of distributing forage seed to project beneficiaries was to encourage them to produce improved forage crops, ensure that they have their forage seeds for the next cropping, and feed their cattle while maintaining or improving their soil fertility. Cultivation of the forage seeds carried out in the second quarter and harvesting completed in the Q3 (2023-24). Around 9.29 quintals of cowpea seeds and about 232 m³ of forage was collected. As per the feedback from the beneficiaries who cultivated the forage seed, due to mismanagement and lack of prior knowledge on the appropriate sowing date they were not able to harvest as much seeds as they expected. Beneficiaries were happy with the yield provided by the forage seeds.

Name of PFMC	Amount of seed collected	Amount of forage collected	Number of households benefitted	Remarks
Das	405 k.g	80m ³	48 (four of them women-headed)	Maximum seed harvested per HH is 50 kg and minimum is 2k.g

Gundo	424 k.g	117m ³	70 (five of them women-headed)	Maximum seed harvested per HH is 50 kg and minimum is 3k.g
Lay lemlem terara	100kg	35m ³	5 (all men)	Most of the farmers used the forage without harvesting the seed
	929	232	123	Nine of them women-headed

Table 4: Harvest of forages (seed and crop residues) by PFMC

Output 4: Household income of 360 men and women households improved through establishment of Village tree enterprises

Activity 4.1 Establishment of 18 VTEs (12 frankincense, 6 beekeeping)

The project had already achieved its target of establishing 18 VTE groups (12 frankincense and 6 beekeeping). During the reporting period, 4 new frankincense groups were established, 3 in Gundo PFMC and 1 in Zewebadma. A product and value chain survey took place for 15 of the VTE groups in In June 2023.

Activity 4.2 Training on drying, storing and grading of frankincense for 240 tappers

This training was combined with Activity 2.3 and took place at the rescheduled date of May 2024. This will be included in the next report.

Activity 4.3 Material support for drying and storage of Frankincense groups

Between April and June 2023, 344 sacks for storing frankincense were purchased and distributed to five PFMCs. The distribution was done based on certain criteria such as priority for the PFMCs producing frankincense by their members, membership and forest size, and production capacity of the PFMCs. Accordingly, the project distributed 150 sacks for Gundo PFMC, 100 for Das, 24 for Agamwuha, 22 for Laylemlem terara, and 47 for Zewudebadima.

Some of the PFMCs raised their request that they needed additional storage materials, and therefore the team procured 120 sisal-made sacks between October and December 2023. The sacks were distributed to four PFMCs (50 for Meshaha, 25 for Agamwuha, 25 for Lay lemlem terara, and 20 for Zewudebadima) between January and March 2024.

3.2 Progress towards project Outputs

Output 1: Equitable governance and environmental stewardship of Combretum Terminalia woodland in six kebeles is promoted through eight PFMCs

1.1 Eight legally recognised Participatory Forest Management Cooperatives (PFMCs) active by end of year 1

This has been achieved. 8 PFMC groups are now active as evidenced by legal records and capacity development training received. With the project support all of these PFMCs now have their bylaws developed and are binding on its members. There have been incidences in some of the PFMCs where some of the members received penalties based on their internal rules now being applied. For, example around 16 members of Gundo PFMC were charged to pay a total of ETB70,000 as per the internal rules of the PFMC who were involved in secretly exploiting the resources without permission of their PFMC. Similarly, the project team has closely worked with PFMCs to prepare their forest management plans which are now in place and being applied by them. Due to the bylaws development and implementation, women in 3 PFMCs (Delello, Tach Lemlem Terara, and Meshiha) have been able to get their fair share of the dividends which was not the case before the project intervention.

1.2 Women account for 30% of membership and leadership positions in PFM Cooperatives (year 2: 21%; year 3: 30%) Baseline: 0

We are half the way on this target, but we are working in a difficult environment. There have been security challenges almost throughout the project life which has continuously been adversely affecting lives and livelihoods activities, especially those related to forests and outdoors. Similarly, traditionally males are considered responsible for household income generation. To raise awareness on social inclusion and gender roles requires extra efforts and hardworking in these communities which also needs workable and secure environment. But despite these challenges the project is making progress and when the situation is normalised and gender awareness is done as planned, we hope to have more progress in getting women on board.

Members of 7/8 PFMC (Gundo, Das, Tach Lemlem Terara, Lay Lemlem Terara, Agamwuha, Dellelo, Zewdie Badma)
Men: 1325 (85%)
Women: 230 (15%)
(Source: OCAT April, Nov, Dec 2023)

Leadership of 7/8 PFMC (Gundo, Das, Tach Lemlem Terara, Lay Lemlem Terara, Agamwuha, Dellelo, Zewdie Badma)
Men: 60/70 (86%)
Women: 10/70 (14%)
(Source: OCAT April, Nov, Dec 2023)

1.3 Eight local land and forest tenure charters (by-laws) developed and adopted for the inclusive management of the woodland by the end of year 2

This activity was rescheduled to year 3 and has now been completed. As reported under Activity 1.6, bylaws have now been developed and are being implemented by all 8 PFMC groups.

1.4 8 Forest Management Plans reviewed/developed and adopted, for the area under the responsible of the PFM Cooperatives by the end of Yr 2

In this reporting period, 4 of the 6 existing PFMCs management plans have been reviewed meaning all 6 management plans have been reviewed to date. 2 new management plans have been developed. All 8 PFMCs now have their management plans in place.

Output 2: Sustainable harvesting and regeneration techniques of frankincense begin to be used in Combretum Terminalia woodlands to promote responsible exploitation and reverse resource degradation.

One of the important developments observed in this reporting period is the positive impact tapping training has had on the behaviour of the PFMCs. The PFMCs have started exercising the practices of sustainable production of frankincense by adopting a two to three-year rest time for *Boswellia* trees from tapping. For example, this year Agamwuha and Zewudebadima PFMCs were at rest and Das, Delello, and Gundo PFMCs have scheduled such in their plans from the next harvest season. Also, there has been a tendency of tapping by members themselves which is contrary to the business as usual in which they used to hire skilled tappers from elsewhere who would make more wounding in a given tree to extract more products.

2.1 One in-situ biodiversity conservation enclosure site established and managed under the responsibility of Participatory Forest Management Cooperatives by the end of year 2

This has been achieved. 1 in-situ conservation site was established during Year 2 as evidenced by the EBI's report (Annex 4.10). To further see how this site is supporting in biodiversity conservation and how its benefits can be replicated in the rest of the project area still needs to know as due to the security concerns, where government officials were more at risk, EBI staff haven't been able to carry out this activity to it's full.

2.2 80% (192/240) of producers (VTE members; 12 groups) trained are using new tapping techniques by the end of year 2 (year 1: 96 (40%); year 2: 192 (80%))

As of October 2022, 131/240 producers trained (54%) were implementing the technique. Another round of the training that was planned in Oct-Nov 2023 couldn't happen due to security

challenges and took place in May 2024 and will be reported against in the next annual report. The use of new tapping techniques by 80% of tappers is directly linked to the training provided and tools distributed to all the target tappers which is only completed in May 2024.

2.3 50% increase of 1st (1A) and 2nd (1B) grade frankincense products produced and sold by each (of the eight) PFM Cooperative as measured from project baseline by the end of the project (Baseline: High grade contains (1st grade special (1A), 1st grade (1B), 2nd grade, 3rd grade) Medium grade (4th grade special and 4th grade normal) Lower grade (5th grade) White: 545.73 Quintals (87.7%) - High grade, Black: 76.45 Quintals (12.3%) - medium grade (Based on x4 PPMC: Das; Gundo; Delello; Agamwuha))

Based on data from 4 PPMCs that were consulted during baseline: (Das; Gundo; Delello; Agamwuha)

High Grade (White): 90.18% (810.63 quintals out of total 898.89)

Based on data from 8 PPMCs:

(Das; Gundo; Delello; Agamwuha; Meshiha; Lay Lemelem Terara; Tach Lemlem Terara and Zewde Badime).

High Grade (White) = 84% 1,172.35 Quintals out of total 1389.98

(Source: ODK forms)

During the reporting period, the total harvest was 1,389.65 (1,172.35 white and 217.3) quintals of frankincense. All the harvests were sold at a price of ETB18,500.03/quintal for the white frankincense and ETB8,600.05/quintal for the black. Sales were done through the Union, with each VTE being represented by their respective PPMCs.

PFMC Name	Total Frankincense produced in 2023 in quintal		Total	Total income earned (in Birr)
	White	Black		
Delello				
Meshaha				
Gundo				
Das				
Tach Lemlem Terara				
Lay Lemlem Terara				
Zewude Badima				
Agamwuha				
Total	1172.35	217.3	1389.65	23,560,140

Table 5: Table showing quantity of frankincense produced by the 8 PPMCs (12 VTEs) and cash earned in local currency from the sale

2.4 70% survival rate (naturally regenerated seedlings) as measured from project baseline by the end of the project (Disaggregated by species) (Baseline: 16% survival of regenerated seedlings)

This will be reported in the project final report.

