

**Support to Responsible Agricultural Investments in Ethiopia (S2RAI-ETH)
(PN 14.2237.7-003.00)**

Terms of Reference

***Assessment of Landscape Transformation and its Implication in Benishangul
Gumuz Regional State of Ethiopia***

Background

Ethiopia has made substantial progress in boosting food production and reducing hunger and malnutrition over the last two decades. However, Ethiopia has remained food insecure, with significant food deficits each year.

The Government is undertaking major efforts to improve the conditions and develop the agricultural sector, with the aim of reducing poverty, improving food security and boosting economic growth.

The Government of Ethiopia five-year strategy “Growth and Transformation Plan (GTP)” envisages that Ethiopia becomes a food-secure, middle-income country by 2025 and increases output of major crops from 19 to 27 million tons during the period of the plan. This calls for a rapid transformation in the agriculture sector to increase production, productivity, market and employment by small-holders in the highlands and large-scale commercial farming in spatially large lowland regions with comparatively low population densities and high arable area potential. Encouraging the private sector to effectively involve in the agricultural sector is also a priority as it plays a key role in ensuring food security and generating foreign exchange.

To increase private investment in the agriculture sector, areas for large scale agricultural investments have been identified to be allotted to investors by the federal land bank. As a result, 3.6 million hectare of land was identified and transferred to the federal land bank. The Ethiopian Government has leased about 2.4 million hectares of land for agricultural investments over the period up to 2014. This includes approximately 0.5 million ha from the federal land bank, managed by EAILAA, and 1.7 million ha by regional governments.

In March 2013, the Ethiopian Government established EAILAA to guide and administer the areas suitable for large scale commercial farming. It is responsible for facilitating agricultural investments as well as land administration and transfer processes.

Large scale agricultural investments are expected to bring foreign currency as well as technology transfer to the country while the local communities would benefit from employment, technology and infrastructures related to these investments. Proper design and implementation of these projects would allow the achievements of these noble objectives of the Government.

Progress towards achieving these objectives has been rather limited so far. Out of the 2.4 million ha of land transferred to about 6,000 private investors, only about one-third have been developed by these investors up to 2014. Same plots have been given out to different investors, and many investors have not used provided land productively, even after years of the contractual start.

A number of critical issues hamper the Government’s efforts to promote sustainable large-scale commercial agricultural development:

- Implementation capacity of the agency and stakeholders are weak to deliver the objective;

- A self-developed Social and Environmental Code of Practice for large scale agricultural investments is not yet generally applied; available documents differ in quality and scope;
- While MoANR has developed standard guidelines for land transfers, rent assessment and land use practices, these have not been widely put into practice;
- Modern Land Use Plans and spatial development plans do not exist for all investment regions;
- Social and Environmental Assessments (SEA), comprehensive assessments in advance on social, cultural, economic and environmental accumulated impacts of plans and land use changes are not well established;
- Many contract documents with investors are simple and do not demand critical obligations on the part of investment projects;
- In the contracts, no provisions are in place to meet any food security needs of the country or region. Foreign investors are not obliged to supply the local or national market or to enter into out-grower schemes.
- A single comprehensive land information system, containing all necessary information (from different governmental agencies), required for sustainable, social and environmental responsible provisions of land to investor does not exist.

In general terms, there is a lack of an overall consistent and transparent framework and severe human and institutional capacity constraints for managing large-scale land based agricultural investments. Such constraints affect all stages of the process of land management and implementing large scale agricultural investments, from identification, demarcation and transfer of the land up to implementation and monitoring of the investments.

Overall Objectives for the Assignment

While qualitative evidences of increased land use pressure in Benishangul Gumuz are available, spatially explicit information at adequate spatial and temporal scale are missing. There is an expected large scale landscape transformation in the Benishangul Gumuz due to commercial investment in agriculture. The region holds huge biodiversity and wetlands which are under heavy threat and have been cleared already in the past for agricultural investments.

Thus, the extent and nature of the changes involved is so far not quantified and will need to be investigated. This study will be conducted with the main objective to identify the type, extent, intensity and direction of landscape level changes happened for the last three and half decades in the Benishangul Gumuz. Hence, the present study will give insights and fill the knowledge gap about the ongoing landscape change, its driving forces and impacts on the overall environment of the study region.

Specific Objectives for the Assignment

The specific objectives for the assignment, including all tasks, comprise:

1. To produce for four periods (1986, 2000, 2010 and 2017) a pixel level Land Use/Land Cover (LULC) maps and database of the Benishangul Gumuz regional state.
2. To estimate landscape change at landscape level for three periods (1986-2000, 2000-2010 and 2010-2017).
3. To identify and map hotspots of landscape transformation in the region, with a specific focus on the areas where most land has been given out to investors.
4. To identify the drivers, causes and impacts of the change on selected and major hotspots areas of the region and suggest mitigation measures.

The consultant company will contribute to the further development and visibility of the S2RAI-ETH project.

Deliverables

- 1) Study outline including methodology and approach
- 2) LULC map for all the four periods of the whole Benishangul Gumuz regional state
- 2) Pixel level LULC change statistics
- 3) Landscape level change maps and statistics
- 4) Hotspot areas of change
- 5) Drivers-impacts of change
- 6) Comprehensive report with maps and a separate standalone section on the findings regarding those areas where most land has been provided for commercial agricultural investments
- 7) Section on recommendation for more efficient and sustainable LU, according to the findings and trends
- 8) PowerPoint presentation summarizing the study outline, findings and recommendations

All deliverables shall be produced in English and in word format.

Supervision and Reporting

The consultant company will liaise with and report to the S2RAI-ETH project manager and not consult on this matter with other agencies during and after the assignment.

Payment Schedule

- Upon signing of the contract the consultant shall be paid 15% of the contract amount to cover field survey expenses.
- 30% upon submission and approval of field survey report.
- The remaining 55% upon submission and approval of the final report including all the deliverables listed under Deliverables.

Place and duration

The assignment will take place in Ethiopia, and specifically in Addis Ababa and Benishangul-Gumuz. The period of the assignment is for six calendar months starting from the date of signing contract.