



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

January 08, 2018

Dear LDCF/SCCF Council Member,

I am writing to notify you that we have today posted on the GEF's website at www.TheGEF.org, a Project Identification Form (PIF) for a full-sized project proposal from UNDP entitled ***Ethiopia: Climate Change Adaptation in the Lowland Ecosystems of Ethiopia (GEF ID: 9303)***, for funding under the Least Developed Countries Fund (LDCF). This PIF has been posted for Council approval by mail. Council Members are invited to review the PIF and to submit their comments (in Word file) to the GEF Secretariat's program coordination registry at gcoordination@TheGEF.org by February 06, 2018.

Following the streamlined procedures for processing LDCF proposals, Council members are invited to approve the following decision:

*The LDCF/SCCF Council reviewed the PIF entitled **Ethiopia: Climate Change Adaptation in the Lowland Ecosystems of Ethiopia (GEF ID: 9303)** (LDCF Project Grant \$5,836,073) (Agency Fee \$554,427), posted on January 08, 2018 and approves it on a no objection basis subject to the comments submitted to the Secretariat by February 06, 2018.*

The Council finds that the PIF (i) is, or would be, consistent with the Instrument and GEF policies and procedures, and (ii) may be endorsed by the CEO for final approval by the GEF Agency, provided that the final project document fully incorporates and addresses the Council's and the STAP reviewer's comments on the PIF, and that the CEO confirms that the project continues to be consistent with the Instrument and GEF/LDCF/SCCF policies and procedures.

The final project document will be posted on the GEF website for information after CEO endorsement. If the GEF CEO determines that there has been a major change to the present scope and approach since PIF approval, the final project document shall be posted on the web for Council review for four weeks prior to CEO endorsement.

In accordance with this decision, if the Secretariat has not heard from you in writing by February 06, 2018 we will assume that you approve the PIF.

Sincerely,

Naoko Ishii
Chief Executive Officer and Chairperson

Copy to: Country Operational Focal Point, Alternates, GEF Agencies, STAP, Trustee



GEF-6 PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: FULL-SIZED PROJECT

TYPE OF TRUST FUND: LEAST DEVELOPED COUNTRIES FUND

For more information about GEF, visit TheGEF.org

PART I: PROJECT INFORMATION

| | | | |
|-----------------------------|---|------------------------------|--------------------------|
| Project Title: | Climate change adaptation in the lowland ecosystems of Ethiopia | | |
| Country(ies): | Ethiopia | GEF Project ID: ¹ | 9303 |
| GEF Agency(ies): | UNDP | GEF Agency Project ID: | 5630 |
| Other Executing Partner(s): | Ministry of Environment and Forest | Submission Date: | 11 Sep 2017 |
| GEF Focal Area(s): | Climate Change | Project Duration (Months) | 72 |
| Integrated Approach Pilot | IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/> | Corporate Program: SGP | <input type="checkbox"/> |
| Name of parent program: | [if applicable] | Agency Fee (\$) | 554,427 |

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES²

| Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs) | Trust Fund | (in \$) | |
|--|------------|-----------------------|-------------------|
| | | GEF Project Financing | Co-financing |
| CCA 1: Reduce the vulnerability of people, livelihoods, physical assets and natural systems to the adverse effects of climate change | LDCF | 5,386,073 | 37,651,875 |
| CCA 2: Strengthen institutional and technical capacities for effective climate change adaptation | LDCF | 450,000 | 3,548,125 |
| Total Project Cost | | 5,836,073 | 41,200,000 |

B. INDICATIVE PROJECT DESCRIPTION SUMMARY

| Project Objective: To promote climate change adaptation and sustainable economic growth among communities in Ethiopia's lowland ecosystems. | | | | | | |
|---|-----------------------------|--|---|------------|-----------------------|--------------|
| Project Components | Financing Type ³ | Project Outcomes | Project Outputs | Trust Fund | (in \$) | |
| | | | | | GEF Project Financing | Co-financing |
| Capacity development for climate change adaptation | TA | 1. Technical capacity for implementing diversified climate change adaptation practices strengthened. | 1.1. Training programme on agricultural practices for climate change adaptation developed according to regional and woreda-level needs in Ethiopia's lowland regions of Afar, Somali, Tigray, Oromia and Southern Nation Nationalities Peoples' Region. 1.2. Capacity-building workshops held with DAs and government officers at the woreda and regional levels on supporting the | LDCF | 450,000 | 3,188,690 |

¹ Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submissions.

² When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF](#) and [CBIT guidelines](#).

³ Financing type can be either investment or technical assistance.

| | | | | | | |
|--|--|--|---|------|---------|-----------|
| | | | <p>implementation of climate change adaptation practices.</p> <p>1.3 Land-use plans for adaptive farming and agro-pastoralism as well as community-based natural resource management developed using a participatory approach in five woredas.</p> <p>1.4. Dissemination of best practice guidelines to local community members in five woredas on: i) community-based natural resource management; ii) current and predicted effects of climate change; iii) climate change adaptation practices in lowland ecosystems; and v) resilient enterprise development.</p> | | | |
| | | <p>2. Climate-risk management adopted by smallholder farmers through accessible climate information and decision-making tools.</p> | <p>2.1. Five AWS installed, linked to the national meteorological network and protocols for use and maintenance established in each woreda.</p> <p>2.2. Climate monitoring technology transferred to selected beneficiary communities.</p> <p>2.3. Climate-risk assessment and decision-making tools developed in collaboration with local communities in five woredas.</p> <p>2.4. Pilot testing undertaken in each of the five woredas with</p> | LDCF | 681,782 | 6,783,472 |

| | | | | | | |
|--|-----|--|---|------|------------------|-------------------|
| | | | results used to progressively improve the climate-risk assessment and decision-making tools. | | | |
| Climate risk information for smallholder farmers | INV | 3. Climate change adaptation practices adopted in communities in lowland ecosystems. | <p>3.1. Unproductive land reclaimed by farmers through the introduction of crops that, compared with traditional crops: i) provide large yields; ii) are drought tolerant; and iii) mature early.</p> <p>3.2. Multi-purpose crops planted to generate products to support alternative livelihoods (e.g. tree nurseries, honey-bee rearing, edible mushroom cultivation and compost preparation).</p> <p>3.3. Agroforestry piloted in sites with conducive biophysical characteristics.</p> <p>3.4. Community-based enterprises established and strengthened in each woreda to promote business development and strengthen local value chains.</p> | LDCF | 4,426,383 | 31,027,838 |
| Subtotal | | | | | 5,558,165 | 41,000,000 |
| Project Management Cost (PMC) ⁴ | | | | | 277,908 | 200,000 |
| Total Project Cost | | | | | 5,836,073 | 41,200,000 |

For multi-trust fund projects, provide the total amount of PMC in Table B, and indicate the split of PMC among the different trust funds here: ()

