



REQUEST FOR CEO ENDORSEMENT/APPROVAL¹

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: LDCF

PART I: PROJECT INFORMATION

Project Title: Promoting autonomous adaptation at the community level in Ethiopia			
Country(ies):	Ethiopia	GEF Project ID: ²	4222
GEF Agency(ies):	UNDP	GEF Agency Project ID:	4107
Other Executing Partner(s):		Re-Submission Date:	November 22, 2011
GEF Focal Area (s):	LDCF	Project Duration(Months)	48
Name of Parent Programme (if applicable): For SFM/REDD+ <input type="checkbox"/>		Agency Fee (\$):	530,789

A. FOCAL AREA STRATEGY FRAMEWORK³

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (a)	Cofinancing (\$)
CCA-1 (select)	Outcome 1.1: Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas	Output 1.1.1: Adaptation measures and necessary budget allocations included in relevant frameworks	LDCF	1,297,210	4,019,680
CCA-2	Outcome 1.2: Reduced vulnerability in development sector	Output 1.2.1: Vulnerable physical, natural and social assets strengthened in response to climate change impacts, including variability)	LDCF	1,348,630	5,249,680
CCA-2	Outcome 2.2: Strengthened adaptive capacity to reduce risks to climate-induced economic losses	Output 2.2.2: Adaptive capacity of national and regional networks strengthened to rapidly respond to extreme weather events.	LDCF	784,860	5,019,680
CCA-3	Outcome 3.1: Successful demonstration, deployment, and transfer of relevant	Output 3.1.1: Relevant adaptation technology transferred to targeted groups	LDCF	1,781,185	9,851,180

¹ It is important to consult the GEF Preparation Guidelines when completing this template

² Project ID number will be assigned by GEFSEC.

³ Refer to the Focal Area/LDCF/SCCF Results Framework when filling up the table in item A.

	adaptation technology in targeted areas				
(select)	(select)		(select)		
(select)	(select)		(select)		
(select)	(select)		(select)		
(select)	(select)		(select)		
(select)	(select)		(select)		
(select)	(select)		(select)		
(select)	(select)	Others	(select)		
Subtotal				5,211,855	24,140,220
Project management cost ⁴			(select)	96,000	580,800
Total project costs				5,307,885	24,721,020

B. PROJECT FRAMEWORK

Project Objective: To support local communities and administrations at the lowest level of government to design and implement adaptation actions aimed at reducing vulnerability and building resilience, especially in those communities that are particularly vulnerable in Ethiopia

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Financing from relevant TF (GEF/LDCF/SCCF) (\$)	Confirmed Cofinancing (\$)
1. Regional and local institutional capacities.	TA	Outcome 1. Sub-national institutional capacities for coordinated climate-resilient planning and investment strengthened	Output 1.1 Institutional capacity to support climate risk management within 8 Kebeles and 1 city administration developed, by training of multi-sectoral task teams. Output 1.2 Information on climate change impacts prepared and disseminated to where regional planning officials in the each of the 4 States where the project will be located. Output 1.3 Training and support provided to 8 Kebeles and 1 city administration to prepare climate	616,160	5,033,420

⁴ This is the cost associated with the unit executing the project on the ground and could be financed out of trust fund or cofinancing sources.

			<p>vulnerability profiles to identify adaptation priorities and plan accordingly</p> <p>Output 1.4. Integrated climate change/disaster risk management plans are developed at 1 regional level and 8 kebeles</p> <p>Output 1.5. Cost-benefit evidence documented and provided to national institutions to inform national climate strategy development and review</p> <p>Output 1.6. The Climate Resilient Green Growth Strategy for Addis Ababa developed to attract financing.</p>		
2. Access to appropriate technologies	TA/INV	Outcome 2: Access to technologies and practices that improve the range and efficiency of adaptation options improved	<p>Output 2.1 Training in innovative adaptation techniques and practices for priority sectors provided.</p> <p>Output 2.2 Innovative adaptation techniques and practices that enhance climate change resilience and improve adaptive capacity are piloted in the 8 Kebeles</p> <p>Output 2.3 Innovative adaptation techniques and</p>	3,097,395	13,869,150

			practices that enhance sub-national climate change resilience and improve adaptive capacity are piloted in Addis Ababa Output 2.4 A costed scaled-up plan for 150 Woredas proposed and presented to Government and development partners for funding.		
3. Climate risk reduction	TA/INV	Outcome 3 Capacity for community-based climate change adaptation improved.	Output 3.1 Capacity of sector ministries, local Government staff and farmers, to use downscaled forecast information for local planning and community adaptation, developed Output 3.2 Community weather information systems established via Woreda.net to enable access to real time agro-meteorological information Outcome 3.3 Risk reducing finance and insurance mechanisms tested	1,498,330	5,237,650
Subtotal				5,211,885	24,140,220
Project management Cost ⁵				96,000	580,800
Total project costs				5,307,885	24,721,020

⁵ Same as footnote #3.

C. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Sources of Cofinancing	Name of Cofinancier (source)	Type of Cofinancing	Cofinancing amount (\$)
Bilateral Aid Agency	EU GCCA	Grant	4,000,000
Other Multilateral Agencies	WFP (MERET)	Grant	7,000,000
Others	Multi-donor budget support: WB, EU, KfW: SLM programme	Grant	1,186,500
Others	Multi-donor budget support: PSNP	Grant	1,645,000
National Government	Government of Ethiopia	In-kind	359,520
GEF Agency	Spanish MDG Fund	Grant	500,000
GEF Agency	UNDP core resources	Grant	300,000
GEF Agency	UNCDF Inclusive Finance	Grant	4,400,000
Others	GFDRR and IWMI	Grant	1,330,000
Other Multi-lateral Agencies	FAO Crop Diversification and Marketing	Grant	4,000,000
Total Co-financing			24,721,020

D. GEF/LDCF/SCCF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
UNDP	LDCF	Climate Change	Ethiopia	5,307,885	530,789	5,838,674
Total Grant Resources				5,307,885	530,789	5,838,674

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Estimated person weeks	Grant Amount (\$)	Cofinancing (\$)	Project total (\$)
Local consultants*	408	510,000		510,000
International consultants*	69	207,000		207,000
Total	477	717,000		717,000

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT COST

Cost Items	Total Estimated person weeks	Grant Amount (\$)	Cofinancing (\$)	Project total (\$)
Local consultants*	229.6	96,000	37,000	133,000
International consultants*	16	0	48,000	48,000
Office facilities, equipment, vehicles and communications*			427,800	427,800
Travel (M&E) ¹			48,000	48,000
Meetings (M&E)* ²			20,000	20,000
Total	245.6	96,000	580,800	676,800

*¹ Travel is related to consultant carrying out project evaluations

*² Cost relates to cost of convening Government officials for evaluation purposes.

* Details to be provided in Annex C.

** For others, to be clearly specified by overwriting fields *(1) and *(2).

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide in Annex E an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF Trust Fund).

H. DESCRIBE THE BUDGETED M & E PLAN:

I. The project evaluation is categorized into three main phases – start-up, mid term and completion, whilst an ongoing quarterly and annual monitoring process will be applied. At Project start a Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan. The UNDP Enhanced Results Based Management Platform will be used for quarterly progress reporting. Project Review/Project Implementation Reports (APR/PIR) will be prepared annually combining both UNDP and GEF reporting requirements. Annual monitoring will be supported through periodic monitoring site visits by UNDP Country Office with the Project Manager. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Board members. During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project’s results.

The project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation (September 2013). The Mid-Term Evaluation will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project’s term.

At the end of the Project an independent Final Evaluation will take place three months prior to the final Project Board meeting and will be undertaken in accordance with UNDP and GEF guidance. The final evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term evaluation, if any such correction took place). The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals.

A full draft M&E plan for this Full Size Project (FSP) (see table below) is included in Section 2, Part 5 of the UNDP project document. The Project Results framework in Annex A provides on indicators, baseline information, targets and sources of verification at the objective and output level. The project has seven indicators spread over the project, all in line with the GEF V Adaptation Results Framework. At the Objective level, the indicators are as follows:

- CCA capacity perception index, disaggregated by Gender.
- Adaptation actions implemented in national/sub-national development frameworks.
- % Improvements in agricultural productivity in the target areas.

At the level of the three outcomes, the indicators are as follows:

Outcome 1: Sub-national institutional capacities for coordinated climate-resilient planning and investment strengthened

- i) Number and type of targeted institutions with increased adaptive capacity to minimise exposure to climate vulnerability
- ii) Capacity perception index ,disaggregated by gender;
- iii) Adaptation actions implemented in national/sub-national development frameworks

Outcome 2: Access to technologies and practices that improve the range and efficiency of adaptation options improved:

- i) % of farmers adopting adaptation technologies, by technology type, disaggregated by gender.
- ii) Strengthened capacity of extension agents to transfer appropriate adaptation technologies by capacity score.

Outcome 3: Capacity for community-based climate change adaptation improved

- i) % of targeted population covered by innovative insurance mechanisms, disaggregated by gender;
- ii) % Increase in climate resilient agricultural productivity in the target areas

ii) TABLE 1. Indicative Monitoring and Evaluation Work plan and corresponding Budget.

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Inception Workshop and Report	<ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO, UNDP GEF 	10,000	Within first two months of project start up
Measurement of Means of Verification of project results.	<ul style="list-style-type: none"> ▪ UNDP GEF RTA/Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members. 	To be finalized in Inception Phase and Workshop.	Start, mid and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project	<ul style="list-style-type: none"> ▪ Oversight by Project Manager ▪ Project team 	To be determined as part of the	Annually prior to ARR/PIR and to the

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Progress on <i>output and implementation</i>		Annual Work Plan's preparation.	definition of annual work plans
ARR/PIR	<ul style="list-style-type: none"> ▪ Project manager and team ▪ UNDP CO ▪ UNDP RTA ▪ UNDP EEG 	None	Annually
Periodic status/ progress reports	<ul style="list-style-type: none"> ▪ Project manager and team 	None	Quarterly
Mid-term Evaluation	<ul style="list-style-type: none"> ▪ Project manager and team ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e. evaluation team) 	47,000	At the mid-point of project implementation.
Final Evaluation	<ul style="list-style-type: none"> ▪ Project manager and team, ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e. evaluation team) 	47,000	At least three months before the end of project implementation
Project Terminal Report	<ul style="list-style-type: none"> ▪ Project manager and team ▪ UNDP CO ▪ local consultant 	12,000	At least three months before the end of the project
Audit	<ul style="list-style-type: none"> ▪ UNDP CO ▪ Project manager and team 	cost per year: 3,000	Yearly
Visits to field sites	<ul style="list-style-type: none"> ▪ UNDP CO ▪ UNDP RCU (as appropriate) ▪ Government representatives 	UNDP costs paid from IA fees and operational budget	Yearly
TOTAL indicative COST Excluding project team staff time and UNDP staff and travel expenses		153,000	

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1. THE GEF FOCAL AREA/LDCF/SCCF STRATEGIES: The project has been designed to meet overall GEF requirements in terms of implementation and design. For example, the following requirements will be addressed:

- **Sustainability:** An extensive programme of capacity building will accompany the climate change planning and practical application of adaptation techniques and practices in a learning-by-doing approach. This will build a cadre of skills and experience at sub-national level that will be able to support ongoing adaptation beyond the project period. By taking the learning by doing approach, and by involving the beneficiaries in the prioritisation, testing and development of adaptation plans (Outcome 1) and packages (Outcomes 2 and 3), the prospects for stakeholders to implement the plans and adopt interventions beyond the duration of the project will be maximised. The project will build up the necessary technical and institutional capacity, and political ownership needed for sustainability beyond the period of project grant.

- **Replicability:** The project design and approach has been to develop packages of adaptation measures that enable farmer-to-farmer lateral adoption within the framework of an area-based integrated climate resilient development plan, thereby facilitating low-cost replication and local modification to suit the local environment. Within the framework of the area-based integrated climate resilient development plan, the project will prepare an investment strategy for scaled-up replication of the project's outcomes.
- **Monitoring and evaluation (M&E):** The project design includes an effective M&E framework, which will enable ongoing adaptive management, ensuring that lessons are learned and disseminated by producing regular progress reports for stakeholders. See Section 5 (Monitoring Framework and Evaluation) for more information. The indicators are consistent with selected indicators set out in the GEF LDCF/SCCF Results based Management Framework
- **Stakeholder involvement:** The project design was formulated as a result of extensive stakeholder consultations (see Section 2:1.2) and will ensure the involvement of stakeholders during project implementation and monitoring (see Section 2:3.9).

