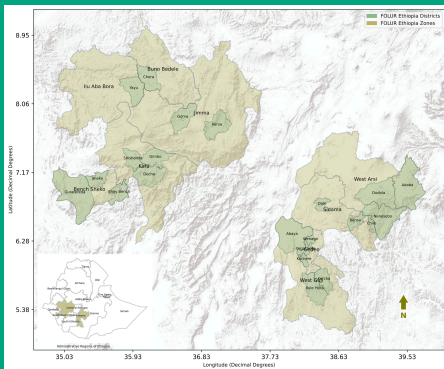


# ETHIOPIA: Preventing Forest loss, promoting restoration and integrating sustainability into Ethiopia's coffee supply chains and food systems

GEF FOLUR - ETHIOPIA COFFEE LANDSCAPE INVESTMENT CARD

## KEY STATS

- **Timeline:** January 2023 – October 2030
- **Project Size:** USD \$20,342,202 (GEF amount)
- **GEF Implementing Agency:** United Nations Development Programme (UNDP)
- **Core Executing Partner<sup>1</sup>:** Ministry of Planning & Development (MoPD)



<sup>1</sup> Additional involved partners include: Ethiopian Coffee and Tea Authority, Ethiopian Forestry Development (EFD), Ministry of Finance (MOF), Ethiopian Environmental Protection Authority (EPA), Ministry of Agriculture (MoA), Ministry of Water & Energy (MoWE), and Government Administrations at Regional, Zonal, Woreda (district), and Kebele (village) levels.



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ETHIOPIAN  
COFFEE AND TEA AUTHORITY

## RELEVANCE & CHALLENGES

Ethiopia's economy is deeply rooted in agriculture, employing approximately 70% of the population. [Coffee is the country's most significant export commodity](#), and the regions of Oromia, South Ethiopia, Southwest Ethiopia, and Sidama are central to both Ethiopia's economy and cultural heritage. However, these landscapes face mounting environmental pressures, including land degradation and deforestation, which threaten ecosystem services and rural livelihoods.

## OVERVIEW & EXPECTED IMPACTS

The FOLUR Ethiopia country project aims to transform coffee landscapes through sustainable, deforestation-free, and resilient production systems. A core objective is to promote deforestation-free coffee production practices across the jurisdictional scope of 9 million hectares, through capacity-building programs that support sustainable agronomy, improve coffee quality, increase value through processing, and expand market access via certification and traceability. These efforts will contribute to more resilient supply chains and offer opportunities for companies to support producers in ways that also benefit their sourcing strategies.

The following main activities are being carried out by the country project and reinforced by private sector investment:

- **Landscape Approach:** The FOLUR Ethiopia project will be guided by Integrated Landscape Management (ILM) to ensure the sustainable stewardship of ecosystems across Oromia, South Ethiopia, Southwest Ethiopia, and Sidama. This approach includes participatory forest and watershed management, restoration of biosphere reserves and eco-regions, and locally led land use planning. Early baseline assessments will examine forest, coffee-based, and degraded landscapes, with strong involvement from stakeholders and local authorities. The project will partner with think tanks and academic institutions to co-develop knowledge and inform policy through applied research, while also adapting good practices from Ethiopia and beyond. As part of this strategy, partners will receive training and insights on ILM approaches tailored to Ethiopia's diverse contexts and are expected to co-design and implement cross-country and cross-border ILM programs.
- **Landscape restoration:** By October 2030, the program will restore 10,500 hectares of degraded or old coffee lands and increase coffee yields by 30% for 58,800 smallholder farmers through the adoption of sustainable agricultural practices, enhanced extension support, and the implementation of restoration plans.
- **Multistakeholder Governance:** The program will strengthen multi-stakeholder platforms at regional, zonal, woreda, and kebele levels to align public and private sector priorities. These platforms will support inclusive dialogue, participatory planning, and coordinated implementation of ILM strategies.

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Ethiopia's FOLUR CP expected impacts align with the sector-wide vision and goals for a sustainable coffee sector as set out by the [Sustainable Coffee Challenge](#).

## PROSPERITY & WELL-BEING



440,000 people engaged (220,000 female)

22 districts with ILM plans developed

## RESILIENT SUPPLY



10,500 hectares of old coffee landscapes undergoing rejuvenation

## STRENGTHEN DEMAND



6 Working groups functioning under regional / national coffee platform

3 new specialty coffee producers linked to buyer/s

## CONSERVE NATURE



517,626 hectares under improved land use practices (61,552ha in forest land and 456,074 hectares of small-scale farmland)

7,228,195 metric tons of CO<sub>2</sub>e mitigated

61,552 new hectares under PFM including restoration activities

This integrated approach will engage stakeholders, leverage private sector investments, and strengthening systems that support farmers and foster inclusive value chains. The project builds on previous public sector interventions, including Ethiopia's 15-year Coffee Strategy developed by the Ethiopian Coffee and Tea Authority, which includes increasing farmer incomes as a key objective. Please find the coffee-growing areas Living Income Report (with Living Wage Annex) for Oromia, [here](#).

## CO-INVESTMENT OPPORTUNITIES

Concrete opportunity areas for coffee supply chain actors to complement and scale the program include:

### SUSTAINABLE PRODUCTION:

Invest to support smallholders to adopt sustainable practices that improve yields, reduce forest encroachment, and enhance livelihoods. These interventions promote deforestation-free coffee production and contribute to long-term supply chain stability. Particularly, gender inclusion is also a central pillar of the FOLUR Ethiopia project, with targets for women's involvement, a gender gap analysis, and an action plan, offering additional entry points for companies committed to inclusive value chains.

### ECOSYSTEM RESTORATION & CARBON FINANCE

Investments in natural ecosystem restoration will unlock carbon credits, eco-tourism, and other payment for ecosystem services (PES) opportunities. These actions align with corporate nature and climate targets and can contribute to measurable emissions reductions and diversified income streams for farmers.

### MULTI-STAKEHOLDER PLATFORM PARTICIPATION

Engagement with national and subnational platforms will align business goals with nature-based solutions and ILM strategies. The project encourages partnerships between coffee buyers, traders, and roasters with farmers to implement sustainable production practices and responsible sourcing. These platforms also support sustainable harvesting and utilization of forest products and restoration efforts.



**GET INVOLVED:** To indicate interest in supporting this country program, please contact: Mulugeta Worku Ayele via [m.w.ayele@gmail.com](mailto:m.w.ayele@gmail.com).

Visit [www.folur.org/ethiopia](http://www.folur.org/ethiopia) to learn more, including about additional coffee-focused FOLUR country projects.

Additionally, interested stakeholders will be invited and encouraged to participate in subnational multi-stakeholder initiatives or roundtables and to provide in-kind contributions.

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