

**1. SIGNATURE PAGE**

**Country: Ethiopia**

UNDAF Outcome(s)/Indicator(s):

**Food Security Enhanced and the Capacity of Local Farmers to Adapt to Climate Change Improved**

Expected Outcome(s)/Indicator (s):

- Resilience of vulnerable farmers improved
- Enhanced use of early warning systems
- Integrated climate change-risk management
- Replication of successful approaches

Expected Output(s)/Indicator(s):

- Resilience of community food and income sources improved
- Sustainable land use management in place
- Capacity of institutions and community improved
- Drought information system enhanced
- Community based drought mitigation plan prepared
- Early warning system strengthened

Implementing partner: Ministry of Agriculture and Rural Development  
(designated institution/Executing agency)

Other Partners:

National Meteorological Agency, Disaster Prevention and Preparedness Agency, World Food Program, Ministry of Finance and Economic Development; Environmental Protection Authority, Ministry of Water Resources

Programme Period: 2007-2011  
 Programme Component: \_\_\_\_\_  
 Project Title: Coping with drought and climate change  
 Project ID: \_\_\_\_\_  
 Project Duration: 5 Years  
 Management Arrangement: NEX

Total budget: US\$ 3,243,667  
 Allocated resources:  
 • Regular GEF US\$ 927,000  
 • In kind contributions  
   o Donor WFP US\$ 1,116,667  
 • Government US\$1.2.000.000

**Signature**

On Behalf of the Government

• MoFED

Signature  
Date



AHMED SHAYKH  
State Minister

• MoARD

Signature  
Date

Mitiku Kassaye  
State Minister

Feb 2009

On Behalf of the Donor

UNDP

Signature  
Date

*[Handwritten Signature]*

Fidele Sarassoro  
UN Resident Coordinator &  
UNDP Resident Representative







**UNDP Project Document**  
**UNDP-GEF Medium-Size Project (MSP)**  
**Governments of Ethiopia**  
United Nations Development Programme (UNDP)

Coping with Drought and Climate Change

**Brief Description**

Increasing long-run temperature and declining rainfall scenarios for the Northern half of Ethiopia, including the pilot district for this project (Kalu woreda of the South Wollo Zone) will negatively affect agricultural production, deteriorate infrastructure and worsen livelihoods of the rural poor. Predicted climate change, including variability, will exert additional pressures on the already weakened subsistence economy of the pilot areas

The project will build adaptive capacity of the rural poor in the selected pilot sites to cope with drought and climate change and in doing so, contribute towards the reduction of the threat of climate change on livelihood opportunities. The project will build capacities of key stakeholders at different levels to disseminate and utilize effective climate and early warning information in agricultural planning processes.

In this context, the goal of the project is to enhance the capacity of agricultural systems in Ethiopia to adapt to climate variability and change. The project contributes to this goal through developing and piloting a range of coping mechanisms for reducing the vulnerability of farmers and pastoralists to future climate shocks.

The project is organized according to four outcomes, as specified in the Council approved MSP. The outcomes are: (i) Livelihood strategies and resilience of vulnerable farmers in the selected pilot sites improved and sustained to cope with drought and climate change, (ii) Enhanced use of Early Warning information in agricultural systems at the selected pilot sites, (iii) Drought mitigation and preparedness activities integrated across sectors and programmes at various levels of society in the pilot sites and (iv) Farmers/pastoralists outside the pilot sites replicate successful approaches to cope with drought.



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## List of Acronyms

BoARD	Bureau of Agriculture and Rural Development
BoWR	Bureau of Water Resources
CBNRM	Community Based Natural Resources Management
DPPA	Disaster Prevention and Preparedness Agency
EPA	Environmental Protection Authority
GEF	Global Environmental Facility
IWMI	International Water Monitoring Institute
LUEPA	Land Use and Environmental Protection Authority
MoARD	Ministry of Agriculture and Rural Development
MoFED	Ministry of Finance and Economic Development
MoWR	Ministry of Water Resources
NGO	Non- Governmental Organizations
NMA	National Meteorological Agency
NEX	National Execution Document
RMA	Regional Meteorological Agency
SCCF	Special Climate Change Fund
SC	Steering Committee
UNDP	United Nations Development Program
UNFCCC	United Nations Framework Convention on Climate Change
WARDO	Woreda Administration Rural Development Organization
WFP	World Food Program





