

REQUEST FOR TARGETED SUPPORT

Supporting the Government of Ethiopia in navigating REDD+ readiness and designing a model for regional REDD+ under the UNFCCC Warsaw Framework

December 22nd 2014

I. SUMMARY OF REQUEST	
Main objective	<p>The Government of Ethiopia (GoE) requested UN-REDD targeted support through UNDP and UNEP in order to enhance the national REDD+ readiness process, by strengthening capacities of national and regional authorities to understand the multiple values of forests, to drive and coordinate the development of the various REDD+ components, and to design a model for decentralised REDD+ under the UNFCCC Warsaw Framework. This capacity building effort will specifically allow the GoE to:</p> <ul style="list-style-type: none"> - Better understand and navigate the institutional context and political forces that drive and determine the national REDD+ system - Better assess and advocate for the value of forests as part of national socioeconomic development - Learn from leading countries experiences on institutional arrangements for forest management and leverages to make REDD+ a transformational tools that supports sustainable national development. - Mobilise regional authorities to increase coordinated capacities to attract funding under the UNFCCC framework and engage into the REDD+ investment phase, through nationally coordinated policy and measures <p>This request was approved by the UN-REDD Steering Committee in Q4 2014. Following the approval and following a mission by UNEP to Ethiopia early November 2014, the Ministry of Environment and Forests (MEF) indicated that it is desirable, in addition to what was included in the original Targeted Support request, to conduct a socio-economic valuation study to understand how important Ethiopia's forest ecosystems are for citizens across different districts. This will complement an ecosystem valuation study that provides an initial indication how much Ethiopia's forests contribute to its national economy. The additional Targeted Support requires a relatively modest additional budget from the UN-REDD Programme.</p>
Main results expected	The additional funds requested for this Targeted Support will further strengthen Output 2 on "Roadmap linking the value of Ethiopia's forests to its national account".
Total amount requested (US\$)	US\$ 16.500 (UNEP) in addition to the amount already requested and approved. The Ministry of Environment and Forests in Ethiopia is providing in-kind support (with a value of US\$ 54,000).
Related Work Areas as defined in the <u>UN-REDD Programme Strategy 2011-2015</u>	Green Economy
Planned period of implementation	October 2014 – August 2015
Please select below type of funding as appropriate	




- Request for funding for REDD + activities implemented in support of existing UN-REDD National Programmes.
- Request for funding for REDD+ activities complementary to other nationally-defined REDD+ activities (national strategies, RPP and/or bilaterally funded REDD+ activities) or for initiation of REDD+ activities. (The country has no UN-REDD National Programme.

II. BACKGROUND

This text is the same as in the original Targeted Support.

Ethiopia has been in the REDD+ process since 2008. The FCPF grant agreement was signed in October 2012. The national process was officially launched by an inception workshop in January 2013, and effective implementation started in June 2013. Under the responsibility and supervision of the State Ministry of Forests, the national REDD+ Secretariat coordinates REDD+ efforts as a tool towards green economy and carbon neutral development target, and implements readiness work with support from the FCPF. Through arrangements with Norway and the UK, the FCPF supports the REDD+ readiness process in Ethiopia with about US\$ 14M, covering the total amount of the R-PP. On top of that, a US\$ 10M agreement was signed between the GoE and Norway for performance-based payments against the implementation of a readiness roadmap up to 2020. The national REDD+ process is well funded, but experiences slow delivery related to the low level of capacities for this new topic, and the time requested to digest the various technical inputs and related political implications.

The national REDD+ process is part of a national development vision and strategy that is already strongly aligned with environmental and climate concerns (Climate Resilient Green Economy Vision). On the other hand, the Ministry of Environment and Forests was only created one year ago. So Ethiopia shows a mix of opportunities (awareness of natural and climate vulnerability, political discourse and commitment, mainstreaming efforts...) and weaknesses (young institutional arrangements for forest management...) that offer a very specific context for implementing REDD+. Besides the WB as the largest direct contributor to the environment and forestry sector, the MEF has requested UNDP to support with the institutional capacity building of the new State Ministry of Forests, and a project of US\$ 13M is currently submitted and discussed with Norway, with strong bridges with the REDD+ readiness process.

Several pilot activities are deployed on the ground by various partners, with the largest being the REDD+ programming in the Oromia region with the perspective of agreeing on a ER purchase agreement with the FCPF CF. Most pilot activities aim at experimenting ways to tangible emissions reduction at subnational level, and typically focus on building capacities towards concrete subnational carbon transactions. There is a need to explore alternative avenues for implementing REDD+ on the ground while moving more directly towards the UNFCCC Warsaw mechanism. Indeed, since COP19 in December 2013, the REDD+ international mechanism was completed and agreed by the international community. Now countries have a framework and procedures to implement REDD+ activities (national strategy, safeguards), to measure impacts (carbon MRV under national forest monitoring systems) and to receive international payments based on results (reference level). The UNFCCC Warsaw Package promotes a step-wise approach, where countries can quickly start deploying result-based actions and claim for related payments at the national level.

In this context, UN-REDD targeted support will assist the MEF in general and the REDD+ Secretariat in particular with getting ready for REDD+ in a very complementary way with the FCPF programme, exploring additional avenues and deepening the information and capacities on substantive issues to foster transformative and policy-based approach to REDD+ strategy.



