**TERMS OF REFERENCE**  
Research – Socio-Economic Survey, Armenia

1. **POSITION:** Research (Company, NGO, Research Institution) – assessment of the economic and social impact of unsustainable forest practices and illegal logging on rural population of Armenia

   Program title: “Improving Forest Law Enforcement and Governance (FLEG) in the European Neighbourhood Policy East Countries and Russia”

2. **REPORTING RESPONSIBILITIES**

<table>
<thead>
<tr>
<th>Direct Reporting Line</th>
<th>Reporting Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENPI/FLEG IUCN Country Program Coordinator - Armenia</td>
<td>Issues pertaining to the IUCN ENPI-FLEG program implementation in Armenia, with respect to conducting the socio-economic survey of unsustainable forest practices and illegal logging in Armenia.</td>
</tr>
</tbody>
</table>

   All administrative issues pertaining to these Terms of Reference.

3. **LOCATION** – Yerevan, Armenia

4. **DURATION** – 6 months with likelihood of extension

5. **STARTING** – August 15, 2010

6. **BACKGROUND**

   The European Commission financed European Neighbourhood and Partnership Instrument – Forest Law Enforcement and Governance (ENPI-FLEG) program will promote the development of improved forest law enforcement and governance arrangements in seven targeted countries: Armenia, Georgia, Azerbaijan, Moldova, Ukraine, Belarus and Russia. The program’s core funding is provided through a grant agreement from the European Commission to the World Bank. The program is being undertaken as a partnership among the World Bank, IUCN and WWF. Each of the three partnered program implementation organizations will be responsible for its own set of specified activities and deliverables. Three broad categories of stakeholder groups will be targeted by the program: government (line departments, parliamentarians, local authorities and the judiciary); civil society (NGOs, community organizations and forest-dependent communities); and the private sector (particularly timber companies). The program will define the policy, legal, institutional and economic obstacles to improved forest governance (including the control of illegal logging); test pilot innovative approaches to overcoming these obstacles; enhance the capacity of key stakeholders to implement forest governance reforms; and disseminate the lessons learned at national, regional and global levels. The program will also support the other regional Forest Law Enforcement and Governance official processes being organised by the World Bank and will contribute to the EU FLEGT Action Plan.

   The program’s purpose is to contribute to ensuring that improved forest governance arrangements are in place in the forest sector and closely linked sectors through effective implementation of the ENA FLEG Ministerial Declaration (St. Petersburg Declaration 2005), involving governments, civil society and the private sector.

---

1 Direct reporting lines indicate those staff members providing direct supervision. Additional reporting lines indicate accountability for particular functions or areas of work. Consultation, information sharing and other relationship lines are not indicated, as they are likely to be numerous.
The program’s specific objective is to contribute to legal and sustainable forest management and utilization practices and improved local livelihoods in the six ENPI East countries plus Russia.

The program’s results will be:

Result 1: Increased awareness and commitment of key stakeholders on FLEG
Result 2: Effective national and regional FLEG action processes in place
Result 3: National ownership and capacity increased
Result 4: Improved regional and sub-regional collaboration and knowledge sharing
Result 5: Effective engagement of key trading partners
Result 6: Continuation of the formal official ENA FLEG process
Result 7: Sustainable forest management practices implemented

Country Context
Armenia has a relatively small area of good quality mixed hardwood forests, perhaps as much as 350,000 ha. These limited resources are under intense pressure for industrial timber and fuel-wood both for rural and urban communities. Various assessments of the sector during 2003-2007 indicate that potentially large volumes of wood were being illegally harvested to help meet these demands. At the same time, officially regulated off-take was well-below potential sustainable yields, highlighting the problem of the difficulty inherent in regulating wood supplies in a governance-constrained economy. Under the circumstances, it was very easy to be illegal.

The Government of Armenia completed its "Action Plan for Mitigating Actions to Help Address the Problems Associated with Illegal Logging” in September 2004, which identified 8 key actions to help tackle the problem of illegal logging: increased public awareness; community forestry programs; alternative fuel supplies; increasing the supply of legitimate wood products; restructuring forest institutions and capacity building; improved monitoring and control; and forest certification.

