



Terms of Reference for the consultancy for the Economic Analysis of Restoration Opportunities in Kenya (quantifying climate mitigation and adaptation benefits of Forest Landscape Restoration)

1. Background

The International Union for Conservation of Nature (IUCN)¹ is currently carrying out forest landscape restoration assessments using the Restoration Opportunities Assessment Methodology (ROAM) in 26 countries. As part of the assessments, economic analysis is carried out to assess which forest landscape restoration opportunities are viable and most appropriate for countries, private sector and individuals.

The assessments underpin the work IUCN and its partners are doing on Forest Landscape Restoration (FLR) in support of the Bonn Challenge, a global goal to initiate restoration of 150 million hectares of deforested and degraded lands by 2020 and 350 million hectares by 2030. In Kenya, the Kenya Forest Service is undertaking ROAM and IUCN is supporting this process and it is on this basis that we are seeking a landscape restoration economist to undertake the economic analysis to assess which forest landscape restoration opportunities are viable, most appropriate and those that will generate a positive rate of return on investment from public sector, private sector and individuals in Kenya.

The economic analysis should make a strong case and justification for the need to restore the identified degraded areas, especially among policy makers (treasury and finance), private sector players as well as individual farmers. In addition, the economic analysis should quantify should provide a clear indication of “best bets” for achieving climate mitigation and adaptation benefits from forest landscape restoration interventions in Kenya quantified as short-term and long-term economic benefits.

2. Objectives of the assignment

The key objectives of the economic analysis are to:

- i. Establish costs and identify benefits of investments in forest landscape restoration in the potential areas and ensuring that the restoration opportunities identified are economically viable and appropriate, and will generate a positive rate of return on investment from public sector, private sector and individuals, while generating appropriate mitigation and adaptation benefits e.g., from avoided deforestation, carbon sequestration, and improved resilience and disaster risks reduction for local communities and ecosystems;

¹IUCN is the world's oldest and largest global environmental organization, with more than 1,200 government and NGO members and almost 11,000 volunteer experts in some 160 countries. IUCN's work is supported by over 1,000 staff in 45 offices and hundreds of partners in public, NGO and private sectors around the world. IUCN helps the world find pragmatic solutions to our most pressing environment and development challenges. IUCN works on biodiversity, climate change, energy, human livelihoods and greening the world economy by supporting scientific research, managing field projects all over the world, and bringing governments, NGOs, the UN and companies together to develop policy, laws and best practice.

- ii. Identify and analyze the types of finance and resourcing options available to support the implementation of forest landscape restoration interventions;
- iii. Recommend a finance mix suitable and feasible for the different types of forest landscape restoration interventions emerging from the assessment (e.g., public and private, national and international).

3. Specific tasks

1. Produce a methodology and work-plan for the work to be agreed and signed off by the client. This will include working with a team of government economists to more closely define the economic and finance questions to be addressed, policy target audiences and the level of economic, finance and broader (crop, livestock, carbon, water, biodiversity, food security etc.) benefit data that is available, or can be collected within the scope of the project. These analysis could operate at a number of levels of which the following are indicative:
 - a. CBA of selected pre-identified interventions at the national level,
 - b. CBA/economic and financial documentation of actual restoration examples in selected landscapes (e.g. agroforestry in Kiambu County, dryland restoration in Kajiado County),
 - c. Predictive CBA of farmer/pastoralist selected mixes of trees and crop species in targeted landscapes (e.g. maize, beans and mahogany; grasses and gum Arabic);
2. Collect and review available information, and existing reports, with regards to existing restoration activities in Kenya, to get a deep understanding of restoration initiatives in the country, including compiling a list of priority restoration projects that can yield valuable economic data;
3. Based on best practice, available data and the above consultations, develop a robust methodology to quantify costs and benefits of implementing restoration practices and actions such as dry rangelands, agroforestry, afforestation, reforestation, natural regeneration, riparian vegetation restoration/riverine buffer zoning and other interventions detailed in the Kenya's Restoration Assessment Report. This would include developing ecosystem service models that capture crop production, watershed conservation, timber growth, carbon, erosion, soil fertility enhancement, and other important variables;
4. Collect and collate existing (or collect new) data/case study information from representative priority landscapes to carry out the analysis based on the proposed methodology, and for at least 3 landscape restoration scenarios;
5. Quantify both adaptation² and mitigation benefits for the restoration scenarios;
6. Carry out a sensitivity analysis, to quantify the risks of adopting each restoration activity on key risk dimensions, including market prices, production/yield, climate change, etc;
7. Based on results, build compelling economic case targeting national and local stakeholders, for investment in forest landscape restoration at national and subnational levels as outcome from the ROAM processes by identifying appropriate sources of funding and a finance mix.

² While climate mitigation focuses primarily on the carbon sequestration from the growth of trees both in terms of woody and soil biomass, climate adaptation focuses on the support to resilience of communities in terms of disaster risk reduction, food and income security as well as improved governance.

4. Duration of the assignment and deliverables

The assignment will be carried out within a 5-month period³ (February to June, 2018). The final report is expected for delivery on June 1, 2018.

1.	Inception report outlining review of available information with proposed methodology, work-plan and stakeholder engagement report for the economic analysis (specific tasks 1 and 2) and methodology for assessing adaptation and mitigation benefits.	February 1, 2018
2	List of landscapes where existing restoration projects has or can provide valuable economic data and a work-plan for relevant analysis and if required data collection	February 15 th , 2018
3.	Draft report with CBA analysis from a priority landscape, including mitigation and adaptation benefits (tasks 3, 4, 5 and 6)	May 1, 2018
4.	Final report (task 7)	June, 1, 2018

5. Consultant's experience and qualifications

- A natural resource management specialist with at least a Master's degree in Economics, Environmental Economics, Natural Resource Economics, Development Economics or related discipline;
- A minimum of 7 years of experience applying economic analysis to inform natural resource management (policies and public and private investments)
- Familiarity with landscape level economic analysis, restoration economics, and climate mitigation and adaptation;
- Demonstrated regional and national level experience of using economic analysis to tackle environmental issues in developing country contexts (experience working in Kenya would be preferred);
- Proven ability to work in an interdisciplinary manner, both independently and in a team;
- Excellent interpersonal and networking skills, especially in multi-stakeholder contexts;
- Effective communications skills (in writing and speaking) in English language

6. How to apply

- a. Interested individuals to submit their CV and a 1 page application to **John.Owino@iucn.org by January 31th 2018**;
- b. The application should clearly demonstrate suitable skills, experience to carry out the consultancy;
- c. Include 2 samples of relevant or similar work conducted in the past, and;
- d. Submit written quote: a deliverable based in USD for undertaking the assignment.

³ Estimated at about 60 person days.