



Ministry of Environment, Forest and Climate Change
And
Ministry of Finance and Economic Cooperation



ROYAL NORWEGIAN EMBASSY

REDD+ Investment Program

Program Progress July 2017-July 2018



Photo: Enemor Ener woreda, SNNPR, 2018

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General Program Information

Program Location

The REDD+ Investment Program (RIP) is a national program focusing on areas providing most opportunity for emission reduction from reduced deforestation and forest degradation and enhancement of carbon stocks through sustainable forest management and afforestation and reforestation initiatives. It is implemented at national level with regional implementation bodies focused in five regions - Amhara, Gambella, Oromia, Southern Nations Nationalities and Peoples Regional State, and Tigray.

Program Title

REDD+ Investment Program

Implementing Entity

Ministry of Environment, Forest and Climate Change (MEFCC)

Non-state Executing Entity

United Nations Development Program

Estimated Program Duration

4 years

Estimated Program Budget

600 million NOK (ca. 75,000,000 USD)

Commencement Date

July 2017

Program Outcomes

- Large scale community forestry program in place;
- Large scale avoided deforestation and forest degradation program and targeted Participatory Forest Management (PFM) covering carbon rich forest in place;
- Capability built in forestry sector to generate new models and proactively seek funding;
- Public-private and civil society partnerships strengthened; and
- Forestry related livelihoods created.

Program Targets

- Deforestation and degradation reduced across 660,000 ha of forest in 59 woredas;
- Afforestation and Reforestation undertaken on 800,000 ha of land in 54 woredas;
- ~ 8 million tons CO₂ abatement per year by 2020; and
- Over 50% reduction in deforestation in the PFM areas by 2020.

Implementation Sites¹

Region	Afforestation and Reforestation (AR)	Avoided Deforestation and Forest Degradation (DD)
Amhara	7 Zones and 24 Woredas	-
Oromia	6 Zones and 17 Woredas	6 Zones and 24 Woredas
SNNPR	5 Zones and 5 Woredas	6 zones and 29 Woredas
Tigray	5 Zones and 8 Woredas	-
Gambella	-	2 Zones and 6 Woredas

¹ Please check Annex 1 for the list of AR and DD implementation woredas

Acronyms

ANR	Assisted Natural Regeneration
AR	Afforestation and Reforestation
AWP	Annual Work Plan
BoFEC	Bureau of Finance and Economic Cooperation
CRGE	Climate Resilient Green Economy
CSO	Civil Society Organization
DA	Development Agent
DD	Avoided deforestation and forest degradation
EFCCA	Environment, Forest and Climate Change Authority
EFY	Ethiopian Fiscal Year
FSTU	Forest Sector Transformation Unit
MEFCC	Ministry of Environment, Forest and Climate Change
MoFEC	Ministry of Finance and Economic Cooperation
NGO	Non-Government Organization
NOK	Norwegian Kroner
NPCO	National Program Coordination Office
NRS	National REDD+ Secretariat
OFWE	Oromia Forest and Wildlife Enterprise
ORCU	Oromia REDD+ Coordination Unit
PFM	Participatory Forest Management
RCU	REDD+ Coordination Unit
REDD+	Reduced Emission from Deforestation and Forest Degradation
RIP	REDD+ Investment Program
SNNPR	Southern Nations, Nationalities and Peoples Region
SWFB	Southwest Forest Block
UNDP	United Nations Development Program
USD	United States Dollar
WoFEC	Woreda Finance and Economic Cooperation office
ZoFEC	Zone Finance and Economic Cooperation office

Executive summary

Ethiopia recognises the key role forestry plays in setting the country on a sustainable and green development path. This is clearly indicated in the country's CRGE strategy. REDD+ has great potential to deliver on the country's targets to lower deforestation and increase afforestation. As a result, under the Framework Agreement between the Government of Ethiopia and the Royal Norwegian Government (Phase II), this four-year program of, 600 million NOK, was signed in July 2017. The program is implemented through a coordinated effort of federal ministries (MEFCC and MoFEC), with their region, zone and woreda level offices and with technical assistance from UNDP.

The Program aims to address the drivers of deforestation and forest degradation effectively through on-the-ground targeted interventions, re-enforced by the establishment of the appropriate policy environment, legal frameworks, institutional arrangements and capacity building. It has three major components:

- Afforestation and Reforestation – coordinated by the National Program Coordination Office (NPCO), National Forest Sector Development Program;
- Avoided Deforestation and Forest Degradation/ PFM – coordinated by the National REDD+ Secretariat (NRS); and
- Establishment and operationalization of Forest Sector Transformation Unit (FSTU) within MEFCC to support the sector's transformation. The unit is expected to build capacity of the forest sector, generate new models, strengthen public-private and civil society partnership and proactively seed funding.

The key results achieved during the reporting period, July 2017-July2018, are as indicated below.

I. Program Startup

- MoFEC and UNDP have signed a Memorandum of Understanding up to the amount of 7,994,936 USD in order to facilitate service and goods procurement.
- A taskforce was established to facilitate the program start up processes. The Norwegian Embassy, MEFCC, MoFEC and UNDP are members of the taskforce. The taskforce was instrumental in supporting the establishment of FSTU including recruitment of FSTU staff, development of FSTU mandate, procurement of vehicles and conducting high level meetings as required.
- Familiarization workshop to finance people was organized by the CRGE Facility in order to ensure the relevant staff members are different level are aware of their roles and responsibilities.

II. Sustainable tree-planting, ANR and PFMs set up

- A total of 54 woredas in Amhara, Oromia, SNNPR and Tigray regions are selected for the implementation of the AR component;

- AR activities started in 36 woredas for the first year.
- 125 experts (out of the required 244) hired at various levels;
- Steering committees and technical working groups established at regional and woreda levels;
- 25 new nurseries established;
- 78 existing nurseries supported and strengthened;
- 17,718,819 seedlings raised in preparation for the next planting season (July-Sept 2018);
- 3,160 ha of land identified and delineated for AR;
- 86,919 ha of land identified and delineated for ANR;
- Physical conservation activities have commenced in SNNPR, Tigray and Amhara regions;
- 3,686.96 ha of PFM sites have been identified in Amhara region;
- Capacity building trainings and meetings have been held for 1,500 participants in the regions to support the startup of the program; and
- 41 vehicles and 17 motorbikes procured and distributed for the whole program (see table 1 for distribution list).

III. Scaled Southwest Forest Block (SWFB) Deforestation and Degradation (DD) prevention program in place

- A total of 59 woredas in Oromia, SNNPR and Gambella regions selected for DD intervention;
- DD activities including site selection, setting up of steering committees and technical working groups initiated in 44 woredas in the first year;
- Familiarization workshops held in Oromia and SNNPR for relevant stakeholders;
- As part of the RIP initial activities, workshops were held in Amhara, Oromia, Tigray and SNNPR for law enforcement entities for a total of 4,755 participants (355 F and 4,400 M) focusing on their role in natural resource management; and
- The program document was revised in order to ensure program implementation is in line with the national PFM guideline.

IV. Targeted PFMs set up in deforestation hotspots

This outcome is at an early stage. Familiarization workshop was conducted in Oromia and SNNPR, the DD annual workplan was revised to ensure the national PFM guideline is followed, program staff recruitment and establishment of steering committees and technical working groups are initiated. In SNNPR initial activities including forest condition assessment and trainings on baseline data collection have started.