The proposed project is aligned to the GEF Results-based Management Framework for Adaptation to Climate Change and aims to contribute to Objectives 1,2 and 3 by:

- Building capacity for conducting climate risk and vulnerability assessments and building these into climate-compatible developing planning at sub-national levels;
- Building capacity for targeted local communities to use climate data to inform risk-reducing land use decision-making;
- Identifying and transferring appropriate adaptation technologies that can support autonomous adaptation.

A.1.2. FOR PROJECTS FUNDED FROM LDCF/SCCF: THE LDCF/SCCF ELIGIBILITY CRITERIA AND PRIORITIES:

The project conforms to the LDCF's eligibility criteria, namely: i) undertaking a country driven and participatory approach; ii) implementing the NAPA priorities; iii) supporting a "learning-by-doing" approach; iv) undertaking a multi-disciplinary approach; v) promoting gender equality; and vi) undertaking a complementary approach, as described below.

- **Country drivenness and undertaking a participatory approach:** Activities to be undertaken by the project were selected through stakeholder consultations of the NAPA and the PPG Phase and thus are in line with country priorities. .
- **Implement NAPA priorities:** the project will address NAPA adaptation priorities 1, 2, 3, 5 and 11 as noted in Section A2.
- **Supporting a "learning-by-doing" approach:** the project will use the pilot interventions to demonstrate effective adaptation approaches in land and water management and also urban planning to inform national development plans and policies. This will include generating evidence on the cost-effectiveness of adaptation interventions to make the case for policy and budgetary adjustments.
- **Multi-disciplinary approach:** the project includes two main components, namely: institutional capacity development for integrated adaptation planning; pilot interventions; with a third component focusing on implementing a replication and scale-up strategy. Within

each component and Outcome, the project will undertake a number of activities (see Project Objective, Outcomes and Outputs/activities Section) to ensure a multi-sector approach to building capacity for adaptation.

- **Gender equality:** project outcomes will contribute to an understanding of how adaptation responses can be designed to strengthen gender equality. To achieve this, the project will ensure that women attend workshops and are part of interventions and management committees. Training will specifically target women-headed households and farmers. Project interventions will be designed to ensure women’s secure access to livelihoods enhancement and diversification. Equitable decision-making will be promoted through local natural resource governance structures which provide the platform for engaging with Woreda Service providers such as the Agricultural Bureau. This is expected to have a positive impact on the production, reproduction and socio-political roles of women and men.
- **Complementary approach:** In order to build upon existing plans and avoid the duplication of efforts, the project will work in conjunction with relevant ongoing projects supporting baseline activities in Ethiopia, as explained in section B6.

A.2. NATIONAL STRATEGIES AND PLANS OR REPORTS AND ASSESSMENTS UNDER RELEVANT CONVENTIONS, IF APPLICABLE, I.E. NAPAS, NAPS, NBSAPS, NATIONAL COMMUNICATIONS, TNAS, NIPS, PRSPs, NPFE, ETC.: Ethiopia’s National economic development plan, the Growth and Transformation Plan (GTP 2010-2015) acknowledges that climate change will impact on the country’s economy and the prospects for achieving MDGs targets. The GTP puts climate change centre stage in the country’s development priorities, particularly in relation to natural resource management and the environment. Of course it will have cross cutting impacts across all sectors of the economy either directly – as in environmental and agricultural impacts - or through second and third order impacts on demographics, economy and trade.

Ethiopia’s leadership has acknowledged the risk from climate change and has stated it will require implementing both low carbon development options, build resilience and implement adaptation measures. Ethiopia became a signatory to the United Nations Framework Convention on Climate Change on 13 June 1992, ratified the Kyoto Protocol on 08 September 1993 and entered into force on 21 March 1994. It is a Least Developed Country (LDC) and highly vulnerable to climate change. Ethiopia developed a NAPA, published in 2007 in accordance with the requirements outlined in the UNFCCC COP 7, which listed 37 urgent and immediate adaptation needs; 18 of which focused on community based adaptation. Out of those needs, 11 were identified as priorities. This project will build the capacity for climate change adaptation planning and implementation by pulling the relevant NAPA priorities together into a set of integrated packages for maximum efficiency and impact:

NAPA Priority Rank	Activity
1	• Promoting drought/crop insurance programme in Ethiopia.
2	• Strengthening/enhancing drought and flood early warning systems in Ethiopia.
3	• Developing small-scale irrigation and water harvesting schemes in arid, semi-arid, and dry sub-humid areas of Ethiopia.
5	• Establishing community-based sustainable utilization and management of wet lands in selected parts of Ethiopia.
11	• Promoting of farm and homestead forestry and agro-forestry practices in arid, semi-arid and

Other NAPA priorities (e.g. Priority 6 Capacity building programme for climate change adaptation in Ethiopia; Priority 7 Realizing food security through multi-purpose large-scale water development project in Genale–Dawa Basin; Priority 8 Community Based Carbon Sequestration Project in the Rift Valley System of Ethiopia; and Priority 9 Establishment of national research and development (R&D) centre for climate change) are not directly addressed by this project as they do not specifically contribute to the project’s objective and area-based focus. Following the submission of the 2007 (NAPA), a process for establishing a national level strategy was put in place and in 2010 a draft strategy the “Carbon Neutral Climate Resilient Economy” (CNCRE) was prepared by Federal Environment Protection Authority (EPA). This was further developed during 2011 to become the Climate Resilient Green Economy (CRGE) strategy.

The CRGE is based on the National Appropriate Mitigation Actions (NAMA) and Ethiopia’s Programme of Adaptation to Climate Change (EPACC) within the context of the National Environmental Policy. The EPACC builds on the earlier NAPA and seeks to deliver adequate responses through a set of selected best practices in a climate change context to be replicated at the community level. The CRGE identifies the most vulnerable sectors as: Agriculture and livestock; Health (disease and disaster related); Natural Resources (water, soil, land, forests, biodiversity); Energy; Transport.

The Environmental Policy of Ethiopia outlines some important policy measures related to climate change. The policy states that “Local, regional and international environmental interdependence shall be recognized; to promote a climate monitoring programme as the country is highly sensitive to climatic variability”. The policy goes on to state that the Government should “develop effective methods of popular participation in the planning and implementation of environmental and resource use and management projects and programmes” and “co-opt existing traditional systems of research and learning into a new system which incorporates both modern and traditional components.” This proposed project is consistent with this policy in that it seeks to develop methods for community participation in local level planning and will look at both new and traditional technologies for adaptation in the intervention planning process.

The project is also aligned to the Urban Policy of Ethiopia which includes measures to control and manage urban green and recreational areas; waste management and pollution control; the quality of transport and buildings infrastructure. Relevant provisions of the Urban Policy of Ethiopia include:

- Urban plans should include sufficient urban green areas at the city, sub-city and community levels;
- Urban development should endeavour to give due consideration for Environmental protection
- Tree Plantation in appropriate open spaces
- Recycling
- Environmental education and training, participation

In terms of agricultural development, the national Growth and Transformation Plan places agricultural-led Industrialisation as a central pillar of its economic policy. In the agricultural sector, Ethiopia has a comprehensive and consistent set of policies and strategies, which reflects the importance of the sector in the Nation's development aspirations. The institutional capacity to implement these, however, is generally limited.

The **Rural Development Policy** and Strategies (RDPS, 2003) presents specific policies and strategies to guide agricultural and rural development. The RDPS recognises that the development effort in rural areas cannot be limited to agriculture alone. There is a need for rural infrastructure and social development programmes and for trade and industry to build on and support developments in agriculture. Key elements of the RDPS include rural and agricultural centred development as a means of:

- (i) ensuring rapid economic growth;
- (ii) enhancing benefits to the people;
- (iii) eliminating food aid dependency; and
- (iv) promoting the development of a market-oriented economy.

It also sets out five basic directions for agricultural development:

- the labour intensive strategy, which sees the mobilisation of under-utilised and unproductive rural labour as a key driver of growth, rather than capital-intensive approaches. It envisages high levels of training and technology adoption in order to boost agricultural productivity without drawing heavily on the country's scarce capital resources;
- proper utilisation of agricultural land, by guaranteeing the availability of land to people who seek to make a living out of land, and assisting them to utilise it productively on a sustainable basis through irrigation, multi-cropping and diversified production;
- a "foot on the ground", which envisages moving ahead in a stepwise manner building on experiences and indigenous knowledge at the same time as exploring opportunities for deploying new technologies in conjunction with human resource development;
- differentiation according to agro-ecological zones, which recognises that Ethiopia's enormous agro-ecological diversity calls for different approaches to agricultural development in different parts of the country. This also provides the opportunity for risk management through diversification; and
- an integrated development path among various activities and products in agriculture, as well as linking these to education, health and infrastructure development.

PROJECT OVERVIEW:

B.1. DESCRIBE THE BASELINE PROJECT AND THE PROBLEM THAT IT SEEKS TO ADDRESS:

Most of the relevant development initiatives are driven by the Ethiopian government albeit funded through budgetary support and are delivered at the local level through Sector Bureaus: the baseline is thus not 'projects' per se (although there are some specific ones identified) but the service delivery from national institutions. The project will seek to influence the way government budgets are planned and applied in the target areas, particularly those supporting agriculture and natural resources management, water resources management, planning and those

initiatives supported centrally through budgetary support, i.e. productive safety net programme (PSNP) and sustainable land management programme (SLMP). It also intends to interact with complementary projects to support the delivery of the grant’s objectives. By supporting capacity development for integrated approaches to planning and implementation, the project will improve the effectiveness of activities that have adaptation value in the target areas.

LDCF Outcome	LDCF Funding (US \$)	Indicative Co-financing (US\$)
1. Sub-national institutional capacities for coordinated climate-resilient planning and investment strengthened.	616,160	5,033,420
2. Access to technologies and practices that improve the range and efficiency of adaptation options improved.	3,097,395	13,869,150
3. Capacity for community-based climate change adaptation improved.	1,498,330	5,237,650
Management and M&E	96,000	580,800
Total	5,307,885	24,721,020

The baseline initiatives are addressing the following problems:

Integrated Planning and extension capacity

The Problem

Adaptation is responding to multiple and cumulative effects, it requires multiple actions and thus integrated planning. Current sectoral planning continues to focus on aspects such as reducing food security, reducing land degradation and on acute health and disaster-related issues which are baseline chronic situations for many in rural Ethiopia, without considering the extent to which these investments build capacity for local communities to adapt to climate change. Although there are systemic capacity limitations at all levels and in all of the sectoral institutions, the recent (2010) Agricultural Sector Policy and Investment Framework (PIF) stated that the problem was most severe at the Woreda level. Institutional gaps related to cross-sector linkages, relationships and synergies were identified. Specific issues included a lack of communication among ministries and between ministries and CSOs and parastatals; inadequate vertical and horizontal collaboration. At Woreda and Kebele level, [MoARD] Development Assistants and subject matter specialists need training on and access to the right technologies so that they may be able to deliver the appropriate advisory services whilst the capacity of vocational training centres and farmer training centres need to be developed. Baseline investments of sub-national Bureaus of agriculture, health, water and energy, will thus remain sectoral and lack the wider, systemic, understanding of the implications of the interventions on climate change vulnerability of the beneficiaries. Climate change adaptation will need multi-disciplinary, or cross sectoral responses: where development planning remains sectoral or based on a narrow premise that does not consider climate change, the adaptation value of the interventions may be limited.

At the level of the Addis Ababa municipal authority, there is limited capacity for planning and budgeting. If it were possible to deliver the current Master Plan in its entirety; drainage, sewerage and water supply infrastructure would be established/or renewed, catchment vegetation would be rehabilitated, EIAs carried out to guide and control development and transport systems upgraded, pollution control would be managed, settlements would be planned and organized according to the Master Plan. However, the current Master Plan has not been ‘climate proofed’ and in order to deliver the Master Plan in the context of a changing climate, the Region needs to

review the plan in light of the potential future demands and risks that climate change will place on its economy, environment, infrastructure and people, so that the investments facilitate climate resilient growth.

Baseline Projects this LDCF grant will build on:

- UNDP-Japan funded AAP building national level climate change strategy and financing instruments to support integrated framework for guiding climate change adaptation initiatives.
- EU GCCA (AFD)
- IMWI (UR – Adapt) is supporting improved water resource planning for Addis Ababa

Low agricultural productivity in subsistence agriculture

The Problem

Ethiopian agriculture is dominated by subsistence, low input-low output, rainfed farming system. The use of chemical fertiliser and improved seeds is quite limited despite Government efforts to encourage the adoption of modern, intensive agricultural practices. Low levels of agricultural productivity and the lack of adoption of new approaches can be attributed to limited access by smallholder farmers to training and advice, and to agricultural inputs, small holder constraints to accessing financial services and agricultural markets, initial transaction costs for improved production technologies, and irrigation.