In response to the Action Plan, Government has established an independent Forest State Monitoring Center (Monitoring Center), which has as its mandate, the monitoring of illegal logging. In addition, a series of Poverty Reduction Strategy Credits, financed by the World Bank, has supported the work on forest governance, and on illegal logging monitoring. The work of the Monitoring Center has been supported with Armenia’s budget funding for establishing and running the Center, as well as with limited grant funding for technical assistance.

Currently, the World Bank’s IDF grant facility is supporting the Government of Armenia through the Strengthening Forest Monitoring Project. The objective of this project is to improve the effectiveness of Armenia’s Forest State Monitoring Center (Monitoring Center) in order to better monitor and control illegal logging in Armenia. This objective would be achieved through a series of public investments that strengthen the operation of the forest monitoring system in Armenia. The IDF grant would assist the Monitoring Center by introducing and implementing new systems and approaches for reporting and recording forest violations, piloting and testing systems for tracking movement of wood in the supply chain, and building awareness for forest monitoring at community and national level. In addition, the IDF grant would assist the government in employing a set of monitoring indicators for effectively monitoring illegal logging as well as for effectively evaluating the government’s policies targeted to reduction of illegal logging.

Illegal logging
Over the recent decade, the Armenian government has been under intense pressure from international organizations as well as from domestic population to protect its forests and to improve forest management. According to various estimates, the country may have lost around up to 30% of its forest cover (which constitute around 3-4% of its territory) due to uncontrolled logging started in early 1990s. Various sources report that the degree of logging was around 1 million cubic meters per year in early 1990s and around 500-600,000 cubic meters thereafter. A large portion of these could be considered illegal. In nineties, most of the wood was used for household heating in urban and rural areas as other sources of energy were absent due to blockade and severe economic hardship.

However, when the situation improved in late 1990s and thereafter, the uncontrolled logging became a result of economic activity, largely driven from recent years’ dramatic increase in construction volumes. The current rates of logging, though reduced considerably to around 300-600,000 cubic
meters per year (various estimates), continue to be worrisome and significantly higher than the sustainable limits.

As such, the overarching theme for the forest development agenda in the country remains the control over illegal logging and protection and sustainable management of forests. The policy and institutional reforms agenda started in late 1990s after the intensive public pressure to protect the country’s forests. The reform processes have since been largely supported by main international donors through the World Bank and Sida financed forest development projects.

7. OBJECTIVES OF THE SURVEY

The objectives of the surveys are to provide up to date data of the extent and scale of illegal logging in Armenia and to identify the key drivers, behind the illegal logging activities. This work will replicate the socio-economic survey undertaken in 2003/4 by the FISP programme.

It is imperative that this work is statistically robust as it will form the foundations of future recommendations and follow on action plans to address the illegal logging problem. It is also expected that this survey work will be put under close scrutiny when it is presented.

The outputs of the survey will be used to support the development of policy and programme recommendations, to be presented to the FLEG working group, in the first quarter of 2011. In addition, the survey will be used to target the IUCN pilot programmes for poverty alleviation and alternative incomes in communities in close proximity to the forest area.

The surveys will cover households in communities within a 10km radius of the forest and sawmills. The work on sawmills and possibly transport may be further developed during the survey period, but initial focus is on the households and sawmills only.

8. TASKS

8.1 General tasks

Under the direct supervision of the ENPI-FLEG Country Program Coordinator – Armenia, the Consultant will conduct the socio-economic survey of unsustainable forest practices and illegal logging in Armenia; identify suitable pilot areas for implementing small scale projects that aim to strengthen local capacity for improving possibilities for livelihood development and prepare practical recommendations.

The Consultant will closely collaborate with the Illegal Logging (Emily Fripp) and the PE/PSIA (Nils Junge) international consultants (working with the World Bank), whom are responsible for the overall survey design. The local team will supervise and train the survey team and provide results and preliminary analysis of the final results of the survey, see outputs. The survey team will be required to undertake the following tasks.

8.2 Specific tasks

Household survey

The household survey will be conducted in communities located within a 10km boundary to the forest areas, following the same approach as the FISP survey undertaken in 2003. This aim is to provide an appreciation of the dependency of the household with the forest resource, their use of forest resources (fuelwood, timber, NTFPs etc) and the role that the forest resource plays in providing an income and/or supporting a subsistence lifestyle. By using the same approach – survey forms and methodology (as far as possible) a comparison of forest resource use between 2003 and 2010 will be made, identifying any changes in behaviour.

