

TERMS OF REFERENCE (TOR)

REQUEST FOR BID (RFB) FOR THE DEVELOPMENT OF A BUSINESS CASE FOR DECENT WORK AND LIVING WAGES IN ETHIOPIA'S FLORICULTURE SECTOR

RIGHTS IN BLOOM: EMPOWERING WORKERS IN THE ETHIOPIAN HORTICULTURE SECTOR (RIB-ETHIOPIA)

1 Important TOR Information and Dates

TOR Name: Development of a Business Case for Decent Work and Living Wages in Ethiopia's Floriculture Sector		User Department: Programme Directorate
Location of Contracting Entity: Nairobi-Kenya		Correspondence Language(s): English
TOR Package Available from: Wednesday, 26 August 2026	Tender Package Pickup Location: Fairtrade Africa Website	
Deadline for Offer Submission: Wednesday, 09 September 2026 at 17:00 hrs EAT	Submit Offers to: procurement@fairtradeafrica.net	

Fairtrade Africa reserves the right to accept or reject any late offers

Questions and Answers (Q&A)	
If any, Submit Questions in writing to: procurement@fairtradeafrica.net	
Last Day for Questions: 02/09/2026	Questions will be answered by: 04/09/2026
Questions will be answered through: procurement@fairtradeafrica.net	

2. Background

1.1 Overview of Fairtrade Africa (FTA)

Established in 2005, Fairtrade Africa (FTA) is a member of Fairtrade International and the umbrella network organization representing Fairtrade-certified Producer Organizations in Africa and the Middle East. It has four (4) regional networks: Eastern & Central Africa; Southern Africa; West Africa; and the Middle East & North Africa. Fairtrade Africa currently represents 1,445,265 farmers and workers in 684 Producer Organizations spread across 29 countries in Africa and the Middle East by providing services to them that contribute to the improvement of their livelihoods.

1.2 Overview of the Rights in Bloom: Empowering Workers in the Ethiopian Horticulture Sector (RIB-Ethiopia) Project

The Ethiopian horticulture sector is one of the country's key export industries and a major source of employment, particularly for youth and women. The cut flower sub-sector contributes significantly to national export earnings and provides livelihoods for thousands of workers across production farms and surrounding communities. Despite the sector's economic importance, workers continue to face challenges related to decent working conditions, including limited enforcement of labour standards, weak grievance-handling systems, inadequate occupational safety and health practices, limited collective bargaining capacity, and the underrepresentation of women, youth, and persons with disabilities in leadership and decision-making structures.

In response to these challenges, the Rights in Bloom: Empowering Workers in the Ethiopian Horticulture Sector (RIB-Ethiopia) seeks to strengthen decent work practices and improve labour rights systems within the Ethiopian flower sub-sector. The project is being implemented across six Fairtrade-certified flower farms: Herburg Roses PLC, Sher Ethiopia PLC, Ziway Roses PLC, AQ Roses PLC, Yassin Johnson Legesse (Sunrise Flowers), and Tinaw Business Share Company.

The project targets approximately 18,223 workers, including women, youth, and persons with disabilities, with additional indirect reach at household and community level. The intervention focuses on strengthening workplace systems for the protection of labour rights, improving grievance-handling and occupational safety mechanisms, enhancing trade union capacity and social dialogue, promoting gender equality and disability inclusion, and supporting policy engagement on decent work within the flower sub-sector.

Phase I of the project (2022–2025) demonstrated that meaningful improvements in workplace systems are achievable, but also that such improvements are vulnerable once external project support is withdrawn, because farm management frequently treats decent work as a compliance cost to be minimized rather than as an investment with a return. Fairtrade Africa therefore wishes to engage a consultant to establish whether, how much and under what conditions investment in decent work generates measurable commercial value for flower farms, and to convert the answer into decision-ready evidence for farm management, for buyers and importers, and for Ethiopian policy and sector institutions.

3. Purpose and Objectives of the Consultancy

3.1 Purpose

The purpose of this assignment is to generate robust, decision-ready evidence on the business value of decent work in Ethiopia's floriculture sector, and to convert that evidence into a business case that farm management, buyers and importers, and Ethiopian sector and policy institutions can act on. The study will examine wage levels and wage-setting practices, selected decent work investments, and their relationship to enterprise performance at the six participating farms, situated within the wider floriculture-producing areas of Ziway, Bishoftu and Welkite. It will assess the costs, benefits, risks and enabling conditions associated with advancing decent work from the perspectives of workers and employers and provide evidence-based recommendations to inform Fairtrade programming, sector dialogue and national wage policy discussions.