## SECTION I: Elaboration of the Narrative

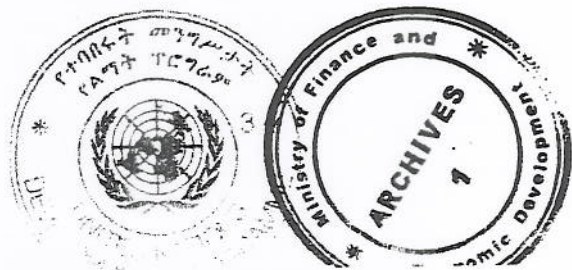
### PART I: SITUATION ANALYSIS

1. Ethiopia is located in the Horn of Africa within 33<sup>o</sup> and 48<sup>o</sup> longitude and 3<sup>o</sup> and 15<sup>o</sup> latitude. It is a land-locked country bordered by Eritrea, Djibouti, Somalia, Kenya and Sudan. It covers an area of 1.13 million km<sup>2</sup> with a population estimated at 72 million and a population growth rate of 2.9% per annum (UNDP, 2006). It has adopted a Federal State Government system since 1993 with nine regional states and two city administrative councils. Agriculture production is largely subsistence where 96% of cropland is cultivated by small landholders. The sector supports about 10 million farmers with an average farm holding of 0.5 hectare and is low input/low output rain-fed agriculture dependent on highly erratic rainfall, frequent droughts and climate variability. The country remains prone to drought as well as climate driven health impacts.
2. Climate change vulnerability analysis for Ethiopia suggests that climate change over the coming decades presents a serious threat to various economic and social sectors as the frequency and intensity of drought is likely to increase. The projected increasing temperature and declining rainfall scenario for the northern half of Ethiopia, which includes the pilot district will negatively affect agricultural production, deteriorate infrastructure and worsen the livelihoods of the rural poor in the pilot areas. Predicted climate variability and change will exert additional pressures on the already weakened subsistence economy of the pilot areas.
3. This project will assist Ethiopia to adapt to the long-term adverse effects of climate change. The project addresses the future impacts of long-term climate change, increasing the adaptive capacity of local and national stakeholders to cope with increased frequency and intensity of drought, which the Initial National Communication of Ethiopia has identified as a major consequence of climate change.
4. Climate change induced drought is a critical issue as it bears directly on ecosystem services. The First National Communication shows the sensitivity of different sectors to future climate change. In addition, National Adaptation Program of Action confirms that sustainable land management; drought and agriculture are priority adaptation issues. Results from the simulated scenarios on climate change given by the National Communication were the starting point of vulnerability analysis for the project.
5. The project objective, as per the GEF Council approved Medium Size Proposal is "to develop and pilot a range of effective coping mechanisms for reducing the vulnerability of farmers, particularly women and children in Kalu Woreda/District to drought. Activities will focus primarily on capacity development for adaptation, as per the comparative advantage of UNDP.

**New 6 Beneficiary of the project should be elaborated during the inception workshop**

### PART II: STRATEGY

6. The project aims at removing barriers to the adaptive capacities of the rural poor and the relevant stakeholders at all levels. It is targeted in strengthening the drought coping mechanisms