V. Set up a *Forest Sector Transformation Unit*

- The FSTU has been established within the MEFCC;
- The Director and Deputy director hired and in place; and
- Recruitment process for the rest of the FSTU team members underway.

VI. Summary of Fund disbursement and Utilization of the RIP

As per article 5 of the agreement, The Norwegian Embassy effected the first six months' disbursement of 4,946,352.00 USD to the CRGE Facility Account at the National Bank of Ethiopia and 1,917,872 USD to the UNDP account in New York. The disbursement and utilization status of the fund received in both accounts is summarized in the table below.

Entity	Amount received USD	Disbursement / Utilization	% disbursement / utilization
MOFEC	4,946,352	3,898,463.99	79%
UNDP ²	1,917,872	1,523,414.08	79%
Total	6,864,224	5,421,878.07	79 %

The details of disbursement from the MOFEC to beneficiaries at the national, regional and Woreda level is summarized in the financial management section.

Considering the existing progress of implementation during the reporting period, the program can deliver the outcomes envisaged in the program design. However, the program is facing some implementation delays due to slow staff recruitment process and other preparatory works. The latter which is normal in any large program since the foundations for project execution need to be developed before implementation. Moreover, large number of activities were targeted to be achieved over a brief period stretching capacities on the ground. Therefore, to ensure delivery of results, the program will need to strengthen coordination between the different directorates in MEFCC as well as with other relevant sectors. Recruitment of key staff members is expected to show significant difference in implementation progress in coming year while at the same time there is a need to fill up the remaining posts at different levels. A need to strengthen reporting mechanism among different stakeholders is also recognized.

² Reported utilized amount may be revised following discussion between MoFEC and UNDP

1. Introduction

Ethiopia recognises the key role forestry plays in setting the country on a sustainable and green development path. The current 15.5 percent forest cover is inadequate to provide an economic and ecological support system in this mountainous and climatically precarious country. While protecting the existing 17 million hectares of forest, Ethiopia also intends to undertake large-scale afforestation and reforestation to increase total forest cover to 30 percent by 2030. Afforestation and reforestation are also key to alleviating the pressure on natural forests. The National REDD+ strategy (2016) estimates that Ethiopia has 18 million degraded hectares of land suitable for afforestation and reforestation.

REDD+ has great potential to deliver on the country's targets to lower deforestation and increase afforestation. Increasing the country's forest resource base through REDD+ support will contribute to a range of policy goals, including biodiversity conservation, provision of ecosystem services, such as water resource development and improved livelihoods. This Program aims to address the drivers of deforestation and forest degradation effectively through on-the-ground targeted interventions, re-enforced by the establishment of the appropriate policy environment, legal frameworks, institutional arrangements and capacity building.

Under the Framework Agreement between the Government of Ethiopia and the Royal Norwegian Government (Phase II), this proposal marks one of the first major investments in REDD+ in Ethiopia. The four-year program of, 600 million NOK, would help to transform the way landscapes are managed in Ethiopia's major forest regions and – focusing on restoration in areas where forests have been lost – to reduce carbon emissions or increase removal. It will also help to reduce poverty, establish resilient livelihoods, conserve biodiversity and provide water. The Programme will foster equitable and sustainable low carbon development by enhancing countrywide and local institutions; providing incentives and information to create an enabling environment for the National Forest Sector Development program implementation; REDD+ on-the-ground activities that address deforestation to reduce land-use based emissions; and enhance forest carbon stocks through afforestation, reforestation and landscape greening.

The program has three major components:

- Afforestation and Reforestation – coordinated by the National Program Coordination Office (NPCO), National Forest Sector Development Program;
- Avoided Deforestation and Forest Degradation/ PFM – coordinated by the National REDD+ Secretariat (NRS); and
- Establishment of Forest Sector Transformation Unit (FSTU) within MEFC to support a sector transformation and as a critical enabler to achieving the REDD+, NFSDP, CRGE and GTPII goals. The unit is expected to build capacity of the forest sector, generate new

models, strengthen public-private and civil society partnership and proactively seed funding.

The program is implemented in five regions through a coordinated effort of federal ministries (MEFCC and MoFEC), with their region, zone and woreda level offices that facilitate on the ground activities. The program also receives technical assistance from UNDP.

This report covers the period July 2017 – July 2018 (2010 EFY) and is compiled based on reports collected from different woredas through regional coordination units and finance bureaus, and compiled by NPCO, NRS, FSTU and the CRGE facility. The activities and budget are reported based on the July 2017 – July 2018 approved activities and budget.

It is recognized this report is delayed because of lack of capacity, limited information from field level and communication issues. However, the RIP partners plan to develop a project reporting system that will facilitate the collection, reporting and evaluation of results so that future reports can be informative and developed more efficiently.

2. Implementation Arrangement

The technical implementation of the program is led by MEFCC through its three departments - National Program Coordination Office (NPCO) of the National Forest Sector Development Program, National REDD+ Secretariat (NRS), and the Forest Sector Transformation Unit (FSTU). At the regional level REDD+ coordination units (RCUs) coordinate the program by closely working with woreda and kebele offices of relevant sectors. Program staffs hired through the program oversee the day-to-day activity of the program. Program implementation is also guided by woreda, zone and region level technical working groups and steering committees.

The program fund is managed by MoFEC. The ministry receives biannual disbursement from the Norwegian Embassy based on annual workplan that is approved and submitted from MEFCC. Bureau of Finance and Economic Cooperation (BoFEC), Zone Finance and Economic Cooperation offices (ZoFEC) and Woreda Finance and Economic Cooperation offices (WoFEC) disburse and monitor fund utilization at their respective levels. The program is supported by UNDP to facilitate procurement of services and goods. UNDP will submit report on fund utilization to MoFEC before requesting subsequent budget disbursement.

A taskforce consisting of MoFEC, MEFCC, UNDP and the Norwegian Embassy was established at the early stage of the program to support the start-up and to provide technical support until the FSTU is established. Now that the FSTU is established, the taskforce will focus in overseeing the

progress of program implementation and address any high-level challenges that need to be resolved.

The program is monitored regularly through MEFCC and MoFEC and their sub-national level offices, following the monitoring and evaluation guidelines of MEFCC and the CRGE facility. The Norwegian Embassy will join monitoring visits as needed.