C. INDICATIVE SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE, IF AVAILABLE

| Sources of Co-financing | Name of Co-financier | Type of Co-financing | Amount (\$) |
|-------------------------|----------------------|----------------------|-------------|
| GEF Agency | World Bank | Grants | 27,000,000 |
| Donor Agency | GIZ | Grants | 2,000,000 |
| GEF Agency | IFAD | Grants | 12,000,000 |
| GEF Agency | UNDP | Grants | 200,000 |

⁴ For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

| | | | |
|---------------------------|--|--|-------------------|
| Total Co-financing | | | 41,200,000 |
|---------------------------|--|--|-------------------|

D. INDICATIVE TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES), FOCAL AREA AND THE PROGRAMMING OF FUNDS ^{a)}

| GEF Agency | Trust Fund | Country/ Regional/ Global | Focal Area | Programming of Funds | (in \$) | | |
|----------------------------|------------|------------------------------|----------------|------------------------|---------------------------|------------------------------|---------------|
| | | | | | GEF Project Financing (a) | Agency Fee (b) ^{b)} | Total (c)=a+b |
| UNDP | LDCF | Ethiopia | Climate Change | (select as applicable) | 5,836,073 | 554,427 | 6,390,500 |
| Total GEF Resources | | | | | 5,836,073 | 554,427 | |

a) Refer to the [Fee Policy for GEF Partner Agencies](#).

E. PROJECT PREPARATION GRANT (PPG)⁵

Is Project Preparation Grant requested? Yes No If no, skip item E.

PPG AMOUNT REQUESTED BY AGENCY(IES), TRUST FUND, COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

| Project Preparation Grant amount requested: \$100,000 | | | | | PPG Agency Fee: \$9,500 | | |
|---|------------|-----------------------------|----------------|------------------------|-------------------------|-----------------------------|-----------------|
| GEF Agency | Trust Fund | Country/ Regional/Global | Focal Area | Programming of Funds | (in \$) | | |
| | | | | | PPG (a) | Agency Fee ⁶ (b) | Total c = a + b |
| UNDP | LDCF | Ethiopia | Climate change | (select as applicable) | 100,000 | 9,500 | 109,500 |
| Total PPG Amount | | | | | 100,000 | 9,500 | 109,500 |

⁵ PPG requested amount is determined by the size of the GEF Project Financing (PF) as follows: Up to \$50k for PF up to \$2m (for MSP); up to \$100k for PF up to \$3m; \$150k for PF up to \$6m; \$200k for PF up to \$10m; and \$300k for PF above \$10m. On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

⁶ PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.

F. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS⁷

Provide the expected project targets as appropriate.

| Corporate Results | Replenishment Targets | Project Targets |
|---|--|--|
| 1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society | Improved management of landscapes and seascapes covering 300 million hectares | <i>Hectares</i> |
| 2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes) | 120 million hectares under sustainable land management | <i>Hectares</i> |
| 3. Promotion of collective management of transboundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services | Water-food-ecosystems security and conjunctive management of surface and groundwater in at least 10 freshwater basins; | <i>Number of freshwater basins</i> |
| | 20% of globally over-exploited fisheries (by volume) moved to more sustainable levels | <i>Percent of fisheries, by volume</i> |
| 4. Support to transformational shifts towards a low-emission and resilient development path | 750 million tons of CO _{2e} mitigated (include both direct and indirect) | <i>metric tons</i> |
| 5. Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern | Disposal of 80,000 tons of POPs (PCB, obsolete pesticides) | <i>metric tons</i> |
| | Reduction of 1000 tons of Mercury | <i>metric tons</i> |
| | Phase-out of 303.44 tons of ODP (HCFC) | <i>ODP tons</i> |
| 6. Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks | Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries | <i>Number of Countries:</i> |
| | Functional environmental information systems are established to support decision-making in at least 10 countries | <i>Number of Countries:</i> |

PART II: PROJECT JUSTIFICATION

1. *Project Description.* Briefly describe: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed; 2) the baseline scenario or any associated baseline projects, 3) the proposed alternative scenario, GEF focal area⁸ strategies, with a brief description of expected outcomes and components of the project, 4) [incremental/additional cost reasoning](#) and expected contributions from the baseline, the GEFTF, LDCF, SCCF, CBIT and [co-financing](#); 5) [global environmental benefits](#) (GEFTF) and/or [adaptation benefits](#) (LDCF/SCCF); and 6) innovation, sustainability and potential for scaling up.

2. *Stakeholders.* Will project design include the participation of relevant stakeholders from [civil society organizations](#) (yes /no) and [indigenous peoples](#) (yes /no)? If yes, identify key stakeholders and briefly describe how they will be engaged in project preparation.

3. *Gender Equality and Women's Empowerment.* Are issues on [gender equality](#) and women's empowerment taken into account? (yes /no). If yes, briefly describe how it will be mainstreamed into project preparation (e.g. gender analysis), taking into account the differences, needs, roles and priorities of women and men.

4 *Risks.* Indicate risks, including climate change, potential social and environmental 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 (table format acceptable).

5. *Coordination.* Outline the coordination with other relevant GEF-financed and other initiatives.

⁷ Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF, SCCF or CBIT.

⁸ For biodiversity projects, in addition to explaining the project's consistency with the biodiversity focal area strategy, objectives and programs, please also describe which [Aichi Target\(s\)](#) the project will directly contribute to achieving.

6. *Consistency with National Priorities.* Is the project consistent with the National strategies and plans or reports and assessments under relevant conventions? (yes /no). If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

7. *Knowledge Management.* Outline the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

1. Project Description

1.1. Problem, root causes and barriers

Global environmental and/or adaptation problem

The **problem** that this proposed initiative seeks to address is that the livelihoods and wellbeing of farming and agro-pastoral communities in Ethiopia's lowland areas are particularly vulnerable to the predicted negative effects of climate change. Ethiopia's lowlands comprise ~65% of the country's total land area and are characterised by a tropical climate. Mean annual temperatures range from 25–30°C and mean annual rainfall from 200–500 mm⁹. The arid climate and short growing season¹⁰ in the lowlands has limited the use of irrigation, making farmers reliant on rain-fed crops such as sorghum, teff and millet¹¹. The unpredictability of rainfall means that ~90% of lowland farmers preferentially practice pastoralism¹² or agro-pastoralism¹³ as opposed to crop farming and are reliant on natural vegetation as a source of fodder¹¹.

Ethiopia's population of ~94 million people is growing at a rate of 2.6% annually¹⁴, and national GDP and GDP per capita increased from US\$8.2 billion and US\$124, respectively, in 2000 to US\$47.5 billion and US\$500, respectively, in 2013¹⁵. As the main sector underpinning food security and the economy¹⁶, agriculture is under pressure to meet the needs of the rapidly growing population and support the country's economic productivity¹⁷.