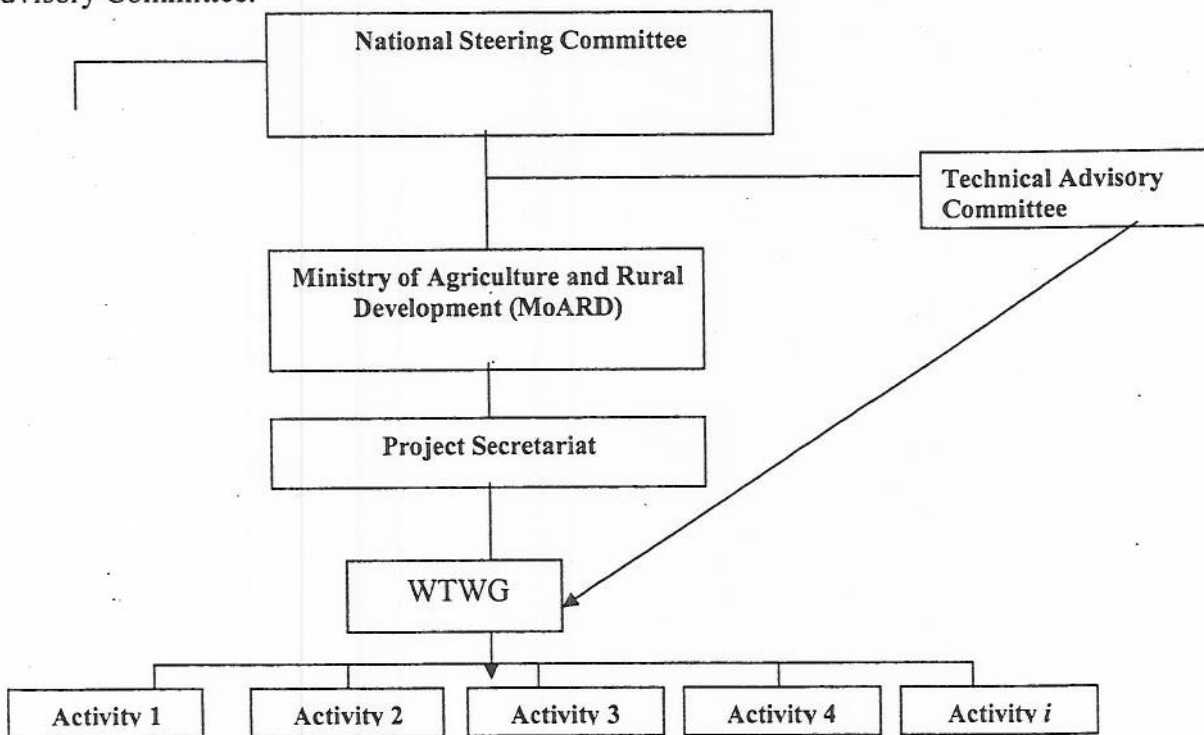




of the farmers through skill development and build the capacity of institutions to mainstream drought mitigation plans in the overall development plans. It will build resilience of rural households of selected pilot sites in Kalu Woreda to deal with climate variability and climate change by analyzing and addressing the major barriers to adaptive capacity of the community to mitigate and cope up with climate variability and changes. The project will introduce and establish a production system that reduces losses during drought years; production which is substantially more productive in good seasons; improve labor productivity to compensate for loss of family labor; sustainably manage lands and exploit the benefits and use technologies that maintain soil fertility and foster market development to gain added values. It will follow an adaptive capacity approach focusing on identification, and up-scaling of existing adaptive capabilities especially at the farm level. It focuses in managing the risks associated with future climate change and its impacts on land degradation. This will be realized through building on the development baseline and additional activities to increase adaptive capacity to cope with drought under changing climatic conditions.

**PART III : MANAGEMENT ARRANGEMENTS**

6. The project will be managed across four administrative levels (National, Regional, Woreda and Kebele/community) in line with government institutional set-up. Project implementation arrangements will include a National Steering Committee, a Secretariat and a Technical Advisory Committee.



**National Steering Committee**

7. The Ministry of Agriculture and Rural Development (MoARD) will in consultation and support from UNDP-CO and other key stakeholders including National Meteorological Agency (NMA), as UNFCCC focal point, and Ministry of Finance and Economic Development (MOFED), lead the execution of the “Coping with Drought and Climate Change” project.





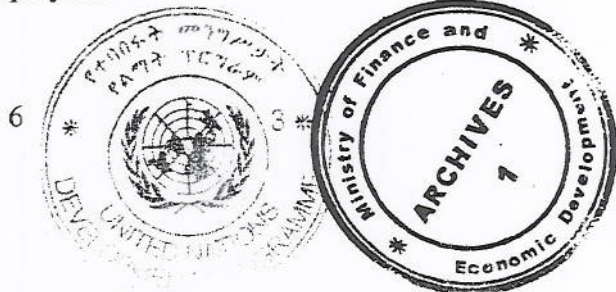
MoARD, with support from UNDP CO, will be responsible for the overall management and coordination of the project. The execution of the project will be according to the NEX guideline. This project document will be the main document that guides the overall execution of the project.

8. There will be a National Steering Committee chaired by MoARD. The National Steering Committee members shall comprise of UNDP-CO, Ministry of Finance and Economic Development, Environmental Protection Authority (EPA), , Disaster Prevention and Preparedness Agency (DPPA), Ministry of Water Resources Development (MoWR), Amhara Agriculture and Rural Development Regional Bureau, Kalu WARDO, Combolcha Meteorological branch office, World Food Program (WFP), and Food and Agriculture Organization (FAO) Representation of MoARD and NMA from the Amhara Regional State will ensure that there is a linkage between the federal and regional level in terms of reporting on project activities and providing adequate feedback from the field.