Growing rural populations' exploitation of increasingly marginal land and natural resources, and over-use of available resources is exacerbating land degradation, leading to soil erosion, deforestation and loss of soil fertility. The knock-on effect has been a degradation of ecosystem services such as the maintenance of water quality and quantity, and increased reliance on fertilizer for maintaining crop yields.

Baseline Projects this LDCF grant will build on:

- Government's SLM Programme operating in AJT Kombolcha, Asosa and Gambella Woredas.
- The WFP-MERET supporting food for work and asset generation with local level environmental planning.
- Government's PSNP supporting asset building and livelihood diversification for food security
- FAO crop diversification and marketing that seeks to diversify agricultural livelihoods and use market incentives for adoption of new crops.

Access to risk reducing credit and insurance

The problem

Poor information provision and low levels of integrated risk-related planning, means that households are currently reacting to climate shocks rather than planning for them. Because of the constraints and uncertainties most subsistence farmers face, they are highly risk averse and have short term planning horizons: the needs of food insecure farmers are local and immediate; climate change however is slow and unpredictable. Access to credit, to technical support, and demonstrated evidence of success are key factors in a farmers' willingness to adopt new technologies. This includes both short-term seasonal credit for crop inputs and medium-longer

term finance for capital investments. Staple food crop producers in particular find it very difficult to access finance.

The likelihood of weather-related crop loss, coupled with the lack of property to be attached as collateral, makes it difficult for cooperatives, micro-finance organizations, or banks to provide financial services to smallholder farmers unless they have some insurance/ reinsurance against this weather risk. Whilst informal social-based systems of insurance and pooled-risk management operate they are neither universal nor necessarily appropriate for more than 1-off or short-term shocks. Both state (EIC) and private insurance agents have crop insurance schemes in place, but it is currently limited to areas where reliable local climate data is available. Whilst NGOs do offer subsidized crop insurance schemes in their project areas (e.g. Oxfam America), the vulnerable farmers are the least likely to be able to afford the premiums required to insure their crops, thereby exacerbating their susceptibility to climate change.

Baseline Projects this LDCF grant will build on:

- UNCDF: UN Joint Programme to *Support Accelerated Development in the 4 Developing Regional States (DRS)* which will provide integrated support to strengthen local governance, improve basic social services and promote environmentally sustainable livelihoods based on participatory planning at the woreda level, and a joint programme with ILO to support the development of microinsurance services in association with microfinance savings and credit services and capacity building in financial literacy for microfinance clients.
- GFDRR: The GFDRR Weather Risk management Framework using Weather based Indices project contributes the development of a early warning system and capacity building for improved risk assessments and disaster response.
- UNDP-Spanish MDGF Pastoralist Adaptation that supports establishment of adaptation practices in the pastoralist regions of Ethiopia

The Implementing Partner for this project will be the Federal EPA. Responsible Parties will be the Addis Ababa EPA and Woreda EPAs in the four selected Woredas, the City of Addis Ababa and target Woreda administrations.

B. 2. INCREMENTAL /ADDITIONAL COST REASONING: DESCRIBE THE INCREMENTAL (GEF TRUST FUND) OR ADDITIONAL (LDCF/SCCF) ACTIVITIES REQUESTED FOR GEF/LDCF/SCCF FINANCING AND THE ASSOCIATED GLOBAL ENVIRONMENTAL BENEFITS (GEF TRUST FUND) OR ASSOCIATED ADAPTATION BENEFITS (LDCF/SCCF) TO BE DELIVERED BY THE PROJECT:

Outcome 1

Baseline

Now that the institutional arrangements for coordinating climate change action at a national level in Ethiopia have been clarified and the 2011-15 Growth and Transformation Plan and the Climate Resilient Green Economy Strategy (CRGE) are in place, the arrangements for effective and joined-up implementation action to implement these national commitments at the sub-national level are needed: very few sub-national (Regional, District and local) sector plans yet consider the implications of climate change. Too few planners and managers have the climate information they need and fewer have the capacity to assess risk, evaluate trade-offs and

integrate cross-sectoral initiatives using that information in an area-based planning process. Regional level climate resilient green development strategies are emerging (e.g. for Afar, Somali and Oromiyaa Regional States) and these acknowledge the weakness of inter-sectoral planning for climate change, particularly at Woreda level.

Without this intervention, rural development and land conservation plans and ongoing disaster risk reduction initiatives continue to focus on aspects such as reducing food security, reducing land degradation and on acute disaster-related issues which are baseline chronic situations for many in rural Ethiopia, without considering the extent to which these investments build capacity for local communities to adapt to climate change.

At a local level, development agents and community groups (e.g. farmers groups, women's groups) have not yet been encouraged to engage across sectors in a way that enables them to bring additional benefits of combining techniques and practices - because this has not been a development driver under a business as usual situation. Ongoing investments will thus remain sectoral and lack the wider, systemic, understanding of the implications of the interventions on climate change vulnerability of the beneficiaries. Although risk reduction and vulnerability assessments are part of the development planning process, in both the rural and urban contexts, they are largely responsive in nature and do not yet consider the more complex impact of climate change on peoples' long-term vulnerability.

This is also reflected in Addis Ababa where the Master Plan plans for the projected changes in the city's environment based on aspects of economy and demography but without taking into consideration the serious implications that climate change may have on its infrastructure and its hinterland. The PPG assessment noted that there was limited inter-sectoral engagement within AA city administration and that this proposed integrated planning process provided an opportunity for a much greater interaction between sectors in future planning for the city. Through discussions with officials undertaken as part of the PPG assessment, information gaps and a related lack of plans in several sectors that are climate vulnerable were identified which need to be resolved for effective climate resilient planning to go ahead.

The adaptation alternative

Outcome 1 should deliver improved capacity and approaches for integrated climate impact analysis, future implementation planning and costing (including identification of technologies and knowledge needs) at the sub-national level in a way that supports local stakeholder participation in adaptation planning. The outcome will provide the means to guide the process of integrating climate change risks and adaptation into existing development plans and projects; identify gaps and plan additional investments.

This outcome will build capacity to assess risk and vulnerability, evaluate trade-offs and integrate cross-sectoral initiatives through the preparation of sub-national, integrated, area-based climate adaptation plans that will allow the prioritisation of investment and targeting of joined-up adaptation actions that mobilise the people's participation, down to local communities. Capacities for supporting climate risk management at sub-national level, including access to relevant planning information, need to be strengthened or built where necessary. Local development agents and Woreda subject matter specialists will be given the skills and planning tools enabling them to identify and assess climate vulnerabilities, evaluate existing development

initiatives and the extent to which they enable households to protect their livelihoods from climate shocks.

The LDCF project will contribute training support, mentoring and facilitating shared learning processes between local groups and between local-level planners and development agents. Capacity for integrating local sector intervention plans and disaster risk plans into multi-sector climate planning at sub-national level will be built through the training of selected regional planners, local development agents and community councils in approaches and methodological tools for area-based, integrated and participatory planning processes. Local development agents and Woreda subject matter specialists will be given the skills and planning tools enabling them to identify and assess climate vulnerabilities, evaluate existing development initiatives and their adaptation value. Where existing development programmes have the potential to build adaptive capacity with the help of technologies or new approaches, these will be integrated.

In the case of Addis Ababa, the project will help the city administration develop a climate resilient green development plan that will, as an annex to the city's Master Plan, create a road map for prioritizing future climate compatible investments into the city that will improve the resilience of the city's residents to climate change. The Addis Ababa EPA and sector Bureaus will be given training in gap analysis, interpretation and use of geo-spatial and GIS information in planning, scenario analysis and investment appraisal so that they can in future identify adaptation opportunities, prioritise them and design integrated programmes to tackle them. The understanding will need to be tested and this will be incorporated into the implementation (Outcome 2) for experiential training and capacity building in the planning approaches and instruments. The project will help the Addis Ababa city administration develop a climate resilient green development plan that will, as an annex to the city's Master Plan, create a road map for prioritizing future climate compatible investments into the city that will improve the resilience of the city's residents to climate change.

In the four rural Woredas, establish local task teams made up of the following sectors: health, agriculture, livestock, natural resources, water, environment and energy. Woreda administration planning officials and Development Agents from the two Kebeles in each Woreda will be included in the task team. These will work in the two identified target Kebeles of each Woreda. The local EPA offices will act as conveners for these task teams. In the case of Addis Ababa City Administration, establish a task team comprising the following sectors/departments: EPA, energy, transport, water resources supply, water management, disaster risk management, planning office and the Mayors Office. The Addis Ababa EPA office will act as convener for the task team. Also establish a partnership and coordination structure as well as a plan for a multi-stakeholder consultative process.

Each task team will first determine the geographical scope, eligible sectors and actors for the territorial plan. To enable these first steps, training will be provided to the task teams in

- participatory assessment techniques (Participatory Vulnerability Risk Assessments)
- landscape level planning approaches, including agro-ecological assessments
- interpretation of spatial information
- climate scenario modelling

Specialist mentoring (on the job training) and tools (such as GIS-based climate vulnerability assessment and landscape planning tools) will be provided to help the task teams interpret the area-based vulnerability profiles developed to prioritise both risks and opportunities related to climate change.

The task teams will be led through a process of prioritization: requirements for inter-sectoral responses, likely cost-benefit and trade-off implications will be made as part of the prioritization process. Financial and economic planning expertise and risk management specialists will be provided to support the task teams with specialist advice to prepare this cost-benefit prioritization process. This will happen concurrent to the scenario development. These inter-sectoral responses should explore how well existing development plans, local sector intervention plans, disaster risk plans and existing projects in the area offer adaptation value and where additional support is needed to make them climate change compatible. The teams will apply the integrated planning tools they will have been trained in.

The Woreda task teams will come together and re-cost the package(s) of integrated adaptation approaches based on implementation experience from Outcomes 2 and 3, and their cost benefit assessed in light of the prioritization prepared as part of the territorial adaptation planning processes (Outcome 1). Assessments of financial flow requirements and additional costs (where actions are additional to current plans) will be made by the combined team with specialist economics support. The costs and benefits of the proposed actions in the territorial climate resilient green growth plans will be prioritised based on the economic analysis and alignment to sub-national growth priorities. In Addis Ababa, the lessons from piloting particular adaptation measures will be fed back into the economic, environmental and social cost-benefit analysis to inform development of an investment strategy

At a national level, the potential financial instruments for implementing the adaptation and green growth requirements will need to be identified. This will include using the evidence derived from the Kebele implementation to inform national initiatives like PSNP, SLM, MERET, of the local priorities for building community level climate resilience.

To build a greater appreciation for the need to mainstream adaptation into planning processes in the target areas and dispel misconceptions of the origins and causes of climate change; awareness of climate change risks and opportunities and the cross-sectoral nature of adaptation responses will be raised amongst decision-makers as well as through rural farmer associations and urban business and residents associations. A two-day meeting will be held with regional planning officials from Benshangul Gumuz, Gambella, Oromiya and Tigray to introduce the territorial climate resilient planning approach and to secure their commitment to the sub-national (Woreda/Kebele) plans that will be developed under the project through a voluntary pledge.

Total project value for Outcome 1	
Transport Planning and waste infrastructure planning for Addis Ababa (GCCA/EFD)	\$4,000,000
UR Adapt Water Planning for Addis Ababa (IWMI)	\$1,000,000

In Kind Co-financing from Government	\$33,420
LDCF project grant requested	\$616,160
Total	\$5,649,580

Outcome 2

Baseline

Previous Ethiopian field experience has shown that people can adopt and will locally adapt new technologies that enhance their livelihoods and make the most of changing economic and environmental conditions, if they have access to and understanding of the application of new techniques and practices. New technologies are being developed by researchers in the country, ranging from water harvesting (ERHA) and small-scale energy generation technologies (by EAEDPC), to modern takes on traditional hill-side conservation agriculture (by EIAR). However, the baseline assessments undertaken under the PPG Phase illustrated that rural communities remain constrained by a lack of access to such adaptation technologies or information on them. If this continues, both rural and urban communities will not be provided the skills and tools to test, adjust and apply adaptation technologies in a way that makes them locally appropriate and sustainable.