In addition to the pressure being exerted by population and economic growth, Ethiopia's agricultural sector has been influenced by the effects of climate change. Specifically, from the period 1981–2000 there was a decrease¹⁸ in annual rainfall during the *Belg*¹⁹ season with slight increases during the *Kiremt*²⁰ and *Bega*²¹ seasons. In the southern lowlands, there was a decrease in mean annual rainfall from 1971–2010 of 3.6 mm per year²². Mean annual temperature across Ethiopia has increased by 1.3°C between 1960 and 2006 at a rate of 0.28°C per decade⁹. The impacts of past droughts and climatic changes have resulted in considerable negative consequences for Ethiopians. In particular, seven major droughts have occurred over the past 25 years, five of which have resulted in famine²³.

⁹ McSweeney C, New M & Lixcano G. 2007. UNDP climate change country profiles: Ethiopia. Available at: <http://country-profiles.geog.ox.ac.uk>.

¹⁰ An average of 90 days.

¹¹ Alemayehu M. 2006. Ethiopia country pasture/resource profile. Available at: <http://www.fao.org/publications>.

¹² Pastoralism in the lowlands provides subsistence and employment for more than 10 million people and is a supply of meat, milk and fibre to major towns and cities within or adjacent to the lowlands.

¹³ A total of 29 ethnic groups.

¹⁴ The World Bank. 2016. Data:Ethiopia. Available at: <http://data.worldbank.org/country/ethiopia>.

¹⁵ Yilmaz S & Venugopal V. 2008. Local government discretion and accountability in Ethiopia. Working Paper 08 38, Andrew Young School of Policy Studies, Georgia State University.

¹⁶ The agricultural sector supports the livelihoods of ~85% of Ethiopia's population and generates 45% of the country's GDP.

¹⁷ Ethiopia's Climate-Resilient Green Economy (CRGE) Strategy. 2011. Federal Democratic Republic of Ethiopia.

¹⁸ Conway D, Schipper ELF, Mahmud Y, Menale K, Persechino A & Kebede B. 2007. Reducing vulnerability in Ethiopia: addressing the implications of climate change. Report prepared for DFID and CIDA. Norwich, University of East Anglia.

¹⁹ Short rainy season from February–May.

²⁰ Long rainy season from June–September.

²¹ Dry season from October–January.

²² Viste E, Korecha D & Sorteberg A. 2013. Recent drought and rainfall tendencies in Ethiopia. *Theoretical and Applied Climatology* 112:353–551.

Furthermore, since 1988, Ethiopia has experienced six major floods²³. Between 1996 and 2006, the incidences of flooding and associated damages were found to have increased²⁴.

Over the next several decades, climate change in Ethiopia is predicted to intensify. Specifically, climate change is expected to include an increase in mean annual temperature of 1.1–3.1°C by the 2060s, and 1.5–5.1°C by the 2090s²⁵. There is consensus in projections from different climate models that Ethiopia will experience increased variability of rainfall and an increase in mean annual rainfall²⁶. These projected increases are largely attributed to increased rainfall during *Belg* in southern Ethiopia, with the largest proportional increases predicted for Ethiopia's driest, easternmost regions, particularly Somali²⁷. The changes in Ethiopia's climate are anticipated to result in a number of negative effects for lowland communities, including droughts and floods.

The long term preferred solution is to build sustainable and climate-resilient economic growth among vulnerable communities, targeting lowland areas in Ethiopia.

Barriers

Limited training opportunities on climate change adaptation practices

At present, there are few initiatives – either through the GoE or elsewhere – to conduct training activities supporting the implementation of the Climate Resilient Green Economy Strategy (CRGE). In particular, there are few training programmes on land management practices for climate change adaptation that are appropriate for Ethiopia's lowland ecosystems. In addition, there are limited opportunities available for training on how to mainstream activities that are congruent with the CRGE strategy into decision-making and agricultural planning either at the federal or at the regional and woreda levels.

Limited understanding in lowland communities of the risks and opportunities presented by climate change

The causes and implications of current and future climate change are not well understood within lowland communities. Specifically, local farmers and agro-pastoralists are largely unaware of the additional risks that climate change poses to their livelihoods, such as the exacerbation of droughts and soil erosion. Similarly, knowledge of the opportunities²⁸ presented by climate change – and how to take advantage of these opportunities – is limited in lowland communities.

Limited capacity of farmers and agro-pastoralists to implement best practices for climate change adaptation in agriculture

Historically, Ethiopia's lowland farmers and agro-pastoralists have implemented some climate-resilient measures to cope with the country's extremely variable climate (e.g. using drought-resistant seeds). However, these measures remain inadequate for maintaining agricultural production under the current climatic conditions and will be further undermined under future conditions of climate change. Without access to knowledge and training on international best practices, lowland farmers and agro-pastoralists will not have the necessary capacity to develop and implement adaptive agricultural techniques that are based on up-to-date scientific information on future climatic changes.

Lowland farmers' limited access to climate forecasts and decision-making tools

Information about climate forecasts is largely inaccessible to lowland farmers and agro-pastoralists. In addition, information on how to adopt alternative and innovative farming and agro-pastoral practices based on these climate forecasts is not available. This is a result of: i) insufficient availability of climate forecast information, particularly at

²³ World Bank. 2010. Ethiopia: Economics of adaptation to climate change. World Bank, Addis Ababa.

²⁴ Conway D & Schipper ELF. 2011. Adaptation to climate change in Africa: challenges and opportunities identified from Ethiopia. *Global Environmental Change* 21:227–237.

²⁵ McSweeney C, New M & Lixcano G. 2007. UNDP climate change country profiles: Ethiopia. Available at: <http://country-profiles.geog.ox.ac.uk>.

²⁶ Climate Change National Adaptation Programme of Action (NAPA) of Ethiopia. 2007. Ministry of Water Resources, Federal Democratic Republic of Ethiopia.

²⁷ Yilmaz & Venugopal 2008 Local government discretion and accountability in Ethiopia.

²⁸ For example, enhancing rainwater harvesting techniques to take advantage of increased rainfall.

the local level; ii) inadequate access to climate forecast information; and iii) inadequate capacity of agricultural extension officers to guide decision-making processes – based on climate forecasts – in local communities. Consequently, lowland farmers and agro-pastoralists can only undertake limited proactive measures in response to climate change.