3.2 Specific Objectives

Specifically, the consultant will:

- i. Analyze wage levels, wage-setting practices, and the key economic, institutional and market factors influencing wage adjustments at the participating farms and in the wider sector.
- ii. Assess the socio-economic effects of prevailing wage levels and recent wage increases on workers and their households, and document stakeholder perceptions and preferences regarding wage increases, living wage pathways, and collective investment through Fairtrade Premium projects, including perceived trade-offs and complementarities.
- iii. Compare prevailing wages against recognized, published living wage benchmarks for rural Ethiopia in order to contextualize wage levels and indicate the approximate scale of the gap, together with the assumptions and limitations of that comparison.
- iv. Assess the relationship between wage levels, decent work investments and selected business performance indicators, including productivity, absenteeism, labour turnover and retention, product quality, and industrial relations outcomes
- v. Develop an evidence-based business case for decent work and living wages, supported by a costing and return-on-investment model, and set out practical recommendations for farm management, Fairtrade Africa, buyers, and sector and policy institutions, including the conditions under which further movement towards living wages would be financially feasible.

Note on living wage measurement. The comparison required under objective (iii) is a desk-based benchmarking exercise undertaken for the purposes of the business case. It does not constitute a Living Wage Gap Assessment, a benchmark study, or a certified measurement exercise, and it will not be conducted using the IDH Salary Matrix or any equivalent proprietary tool that requires an approved or accredited assessor. No output of this assignment shall be presented as a certified living wage measurement.

4. Scope of the Study

4.1 Scope

The assignment covers the six Fairtrade-certified flower farms participating in the Rights in Bloom: Empowering Workers in the Ethiopian Horticulture Sector (RIB Ethiopia) project, together with the national floriculture sector environment. The analysis will draw on data from Phase I (2022–2025) and the current Phase II (2026–2029) and will project forward to 2029 and beyond so that the findings remain useful after the project closes.

The assignment is confined to the farm level and to mechanisms available within the Fairtrade system. It does not extend to negotiating or securing commitments from retailers or other commercial partners. Where contributions from downstream value chain actors are relevant to closing wage gaps, the consultant will identify, cost and qualify those options and the conditions attached to them, but obtaining buy-in from those actors falls outside the scope of this assignment.

4.2 Task

Specifically, the consultant will:

- a) **Inception and desk review.** Refine the methodology and analytical framework, agree the sampling frame and data requirements, and conduct a desk review of project documents, the Fairtrade Standard for Hired Labour, Fairtrade Premium records, national policies and legislation, sector reports, labour market data, and existing literature on decent work, living wages, productivity and business case approaches from Ethiopia and comparable contexts.
- b) **Wage analysis and benchmarking.** Document wage trends and wage-setting mechanisms at the participating farms and analyze the drivers of wage adjustment, including collective bargaining agreements, inflation, exchange rate movements, labour market conditions, productivity considerations and sector policies; and compare prevailing wage levels with recognized published living wage benchmarks and other relevant reference points, stating the benchmark used, its reference year, and the adjustments applied.
- c) **Socio-economic and stakeholder analysis.** Evaluate the effects of prevailing wage levels and wage increases on workers, their households and surrounding communities, including household welfare, expenditure patterns, inflationary pressures, labour relations, social cohesion and local economic development; and document the perceptions, experiences and trade-offs identified by workers, trade unions, farm management, Fairtrade Premium Committees and sector institutions in relation to wage increases, living wage pathways and Premium investment.
- d) **Business performance analysis.** Assess the relationship between wage levels, decent work investments and business performance outcomes, including productivity, absenteeism, labour turnover, worker retention, quality, worker motivation and industrial relations, using farm-level human resource, operational and financial data.
- e) **Business case and costing model.** Estimate the cost of identified decent work investments and of incremental movement towards living wage benchmarks; model the associated returns, financing options and shared responsibility approaches available at farm level and within the Fairtrade system; identify the enabling conditions, constraints and risks, including buyer purchasing practices, input costs,

foreign exchange availability, exchange rate movements, market competitiveness and the policy and regulatory environment; and set out the resulting business case.

