THE EMPLOYMENT EFFECT OF ASL FOREST RESTORATION PROJECTS

Frank Merry, Paola Pulido and Manuelita Montaño
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The assignment

Evaluate employment effects.

Key questions:

▪ How do these investments create direct jobs?
▪ Types of employment (direct/indirect, qualified/unqualified, long-term/short-term)
▪ Indirect or induced jobs (supplier or expenditure created)
▪ Do they promote employment for women and young adults?
▪ What are the employment multipliers and their determinants?
Methods

Desk review: Project data, Secondary information, Grey literature

Permanent communication with project teams

Field visits

Interviews and Focus groups

Analysis and report consolidation

Peer review (World Bank)
## Project partners

<table>
<thead>
<tr>
<th>Category</th>
<th>Brazil</th>
<th>Colombia</th>
<th>Colombia</th>
<th>Peru</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project name</strong></td>
<td>Amazon Sustainable Landscape (ASLBr)</td>
<td>Heart of Amazon (CA)</td>
<td>Sustainable Amazon for Peace (APP)</td>
<td>Sustainable Productive Landscapes in the Peruvian Amazon (PPS)</td>
</tr>
<tr>
<td><strong>Executing agencies</strong></td>
<td>FUNBIO, Conservation International Brazil</td>
<td>Ministry of Environment and Sustainable Development, Patrimonio Natural, Sinchi</td>
<td>Ministry of Environment and Sustainable Development, UNDP</td>
<td>Ministry of Environment, UNDP</td>
</tr>
<tr>
<td><strong>Other Partners</strong></td>
<td>Ministry of Environment and Climate change (MMA)</td>
<td>Ministry of Environment and Sustainable Development, CDA, CAZ, National Parks Agency, IDEAM</td>
<td>Paisajes Rurales</td>
<td>CIMA, ICRAF, CATIE</td>
</tr>
<tr>
<td><strong>Project locations</strong></td>
<td>Amazonas, Pará, Rondônia and Acre</td>
<td>Guaviare, Caquetá, Putumayo, Amazonas, Guainia</td>
<td>Sabanas del Yarí (Meta) Perla Amazónica (Putumayo)</td>
<td>Ucayali (Padre Abad province and Nueva Requena district) and Huánunco (Puerto Inca province)</td>
</tr>
</tbody>
</table>
Key complications

✔ Variable data sources and quality (focused on project deliverables)

✔ Variation within and between projects was considerable, reflecting the complex reality of restoration.

✔ Variation in restoration activities created significant difficulties in establishing a methodology for accurate comparison.

✔ Field logistics placed limits on how much social data was collected

Comment: seek to find consistency in project reporting systems?
Underlying issues

**FULL TIME VS. PART TIME**

**HOUSEHOLD LABOR ALLOCATION**

**SOCIAL CO-BENEFITS**

**MARGINAL BENEFITS**

- Indirect (SUPPLIER) Jobs
- Direct Jobs: Project employees and contracts
- Indirect (INDUCED) Jobs
## Project employment effects

<table>
<thead>
<tr>
<th>Category</th>
<th>Amazon Sustainable Landscape</th>
<th>Heart of Amazon (2019-2022)</th>
<th>Sustainable Amazon for Peace (APP)</th>
<th>Sustainable Productive Landscapes in the Peruvian Amazon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor allocation budget</td>
<td><em>No financial data</em></td>
<td>CAZ: 350,000 USD</td>
<td>270,000 USD</td>
<td>CIMA: 54,000 USD</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CDA: 300,000 USD</td>
<td>(30,000 USD in cash payments)</td>
<td>ICRAF: 80,000 USD</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*No data for CATIE</td>
</tr>
<tr>
<td>Jobs generated</td>
<td>12 people (RESEX)</td>
<td>17 people (20 months avg.)</td>
<td>7 people (26 months avg.)</td>
<td>+16 people (ICRAF)</td>
</tr>
<tr>
<td></td>
<td>48 people estimated (Ecopore)</td>
<td>35 people (17 months avg.)</td>
<td>Local facilitators, nursery activities, technical assistance and coordination</td>
<td>+32 people (CATIE)</td>
</tr>
<tr>
<td></td>
<td>(Technical assistance, nursery activities, temporary positions, and coordination)</td>
<td></td>
<td>*No data for Perla Amazónica</td>
<td>+27 people (CIMA)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(Technical assistance, coordination, and consultancies)</td>
</tr>
<tr>
<td>Compensations</td>
<td>Goal: 104 families:</td>
<td>+300 beneficiaries</td>
<td>34 beneficiaries</td>
<td>+200 beneficiaries (technical assistance and in-kind contributions)</td>
</tr>
<tr>
<td></td>
<td>1000 USD (cash payments and in-kind contributions)</td>
<td>(CAZ): 200 USD each</td>
<td>2,300 USD each</td>
<td>5 people 2,200 USD (in-kind)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(CDA): 800 USD each</td>
<td>(900 USD are cash payments)</td>
<td>16,200 USD (cash payments)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(in-kind contributions are not quantified)</td>
<td></td>
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</tbody>
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Cont.