1.2. Baseline scenario and associated baseline projects

Baseline scenario

Ethiopia has a rapidly growing population³⁰ and has committed to achieving ambitious socio-economic goals that would see the country attain middle-income status by 2025²⁹. These socio-economic goals are being pursued while Ethiopia is experiencing the current effects of climate change. Specifically, declines in rainfall during *Belg* are reducing the extent and productivity of agricultural land while increased frequency of droughts is resulting in reduced food security following poor rainy seasons³⁰. Furthermore, inappropriate land management practices have resulted in severe and widespread soil erosion³¹. Collectively, the current effects of climate change³² are estimated to reduce Ethiopia's GDP by 2–6% by the end of 2015³³. The pursuit of Ethiopia's socio-economic goals is likely to continue to be undermined by the projected effects of climate change. Specifically, the predicted decline in *Belg* rains³⁴ in south-central and eastern Ethiopia are expected to reduce harvests and result in the reduced productivity of rangelands during the summer and early autumn³⁰. In addition, farmers and agro-pastoralists living in southern Oromia and western Somali regions will be negatively impacted by reduced harvests and rangeland productivity under future climate change. Collectively, the projected climate changes³⁵ are expected to decrease food security³⁶ and result in costs exceeding 10% of Ethiopia's GDP by 2045²⁹.

Currently, Ethiopia's farmers and agro-pastoralists have insufficient capacity to adapt to the effects of climate change. Consequently, Ethiopia is at risk of not achieving its socio-economic goals³⁷. In particular, the agricultural sector has been identified as being vulnerable to climate change³⁷ with smallholder farmers and agro-pastoralists identified as being the most vulnerable of Ethiopia's population³⁸. Ethiopia's NAPA identified climate vulnerabilities that include *inter alia*: i) great dependence on rain-fed agriculture; ii) insufficient water resources; iii) low adaptive capacity; iv) insufficient institutional coordination; and v) limited awareness of climate change and adaptation.³⁸

Baseline projects

A number of past and current initiatives have been implemented to promote rural development for Ethiopia. Examples of these projects are listed below. The LDCF project will build on these initiatives by extracting lessons learned/best practices and addressing climate change vulnerabilities within their approaches. While these projects have achieved some success in supporting rural development, a number of issues need to be addressed to ensure that they are climate resilient. This includes considerations such as: i) techniques and methods for anticipating climate variability and responding in a flexible manner; ii) information on the cost-effectiveness of these investments in building resilience and their transferability to different geographical contexts; and iii) effective capacity development and learning pathways from practice to policy development in order to support replication of successful approaches.

²⁹ Growth and Transformation Plan 2010/11–2014/15. 2010. Ministry of Finance and Economic Development, Federal Democratic Republic of Ethiopia.

³⁰ Funk C, Rowland J, Eilerts G, Kebebe E & Biru N. 2012. A climate trend analysis of Ethiopia. Famine Early Warning Systems Network – Informing Climate Change Adaptation Series. USGS & USAID.

³¹ FAO. 2010. Strengthening capacity for climate change adaptation in the agriculture sector in Ethiopia. Environment and Natural Resources Management, Working Paper 48. Nazareth, Ethiopia.

³² Including *inter alia* increased soil erosion and reduced agricultural yields.

³³ CRGE Strategy.

³⁴ Conway et al 2007 Reducing vulnerability in Ethiopia.

³⁵ In the form of droughts, floods and soil erosion.

³⁶ Funk C, Senay G, Asfaw A, Verdin J, Rowland J, Michaelson J, Eilerts G, Korecha D & Choularton R. 2005. Recent drought tendencies in Ethiopia and equatorial-subtropical eastern Africa. Famine Early Warning System Network. USAID, Washington DC.

³⁷ Shepherd A, Mitchell T, Lewis K, Lenhardt A, Jones L, Scott L & Muir-Wood R. 2013. The geography of poverty, disasters and climate extremes in 2030. ODI, London.

³⁸ NAPA.

Feed Enhancement for Ethiopian Development II (FEED II) (2014–2017) is funded by the US Department of Agriculture (USDA) and implemented by ACDI/VOCA in four regions in Ethiopia – Amhara, Oromia, SNNPR and Tigray. The project builds on the work of the preceding flagship project, titled ‘Feed Enhancement for Ethiopian Development’ (FEED). The objective of FEED II is to improve pastoralists’ access to, and use of, consistent, affordable, high quality animal feed that can support greater livestock productivity. To achieve this, the initiative will focus on developing the: i) feed ingredient supply chain ii) feed-manufacturing enterprises; and iii) sustainable forage production systems.

The **Pastoral Community Development Project (PCDP)** (2004–present) is funded and implemented by IFAD and targets pastoralists and agro-pastoralists in arid and semi-arid regions in Ethiopia with the objective of: i) increasing and stabilising household incomes; ii) improving access to social and public services; iii) improving social relations, institutions and the natural environment; and iv) reducing vulnerability to disaster. The current phase of the PCDP (2015–2018) aims to improve the accessibility of social and economic services for pastoralists and agro-pastoralists and comprises four components: i) community-driven service provision; ii) rural livelihoods programme; iii) development learning and knowledge management; and iv) project management and monitoring and evaluation.

The **Sustainable Land Management project** (2013–2019) is funded by the World Bank and targets selected watersheds in different regions. The second phase of the Sustainable Land Management project aims to reduce land degradation and improve land productivity. The project integrates four components, including: i) integrating watershed and landscape management to assist with scaling up appropriate sustainable land and water management technologies and practices amongst communities; ii) strengthening institutional capacity development and knowledge generation and management; iii) enhance security of smallholder farmers through rural land administration; and iv) strengthening project management.

Potential co-financing projects

The projects outlined below are potential co-financing projects for the proposed LDCF project.

The **Second Agricultural Growth Project (SAGP)** (2015–2020) – funded by the World Bank (total budget: US\$350 million; estimated co-financing: US\$27 million) and implemented by MoA – has the main objective to increase agricultural productivity and commercialise small holder farmers. SAGP is being implemented in four regions, namely Oromia, SNNP, Amhara and Tigray. The five components of the SAGP will: i) increase access to public agricultural services for smallholder farmers; ii) increase the supply of demand-driven agricultural technologies; iii) increase access to – and efficient use of – irrigation water by smallholder farmers; iv) support the development of value chains to commercialise smallholder farming enterprises through increased access to markets; and v) strengthen project management, capacity building and monitoring and evaluation. The success of the SAGP – particularly through Component 4 – is underpinned by productive agricultural practices. However, the effects of climate change are likely to reduce the productivity of traditional agricultural practices in Ethiopia’s lowlands. The proposed project will promote implementation of agricultural and agro-pastoral measures for climate change adaptation (see Outcome 3) and support the development of livelihoods that are adapted to current and future climate impacts (see Outcome 4). Therefore, this project will build on the activities of the SAGP – specifically in Oromia, SNNP and Tigray – and enhance the ability of lowland farmers and agro-pastoralists to adapt to climate change and maintain agricultural productivity under the future conditions of climate change.

