

Terms of reference (ToR) for the procurement of services/consultancy

Project Title: Enabling the Implementation of Georgia's Forest Sector Reform (ECO.Georgia)

Project/Activity Number: 2020.2275.4-007.00/0304

Title of the assignment: Assessment of ecotourism potential and needs on NFA and municipal land in Georgia and development of an action plan for two target municipalities

1. Brief information on the project

Climate change impacts and the demand for fuelwood from rural population put significant pressure on Georgia's forests: up to 90% of rural households (1.43 million people) rely on fuelwood for their energy needs. The problem is exacerbated by the fact that households use obsolete technologies, such as traditional stoves with a lifetime of two years and an efficiency of 35% or less. Fuelwood demand exceeds sustainable harvesting levels, considering reduced productivity of many forests in the country because of extensive forest degradation. This forest degradation leads to a loss of carbon absorption capacity which is projected to decrease by five times between 1990 and 2030.

In order to address this negative development, the project "Enabling the Implementation of Georgia's Forest Sector Reform - ECO.Georgia" supports the Government of Georgia to implement its transformational forest sector reform agenda to put the entire nation's forests under the framework for sustainable forest management (SFM). It will do so by supporting the establishment of a nation-wide SFM system (Component 1) and in parallel promoting market development for energy efficient appliances and alternative fuels (Component 2) to address the main driver of forest degradation. The project will safeguard the reform implementation by diversifying livelihood opportunities and strengthening local self-governance in forest adjoining rural communities (Component 3).

In the frame of the Component 3 with the goal: "Strengthening Livelihoods and Social Inclusion in Georgia's Forest Sector Reform", is to diversify the livelihood opportunities and strengthen local self-governance in forest management to increase incomes and reduce socio-economic disparities, the project will work on enabling local communities to benefit from diversified income opportunities by a) developing professional skills and knowledge for forest management and conservation through vocational education, short-cycle training courses and international university partnerships, as well as by b) strengthening selected value chains for timber products, non-timber forest products (NTFP) and eco-tourism.

Component 3 has four outputs:

Output 1: Municipal-level tools, practices, plans and necessary capacities for participatory sustainable forest management and conservation are developed and introduced

Output 2: Mechanisms at local level to better protect the interests of adversely affected stakeholders are developed, promoted, and tested

Output 3: Professional skills and knowledge relevant to sustainable forest management and conservation are available through vocational education and international partnerships with centers of knowledge

Output 4: Selected value chains are strengthened of non-timber forest product (NTFP), timber forest product (TFP) and eco-tourism

Implementation of the Component 3 which will run till June 2025 and targets eight selected municipalities in the regions of Kakheti, Guria and Mtskheta-Mtianeti. The target municipalities are detailed below.

Target regions and municipalities of component 3

Guria

- Ozurgeti
- Lanchkhuti
- Chokhatauri

Mtskheta-Mtianeti

- Tianeti

Kakheti

- Akhmeta
- Telavi
- Kvareli
- Dedoplistskaro

2. Description of the Assignment

2.1. Context

Tourism in Georgia was until 2019 a growing economic sector attracting 22 million visitors annually (including 7.7 million foreigners) and accounting for 8.1% of the country's Gross Domestic Products (GDP). The main reasons for international tourists to visit Georgia were holiday, leisure, or recreation activities (44%) which include eco-tourism practices (GEOSTAT, 2020). The Covid-19 pandemic had and is still having a strong adverse impact on the sector. Travel restrictions in 2020 caused an 80-90% decline in domestic and international tourism compared to 2019 (Georgian National Tourism Agency (GNTA), 2020). 2021 review of Georgian tourism shows growth trend with 20.1% recover of international visits to Georgia compared to 2019 (GNTA, 2021¹). Furthermore, the data on international travellers in the first 11 months of 2022 shows 185.5% increase year-on-year and 55.9% recovery from the pre-pandemic 2019 level². A growing demand for open-air and nature-based tourism is also expected (UNWTO, 2021).

