





Mainstreaming Incentives for Biodiversity Conservation in CRGE project National Project Steering Committee Meeting

Date: 29/07/2018

Venue: Elilly International Hotel, Addis Ababa

Time: 8:30AM-1:00 PM

Participants of the meeting

1. Dr. Melese Mario, Director general, Ethiopian Biodiversity Institute & PSC Chairperson

2. GizachewSisaye, UNDP, IGSD Team leader, Co-chair

3. Mrs. WubuaMekonnen, UNDP, member

4. AtoWubeshetMengistu, National Plan Commission, Member

5. Dr. MisikirTesema, NBSAP coordinator, member

6. Ato Samuel Kebede, SNNP regional state Environment Protection and Forest Authority head, member

7. Dr. Belayeneh Ayele, Amhara Regional state Environment, forest, wildlife protection Authority, member

8. AtoAbdurazakTeyib, Ethio-Somali regional state EPFMA, member

9. Ato Abdeta Debella MIBC project manager, Minute Taker

10. Ato Berhanu Edeti, Oromia EFCC authority, Biodiversity director, member

11. Ato Kasye Wami, Ethiopian Wild Life Conservation Authority, member

12. Ato Mesfin Sodo, MIBC project M&E officer,

13. Ato Melese Tafese, MIBC project Finance officer

Observers

1. Ato Nigusu Lema, Climate Change and Biodiversity sector directorial general, MEFCC,

2. Ato Wardi Hashim, Resource mobilization and Program Coordination director Bellec general, MEFCC,

3, Ato Asefa Gudina, Biosfatey director, MEFCC,

Opening

Dr. Melese Mario welcomed participants and underscored the following points:

- Explained that Mainstreaming Incentives for Biodiversity Conservation in CRGE project
 is a highly relevant project to mainstream incentives and mechanisms that intensify
 efforts in conserving and protecting biological diversity in Ethiopia
- Expressed that the project has contributed much supports to the national ambitions of restoring biodiversity and strengthening enabling conditions for mainstreaming biodiversity in strategic and fiscal instruments
- Expressed his gratitude for the project team for its commitment to deliver substantial results. Likewise, he extended his gratitude to the project key stakeholders for their attentive technical supports and follow up per mandates elaborated in the prodoc.
- Explained that the momentum at all level of the project must be enhanced in 2018 to meet the project objectives
- Appreciated UNDP's support in the implementation of this project and underscored the need for continuing the supports
- Appreciated the project technical support to coordinate regional as well as national
 government bodies and assured that MEFCC and its designated biodiversity sector;
 Ethiopian Biodiversity Institute will continue its commitment to support the project
 implementation and to sustain results gained from the project.
- Finally he appreciated substantive results gained and core activities undertaken by the project at all levels. Furthermore, he underlined the need for sustaining existing momentum to achieve the anticipated results of the project in general and intensifying the ongoing awareness creation for the whole public, policy makers and communities on vital role of biodiversity, in particular.

I. Presentation

The project manager has briefly reminded the project objectives and implementation arrangement to the meeting participants:

• Explained the project result framework, project resource and description of the project pilots sites; land mass per each site, location and its biodiversity significance

The Project manager has briefly presented the progress report as follows

I. Strengthening the enabling framework for mainstreaming incentives for biodiversity conservation

1. Successful completion of Biodiversity Public Expenditure Review (PER)

In order to mainstream biodiversity values and management costs into national accounts the project prepared Biodiversity Public expenditure review document(BPER) and collected and compiled the inputs from key project stakeholders. On top of BPER, two policy notes and one policy brief were compiled and communicated to key project stakeholders. Accordingly, Ethiopia's fiscal investment for the conservation of biological diversity for the last two decades is reportedly under 1.2% of its GDP where as SSA average is 2.2%.