The **Capacity Development for Strengthening the Drought Resilience of the Pastoral and Agro-pastoral Population in the Lowlands of Ethiopia** programme (CSDRPAPLE) (2013–2018) is funded by GIZ on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) and is being implemented by MoA (total budget: US\$11.25 million; estimated co-financing: US\$2 million). CSDRPAPLE is being implemented in the Afar region with the main objective of strengthening the drought resilience of pastoralists and agro-pastoralists by increasing access to natural resources such as water, agricultural land and rangelands. Specifically, CSDRPAPLE’s activities include: i) planning land use jointly with all users and authorities; ii) conserving soil and water; iii) improving pastures; iv) safeguarding migration corridors for herds; and v) promoting income-generating

measures such as the fattening of sheep and goats. Although CSDRPAPLE is focused on increasing drought resilience, the effects of climate change on communities in the Afar region – such as reduced yields of fodder crop – are not adequately addressed. The proposed project will support CSDRPAPLE by: i) promoting climate-risk management (see Outcome 3); and ii) supporting the development of adaptive livelihoods (see Outcome 4), including increasing the use of climate-resilient fodder crops.

The **Rural Financial Intermediation Programme** (RUFIP) (2007–present) is funded by IFAD and is being implemented by the Development Bank of Ethiopia and Federal Cooperative Agency (total budget: US\$248 million; estimated co-financing: US\$12 million). The overarching objective of this programme is to reduce poverty by increasing the access of poor rural households to regular and reliable financial services. The project’s second phase is currently (2015) being implemented and will build on lessons learned during the first phase. In addition, the second phase will promote the upscaling of financial services to rural households from ~3 million in 2012 to ~7 million by 2019. These services include providing funds for investment in agriculture and livelihood activities, with a focus on empowering women. The proposed project will support RUFIP through the development of climate-resilient livelihoods and CBE’s (see Outcome 4).

1.3. Proposed alternative scenario

The objective of this project is to **increase the adaptive capacity of lowland farmers, agro-pastoralists and government stakeholders** to respond to the negative effects of climate change by implementing aspects of Ethiopia’s Climate Resilient and Green Economy Strategy. To achieve this objective, three integrated components will be undertaken.

Component 1: Capacity development for climate change adaptation

This component will deliver two complementary outcomes. Outcome 1 will support the strengthening of technical capacities for implementing farming and agro-pastoralism practices for climate change adaptation. A training programme on appropriate agricultural techniques under current and future climate scenarios will be developed and implemented. Under this programme, training will be provided to DAs/government officers and local communities in Somali, Afar, Tigray, Oromia and SNNP. The PPG phase will be used to identify: i) specific regional and woreda-level training needs; and ii) likely training service providers. The training programme will be developed in collaboration with woreda-level officers and DAs to ensure its utility to stakeholders in addressing the future impacts of climate change. Lessons learned from the project ‘CCA Growth: Implementing Climate Resilient and Green Economy plans in highland areas in Ethiopia’³⁹ will be used to inform the development of training material. In addition, gaps identified in the MERET programme will be addressed, including inadequate integration of soil and water conservation technologies into the planning of agricultural interventions. By building on the progress of the MERET, this component will ensure continuity of training and ongoing investments in capacity building.

This component will see strengthened institutional capacities for planning, monitoring and evaluating approaches to climate change adaptation for farming and agro-pastoralism. Community-based plans for climate change adaptation through improved farming, agro-pastoralism and watershed management will be developed using a participatory approach in targeted woredas. Bi-annual experience-sharing workshops will be held by the Federal CRGE facility in five woredas, during which regional officials and community representatives discuss project progress, difficulties and future activities. The results of project interventions implemented under Components 2 and 3 will be monitored and the results used to develop best practice guidelines to promote the upscaling of climate-resilient farming and agro-pastoralism in Ethiopia’s arid and semi-arid regions. To promote the sustainability of project interventions, support will be provided in five woredas for the development of local bylaws governing the: i) management of communal land; and ii) administrative structure of CBEs. These approaches will also reinforce linkages between participating stakeholders and improve overall institutional coordination and capacity for planning and implementing interventions for climate change adaptation.

Component 2: Climate risk information for smallholder farmers

³⁹ GEF Agency Project ID: 5478.

Five automatic weather stations (AWS – that will complement and be connected the ongoing effort to extend Ethiopia’s climate observing network) will be installed and protocols developed for climate data collection and analysis. Climate monitoring technologies such as rain gauges and handheld climate forecast devices will be distributed to farming and agro-pastoralist households in the intervention sites. In addition, training on the use of these climate monitoring technologies will be provided to woreda-level officers and DAs. The data collected from the AWS and the household monitoring devices will be used to compile short-term and seasonal climate forecasts to be delivered to local farmers. Decision-making tools to support planning for both short-term and seasonal timeframes will be developed in participation with local farmers and agro-pastoralists. These tools will allow for the effective use of climate forecasts provided by the AWS. Once implemented, the decision-making tools will be tested for a two-year period – in four discrete testing periods – to be evaluated and refined further if necessary. The results of this testing period will be combined with lessons learned from the project ‘CCA Growth: Implementing Climate Resilient and Green Economy plans in highland areas in Ethiopia’ to inform national upscaling of decision-making tools for smallholder pastoralists and farmers. A climate change and information expert will be recruited from the National Meteorological Agency for the project’s five-year duration to support the collection and analysis of climate data. This component will build on the lessons learned through the LDCF-funded project, titled ‘Strengthening climate information and early warning systems in Africa for climate resilient development and adaptation to climate change – Ethiopia’, and solicit international expertise to develop climate forecast and decision-making tools.

Component 3: Adaptive livelihoods in lowland ecosystems

Local communities in the woredas targeted under this component will benefit through a number of on-the-ground activities to increase their adaptive capacity through implementation of appropriate farming and agro-pastoral practices. Specifically, unproductive land will be stabilised through agro-ecological interventions⁴⁰ to reverse the effects of overgrazing and unsustainable agricultural practices⁴¹. Drought-resistant seeds that produce large yields and mature early will be introduced into local cultivation methods to support cultivation of staple and cash crops as well as fodder crops for livestock feed. To determine the feasibility of non-timber forest products to enhance livelihood opportunities, agroforestry will be piloted in vulnerable communities. Location-specific alternative livelihoods⁴² will be identified in the intervention sites. The development of community business enterprises (CBEs) will be supported to: i) increase local communities’ access to markets; ii) increase market efficiencies; and iii) promote the development of local private sector agents such as farmers, micro-finance institutions and agricultural service providers.

1.4. Additional cost reasoning

The incremental contribution from the GEF will assist the Government of Ethiopia (GoE) to implement measures to promote climate change adaptation and sustainable economic growth among communities in the lowland regions of Afar, Somali, Tigray, Oromia and Southern Nation Nationalities Peoples’ Region.