The survey forms from 2003 will be reviewed and additional questions added, to update if necessary and to include data collection needs of the PE/PSIA study being conducted simultaneously by the World Bank.
Additional literature and secondary sources of information will be used to provide supporting background data, if appropriate, especially in terms of providing the context (i.e. the levels of poverty, fuel use (gas and wood), income levels etc. in Armenian).

**Sawmill survey**

Surveying sawmills acts as a proxy for estimating the harvesting and processes, i.e., the demand, for processed products. It is assumed that forest resources are used for two main products: fuelwood (for rural and urban consumers) and processed products (flooring, sawnwood, doors, joinery, etc). Secondary processing (plywood, composite products, furniture, laminate etc), is less likely to occur in Armenia, but further details will become apparent as the work progresses. For this assignment the survey will focus on primary processing, sawmills. As with the household survey, the forms and approach will follow that of the FISP study in 2003. Additional questions, if any, will be included in a manner that will not disrupt data comparison between the data collected in 2010 and that in 2003.

This work will feed into the production of supply chains, mapping demand and supply for key products and will support the work to be undertaken by WWF on Industry Associations.

**Data entry and analysis**

1. Based on the revised survey forms a database for data entry and analysis will be developed in Excel and/or SPSS. The development of the database may highlight areas in the survey forms that need modification so as to ensure good data entry and analysis. The survey forms should be modified accordingly, again in full consultation with the International consultant. The database and means of analyzing data should enable cross-temporal data analysis with the data collected in 2003. The 2003 data sets will be provided.

2. Undertake continuous data entry and screening of data. Any problems in the data collection (person error or survey design) should be raised and discussed immediately with the International consultants.

3. Undertake data analysis at the end of the data collection exercise and prepare a report (details of the contents of the report are outlined below).

4. At the end of the survey work, provide the full data set in Excel and SPSS, with analysis to the International consultants. Any supporting notes to explain the data should also be prepared. The database and supporting notes should be provided in English, and in Armenian.

**Literature review**

To support the survey background information gained from secondary sources may be required. This will be required to provide context to the survey findings and is likely to include:

- Trends in poverty and drivers in poverty over the last 10-20 years
- Income distribution and levels
- Employment and unemployment
- Education and literacy levels
- Other

**Define pilot areas for implementation of the follow-up small scale projects and recommend possible activities for the projects.**

- As the result of the study, small scale projects will be implemented in the selected communities. The projects will strengthen local capacity for improving rural livelihood development through sustainable consumption of forest products (timber/non timber) which will reduce pressure on forest resources. The Consultant will be responsible for the development of criteria for selecting the pilot districts, relevant districts should be identified and possible activities should be recommended for the pilot projects.
- Prepare Terms of Reference for the small-scale pilot projects to be implemented as follow-up to the study.
Organizing of stakeholder workshop with:

- civil sector, as NGOs (local, national), forest-dependent organizations;
- public authorities (from state authorities to local authorities);
- line departments (forest state authority, departmental forest enterprises/units);
- international organizations

Program Communications

- Work with the IUCN Country Program Coordinator to clearly communicate results, success stories and key messages from project;
- Every two weeks, brief updates on progress must be emailed to International consultant Emily Fripp;
- Present summary findings of the study for stakeholders’ workshops, press/media events, and publication on a web-site and during the FLEG conference in Armenia.

8. REPORTING

The Consultant will prepare and present to the IUCN Program Coordinator in Armenia:
1. All accompanying notes for survey collection, database entry and analysis (copies should be provided to International consultants Emily Fripp and Nils Junge)
2. The final database of raw data and analysis undertaken, in Excel and SPSS, must be provided to the International consultant, with cross tabulations and preliminary analysis.
3. A concise report must be completed at the end of the assignment. The draft final report must be prepared in both English and Armenian. The report will include:
   - Outline of the approach, methodology, time plan;
   - Survey team and data collection;
   - Analysis undertaken;
   - Briefing note by each enumerator on observations made, by community
   - Qualitative discussion of findings, by community and for sawmills;
   - Recommendations on pilot areas for follow-up small scale projects and recommended scope of activities/topics for the projects.
   - Results and conclusions