- 2. Decision support tools to ensure infrastructure placement and other investments do not negatively impact on biodiversity
- 2.1 Biodiversity score card: Score card report that analyze abundance of species, threat factors for the loss of biodiversity and commendable management intervention was successfully completed and submitted to local government departments concerned for their actions
- 2.2 Digital Map: The project has tasked Ethiopian Geospatial agency to prepare digital maps of the 04 project pilot sites. Accordingly, the digital map preparation process is nearly completed(90%), which soon will be submitted to decision makers concerned at all levels, to ease and support investment decisions related to land conversion as well as large infrastructure placement, to cushion biodiversity from the negative impacts of these investments.
- 3. Strengthening Cooperation and interaction between institutions involved in managing biodiversity loss and climate change
- 3.1 Develop effective communication tools and mechanism
 - 02 and 08 interactive forums were organized between sectors involve in Climate Change and Biodiversity issues and enhanced the interface of Biodiversity and Climate Change at national and local levels, respectively

- The project supported Ethiopian biodiversity Institute in its effort to organize Biodiversity mainstreaming endeavors and co-organized 01 stakeholders joint plenary and 01 biannual joint review
- The project has initiated and strengthened cooperation of local environment, forest and climate chnage offices and 04 universities stakeholder to the project(Arbaminch, Debremarkos, Jigjiga and Wollega universities)
- 3.2 Strengthened cooperation with Amhara regional state Environment, Forest and Wildlife Authority to up-scale conservation effort of Choke pilot site.

Based on the decision of project steering committee at zonal level, the regional state authority has amended the decision to up-scale conservation of Choke pilot site to community based protected area of IUCN category VI. Accordingly, delineation of core & buffer zone and preparation of management plan, including preparation of directive is completed for the endorsement of the state parliament.

4. The project supported the ministry to create an enabling framework for Environmental service payment (PES) in Ethiopia

Further to piloting voluntarily version of Payment for Ecosystem Services (PES) at the project sites, the project has supported the ministry and enabled it to prepare national PES strategy and road-map that also explored detail feasibility & potential of PES in Ethiopia. The strategy has been presented to wider stakeholders, gathered inputs for immediate finalization and pursuance of PES legislation.

II. Pilot a program of Payment for Ecosystem Services in four project sites.

2.1 Identified and strengthened capacities of 05 new established CBOs(Prospective sellers to supply ecosystem services) and capacitated 29 CBOs organized in the previous years to modify land use practices

The project has provided different technical and financial supports to 04 regional states,7
and 30 kebeles to strengthen their capacities to effectively coordinate improved land
management practices.

The project has linked 34 CBOs to rural livelihood and load service providing institutions, and benefited a total of 6500 CBOs members.

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- The project has facilitated participatory land use planning exercise among land managers living in 35 kebeles of the project pilot sites.
- Joint site delineation and preparation of management plan was completed for Choke Prospect PA. Directive was also drafted for endorsement of regional parliament
 - Partnership was signed between Kulfo project site and GIZ forest program to expedite individual tree seedling scheme that benefit households around 5ETB per survived. 648 households (453 Youth headed household) are benefited from the same.
 - The project has closely worked with local government service providers and benefited 4731 women from different conservation initiatives and enabled them to access energy efficient cooking stoves & solar energy lanterns.
 - 6500 (2340 Female) community members have got different trainings on ecofriendly livelihood options(such as fattening schemes, shot rearing, apiculture, fodder production, supply of improved crop seed, and high value fruits)
 - A total of 1.3 Million tree seedlings and more than 315,000 physical conservation structures are implemented in the 04 project conservation sites
 - 10,558 ha biodiversity hotspot sites are made free from all sort of human intervention as a core zone
 - Integrated conservation activities was implemented on more than 10,000 ha of buffer areas
 - Flood hazard that was persistently affect Woze sub-city of Arbaminch has been significantly reduced, as a result of intensive conservation work by conservation CBOs organized at Kulfo pilot site

2.2 Substantial Rehabilitation gains of the conservation

• The project has got strengthened local capacities to bring substantial conservation gains at Diga pilot site, accordingly achieved significant reduction of encroachment, illegal logging activity, turned charcoal making to near zero, totally controlled wild fire and wild life hunting. As a result the pilot site has revived in terms of forest cover, restoration of wild life and increase in water streams.

 Physical and biological Conservation actions implemented at Kulfo pilot site has brought remarkable positive change in terms of reducing flood disaster in Waze Sub-city of

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Arbaminch. Besides, geo-physical condition of the site including forest coverage, wild life restoration, soil & water retention, improve in pasture availability.