Enhanced capacity for climate change adaptation planning

Without this component, capacity in DAs/government officers and local communities will remain insufficient to undertake planning and implementation of interventions for climate change adaptation. Furthermore, progress made through training under the MERET programme may be lost. Existing capacity limitations that hinder planning and implementation of adaptation interventions will leave lowland communities vulnerable to the current and future effects of climate change. This component is expected to extend and build on the progress made by the MERET programme by targeting priority adaptation needs. New relationships between stakeholders will be built and existing relationships will be strengthened. This training and relationship-building will increase the capacity of DAs/government officers and local communities to undertake coordinated planning for climate change adaptation across multiple sectors and geographic areas, thereby supporting local communities to decrease their vulnerability to the current and future effects of climate change. In addition, the successful approaches identified by the project will

⁴⁰ For example, through the introduction and expansion of techniques such as zai/half-moons, bunds, alley cropping and terracing.

⁴¹ Gashaw T, Bantider A & Silassie H. 2014. Land degradation in Ethiopia: causes, impacts and rehabilitation techniques. *Journal of Environment and Earth Science* 4:98–105.

⁴² Including *inter alia* tree nurseries, honeybee rearing, edible mushroom cultivation and compost preparation.

be used to inform future upscaling of similar adaptive farming and agro-pastoral interventions across Ethiopia's arid and semi-arid regions.

Climate risk-management practices for smallholder farmers

Without this component, smallholder farmers will not have access to accurate climate forecasts. Furthermore – without decision-making tools – these farmers will be unable to be proactive in taking advantage of the opportunities and avoiding the risks presented by climate change. In the absence of reliable forecasts and decision-making tools, smallholder farmers will remain vulnerable to the impacts of climate change, thereby decreasing food security. This component is expected to support the collection, analysis and delivery of reliable and timely climate forecasts for smallholder farmers. The development of decision-making tools will allow smallholder farmers to make informed choices based on climate forecasts. By adjusting their farming methods accordingly, smallholder farmers will increase their resilience to the effects of climate change, thereby improving local and national food security.

Adoption of climate change adaptation practices

Without this component, local farmers will continue to apply business-as-usual farming and agro-pastoral techniques that do not take into consideration the current and future effects of climate change. In addition, the widespread reliance of rural communities on marginal livelihoods – such as farming and agro-pastoralism – and the limited capacity to maximise market efficiencies will limit socio-economic development. Traditional agricultural practices – combined with limited livelihood options and inefficient markets – will make local communities vulnerable to the current and future effects of climate change. This vulnerability will exacerbate food insecurity in Ethiopia's lowlands. This component is expected to: i) increase the area of viable farming land; ii) increase agricultural productivity per unit area⁴³; iii) increase availability of feed for livestock; iv) diversify livelihoods⁴⁴; and v) pilot an agroforestry approach. In addition, a more conducive economic environment for local farmers and agro-pastoralists will be promoted through providing support and training to access markets as well as generating recommendations for local bylaws to govern the use of communal land. Therefore, this incremental contribution will increase the socio-economic prospects of farmers and agro-pastoralists in the face of climate change.

1.5. Global environmental and/or adaptation benefits

The specific adaptation benefits of the project will include: i) reclamation of unproductive land implementation of appropriate agro-ecological measures for climate change adaptation; ii) planting of climate-resilient fodder crops to increase rangeland productivity under climate change conditions; iii) climate-resilient staple/cash crops planted to maintain agricultural productivity under future climate scenarios; iv) climate monitoring technology transferred to farmer/agro-pastoralist households; v) climate change adaptation techniques – such as agroforestry – adopted in lowland farmer and agro-pastoral communities; vi) location-specific alternative livelihoods identified and diversified in lowland communities; and vii) community-based enterprises established and strengthened in each woreda to promote business development and strengthen local value chains. By increasing the uptake of adaptive farming and agro-pastoralist practices in Ethiopia's lowlands, food security and local livelihoods will be strengthened. Furthermore, the development of community-based enterprises will promote the sustainability of alternative livelihoods and improve the local economy in lowland communities. Therefore, the adaptive capacity of Ethiopia's lowland communities will be strengthened under the conditions of climate change.

The project's activities will target local communities in five woredas. Initially, these benefits will accrue at a local level. However, the results of these local adaptation interventions will inform Ethiopia's national CRGE strategy and promote the upscaling of successful interventions. Furthermore, the cost-effectiveness of the project's interventions will provide an evidence base for the GoE to implement future initiatives that promote adaptation to climate change.

1.6. Innovativeness, sustainability and potential for scaling up

The project activities will be innovative in the context of Ethiopia's lowlands. Specifically, the use of climate forecasts and decision-making tools will be novel to most lowland communities. In addition, innovative approaches

⁴³ Through the inclusion of improved varieties of climate-resilient seeds into local farming techniques.

⁴⁴ Through the promotion of *inter alia* renewable energy technologies, tree nurseries, honey bee rearing, edible mushroom cultivation and compost preparation.

to adaptive farming and agro-pastoralism – based on international best practices – will be introduced to local communities. Project sustainability will be achieved through the inclusion and/or participation of local community and government representatives in the design of project interventions and monitoring plans. In addition, the development of alternative livelihoods that are promote the resilience of local communities will be undertaken in parallel with the establishment of CBEs to facilitate improved smallholder access to markets. Profits accruing from diversified livelihoods are likely to be used for purchasing equipment, maintenance and building capital. This will increase the sustainability of these livelihoods by improving the economic viability of approaches introduced through this project. The outcomes of the project interventions, the experience-sharing workshops and the best practice project reports will be used to build an evidence base for climate-resilient farming and agro-pastoralism in Ethiopia. To promote the upscaling of effective project activities across Ethiopia’s arid and semi-arid areas, decision-makers in the GoE responsible for national budget allocations will be provided with the project’s evidence base in a concise, accessible format. Another aspect of sustainability of the proposed project lies in a strong focus on institutional strengthening and embedding the methods of risk assessment and response at the institutions at national and woreda level. Improving agro-meteorological services and farmers advisories to the vulnerable farming communities will instill adaptive practices continuously. And lastly, the project in its design has internalized all critical lessons that have come out from the preceding LDCF project on ‘the Promoting Autonomous Adaptation at the Local level project’ (PAA) and as outlined in its Terminal Evaluation hence securing and carrying forward adaptation benefits.

2. Stakeholders

Will project design include the participation of relevant stakeholders from [civil society](#) and [indigenous people](#)? **Yes**

The project will be designed and implemented using a participatory approach, which will include stakeholder consultation and validation for all major activities. Community surveys, regular meetings and training workshops will be included in the project’s design. During the PPG phase, representatives of government ministries, civil society, NGOs, local communities, universities and the private sector will be consulted to inform and refine the development of the project’s outputs and activities. Input from these stakeholders will be incorporated into the design and validated during a national consultation workshop to ensure that project responds to the particular needs of its beneficiaries.