III. SPECIFIC OBJECTIVES

The additional funds requested will strengthen component 2 of this Targeted Support to the Government of Ethiopia:

Component 2: Economic valuation of Ethiopian forests (supported by UNEP)

- Objectives

To work towards an understanding of the economic contribution of Ethiopia's forests to its economy and national account, building work conducted by the World Bank through the Forest Sector Review. In order to ensure success, the Ministry of Environment and Forests will take responsibility of implementing the operational activities ensuring high-level engagement at every step with other ministries, including the Ministry of Finance and Economic Development, the National Planning Authority and the Central Statistical Agency.

- Activities

UNEP will provide expertise to conduct an assessment of the situation and the gaps in terms of bibliography, data, initiatives and institutions. It will also support the MEF with setting up a network with key institutions including the Ministry of Finance and Economic Development, the National Planning Authority the Central Statistical Agency and other relevant governmental and non-governmental stakeholders. It will bring advise and training to key stakeholders, and help work towards a (draft) value how Ethiopia's forests contribute to its economy and how data on the biophysical and economic values can be linked to its national accounts using the UN SEEA approach and guidelines on Experimental Ecosystem Accounting. The progress to move towards an understanding about Ethiopia's forest values depends on the availability of existing biophysical data and other conditions to achieve success. In addition, a socio-economic valuation study will be conducted in 10 – 15 districts to get a better understanding how households across different districts depend on forest ecosystems for their income.

The MEF will take responsibility of implementing the operational activities while UNDP could support technically together with UNEP, while UNDP will facilitate with operational and financial implementation of actions. UNDP will also provide political and institutional expertise and backstopping to facilitate the translation of forest value into the national accounting system.

IV. IMPLEMENTATION

A national consultant will be hired (by the UNDP country office) to implement the additional work: socio-economic valuation study. The national consultant will also support the international consultant on the forest economic valuation study.

V. FUNDING SOURCE

The proposed additional component will be financed by the Targeted Support and through the Ministry of Environment and Forests (MEF). The in-kind contribution from MEF constitutes staff time and vehicles to carry out field activities.



Description of planned outputs and activities	Amount (US\$) Original	Implementation period	Amount (US\$) amended	Implementation period
Output 2: Economic value of forests assessment report	\$100 000			
Inception mission UNEP: learning exchange visit to various Ministries and meetings with other stakeholders	\$ 1 200	Oct 2014	\$ 1 200	Nov 2014
Recruit a national/international professional or organisation with expertise in accounting and/or ecosystem valuation	\$ 60 000	Oct – Nov 2014	\$ 60 000	Oct 2014 – Feb 2015
Recruit a national consultant consultants to assess socio-economic contribution of forests to rural households in 10-15 districts and selected sites			\$ 25 000	Jan – Feb 2015
Inception workshop/training module: from biophysical data to economic valuation and accounting	\$ 10 000	Jan – Feb 2015	\$ 5 000	Jan – Feb 2015
Set up survey team, data collection in 10 – 15 districts/cities			\$ 13 800	Jan – Mrch 2015
Draft roadmap to national natural capital accounting for Ethiopia	\$ 15 000	May 2015		
Public briefing to disseminate results and plan for next steps	\$ 13 800	June 2015	\$ 10 000	Aug 2015
Project coordination at national level			\$ 1 500	Jan – Aug 2015
Total amount requested	\$100 000	Oct 14 – June 15	\$ 116 500	Oct 14 – Aug 15

VII. MONITORING OF PROGRESS AND REPORTING



This text is the same as in the original Targeted Support.

Reporting will be conducted according to the UN-REDD procedures for Targeted Support under the "Support to National Actions" programme, including a semi-annual and an annual report following UN-REDD template. The reporting will also cover the various deliverables described above (analysis reports, technical notes and reports, roadmap, visits and workshops' reports...).

For the implementation of this Targeted Support, the UNDP team at the national (country office), regional and global levels (UN-REDD team) will provide technical advice, assistance and monitoring of delivery of outputs 1, 3 and 4. UNDP CO will also assist with the delivery of output 2 under the responsibility and technical leadership of UNEP team in Nairobi.

A Steering Committee under the chairmanship of the State Minister of Forests and including the advisor to the Minister, the national REDD+ coordinator and representatives from UNDP and UNEP will meet every two months to supervise and assess progress. Possible marginal expenses related to the meetings will be covered as part of the UNDP budget of this targeted support.

By the time of formulating the Project Document, management, monitoring and financial arrangements might evolve to increase harmonization and alignment with the expected UNDP Forest Sector Programme. In particular, it's expected to merge this targeted support with a larger capacity building programme for forest institutions that is being planned between the GoE, UNDP and Norway.

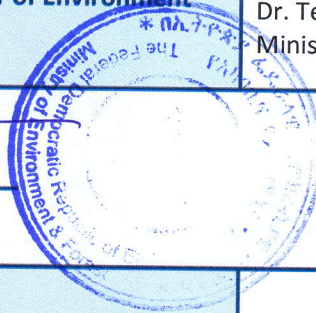
IV. UN-REDD COUNTRY FOCAL POINT

Dr. Tefera Mengistu, Advisor , State Minister of Environment and Forests

National Focal Point

Dr. Tefera Mengistu, Advisor, State Minister of Environment and Forests

(Handwritten signature)
Kebede Yimam
State Minister



(Signature)

Name and title Mr. Kebede Yimam, Sate Minister, Ministry of Environment and Forests	State Minister
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