



Terms of Reference for Economic and Financial Analysis of Restoration Opportunities in Ethiopia - Sodo Gurage and Meket Woredas

Background

The International Union for Conservation of Nature (IUCN) in Partnership with the World Resources Institute (WRI) is implementing a project for “*Accelerating Action on REDD+ through Forest Landscape Restoration*” in 6 countries, namely; Ethiopia, Rwanda, Columbia, Mexico, Brazil and Indonesia. The project seeks to catalyse processes contributing to forest landscape restoration across 350 million hectares by the end of 2030. This will support wider REDD+ efforts, help to meet The Bonn Challenge targets and strengthen the Global Partnership on Forest Landscape Restoration (GPFLR). The restoration opportunities in Ethiopia are estimated at total land area of 82 million hectares comprising a wide range of potential restoration options, including, but not limited to,^{1,2}:

1. Restoring secondary forests
2. Restocking degraded natural forests
3. Agri-silviculture and agro-silvo-pastoralism
4. Silvo-pastoralism
5. Woodlot and homegarden
6. Large-scale plantation
7. Buffer plantation around national forest priority areas and protected areas
8. Tree-based buffer zone along rivers, lakes and reservoirs.

Objectives of the Assessment

The key objectives of the economic and financial analysis are to:

- i. Establish costs and benefits of investments in restoration opportunities in Sodo Gurage Woreda (Southern Nations, Nationalities, and Peoples' Region/SNNP) and Meket Woreda (Amhara Region).
- ii. Identify and analyse the types of finance and resourcing options available to support most promising restoration opportunities in terms of ecosystem health and human well-being.
- iii. Recommend types of funding options most suitable and feasible for the selected types of restoration interventions.

Scope of the Economic and Financial Analysis:

Geographical scope

The geographical scope comprises two regions, SNNP and Amhara, specifically in two districts (Woredas) Sodo Gurage and Meket.

Specific tasks of the study will include the following:

a) Economic Analysis

1. Review of Ethiopia’s Forest Landscape Restoration assessment reports, strategies, commitments and GTP plans to ascertain restoration opportunities in the targeted Woredas.
2. Collection and analysis of:
 - a. Cost data of investing in the selected restoration intervention options
 - b. Socio-economic costs and benefits of the restoration intervention options,

¹ Ministry of Environment, Forest and Climate Change of Ethiopia, unpublished report.

² World Bank Group (WB Group). 2016. Ethiopia Commercial Plantation Forest Industry Investment Plan: Final Report. Washington, DC: WB Group.

- c. Market data and economic value for ecosystem goods and services from restoration interventions.
3. Preparation of enterprise budgets (for one hectare) of each restoration intervention in the opportunities mentioned in the content scope.
4. Conduct a Cost Benefit Analysis for investment in priority restoration options for Sodo Gurage and Meket wordas.

b) Financial Analysis

1. Identification and analysis of commercial and non-commercial sources of financing for investments in priority restoration options for Sodo Gurage and Meket wordas.
2. Conduct a risk analysis for investments in each restoration opportunity/option and assess the potential to attract private investment.
3. Recommend appropriate sources of local and international financing for the restoration interventions, and strategies for accessing such financing.

Requirements for interested consultants:

- At least master degree in Environmental Economics, Forest Economics, Natural Resources Economics, or related field with strong background in forestry or natural resource management.
- At least 5 years of economic and financial analysis experience in the field of landscape restoration, environmental management, conservation or related sectors. International experience will be an advantage.
- Strong analytical, research and reporting skills with proven experience in undertaking similar assignments in the past.
- A good understanding of Geographic Information System.
- Highly proficient in written and spoken English.
- Experience in and understanding of the policy context of Ethiopia will be an advantage.

Duration of the Study: 60 days during a period of 4 months

Interested Consultants should submit technical and financial proposals to: Valence.Mushimwe@iucn.org and [copied to Charles.Karangwa@iucn.org](mailto:Charles.Karangwa@iucn.org). The deadline for submission is October 22nd, 2017. Short-listed consultants will be invited to undertake a written assignment related to the objectives of the consultancy to demonstrate proficiency in technical skills required for this position.