A range of agricultural programmes are supported by the Woreda Bureaus in the selected Kebeles. Without the cross-sectoral and forward looking approach proposed by this LDCF project, such interventions may not consider the integrated and inter-related impacts (such as small scale irrigation) may have if the stressor of future climate impacts on water availability and competing demands is not considered. Without a cross sectoral approach, cost-effective adaptation alternatives, such as adoption of improved land husbandry, rainwater harvesting and different crop choices that can make better use of available rains - without the investment and constant maintenance in irrigation – may not necessarily be considered. The current food security programmes that focus on building the asset holding of rural communities and reducing the risks of short term food insecurity (e.g. though agricultural credit and improved seed/livestock), or the soil and water conservation activities that are premised on assumptions of improving land management will not be building capacity for autonomous adaptation because they are not multi-sectoral, they focus on immediate issues of either land production or soil conservation and do not yet consider the impact that climate change will have on the existing farming systems, nor the downstream impact of the intervention on other sectors under a changed climate scenario

At a larger scale, such as Woreda or city administration, there is likely to be greater inertia to change as the processes of introducing new climate vulnerability reducing technologies or practices will be through the formal planning cycles. However they may first be successfully applied in the selected Kebeles (communities). Demonstration interventions that test and enable learning in action pave the way for planning and implementing large-scale action. Ethiopia needs to reduce knowledge gaps by improving and sharing both data, context specific scientific and local knowledge, and good practices on integrated climate change planning and local community action in a form that can be widely disseminated and used by decision-makers at all levels.

Ethiopia needs to reduce knowledge gaps by improving and sharing both data, context specific scientific and local knowledge, and good practices on integrated climate change planning and local community action in a form that can be widely disseminated and used by decision-makers at all levels. Without this outcome, existing and planned national projects and programmes will not have a opportunity for learning how the combination of individual resilience-building initiatives can enhance adaptive capacity, reducing the likelihood of the emergence of comprehensive, or integrated national programmes that enhance adaptation.

Without this outcome, the project risks being a one-off project where the considerable learning generated is not applied and scaling up of the intervention does not happen. Existing national projects and programmes will not have a mechanism for learning how the combination of individual resilience-building initiatives enhances adaptive capacity, reducing the likelihood of the emergence of comprehensive, or integrated national programmes. This LDCF intervention has to be catalytic therefore, as its resources are small relative to the size of the problem that faces the country.

The Adaptation alternative

The integrated planning process of Outcome 1 will have trained rural communities, rural and urban planners to identify current vulnerabilities and adaptation gaps, have trained them to map potential future climate scenarios and potential responses and to plan integrated responses. Outcome 2 intends to improve access for development agents and communities to techniques and practices and to provide training and capacity building support to practically integrate, implement and locally adapt these by combining these new techniques and practices with their existing actions so that people's ability to overcome their constraints to adaptation is strengthened.

Evidence from the PPG field assessments shows that some farmers are applying risk reducing techniques (e.g. crop and variety diversification, inter-cropping); similarly, self-help type groups may be willing to test new technologies and techniques and tailor them to their own needs and approaches, when working together reduces risk to any one individual who on their own may not be ready to risk changing husbandry patterns. The programme should build on this natural innovation but acknowledge the variable risk aversion and risk profile of individuals, so that communities are empowered to test and apply new techniques by provision of the knowledge about, and evidence of, their application. Outcome 2 will seek to expand the range of climate-resilient human, social, natural and physical livelihood options available to communities.

The PPG field assessments identified a range of priorities for building resilience to climate change in the eight rural Kebeles (Table 5) and in relation to these, specific techniques and practices will be applied that, where possible, build on the existing interventions present in the areas. A preliminary cost effectiveness analysis was undertaken on priority needs to identify responses with scope for inclusion within this project (see Annex 6). Those responses identified are:

- a) Reduce the vulnerability of rainfed-based agriculture and improve crop production through conservation agricultural practices;
- b) Promote risk-reducing diversification of livelihoods;

- c) Improve the market value of farm production, including access to value adding processing and cottage industry technologies where relevant;
- d) Improve land management and vegetative cover for pasture production, for water conservation, and for flood and resultant erosion attenuation.
- e) Improve environmental and natural resources management to combat the chronic environmental and land degradation that is undermining ecosystem services and the adaptive capacity of the people.

To relation to priorities a), b) and c) above, SSI practices that will be employed are:

- In-situ soil moisture storage to improve rain-fed crop productivity;
- Runoff or wash-out water storage for high value crop gardening;
- Construction of hand-dug wells for domestic water supply as well as for production;
- Legume intercropping and continuous cover cropping for soil conservation
- Minimum tillage techniques and simple in-field rainwater harvesting techniques that can be tested and adapted include contour ridges & bunds, permeable rock dams, trapezoidal bunds.

Training will be provided to build capacity for local level assessment and design of the appropriate soil and water conservation and SSI scheme so that farmers are involved in the design and decision-making regarding the up-take of particular techniques and practices. Farmers and DAs will be trained to better understand climate change and the role of the various techniques that are available in combating its projected impacts. In this way farmers will be empowered with the knowledge they need to review and assess which of the suite of techniques they have been subjected to are appropriate for application in the context of their adapting existing land uses and the community land of the Kebele.

Researchers and experts from EIAR, ERHA, EAEDPC, EBA and the Regional Universities that are involved in the development of particular adaptation technologies and techniques that support these actions and practitioners (from Government and NGOs) applying them, will be involved the training of farmers and DAs.

Once the farmers are armed with this new knowledge, the experts and farmers will together undertake participatory feasibility assessments to support the design of the intervention specifications and to maximise adaptation value. Technical assistance will be sought from these experts to support the training and technology transfer. This process will enable the combination of techniques into the adaptation packages that will, after application, be reviewed for cost effectiveness by the farmers with support from Woreda specialists.

The Woreda task teams that comprise subject matter specialists and planning officers will also undergo short-term vocational training with in-field demonstration, whilst selected community members will be trained to apply the adaptation options through the Woreda's farmer training centres.

The PIF estimated that the project would target 5000 farmers with improved access to technologies and practices: data collected during the PPG assessments indicates the 8 rural Kebeles represent approximately 5000 farming households. It remains feasible for every household in the target Kebeles to have access to adaptation training support through this project.

Training in adaptation techniques and practices will be provided to 1275 farmers in year one, 2550 farmers in year two and 1275 farmers in year three. This represents an investment of US\$471 per household in training and capacity building for climate change adaptation. Farmers within the Kebeles will be organised into forty-farmer self-help groups (of about 125 farmers each) that will be trained and supported with inputs and advice.

To encourage lateral farmer-to-farmer adoption, the project will support the farmer self help groups to establish an initial 1250 plots of 0.25 ha each. The plots will be planted with improved varieties of vegetables – the specific species being selected during the participatory feasibility studies. To catalyse the start up of these new techniques, the project will provide start-up packages of improved seeds and fertilizers and the farmer will contribute his/her labour and local inputs. In the first year, 1250 farmers across the 4 rural Kebeles will be targeted for training and implementation support which will include field days and farmers exchange visits.

As a way of diversifying livelihoods away from climate-vulnerable crop production, investments in improved honey and beeswax production will be undertaken. Cognisant of the emerging private sector for honey/wax product marketing, the Woreda agricultural marketing specialist will establish links with the Ethiopian Beekeepers Association (EBA) to provide the technical support and market linkages. Each farmer self help group involved in this activity will be provided a starter pack, additional equipment will have to be bought through the credit facility.

For both d) and e), the project will train the Woreda Task Team members and DAs in techniques that promote soil conservation and environmental rehabilitation whilst also contributing to livelihoods diversification through the integration of measures such as agro-forestry, planting of trees, protection of gullies. Six nurseries will be set up so that each participating Kebele has access to fruits, agro-forest and other tree seedlings. Training on techniques for fire management that protects natural regeneration and pasture will be provided and implemented. Community-level action will be required for aspects such as environmental rehabilitation and natural resources management, which means capacity of local community institutions will need support for establishment and enforcement of local rules and principles of organisation management. Implementation measures equivalent to US\$273 per household will be provided through the project.

In Addis Ababa the practical approach of learning by applying and testing the models developed during the integrated planning training planning will be catalytic in nature - potential infrastructure needs with respect to water and waste management, drainage and transport infrastructure will cost many millions of dollars – so by applying some of the key, low cost techniques for reducing the impact and future climate change costs, this outcome will inform the adaptation investment prioritisation as part of the climate resilient planning process. The following aspects will be piloted using a learning by doing approach that allows the Addis Ababa task team members to set out, measure, analyse and interpret the pilots and feed the findings back into the adaptive planning and prioritisation process:

- a) Improving management of the green space and measure reductions in flooding impacts through soil conservation measures of tree and shrub planting for ground cover, contour

bunding and small scale water harvesting to encourage infiltration and reduce run off on at least 150 hectares of vulnerable sites.

b) Test and revise flood management models through detailed monitoring of real events and pilot establishment of flood control measures.

Total project value for Outcome 2	
PSNP for 1 Woreda	\$1,645,000
SLM for 3 Woredas	\$1,186,500
MERET	\$7,000,000
FAO Crop Diversification and Marketing	\$4,000,000
In kind support from Government	\$37,650
LDCF project grant requested	\$3,097,395
Total	\$16,966,545

Outcome 3

Baseline

Autonomous adaptation requires an enabling environment in which people feel able to innovate and take risks. Often this means starting small, building evidence and then scaling up, but it also means making sure risks are reduced and managed. The PPG field assessments identified access to finance and meaningful climate information as constraints to reducing vulnerability to the perceived seasonal unpredictability of weather. Financial assets and access to financial capital through liquidation of physical assets were found to be means to cope with uncertainty and risk. The PPG field assessments also discovered that, although weather information is collected locally, it is transmitted vertically up to national level, not horizontally, which means that local planners and farmers do not have access to up to date short term (seasonal) weather projection data. At the Woreda level two types of climate (weather) information was deemed necessary: seasonal projections based on downscaled seasonal weather information, and longer term climate-related projections for risk planning.

Downscaled weather forecast information is available, but the NMSA acknowledges that its capacity for presenting the data in a way that farmers can find useful and gather feedback in a way to improve their own forecasting, still needs further development. Currently, forecasting is principally designed for disaster risk management to enable planning for short-term and acute events. It is also less useful for land use planning which requires medium-term forecasting. Sector Ministries, as well as regional and local planners often do not have sufficient understanding of the data to interpret climate information and adjust their interventions and disaster risk management plans accordingly. Without downscaled climate information made available in a format that enables planners and farmers to use it, and to feed back to the NMSA on its utility and reliability, the scope for iterative improvements in the provision and use of climate information is limited. Current informal credit systems and social coping strategies are

only appropriate for isolated needs, not community-wide demands. Weather index systems for crop insurance are being developed but are currently restricted to a few areas.

The likelihood of weather-related crop loss, coupled with the lack of property to be attached as collateral, makes it difficult for cooperatives, micro-finance organizations, or banks to provide financial services to smallholder farmers unless they have some insurance/ reinsurance against this weather risk. Both state and private insurance agents now have crop insurance schemes in place, using past climate records to set premiums but their coverage is currently limited, due to insufficient historical data and available meteorological stations (farmers need to be within a 20 km radius of a met station for crop insurance purposes). More formal micro-insurance markets tend to work in the health and life markets although some innovative mechanisms are now being piloted in Ethiopia and mobile phone technology is also now being used to share risk-reducing information rapidly in some African countries (see Box 1). These need further development and the need for reliable downscaled climate (weather) information is a critical component in the risk assessment.

In Addis Ababa, whilst seasonal rainfall is important for the management of water supply sources from its hinterland, issues of high intensity rainfall events will also have immediate disaster risk management relevance. This will require more real time weather forecasting and communications between city planners and NMSA. Through modeling, planners can better understand the limits of their facilities and the adequateness of their responses.

Without this outcome, the capacity of farmers to innovate, adopt and autonomously adapt new techniques and practices remains constrained.

The Adaptation alternative

The project will use two critical risk-reducing factors – access to information and access to financial instruments – to incentivise local adoption and adaptation of climate resilience enhancing techniques and practices. The Outcome will complement the testing of integrated adaptation practices and techniques from Outcome 2 by ensuring communities and planners have the weather and related environmental information and knowledge to make effective decisions and that farmers have access to finance and insurance that will provide a safety net for autonomous adaptation.

The LDCF intervention will develop capacity in the NMSA to facilitate downscaling of seasonal weather forecasts, packaging and dissemination of information in a manner appropriate for regional and local planners who work with rural farmers and urban communities so that they may make informed land management decisions. Where reliable historical ground data is not available, historical data from geostationary weather satellites to develop models that can in turn generate necessary information to inform decision-making. . The establishment of local weather stations will improve the resolution of information that can help inform local cropping decisions. Reliable risk profiles can be developed, which are a pre-requisite for insurance companies to develop and provide products. The insurance products not only protect farmers against the effects of harvest failures, but also enable access to finance. Therefore, automated meteorological stations will be established at the eight Kebeles and 10 Addis Ababa sub-cities so that data can be fed back to the NMSA to improve local models for the target areas, but also to

provide real time data to the Woreda and sub city planning and technical staff. The information dissemination will make use of the Woreda.net internet system which all Woredas in the country are connected to, allowing rapid dissemination of experience and peer-to-peer experience exchange. Crop insurance service providers will be engaged to better understand their information requirements and conditionalities.