Tourism plays an important role in the local economies of the three Swiss Development Cooperation (SDC) project target regions with, however, very different patterns. In Guria, most of the economic activities are located on the Black Sea coastline with limited – though growing – tourism in the backcountry mountain areas. Kakheti is known for wine tourism and shares with the neighbouring region of Mtskheta-Mtianeti a dense network of protected areas (PA), which are some of the most visited natural sites in Georgia. All three regions have great potential for developing eco-tourism activities in the forest areas managed by the National Forestry Agency (NFA) or in other green areas within Municipalities³. Nevertheless, the sector lacked until recently a clear legal framework to enable tourism business to develop. The new Forest Code and related regulations lay the ground for the multifunctional use of forests with a strong focus on economic benefit sharing and participation of local authorities and the population in forest management. In particular, a new legal framework for tourism activities through a concession mechanism is foreseen by NFA, which also sees tourism as an opportunity to generate revenues for its own budget. NFA has been in the past years actively working on developing tools and procedures to promote and formalize tourism-related activities, e.g., through the roll-out of a municipal-level tourism planning framework. Despite a favorable political context and an expected quick post-Covid-19 recovery, the ecotourism sector lacks qualified personnel and entrepreneurs with strong business skills. There is an important need for capacity development through tailor-made trainings on technical and business-related issues and on accessing financial services. Tourism development requires transparent and inclusive planning tools, informed by relevant data which are both missing at

¹ Georgian tourism in figures, 2021. Available at <https://gnta.ge/ge/publication/30667/>

² <https://agenda.ge/en/news/2022/4745>

³ Here and anywhere in this document, the term “green areas” refer to the areas with trees which do not have a status of forest (legally) and are under the ownership of the Ministry of Economy and Sustainable Development of Georgia.

the moment. At the national level, NFA needs further support to introduce environmental and social safeguards in its draft concession mechanism.

Component 3 of the ECO.Georgia project will be focused on diversifying livelihood opportunities and strengthening local self-governance in forest adjoining rural communities to mitigate possible adverse effects of forest reforms. It envisages providing business support, among others, to ecotourism entrepreneurs to generate enough investment capital to improve access to finances and to increase relevant know-how. Awareness activities will also be conducted about legal requirements and opportunities they provide to local entrepreneurs and SMEs.

Gender dimension is an important aspect in the course of project implementation. At the local level, capacity building of local men and women is an integral part of support on the topics such as business-related trainings, guest-house management, coaching and advising etc.

At the national level, government institutions will be assisted in the development of appropriate approaches to ensure that local communities and businesses benefit from the income generated.

In the context of eco-tourism, the Component 3 will support strengthening the participation of local communities in forest management plan (FMP) development and implementation; applying joint management and benefit sharing mechanisms (e.g. on recreation and tourism); capacity building of the target groups through short-cycle education programmes, strengthening selected value-chains.

Measures under the Component 3 are focused particularly on supporting eco-tourism in forest areas. This includes:

- Assessment of the tourism potential of NFA and municipal lands.
- Development and implementation of tourism action plans covering NFA and municipal lands in two selected municipalities.
- Strengthening of the inclusiveness of NFA's concession mechanisms.

Assessment of tourism potential at local level and development of tourism action plans are the main objectives of this assignment.

2.2. Objective(s) of the assignment and tasks

The objective of the assignment is to assess the ecotourism potential and needs on NFA and municipal lands in the ECO.Georgia target regions, as well as on other green areas with the given Municipalities. The consultant shall identify challenges, bottlenecks, information, and knowledge needs for new or existing forest-related ecotourism activities.

This assessment has the objective to narrow the focus of project support on potential concrete forest-related ecotourism activities and to develop recommendations how to enhance income, service quality, marketing, and sustainable resource management in a gender balanced way. Also, potential options to strengthen synergies with local wooden handicrafts companies and other local businesses producing wooden items linked with the tourism sector are to be explored.