Government agencies – at the regional and woreda level – to be involved in the design and implementation of the project will include *inter alia* the Ministry of Environment and Forests, the Ministry of Agriculture, the National Meteorological Agency, the Ministry of Finance and Economic Development and the Ministry of Water, Energy and Irrigation. The main stakeholders in the project are local communities. The traditional knowledge and specific priorities of these beneficiaries will be solicited during the PPG phase as well as during project implementation and their views integrated into the proposed interventions. Particular groups to be consulted during the PPG phase will include: i) small-hold farmers and agro-pastoralists; ii) women, particularly in female-headed households; iii) local enterprises, cooperatives and farmer associations; and iv) the youth.

3. Gender considerations

Are [gender considerations](#) taken into account? **Yes**

Women farmers in Ethiopia are estimated to perform up to 75% of farm labour and represent ~70% of household food production, including post-harvest processing of cereals⁴⁵. Despite this contribution, women farmers have historically been marginalised from extension services and associated agricultural inputs. Female farmers are therefore ~35% less productive than their male counterparts as a result of reduced access to extension services and agricultural inputs, such as seeds and fertiliser⁴⁵. Female farmers are likely to be increasingly negatively affected by the impacts of climate change, particularly droughts and floods. The proposed project will promote the inclusion of women in training programmes and their involvement in CBEs⁴⁶. In addition, project activities include the promotion

⁴⁵ Greene M, Alleman P, Gleckel J, Haile-Mariaum A, Mekonen W, Santilan D & Worku Y. 2012. USAID Ethiopia HAPN gender assessment. USAID.

⁴⁶ Doss C, Bockius-Suwyn Z & D’Souza S. 2012. Women’s economic empowerment in agriculture: supporting women farmers. United Nations Foundation.

of more efficient and climate-resilient practices that are sensitive to the needs and roles of women in agriculture. For example, cleaning of teff seeds before planting will increase productivity and reduce the occurrence of weeds and consequently the time required for weed removal – a task generally undertaken by women⁴⁷. By increasing the productivity of female farmers, the project will improve livelihoods and food security of women and children under conditions of climate change.

Through the inclusion of gender consideration in project activities, the proposed project aligns with the GEF Gender Equality Action Plan (GEAP) (2011). During the PPG phase of the proposed project, a gender gap analysis will be undertaken to determine areas where gender mainstreaming should be targeted in Ethiopia, for example *inter alia*: i) determining where institutional capacity building should be implemented; ii) integrating gender-sensitive activities; and iii) introducing gender experts into community projects.

4. Risks

Potential risks and likely countermeasures are outlined in the table below. The risks identified here – as well as new/emergent risks – will be re-assessed during the PPG phase.

| Risk | Proposed measures |
|---|---|
| Poor co-ordination in project implementation. | Project management arrangements will be made explicit. To ensure coordination is efficient, the project will competitively recruit one project manager, five woreda-level site officers, five finance officers and one climate change expert. |
| Poor sequencing of activities leading to sub-optimal project performance. | The project manager and four regional coordinators will be provided with project management training. Regular communication will be maintained with parties responsible for each of the outputs. |
| Unanticipated climate hazards (e.g. pest outbreaks) disrupting project work. | The PPG phase will be used to compile an inventory of potential hazards with information provided by local communities and climate experts. This inventory will be incorporated into the design of woreda-level interventions. |
| Procurement delays both at federal and woreda level. | Centralised procurement will be undertaken and a procurement specialist will be hired by the UNDP. A system for the expedited transfer of funds will be established. |
| Limited ownership of project activities by regional and woreda-level officials. | All regional and woreda-level offices will incorporate the project activities into their annual work programmes. |

5. Coordination with other relevant initiatives

The project will coordinate closely with public, private and local community stakeholders that are – or have been – involved in the design and implementation of the ongoing initiatives listed below.

The project ‘**Strengthening climate information and early warning systems in Africa for -resilient development and adaptation to climate change – Ethiopia**’ (2013–2017) is funded by GEF/LDCF and aims to strengthen the capacity of the GoE to observe, analyse and forecast climate information to enhance their early warning systems and for climate resilient development and adaptation to climate change. The project’s activities will: i) contribute to Ethiopia’s NAPA priorities; ii) support the National Climate Resilient Green Economy Strategy; iii) strengthen the observational and analytical capacity of the national hydro-met services and its early warning system; and iv) support the disaster risk management and development planning agencies in their effort to adapt to climate change.

Coordination with other relevant initiatives will be ensured through the Project Steering Committees (PSCs) at both National and local Woreda levels. These committees will have a broad representation of all concerned stakeholders and coordinate with relevant programmes and projects under implementation at national and local levels. Furthermore, the coordination with particularly relevant initiatives will take place through technical groups the project will set up for this purpose.

⁴⁷ Oxfam America. 2011. Rural resilience series: Horn of Africa risk transfer for adaptation, quarterly report.

The **Implementing Partner** for this project is the Ministry of Environment, Forest and Climate Change (MEFCC). The Implementing Partner will be responsible and accountable for managing this project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of resources.

The **Project Steering Committee** (PSC) will be responsible for making management decisions when guidance is required by the Project Manager, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, PSC decisions will be made in accordance with standards that ensure management for development results, best value for money, fairness, integrity, transparency and effective international competition. The PSC will be comprised of individuals representing the following institutions: MEFCC (Chair); UNDP (Co-chair); MoANR; MoWIE; Ministry of Livestock and Fisheries (MoLF); MoFEC; NMA; and regional MEFCCC replica of five (SNNP, Tigray, Afar, Somali and Oromiya) regional representatives (one from each region). Meetings of the NSC will be held on a bi-annual basis. Additional meetings can be scheduled as needed. This will ensure strong coordination with other projects and initiatives.

Woreda Steering Committee (WSC): The proposed LDCF project will have woreda (local level) Steering Committee (WSC) in each Woreda. The WSCs will regularly consult with relevant CBOs, farmer, women and youth groups, as well as landless women and youth to ensure that project interventions are benefitting all stakeholders and are coordinating with other initiatives.

Each of the ten Woredas will have a WSC comprising: i) the Woreda Administrator (Chair of the WSC); ii) an MEFCC representative (Secretary to WSC); iii) a Woreda Project Officer (WPO); iv) a local university representative; v) cooperative office; vi) local CBO representatives (including women and youth groups); vii) an NGO representative; viii) a representative for MFIs; and ix) a sectoral representative from both from the Woreda and Kebele levels from the following government departments:

- Ministry of Environment, Forest, Climate Change;
- Land Use Administration;
- Crop Production;
- Animal Production; and
- Cooperative offices.

The WSCs will meet at least once in a month.