Output 3: Improved farmland productivity through the adoption of climate smart agriculture (CSA) practices for 2,250 household

3.1 20% increase in crop yields (per Ha), as measured from project baseline, by the end of the project (Baseline: Beneficiaries (Median Averages) Cotton: 900Kg Sorghum: 500kg Teff: 400 Kg Other Vegetables: 67kg Sesame: 53kg Maize: 42kg Soya Beans: 40kg)

Tree Aid conducted a survey in Jan-Mar 2024 with a sample of 192 households from the beneficiaries. Based on what they reported the households have 60% increase on Sorghum yield, 654% increase in Sesame, and 1568% Soya Beans. Households surveyed didn't respond on Maize and Wheat and Barley. This was probably because at the time the data collection it was the harvest season for the other crops or simply people sampled didn't grow these crops this year. However, the data shows encouraging statistics and the project has been doing well on this indicator.

3.2 70% (1,575) of farmers practicing at least 3 climate smart agricultural techniques on their farms by the end of the project

Due to security concerns and partly due to budget constraints project team has only been able to train 1142 households on climate smart agricultural techniques which is 50% of the total target households and interestingly, when Tree Aid conducted its RHoMIS survey in Jan-Mar 2024 it showed that 56% of the households (107/192) reported that they are applying biological and soil conservation techniques which is an encouraging step towards the overall target.

Climate smart agricultural practices (either biological or soil and water conservation): 56% (107/192) (Sources: RHoMIS)

Output 4: Household income of 360 men and women households improved through establishment of Village Tree Enterprises (VTE)

4.1 18 VTEs established and develop appropriate Enterprise Development Plans (EDPs) by the end of year 2 (currently funded through UKAM)

This has been achieved. The 18 VTEs (12 frankincense and 6 beekeeping) are active in that they have business plans which are being implemented. In year 2, the beekeeping groups received 60 modern beehives with accessories and during the reporting period the groups added an additional 14 transitional and 9 traditional beehives to their apiculture sites on their own, constructed using locally available material. This demonstrates their engagement and commitment to this activity.

4.2 Average turnover for active VTEs established and increase to 150,000 Birr/enterprise/year (\$3,800) by the end of the project (year 2: 75,000 Birr; \$1,800) (To be confirmed at project baseline)

Data shows an incredibly positive trend in increased income for frankincense VTE groups.

Sample: Frankincense (15 groups)
556,767 Birr / \$10,118 (average)
(Source: Product & Value Chain; ODK form)

Data for beekeeping groups was collected later in the reporting period. According to data collected from 3 VTEs (Das, Gundo, and Lay lemlem terara PFMCs) using the Product & Value Chain survey on groups engaged in beekeeping, of the total amount produced in the first harvest season, 98Kg of honey was sold resulting in 41,850 Birr from these sales. The amount consumed by the households were not recorded but it is estimated that around 20% of their total production was consumed. Data was not collected from the other three VTEs due to security problem (Agamwuha and Delello) or damage to the apiary sites.

4.3 Three contracts relating to frankincense signed with buyers by the end of the project (To be confirmed at project baseline)

This has been achieved, and 3 contracts have now been signed by the Union (representing 27 PFMC groups in the region including the 8 project PFMCs) to buyers over the lifetime of the project 2 contracts were signed during the last reporting period, and for this reporting period 1 contract was signed to a buyer by the union representing the produce of all the Union groups.

3.3 Progress towards the project Outcome

Outcome: Increased incomes for 2,250 vulnerable households through improved management of 25,388ha of CombretumTerminalia woodland ecosystem in six kebeles (Das Gundo, Gubai Jejebit, Meshiha, Delello, Lemlem Terara, Agamwuha) in North Gondar.

Overall, we remain confident that progress against the Outcomes can be made by project-end. Despite a general decrease in income, income for NTFPs has increased as hoped. As reported against Output 4.1, frankincense sales are also an area of success which will contribute to achieving Outcome indicator 0.1. A positive increase is also reported against Outcome indicator 0.3.

Challenges with being able to deliver the project as planned – especially regarding the research component – mean that a post-annual report review will take place. This will potentially lead to an RFC that encompasses project extension, a revision to the budget in order to focus on on-the-ground activities, and a review of what research can be achieved in the remaining months.

0.1 Household income increase by 25% by end of the project as measured from project baseline. (Baseline: Total Income: \$5,027.48 NTFP Income: \$97.69 (Proportion of income: 2%) Off Farm Income: \$1,007.05 (Proportion of income: 20%) Crop Income: \$2,822.98 (Proportion of income: 56%) Livestock Income: \$1,099.75 (Proportion of income: 22%) Farm Income: \$3,922.73 (Proportion of income: 78%)

We have replaced the indicative baseline of 45,889.5 ETB with an updated baseline which Tree Aid collected through its RHoMIS survey in the first year of the project. The data for the reporting period shows total HH Income: \$3,466.92.(NTFP Income: \$358.42;Crop Income: \$2,319.85; Livestock Income: \$389.32;Off-farm Income: \$399.33) the current income is below the baseline but this may be due to multiple reasons. Insecurity due to conflict and instability in the currency seem to be major factors. The following table from our internal analysis show that there has been a huge decrease in the income from the livestock and off-farm products. For in-depth understanding on the reasons require a more detailed investigation, however it is obvious that people may have lost the purchase power due to the inflation and on the other side those who would normally sell out their products may have had to save them for their own consumption and therefore have lost the cash flowing to their pockets from selling out the surplus. But still the trend from the NTFPs is increasing. This shows that people are developing the trend to more and more rely on the NTFP produce as an alternative.

	2022	2023	2024	\$ change - 2022-24	% change - 2022-24
Crop	\$2,815	\$3,893	\$2,319	- \$496	-18%
Livestock	\$1,137	\$473	\$389	- \$748	-66%
Off-farm	\$1,004	\$1,746	\$399	- \$605	-60%
NTFP	\$90	\$346	\$358	+ \$268	+198%

(Source: RHoMIS Survey)

0.2 5% increase in vegetation cover and production potential of 25,388ha of woodland area under forest management plans in the project area by the end of the project from project baseline (Baseline: Baseline Survey (EBI report) 31 woody species; 26 genera and 15 families. Swansea University Ground Area: 67% Canopy Area: 33%(39 Sites; 34,002 Ha; June 2021))

Progress against this outcome will be reported against at project endline. It is important to note, however, that the area of woodland under community forest management (regulated by local community governance and protected from encroachment) has increased by 42% since the start of the project, from 25,388 ha to 35,941 ha. This is due to the two new PFMCs included in the project which were established during this reporting period, Agamwuha and Delello PFMCs. We are considering submitting a RFC to increase the area of land in logframe indicators to reflect the additional PFMCs.

0.3 Tree density in enclosure areas increases in each of the PFMC sites established, by an average of 25% by end of the project as measured from project baseline (disaggregated by species). Baseline: Density: 598 Trees/Ha (based on the data collected from 27 permanent monitoring plots (PMPs) data) (Collected by TA Team in Jul-Sep2022)

Tree Aid is collecting this data on annual basis. Previously, the density in the baseline was reported as 658 Trees/Ha but it is slightly changed after further work on the data showed that it should have been 598. Data collected in Oct-Dec 2023 shows 10% increase from the baseline. It is hoped that this will show positive trend in the next data collection time to achieve end of the project target.

Normal Forest Blocks (Randomly selected PM plots)
656 trees per Ha from 28 PMPs (Oct-Dec 23)
10% increase)
Species Diversity: 17
(Source: PMPs)

3.4 Monitoring of assumptions

All outcome and output level assumptions still hold true, and Tree Aid continues to monitor closely the critical conditions for the project success. Assumptions where challenges have arisen are detailed below, and these are consistent with the areas of focus for assumptions during the last reporting period. The global economic situation which has resulted in extreme inflation in Ethiopia is still ongoing, though is now showing a creeping trend towards stability again.

Outcome level assumptions

Outcome assumption 6: Political situation remains stable enough for project activities to take place.

Comments: The armed conflict between local militias of the Amhara region and the federal troops which broke out in April 2023 escalated and intensified especially in the first half of the reporting period. The conflict led to a 6-month state of emergency which was extended for another four months, lasting until the end of May 2024. This meant that we couldn't implement our targeted activities to its full. Activities were kept moving from one quarter to another and our partners from the UK who have their critical role in the research on frankincense production and effects on Boswellia trees health were not able to visit the field to carry out important bits of the research. Even our local partners including Ethiopia Biodiversity Institution (EBI) and Ethiopia Forest Development (EFD) and other government stakeholders couldn't carry out important tasks including joint taskforce monitoring visits and supervision of the identified enclosure site. Restrictions on movements in the curfew also meant that our own projects staff and partner staff faced difficulties in conducting project activities. Though there is still no clear news on the state of emergency but information from the project staff and local communities show that some stability is seen apart from the main route to the project area where incidences of kidnapping are still feared.

Outcome assumption 7: No significant changes to international markets for frankincense and no major price fluctuations.

Comments: The demand and price for frankincense has remained high but there has been a slight decline compared to the situation during last reporting period. At the time of the last reporting period (202223) price for the white grad of the frankincense was 23021 ETB and for the black grad it was 9000 ETB. Though there is a slight decline in the prices during the reporting period which are 18,500 ETB for the white and 8,600 ETB for the black grad, but the prices are seen quite promising and good.