Reporting and plan preparation follow the same channel in reverse order. That is, annual plans, activity and financial reports are collected by woreda offices and consolidated at region level which

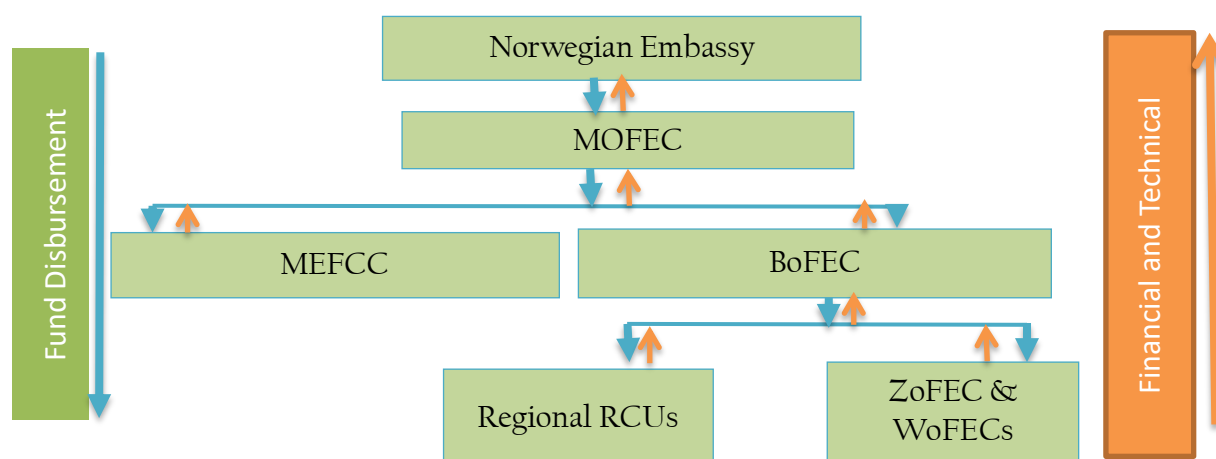


Fig. 1 RIP Fund disbursement and reporting arrangement

are then submitted to the federal ministries. MEFCC compiles plans and reports through FSTU and submits to MoFEC which in turn reviews and submits approved reports and workplans to the Norwegian Embassy.

3. Program Progress

Program Startup

Considering the extensive material and service requirement of the program and understanding the challenges during program execution, MoFEC and MEFCC agreed to bring UNDP on board for the implementation of the RIP. With the consent of the Norwegian Embassy, UNDP agreed to be partner in the program to facilitate the procurement of services and goods. Based on this, MoFEC and UNDP have signed a Memorandum of Understanding for such support amounting to 7,994,936 USD.

Immediately after the signing of agreement, a taskforce was established to facilitate the program start up processes. The aim was to support initial program activities and give high level support until the FSTU is in place to take over the coordination role. The taskforce members are the

Norwegian Embassy, MEFCC, MoFEC and UNDP (with other stakeholders e.g. consultants taking part as needed). Key outputs of the taskforce in the reporting period include:

- Supporting consultants from McKinsey & Company in the finalization of key outputs including FSTU mandate, Job descriptions of FSTU staff members, and revision of program finance document.
- Supporting MEFCC in procuring vehicles: with technical support from taskforce members in relation to specifications, UNDP has finalized the procurement process and delivered 41 vehicles and 17 motorbikes. Two more vehicles are under procurement process. MEFCC has discussed internally and agreed on the distribution of vehicles and motorbikes as indicated on table 1.
- Supporting FSTU staff recruitment: with support from taskforce members in reviewing Job descriptions, UNDP has finalized the recruitment of the Director and Deputy Director of FSTU. The remaining staff members are expected to be in place in August 2018.
- Facilitating high-level meeting with MEFCC and MoFEC state ministers and the Norwegian Ambassador to agree on the program’s way forward including FSTU’s mandate.
- Review of program progress and potential bottlenecks during regular taskforce meetings.

Further, as per the agreement with the donor, the CRGE facility has made all program documents available on its website. All information regarding the RIP and other CRGE facility activities are available to the public at: <http://www.mofed.gov.et/web/guest/about-us>

Table 1. Vehicle distribution to support program implementation

Implementing regions and Federal Ministry	Region level	Zone level	Woreda level	Federal level	Total
Amhara	-	-	12 cars		12 cars
Gambella	1 car	2 cars	-		3 cars
Oromia	1 car (AR and DD)	11 cars (AR and DD)	8 motorbikes (AR)		12 cars & 8 motorbikes
SNNPR	3 cars (to coordinate AR woredas)	4 cars (to coordinate DD woredas)	9 motorbikes (5 AR and 4 DD)		7 cars & 9 motorbikes
Tigray			3 cars		3 cars
MEFCC				4 cars (1 FSTU ³ , 2 DD, 1 AR)	4 cars
Total	5 cars	17 cars	15 cars & 17 motorbikes	4 cars	41 cars & 17 motorbikes

³ The two vehicles that are expected to be delivered shortly are assigned for FSTU.

Familiarization Workshop to Finance People

To ensure financial management of the program is properly handled, MoFEC organized RIP introductory workshops in Adama and Hawassa for Amhara, Oromia and SNNPR regions. The workshop focused in providing details of the program implementation arrangement and the need to closely work with regional REDD+ coordination units. Participants included representatives from BoFEC, ZoFEC, WoFEC and RCUs. Similar workshops for Gambella and Tigray are planned in September and October 2018.

Main feedback from all offices was the need to have budget allocated for finance institutions to ensure proper monitoring of activities. This is addressed in the RIP 2011 annual work plan (AWP). Further the need to ensure woredas are well acquainted with the automated national financial system through trainings was emphasized. The facility is discussing with regions to ensure these are addressed accordingly.

Outcome 1 - Large-scale community forestry program in place

Output 1.1 Sustainable tree-planting, ANR and PFMs set up in 54 woredas by 2020

1.1.1 Woreda Selection

Following a rigorous assessment based on criteria set with the support of a technical assistant and in close collaboration with federal and regional technical experts, 54 woredas across four regions are selected for the implementation of the AR component (see annex 1A for detail). This component is implemented in Amhara, Oromia, SNNPR and Tigray regions.

Discussions were held with relevant stakeholder to identify woredas that will start implementation in the first year and to introduce the overall program objective, and implementation arrangement. Based on these discussions, activities were initiated in 36 woredas in the first year (see annex 1A) with the aim to cover all 54 starting the beginning of the following year.

1.1.2 Recruitment of Program Team

To implement the AR component efficiently and effectively, a total of 224 staff are planned to be put in place from federal to region and woreda levels. In the first year, announcements have been made to recruit a team of coordinator, forester, socio-economist and finance/admin experts at woreda level, a plan and delivery expert at regional level and a team of forester, livelihood, plan and delivery experts and admin support at the federal level. Towards the end of the first year, 125 experts were recruited and have started work. The remaining recruitment processes are expected to be finalized and experts placed in positions in the second year.

1.1.3 Establishment of Steering Committee and Technical Working Group

Steering committees and technical working groups are established to guide and support the overall implementation of the program, monitor progress, give technical guidance, and oversee budget utilization. At the federal level there is a REDD+ Steering Committee with 16 members from relevant line ministries which is planned to continue providing overall guidance to the RIP implementation. Further, the existing knowledge learning network at the federal level is expected to facilitate experience exchanges, address key challenges, and promote policy advocacy, joint learning and communications. Members of the network include regional RCUs, relevant NGOs/CSOs, academic and research institutions, and relevant line ministries and government offices. At the region, zone and woreda levels establishment of steering committees and technical working groups are underway. Members are selected from relevant bureaus and offices including agriculture, livestock, energy, forestry, finance, and cooperatives. Technical working groups include experts from relevant NGOs / CSOs.

1.1.4 Reinforce Existing or Establish New Nurseries

Regions have initiated activities at woreda level in strengthening existing nurseries and establishing new ones. In total 25 new nurseries were established, and 78 existing ones strengthened through provision on required inputs (covering 82% of the total nurseries planned). In these nurseries a total of 17,718,819 seedlings (52% of the total planned) were raised in preparation for the next planting season.