For proper planning and tourism potential assessment it is important to have information about local assets potentially relevant to eco-tourism. It should be mentioned that some assets are often not known to tour operators or to other organizations involved in tourism. Potentially these assets should support enhancing tourism development locally. These could be natural/cultural assets, private/public infrastructure, existing eco-tourism products and service providers in the area and their professional capacities etc.

After a detailed gathering of inventory of assets has been done, these assets need to be “clustered” logistically and thematically to create more comprehensive and integrated offerings. Some assets might not be high-value stand-alone attractions, but when combined with each other and connected well, the whole touristic experience of such a cluster might be even more attractive. It is also around these clusters that community accommodations will operate most successfully. Public infrastructure such as road connections, Wi-Fi availability, sewage, water supply and waste management are also a part of this experiential package and need to be part of the overall assessment as well.

In close collaboration and coordination with the ECO.Georgia project team, the consultant shall fulfil the following tasks:

A. Inception

- Conduct desk review of existing studies on ecotourism development in Georgia and in the target regions especially.
- Design and propose an assessment plan for all target municipalities, including timeline for desk and field interviews.
- Design and propose interview questionnaires to key stakeholders, including ecotourism operators.

B. Assessment

- Identify preferences and needs for key international and national tourist markets, interested in eco-tourism activities in the target areas.
- Develop a comprehensive inventory of natural/cultural assets, private/public infrastructure, existing eco-tourism products and service providers in the area and their professional capacities.
- Assess NFA concession mechanism, including (but not restricted to) the relevant legal frame, procedural requirement, feasibility of the mechanism at local level, local awareness on such mechanism and accessibility etc.
- Conduct interviews with key stakeholders (see the list below), specifically addressing experiences with the NFA concession mechanism, local and international sales and marketing, collaboration with local/international institutions and state or private support/subsidy schemes. Identify challenges, bottlenecks, information, and knowledge needs for new or existing ecotourism activities.
- Assess the role of gender issues in the ecotourism sector, both from the provider and from the consumer point of view and identify potentials for empowering women and socially vulnerable groups.
- Explore potential options to strengthen synergies with local wooden handicrafts companies and other local businesses producing wooden items.
- Provide options for logistical and thematic clusters that have the potential to provide an attractive touristic experience.

C. Action plan development

- Based on the identified clusters under part B, suggest two of the target municipalities for further piloting concession mechanism and project support activities for eco-tourism activities, with consideration of criteria jointly developed with NFA and other relevant partners.

Develop a tourism action plan covering NFA and municipal lands to be implemented in these two selected municipalities. The action plan shall be aligned with national eco-tourism related policy and strategies (e.g Eco-tourism Strategy for Georgia 2020-2030). Besides, it shall also consider other relevant regulations, and requirements – e.g., those related to the sustainable forest management

D. Reporting (see also the Chapter 6 below)

- Prepare a report – in English and Georgian languages - reflecting the assessment findings, knowledge needs and support measures including recommendations to the Ministry of Environmental Protection and Agriculture (MEPA) and the ECO.Georgia project.
- Present findings of the assignment and recommendations to MEPA and partner organizations through a GIZ organized workshop(s).

Key stakeholders to be considered for interviews

Public sector

- Ministry of Environmental Protection and Agriculture of Georgia
 - Biodiversity and Forest Department (BFD)
 - National Forest Agency (NFA)
 - Environmental Information and Education center (EIEC)
 - Agriculture and Rural Development Agency (RDA)
 - Agency of Protected Areas (APA)
- Ministry of Economy and Sustainable Development (MOESD)
 - Georgian National Tourism Administration (GNTA)
 - Enterprise Georgia
- Local Governments
 - Municipal/regional representatives of Guria
 - Municipal/regional representatives of Tianeti
 - Municipal/regional representatives of Kakheti