Output level assumptions

Output assumption 1.3: No reappearance of civil unrest

Comments: Continued insecurity in the project area, curfews and restrictions of movements have resulted in moving activities from one quarter to the other or putting some of the important activities on halt including activities 2.1, 2.3,2.4, 2.5, 2.6, 4.2. The project team is closely observing the situation and we have seen signs of getting the situation back to normalcy as the team and one of our government partner were able to visit the area in May, conducted some trainings and organised planning meetings for data collection.

3.5 Impact: achievement of positive impact on biodiversity and poverty reduction Impact: Forest ecosystems and biodiversity restoration are improved, and livelihoods for vulnerable people in Ethiopia are improved

This project aims to contribute to restoration and improvement of forest ecosystems and biodiversity through empowering local communities and establishing community-led sustainable management structures for forest resources, which will reduce pressures on natural resources and promote biodiversity restoration. The sustainable exploitation of forest resources will support rural communities to increase their incomes and improve their resilience to the climate crisis, helping to reduce poverty in the region.

To contribute to improved forest ecosystems and biodiversity restoration in the Metema region, this project aims to achieve a 5% increase in vegetation cover and production potential of 25,388 ha of woodland. With re-organisation/formation of 8 PFMCs, establishing their structures, and their registration with the local authorities, this area now managed by 8 PFMCs. The project has supported these cooperatives to create their management plans and put bylaws in place to ensure long-term sustainability. During this reporting period, the process of establishing these bodies and developing their by-laws is now completed. All PFMC groups have been empowered to undertake forest governance through the development and implementation of bylaws which clearly define the rights and responsibilities of land users towards the forests, which will help to protect forest resources and ensure they are used sustainably in the long-term. Also, the area of woodland under community forest management has increased from 25,388 ha to 35,941 ha due to PFM expansion to new sites such as Agamwuha and Delello. This has resulted in another 10,553 hectares of natural forests added increasing the baseline by 42%.

The project is further supporting the restoration and protection of land through improved farmland productivity, reducing the need for further agricultural expansion. The introduction of improved forage seeds such as cowpea to the project area during the reporting period has multiple benefits to the local communities such as increased biomass, cattle feed, food, soil fertility improvement, and income generation. This crop species is well accepted by the local communities and majority of those who produced the crop have reserved the seeds after harvest to produce in the next planting season and multiply the seed.

To support improved livelihoods, the project has supported communities to establish 18 new VTE groups working on beekeeping and frankincense. These activities target 360 households (25% women). During the reporting period, VTEs have sold produce to increase household incomes, as reported under activity 4.2, output 2, and the outcome. Further material support was also provided to the groups to strengthen their capacity. PFMCs were also trained on the sustainable use of forest resources and to save *Boswellia* trees from being overly exploited. The PFMCs have started exercising the practices of sustainable production of frankincense by adopting a two to three-year rest time for *Boswellia* trees from tapping. For example, this year Agamwuha and Zewudebadima PFMCs were at rest and Das, Delello, and Gundo PFMCs have such schedule in their plans from the next harvest season.

There has been noticeable quality improvement of frankincense produced by the PFMCs supported by this project compared to last year's data (84.36 % white and 15. 64% black). This is mainly attributed to improved post-harvesting due to quality management training and provision of storage materials such as sacks. In the long-term, the VTE structure supported by the larger PFMCs can continue to support local communities to increase incomes.

4. Project support to the Conventions, Treaties or Agreements

When this project was being designed, Ethiopia had a National Biodiversity Strategy and Action Plan (2015-20) for implementing the Convention on Biological Diversity (CBD) at the national level. This project is contributing to the targets of this strategy. The project is particularly contributing to the CBD targets 4, 5, 10 and 14, by promoting sustainable harvesting of forest resources to support local livelihoods, reducing anthropogenic pressures on tree resources alongside strengthened forest governance (through PFMC) and natural regeneration. Additionally, the promotion of sustainable land management and climate smart agriculture, will increase land productivity, reducing agricultural expansion. The reduction of damaging practices and increased forest cover will contribute to increased ecosystem services, including carbon sequestration.

This project is being implemented with support from the EBI, the CBD focal institution in Ethiopia. The EBI signed a partnership agreement with Tree Aid at the start of the project and continue to be involved.

Since the start of the project, the Convention on Biological Diversity (CBD) Aichi targets that were included in the proposal have been replaced with the Kunming-Montreal Global Biodiversity Framework, with 23 action targets in place until 2030. The project is delivering against these new targets. Working with 8 PFMC groups to protect local forest lands using bylaws and management plans contributes to Targets 3 and 9. During the reporting period, this is demonstrated through the development and implantation of bylaws (Activity 1.8, indicator 1.3). Improving agricultural productivity through climate-smart agricultural techniques and agroforestry planting supports Target 10, recently demonstrated through training for 1,142 small-holder producers (Activity 3.2, indicator 3.2). The project's gender-sensitive approach supports Target 23 which is reflected in reporting indicator 1.2.

5. Project support for multidimensional poverty reduction

This project aims to directly impact on poverty alleviation by developing new, sustainable income sources for rural communities and building climate resilience. Additional income earned will enable families to pay for essentials such as food, healthcare, and education. The project aims to increase household income by 25% for the 2,250 vulnerable households involved in the project in six kebeles (Das Gundo, Gubai Jejebit, Meshiha, Delello, Lemlem Terara, Agamwuha,) in North Gondar (Outcome indicator 1). The project aims to address poverty alleviation in the long-term by providing capacity building. Through the provision of technical support and building knowledge base on the improved techniques of frankincense harvesting and awareness raising and skills building on the post-harvest processing and marketing with added value techniques, the project is empowering the rural communities to increase their bargaining power for selling out their products.

Baseline data recorded that the mean household income was \$5,027.48 at the start of the project. A 25% increase would represent about \$1,266. To achieve this increase, the project has now established 22 VTE groups in total, with 6 working on beekeeping and 16 on frankincense. The project aims that 25% of group members will be women, as they are most significantly impacted by poverty in rural communities. Data from the reporting period shows that incomes for frankincense groups has increased dramatically, reaching 556,767 Birr / \$10,118 (average) across the 15 groups sampled.

Income will also be increased through training on frankincense grading and selling produce through the PFMC and Union structures. This should both increase incomes in the short-term and protect a key resource for the longer term. During the reporting period, 1,142 farmers took part in training on climate-smart agricultural practices. The adoption of these techniques on farmlands will contribute to increased land productivity and crop yields, and consequently an increase in household income in the long-term. As reported against Output indicator 4.2, the project has achieved some impressive results in terms of increasing crop yield so far. The project has also now provided a total of 1,822 mango seedlings for agroforestry planting to farmers, the fruits of which can be eaten or sold.

6. Gender Equality and Social Inclusion (GESI)

Please quantify the proportion of women on the Project Board ¹ .	n/a
Please quantify the proportion of project partners that are led by women, or which have a senior leadership team consisting of at least 50% women ² .	n/a

GESI Scale	Description	Put X where you think your project is on the scale
Not sensitive yet	The GESI context may have been considered but the project isn't quite meeting the requirements of a 'sensitive' approach	
Sensitive	The GESI context has been considered and project activities take this into account in their design and implementation. The project addresses basic needs and vulnerabilities of women and marginalised groups and the project will not contribute to or create further inequalities.	X
Empowering	The project has all the characteristics of a 'sensitive' approach whilst also increasing equal access to assets, resources and capabilities for women and marginalised groups	
Transformative	The project has all the characteristics of an 'empowering' approach whilst also addressing unequal power relationships and seeking institutional and societal change	

This project has been designed in a gender-sensitive manner to maximise women's involvement in activities. The project is actively targeting women and ensuring inclusion in project assessment, interventions, and outcomes. Tackling strategic gender interests will be through the active support of women, enabling them to become a more effective voice and actor in Combretum-Terminalia woodland management. Women are being supported to participate in the PFMC governance structures (monitored against output indicator 1.2), increasing capacity and sense of ownership over natural resources, and will increase their voice and decision-making power (monitored using the Voice, Choice, and Control surveys).

A notable adaptation of the project to address gender during the reporting period was the commission of the gender study (reported under Activity 1.9). The results of the study will support the implementation of the rest of this project, in addition to any future projects in the Metema region and in Ethiopia more broadly. In response to the recommendations from the study, Tree Aid has integrated gender awareness sessions within the trainings implemented in the twin project within the same communicates, funded by FCDO. Gender awareness sessions have been conducted as part of the groups dynamics and conflict management training delivered to PFMCs. Separate trainings on gender awareness are now also planned for the year 2024-2025, including a ToT for the project and partner staff and government officials, under the twin project

¹ A Project Board has overall authority for the project, is accountable for its success or failure, and supports the senior project manager to successfully deliver the project.

² Partners that have formal governance role in the project, and a formal relationship with the project that may involve staff costs and/or budget management responsibilities.

funded by FCDO. Partner team is also considering integration of more robust messages on gender awareness in the remaining activities of the project where appropriate.