Field restoration activities
Around 40 to 70 percent of total restoration costs
Mainly associated with day labor

Community nurseries
Around 60 percent of total costs for seedling production
Full-time and available for women

Productive restoration
Valued according to financial returns to the system
Compensations for adoption of sustainable practices

Project management
Labor allocated in different layers of salary ranges
Allows for women’s employment
<table>
<thead>
<tr>
<th>Restoration Activity</th>
<th>Labor Costs (%)</th>
<th>Labor Funds (USD)</th>
<th>Daily Wage (USD)</th>
<th>Monthly Wage (USD)</th>
<th>Employment Person-years</th>
<th>In 4-year Project timeline***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field activities*</td>
<td>40</td>
<td>400,000</td>
<td>10</td>
<td></td>
<td>160</td>
<td>40</td>
</tr>
<tr>
<td>Community nurseries</td>
<td>50</td>
<td>500,000</td>
<td>15</td>
<td></td>
<td>130</td>
<td>32.5</td>
</tr>
<tr>
<td>Project management level 1</td>
<td>10</td>
<td>100,000</td>
<td></td>
<td>450</td>
<td>17</td>
<td>4.3</td>
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<tr>
<td>Project management level 2</td>
<td>30</td>
<td>300,000</td>
<td></td>
<td>750</td>
<td>33</td>
<td>8.3</td>
</tr>
<tr>
<td>Project management level 3</td>
<td>20</td>
<td>200,000</td>
<td></td>
<td>1,500</td>
<td>12</td>
<td>3.0</td>
</tr>
<tr>
<td>Indirect**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>67.0</td>
</tr>
</tbody>
</table>

Overall project management labor costs are 60% of the projected 1 million USD, separated by the three average salary levels.
* Compensation for the adoption of agroforestry systems would have an effect similar to field activities.
** To calculate indirect jobs, take the sum of jobs and multiply by 0.76 (i.e., 88.1*0.76=67).
*** These are the number of people potentially fully employed with a 3 million USD investment.
Conclusions

✔ Investment in restoration activities at the farm and community nursery levels has a very high potential for additional employment and positive marginal economic effects.

✔ Restoration projects deliver significant new employment opportunities that favor improved access to jobs for women.

✔ Restoration projects deliver significant positive social fabric benefits in rural areas that often comprise marginalized communities.
Recommendations

✔ Improve the ability to deliver funds to restoration activities in the field. Making local NGOs more effective.

✔ Restoration is a public good and that policies and programs must be designed to reflect that goal as well as creating market opportunities.

✔ Improve tracking and reporting of additional social and gender impacts from restoration projects.
Social and gender impacts of restoration: Results
## Results

5 categories of social results additional to employment that are benefiting local communities

<table>
<thead>
<tr>
<th><strong>RURAL ENTREPRENEURSHIP</strong></th>
<th><strong>WOMEN’S EMPOWERMENT</strong></th>
<th><strong>BUILDING SOCIAL FABRIC</strong></th>
<th><strong>BEHAVIORAL CHANGE</strong></th>
<th><strong>CAPACITY BUILDING</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The creation of new business emerging from restoration activities and investment. Key role: improving rural livelihoods.</td>
<td>Breaking gender stereotypes. Formalizing women’s role in productive activities. Fully recognizing their contributions in formal and informal activities.</td>
<td>Promoting community cohesion through joint productive activities. Peacebuilding and conflict resolution through communal activity.</td>
<td>Becoming “gatekeepers”, by developing affinity for ownership of the resource, through enhancement of the relationship between smallholders and the forest.</td>
<td>Opportunity to develop capacity through direct or indirect training activities. Increases productivity and creates positive personal reinforcement.</td>
</tr>
</tbody>
</table>
Contact us

GLOBAL HEAD OFFICE
AMSTERDAM, THE NETHERLANDS
Van Diemenstraat 170, 1013CP
T +31 20 262 10 30

ROTTERDAM, THE NETHERLANDS
Het Industriegebouw
Goudsesingel 52-214, 3011KD
T +31 20 262 10 30

WASHINGTON, DC, USA
1701 Rhode Island Ave NW, DC 20036
T +1 202 540 22 73