Table 2. Number of nurseries established and reinforced

Region	Unit	New nurseries establishment			Ongoing nurseries support		
		plan	Achieved	Activity status (%)	Plan	Achieved	Activity status (%)
Amhara	No.	-	-	-	60	44	73
Oromia	No	23	19	83	12	10	83
SNNPR	No	6	6	100	12	12	100
Tigray	No	-	-	-	12	12	100

Table 3. Number of seedlings raised

Region	Unit	Plan	Achievement	Activity status (%)
Amhara	No.	19,690,000	7,450,000	38
Oromia	No	10,010,730	6,880,294	69
SNNPR	No	1,500,000	784,500.00	52.3
Tigray	No	3,000,000	2,604,025	86.8

1.1.5 Engage and mobilize community

Meetings and trainings were conducted to ensure community members and program experts have the awareness, knowledge and capacity to support the implementation of the program.

Table 4 Meetings conducted

No	Meeting Type	Location	Participants
1	Amhara RCU – two RIP Introductory and plan discussion sessions	Amhara /Dessie and Injibara/	240 (22 F)
2	Oromia RCU, woreda level meeting	Oromia /Adama/	134 (11 F)
3	Federal level meeting	Oromia/Bishoftu/	45 (5 F)

Table 5 Trainings conducted

No	Capacity Building Topic	Location	Participants
1	Land-use planning, map preparation, nursery management and silvicultural practices	Tigray /Mekele/	1077
2.	GIS	Oromia /Adama/	5

1.1.6 Ground activities (Regeneration)

This included physical conservation measures such as terraces, micro-basins, water collection ponds and enhancement of Assisted Natural Regeneration (ANR) through silviculture practices. In Amhara region, an additional area of 3,686.96 ha is identified for PFM intervention and 4 PFM cooperatives established.

Table 6. Physical conservation measures

Region	Activities	Unit	Plan	Achievement	Activity status (%)
Amhara	Stone bund terraces, soil bunds, deep trench	Km	4,542	519.42	11%
	Half-moon micro basins, eyebrow basin, micro basin	No	516,512	94,762	18%
Oromia	Stone bund terraces, soil bunds, deep trench	Km	520	117.2	23%
	Half-moon micro basins, eyebrow basin, micro basin	No	128,656	96,398	75%
SNNPR	Stone bund terraces, soil bunds, deep trench	Km	268,889	1,314	0.5%

	Half-moon micro basins, eyebrow basin, micro basin	No	159,256	1,554	1.0%
Tigray	Stone bund terraces, soil bunds, deep trench	Km	81	84.5	104%
	Half-moon micro basins, eyebrow basin, micro basin	No	112,154	102,754	92%

1.1.7 Ground activities (Tree planting)

Under this activity appropriate sites for AR and ANR were selected. In total 4,856.45 ha – 67% of the total planned (AR) and 82,830.95 ha – 63% of the total planned (ANR) area of land were identified, delineated and supported with conservation structures and pits prepared for the next plantation season (July – September 2018). In preparation for the next planting season, the three regions have prepared 14,869,345 pits (48% of the total planned). In Amhara region, 3.7 million seedlings covering 932 ha were planted in June.

Table 7. Sites prepared for A/R and ANR

Region	Unit	AR			ANR / enclosures			Pits prepared (AR & ANR)		
		plan	Achievement	Activity status (%)	Plan	Achievement	Activity status (%)	Plan	Achievement	Activity status (%)
Amhara	ha	3,200	2,502	78	64,000	45,299.9	71	17,570,000	5,570,000	32
Oromia	ha	2,200	1342	61	44,000	13,409	30.5	9,706,500	6,411,066	66
SNNPR	ha	600	222.3	37	220	122	55	472,500	422,078	89
Tigray	ha	1,200	790	66	24,000	24,000	100	3,100,000	2,466,201	80

1.1.8 Project Management and administration including M&E

Regions and woredas have conducted monthly, quarterly and annual meetings, reviews and site visits to ensure planned activities are implemented as much as possible during the reporting period.

Outcome 2 - Large-scale sustainable D/D program and targeted PFMs covering carbon rich forest in place

Output 2.1 Scaled Southwest Forest Block (SWFB) deforestation and degradation prevention program in place covering 3.8% of Ethiopia's forest by 2020

2.1.1 Woreda Selection

Following a rigorous assessment and based on criteria set with the support of a technical assistant and in close collaboration with federal and regional technical experts 59 woredas across three regions are selected for the implementation of the DD component (see annex 1B for detail). This component is implemented in Gambella, Oromia, and SNNPR regions. For the first-year, activities are initiated in 15 woredas in Oromia and 29 SNNPR woredas (with mainly capacity building aimed at new PFM sites in 14 woredas) with the aim to cover all 59 woredas starting the beginning of the following year.

2.1.2 RIP Familiarization workshop

Two rounds of RIP familiarization workshops were conducted to clarify the RIP objectives and operational modalities for region and woreda level stakeholders. These were conducted to ensure clarity on the roles of stakeholders in RIP implementation and to identify immediate tasks to support initial activities in the different woredas.

The first workshop was held in Jimma on December 18 & 19, 2017 for Oromia and Gambella regions and the second in Hawassa from December 28 - 29, 2017 for SNNPR representatives. Participants included woreda administrators, Environment, Forest and Climate Change office heads, Agriculture office heads, Livestock office heads, WoFECs; Zone Administrators; Zone EFCCA heads; ZoFEC heads; BoFEC, Environment, Forest and Climate Change Authority (EFCCA); Oromia REDD+ Coordination Unit (ORCU) and Oromia Forest and Wildlife Enterprise (OFWE).

2.1.3 RIP-DD plan preparation

To ensure the RIP-DD plan was in line with the national PFM guideline, it was found necessary to revise the activity plans that were on the program document. Therefore, earlier in 2010 EFY, detailed 9 months plan (for 2018) and Indicative plan (for 2019 and 2020) were prepared for National REDD+ Secretariat, Regions – Gambella, Oromia and SNNPR and UNDP. The plans were submitted to MoFEC and budget released as per the plans.

Recognizing the need to support woreda level annual plan development for the 2011 EFY, two planning workshops (Jimma for Oromia and Shashemene for SNNPR) were undertaken in collaboration with RCUs in June and July 2018.

The objectives of the planning workshops were to provide an overview of RIP's Theory of Change and Results framework; create broad understanding of the RIP objectives and operational modalities by region, zone and woreda level stakeholders; and to ensure clarity on the roles of stakeholders in RIP implementation. Based on these understandings detailed annual RIP implementation plan was developed for 2011 EFY.