Monitoring the project's impact on gender has been considered in our Monitoring and Evaluation plans. The RHoMIS a household socio-economic survey which includes a Voice, Choice and Control tool in order to assess and monitor changes to availability and access to NTFPs and agricultural products, the non-income and income stream provided by NTFPs and differentiated impact on household economies and gendered distribution of benefits.

7. Monitoring and evaluation

The baseline Rural Household Multi-Indicator Survey (RHoMIS) was conducted in February 2022 with a sample size of 383 households. A repeat RHoMIS survey was conducted in March 2023 with 215 households. A further mini-RHoMIS was conducted in Jan-Mar 2024 with a sample size of 192 households. RHoMIS is used to track and report against several indicators including changes in household income, crop yields, and the use of climate-smart agriculture techniques.

During the reporting period, data collection from all 27 Permanent monitoring plots was completed. Data collected includes the height and DBH of trees, and the number/species of large and small trees. The data was collected by the project field team and the Tree Aid M&E Officer, who was also responsible for the analysis. Vegetation data focused on tree density which helps to track how the PFMCs are maintaining or increasing the forest cover under their management. An Ecological Survey was undertaken by EBI and the University of Gondar.

To assess the capacity of the eight PFMC groups, organisational capacity assessments were carried out by the Tree Aid M&E Officer using the OCAT (ODK) survey (Annex 4.6). Data was collected by SUNARMA focusing on tree management practices, forest coverage, frankincense production, and members' participation. Data was collected from the Cooperative Union regarding capacity assessment in terms of marketing (quality, reaching out to the export market, bargaining, etc.) and leadership.

The Village Tree Enterprise Groups (VTEs) were surveyed with an Organisational Capacity Assessment. This provided data on their relative organisational strengths in the domains of Production & Profit, Skills & Equipment, Finance, Business Management, Market Access and Governance. They were also surveyed using our Product & Value Chain Assessment, which provided data on their sales, expenses and profit (Annex 4.7).

An annual review of the Beneficiary List took place to track individual participation in project activities and groups.

Tree Aid continues to lead on the project M&E. A Tree Aid M&E officer has been recruited and is stationed full time in the local partner regional office in Metema. Tree Aid share M&E files and folders through Microsoft Sharepoint, and we store M&E survey templates and collected data on the ONA website. Tree Aid is in the process of commissioning an M&E Information Management System (IMS), to automate the collection and tracking of Key Performance Indicators (KPIs). This will have interactive dashboards accessible by all in-country teams.

8. Lessons learnt

Security challenges continued due to the conflict between the armed forces and the government during the reporting period. Activities related to UK partners, including Swansea University and Forest Research couldn't continue as planned. Data collection from the field had to delay. The team have had to adapt and act reactively to the changing situation to accommodate this work in new ways. For example, virtual training options were considered and partially applied. But actual data collection still remained a challenge as due to the severity of insecurity even the local team were also not able to visit the area. The data collection is now planned for June 2024, however the analysis and results compilation will take longer and may need the project time to be extended. Nevertheless, the project team's commitment to carrying out other project activities despite the difficult security circumstances should be commended. The project team has conducted a risk analysis in terms of security concerns in each project kebeles and has been implementing project activities in areas where the conflict situations are less and moderate. The

project team also monitors the day-to-day security situations of each project site before the field works.

Some project activities were also subject to delays due to issues with internet connectivity across the country, particularly affecting the team working from the Metema region. This has meant that adaptations originally put in place to carry out activities online to mitigate against not being able to visit the field due to security (Activities 2.5, 2.6, 2.7 working with UK based partners) have been made more difficult.

Based on the learning from the difficulties faced by the team to include more women in beekeeping groups formation, which is partly cultural issue due to male dominant society and partly due to management timing of the bee processing, a gender survey was commissioned. The survey suggests for more active sensitisation on gender roles and gender awareness among the target communities. Some of these recommendations are being actioned during the reporting year. Sessions on gender awareness were integrated into some of the trainings for PFMCs supported by the project. One positive step that was noticed was that last year women members of some of the Participatory Forest Management Cooperatives (PFMCs) secured their fair share of the dividend, which was previously considered only male members' right.

An activity that should require modification in the next implementation phase and for any future projects is the formation of the beekeeping VTEs. The original approach of organising groups of around 20 women in each was not as fruitful as expected. Locating apiaries in forest lands meant that monitoring was more difficult for group members due to their distance from homes, and in Tach Lemlem Terara the apiary site was even damaged by forest fires. We believe that on reflection and based on Tree Aid's experience in other regions of Ethiopia, it is more beneficial to create sub-groups to manage smaller apiaries located on homesteads or gardens. Some groups have now had apiaries moved more locally, with extractors and other equipment still centralised to be shared between all groups.

In terms of approaches that have worked well during the reporting period, it has been observed that by increasing the quality of frankincense through the provision of standard tapping tools, drying and storage materials has also a considerable positive impact on income increment on the sale of frankincense product. Our interventions on this topic have therefore proven to be effective. Another positive learning from the reporting period has been the success of the multipurpose forage seeds. The crops have a good nutritive value to the livestock, its ability to restore soil fertility and it can also be used as food could also be considered as among successful activities.

Due to ongoing security concerns which have resulted in an inability for the team to deliver several activities in line with the project schedule, we may need to consider revising the project budget and timeline to allow for activities to take place at a later date. This project intervention to develop enterprise groups, especially around frankincense harvesting and production and marketing was slightly a new experience for the organisation and the team is still learning. The area where the project is implemented also has its unique dynamics. People are moving to the area during dry season where agriculture activity is on halt and collect frankincense as an additional source to fill the gap of the ever-degrading income sources of agriculture due to climate effects and land degradation. The communities, government authorities as well as the project team still need to learn a lot on their roles and responsibilities, access rights and market procedures. Some of the targets we initially put in the project and the indicators we designed may need to be revised. For example, output indicator 2.3 says 50% increase of 1st (1A) and 2nd (1B) grade frankincense products produced and sold by each PFMC. Which doesn't seem realistic and achievable when we now have a baseline of 87% of white grade already. We will need to revisit our targets and indicators.

9. Actions taken in response to previous reviews (if applicable)

We have addressed feedback from last year's annual report as follows (the first point of feedback was related to the half-year report, and has therefore not been included in this response):

1. This query is addressed in reporting in section 3.1, and Annexes have been provided as evidence where possible.

2. Report on the quality of engagement between the partnership and with external stakeholders, including evidence such as meeting minutes and feedback: We are delivering this project in close collaboration with local partners and government relevant departments as well as partners from the UK. Tree Aid has been doing frequent and regular communication and coordination with all our partners and stakeholders. Events including stakeholders' workshops and joint monitoring visits are curtail to the smooth implementation and quality assurance of the intervention as well as mutual learning. A stakeholder's workshop and a joint visit was conducted this reporting year too (see photos in the Annex 4.12). during discussions in these events government officials gave very positive feedback on their learning from the project approach and to apply learning in their work. This relation also benefits the project in getting permissions for our work and increase acceptance level in the communities and the government. Tree Aid is also closely working with its main implementing partner, SUNARMA whose support on hitting the stone on the ground is curtail. They are playing critical role in delivering the activities in the field and supporting Tree Aid in building these ties with the communities. Our UK partners (Swansea University and Forest Research) and Gondar University in Ethiopia are playing their critical role in pushing the research forward on the Boswellia, to find how this tree's healthy growth and regeneration is important for the livelihoods of the local communities both in short and long terms. Though there is less progress on their research work due insecurity in the area.
3. : There are things that still need to improve that include PFMCs are encouraged on their management plan and can get the support they need form the government. For example, awareness on legal issues and support PFMCs need from the government on legal issues related to land encroachment still need more proactive support from the local authorities. Explanations for why certain activities have been moved or delayed have been reported in section 3.1. Some of the planned activities have been affected, especially trainings to tappers on the new tapping techniques and to women on collection, grading and storing of frankincense as well as activities related to the research component of the project which means this could limit achievement of the overall targets. A review of the activities and revision of the budget will be a consideration after this report.
4. The wording of the Impact statement has been updated in the logframe based on the suggestion provided.
5. Similarly, wording of Outputs 1 and 2 been updated based on the suggestion provided.

10. Risk Management

No new risks have been identified during the reporting period, however some existing risks have impacted on project delivery. An updated risk register is attached as an Annex (Annex 4.5).

Inflation

Inflation was among the risks faced and has significant negative impact on project implementation. As a coping and adaptation mechanism, we have made plans to carry out a revision and have also been able to accomplish some activities by merging them to reduce travel costs. Running costs have also been minimised during this period.

Security

The other risk we faced is the security problem across project sites. Project sites are categorised based on risk: risk free, medium risk and high-risk areas. By avoiding carrying out activities in high-risk areas, we have able to avoid risks. As previously reported, security issues are raised regularly internally. The Tree Aid Ethiopia team and SUNARMA are in contact regularly and a security document is updated by SUNARMA every fortnight. The risk registers (programme and organisational) are updated accordingly. Risks are managed by the in-country and Head Office management teams. A report on the effects of the insecurity on project communities is attached (Annex 4.9).