9. QUALIFICATIONS

The position is suitable for any legal organisation (NGO, Research/ Academic Institutes, Firm etc.) with qualifications in providing analytical research in the field of forest and natural resource management. The following specific qualifications must be met:

- A Masters or higher degree in a discipline that is relevant to economic, forest or natural resource management or governance issues;
- Knowledge, understanding, and practical implementation of survey methodology that demonstrates clear cognizance of technical, social, and economic focal points associated with forest resources management;
- Knowledge and understanding of the current forest management and governance issues in Armenia;
- Experience in providing quality technical reports;
- Ability to maintain confidentiality and use discretion when dealing with sensitive political issues;
- Knowledge of IUCN's work globally and regionally is an asset;
- Computer literacy in Armenian and Russian; ability to provide reports in English is considered as advantage
- Fluency in oral and particularly written English;
- Cultural awareness and sensitivity to gender issues.
ANNEX:

Methodology

Survey instruments
1. Working with the international consultants the team will review and revise the draft survey forms based on those used in 2003 – household and sawmill (with transport currently on hold). This will be done during June/July 2010.

2. The same 2003 survey questions (in the same order) should be used for the present survey to ensure comparability. Additional questions can easily be added at the end. If it is felt more appropriate to include them interspersed within the existing questionnaire, they should be assigned numbers which will not disturb the existing numerical order, such as 37A, 48C, etc. This is to facilitate cross-temporal data comparisons between 2003 and 2010. The survey should take place at the same time of year in 2010 as in 2003.

3. In July (during the week commencing 19 July) the survey team, with the international consultants, will field test the forms. The forms will then be revised and finalised.

4. Field notes or enumerator instruction notes will be produced by the Consultant, to provide background interpretation to the questions, ensure that the same approach is used as in 2003 and that all enumerators ask the questions in the same manner.

5. The Consultant will be responsible for training of the survey teams, including field and desk based training, will occur in August. Any recommendations for revisions to the survey forms and approach must be discussed with the international consultants before changes are made. The forms, data entry tools and training of staff must be completed by 10th September.

6. Surveys, including preparation, piloting, collection and analysis of data, will be undertaken over 6 month period from July 2010.

7. The survey team will produce both Armenian and English versions of the revised survey forms. Final survey forms must also be provided in both languages.

Survey approach
As much as possible, the same households should be surveyed in 2010 that were surveyed in 2003. The old, completed questionnaires should be used to identify the respondents if possible. It is hoped that the old questionnaires are still accessible. If not, an identical number of households in each community should be interviewed, using the same random selection methodology.

8. The Consultant will review the methodology used in 2003. Any suggestions for revisions should be discussed with the two international Consultants. The aim is to ensure cross-temporal analysis between 2003 and 2010, thus the approach needs to be consistent, both in the data collection process and in the analysis. To ensure consistency, where possible the same households should be surveyed in 2010 as in 2003, the old questionnaires and data sets will be provided.

9. During the review of the methodology and field testing in July, due consideration should be given to the use of qualitative tools and approaches, including key informant interviews (which will be treated anonymously and confidential if required), interviews with households and focus groups. This information will support the questionnaire findings and along with the literature review provide context and a wider perspective on the issues. Such groups may also provide an opportunity to discuss potential solutions to issues. If such approaches would yield additional benefit then this should be discussed with the International Consultants and potentially included in the overall work plan.

10. This methodology should include, for example,
   - A full discussion of the choice of sample size and stratification procedures (including a review of the approach in 2003, to ensure correlation of results, including the discussion of the criteria to be used for stratification and the statistical relevance etc. As background data on the forestry sector, household population etc, is gathered from present reports, this data will be made available to the survey team by the International consultant to assist in the survey sample and stratification procedures; and
• A plan of action for undertaking the training, field work, reporting and data analysis, including a work plan to cover the survey period will be prepared.

11. The survey team will undertake the field work/data collection for all three surveys in accordance with the above methodology and the proposed time plan. Any problems that arise should be immediately discussed with International consultants and this includes any delays that may occur with the survey collection.