Key findings from workshops included:

- The extent of forest in some weredas is lower than the average forest area planned (in RIP) and the inclusion of more kebeles entails a budget hike (higher than what is planned) (E.g. In SNNPR, Konta woreda has little forest cover as compared to the minimum forest area (7500ha) planned under RIP);
- Some of the selected weredas in Oromia are not as forested as other weredas which should have been included in the list of selected RIP intervention weredas;
- There is limited information on on-going initiatives (by NGOs/CSOs, DANIDA etc.) particularly on the PFM stages at different kebeles, the forest area cover and name of kebele under the different initiatives;
- The type of PFM package under different interventions may differ in neighboring kebeles that may affect the interest of communities (e.g. type of focus on livelihoods, type of community institutions as in EWNRA's intervention of PFM);
- The participatory planning in SNNPR with the generous technical support from FARM Africa/SOS Sahel and NABU revealed that the initial woreda PFM plan and budget submitted to MoFEC for 2010 EFY lack a number of practical steps and is highly under-budgeted (almost one-third of the actual budget).
- The need for PFM training for woreda, region & zone forestry experts, RCU staff and PFM facilitators and others to be recruited through RIP;
- The need to expedite logistics for woreda PFM implementation (motorbikes, computers and office equipment and forest tools for FRA);
- In Oromia, the forest resources (Natural and plantation) are under the jurisdiction of OFWE whereas RIP implementation is led and planned by EFCCA. A working modality (between OFWE and the EFCCA) that ensures the involvement of OFWE in RIP-PFM implementation should be worked out. Moreover, OFWE should be a member of the RIP steering committee and technical working groups at different levels;
- Inter-regional RIP coordination platform should be created so that the management of forest areas at the boundary of two regions can be addressed effectively (e.g. SNNPR & Oromia, Gambella & SNNPR);
- The RIP implementation target on woman beneficiaries need clarification on number of woman households and number of woman beneficiaries;
- The need for a dedicated finance specialist for RIP woreda budget management or an incentive in a form of a monthly top-up for existing finance experts suggested; and

- Similarly, the need to address the lack of budget allocated for monitoring/management by BoFEC, ZoFEC and WoFEC was raised.

The 2011 EFY plan has tried to incorporate the above inputs as much as possible and RIP-DD component is expected to operate smoothly in the coming year.

2.1.4 Creating RIP enabling environment in RIP intervention regions/areas:

Nine (9) workshops in – Amhara, Oromia, SNNPR and Tigray regions involving on average 350-800 people (a total of 4,755; 355 F and 4,400 M) have been held from April 25 – May 21, 2018 to law enforcement entities including police, judges and prosecutors on the relevance of forestry for the country's development and the role of the justice system (judges, police, prosecutors) in saving the remaining forest resources (as public resource) from destruction. The green economy vision of Ethiopia has also been seriously discussed and responsibilities of stakeholders shared. This is expected to support the smooth operation of RIP in different parts of the country by bringing law enforcement personnel on board which is a critical element in PFM implementation.

In addition, a visit to Gambella region (May 4-5, 2018) and refugee sites were made together with Norwegian Embassy staff and discussion on RIP interventions in the region conducted.

Output 2.2 Targeted PFMs set up in deforestation hotspots reducing deforestation by at least 50% by 2020

2.2.1 RIP Management Arrangement

Staff recruitment for RIP implementing entities

ToRs for different staff for SWFB interventions at, woreda, zone and region levels were prepared and advertised during the reporting period. The recruitment of 72 staff members for SNPPR and Oromia and 7 staff for Gambella RCU is in currently at the final stage. The delay in recruiting staff has resulted in delays in project implementation but as indicated below project staff have undertaken several field supervisions and missions to put in place the enabling environment and capacities for implementation.

Establishment of Steering Committees and Technical Working Groups

In Oromia and SNNPR, woredas have started activities to initiate PFM on the ground. As a result, in Oromia all woredas in Ilubabor and Jimma zones have established steering committees and technical working groups.

These activities are also underway in SNNPR. In Bench Maji zone, eight woredas (all except Surma woreda) in Kaffa all ten woredas and in Dawro one woreda (Esara woreda) have established steering committees and technical working groups.

These entities are expected to provide overall guidance to program implementation as well as technical support in PFM implementation.

2.2.2 PFM implementation

This activity is initiated only in SNNPR and even there it is at a very early assessment stage. Activities conducted include assessment of forest condition, and extent and stakeholder profile of potential intervention kebeles; training on baseline data collection and analysis for Woreda Development Agents (Das) and Technicians. These were conducted in three zones - Bench Maji (Guraferda and Semen Bench woredas), Kaffa (all ten woredas) and Dawro (Esara woreda).

Outcome 3 - Capability built in forestry sector to generate new models and proactively seek funding

Output 3.1 Set up a "Forest Sector Transformation Unit", including a dedicated unit to develop scalable and bankable projects and project delivery support to national and regional implementation teams

3.1.1 Set up of the Forest Sector Transformation Unit (FSTU)

The FSTU has been established within the Ministry of Environment, Forest and Climate Change. The Director and Deputy director are in place and the rest of the team members are expected to be mobilized by August 2018.

The experts to be placed within the FSTU are: Business Development Analyst, Business Development Manager, Delivery Analyst, Business Delivery Support Manager, Senior Finance and Operations Expert, Senior Forestry Experts (2), Livelihoods Expert, and an Executive Associate.

Outcome 4 - Public-private and civil society partnerships strengthened

Output 4.1 At least 5 innovative partnership models piloted and scaled by 2020

4.1.1 Innovative partnership models piloted

The Forest Sector Transformation Unit is expected to be fully operational in August 2018 and aims to develop and establish models in the next reporting period.

The unit will develop a strategic plan for delivering on the program outcomes, a thorough analysis of models and potential opportunity needs to be undertaken before embarking on development of models. A framework for developing strategic approach in transforming the forest sector will look at technical, policy, financial and capacity needs to develop and transform the forest sector. It should be noted that the forest sector transformation component of the RIP requires a strategic approach and analysis of models and opportunities greater than is shown in the Project Document which is quite limited.

Outcome 5 - Forestry-related livelihoods created

Output 5.1 about 60,000 households with livelihoods generated from community-based forestry activities

Output 5.2 about 160 cooperatives or community-based enterprises set up for community forest activities

5.1.1 Livelihood Activities Initiated

This is at a very early preparatory stage in both components and most regions. Under the AR component, work has progressed in SNNPR in supporting households in different activities such as fodder grass plantation, fattening, provision of improved stove and agroforestry.

Table 8 Livelihood activities in SNNPR

Activities	Unit	Plan	Achievement
Planting fodder grass	Ha.	10.25	11.25
Supporting women HH on fattening	No.	25	20
Improved stove	No.	100	120
Household agroforestry activity	No.	450	650

The overall impact of the program is likely to be achieved with continued support and enhanced project execution, particularly in regard to monitoring, reporting and capacity building. In addition, the emission reduction targets need to be carefully considered taking into account the short timeframe of the program, complex drivers and the fact that program interventions are not focused in one area but tackling national level issues and aiming at building extensive capacities across the forested areas of Ethiopia. Care needs to also be taken to ensure quality of outputs is not sacrificed for need to cover large areas and meet ambitious targets.

4. Summary of Program Plan Progress

In the first year, comprehensive program level planning was not carried out. As a result, plans were developed at region level to facilitate initiation of activities in the different woredas. This has made the reporting process hard for this reporting period. However, through a more coordinated effort, this problem is now significantly improved during the 2011 AWP preparation. The table below summarizes the major activities reported by the regions for the reporting period.

Table 9. Activity Progress Summary

Activity	Unit	Plan	Achievement	Activity status (%)
New nurseries establishment	No.	29	25	86%
Ongoing nurseries support	No	96	78	81%
Number of seedlings raised	No	34,200,730	17,718,819	52%
AR sites prepared	ha	7,200	4,856	67%
Enclosure sites prepared	ha	132,220	82,831	63%
Pits prepared (AR & ANR)	ha	30,591,800	14,824,135	48%
Physical Conservation Measures (terraces, bunds, trenches)	Km	274,032	2,035	1%
Physical Conservation Measures (different kinds of basins)	No	916,578	295,468	32%
Woreda Steering committee and TWGs (DD)	No	44	34	77%
Planting fodder grass (SNNPR)	Ha.	10.25	11.25	109%
Supporting women HH on fattening (SNNPR)	No.	25	20	80%
Improved stove (SNNPR)	No.	100	120	120%
Household agroforestry activity (SNNPR)	No.	450	650	144%

5. Major deviations from approved plan

The program was signed in July 2017 and planned to start implementation shortly after. However, due to administrative procedures including the need to develop preliminary budget plan for the AR and DD, carry out some adjustments on PFM activities in the DD component, and facilitate the establishment of FSTU, on the ground activities were delayed.