11. Sustainability and legacy

This project has been designed with long-term sustainability in mind, and the exit strategy for the programme is still valid. Activities were chosen based on an in-depth understanding of community needs and based on a bottom-up approach.

A number of capacity building activities have taken place during the reporting period to support this strategy. The preparation of the bylaws was facilitated with sustainability. Protecting, managing, and utilizing the forest under the PFMC forest governance structures, in addition to gender equality were highlighted during the process. The bylaw development process was facilitated with the full participation of the PFMC members to ensure that they felt ownership over the completed documents. The PFMCs have obtained the skills to prepare and revise a long-term forest management plan for improved local forest governance and develop annual action plan from the long-term management plan. The PFMCs are empowered to implement their management plans and regulate access to forest resource uses.

With trainings on the new techniques of tapping and harvesting of frankincense as well as trainings provided on building skills on post harvesting processing and marketing of frankincense product has encouraged the target households to use their skills to do collection, processing and marketing their own. This is helping to change the power dynamics and a shift of bargaining power from the buyers to the producers. This will have a long-term impact beyond the lifetime of the project.

The project beneficiaries who engaged in the production of improved forage have obtained new skills in producing crop pastures such as cowpeas. They also have their own seed for the next cropping season. Training on climate-smart agricultural practices enables local communities to design locally appropriate climate adaptation for their own lands and thereby grow resilience to the climate change in the long-term. The material supports provided for the PFMC's frankincense VTE groups in the form of sacks are crucial for maintaining the quality of frankincense produced by the PFMCs.

Sustainability beyond the lifetime of the project will also be supported through the relationships built with local and national stakeholders. The EBI, University of Gondar, and EFD remain very involved in the project, and the project has also used a ToT approach for many of its trainings so that stakeholders are aware of best-practice and can disseminate knowledge to more communities in the future.

10. Darwin Initiative identity

Tree Aid continues to promote the Darwin Initiative in relation to this project. The project has a dedicated page on the Tree Aid website, including project information and the Darwin Initiative logo: <https://www.treeaid.org/projects/ethiopia/developing-rural-resilience-and-restoring-land/> . The Darwin Initiative is recognised as a donor in Tree Aid's annual reports. Tree Aid also uses social media to promote the project and the support of the Darwin Initiative through sharing project information on platforms including Instagram, Facebook, and LinkedIn to raise public awareness. Example posts can be seen here: https://www.instagram.com/p/C5EDM3iil7e/?utm_source=ig_web_copy_link&igsh=MzRIODBiNWFIZA==
<https://www.facebook.com/reel/1062155708209279>
<https://www.linkedin.com/feed/update/urn:li:activity:7179150636922347520>

The project is recognised as distinctive in the context of Tree Aid's wider portfolio, however it is recognised that it complements another project which is also working in Metema to improve frankincense livelihood opportunities.

11. Safeguarding

Has your Safeguarding Policy been updated in the past 12 months?	Yes (updated policy included as Annex 4.4)
Have any concerns been reported in the past 12 months	No

Does your project have a Safeguarding focal point?	Yes Fikru [REDACTED]: [REDACTED] [REDACTED]
Has the focal point attended any formal training in the last 12 months?	Yes The Tree Aid Ethiopia team received refresher safeguarding training on 22 nd January 2024.
What proportion (and number) of project staff have received formal training on Safeguarding?	Past: 100% [6 (CD, CPM, PM, P. Coordinator, MEL Officer, FAA)] Planned: 100% [6]
Has there been any lessons learnt or challenges on Safeguarding in the past 12 months? Please ensure no sensitive data is included within responses. During the reporting period in one of the surveys conducted with the households 6 respondents replied to questions about safeguarding. However, after analysing and contacting with the respondents to further investigate their concerns and their individual issue they raised it was concluded that all of their concerns were either about their dissatisfaction of the way dividend is distributed or the way their respective PFMC committee was dealing with members or their complaints about inefficiency of the government to control recurring unrests that would result in deprivation of their habitat and land or being looted by armed groups. Still the project team responded to their queries effectively and on time and explained what the project can do or have been doing already as well as building their understanding on the limitations within which the project is working.	
Does the project have any developments or activities planned around Safeguarding in the coming 12 months? If so please specify. <ul style="list-style-type: none"> • A refresher training to the team. • Subject to budget and time provisions, we are also considering options for safeguarding trainings and complaint mechanism improvement both at project, local partner, and at community level in the remaining period of project life. 	
Please describe any community sensitisation that has taken place over the past 12 months; include topics covered and number of participants. A gender study was commissioned to a consultant with the aim to know the existing gender norms, trends and level of awareness. Report of the study is attached as an annex (See Annex 4.3). Tree Aid also integrated gender awareness sessions into some of the trainings delivered to PFMC members, including training of Group dynamics and conflict management. To consider recommendations from the gender study the project has also now planned to conduct more gender focussed trainings in the remaining time of the project, including a ToT to project staff and government officials. Tree Aid is now using data collection tools that include to know disabilities within our target households and plan for their better support.	
Have there been any concerns around Health, Safety and Security of your project over the past year? If yes, please outline how this was resolved. Due to unrest in the project area and conflict between the local militia and the federal government forces that led to fear of kidnappings and killings has remained a security concern for the project staff and the communities.	

12. Project expenditure

Table 1: Project expenditure during the reporting period (1 April 2023 – 31 March 2024)

Project spend (indicative since last Annual Report)	2023/24 Grant (£)	2023/24 Total Darwin Costs (£)	Variance %	Comments (please explain significant variances)
Staff costs (see below)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Consultancy costs	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Overhead Costs			
Travel and subsistence			
Operating Costs			
Capital items (see below)			
Others (see below)			
Partner Advance – Last year			
Partner Advance – This year			
TOTAL	86,690	83,765	

Table 2: Project mobilised or matched funding during the reporting period (1 April 2023 – 31 March 2024)

	Secured to date	Expected by end of project	Sources
Matched funding leveraged by the partners to deliver the project (£)			Treework Environmental Nelsons Allan & Nesta Ferguson Charitable Trust Souter Charitable Trust Leonard Laity Stoate Charitable Trust Patrick & Helena Frost Foundation
Total additional finance mobilised for new activities occurring outside of the project, building on evidence, best practices and the project (£)	n/a	n/a	n/a

11. Other comments on progress not covered elsewhere

12. OPTIONAL: Outstanding achievements or progress of your project so far (300-400 words maximum). This section may be used for publicity purposes.

File Type (Image / Video / Graphic)	File Name or File Location	Caption including description, country and credit	Social media accounts and websites to be tagged (leave blank if none)	Consent of subjects received (delete as necessary)
				Yes / No
				Yes / No
				Yes / No
				Yes / No

				Yes / No
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Annex 1: Report of progress and achievements against logframe for Financial Year 2023-2024

Project summary	SMART Indicators	Progress and Achievements April 2023 - March 2024	Actions required/planned for next period
<p>Impact</p> <p>Forest ecosystems and biodiversity restoration are improved, and livelihoods for vulnerable people in Ethiopia are improved</p>			
<p>Outcome</p> <p>Increased incomes for 2,250 vulnerable households through improved management of 25,388ha of CombretumTerminalia woodland ecosystem in six kebeles (Das Gundo, Gubai Jejebit, Meshiha, Delello, Lemlem Terara, Agamwuha) in North Gondar.</p>	<p>0.1 Household income increase by 25% by end of the project as measured from project baseline (<i>Baseline: Total Income: \$5,027.48 NTFP Income: \$97.69 (Proportion of income: 2%) Off Farm Income: \$1,007.05 (Proportion of income: 20%) Crop Income: \$2,822.98 (Proportion of income: 56%) Livestock Income: \$1,099.75 (Proportion of income: 22%) Farm Income: \$3,922.73 (Proportion of income: 78%)</i>)</p> <p>0.2 5% increase in vegetation cover and production potential of 25,388ha of woodland area under forest management plans in the project area by the end of the project from project baseline (<i>Baseline: Baseline Survey (EBI report) 31 woody species; 26 genera and 15 families. Swansea University Ground Area: 67% Canopy Area: 33%(39 Sites; 34,002 Ha; June 2021))</i>)</p> <p>0.3 Tree density in enclosure areas increases in each of the PFM sites established, by an average of 25% by end of the project as measured from project baseline</p>	<p>0.1 Total HH Income: \$3,466.92 NTFP Income: \$358.42 Crop Income: \$2,319.85 Livestock Income: \$389.32 Off-farm Income: \$399.33</p> <p>0.2 No new data yet.</p> <p>0.3 Normal Forest Blocks (Randomly selected PM plots) 656 trees per Ha from 28 PMPs (Oct-Dec 23) 10% increase (10% points below milestone target) Species Diversity: 17 (<i>Source: PMPs</i>)</p>	