Through the inclusive finance programme the UNCDF will provide technical support to micro-finance institutions to work with farmers to design a suitable system that will improve the capacity of beneficiaries to recover quickly from climate related shocks and provide a risk-reducing mechanism (either through provision of credit or the safety net of insurance) to encourage adaptation. It will scope and test three risk reducing mechanisms identified during the PPG phase which may facilitate households in all eight beneficiary communities to (re)build and/or enhance their capital assets in order to increase their ability to cope with and recover from climate change related shocks and stresses as and when they occur:

- Informal rotating saving and loans schemes.
- Formal credit facilities.
- Weather index based crop micro-insurance where it will build on the previous multi-donor project that established the comprehensive drought risk management framework and piloted the risk financing component of this framework.

To institutionalise climate change adaptation into the target Woredas the Woreda EPA officials shall be supported to set up climate change information centres linked through Woreda.net, which will provide information on adaptation packages, and links to resources within the Woreda project task team for expertise and advice. It will use the Woreda.net portal to promote its lessons to other Woredas in the country because WoredaNet is a government network connecting more than 611 Woredas, regional and federal government offices across the country. WoredaNet is a terrestrial and satellite-based network designed with the primary objective to provide ICT services such as video conferencing, directory, messaging and Voice Over IP, and Internet connectivity to the Federal, Regional and Woreda level government entities.

Total project value for Outcome 3	
UNCDF inclusive finance	\$4,400,000
GFDRR Weather Risk Management Framework using Weather-Based Indices	\$330,000
UNDP/Spanish MDGF Pastoralist Adaptation	\$500,000
In Kind co-finance from Government	\$7,650
LDCF project grant requested	\$1,498,330
Total	\$6,735,980

B.3. DESCRIBE THE SOCIOECONOMIC BENEFITS TO BE DELIVERED BY THE PROJECT AT THE NATIONAL AND LOCAL LEVELS, INCLUDING CONSIDERATION OF GENDER DIMENSIONS, AND HOW THESE WILL SUPPORT THE ACHIEVEMENT OF GLOBAL ENVIRONMENT BENEFITS(GEF TRUST FUND) OR ADAPTATION BENEFITS (LDCF/SCCF). AS A BACKGROUND INFORMATION, READ [MAINSTREAMING GENDER AT THE GEF.](#):

The project is expected to benefit directly over 29,000 rural people an estimated 45% of whom will be women; and train 5000 households in adaptation practices and techniques. It is anticipated that for those farmers successfully adopting the improved techniques and practices will improve agricultural productivity by up to 12.5%. It remains feasible for every household in the target Kebeles to have access to adaptation training support through this project. Training in adaptation techniques and practices will be provided to 1275 farmers in year one, 2550 farmers in year two and 1275 farmers in year three. This represents an investment of US\$471 per household in training and capacity building for climate change adaptation. Farmers within the Kebeles will be organised into forty-farmer self-help groups (of about 125 farmers each) that will be trained and supported with inputs and advice.

Indirect benefits could be accrued to over 3 million urban residents and 395,000 residents of the selected Woredas in the 4 regions (with the potential for up-scaling); through building the capacity of sub-national planning authorities to establish climate compatible integrated development plans; This will contribute towards Ethiopia's targets for MDG 1 ("Eradicate extreme poverty and hunger") and will by promoting environmental sustainability, contribute towards MDG 7 ("Ensure environmental sustainability")

The transfer of knowledge and practices that improve the sustainable management and rehabilitation of natural woodlands and forests and those that aim to improve the reliability and value of returns to agricultural production should improve the resilience of both women and men to climate related shocks, and create opportunities for building self-reliance. By organizing interventions through farmer self help groups or community organisations there should be greater equity of participation and influence not only in land use decision-making, but in negotiating control over the benefits of agricultural production (i.e. household decisions to sell or retain surplus production, and the use of income generated from sales). Promoting shared household decisions, such as: over soil and water conservation measures to be implemented, intercropping options to try, volumes to retain domestically or sell, will promote gender equity.

Training will specifically target women headed households and farmers to ensure equitable access to knowledge through training and capacity building on adaptation techniques and practices. At the Kebele level, protection and regulated management of natural vegetation needs to be designed to ensure women's secure access to legal firewood supplies for both domestic and commercial use (depending on resource availability in the area) whilst at the same time provide opportunities for diversifying livelihoods; reduce distances for firewood collection and increases energy supply for cooking, both of which were identified as underlying stressors in the PPG baseline assessments. It should look to introduce more equitable decision-making through involvement in local natural resource governance structures which can build a solid platform for engaging with Woreda service providers such as the Agriculture Bureau. This is expected to have a positive impact on the production, reproduction and socio-political roles of women and men by providing a basis for sustainable enterprise and income generation in the future for both

women and men. Building on the existing arrangements, women would be the focus of informal savings schemes established under this outcome so that the input can address constraints of access to credit and business advice and through collective organization, access to new practices and techniques that allow them to diversify and add value to their livelihoods.

B.4 INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS THAT MIGHT PREVENT THE PROJECT OBJECTIVES FROM BEING ACHIEVED, AND IF POSSIBLE, PROPOSE MEASURES THAT ADDRESS THESE RISKS TO BE FURTHER DEVELOPED DURING THE PROJECT DESIGN:

1. The current sectoral based planning approach needs to be tackled and there are risks related to the involvement and co-operation of stakeholders to work cross-sectorally. During the PPG phase a multi-stakeholder involvement has been promoted to generate commitment of the Ministries and Bureaus to sharing of data and joint programming. This will be consolidated through the area-based planning approach that the project will adopt, which will use techniques that draw in data from a range of sectors to deliver cross-sector solutions for area-based climate adaptation problems.
2. There is a low risk that the current political commitment to tackling climate change weakens. To counter this, the project will undertake several measures: it will carry out early awareness-raising among the decision-makers; develop leadership/ champions for change in project Task Teams; reconfirm alignment of project with national and sub-national climate change plans at an inception workshop; provide support to government to organise annual consultations on project progress in order to maintain government ownership and interest in the project, collaborate with other cooperation projects which will help to maintain political visibility.
3. There is a low risk that the integrated adaptation packages that will be tested are not found to be cost effective. (i.e. cost-recovery cannot be ensured) and given the principle that the adaptation actions should be laterally adopted and locally adapted they need to be simple with low levels of capital investment. Therefore a focus of the testing of techniques and practices to combine and include in the packages will use farmer-based evaluation and use only those that farmers may laterally adopt and self-adapt.
4. Whilst some local-level activities will require household level action, some will require community organization and cooperation. There is a risk that communities may not adopt natural resource management activities that require cross-community collaboration. The project will avoid a ‘top down’ approach and seek to create community ownership of all pilot interventions through farmer training and participatory feasibility assessments to get buy-in to the design of specific actions. The project will also apply local level environmental planning approaches that have been successfully applied elsewhere in Ethiopia that include establishment of local rules to ensure basic needs are met and an effective NRM governance structure that builds local buy-in to this activity.
5. It is currently acknowledged that there is limited capacity within relevant ministries for adaptation and as a result there will be need for the development of planning capacity and improvements in the understanding of climate change and its inter-relationships. A major part of the project will be to strengthen institutional and technical capacity for planning, designing and

implementing local level adaptation actions and for this reason, technical and capacity building expertise will be contracted in, to work with and train local technical staff. A dedicated National Project Coordinator within the Project Manager will be supported with short term national and international specialist support to ensure smooth and timely delivery of project outputs.

6. Natural Disasters (floods in Gambella/ATJ Kombolcha, droughts all areas) may disrupt project work for other local-level priorities. The project seeks to build resilience of local people to natural weather-related hazards so as to reduce their dependence on post-disaster relief-related aid.

B.5. IDENTIFY KEY STAKEHOLDERS INVOLVED IN THE PROJECT INCLUDING THE PRIVATE SECTOR, CIVIL SOCIETY ORGANIZATIONS, LOCAL AND INDIGENOUS COMMUNITIES, AND THEIR RESPECTIVE ROLES, AS APPLICABLE

To ensure the proposed project was grounded in local realities whilst aligned to national policy, the project preparation phase involved considerable stakeholder engagement and was driven through a PPG Steering Committee established as an inter-agency and multi-stakeholder coordination mechanism (constituting Environmental Protection Agency, Ministry of Finance and Economic Development, Ministry of Agriculture and Rural Development, Ministry of Water and Energy, UNDP, Addis Ababa University, Addis Ababa City Administration and two indigenous CSOs [Forum For Environment, Climate Change Forum]). The four target regions were recommended by the steering committee and jointly approved by MOFED and EPA;

- According to the recommendation by EPA (convening agency for climate change in Ethiopia) and as agreed at the inception workshop and first national steering committee meeting decisions, a PPG phase baseline survey to selected Kebeles was conducted by a national technical taskforce;
- Members of the national technical taskforce were nominated by government ministries, and members are drawn from Ministry of Agriculture and Rural Development (MoARD), Ministry of Water and Energy (MoWE), Ministry of Health (MoH), National Meteorological Services Agency (NMSA), and EPA and supported by a national consultant;
- The national technical taskforce members together with the National Consultant, International Consultant and UNDP Country Team (as well as comments by UNCDF) developed field survey instruments based on existing international tools and practices;
- The national technical taskforce conducted a 20-day field visit which took in discussions with relevant Regional Bureau representatives, selected Woreda representatives and selected Kebele representatives and members of the Kebele communities. The regional EPA of the respective regions were the entry point for the technical task force.
- For implementation, the project will establish a multi-stakeholder Project Board (PB) that shall comprise national and sub-national representatives to guide and oversee the project. The PB will be housed within Ministry of Finance and Economic Development (MoFED) and chaired by the MoFED Director of Multilateral Projects. The following stakeholders will have a role in the PB: MoFED Director of Multilateral Projects, EPA Director General, UNDP Team Leader: Poverty Reduction and MDGs Team, UNDP Ethiopia, AA City Mayors Office, Regional Manager for EPA from Gambella, Oromiya, BeniShangul-

Gumuz and Tigray Regional States, Director of NGO Forum for Environment & Director NGO National Climate Change Forum. The project interventions will involve national agencies (e.g. Federal EPA and National Meteorological Services Agency (NMSA)), Addis Ababa city administration, Regional and Woreda Bureau Agriculture, EPA, Water and Energy staff in the four selection regional states, kebele-level development agents and farming households. Ethiopian research and training institutions (Addis Ababa University, EIAR) and NGOs will be involved in supporting the transfer of technologies.

B.6. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

The level of involvement of other initiatives and projects in the target areas is variable and sectoral: a number of small NGO initiatives are supporting local activities. In addition, the World Food Programme delivers part of its national food for work project “MERET” in Enderta Woreda (Tigray). Some small-scale NGO operations are being undertaken in all areas whilst the main investments are delivered through the Woreda Bureaus. At this local level, the project will add value to these existing small scale initiatives by using the integrated adaptation planning approach, capacity building and provision of climate information and adaptation techniques as the nodes around which to build integrated actions that give households access to the suite of resilience building support they need for autonomous adaptation.

In the case of Addis Ababa, the project will coordinate its work with the European Union which, through its Global Climate Change Alliance (GCCA), aims to support transport and infrastructure development (through the French development agency (AFD)) in Addis Ababa and build institutional capacity to respond to climate change. The capacity building for integrated climate planning support provided through this LDCF project grant will inform the US\$4 million GCCA waste management and transport infrastructure investments and ensure the future proofing of them. The IWMI UR-ADAPT project works with Addis Ababa to build resilience for climate change through improved and integrated urban water management. The project places the city within its broader basin context, thereby focusing the data collection and analysis on urban-rural connectivity. This project is directly relevant for this LDCF grant project and the research outcomes for this work will inform the integrated planning, scenario building and cost-benefit analyses undertaken as part of the climate resilience green growth plan for Addis Ababa. Co-financing representing US\$1 million has been used.

National programmes delivered by the Bureaus of Agriculture that the project will coordinate with are the Productive Safety Net Programme (PSNP) and the sustainable land management programme (SLM). The PSNP aims at serving the dual propose of helping bridge the income gap for chronically food insecure households, and engaging such households in community asset-building efforts to earn income, especially during the lean season and times of drought. PSNP is funded by a wide range of donors, including DFID, World Bank. It has two components: labor-intensive public works and direct support for labor-poor households. The PSNP is having a significant impact on building asset base of the poorest and this is reducing their vulnerability to short term household needs but does not at present build the sort of self-reliance required for autonomous adaptation. The impact of the packages – which include asset protection and soil and water conservation – would be enhanced if it were combined

with other development programmes to cushion households from risk so that they would feel able to make productive investments into livelihoods development. There is an opportunity for integrating the lessons from the implementation of this LDCF project for up-scaling and broader application exist. This project will serve as co-financing to the value of US\$1,645,000.