- Hadew project pilot site, as it also called Karamara in Ethio-Somali regional state, is rehabilitated from previous serious degradation as a result of illegal mining activities.
 The current biodiversity condition of this site is incredibly particular as compared to the situation during the baseline.
- Considering the current serious enrichment level and complex livelihood condition at
 Choke pilot site, discussions were made with local government officials to apply strong
 policy instrument for the conservation actions. Accordingly, it is decided by the local
 government to put the site under protected area system. Results gained in this regard can
 be summarized as follows:-
 - Continuous discussions were made with communities on the need to reverse the exiting pressure on Choke and gained significant responses from the communities on the same
 - Understanding was reached with the community and local government officials to put 6024 ha of land under core conservation area and 11,000 hectare under buffer & transitional areas
 - The project has got commitment/promise from regional Environment, Forest and Wildlife Conservation authority to accelerate legal process of the protection site.

2.3 Study Undertakings and guidelines prepared by the project

The project has finalized the following studies and national guidelines.

- Prepared national guideline for ecosystem service valuation and created a pool of resource personnel on the same
- Prepared a manual on Ecosystem Service Payment(PES) manual; designing, negotiation and contracting
- Completed Biodiversity Score card report of the four pilot sites
- Completed baseline report of the four project pilot s sites
- Completed biodiversity mainstreaming guideline

Prepared national strategy on ecosystem service payment, including PES feasibility study

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2.4 Awareness creation on vital roles of biodiversity

- Different awareness raising campaigns were implemented by the project that portrayed important messages on the importance of biodiversity for the national and local economy as well as for the wellbeing of the community. Among them are:-
 - Documentary film of the 04 project sites produced & used for Community awareness raising
 - 7 TV programs were streamed on the Significance of Choke Mountain ecosystem on EBS TV, and addressed millions of people.
 - Mass education was streamed on Fana FM radio for 04 rounds, on the potential of Diga forest ecosystem and addressed more than 1 million people
 - Oromia radio and TV network has streamed on the potential of Diga-Furdisa forest ecosystem
 - Ethiopia radio has streamed 02 times on global & national significance of Choke mountain ecosystem, addressed more than...people

III. Challenges encountered

- The project has no sufficient livelihood component to support communities' trade-off for the conservation work
- Lack of PES law in the country to strongly support the PES pilot initiative with legal enforcement
- Competitive actions between conservation and economic activities at all levels
- Frequent turnover of key staff among stakeholders
- Persistent Security problem during 2017 and few times in 2018 hindered the project activities for some times

IV. Remedial Actions taken by the project

- Livelihood diversification opportunities are linked to local government service providers such as food security office, regional MFIs and so on.
- The project has supported Ethiopia's Ministry of Environment to prepare & adopt
 National PES strategy as a strong evidence to legislate PES law

• Increased number of project case dealers will key stakeholders

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V. 2018 Project annual work plan

The project has prepared 2018 AWP and signed by project parties. Project Priorities from 2018AWP are summarized as follows

- Intensifying advocacy for pro-conservation investment at national and local levels
- Strengthening Amhara Environment Forest and Wildlife Authority for Gazzeting Choke protected area.
- Up-scaling Diga-Arjo project site to 12,000 ha from the current 6400 ha, and support the regional EFCC Authority for designating Diga pilot site as a formal conservation site
- Support Signing of PES agreement among project CBOs and Ecosystem Service users(private, public agencies)
- Intensify the strengthening of the enabling conditions for mainstreaming incentives for biodiversity conservation, specifically reflecting biodiversity values in national accounts and to finalize PES law in Ethiopia
- Partnering other agencies for complementary conservation (REDD+, CRGE facility, GIZ and others)
- Strengthening capacities of local government and CBOs to properly coordinate PES
- Total Project budget for 2018 is 777,234 USD; Outcome I:203,534 and Outcome II: 509,200 and PMU:64,500

VI. Questions, Answers and Discussions

Questions

- Since one of the sources of water for the downstream countries is Choke is there any Payment scheme intended to implement in near future across the riparian countries?
- There is a population pressure in Choke pilot site and need to adopt the Semen mountain's experience, and is there any possibility for the project to make this happen?
- The partnership built with GIZ's forest program in Kulfo site to incentivize communities through a payment of 5ETB/survived seedling is interesting, but how effective and efficient it is to the GIZ project to pay 5 Birr for each seedling?
- Ethiopian government has signed an agreement to contribute 1.6 MLN USD to this project. what is status of this commitment?

• How is the project integrating with other sectoral and academic institutions to enhance capacities for ecosystem service valuation techniques?