	(disaggregated by species) (Baseline: Density: 598 Trees/Ha (based on 27 PMPs data) (Collected by TA Team in Jul-Sep 2022)		
Output 1. Equitable governance and environmental stewardship of Combretum Terminalia woodland in six kebeles is promoted through eight PFMCs	<p>1.1 Eight legally recognised Participatory Forest Management Cooperatives (PFMCs) active by end of year 1</p> <p>1.2 Women account for 30% of membership and leadership positions in PFM Cooperatives (year 2: 10%; year 3: 30%) Baseline: 0</p> <p>1.3 Eight local land and forest tenure charters (by-laws) developed and adopted for the inclusive management of the woodland by the end of year 2</p> <p>1.4 Eight forest management plans, reviewed/developed and adopted for the area under the responsibility of PFM Cooperatives by the end of year 2</p>	<p>1.1 – 8 PFMCs are established/registered and are active.</p> <p>1.2 - Women currently account for 15% of PFMC members and 14% of leadership roles (OCAT data – April, Nov, Dec 2023). More information relating to the challenges of meeting the target can be found reported under Output 1.</p> <p>1.3 - All 8 PFMCs have developed their bylaws and adopted for their respective woodland. (see more details in the narrative above).</p> <p>1.4 – 8 forest management plans are now in place and being implemented.</p>	
1.1 Sensitisation on biodiversity conversation and environmental management for 2,250 farmers		Completed in year 2	N/A
1.2 Undertake forest boundary demarcation and area mapping		Completed in year 2	N/A
1.3 Training on cooperative management for PFMC leaders		Completed in year 2	N/A
1.4 Conduct participatory forest management plan		2 forest management plans for the two new PFMCs developed. 4/6 remaining forest management plans of PFMCs were reviewed	This activity is completed. And the project is planning to work with the PFMCs on their annual forest management plans based on these 5 years management plans developed/reviewed.
1.5 Participatory identification of enclosure areas for hotspots of Boswellia degradation for regeneration (1 per PFMC)		2 more enclosure areas were identified in Agamwuha and Delello PFMCs. Now totalling to 8.	No activity planned.
1.7 Training on enclosure area management		Completed in year 2	N/A

1.8 Facilitate development of bylaws	Completed, bylaws for all the 8 PFMCs developed successfully.	N/A
1.9 Develop methodology that can map, support and measure the gendered impacts of the interventions at community and household level	To assess the existing situation related to gender awareness and the roles of women in decision making at household and community level, a gender survey was commissioned to Zufil, a research consultancy.	Recommendations from the survey to be considered in the remaining period of this project as well as in the twin project funded by FCDO.
<p>Output 2. Sustainable harvesting and regeneration techniques of frankincense begin to be used in Combretum Terminalia woodlands to promote responsible exploitation and reverse resource degradation</p>	<p>2.1 One in-situ biodiversity conservation enclosure site established and managed under the responsibility of Participatory Forest Management Cooperatives by the end of year 2</p> <p>2.2 80% (192/240) of producers (VTE members; 12 groups) trained are using new tapping techniques by the end of year 2 (year 1: 96 (40%); year 2: 192 (80%))</p> <p>2.3 50% increase of 1st (1A) and 2nd (1B) grade frankincense products produced and sold by each (of the eight) PFM Cooperative as measured from project baseline by the end of the project (<i>Baseline: High grade contains (1st grade special (1A), 1st grade (1B), 2nd grade, 3rd grade) Medium grade (4th grade special and 4th grade normal) Lower grade (5th grade)</i></p> <p><i>White: 545.73 Quintals (87.7%) - High grade, Black: 76.45 Quintals (12.3%) - medium grade (Based on x4 PFMC: Das; Gundo; Delello; Agamwuha))</i></p> <p>2.4 70% survival rate (naturally regenerated seedlings) as measured from project baseline by the end of the project (Disaggregated by species) (<i>Baseline: 16% survival of regenerated seedlings</i>)</p>	<p>2.1 – In-situ biodiversity conservation enclosure site established in year 2 of the project (for details look at the narrative against output 2)</p> <p>2.2 – 55% (131/240) of the target already achieved in year 2. 2nd round of the training was planned in Oct 2023 but couldn't complete due to security challenges. For more details, please see in the narrative.</p> <p>2.3 (details on these calculations, see the narrative in output 2)</p> <p>Based on data from 4 PFMCs that were consulted during baseline: (<i>Das; Gundo; Delello; Agamwuha</i>) 2023: High Grade (White) = 90.18% (810.63 quintals out of total 898.89) 2022: High Grade (White) = 91.33% (841.83 quintals out of total 921.74)</p> <p>Based on data from 8 PFMCs: (<i>Das; Gundo; Delello; Agamwuha; Meshiha; Lay Lemelem Terara; Tach Lemlem Terara and Zewde Badime</i>). 2023: High Grade (White) = 84% (1,172.35 Quintals out of total 1389.98) 2022: High Grade (White) = 82% (1368.43 quintals out of total 1674.10) - This data was based on 5 PFMCs at the time of collection.</p> <p>2.4 This will be reported in the end of the project.</p>

2.1 Forest inventory, in-situ site establishment, and socioeconomic study		Completed in year 2	N/A
2.2. Site identification for comparative analysis of traditional vs Indian tapping method		5 sites are selected. Each site contains 60 identified trees (30 for the traditional tapping and 30 for the Indian tapping). Samples of frankincense have been collected for lab research and shared with Swansea University.	For field data collection, process has been discussed between Tree Aid, Swansea University and Forest Research teams. Data is planned to be collected in June/July 2024.
2.3 Training on Indian tapping method		132 people received training in year 2. Second round was planned in Nov 2023.	The second round of the training is now completed in May 2024 and will be reported later.
2.4 Distribution of improved tapping tool		130 tools distributed in year 2 (as part of the first training).	Distribution of the remaining tools was part of the second round and was done in May 2024.
2.5 Field and spectral data collection for inventory and condition assessment		Orientation on the use of poly pen was done.	Had to postpone again due to security challenges even for in-country team. The actual data collection was delayed and is now planned in June/July 2024.
2.6 Development of cartographic products using remote sensing to support the development of forest management plans		Not completed due to security challenges.	Discussion whether to do this activity in the remaining time is planned in June 2024.
2.7 Training government and project staff on GIS and remote sensing		Not completed due to security challenges.	Discussion whether to do this activity in the remaining time is planned in June 2024.
2.8 Determination of Frankincense quality variables		Not completed due to security challenges.	Discussion whether to do this activity in the remaining time is planned in June 2024.
Output 3. Improved farmland productivity through the adoption of climate smart agriculture (CSA) practices for 2,250 household	<p>3.1 20% increase in crop yields (per Ha), as measured from project baseline, by the end of the project (<i>Baseline: Beneficiaries (Median Averages) Cotton: 900Kg Sorghum: 500kg Teff: 400 Kg Other Vegetables: 67kg Sesame: 53kg Maize: 42kg Soya Beans: 40kg</i>)</p> <p>3.2 70% (1,575) of farmers practicing at least 3 climate smart agricultural</p>	<p>3.1 Cotton = 1533kg/ha (sample size of 1) - 70% increase Sorghum = 800kg/ha - 60% increase Sesame = 400kg/ha - 654% increase Teff = 325kg/ha - 19% decrease Soya Beans = 667kg/ha - 1568% increase</p>	

	techniques on their farms by the end of the project	3.2 (climate smart agriculture techniques = Biological and Soil and water conservation) Any NRM technique: 57% (109/192) Biological techniques: 54% (103/192) Soil & water conservation: 8% (15/192) Gully control: 10% (19/192) (Sources: RHoMIS)	
3.1 Training on locally appropriate climate smart agriculture practices and technologies for project staff and local government experts		Completed in year 2	N/A
3.2 Training on locally appropriate climate smart agriculture practices and technologies for smallholder farmers		1142 (828 men and 314 women) smallholder farmers from 8 PFMCs were trained.	Further planning will be considered during budget review in June 2024.
3.3 Distribution of agroforestry trees for individual beneficiaries 1,000 fruit seedling/year		772 grafted mango seedlings were distributed among 198 HHs (188 male headed and 10 women headed HHs).	This activity continues on annual basis. But achieving the target numbers will depend on the required budget availability. As the last year target couldn't reach due to local currency inflation and the budget fell short.
3.4 Distribution of forage seeds, cutting, and seedlings for selected 540 households 50 per household		Distributed 6.3 quintals of cowpeas to 166 households (153 men and 13 women)	Further distribution will be considered subject to budget availability.
Output 4. Household income of 360 men and women households improved through establishment of Village Tree Enterprises (VTE)	4.1 18 VTEs established and develop appropriate Enterprise Development Plans (EDPs) by the end of year 2 (currently funded through UKAM) 4.2 Average turnover for active VTEs established and increase to 150,000 Birr/enterprise/year (\$3,800) by the end of the project (year 2: 75,000 Birr; \$1,800) 4.3 Three contracts relating to frankincense signed with buyers by the end of the project		
4.1 Establishment of 18 VTEs (12 frankincense, 6 beekeeping)		Completed in year 1	N/A

4.2 Training on drying, storing and grading of frankincense for 240 tappers	Not completed due to security challenges.	Training was rescheduled and completed in May 2024, to be included in the next report.
4.3 Material support for drying and storage of frankincense groups	463 (343+120) sacks were distributed to PFMCs according to their need and project criteria. 150 for Gundo PFMC, 50 for Meshaha, 49 for Agamwuha, 47 for Lay Lemlem Terara, 67 for Zewudebadima. 100 for Das PFMC.	We may consider this support during our budget revision for the remaining period.
4.4 Provide beekeeping training to members of 6 beekeeping enterprise members	Completed in year 2.	N/A.
4.5 Provide beehives and accessories to 6 beekeeping enterprise groups	Completed in year 2	N/A