SLM is funded by a wide range of donors including DFID, EU, GIZ, World Bank. It aims at reducing land degradation and increasing agriculture productivity in the high potential areas of the Ethiopian highlands. The Natural Resource Directorate of the Ministry of Agriculture at the federal level and the ministry's administrative structure at the regional and local levels implement the SLM programme. Communities plan and implement the measures on the ground, supported by an elected community watershed team and a kebele watershed team of SLM experts. The core of the SLM programme is watershed development which consists of watershed rehabilitation and development of agriculture production. The objective is to enlarge the area under sustainable land management practices through a variety of soil and water conservation measures. Measures for agriculture development aim at sustainably increasing agricultural productivity and comprise for example the cultivation of new varieties or the use of improved seeds. It does not currently operate in Woredas targeted by this proposed project but scope for integrating the lessons from the implementation of this LDCF project for up-scaling and broader application exist. This project will serve as co-financing to the value of US\$1,186,500.

This project will be implemented complementarily with other UNDP implemented environmental projects and programmes including the African Adaptation Programme (AAP) under preparation with the assistance of UNDP–Japan Cool Earth Initiative and a Spanish MDGF-funded pastoralist climate change adaptation project. The AAP takes a national level approach to building capacity for long-term planning and management of climate change risks and opportunities, on institutional frameworks for the management of climate change, the piloting of policy measures and on the development of options for financing climate change adaptation. This US\$6.5 million project started in 2010 and will continue until 2012, the project will serve as co-financing to the value of US\$3 million to end 2012. The Spanish MDG fund will complement the planned LDCF funded project as it focuses on the pastoralist regions of the country where different sets of adaptation approaches are being tested and applied. This proposed LDCF project will work in areas where crop production is dominant, thus providing important complementary experience for future national implementation on a larger scale. This project will serve as co-financing to the value of US\$0.5 million.

Lessons will be shared with the FAO's Crop Diversification and Marketing Project and Grazing Land Management Project which contributes to NAPA priority actions whilst the NRM and Forestry for Climate Adaptation and Mitigation Project planned by FAO will support improved management and rehabilitation of natural lands in selected areas. This project will serve as co-financing to the value of US\$4 million. The WFP MERET project intends to spend US\$7 million per year on catchment conservation activities in food deficit areas. The LDCF project will work closely with the MERET project, particularly in Tigray, to maximise potential for uptake from the lessons from the LDCF project. The Global Fund for Disaster Risk Reduction (GFDRR) will support the development of a Weather Risk

Management Framework using Weather-Based Indices to the sum of US\$330,000. The proposed LDCF project will work alongside this GFDRR initiative, to ensure the information generated by the LDCF project will contribute to a harmonized and standard weather risk management framework.

The project will seek share lessons with other projects and the adaptation packages will be promoted for roll out to the national-scale (MERET, SLM and PSNP) initiatives.

C. GEF AGENCY INFORMATION:

C.1 CONFIRM THE CO-FINANCING AMOUNT THE GEF AGENCY BRINGS TO THE PROJECT:

US\$8 MILLION

C.2 HOW DOES THE PROJECT FIT INTO THE GEF AGENCY'S PROGRAMME (REFLECTED IN DOCUMENTS SUCH AS UNDAF, CAS, ETC.) AND STAFF CAPACITY IN THE COUNTRY TO FOLLOW UP PROJECT IMPLEMENTATION:

The UNDP Country Programme (CPD) 2012-2015 is guided by UNDP's comparative advantage in three of the four strategic pillars articulated in the United Nations Development Assistance Framework (UNDAF 2012-2015). The overarching strategic thrust is strengthening capacities of national actors, systems and institutions, through targeted and catalytic interventions that accelerate broad-based development and safeguard development gains against endogenous and exogenous shocks. The programme is framed around three strategic priorities: enhanced economic growth and poverty reduction; democratic governance and capacity development; and development of a low-carbon and climate-resilient economy (LCCR). Gender, knowledge management and South-South cooperation will be utilized to facilitate innovation, and scale-up good practices. The two strategic priorities of relevance to this project are as follows:

Programme Component I: Enhanced Economic Growth and Poverty Reduction

This programme component will support the Government's efforts to accelerate pro-poor economic growth, with agricultural and small- and medium-scale enterprises as the key drivers, anchored in a value-chain approach. The focus will be on supporting policy and institutional capacity development at both the national and sub-national levels to build the knowledge, skills and systems that can enhance access to critical productive services, support efficiency of marketing systems, and leverage appropriate technology and practices to demonstrate sustainable options for boosting productivity and income in rural areas. UNDP will support policy and diagnostic work, knowledge networking, codification of knowledge, and testing of innovative practices that can facilitate solutions to practical bottlenecks in building effective value chains; and strengthen capacities of producer and private sector institutions to enhance access of the poor, especially women and youth, to better technologies, inputs, finance and markets. To build resilience against global financial and economic shocks, UNDP, in collaboration with World Bank and research institutions, will enhance national capacities for economic intelligence, policy and analytic work on the potential impacts of global developments and appropriate risk mitigation, as well as policy and institutional capacity development for expanding fiscal space, including by exploring and leveraging alternative sources of development financing.

Programme Component II: Low-Carbon, Climate-Resilient Economy

This component will support Ethiopia's transition to a LCCR economy through: technical support in formulating a LCCR strategy and piloting its implementation; policy advice and technical support to mainstream mitigation, resilience and other environmental priorities into economic growth activities, particularly in the agricultural, infrastructure, water and energy sectors; and piloting of renewable energy initiatives. UNDP will support the establishment of a financing facility to enhance access to new and additional financial flows, support technology transfer for implementation of mitigation and adaptation and address other emerging environmental priorities. This programme component will also provide institutional capacity support to enhance compliance to and implementation of the provisions of domestic and multilateral environmental regulations. A further emphasis of this component will be the provision of policy and operational support to the implementation of a comprehensive Disaster Risk Management (DRM) system.

The CPD has US\$33 million allocated to these two components.

The 2011-2015 UNDAF Outcome 4 seeks to enable national and sub-national institutions and vulnerable communities to systematically reduced disaster risks, impacts of disasters in order to improve food security: This proposed project; through building capacity support for integrated climate planning and introducing risk-reducing technologies for local communities; seeks to improve the resilience of vulnerable populations to climate related shocks.

The 2011-2015 UNDAF Outcome 5 seeks to contribute to the establishment of the governance systems, use of technologies and practices, and financing mechanisms that promote climate resilient economy and society at all levels. The proposed project will directly support this outcome by piloting technologies and practices, through an integrated planning process, that are designed to build climate resilient planning at sub-national and local levels.

This project will be implemented complementarily with other UNDP implemented environmental projects and programmes including the African Adaptation Programme (AAP) under preparation with the assistance of UNDP-Japan Cool Earth Initiative and a Spanish MDGF-funded pastoralist climate change adaptation project. The AAP focuses on building capacity for long-term planning and management of climate change risks and opportunities, on institutional frameworks for the management of climate change, the piloting of policy measures and on the development of options for financing climate change adaptation. The Spanish MDG fund will complement the planned LDCF funded project as it focuses on the pastoralist regions of the country where different sets of adaptation approaches are being tested and applied. This proposed project will work in areas where crop production is dominant, thus providing important complementary experience for future national implementation on a larger scale.

UNDP Ethiopia has undertaken multi-level and multi-sectoral support to help advance the disaster risk, early warning and environment agenda. Notable projects are those that contribute to the achievement of food security in the country including disaster risk management and early recovery capacities. These disaster prevention and preparedness activities have sought to support

Ethiopia's rural communities to cope with shocks and with strengthening resilience to shocks. The UNDP has previously supported Ethiopia's early efforts in climate change; enabling Ethiopia to Prepare its First National Communication in Response to its Commitments to UNFCCC; and its National Adaptation Programme of Action (NAPA). This project is in line with UNDP Ethiopia's ongoing commitments to support the country's adaptation to climate change: it will build on these complementary programmes and contribute to UNDP's global climate adaptation strategic outcome: "Strengthened capacity of developing countries to mainstream climate change adaptation policies into national development plans".

The UN Capital Development Fund (UNCDF) is implementing programmes in Ethiopia in its two core practice areas – Local Development and Inclusive Finance. In the Local Development practice area UNCDF is a core partner in the new UN Joint Programme to *Support Accelerated Development in the 4 Developing Regional States (DRS)* which began implementation in July 2011. The DRS is a 5 year programme of integrated support to strengthen local governance, improve basic social services and promote environmentally sustainable livelihoods based on participatory planning at the woreda level. The programme will be implemented in Gambella, Beneshangul-Gumuz, Afar and Somali regions with an overall budget of US\$40M for the initial two-year pilot period, including a core contribution of US\$1.2M from UNCDF.

In the Inclusive Finance Practice Area, UNCDF is piloting a joint programme with ILO to support the development of microinsurance services in association with microfinance savings and credit services and capacity building in financial literacy for microfinance clients. In 2011 UNCDF has also begun implementation in Ethiopia of two global inclusive finance programmes; the Least Developed Countries Fund for savings-led Market Leaders for Inclusive Finance (*MicroLead*) which aims to increase access to financial services for low income populations in LDCs with a budget of US\$1.6M over 3 years, and *Youth Start*, which aims to increase access to financial services for young people with a budget of US\$1.4M over 4 years.

UNDP is best placed to assist with this initiative because of its experience in building national institutional and leadership capacities, capabilities in developing and using climate change related knowledge systems within the UN, and experience in the learning-by-doing approaches which play such a critical role in innovative adaptation responses, such as those being proposed in this project. UNDP has a global mandate to support capacity building in climate change. UNDP has substantial experience of enhancing community resilience (in the context of disaster risk management) and managing small scale livelihoods development and community based environmental rehabilitation projects and such experience can be brought to bear on the management and quality assurance of this LDCF project. The UNDP will support policy development and strengthen national capacities and partnerships to ensure lasting results.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

PROJECT IMPLEMENTATION ARRANGEMENT:

National Execution modality will be applied for this LDCF Project. The Federal Environmental Protection Agency will be Implementing Partner and will appoint a National Project Coordinator (NPC) Officer to coordinate operations and manage the project. The Responsible Parties will be

the Addis Ababa EPA and Woreda EPAs in the four selected Woredas, the City of Addis Ababa and target Woreda administrations..

Project activities will primarily be implemented at a sub-national level and the implementing partners will establish a Project Board (PB) comprising national and sub-national representatives to guide and oversee the project. The PB will be housed within MoFED and chaired by the MoFED Director of Multilateral Projects. The PB will convene annually to discuss project progress and approve annual work plans. The PB will comprise MoFED, EPA, Ministry of Agriculture, Ministry of Water and Energy, UNDP, AA City Mayors Office, Regional EPA from Gambella, Oromiya, BeniShangul-Gumuz and Tigray, NGOs Forum for Environment & National Climate Change Forum, Addis Ababa University. Other representatives from relevant Ministries may be seconded onto the Project Board: this will be determined at the inaugural meeting of the PB during the project inception period. It is proposed that UNDP co-chair the PB. The National Project Coordinator (NPC) Officer will be an ex officio member of PB responsible for taking minutes. Potential members of the Project Board are reviewed and recommended for approval during the PAC meeting.

Implementation committees will be established at the target sites – Addis Ababa City and the four Woredas – to oversee the area based planning process and coordinate the capacity building for and implementation of adaptation techniques and practices. It is proposed that the implementation committee will be chaired by the City Mayor, in the case of Addis Ababa and the Woreda Administrator in the case of the four Woredas. This will be important for ensuring commitment from the relevant sub-national authorities to the programme, and allow regular interaction with the technical task teams. The task teams will be established in each of the four Woredas in which the project will operate and at the Addis Ababa City Administration. These task teams will comprise planning officers, and nominated subject matter specialists from Agriculture, EPA, Water, Energy and Health. The task team members will be nominated by the relevant implementation committee and be representative of the needs in the specific area. The task teams will work in the two identified target Kebeles of each Woreda. The local EPA offices will act as conveners for these task teams.

Researchers and experts from EIAR, ERHA, EAEDPC, EBA and the Regional Universities that are involved in the development of particular adaptation technologies and techniques that support these actions and practitioners (from Government and NGOs) applying them, will be involved the training of farmers and DAs. Farmer self-help groups will be formed at each of the eight Kebele sites with respect to the various interventions, if suitable groups do not already exist at the time of project initiation. To encourage lateral farmer-to-farmer adoption, the project will support the farmer self help groups, which will be identified through the Woreda Administration. Woreda Bureau subject matter specialists and the Kebele Development Assistants (DAs) will be the main point for support to the farmers through these self help groups. NGO and specialist technical support may be provided through the project to support the local DAs implement the integrated activities as part of the learning by doing process. The size of each farmer self-help group (farmer's group) should not exceed 150; training will be provided in blocks of 50.

