**Theme V- Institutions, Innovation Systems, and Economic Development Research Thematic Area**

**Sub-theme 1: Economic Development, Policy and Institutional Analysis**

Human growth depends heavily on effective socioeconomic systems, the business environment, institutions, and policy frameworks. Institutions are required to follow the "rules of the game" as they evolve, and policies offer operational direction given the diversity of enterprises, socioeconomic systems, and decision-making units. However, synergy will continue to be key to overall success. In developing nations like Ethiopia, problems like challenges of inequality, persistent poverty, food insecurity, and the gradual deterioration of the environment to bear and serve the ever-increasing needs of humankind result from ineffective socio-economic systems and poorly suited development policies, coupled with the failure of the market and the failure of institutions to follow "the rules of the game." To address the link between socio-economic systems, the business environment, institutional responsibilities, and policy frameworks, integrated and multidisciplinary research methodologies are typically insufficient. For the 2024–25 call, the following priority research areas have been suggested:

**1.1. Welfare and human development**

- Agricultural productivity, competitiveness, modernization and sustainability
- Industrial productivity and efficiency
- Food system resilience
- Intra-household food and nutrition security
- Agroecology efficiency analysis
- Efficiency of irrigation schemes and water governance with special reference to lowland irrigated wheat production initiative
- Nexus between environmental protection initiatives, and livelihood security/societal resilience

**1.2. Agricultural digitization**

- Digitization of agricultural extensions and advisory services

### 1.3. Urban agriculture

- Economic, social and environmental analysis of urban agriculture

### 1.4. Entrepreneurial and investment ecosystem analysis

- Inclusive entrepreneurship ecosystem analysis

### 1.5. Economic integration and industrial parks performance

- FDI attraction and performance, industrial parks performance, free trade zone, and investment groups,
- Conducive environment for local and global trade
- Commodity exchange market development, and export diversification

### 1.6. Market, value chain management, and enterprise development

- Circular economy and economics of waste
- Performance, risk and resilience of agricultural firms
- Climate resilient agribusiness value chains for high value agricultural commodities (strategic agricultural commodities)
- CSR and sustainability evaluation (social, economic and environmental impact of cement industries in Dire Dawa)

### 1.7. Inflation and food and nutrition security of children, women, etc.,

### 1.8. Return migration, entrepreneurship and development in eastern Ethiopia

### 1.9. Impacts of tax on production, productivity and livelihood

- Taxation, tax administration, and illegal business

### 1.10. Agricultural financing

- Access to modern finance, alternative financing options and saving culture in rural areas

### 1.11. Competitive conditions of the food industry (quality and prices demanded by consumers).


## Sub-theme 2: Innovation Systems and Impact Evaluation Studies

Research in this sub-theme focus to identify and demonstrate innovative solutions to address priority challenges facing smallholder farmers, youth and industry in HU mandate areas. For

example, small-scale irrigation technologies like drip irrigation, enhanced bee-hives and honeybee production and processing, improved poultry houses, etc. are just a few examples of technology and improved agricultural practices that aim to boost income and nutrition. The performance of these technologies and advanced practices in comparison to conventional ones is the main objective of study in this sub-theme. Such action research projects require a multi/inter disciplinary team composed of relevant subject matter researchers (technologist(s) as well as extension/socio-economic researchers) for their development and execution. By identifying the root causes of innovation diffusion, research in this area also examines creative ways to scale up institutional innovations, practices, and technologies that are currently in use. Research is devoted to the investigation of how technologies and improved practices diffuse across individuals and communities (in space and time) and their impact on selected outcome indicators. In relation to innovation diffusion, research can aim to analyze, for instance, the barriers in the innovation diffusion-adoption process and ways to mitigate them. In particular, barriers to adoption of climate smart technologies and practices are of particular priority. Research proposals related to impact evaluation are expected to be of high caliber/rigor, combining both qualitative and quantitative methods of impact evaluation to evaluate short-/long-term causal effects. Therefore, the following priority research areas are suggested for the 2024–25 call;

## 2.1. Social networks, innovation systems performance, and social resilience

- Social network for resilience and agricultural technology adoptions

## 2.2. Impact assessment of Haramaya University research outputs dissemination

- Impact assessment of livestock research and extension
- Child and maternal mortality and/or HDSS impact assessment

## 2.3. Agricultural commercialization cluster approach impact assessment

## 2.4. Dissemination and scaling-up of technologies and best practices

## 2.5. Cross-Cutting Issues

- Political economy, migration, climate change and conflict
- Ethiopians' work culture and labor competitiveness