Annex 2: Project’s full current logframe as presented in the application form (unless changes have been agreed)

Project summary	SMART Indicators	Means of verification	Important Assumptions
Impact: Forest ecosystems and biodiversity restoration are improved, and livelihoods for vulnerable people in Ethiopia are improved			
<p>Outcome: Increased incomes for 2,250 vulnerable households through improved management of 25,388ha of CombretumTerminalia woodland ecosystem in six kebeles (Das Gundo, Gubai Jejebit, Meshiha, Delello, Lemlem Terara, Agamwuha) in North Gondar.</p>	<p>0.3 Household income increase by 25% by end of the project as measured from project baseline (<i>Baseline: Total Income: \$5,027.48 NTFP Income: \$97.69 (Proportion of income: 2%) Off Farm Income: \$1,007.05 (Proportion of income: 20%) Crop Income: \$2,822.98 (Proportion of income: 56%) Livestock Income: \$1,099.75 (Proportion of income: 22%) Farm Income: \$3,922.73 (Proportion of income: 78%)</i>)</p> <p>0.4 5% increase in vegetation cover and production potential of 25,388ha of woodland area under forest management plans in the project area by the end of the project from project baseline (<i>Baseline: Baseline Survey (EBI report) 31 woody species; 26 genera and 15 families. Swansea University Ground Area: 67% Canopy Area: 33%(39 Sites; 34,002 Ha; June 2021)</i>)</p> <p>0.3 Tree density in enclosure areas increases in each of the PFM sites established, by an average of 25% by end of the project as measured from project baseline (disaggregated by species) (<i>Baseline: Density: 598 Trees/Ha (based on 27 PMFs data)(Collected by TA Team in Jul-Sep2022)</i>)</p>	<p>0.1 RHoMIS (Rural Household Multiple Indicator Survey);</p> <p>0.2 Forest resource mapping of project intervention sites (GPS); Forest ecological/ inventory; Permanent Monitoring Plots (PMPs)</p> <p>0.3 Forest resource mapping of project intervention sites (GPS); Forest ecological/ inventory; Permanent Monitoring Plots (PMPs)</p>	<p>Climate conditions do not disrupt activities Mitigations: Farmers will be trained in climate-smart approaches, and the NRM promoted through this project will increase resilience to climate extremes.</p> <p>COVID-19 pandemic does not disrupt implementation. Mitigations: Project staff will closely follow national guidance and implement activities in a manner deemed safe for staff and beneficiaries. Budget reallocations may be needed to modify plan for delivery of activities e.g. pay for equipment to deliver training remotely (mobile phones/tablets), and purchase PPE, soap and sanitiser gel. New approaches for delivering activities in smaller groups and remotely have been tried by Tree Aid during the first set of restrictions in 2020. These can be used should further restrictions come into place</p> <p>Communities and key stakeholders in the intervention area are willing to participate in the project. Mitigations: Tree Aid conducted a needs assessment in the area (Feb 2020) which showed a strong demand for the project and support from local communities. Our local partner SUNARMA has been working in the area since 2018, during which time have during which time we have</p>

			<p>developed strong links to key stakeholders including local authorities and government departments.</p> <p>Ethnic tensions are heightened, impacting cohesiveness of groups.</p> <p>Mitigations: The project will encourage open and integrative groups. The PFMs will receive conflict resolution training (through FCDO funded project).</p> <p>Legislation of natural resource management remains favourable to Participatory Forest Management Cooperatives (PFMCs)</p> <p>Mitigations: The project approach is to strengthen the system already in place by targeting PFMCs as legitimate users of the forest. Tree Aid has been working with government departments and will engage with them throughout the project to try and maintain this current situation.</p> <p>Political situation remains stable enough for project activities to take place.</p> <p>Mitigations: Tree Aid, with the partner, will continue to monitor reports from the field and other agencies to ensure that project staff are safe. If security requires it, activities will be delivered remotely and an alternative workplan devised (as has been done throughout 2020).</p> <p>No significant changes to international markets for frankincense and no major price fluctuations.</p> <p>Mitigations: Where possible contracts will be signed with buyers in order to</p>
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			<p>reduce the impact of fluctuations in prices. Grading structures will be introduced to empower sellers to have a better understanding of the quality of their product.</p> <p>No outbreak of major diseases in the trees.</p> <p>Mitigations: Improved tapping methods are being encouraged, which will help reduce risk of disease. Tree Aid is partnering with other research institutions that can support in disease management.</p>
<p>Output 1 Equitable governance and environmental stewardship of Combretum Terminalia woodland in six kebeles is promoted through eight PFMCs</p>	<p>1.1 Eight legally recognised Participatory Forest Management Cooperatives (PFMCs) active by end of year 1</p> <p>1.2 Women account for 30% of membership and leadership positions in PFM Cooperatives (year 2: 10%; year 3: 30%) Baseline: 0</p> <p>1.3 Eight local land and forest tenure charters (by-laws) developed and adopted for the inclusive management of the woodland by the end of year 2</p> <p>1.4 Eight forest management plans, reviewed/developed and adopted for the area under the responsibility of PFM Cooperatives by the end of year 2</p>	<p>1.1 Project records; Legal records, capacity development trainings received</p> <p>1.2 Participatory Forest Management (PFM) Cooperatives: Organisational capacity assessments (ODK form)</p> <p>1.3. Project records; Administrative records;</p> <p>1.4 Project records; Record of cartographic products using remote sensing (GPS) to support the development of forest management plans as well as records of field and spectral data collection for inventory and condition assessment of Boswellia populations</p>	<p>Tree Aid and partners are able to effectively engage Participatory Forest Management Cooperatives (PFMCs) in forest governance.</p> <p>Mitigations: The project team will sensitise PFMCs to the long-term benefits of effective forest governance can bring for their own socio-economic situations.</p> <p>Households and communities allow women to engage in PFMCs, and to take on leadership positions.</p> <p>Mitigations: Gender equality sensitisation will be mainstreamed into project activities. Tree Aid will apply its experience working in Ethiopia and with women. We will engage the men in the community to discuss the benefit they and their household will have if they let their wife participate in the project. We will use male role models.</p> <p>No reappearance of civil unrest. Mitigations: Project kebeles have been selected due to the relatively low</p>

			amount of civil unrest. Conflict management work is being done through the programme of work proposed. Prospective participants confirmed that they are open to working together with people from different ethnic groups.
<p>Output 2</p> <p>Sustainable harvesting and regeneration techniques of frankincense begin to be used in Combretum Terminalia woodlands to promote responsible exploitation and reverse resource degradation</p>	<p>2.1 One in-situ biodiversity conservation enclosure site established and managed under the responsibility of Participatory Forest Management Cooperatives by the end of year 2</p> <p>2.2 80% (192/240) of producers (VTE members; 12 groups) trained are using new tapping techniques by the end of year 2 (year 1: 96 (40%); year 2: 192 (80%))</p> <p>2.3 50% increase of 1st (1A) and 2nd (1B) grade frankincense products produced and sold by each (of the eight) PFM Cooperative as measured from project baseline by the end of the project (<i>Baseline: High grade contains (1st grade special (1A), 1st grade (1B), 2nd grade, 3rd grade) Medium grade (4th grade special and 4th grade normal) Lower grade (5th grade)</i></p> <p><i>White: 545.73 Quintals (87.7%) - High grade, Black: 76.45 Quintals (12.3%) - medium grade (Based on x4 PFM: Das; Gundo; Delello; Agamwuha)</i></p> <p>2.4 70% survival rate (naturally regenerated seedlings) as measured from project baseline by the end of the project (Disaggregated by species) (<i>Baseline: 16% survival of regenerated seedlings</i>)</p>	<p>2.1 Land Use Survey (ODK form); Site to be GPS mapped</p> <p>2.2 Training & Post-Training assessments; Focus Group Discussions (FGDs)</p> <p>2.3 Participatory Forest Management Cooperatives: Organisational capacity assessments (ODK form)</p> <p>2.4 Annual survival count on planted seedling and naturally regenerated new seedlings; Permanent Monitoring Plots (PMPs)</p>	<p>Tappers willing to adopt new tapping techniques.</p> <p>Mitigations: Tree Aids needs assessment in the area (Feb 2020), showed strong demand for the project by communities. Additional informal discussions between Tree Aid staff and tappers (Jan 2021) showed enthusiasm for the new techniques and willingness to adopt.</p> <p>No major bushfires, droughts or floods which will negatively affect tree survival</p> <p>Mitigations: The NRM promoted through this project will increase resilience to of the land to manage climate extremes. Bushfire control measures will be established (through FCDO funded project).</p> <p>No change in the legislation that allows only Participatory Forest Management (PFM) Cooperative members to collect frankincense in the forest.</p> <p>Mitigations: The project approach is to strengthen the system already in place by targeting PFMcs as legitimate users of the forest. Tree Aid has been working with government departments and will engage with them throughout the project to try and maintain this current situation</p>