- f) **Validation and dissemination.** Present preliminary findings to Fairtrade Africa and stakeholders, facilitate a validation workshop, incorporate feedback, and deliver the final outputs, including a policy brief suitable for sector and policy audiences.

4.3 Data access, confidentiality and data ownership

Fairtrade Africa will formally introduce the consultant to the six participating farms and will request their cooperation in making available the human resource, operational and financial data required for the analysis. Data availability will nonetheless be confirmed by farm during the inception phase, and the consultant shall submit a data access plan as part of the Inception Report. The following conditions apply:

- The consultant shall sign a confidentiality undertaking with Fairtrade Africa and, where a farm so requires, with that farm, before any commercially sensitive data is released.
- Where a farm is unwilling or unable to release disaggregated commercial information, the consultant shall accept aggregated or anonymized data and shall report findings at a level that does not permit identification of an individual farm's commercial position without that farm's written consent.
- Where required data cannot be obtained at all, the consultant shall apply documented proxies, sector benchmarks or modelled assumptions, and shall state explicitly in the report which findings rest on primary farm data and which rest on assumptions.
- All data collected under this assignment, and all outputs produced, remain the property of Fairtrade Africa.

5. Deliverables

The consultant will be expected to produce the following deliverables:

- i. Inception **Report** presenting the refined methodology and analytical framework, sampling strategy, data collection tools, data requirements and data access plan, work plan, quality assurance measures, and risk management approach.
- ii. **Draft Business Case and Wage Dynamics Report** presenting the findings, analysis, limitations, conclusions and recommendations on wage dynamics, socio-economic effects, living wage benchmarking, business performance implications, and policy considerations in Ethiopia's floriculture sector.
- iii. **Costing and Business Case Model:** a fully documented and editable Excel-based costing and return-on-investment model, including scenario and sensitivity analysis.
- iv. **Validation Workshop Package:** facilitation of a validation workshop, presentation materials, and a written summary of stakeholder feedback together with how it has been addressed.
- v. **Final Business Case and Wage Dynamics Report and Policy Brief**, incorporating stakeholder and Fairtrade Africa feedback, accompanied by cleaned and anonymized datasets in Excel or CSV format, transcripts, and supporting materials.

6. Final Report Requirements

- i. The final report shall open with an executive summary of not more than five (5) pages highlighting the key findings, conclusions, recommendations, and implications for Fairtrade programming, sector stakeholders and policy dialogue.
- ii. The report shall provide the background, context, rationale and objectives of the study, including an overview of the Ethiopian floriculture sector and the relevance of the business case for decent work and living wages.
- iii. The report shall describe the methodology in sufficient detail, including the research design, sampling approach, data collection tools, analytical methods, limitations, and the measures undertaken to ensure data quality, reliability, and ethical conduct.
- iv. The report shall present and analyze the findings using appropriate quantitative and qualitative evidence, disaggregated by sex, age and disability status, and shall include data visualizations, case studies, stakeholder perspectives, and comparisons with relevant living wage benchmarks and sector reference points.
- v. The report shall set out the business case for decent work and living wages, including analysis of costs, benefits, opportunities, risks, enabling conditions and constraints, together with practical policy and programmatic recommendations.
- vi. The report shall not exceed thirty-five (35) pages excluding annexes.
- vii. Annexes shall include the data collection tools, the sampling methodology, disaggregated data tables, the list of persons and institutions consulted, these terms of reference, and the cleaned and anonymized datasets.
- viii. All reports shall be submitted in English, in editable Microsoft Word and in PDF.

7. Location of Assignment

The assignment will be carried out in Ethiopia. Fieldwork will take place at the six Fairtrade-certified flower farms in Ethiopia, namely: AQ Roses PLC (1513 workers), Ziway Roses (1590 workers), Sher Ethiopia PLC (16,385 workers), Herburg Roses PLC (1,330), Tinaw Flowers (1420 workers) and Yassin Legesse Johnson Flower Farm (708 workers). Buyer and importer interviews will normally be conducted remotely.