Following the above stated initial engagements, budget was disbursed from MoFEC to regions (BoFECs) based on request from MEFCC, starting February 2018. However, as expected during initial stage of programs, plan development took longer, further delaying the disbursement of funds to woredas. Therefore, activities started in the last quarter of the year. Despite these initial

delays, several activities are achieved in this reporting period indicating the commitment at all level. In addition, as indicated below much more is already accomplished in the first quarter of the 2011 EFY.

To avoid the challenge that was faced due to lack of a program level planning, planning sessions were conducted at the end of the year to prepare the 2011 AWP. Though delays are already felt for the next implementation year, having a well-discussed annual plan and the operationalization of the FSTU are expected to improve program implementations in the coming years.

6. Financial management

The Government of Ethiopia follows the Modified Cash Basis Accounting as its accounting policy; whereas the accounting principle for this reporting period was the Generally Accepted Accounting Principle (GAAP). MoFEC is currently transitioning its accounting principle to International Financial Reporting Standard (IFRS).

During the reporting period a total of 2,698,681.6 USD (excluding bank transfer charges) was utilized⁴. However, activities have continued more intensely, especially in the AR woredas during the planting season (June-Sept). For instance, additional 536,356.63 USD was reported to have been utilized in Amhara, Tigray, Oromia and SNNPR regions by the end of August. Therefore, based on requests from MEFCC and regions 654,545.5 USD was disbursed for woredas and FSTU in October to ensure activities continue while finalizing formalities for the next disbursement from the Norwegian Embassy.

Currently the remaining balance in MoFEC is 385,401.06 USD and without accounting receivables, AR regions have reported utilization of 1,541,425.3 USD (61% of disbursed fund). Though the remaining balance seems high, it should be noted this balance is disbursed to different offices at federal, region (4), zone (35) and woreda (107) levels. Therefore, the amount remaining in most woredas is insignificant compared to the amount of activities that are planned for the upcoming quarter.

Table 10 Summary of Budget Utilization

Beneficiary	Disbursed amount in USD		Utilization in USD		% utilization	
	AR	DD	AR	DD	AR	DD
MEFCC	133,755.19	322,908.09	30,202.33	105,251.28	23%	33%

⁴ See annex 2 for activity based financial report

Regions						
1. Amhara	1,123,102.82	-	428,645.88	-	38%	
2. Oromia	796,632.48	382,048.93	340,811.77	14,622.36	43%	4%
3. Tigray	376,576.06	-	173,862.49	-	46%	
4. SNNPR	237,258.81	526,181.59	61,748.53	20,122.55	26%	4%
Total	2,667,325.37	1,231,138.62	1,027,745.47	139,996.18	39%	11%
Grand Total	3,898,463.99		1,175,267.19		30% ⁵	

7. Assessment of efficiency of the program

It is hard to evaluate the efficiency of the program at this early stage and without putting in place an extensive project monitoring and evaluation program. However, the continued support from the RIP Task Force (supported with the high level Management of MOFEC, MEFCC, and the Norway Embassy) and the engagement of the regional stakeholders during the detailed multiyear planning process will serve as strong foundation for the smooth execution of the program in the coming years. Furthermore, the establishment and fully operationalization of the FSTU will enhance project delivery and reporting and build capacities to ensure that maximization and efficiency of project expenditure is achieved.

8. Key challenges and risk

Ethiopia is making major strides in transforming its socio-economic development largely through innovative and strategic decisions made by the new government. These changes are expected to facilitate an enabling environment for forest sector investment in the country which will lead to increased growth, investment and opportunities for communities and enterprises. The forest sector is faced with enormous problems in tackling deforestation, forest degradation and implementing carbon stock enhancement. A strategic approach needs to be adopted for determining the best approaches for long-term forest sector development and in harnessing the opportunities that exist in the forest sector. Key challenges and risks relate to ensuring that high level decision makers continue to be engaged and be supportive of the forest sector

⁵ This indicates utilization only up to July 7, 2018.

transformation and see its benefits as fundamental for climate change resilience and economic growth.

The issue of land availability appears to be one of the key bottlenecks for private sector investment, and as such an activity has been included to clarify this in one region to assist with investments, in similar way as is done for the agriculture sector.

There remain many indirect threats to the forest sector, and these will ultimately affect whether the greenhouse gas emissions targets are achieved. This should be supported through more consolidated and focused policies and measures, particularly focusing on agriculture and its planning, perhaps through development of enhancing the land use planning infrastructure; and fuelwood programs. There needs to be enhanced coordination with multiple sectors as this does not yet seem to be effective.

When coming to specific RIP activities implementation in the reporting period, there has been limited detailed information exchange between the three RIP components, this is a potential risk to the program's investments being achieved. A communication and coordination memorandum have been developed which will aim at improving implementation and design of activities.

Delay in recruitment of staff in FSTU, NRS, PCO as well as region and field level posts as a result of long recruitment processes impeded the program progress in this first year. This is especially relevant considering the long-term nature of implementing forest programs. Late recruitment also meant little opportunity for program experts to advise on systems for program management and monitoring. This is expected to be resolved in the coming year as most of the AR and DD staff and all FSTU experts are expected to be in place in the first quarter of the coming year.

Quality of reports sent from woreda indicate the need for capacity building and development of simple reporting and monitoring formats. Though this is expected to be partly addressed through recruitment of program dedicated staff at woreda levels, there is still a need for strong support from region and federal level.

Project activities started late which affected full preparation for the tree planting season. Further supply of nursery inputs was low in number and quality. Despite these, however, woredas have done their utmost to ensure some preparation is done for the next (July-Sept) planting season. Early preparation beginning next year will minimize this challenge.

Finalization of readiness of REDD+ and RIP implementation overlapped in the reporting period. This affected the progress of RIP-DD implementation as the team members were stretched

between various responsibilities. Going forward team members will focus in delivering RIP activities as per the plan.

Security problems in the southwest zones have been encountered which hampered receiving reports on implemented activities mainly in Sheka and part of Dawro zones. This will be monitored, and an evaluation undertaken whether this impacts the program outcomes in these areas in the coming year.

Finally, constraints in implementation mechanisms and inflexibility in the financial administrative procedure may cause delays to the extent that the FSTU can function and meet demand driven needs or to meet opportunities. For example, the development of a Challenge Fund or Village Funds presents disbursement models that are not present in MEFCC system, as these deal with private sector some flexibility may be needed. Additionally, there may be an opportunity to work with an impact investment fund, such opportunities need to be grasped quickly and long procurement process may indicate to private sector investors that the country is not yet effectively a place for business. Further, some of these models or activities may fail, usually Challenge Funds expect a 30% failure rate, which may be difficult for the Governments of Ethiopia and/or Norway to accept. The FSTU, however, is doing its utmost to identify options to tackle this potential risk.

Risk related to Cross Cutting Issues

The main purpose of the program is to mitigate climate change through the forestry sector and the risk for the program to negatively influence climate and environment is assessed to be minimal.