<p>Output 3</p> <p>Improved farmland productivity through the adoption of climate smart agriculture (CSA) practices for 2,250 households</p>	<p>3.1 20% increase in crop yields (per Ha), as measured from project baseline, by the end of the project (<i>Baseline: Beneficiaries (Median Averages) Cotton: 900Kg Sorghum: 500kg Teff: 400 Kg Other Vegetables: 67kg Sesame: 53kg Maize: 42kg Soya Beans: 40kg</i>)</p> <p>3.2 70% (1,575) of farmers practicing at least 3 climate smart agricultural techniques on their farms by the end of the project</p>	<p>3.1 RHoMIS (Rural Household Multiple Indicator Survey); Focus Group Discussions (FGD); Training & Post Training Assessments;</p> <p>3.2 RHoMIS (Rural Household Multiple Indicator Survey); Focus Group Discussions (FGD); Training & Post Training Assessments;</p>	<p>Training is effective in building the natural resource management capacity and knowledge of biodiversity of participating communities</p> <p>Mitigations: Tree Aid has significant experience delivering NRM capacity building for local communities tailored to the local context. In addition, the project staff will follow up with the trainees after the training to ensure their good adoption of the techniques.</p> <p>Climatic conditions are not too unfavourable</p> <p>Mitigations: Farmers will be trained in climate-smart approaches, and the NRM promoted through this project will increase resilience to climate extremes.</p>
<p>Output 4</p> <p>Income of 18 Village Tree Enterprises (VTEs) (360 members, 90 (25% women) based on sustainably sourced Non-Timber Forest Products (NTFPs) (12 frankincense and 6 honey beekeeping) established and increasing</p>	<p>4.1 18 VTEs established and develop appropriate Enterprise Development Plans (EDPs) by the end of year 2 (currently funded through UKAM)</p> <p>4.2 Average turnover for active VTEs established and increase to 150,000 Birr/enterprise/year (\$3,800) by the end of the project (year 2: 75,000 Birr; \$1,800)</p> <p>4.3 Three contracts relating to frankincense signed with buyers by the end of the project</p>	<p>4.1 Records; Enterprise group Organisational Capacity Assessments (ODK) form</p> <p>4.2 Project Records; Enterprise Development Plan Assessments (ODK forms)</p> <p>4.3 Sales records; Number of trade agreements made with buyers</p>	<p>Climatic conditions favour products selected by VTEs</p> <p>Mitigations: The MA&D process requires regular appraisal of VTEs and their enterprise development plans in order to ensure that the products are viable, but the approaches used are applicable to any product.</p> <p>Financial institutions are willing to engage with VTEs</p> <p>Mitigations: Activities targeting financial institutions to engage them in supporting enterprises have been planned. Investment in more professional equipment to improve quality and the development of EDPs should give confidence to potential investors.</p> <p>Households and communities allow women to engage in VTEs.</p> <p>Mitigations: The project will conduct</p>

			<p>broader training on the importance of gender-sensitive policies and access rights.</p> <p>Buyers are willing to engage with local community groups Mitigations: Activities aimed at facilitating linkages with buyers have been planned. Investment in more professional equipment to improve quality will enable groups to attract buyers at market workshops.</p>
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Activities (each activity is numbered according to the output that it will contribute towards, for example 1.1, 1.2 and 1.3 are contributing to Output 1)

Activities (each activity is numbered according to the output that it will contribute towards, for example 1.1, 1.2 and 1.3 are contributing to Output 1)

- 1.1 Sensitisation on biodiversity conservation and environmental management for 2,250 farmers
- 1.2 Undertake forest boundary demarcation and area mapping
- 1.3 Training on cooperative management for PFMC leaders
- 1.4 Conduct participatory forest management plan
- 1.5 Participatory identification of enclosure areas for hotspots of *Boswellia* degradation for regeneration (1 per PFMC)
- 1.6 Farmers forest day celebrations, and model farmer award events
- 1.7 Training on enclosure area management
- 1.8 Facilitate development of bylaws
- 1.9 Develop methodology that can map, support and measure the gendered impacts of the interventions at community and household level
- 1.10 Awareness on legal environment for PFMC members

- 2.1 Forest inventory, in-situ site establishment, and socioeconomic study
- 2.2. Site identification for comparative analysis of traditional vs Indian tapping method
- 2.3 Training on Indian tapping method
- 2.4 Distribution of improved tapping tool
- 2.5 Field and spectral data collection for inventory and condition assessment
- 2.6 Development of cartographic products using remote sensing to support the development of forest management plans
- 2.7 Training government and project staff on GIS and remote sensing
- 2.8 Determination of Frankincense quality variables

- 3.1 Training on locally appropriate climate smart agriculture practices and technologies for project staff and local government experts
- 3.2 Training on locally appropriate climate smart agriculture practices and technologies for smallholder farmers

- 3.3 Distribution of agroforestry trees for individual beneficiaries 1,000 fruit seedling/year
- 3.4 Distribution of forage seeds, cutting, and seedlings for selected 540 households 50 per household

- 4.1 Establishment of 18 VTEs (12 frankincense, 6 beekeeping)
- 4.2 Training on drying, storing and grading of frankincense for 240 tappers
- 4.3 Material support for drying and storage of frankincense groups
- 4.4 Provide beekeeping training to members of 6 beekeeping enterprise members
- 4.5 Provide beehives and accessories to 6 beekeeping enterprise groups
- 4.6 Market access and linkage facilitation for PFMCS engaged in frankincense production

- M&E 1 Undertake project familiarisation workshop
- M&E 2 Establish Permanent Monitoring Plots (2 in each PFM)
- M&E 3 Data collection from monitoring plots
- M&E 4 Conduct Baseline survey (RHoMIS)
- M&E 5 Beneficiary identification and follow up (once at the beginning and reviewed every year)
- M&E 6 Group capacity assessment(once at the beginning and every year thereafter)
- M&E 7 Monthly beneficiary families and groups visit by project staff
- M&E 8 Information, education and communication materials/IEC productions
- M&E 9 Field monitoring and follow up of research sites by EFD staff
- M&E 10 Field monitoring and follow up of in-situ conservation site by EBI staff
- M&E 11 Field monitoring, follow-up & support visits by HO
- M&E 12 Tree Aid Ethiopia, joint project monitoring visits by Tree Aid
- M&E 13 Undertake mid-term evaluation by government
- M&E 14 Learning publications
- M&E 15 Project terminal evaluations by external consultant
- M&E 16 Project end survey (RHoMIS)
- M&E 17 Audit

Annex 3: Standard Indicators

Table 1 Project Standard Indicators

DI Indicator number	Name of indicator	Units	Disaggregation	Year 1 Total	Year 2 Total	Year 3 Total	Total to date	Total planned during the project
DI-A01	Number of people in eligible countries who have completed structured and relevant training	People	Men	20		828	848	60
DI-A01	Number of people in eligible countries who have completed structured and relevant training	People	Women	30		314	344	60
DI-A03	Number of local/national organisations ⁴ with improved capability and capacity as a result of project. (By-Laws of the 8 PFMCs)	Number	N/A			8	8	8
DI-B01	Number of new or improved habitat management plans available and endorsed (PFMCs Forest Management plans)	Number	New			2	2	2
DI-B01	Number of new or improved habitat management plans available and endorsed (PFMCs Forest Management plans)	Number	Improved			6	6	6

Table 2 Publications

Title	Type (e.g. journals, best practice manual, blog post, online videos, podcasts, CDs)	Detail (authors, year)	Gender of Lead Author	Nationality of Lead Author	Publishers (name, city)	Available from (e.g. weblink or publisher if not available online)

Annex 4: Onwards – supplementary material (optional but encouraged as evidence of project achievement)

Annex 4.1: EFD preliminary report – comparative study of traditional and Indian tapping.

Annex 4.2: Example forest management plan title page in Amharic

Annex 4.3: Gender study report from consultants

Annex 4.4: Tree Aid Safeguarding policy (Updated Feb 2024)

Annex 4.5: Risk Register – updated Oct 2023.

Annex 4.6: OCAT Survey June/July 2023

Annex 4.7: Product Value Chain Survey June/July 2023

Annex 4.8: Mini RHoMIS Survey January – March 2024

Annex 4.9: Report on effects of local security on beneficiaries

Annex 4.10: EBI project progress report

Annex 4.11: Photographs

Checklist for submission

	Check
Different reporting templates have different questions, and it is important you use the correct one. Have you checked you have used the correct template (checking fund, type of report (i.e. Annual or Final), and year) and deleted the blue guidance text before submission?	
Is the report less than 10MB? If so, please email to BCF-Reports@niras.com putting the project number in the Subject line.	
Is your report more than 10MB? If so, please discuss with BCF-Reports@niras.com about the best way to deliver the report, putting the project number in the Subject line.	
Have you included means of verification? You should not submit every project document, but the main outputs and a selection of the others would strengthen the report.	
If you are submitting photos for publicity purposes, do these meet the outlined requirements (see Section 16)?	
Have you involved your partners in preparation of the report and named the main contributors	
Have you completed the Project Expenditure table fully?	
Do not include claim forms or other communications with this report.	