6. Consistency with national priorities

Is the project consistent with the National strategies and plans or reports and assessments under relevant conventions? **Yes**

Ethiopia's Second National Communication to the UNFCCC (2015) states that Ethiopia is willing to contribute to the reduction of greenhouse gas emissions, as per the goals of the Convention. It was compiled to meet Ethiopia's obligations under the UNFCCC, and describes the progress made so far towards implementing the Convention. As with the First National Communication of Ethiopia to the UNFCCC (2001), the second document outlines the climate-vulnerability of various economic sectors – particularly the agricultural sector. The proposed project is aligned with the provisions for climate change adaptation under the UNFCCC in that it aims to increase the climate resilience of Ethiopia's lowland agricultural sector by increasing technical capacity for planning and implementing of farming and agro-pastoral practices the will advance adaptation to climate change.

The **Intended Nationally Determined Contribution** (INDC) of the Federal Democratic Republic of Ethiopia (2015) outlines the adaptation and mitigation targets for the country. It details both short- and long-term goals for reducing emissions and integrating actions that target the improvement of women in the country up until 2030. The INDC builds on the CRGE strategy, committing to reducing emissions and strengthening climate resilience. Through benefiting communities – especially women – across Ethiopia, the proposed project is well-aligned with the INDC.

The project is aligned with Ethiopia's **National Adaptation Programme of Action (NAPA)** (2007). In particular, it is aligned with the following NAPA priorities: i) Priority 2: strengthening/enhancing drought and flood early warning systems in Ethiopia; ii) Priority 3: development of small-scale irrigation and water harvesting schemes in arid, semi-arid, and dry sub-humid areas of Ethiopia; iii) Priority 4: improving/enhancing rangeland resource management practices in the pastoral areas of Ethiopia; iv) Priority 6: capacity-building program for climate change adaptation in Ethiopia; and v) Priority 11: promotion of on-farm and homestead forestry and agro-forestry practices in arid, semi-arid and dry-sub humid parts of Ethiopia.

The Agriculture-Led-Industrialization Strategy (ADLI) (2007) aims to enhance the productivity and income of small-scale farmers through *inter alia*: i) introducing sustainable agricultural practices; ii) increasing export earnings; and iii) increasing crop diversity. The project is aligned with the ADLI in that it increases local community and government capacity to practice climate-resilient farming and agro-pastoralism and to diversify livelihoods. The development of CBEs and local business capacity under the projects' interventions will increase local communities' access to markets.

The focus of Phase II of Ethiopia's **Growth and Transformation Plan (GTP)** (currently under formulation) is to alleviate poverty and support the achievement of middle-income status for the country before 2025. Agricultural development is identified as a means of achieving poverty alleviation, with a focus on *inter alia*: i) land rehabilitation through water and soil conservation; ii) livestock production; and iii) agricultural research. The project will address the baseline problem identified in Phase I of the GTP of land degradation related to overgrazing and other unsustainable land use practices. Consequently, the project is expected to be aligned with the aims of Phase II of the GTP in that it will promote poverty alleviation through development of the national agriculture sector in a climate-resilient manner. The finalisation of GTP Phase II is expected to occur during the PPG phase, and the project will be designed in accordance with its provisions.

Ethiopia's Climate Resilient Green Economy Strategy (CRGE) (2011) outlines sustainable methods for achieving economic development goals. Agricultural development is identified in CRGE as a foundation for economic growth in Ethiopia. Specifically, improved crop and livestock production practices are highlighted as a means of improving food security and agricultural livelihoods while reducing carbon emissions. The project is aligned with the CRGE in that its activities will increase the capacity of local communities to practice farming and agro-pastoralism, even under conditions of climate change. In addition, project activities will support the development of CBEs and allow small-scale farmers to increase market efficiencies.

The **Agriculture and Rural Development Policy and Strategy** (2003) identifies agricultural and rural development as a means of: i) supporting rapid economic growth; ii) enhancing benefits to rural people; iii) addressing the country's food aid dependency; and iv) promoting the development of a market-oriented economy. The proper utilization of agricultural land and dissemination of appropriate technology are identified as two approaches of developing agriculture in Ethiopia. The proposed project supports both of these approaches through its climate-resilient pastoral and agro-pastoral interventions.

The project is also aligned with various national policies, including: i) the **Environmental Policy of Ethiopia**; ii) the **Water Resources Management Policy**; iii) the **Health Sector Development Policy and Program**; and iv) the **National Policy on Disaster Prevention and Preparedness**. It is expected that this project will generate valuable lessons, methodologies and approaches to strengthen these policies so as to promote climate resilience in national planning.

7. Knowledge management

The proposed project's strategy for knowledge management includes workshops on knowledge sharing, exchange of lessons between woredas and scaling up. This will support dissemination of lessons learned and best practices from the baseline projects and from the project itself amongst project stakeholders including partner agencies, government ministries, civil society, NGOs and local communities. Training and capacity building conducted under Component 1 will incorporate lessons learned from the MERET programme, the 'CCA Growth: Implementing Climate Resilient and Green Economy plans in highland areas in Ethiopia' project and other national initiatives as well as international

best practices. Federal Ministry of Environment and Forest meetings held bi-annually will initially incorporate the experiences of regional workshops held for the project “CCA Growth: Implementing Climate Resilient and Green Economy plans in highland areas in Ethiopia”. As experiences from implementation of the proposed project become available, these will increasingly be incorporated into the Federal Ministry of Environment and Forest meetings as well. A participatory M&E system will be implemented under Component 1 of the proposed project. This M&E system will methodically document success and failures to facilitate an iterative approach to adaptive learning and management. This will contribute not only to improved implementation of interventions during the course of the project, but will also inform replication and upscaling of project activities. The M&E system will also feed into an impact assessment strategy – using a randomised control design – to document best practices and lessons learned.

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


A. RECORD OF ENDORSEMENT⁴⁸ 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 [SGP OFP endorsement letter](#)).

| NAME | POSITION | MINISTRY | DATE (MM/dd/yyyy) |
|-----------------|----------|-------------------------------------|-------------------|
| Ghirmawit Haile | GEF OFP | MINISTRY OF ENVIRONMENT AND FORESTS | APRIL 2015 |

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies⁴⁹ and procedures and meets the GEF criteria for project identification and preparation under GEF-6.

| Agency Coordinator, Agency name | Signature | Date (MM/dd/yyyy) | Project Contact Person | Telephone | Email |
|--|---|-------------------|------------------------|----------------|--|
| Adriana Dinu Executive Coordinator UNDP - Global Environment Finance |  | 09/11/2017 | Benjamin Larroquette | +25191 2503308 | Benjamin.larroquette@undp.org |

C. ADDITIONAL GEF PROJECT AGENCY CERTIFICATION (APPLICABLE ONLY TO NEWLY ACCREDITED GEF PROJECT AGENCIES)

For newly accredited GEF Project Agencies, please download and fill up the required [GEF Project Agency Certification of Ceiling Information Template](#) to be attached as an annex to the PIF.

⁴⁸ For regional and/or global projects in which participating countries are identified, OFP endorsement letters from these countries are required even though there may not be a STAR allocation associated with the project.

⁴⁹ GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, SCCF and CBIT.