9. The National Steering Committee will provide policy guidance, review and approve work plan and assist in integrating adaptation across sectors. The NSC will meet twice annually to review and evaluate the performance of the project in terms of the identified outcome and output indicators. The NSC has the role of overseeing project planning and performance of the project management unit (PMU). It will also establish a technical advisory committee comprising professionals from MoARD, NMA, MOFED, DPPA and MoWR to provide technical advice for the Steering Committee. MoARD will assume the lead on technical matters with regards to climate change adaptation and agriculture, in the context of this project. The Steering Committee must identify all resource needs (financial and human resource) for the successful implementation of this project. This includes the identification and hiring of national and international consultants, which must be on the basis of needs assessments (to be undertaken by the project manager), availability of detailed Terms of Reference, and availability of necessary budgetary support. A project Secretariat will be housed in MoARD with a project manager and other support staff. A project manager, reporting to MoARD and UNDP jointly will be recruited to oversee the implementation of the project (see terms of reference for the PM including reporting channels).

#### **Woreda Technical Working Group**

10. The Woreda Technical Working Group (WTWG) will contribute to project implementation at the local level, accountable and reporting to the National Steering Committee. The WTWG will include representatives from woreda Administrative Office, WARDO, Combolcha Regional Meteorological branch office, WFP Sub-office, and two community representatives from each pilot site. The WTWG will also develop a detailed project implementation plan supported by the PM that will include ensuring that drought mitigation and preparedness is in place. The WTWG will serve as the Kebele Steering Committee that will coordinate the activities of the community development teams. The Kebele Administration is the lowest level community organization that deals with all kinds of security services and development activities of the Kebele. The communities are already organized into various committees, including a Development Committee that comprises farmers, women, teachers and extension agents. The development team or committee, led by the Chairman of Kebele Administration, will be responsible for implementing the project. The development committee may be split into smaller sub-committees in order to execute different activities of the project.





11. MoARD, NMA, DPPA, MoWR, EPA and UNDP all deal with core issues relevant to the project. They shall provide expertise and other appropriate inputs to the project and in return, can benefit from capacity development on integrating climate risk management information sharing and improved coordination of interventions.

12. In order to accord proper acknowledgement to GEF for providing funding, a GEF logo should appear on all relevant GEF project publications, including among others, project hardware and vehicles purchased with GEF funds (if applicable). Any citation on publications regarding projects funded by GEF should also accord proper acknowledgment to GEF. The UNDP logo should be more prominent and separated from the GEF logo if possible, as UN visibility is important for security purposes.

13. Financing for the project will come from the SCCF in the amount of US\$ 995,000 as well as from the Government of Ethiopia in the amount of US\$ 750,000. The Government's contribution will be both in cash and in kind to the project activities. In addition, WFP has pledged a co-financing contribution of US\$ 1,116,667. The Co-financing sources are MoFED, NMA and WFP. Additional co-financing will be confirmed during project implementation (especially from MoARD).

14. As originally conceived, four countries were involved and it was thought to develop a regional project, however, due to difficulties in ensuring regional co-ordination of activities, and considering that such difficulties would be serious, the approach was revised in consultation with GEF secretariat to present four national MSPs each with outputs and activities designed to secure the same level of regional cooperation and exchange of lessons that was envisaged for the full project. It is anticipated that the Drylands Development Centre will play a role in providing technical support for the regional component of this and the other Coping with Drought projects in Mozambique, Zimbabwe and Kenya.

#### **Sub Regional Steering Committee for CwD**

15. The sub regional steering committee includes UNDP's Dryland Development Centre, UNDP-GEF and focal points from the lead NEX agencies in each of the countries implementing UNDP's Coping with Drought Project. In the case of the Ethiopia project, the focal point from MoARD will participate in Regional Steering Committee discussions primarily by telephone and email.

#### **Key Stakeholders, their Role and Responsibilities**

##### ***Ministry of Finance and Economic Development***

16. The MoFED is fully responsible for the overall facilitation and coordination of the project at federal level through close cooperation and contact with MoARD, NMA and UNDP. It will receive regular reports from MoARD and provide feedback and advice to the MoARD and UNDP on new developments that affect the project. MoFED is also responsible to provide policy guidance and facilitate in any necessary budget revisions, and participate in joint monitoring and evaluation.





***Ministry of Agriculture and Rural Development (MoARD)***

17. MoARD will execute the project and be responsible for financial accounting, project's resources management and submission of financial and progress reports of the project to UNDP. MoARD will provide technical support through co-financing and follow up on the project implementation in consultation with the PMU and UNDP CO. The Ministry will work through regional offices bureau of agriculture and rural development to facilitate project implementation. The Ministry will ensure that the project is aligned with the work it is currently undertaking through agricultural extension services. It will also be responsible to provide technical support to the project. The ministry will serve as member of the early warning groups.

