

Press Release

Three pioneering Ethiopian land restoration projects picked for UK-backed CAPE accelerator programme

9AM, Addis Ababa, Ethiopia, February 10, 2026: Three pioneering community-based land restoration projects have become the first from Ethiopia to be selected by the Carbon Accelerator Programme for the Environment (CAPE) - a UK-backed initiative which aims to mobilise investment into initiatives that reduce emissions, restore ecosystems and benefit local communities.

The three - delivered with the support of the UK's Foreign, Commonwealth and Development Office (FCDO) in Ethiopia – are AfriScout Regen, Chifra Landscape Restoration Project and The People's Chaka. They will receive project development and transaction advisory services support to help them progress to investment ready stage.

CAPE was launched in November 2024 by FSD Africa, the UK-backed financial sector development agency, in partnership with the African Natural Capital Alliance (ANCA) and Finance Earth. A core focus is supporting equitable financing structures that ensure local communities receive long term benefit from the income generated from the sale of carbon credits linked to ecosystem restoration.

With 62% of Africa's GDP reliant on natural capital, CAPE aims to build confidence among domestic and international investors in Africa's nature-based carbon markets by prioritising high-integrity projects with strong community linkages, robust biodiversity outcomes and credible carbon methodologies.

The three projects were selected from over 40 applications:

- **AfriScout Regen** is a project which works with pastoral communities to restore the vast rangelands where they graze their herds and to increase livestock productivity. The project, which covers an area of 1.3 million hectares of grassland and more than 44,000 households, blends time-honoured, adaptive grazing practices with modern technology through an app combining satellite data and AI to guide the pastoralists on where and when they move their herds. By measuring and verifying the carbon sequestration impact of these practices, AfriScout aims to issue carbon credits to fund future activities. AfriScout is a social enterprise of the global impact organisation Global Communities.
- **Chifra Landscape Restoration Project** is a community-based land restoration initiative in the Afar region developed by World Vision Australia, in partnership with World Vision Ethiopia. The project utilises Farmer Managed Natural Regeneration (FMNR), a low-cost and sustainable technique which involves growing trees and shrubs from existing stumps, roots, and seeds, alongside new planting. The aim is to restore over 100,000 hectares of degraded rangelands, enhance biodiversity and improve

pastoral livelihoods across Ethiopia, while generating a scalable and credible source of high-quality carbon credits.

- **The People's Chaka** is a community-led land restoration project in southern and south-western Ethiopia which aims to reverse deforestation across 7,000 hectares in a highly biodiverse ecosystem (with a potential to scale up to 50,000 hectares), prevent land erosion, and remove 2.3m tonnes of CO₂e while also strengthening rural livelihoods through a revenue-sharing mechanism. The project has been co-developed by Menschen für Menschen Foundation (MFM), an NGO with more than 40 years of experience working alongside rural Ethiopian communities, and goodcarbon, a Berlin-based nature-based solutions developer.

The projects were selected for their development readiness, impact potential and alignment with investor and carbon buyer expectations. Together they demonstrate how community-led carbon initiatives can generate climate and biodiversity outcomes while strengthening local economies and sustainable development at both national and community level.

“What excites me about these projects is how practical they are, and that is exactly what CAPE is here to prove. This is about deploying practical solution, working with people who depend on the ecosystem services to restore it and be compensated fairly for it. When rangelands recover and forests grow back, livelihoods strengthen. Carbon finance simply becomes the way that effort is recognised, sustained, and shown to be a viable investment,” said **Reshma Shah, Carbon Markets Lead at FSD Africa**

“For carbon projects to succeed over the long term, they must meaningfully improve livelihoods and share value fairly with the communities at their core,” said **James Mansfield, Managing Director at Finance Earth.** *“These Ethiopian projects demonstrate how strong benefit-sharing structures can support sustainable incomes and create carbon assets that endure.”*

“CAPE Ethiopia is an exciting new initiative that supports the development of Ethiopia’s carbon sector. For the UK, this represents a modern development partnership in action: investing in high-impact local enterprises that meet community needs while safeguarding vital natural resources,” said **Dr. Nina Hissen, Lead for Climate and Nature at FCDO Ethiopia.** *“At the same time, CAPE Ethiopia connects these communities to global carbon markets, helping them diversify livelihoods and unlock new, sustainable revenue streams.”*

For more information, please visit: <https://www.fsdafrica.org>

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About FSD Africa

FSD Africa is a specialist development agency funded through UK International Development operating in more than 30 countries working to help make finance work for Africa's future. Based in Nairobi, FSD Africa's team of financial sector experts work alongside governments, business leaders, regulators, and policymakers to achieve policy and regulatory reform, capacity strengthening, and improving financial infrastructure, to address systemic challenges in Africa's financial markets. Since 2017, the organisation's strategy has evolved to prioritise solutions to Africa's most critical challenges: economic, social, and environmental. The organisation has worked to promote investment into the continent's green economy, as well as its rates of financial inclusion and gender equality. FSD Africa – previously known as Financial Sector Deepening Africa – was founded in 2012 and is based in Nairobi, Kenya.

For more information, please visit: <https://www.fsdafrica.org>

About FCDO Ethiopia

The UK's Foreign, Commonwealth & Development Office (FCDO) maintains a longstanding development partnership with Ethiopia, working to strengthen bilateral relations and support sustainable development outcomes. The UK is partnering with Ethiopia to deliver climate justice and protect vulnerable communities on the frontline. As a longstanding partner, we continue backing Ethiopia in renewable energy, forest protection, climate adaptation and sustainable farming. By helping Ethiopia access international carbon markets, we're ensuring they have the funding for bold climate action.

For more information visit:

<https://www.gov.uk/world/organisations/british-embassy-addis-ababa>

About the African Natural Capital Alliance (ANCA)

ANCA is an African-led collaborative multi-stakeholder initiative, acting as the vehicle to drive coordinated advocacy and action across the continent. ANCA was established in 2022 by FSD Africa out of a need to ensure an African Voice on the global nature agenda. With growing global interest in nature, including in the development of nature-related risk frameworks and standards, there is an urgent need to ensure these emerging approaches can be applied to an African context. ANCA brings some of Africa's leading financial institutions including KCB, Access Bank, the Development Bank of Southern Africa (DBSA), Ecobank, Equity Bank, FirstRand, Investec, Sanlam, Standard Chartered and Zanaco together with governmental organisations, intergovernmental partners, and civil society representatives to ensure an African Voice on the global nature agenda and with the ultimate aim of catalysing nature-positive African economies.

For more information, please visit: <https://africannaturalcapitalalliance.com>

About Finance Earth

Finance Earth is a leading international environmental impact advisor and investor, headquartered in London, UK and operating in more than 40 countries around the world. A mission-driven social enterprise and B-Corp, Finance Earth works in partnership with world leading environmental organisations to protect and restore nature utilising market-based mechanisms, such as developing revenue streams for a variety of ecosystem services, and implementing bespoke financial tools, such as natural capital funds or environmental impact bonds. Finance Earth helps create innovative pilots, project pipelines, and the investment products to fund them, that balance positive outcomes for nature, climate and communities, with the financial returns needed to attract investors. Finance Earth provides regulated financial advisory and investment management services focused on scaling high-integrity, high impact conservation investment to close the global biodiversity and nature funding gap.

For more information, please visit: <https://finance.earth/>