7. Timeframe

The assignment shall be completed within eight (8) weeks from the date of contract signature. A detailed workplan and schedule of activities will be finalized during the inception phase. Any request for extension must be made in writing and approved by Fairtrade Africa in advance; extensions do not of themselves give rise to additional fees.

8. Methodology

The assignment will use a mixed-methods approach. Bidders are expected to propose and justify their own methodology; the following elements are expected as a minimum:

- a) Quantitative analysis of farm-level human resources, operational and financial data, including cost-benefit analysis and return-on-investment modelling with sensitivity testing.
- b) Secondary analysis of the RIB-Ethiopia 2026 baseline dataset and Phase I monitoring data.
- c) Key informant interviews and, where appropriate, focus group discussions, with data disaggregated by sex, age and disability status, and free, prior and informed consent obtained from every participant.
- d) Desk-based benchmarking of prevailing wages against a recognized, published living wage benchmark for rural Ethiopia. The consultant must identify the benchmark used, justify the choice, state the reference year, and set out how it has been adjusted for inflation and exchange rate movement. As set out in section 3.2, this is a contextual benchmarking exercise and does not constitute a certified Living Wage Gap Assessment.
- e) Comparative benchmarking against other sectors or producing countries where this adds value to the business case.

9. Contact Persons for the Assignment

The Project Manager and the Senior Project Officer will serve as the primary contacts for this assignment.

10. Assignment Qualifications

A) Advanced degree in economics, development economics, agricultural economics, or business, at least eight (8) years' experience leading applied economic analysis, and a demonstrable record of cost-benefit or return-on-investment analysis for commercial enterprises or agricultural value chains.

- a) Demonstrated understanding of commercial floriculture or comparable export horticulture operations, production economics and cost structures.
- b) Working knowledge of international labour standards, Ethiopian labour law, social dialogue and living wage methodologies.
- c) Demonstrated capability in quantitative analysis and financial or economic modeling.
- d) Prior experience of research or advisory work in Ethiopia and demonstrated ability to obtain and handle commercially sensitive data from private companies under confidentiality.
- e) Familiarity with the Fairtrade system, certification standards or ethical trade programmes is an advantage.
- f) Strong analytical, communication and report-writing skills in English, and proficiency in Amharic and Afaan Oromo among field team members.

11. Submission Guidelines

All applications must include the following:

- a) Separate technical and financial proposal documents.

- b) The technical proposal must demonstrate the consultant(s) understanding of the TORs and proposed methodology approach, including the sampling strategy and data quality assurance measures.
- c) A cover letter outlining how the consultant(s) meet the required qualifications and expertise, duly signed and stamped.
- d) Detailed Curriculum Vitae (CVs) of the consultant(s), highlighting relevant skills, experience, and roles in the assignment.
- e) Three contactable references from organizations for whom similar assignments have been conducted within the last three (3) years, with supporting evidence.
- f) A detailed financial budget including all costs and applicable taxes.
- g) Any additional information the consultant(s) believe demonstrates added value to Fairtrade Africa within the scope of this assignment.

12. Evaluation Criteria

The evaluation method for this procurement will be Quality and Cost-Based Selection (QCBS). Technical criteria will account for 70% of the weight, while Cost/Financial score will account for 30% of the weight.

Mandatory/ Eligibility Criteria

- i. Copy of Valid Tax Compliance Certificate
- ii. Copy of Registration/Incorporation Certificate
- iii. Copy of a valid business permit

13. Payment Schedule

The total contract value shall be paid in instalments linked to the satisfactory completion and approval of agreed deliverables.

- i. An initial payment of 30% will be made upon submission and approval of the inception report, including the analytical framework, data collection tools and data access plan.
- ii. A second instalment of 40% will be paid upon submission of the draft business case report and the costing and return-on-investment model, and delivery of the validation workshop.
- iii. The final 30% will be paid upon written approval of the final report, the dissemination of products, and the datasets.

14. Submission Instructions

Proposals must be submitted electronically to procurement@fairtradeafrica.net, with the technical and financial proposals attached as separate files.

Subject line: RFB – RIB-Ethiopia: Business Case for Decent Work and Living Wages

Deadline for submissions: Wednesday, 09 September 2026 at 17:00 hrs EAT.

NOTE: Only shortlisted bidders will be contacted.