- Forty groups will be established.

- Operational modalities, rules and procedures for group membership will be prepared and issued.

Through the inclusive finance programme the UNCDF will provide technical support to micro-finance institutions to work with farmers to design a suitable system that will improve the capacity of beneficiaries to recover quickly from climate related shocks and provide a risk-reducing mechanism (either through provision of credit or the safety net of insurance) to encourage adaptation.

Implementation oversight will be by UNDP Ethiopia Environment and Sustainable Development team and the UNDP Regional Service Centre East and Southern Africa. UNDP has overall responsibility for supervision, project development, guiding project activities through technical backstopping and logistical support.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF:

The project is largely in line with the PIF. Some minor changes have been made to outputs following the field-based needs assessments and assessments of current capacity. The number of target Kebeles has been revised to reflect the reality for implementing, coordinating and monitoring the project in line with the target numbers of farmers to be trained outlined in the PIF: In the PIF, the aim was for 5000 farmers to be trained and this will be achieved by the support to 40 communities within 8 Kebeles instead of in 40 Kebeles. This focused and more comprehensive approach to capacity building for farmers within fewer target Kebeles increases the likelihood of uptake impact within the target areas. Outcome 4 has been removed and the activities therein incorporated into the Outcomes 1 to 3, because there is no GEF / LDCF outcome on learning and scale-up.

A revised Outcome 2 now focuses on application of the techniques and practices that have adaptation value and their combination into integrated adaptation packages, and includes training and support for both farmers and extension agents. Outcome 3 now focuses on the development, provision and application of risk reducing information and finance that creates the enabling environment for farmers to adapt.

In Outcome 1, Output 1 has been revised to include both the 4 rural woredas and also the Addis Ababa City Administration because institutional capacity is required at both these levels, and the PIF Output 2 has been revised as Output 3. Woreda and City task teams, comprising subject matter specialists, Kebele Development Agents and officials who are involved in planning activities will be involved in the capacity building exercises. This reflects the need to build capacity for cross-sectoral vulnerability assessments, scenario development and adaptation planning capacity that was identified during the preparation phase. A new Output 2 is prepared to support awareness raising among key officials, communities and residents of the target areas, because following the PPG field assessments, it was clear that there is very little understanding of climate change, its causes and effects, which means that decisions are made on the basis of mis-information or ignorance. Outputs 4 and 5 are derived from the original PIF Outcome 4 and involve the strategic leverage of the institutional capacity building through completion of the

integrated area-based climate resilient development plans and the evidence influencing of national climate resilience plans.

For Outcome 2 Output 3 has been revised to Output 1 to take account of the need for substantial practical training for extension staff and farmers in the application of the innovative adaptation technologies: it became clear during the PPG phase that this was critical for long-term adoption and sustainability of the project outcome. This Output also incorporates the farmer training elements of the original PIF Output 3 of Outcome 3. Once the staff and farmers are trained on the adaptation technologies, they will be empowered to assess and decide which combination of practices best suit their specific local and household needs. Outputs 2 and 3 now distinguish between piloting of adaptation techniques in Addis Ababa (as part of the development of the Addis Ababa integrated climate resilient green plan) and in the rural Kebeles. This is because, although there are issues of water, forestry, land use management in both rural and urban environments, due to differences of population densities, infrastructural development and the scale of adaptation measures, they will be differently organised and monitored. Adaptation of agricultural production obviously has a rural focus. The participatory feasibility and cost effectiveness of tested packages has been retained as in the original PIF Output 1 but is now part of the process of farmer-based selection and application of the technologies in Output 2. Under the revised Output 2, the adaptation packages will be applied to 1,200 ha of land across the 8 Kebeles, this incorporating the original Outcome 3 Output 4. Output 3 now focuses on the access and implementation of adaptation technologies in Addis Ababa. Output 4 is derived from the original PIF Outcome 4 and involves the strategic leverage of the implementation of the packages of adaptation technologies by promoting evidence based scale-up.

Outcome 3 focuses on training for, and providing access to, risk reducing information, micro-finance and micro-insurance mechanisms. This is because, during the PPG stage, the risk-reducing and disaster response coping strategies used by local residents were identified and the role of and requirements for crop-related micro-insurance were understood in greater detail. The capacity of communities to adopt and adapt new measures relies on a conducive (low risk) environment, and a blend of informal mechanisms that build on social capital, and formal mechanisms that enhance financial capital will provide important complementarity to the technical measures implemented through Outcome 2. Outputs 1 and 2 remain the same. Output 3 has changed from the PIF Original, as the training of the farmers on adaptation techniques will be undertaken as part of the implementation of the techniques in Outcome 2. Under the revised Output 3, the project will work with micro-finance/insurance providers and farmers to apply the risk reducing mechanisms in combination with the adoption of the adaptation techniques. The revised Output 4 then ensures the climate information is disseminated and made accessible to planners and extension agents to use. It also creates a portal for information and knowledge sharing within the target sites that, strategically, can be made available to all Woredas in the country through WoredaNet. The original PIF Output 4 is incorporated into the implementation of adaptation technologies under Outcome 2, Output 2.

The co-financing for the project is higher than the amount presented in the PIF. The PIF presented a co-financing plan amounting to US\$22,650,000. The co-financing plan for the project following project proposal development is some US\$5 million more. This is because UNCDF support was secured during the PPG phase.


PART V: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

- A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):** (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Dr. Tewolde Berhan G/Egziabher	Director General	ENVIRONMENTAL PROTECTION AGENCY	DECEMBER 22, 2009

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF policies and procedures and meets the GEF/LDCF/SCCF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Yannick Glemarec Executive Coordinator UNDP/GEF		November 22, 2011	Jessica Troni, Regional Technical Adviser Climate Change Adaptation Southern and Eastern Africa (G-LECRDS)	+27 12 354 8056	jessica.troni@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK

<p>This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD: Outcome 1: Strengthened capacities of government and producer institutions to design, develop and deliver key services (agricultural production) Outcome 2: Mainstreaming & operationalization of DRRM policy. Outcome 4: LCCR & MEA compliance, access to climate finance and technology.</p>					
<p>Country Programme Outcome Indicators: Functional services that enhance productivity of small holders for targeted value chains functional Woredas with early warning system (EWS) and contingency plans. Policies, sector strategies, investments increasingly LCCR and MEA compliant.</p>					
<p>Primary applicable Key Environment and Sustainable Development Key Result Area (same as that on the cover page, circle one): <u>Promote climate change adaptation</u></p>					
<p>Applicable GEF Strategic Objective and Programme: <u>OBJECTIVE 1:</u> Reduce vulnerability to the adverse impacts of climate change, including variability, at local, national, regional and global level <u>OBJECTIVE 2:</u> Increase adaptive capacity to respond to the impacts of climate change, including variability, at local, national, regional and global level <u>OBJECTIVE 3:</u> Promote transfer and adoption of adaptation technology</p>					
<p>Applicable GEF Expected Outcomes: <u>Outcome 1.1:</u> Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas <u>Outcome 1.2:</u> Reduce vulnerability in development sectors <u>Outcome 2.2:</u> Strengthened adaptive capacity to reduce risks to climate-induced economic losses <u>Outcome 3.1:</u> Successful demonstration, deployment, and transfer of relevant adaptation technology in targeted areas</p>					
<p>Applicable GEF Outcome Indicators: <u>1.1.1:</u> Adaptation actions implemented in national/sub-regional development frameworks <u>1.2.2.:</u> % of targeted population covered by innovative insurance mechanisms <u>1.2.5:</u> Increase in agricultural productivity in targeted areas <u>2.2.1.</u> No. and type of targeted institutions with increased adaptive capacity to minimize exposure to climate variability <u>2.2.2.</u> Capacity perception index <u>3.1.1.</u> % of targeted groups adopting adaptation technologies by technology type</p>					
	Indicator	Baseline	Targets End of Project	Source of verification	Risks and Assumptions
<p>Project Objective⁶ to support local communities and administrations at the lowest level of government to design and implement adaptation actions aimed at reducing vulnerability and building resilience, especially in those communities that are</p>	<p>Capacity perception index, disaggregated by Gender</p> <p>Adaptation actions implemented in national/sub-national development frameworks</p>	<p>Average CCA capacity scorecard rating of 1.26 across men and women</p> <p>Limited mainstreaming of adaptation into national food security and land management programmes</p> <p>Limited mainstreaming of</p>	<p>CCA capacity scorecard rating is increased to an average of 3 in target Woredas for both men and women</p> <p>By the end of the project at least two national programmes have mainstreamed climate change adaptation in to their based on lessons learned from this LDCF project</p> <p>By the end of the project at least four Woreda and one Regional development plan have been revised</p>	<p>Focus group interviews with planning and subject matter specialists</p> <p>Government programmes and plans;</p> <p>Woreda and Regional Development Plans and related budgets</p>	

⁶ Objective (Atlas output) monitored quarterly ERBM and annually in APR/PIR

<p>particularly vulnerable in Ethiopia</p>	<p>Increase in climate resilient agricultural productivity in the target areas</p>	<p>adaptation into sub-national planning processes and policies Currently, only ad hoc adoption of adaptation measures by subsistence farmers, and agriculture is climate vulnerable.</p>	<p>to incorporate climate change risks and opportunities By the end of the project, 5000 subsistence farmers have adopted adaptation measures and climate resilient agricultural production has increased by 12.5% in target areas compared to baseline (1t/ha maize) and for adjusted for rainfall.</p>	<p>Field Surveys and climate vulnerability analyses.</p>	
--	--	---	---	--	--

	Indicator	Baseline	Targets End of Project	Source of verification	Risks and Assumptions
Outcome 1 ⁷ Institutional capacities for coordinated climate-resilient planning and investment strengthened.	Number and type of targeted institutions with increased adaptive capacity to minimise exposure to climate vulnerability Capacity perception index ,disaggregated by gender. Adaptation actions implemented in national/sub-national development frameworks	Capacity for climate-related analysis and forward planning is limited at sub-national level with an average CCA capacity score of 1.26 across the 5 functional areas of <ul style="list-style-type: none"> • Multi-stakeholder dialogue; • Situation analysis, vision casting and mandate; • Policy and strategy formulation; • Budget, Manage and Implement; • Monitoring and Evaluation Institutional capacity for cross-sectoral climate change planning is negligible	By end of Project, 4 Woreda and 1 Regional task teams have been trained in and use climate related vulnerability and risk assessments in an integrated area-based planning approach, Average CCA capacity score in the 4 Woreda and 1 Regional level is 3 for both men and women. Climate resilient investment strategies based on integrated climate resilient development plans are in place and attracting funding for 4 Woreda & 1 Regional area.	Training records, CCA capacity scorecard assessment, area-based integrated climate change adaptation plans at Woreda and Regional level Sub-national climate resilience plans and investment strategies Partnership agreements for adaptation investments	The political commitment to build resilience to climate change and invest in adaptation remains. The structural problem that leads to lack of cross-sectoral co-operation and involvement of stakeholders can be overcome within the area-based planning approach. The participating ministries and Bureaus are able to delegate relevant personnel to the project task teams to be involved with the project.
Outcome 2 Access to technologies and practices that improve the range and efficiency of adaptation options improved.	% of farmers adopting adaptation technologies, by technology type, disaggregated by gender. Strengthened capacity of extension agents to transfer appropriate adaptation technologies by capacity score	Farmers (83% male-headed, 17% female-headed) currently constrained by limited access to and knowledge of adaptation techniques and practices. Currently there is only anecdotal evidence of capacity to transfer adaptation technologies score average 1.4	By the end of the project, 5000 subsistence farmers (83% male-headed, 17% female-headed) have been trained in and tested climate change resilience building techniques and practices, of which 35% of both male and female headed farming households have adopted them permanently. By the end of the project 5 project task teams from 4 Woreda and 1 Regional administration have the capacity to transfer adaptation technologies with capacity score of 3	Gender disaggregated farmer survey; community level vulnerability reduction assessment CCA Capacity assessment, evidence of training and field demonstration of transfers	The integrated adaptation packages tested and developed are cost effective. Interest from beneficiary communities to engage in community-wide adaptation actions like natural resource management remains sufficiently high to allow activities to take place. The training and field demonstration provided enables lateral extension and transfer of technologies

⁷ All outcomes monitored annually in the APR/PIR. It is highly recommended not to have more than 4 outcomes.