18. MoARD will establish a project management unit (PMU). A project manager will be contracted who will lead the project implementation. National consultants will also be contracted (as required) to provide services related to the project implementation. Any contracting must follow established NEX procedures.

19. MoARD will submit quarterly progress reports to MoFED and UNDP and undertake annual progress reviews, and conduct project monitoring and evaluation. It will also be responsible to provide inputs necessary for successful project implementation (as in kind contributions) and host the project management unit.

***Environmental Protection Authority***

20. EPA will serve as GEF operational focal point to the country will be responsible to follow up the progress of the project through reports from MoARD and submit to MoFED that is responsible to assess the progress of donor-funded projects such as this.

***Disaster Prevention and Preparedness Agency (DPPA)***

21. DPPA will be Responsible for the creation of drought preparedness plan and information related to hazards of climate change and variability.

***National Meteorological Agency (NMA)***

22. In addition to being member of the Project Steering and technical committee, NMA will be responsible for leading the component on improving communication linkages between meteorological data providers and users in the field and contribute to early warning component. As the lead of the preparatory phase of this project, NMA contains the institutional memory for this project and therefore will play a key role in ensuring the project delivers the anticipated outcomes.

***UNDP-CO***

23. UNDP-CO will be responsible for the overall development and follow up program review, timely delivery, and leading and overseeing monitoring and evaluation. It will also be accountable for the disbursement of project fund; establish and maintain financial accounts for the project as per established procedures. The UNDP-GEF RTA will provide strategic guidance to the project during implementation including technical input on project specific outcomes.





### ***Other Partners***

24. In addition, collaboration with international organizations and private sector associations will be pursued to ensure a wide range of professional capabilities and functions in order to execute the project efficiently and effectively. For example, WFP will be engaged to provide technical support towards the implementation of drought-related coping projects (e.g. insurance), the Ethiopian Agricultural Research Organization will be contacted for the provision of research outputs on various agricultural crops and soil conservation technologies including dry land crops, The Center for International Forestry Research (CIFOR) will be approached to Provide technical support for livelihoods improvement through forests and drought management techniques and support from the International Water Management Institute (IWMI) will be sought for improving water use efficiency. The Project Management Unit in consultation with the GEF-RCU, MoARD and UNDP-CO will clarify the roles of various partners during the implementation phase.

## **PART IV: MONITORING AND EVALUATION PLAN AND BUDGET**

25. Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures and as reflected in the National Execution Guidelines. The Logical Framework Matrix in Annex 1 of the attached MSP brief provides *performance* and *impact* indicators for project implementation along with their corresponding *means of verification*. These will form the basis on which the project's Monitoring and Evaluation system will be built. In addition, UNDP/GEF will provide technical support in developing indicators for adaptive capacities during the inception phase of this project. These indicators, which will focus on capturing adaptation benefits, should be integrated into the design of the project and be interwoven with the impact indicators used for tracking key project implementation milestones. The adaptation indicators should be discussed during the inception meeting, budgetary resources appropriately allocated and agreed upon prior to implementation of the project. UNDP-GEF, through the Regional Coordinating Unit and HQ will provide additional guidance through the Regional Technical Advisor on the appropriateness of the indicators.

### **Project Inception Phase**

26. A Project Inception Workshop will be conducted with the full project team, relevant government counterparts, co-financing partners, the UNDP-CO and representation from the UNDP-GEF Regional Coordinating Unit as appropriate. A fundamental objective of this Inception Workshop will be to assist the project team to understand and take ownership of the project's goals and objectives, as well as finalize preparation of the project's first annual work plan on the basis of the project's logframe matrix. This will include reviewing the logframe (indicators, means of verification, assumptions), imparting additional detail as needed, and on the basis of this exercise finalize the Annual Work Plan with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project.





27. Additional purpose and objective of the Inception Workshop will be to: (i) introduce project staff with the UNDP-GEF *expanded team* which will support the project during its implementation, namely the CO and responsible Regional Coordinating Unit staff; (ii) detail the roles, support services and complementary responsibilities of UNDP-CO and RCU staff vis à vis the project team; (iii) provide a detailed overview of UNDP-GEF reporting and monitoring and evaluation (M&E) requirements, with particular emphasis on the Annual Project Implementation Reviews (PIRs) and related documentation, the Annual Project Report (APR), Tripartite Review Meetings, as well as final evaluations.