Special attention has to be paid to risks related to gender and social inclusion. Many rural households and communities have traditional and culturally defined roles and responsibilities for men and women, which could negatively influence the participation of women and disfavor women as beneficiaries. Because of this the program has identified the need to hire a Social Inclusion Advisor, and recruitment process is initiated through the DANIDA PFM program. The annual workplan also supports a social inclusion assessment, social inclusion training and an improved monitoring system to ensure that gender numbers are equitable, within the cultural context of Ethiopian forest sector. Specific women and youth issues will be developed for livelihood and enterprise groups.

The Ministry of Finance and Economic Cooperation (MoFC) is accountable for the use of funds. Strengthening financial management has a strong focus in the program. The MoFEC has mechanisms in place which will be further strengthened to address these issues and improve financial reporting and management. The placement of regional CRGE focal points in BoFECs as well as training of financial officers at woreda level are concrete actions that have already been

conducted to strengthen the overall financial management. Continued strengthening of the financial management system is also included in the annual workplan.

9. Key lessons and conclusion

Despite the challenges of program startup, the program has achieved key progresses that will ensure better coordination and implementation in the coming years. It is a considerable challenge to implement forest activities across such a large area and it is expected more lessons will come in the coming year, that will further streamline the implementation modalities of the program. It is recognized that there is a need for improved reporting and management system so that future reports can be done in an efficient and effective manner. Provision for supporting this has been included in the RIP 2011 AWP.

An adaptive management system needs to be developed combined with effective monitoring and capacity building. It is also important that capacity buildings and trainings follow adult learning principles and avoid large groups and academic PowerPoint presentations if behavioral change is to be achieved.

In the RIP implementation arrangement, there is good coordination and alignment with the government system which is expected to be efficient through time. This will ensure sustainability of the program in the long term.

10. Annexes

Annex 1A List of AR woredas

Implementing Zones and Woredas in Amhara Region

No	Zones	Woredas	Suitable AR area in the region (ha)	Year 1	Year 2	Total
1	East Gojjam	EnebiseSarMidir	87,823.72	1		
2	East Gojjam	ShebelBerenta	85,813.00	1		
3	East Gojjam	GonchasisoEnese	78,227.20	-	1	
4	North Gondar	Gondar Zuriya	95,057.10	1		
5	North Shewa	Kewet	71,091.92	1		
6	North Shewa	YifratanaGidim	42,716.76	1		
7	North Shewa	TarmaBer	40,369.01	1		
8	North Shewa	Ankober	35,596.82	-	1	
9	North Shewa	Gishe	28,673.09	-	1	
10	North Wollo	Kobo	111,305.56	1		
11	North Wollo	Habru	96,838.75	1		
12	North Wollo	Lasta	62,045.61	1		
13	North Wollo	GubaLafto	48,226.68	-	1	
14	South Gonder	Simada	190,273.53	1		
15	South Gonder	Dera	144,456.90	1		
16	South Gonder	Libokemkem	82,247.63	-	1	
17	South Wolo	Kelala	138,607.30	1		
18	South Wolo	WOGIDI	106,524.35	-	1	
19	South Wolo	Kalu	75,754.42	1		
20	Wag Himra	Dehena	67,529.23	1		
21	South Wolo	Werebabo	43,281.41	1		
22	South Wolo	Kutaber	42,663.32	1		
23	South Wolo	Tehuledere	31,753.33	-	1	
24	Wag Himra	Gazgibila	16,736.30	-	1	
	Total		1,823,612.94	16	8	24

Implementing Zones and Woredas in Oromia Region

No	Zones	Woredas	Suitable AR area in the region (ha)	Year 1	Year 2	Total
1	Arsi	Robe	114,190.16	1		
2	Arsi	Shirka	83,552.47	1		
3	Arsi	Limuna Bilbilo	47,180.91	-	1	
4	West Arsi	Kofele	58,253.54	1		
5	West Arsi	Arsi-Negele	55,424.05	-	1	
6	East Hararge	Meta	63,636.69	1		
7	East Hararge	Deder	49,994.39	1		
8	East Hararge	Qersa	43,025.44	-		
9	West Hararge	Gemechis	75,233.41	1		
10	West Hararge	Chiro Zuriya	60,724.35	1		
11	West Hararge	Tulo	35,944.40	-	1	
12	West Shewa	Ginde Beret	110,440.25	1		
13	West Shewa	Abuna Gindeberet	103,704.84	1		
14	West Shewa	Jeldu	91,019.36	1		
15	West Shewa	TokoKutaye	61,814.35	-	1	
16	North Shewa	Were Jarso	110,916.97	1		
17	North Shewa	Kuyu	90,897.97	-	1	
	Total		1,255,953.55	11	6	17

Implementing Zones and Woredas in SNNPR State

No	Zone	Woredas	Suitable AR area in the region (ha)	Year 1	Year 2	Total
1	KembataTimbaro	Tibaro	29,680.53	-	1	
2	Gurage	Enemor Ener	49,881.5383	1		
3	Hadiya	Gibe	42,365.7534	1		
4	Sidama	Aroresa	59,967.3513	1		
5	Siliti	Sancura	39,608.40	-	1	
	Total		221,503.573	3	2	5

Implementing Zones and Woredas in Tigray Region

No	Zones	Woredas	Suitable AR area in the region (ha)	Year 1	Year 2	Total
1	Central Tigray	Adawa	19,590.00	1		
2	Central Tigray	Ahferom	39,501.00	1		
3	North western	Medebayzana	38,130.00	-	1	
4	Eastern Tigray	Gantaafeshum	20,861.00	1		
5	South Tigray	Enderta	33,625.00	1		
6	Central Tigray	Degoatenben	51,156.00	-	1	
7	South Tigray	RayaAlamata	26,817.00	1		
8	Eastern Tigray	Saesietsaedaemba	66,486.00	1		
	Total		296,166.00	6	2	8

Annex 1B List of DD woredas

Implementing Zones and Woredas in Gambella Region (readiness activities in Year 1)

No.	Zone	Woreda
1	Agnuak	Gog
2	Agnuak	Abobo
3	Agnuak	Gambela zuria
4	Agnuak	Dima
5	Majanger	Mengesh
6	Majanger	Godere
	Total	6

Implementing Zones and Woredas in Oromia Region

No.	Zone	Wereda	Year 1	Year 2	Total
1	Illubabor	Sale Nono	1		
2	Illubabor	Dorani	1		
3	Illubabor	Hurumu	1		
4	Illubabor	Yayu	1		
5	Illubabor	Bilo Nopha	1		
6	Jimma	Setema	1		
7	Jimma	Sigmo	1		
8	Jimma	Gera	1		
9	Jimma	Shebe Sambo	1		
10	Jimma	Limu Kosa	1		
11	Jimma	Limu Seka	1		
12	Jimma	Chora- Boter	1		
13	Jimma	Dedo	1		
14	Jimma	Seka Chekorsa	1		
15	Jimma	Tiro Afeta	1		
16	Bunno Bedele	Meko		1	
17	Horo Guduru Wellega	Abay Chomen		1	
18	Horo Guduru Wellega	Abe Dongoro		1	
19	Horo Guduru Wellega	Amuru		1	
20	Horo Guduru Wellega	Jarte Jardega		1	
21	West Shewa	Dano		1	
22	West Shewa	Jibat		1	
23	West Shewa	Tikur Inchini		1	
24	East Wellega	Boneya Boshe		1	
	Total		15	9	24