NGOs, projects, international and donor organisations

- GIZ, EU4ITD - Catalysing Economic and Social Life in PIRDP Region
- GIZ PSD-TVET
- Georgian Ecotourism Association
- Caucasus Nature Fund
- SDC, Rural Small and Medium Enterprises Development in Georgia
- CNFA, USAID Agriculture Program
- Sustain Caucasus
- United Nations Development Programme, UNDP
- Caucasus Green Environmental Network, CENN

Key reports/documents to be considered for desk review

- UNIQUE Study - Research and preparation of the project “Strengthening Livelihoods and Social Inclusion in Georgia’s Forest Sector Reform” under ECO.Georgia
- Feasibility study - Enabling Implementation of Forest Sector Re-form in Georgia to Reduce GHG Emissions from Forest Degradation
- Georgian Forest Code, 2020
- Forest use regulations, Resolution №221, May 18, 2021, Tbilisi

- Stakeholder Mapping document under ECO.Georgia
- Draft Cultural-Ecological Checklist under ECO.Georgia

2.3. Outputs/deliverables

Expected outputs are:

Output 1: Desk review on existing eco-tourism status-quo in target areas.

Output 2: Assessment plan and timeline for municipalities

Output 3: Interview questionnaires to stakeholders prepared

Output 4: Interviews with stakeholders conducted

Output 5: 1st Assessment draft

Output 6: Draft eco-tourism Action plans for two selected municipalities

Output 7: Presentation of findings and recommendations to MEPA/NFA, local authorities, ECO.Georgia and other partner organizations

Output 8: Final Report and action plans

2.4. Schedule and timeframe

	Deadline		Number of days per output
Output 1	February -March, 2023		up to 3
Output 2	February March, 2023		up to 3
Output 3	April, 2023		up to 3
Output 4	April-May, 2023		up to 21
Output 5	May, 2023		up to 5
Output 6	May-June, 2023		up to 14
Output 7	May-June, 2023		up to 7
Output 8	June 2023		up to 8
			Total up to 64 WD

Total working days include travel to the place of assignment outside of Tbilisi of maximum **15 working days** for which the contractor may claim reimbursement for travel expenses.

3. Experts profile

- **Education:** Tourism management, economics, environmental management and/or business development and/or other relevant fields
- **Background experience:**
 - At least 7 years of experience in respective technical areas cited in the scope of work, with a minimum of five years of experience in Georgia.
 - Demonstrated experience of designing and/or managing similar tasks/assessments in Georgia.
- **Experience in the region/knowledge of the country:** at least 5 years of working in respective field in Georgia,
- **Working languages:** Georgian and English

4. Timing and duration

From **February 6, 2023**, to **July 31, 2023 (incl. contract administration)**

5. Place of assignment

Georgia (Tbilisi and target municipalities)

6. Reporting considerations

- The consultant shall report to ECO.Georgia.
- Reports are to be prepared according to the template agreed with GIZ beforehand, in English and Georgian languages.
- All documents shall be delivered electronically (text files, PPT).
- Assessment report should be written in English and in Georgian.
- Presentation files (PPTs) shall be prepared in English and Georgian Languages.

7. Other provisions

7.1. Tender Procedure

The technical evaluation will take place in accordance with the assessment grid. As the grid indicated, the tenderer shall make a technical proposal. Technical proposal should consist of the following parts:

- interpretation of the ToR/assignment
- strategy for the implementation reflecting other alternatives
- cooperation during the implementation (stakeholders in the implementation, reference projects etc.)
- a work plan in a visual form

Along with the technical proposal, tenderer shall provide CV which includes references of executed projects.

7.2 Budgeting and payment

Participation expenses in workshops, meetings, study tours requested by GIZ and not already included in the ToR will be covered by GIZ.

Any other expenses related to assessment travel, accommodation, food provision etc. linked to the tasks laid out in the ToR should be covered by consultant.

Advance payment (max. 30-40% of overall cost) can be requested

Final payment will be affected after provision of Outputs mentioned above and written confirmation from GIZ.