28. The Inception Workshop will also provide an opportunity for all parties to understand their roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff and decision-making structures will be discussed again, as needed, in order to clarify for all, each party's responsibilities during the project's implementation phase

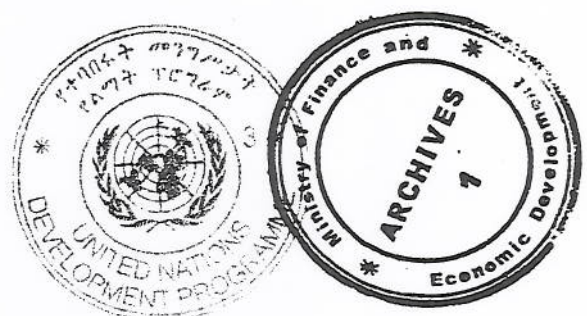
### **Monitoring Responsibilities and events**

29. A detailed schedule of project review meetings will be developed by the project management team, in consultation with project implementing partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for Tripartite Reviews, Steering Committee Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.

30. *Day to day monitoring of implementation progress* will be the responsibility of the Project Manager MOARD based on the project's Annual Work Plan and its indicators. The Project Manager MOARD will inform MOFED, the UNDP-GEF RCU and if necessary the UNDP CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.

31. MOARD/The Project Coordinator will fine-tune the progress and performance/impact indicators of the project in consultation with the full project team at the Inception Workshop with support from UNDP-CO and assisted by the UNDP-GEF Regional Coordinating Unit. Specific targets for the first year implementation progress indicators together with their means of verification will be developed at this Workshop. These will be used to assess whether implementation is proceeding at the intended pace and in the right direction and will form part of the Annual Work Plan. The local implementing agencies will also take part in the Inception Workshop in which a common vision of overall project goals will be established. Targets and indicators for subsequent years would be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

32. Measurement of impact indicators related to global benefits will occur according to the schedules defined in the Inception Workshop and tentatively outlined in the indicative Impact Measurement Template. The measurement, of these will be undertaken through subcontracts or retainers with relevant institutions.





33. Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through quarterly meetings with PBWB or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

34. MOARD, UNDP Country Offices and UNDP-GEF RCUs as appropriate, will conduct yearly field visits, or more often based on an agreed upon schedule to be detailed in the project's Inception Report / Annual Work Plan to assess first hand project progress. Any other member of the Steering Committee can also accompany, as decided by the Committee. A Field Visit Report will be prepared by the CO and circulated no less than one month after the visit to the project team, all SC members, and UNDP-GEF.

35. Annual Monitoring will occur through the *Tripartite Review (TPR)*. This is the highest policy-level meeting of the parties directly involved in the implementation of a project. The project will be subject to Tripartite Review at least once every year. The first such meeting will be held within the first twelve months of the start of full implementation. The Project Coordinator/MOARD will prepare an Annual Project Report (APR) and submit it to MOFED, UNDP-CO and the UNDP-GEF regional office at least two weeks prior to the TPR for review and comments.

36. The APR will be used as one of the basic documents for discussions in the TPR meeting. The Project Coordinator will present the APR to the TPR, highlighting policy issues and recommendations for the decision of the TPR participants. The Project Coordinator also informs the participants of any agreement reached by stakeholders during the APR preparation on how to resolve operational issues.

#### **Terminal Tripartite Review (TTR)**

37. The terminal tripartite review is held in the last month of project operations. MOARD, in consultation with UNDP-GEF RCU, is responsible for preparing the Terminal Report and submitting it to MOFED, UNDP-CO and UNDP/GEF Regional Coordinating Unit. It shall be prepared in draft at least two months in advance of the TTR in order to allow review, and will serve as the basis for discussions in the TTR. The terminal tripartite review considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its stated objectives and contributed to the broader environmental objective. It decides whether any actions are still necessary, particularly in relation to sustainability of project results, and acts as a vehicle through which lessons learnt can be captured to feed into other projects under implementation or formulation.

#### **Project Monitoring Reporting**

38. The MOARD/PMU will contribute towards as well as prepare the following reports.

##### **(a) Inception Report (IR)**

39. The inception report will be prepared by the PMU/MOARD with the assistance of NMA and UNDP CO. The IR will be prepared no later than three months after project start-up of the UNDP/GEF component and will include a detailed multi-year work-plan and budget, M&E Framework, first Budget Revision for the duration of the project, progress to date on project