Responses from the project manager and PSC chair persons

- It is responded that cross boundary ecosystem service payment (PES) is part of international PES scheme, and should be governed by some sort of regional /international framework. Nevertheless, our focus now should be on local and national PES schemes which actually need strong legal instrument, that hopefully will be adopted by Ethiopia via our thorough advocacy and follow-up. Consequently, the trans-boundary PES efforts will be continue once we develop national capacities for the subject.
- It is well understood that Choke pilot site is a significant hot spot with huge national and international significance for water security and energy. The implications if the degradation trend continuous like this in Choke is very clear as the site harbors more than 29 tributary rivers cover about 40% of upper Nile water. Therefore the project has considered experiences of Semen mountain, Guna and Menzguasa were selected communities from Choke have also visited.
- With regard to current partnership initiated with GIZ's forest program on individual tree plantation scheme; the incentive payment of 5ETB/survived seedling is not based on economic feasibility, but ecological benefits of trees and also to send a signal for communities that protecting nature is something worth costing for, and also recognize those involved in the plantation and caring activities through the incentive scheme.
- Financial contribution of 1.6 MLN USD to the project by the government of Ethiopia is not effected so far, and needs high level discussions with senior management of Ministry of Environment, Forest and Climate change and its work units at regional and local levels on how to go ahead with this financial contribution. Yet it is advisable to consider REDD+ and CRGE resources as sources of this resource per the initial understanding reached during the project designing.
- It is highly important to integrate with government sectors concerned and higher education institutions to enhance capacities on ecosystem service valuation, and the project has been doing the same. For instance the project has capacitated key personnel in stakeholder government sectors and 04 universities stakeholder to the project, which eventually has rolled-out to many more staffs with government institutions. Furthermore the project has developed user friendly guideline for ecosystem service valuation. To translate theoretical training on this subject to concrete valuation practice, the project has facilitated on spot practical training on lake Ziway wetland ecosystem, accordingly total economic valuation of lake Ziway was done by the trained personnel.

Suggestions and Discussions

Participants have endorsed the project progress report and underscored the following:

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- The project progress is highly promising and it is worth congratulating the project team for the good job they have done. It was also underscored that the current momentum has to continue
- Though it is understood that the project has no livelihood component, participants have underscored that local governments have to avail alternative livelihood options for communities living in the conservation site in order they get alternatives while incurring opportunity costs for the conservation endeavor.
- Participants have advised the project manager to make sure that ongoing PES pilots are not in contrary with fundamentals of the Ethiopian constitution and some sectoral laws, for instance water and electricity bills shouldn't force domestic user to pay extra payment for the service they get from both, rather enterprises who gather the concessions has to pay.
- It is emphasized the need for strengthening institutions involved in the coordination of the project at all levels
- Highlighted the importance of close follow-up and monitoring of site project performance by the PMU, to ensure timely actions on challenges arise in midst of project implementation
- It is anonymously appreciated the project initiative to develop PES strategy and an
 attempt to push PES law. It was also agreed to take individual and group steps in
 advocating and realizing PES law in Ethiopia, as its importance is significant to enhance
 environmental quality and in terms of creating innovative domestic financing for the
 conservation work.

Wrap-up and closing Wrap-up

- The project steering committee has endorsed 2017 report and 2018 AWP and instructed PMU to properly document both
- It was agreed that the next project steering committee meeting will be held at a selected project pilot site

Closing and direction

The project chair person has made the following closing remark

- Underlined the importance of gathering experiences and best practices on payment for ecosystem services
- It was agreed by all on the need to communicate project results to national and local government structures concerned for further support and scaling up
- Underscored the importance of extending the project best practices and results by embracing all relevant stakeholders in the project implementation process and enhancing the interface of climate change and biodiversity.
- The PSC instructed MIBC PMU to enhance its awareness creation for the national and local officials on vital roles of biodiversity and results gained by the project so far.

Besides, it was advised the project team to align project results with government sectors concerned to ensure sustainability of the project gains

The meeting was adjourned at 12:30 AM

Minute Prepared by: AbdetaDebella, MIBC Project manager,

Minute cleared by: WubuaMekonen, A/team Leader, CRGG unit UNDP

Minute Approved by: Dr. Melese Mario, PSC chair person, Executive Director Ethiopian

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