<p>Outcome 3 Capacity for community-based climate change adaptation improved.</p>	<p>% of targeted population covered by innovative insurance mechanisms, disaggregated by gender.</p> <p>Increase in climate resilient agricultural productivity in the target areas</p>	<p>Informal coping strategies are in use in target areas, no formal financial risk reducing/insurance approaches yet in place due to lack of meteorological and hazard information in target areas</p> <p>Very limited capacity for applying climate resilient agriculture</p>	<p>By the end of the project at least 25% of the men and 25% of the women in the target communities are using innovative mechanisms to insure against the inherent uncertainty of climate change</p> <p>By the end of the project, climate resilient agricultural production has increased by 12.5% in target areas compared to baseline (1t/ha maize) and for adjusted for rainfall.</p>	<p>Records of micro-finance, rotating credit and VSL schemes</p> <p>Local climate / hazard data made available on Woreda.net. Updated climate-related hazard models for the Kebeles,</p> <p>Community level vulnerability reduction assessments. Agriculture Bureau statistics.</p>	<p>Data sharing protocols can be agreed between NMSA and project stakeholders and data can be presented in a sufficiently utilitarian way for local application.</p> <p>Formal risk reducing micro-financing related schemes do not increase indebtedness or vulnerability of participating communities.</p>
--	---	--	---	---	--

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work programme inclusion and the Convention Secretariat and STAP at PIF).

Review criteria

Project design

11. Has the cost-effectiveness sufficiently been demonstrated in project design?

Justification for GEF grant

17. Is the LDCF/SCCF funding level of other cost items (consultants, travel, etc.) appropriate?

Review comment

Due to the high rates for local consultants, the cost-effectiveness of technical assistance activities is questionable.

Local consultants' rates, however, appear high at \$1,250/week.

RECOMMENDED ACTION: Please revise or provide strong justification for local consultants' rates.

UNDP response

It is difficult to find consultants *with the appropriate level of experience* on rate lower than \$250/day in Ethiopia, as reported by the UNDP Country Office, which manages recruitments day to day.

The 2008 table of consultant rates put out by UNCT is out of date and does not reflect market conditions for experienced national consultants in Ethiopia. We also need to be cognizant of the fact that there are consultants of Ethiopian nationality that have high capacity and work at the level of international consultants. Hence the recent change of policy at the Country Office to evaluate bids for contacts purely on the basis of value for money, taking into account the consultant's experience and academic qualifications, no matter where he or she were born. The determining factor in selecting a consultant is the quality of financial and technical proposals submitted.

The use of international consultants by the project will be sparing (just 14% of the consultant cost for TA), so the project will rely on local consultants for technical implementation. We will need to ensure that the project can attract appropriately qualified consultants, particularly given the innovations being piloted by the project.

The LDCF is a project which is going to be implemented in 8 rural kebeles and Addis Ababa City to test innovative ways of designing and implemented integrated adaptation solutions in different parts of rural as well as urban cities in Ethiopia. To do this effectively, the project will need to be able to recruit experienced and able national experts. The adaptation strategy development for Addis Ababa is new concept and requires high caliber and experienced experts to motivate and mobilize the many stakeholders as well as coordinating and managing the technical workstreams. Such experts do not have any problem in finding jobs in the market and the only means to attract them is by paying the maximum rate. The rural project sites are remote with harsh climatic conditions for which we will have little chance of recruiting high caliber people offering average day rates. Thus the cutting edge nature of the project and its location in rural Ethiopia for most part requires us to apply the exceptional national rate. Given also the demonstration value of the project and the urgent need to replicate successful approaches quickly throughout Ethiopia, it is important that the project is able to attract the best and most effective consultants.

The UNDP Country has in the past tendered contracts out to national consultants at a rate higher than \$250/day. Two examples of these projects are as follows:

Name of contract holder	Contract number	Start date	End date	No of days of contract	Cost (USD)	Day rate
Dr. Berhanu Adinew	SSA/2010/034	8-Feb-10	10-Apr-10	23	8,750	380
Assefa Hailemariam	IC/2011/023	3 -May-11	5-June-11	22	6,888	313

The World Bank rate for the national consultants in Ethiopia ranges from 100-400USD/day.

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF/LDCF/SCCF RESOURCES

<i>Position Titles</i>	<i>\$/ person week*</i>	<i>Estimated person weeks**</i>	<i>Tasks to be performed</i>
For Project Management			
Local			
Project Administrator	480	200	<ul style="list-style-type: none"> • Set up and maintain project files and accounting systems whilst ensuring compatibility with FDRE and UNDP financial accounting procedures. • Prepare budget revisions of the project budgets and assist in the preparation of the annual work plans. • Process payments requests for settlement purposes including quarterly advances to the implementing partners upon joint review. • Update financial plans, prepare status reports, progress reports and other financial reports. • Undertake project financial closure formalities including submission of terminal reports, transfer and disposal of equipment, processing of semi-final revisions, and support professional staff in preparing the terminal assessment reports. • Assist in the timely issuance of contracts and assurance of other eligible entitlements of the project personnel, experts, and consultants by preparing annual recruitment plans. • Collect and maintain project related information data and establish document control procedures • Administer Project Board meetings • Administer project revision control • Compile, copy and distribute all project reports • Provide support in the use of Atlas for monitoring and reporting
National M & E expert	1250	29.6	Contributing to mid-term and final evaluations. Capacity assessments.
International			
Evaluation expert	3000	16	Leading mid-term and final evaluation exercises and drafting reports.
Justification for Travel, if any: This project will require substantial field implementation and the project management responsibilities require that field supervision and management support missions are made regularly, and particularly to support the capacity building and pilot implementation stages.			
For Technical Assistance			
Project technical management support	1250	260	<ul style="list-style-type: none"> • Day-to-day oversight and coordination of implementation of project activities • Recruitment and supervision of technical and training expertise as required for implementation of the project. • Developing and maintaining close linkages with relevant sectoral government agencies, UNDP, NGOs, civil society, international organisations and implementing partners of the project. • Coordinating the project team in carrying out their duties at an optimum level through ensuring efficient and effective resource utilization. • Coordinating inputs into annual results-based work plans and logical frameworks as endorsed by the management. • Preparing detailed annual breakdowns of the work plan for all project objectives. And preparation of quarterly work plans. • Coordinating inputs into all project reports as

			<p>required (including Annual Project Reports, Inception Report, Quarterly Reports and the Terminal Report).</p> <ul style="list-style-type: none"> • Preparing quarterly status and financial reports for comments and approval by the PM • Coordinate the establishment of sub-national project Task Teams. • Organise annual task team meetings for experience sharing and lesson learning/
Adaptation Technology training and demonstration specialists	1250	36	<p>Training and research expertise from a range of research and practitioner organisations in Ethiopia will be required to support the delivery of vocational and practical training of and demonstration in the latest practices and techniques that have adaptation value at the community level in the following disciplines:</p> <ul style="list-style-type: none"> - Conservation Agriculture, including minimum tillage, permaculture, intercropping, improved rainwater harvesting and soil management - Rangeland management including fire management - Forestry and nursery management - Apiculture, including honey and beeswax processing and marketing - Biogas and bioenergy - Small scale irrigation - Hydrology and drainage management
Economist	1250	24	<p>The economist will be required to support the project task teams to deliver the following processes:</p> <p>Economic risk analysis as part of vulnerability mapping and climate change scenario development</p> <p>Economic assessment of piloted adaptation techniques and practices for inclusion in the adaptation packages</p> <p>Cost-effectiveness modelling for Addis Ababa integrated adaptation options and models, including assessment of financial flow requirements and additional costs</p>
M& E expert	1,250	20	<p>The national M&E expert will be expected to support the M&E of the project, supporting preparation and delivery of the inception phase, preparation and delivery of the mid-term and final evaluations.</p>
Integrated and landscape planning experts	1,250	44	<p>At least two planning experts will be required to cover the geographical range of the 5 target sites (a round trip is about 5000 kms). These experts will support the task teams to prepare their territorial (Area-based) assessments, analyses and plans. Initial training, followed by ongoing mentoring will be provided.</p>
Value chain processing experts	1,250	14	<p>Specialists in improving value chain processing for key products generated in the target Kebeles will be recruited to support extension agents and participating farmers add value to their production, through simple low-cost processing and marketing into higher value markets. Expertise that can support the processing and marketing of oils, bees wax and honey, vegetables and fruits will be procured.</p>
Hydrologist	1,250	5	<p>Hydrologist expertise will be required to support the irrigation feasibility and planning in the target Kebeles and to support modelling of drainage and flood flows as part of the scenario modelling and planning as part of the Addis Ababa integrated planning process.</p>
GIS consultant	1,250	5	<p>A national GIS consultant will be recruited to</p>

			support the CLIMSAT expertise and ensure ongoing monitoring and mentoring support to the five task teams in data analysis, processing and production of GIS planning products.
International			
Climate Planning and Risk Management specialists	3000	40	<p>Responsibilities</p> <p>Contribute to the technical specification for the training for the Woreda and Addis Ababa Task Teams with respect to approaches and requirements for the preparation of climate risk analyses, vulnerability analyses and the preparation of multi-sectoral development plans based on the outcome of the risk analysis.</p> <p>Outline data requirements and analytical frameworks for risk and vulnerability analyses and support the Project Task Teams to undertake the analyses.</p> <p>Assist in the preparation of future climate scenarios and their evaluation for planning purposes, including the climate impact assessment and the trade off analysis.</p> <p>Participate in and present materials where appropriate at stakeholder workshops and project board meetings</p> <p>Assist with training and capacity development activities as necessary</p> <p>Assist in the identification of policy and scale up recommendations</p>
Climate scenario modeling and GIS specialist	3000	23	<p>Responsibilities</p> <p>Prepare spatial and attribute data specifications and data collection protocol.</p> <p>Review quality and utility of existing data and advise on additional data collection requirements.</p> <p>Provide satellite imagery aiming mainly at identifying vulnerable areas.</p> <p>Prepare various maps defining key climate-vulnerable aspects of the project areas (e.g. land use, population, drainage, relief, erosion vulnerability, infrastructure).</p> <p>Study the area's climatic trends and prepare climate projections overlays to the maps and model potential future impacts for assessing climate sensitivity and vulnerability analyses in the context of population and economic growth trends</p> <p>Support the Project task teams identify identifying policy options and practical implementation options according to their mitigation potential, cost-effectiveness, co- benefits, political feasibility and public acceptance;</p> <p>Assists the Project task teams to draft climate resilient plans based on options analysis, and lessons from pilot implementation.</p>
M&E expert	3000	6	<p>Establish the overall results-based M&E strategy in accordance with M&E plans outlined in the project document.</p> <p>Together with the climate planning expert, design a system for collecting information on project lessons to be used in annual progress meetings.</p> <p>Develop data collection instruments, cognisant of the spatial data requirements advised by the GIS specialist.</p> <p>Guide and coordinate the review of the project Strategic Results Framework, including:</p> <p>a. Provide technical advice for the revision of performance indicators.</p>

		<p>b. Identify sources of data, collection methods, who collects data, how often, cost of collection and who analyses the data.</p> <p>c. Faciliate annual review of risks by PM. Prepare reporting formats and support NPC to prepare the required reports. Guide project task teams in preparing their progress reports in accordance with the approved reporting formats. This includes quarterly progress reports, annual project reports, inception reports, and ad-hoc technical reports.</p> <p>Foster participatory planning and monitoring by advising the training institutions on content for participatory monitoring and evaluation of activities. Assist the NPC to collate technical reports and other documents from the project and contribute to the ALM.</p>
<p>Justification for Travel, if any: International travel and travel to target Woredas/Kebeles will be required for international short term consultants. Travel to field locations will be required for national consultants. Without these costs being budgeted, the consultants will not be able to support local level capacity building as is required as part of this project.</p>		

* Provide dollar rate per person week. ** Total person weeks needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

Yes. The objective of the PPG phase was to produce a UNDP Project Document, that would provide detail on the following:

- B. A clear description of the target population, baseline activities and related sources of funding.
- C. Detail on the specific adaptation activities to be financed under the LDCF, their adaptation and additionality rationale, and their likely cost-effectiveness as adaptation measures.
- D. Description of the project management structure and implementation arrangements, including the roles and responsibilities of the main stakeholders, including UNDP.
- E. A description of the geographic focus of the project with a clear justification for the selection of the target areas.
- F. An articulation of the project’s objective, outcomes, outputs, activities and resource requirements.
- G. A logframe and description of an M&E system to be applied, including impact indicators.
- H. Alignment of the project with other UN activities and with the Government’s national adaptation strategies, indicating how the project will value to these.

The objective has been achieved.

B DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF/LDCF/SCCF Amount (\$)</i>				<i>Co-financing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
Project Scope and Strategy defined, and GEF Full Proposal documentation prepared and approved	Completed	101,500	67,981	33,519	0	85,000
Total		101,500	67,981	33,519	0	85,000

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.

ANNEX E: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF Trust Fund or to your Agency (and/or revolving fund that will be set up)