Implementing Zones and Woredas in SNNPR State

No	Zone	Weredas	Year 1 – PFM activities - Old PFM woredas	Year 1 – capacity building – New PFM woredas	Total
1	Kafa	Sayilem	1		
2	Kafa	Gesha	1		
3	Kafa	Gewata	1		
4	Kafa	Gimbo	1		
5	Kafa	Menjiwo	1		
6	Kafa	Telo	1		
7	Kafa	Cheta		1	
8	Kafa	Decha		1	
9	Kafa	Chena	1		
10	Kafa	Bitu	1		
11	Sheka	Masha	1		
12	Sheka	Anderacha	1		
13	Sheka	Yeki	1		
14	Bench-Maji	Sheko	1		
15	Bench-Maji	Guraferda	1		
16	Bench-Maji	Debub Bench		1	
17	Bench-Maji	Shay Bench	1		
18	Bench-Maji	Meinit Goldeya		1	
19	Bench-Maji	Semen Bench	1		
20	Bench-Maji	Maji		1	
21	Bench-Maji	Menit Shasha		1	
22	Bench-Maji	Surma		1	
23	Dawro	Gena Bonsa		1	
24	Dawro	Loma Bonsa		1	
25	Dawro	Mareka		1	
26	Dawro	Tocha		1	
27	Dawro	Esara		1	
28	Konta	Konta		1	
29	South Omo	Selamgo		1	
	Total		15	14	29

Annex 2 July 2017-July 2018 activity based financial report

No.	Activity	Income for the reporting period (USD) ⁶	Total Budget July 2017- July 2018 (USD)	Quarterly Budget (USD)				Quarterly Utilization	Balance	Remark ⁷	Responsible
				1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	4th Quarter			
		6,685,921.0									
Forest Sector Transformation Unit and Public-Private and Civil Society Partnerships											
1	Engage the Prime Minister's office		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
2	Actively assist in the establishment of the unit		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
3	Hire a Director		19,080.0	0.0	0.0	0.0	19,080.0	0.0	19,080.0	UNDP	
4	Hire a Deputy Director		38,160.0	0.0	0.0	0.0	38,160.0	0.0	38,160.0	UNDP	
5	Define deliverables due for each stage in the IA development journey		5,000.0	0.0	0.0	0.0	5,000.0	0.0	5,000.0		
6	Build alignment across donors to gather support		11,949.0	0.0	0.0	0.0	11,949.0	0.0	11,949.0		
7	Hire positions or ongoing staff costs		158,550.0	0.0	0.0	0.0	158,550.0	0.0	158,550.0	UNDP	
8	Run cost-benefit analysis to select 2-3 innovative pilots		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
9	Plan / prepare for 3 innovative pilots		129,976.0	0.0	0.0	0.0	129,976.0	0.0	129,976.0		
10	Develop meeting cadence / rhythm		0.0	0.0	0.0	0.0	0.0	0.0	0.0		

⁶ Funding for this program is received from the Norwegian Ministry of Foreign Affairs

⁷ Key reasons for underspending beyond 10% are listed in the note below the activity based financial report table.

11	Launch 3 innovative pilots		679,700.0	0.0	0.0	0.0	679,700.0	0.0	679,700.0		
12	Build roadmap for Ethiopia to reach overall forestry sector goals		10,000.0	0.0	0.0	0.0	10,000.0	0.0	10,000.0		
13	Support implementation capacity building in priority regions		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
14	Hire additional selected staff as needed		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
15	Procure Technical Assistance		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
16	Strengthen the Institutional Capacity of the CRGE Facility and enhance its sub-national engagement		43,232.0	0.0	0.0	0.0	43,232.0	0.0	43,232.0		UNDP
	Total Budget		1,095,647.0	-	-	-	1,095,647.0	0.0	1,095,647.0	-	-
Afforestation / Reforestation (AR)											
1	Plan and funding approval		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
2	Identify Woredas		16,000.0	0.0	0.0	0.0	16,000.0	7,694.8	8,305.2		
3	Feasibility and baseline study		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
4	Prepare technical field manuals		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
5	Program launch		12,000.0	0.0	0.0	0.0	12,000.0	0.0	12,000.0		
6	Hiring Staff		200,511.1	0.0	0.0	0.0	200,511.1	5,808.5	194,702.6		
7	Ongoing Staff support		179,482.4	0.0	0.0	0.0	179,482.4	0.0	179,482.4		

8	Form steering committee		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
9	Capacity development		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
10	Reinforce existing or establish new nurseries		341,702.5	0.0	0.0	0.0	341,702.5	242,269.5	99,432.9	Nursery cost for #10 and #11 recorded combined for Amhara and Oromia	
11	Ongoing nursery support - Continue support for 1 year		408,378.8	0.0	0.0	0.0	408,378.8	43,632.9	364,745.9		
12	Engage and mobilize community		203,556.9	0.0	0.0	0.0	203,556.9	116,178.1	87,378.8		
13	Ground activities (Regeneration)		654,106.7	0.0	0.0	0.0	654,106.7	250,002.5	404,104.2		
14	Ground activities (Tree planting)		481,839.8	0.0	0.0	0.0	481,839.8	240,611.4	241,228.3		
16	Project management, administration and M&E		191,857.4	0.0	0.0	0.0	191,857.4	129,073.3	62,784.2		
17	Vehicle Purchase		500,000.0	0.0	0.0	500,000.0	0.0	550,000.0	(50,000.0)		UNDP
	Total Budget		3,189,435.6	0.0	0.0	500,000.0	2,689,435.6	1,585,271.1	1,604,164.5	-	-
Prevention of Deforestation / Degradation (DD)											
1	Modify and validate regional design (SNNPR)		40,000.0	0.0	0.0	40,000.0	0.0	0.0	40,000.0		
2	Build Implementation capacity SWFB (SNNPR)		25,302.4	0.0	0.0	12,651.2	12,651.2	0.0	25,302.4		
	Provide vehicles		300,000.0	0.0	0.0	300,000.0	0.0	300,000.0	0.0		UNDP

	Provide computers and accessories (program office)		16,000.0	0.0	0.0		16,000.0	0.0	16,000.0		UNDP
3	Establish Gambella RRCU		57,089.6	0.0	0.0	29,044.8	28,044.8	0.0	57,089.6		
	Provide vehicles		100,000.0	0.0	0.0	100,000.0	0.0	110,000.0	(10,000.0)		UNDP
	Provide computers and accelerates (program office)		21,000.0	0.0	0.0	0.0	21,000.0	0.0	21,000.0		UNDP
4	Prepare Gambella REDD+ program		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
5	Build Implementation capacity (Gambella)										
	Provide vehicles		200,000.0	0.0	0.0	200,000.0	0.0	220,000.0	(20,000.0)		UNDP
	Provide computers and accelerates (program office)		16,000.0	0.0	0.0		16,000.0	0.0	16,000.0		UNDP
6	Oromia region PFM		33,514.4	0.0	0.0	17,257.2	16,257.2	0.0	33,514.4		
	Provide vehicles		50,000.0	0.0	0.0	50,000.0	0.0	50,000.0	0.0		UNDP
	Provide motorbikes		32,000.0	0.0	0.0	32,000.0	0.0	35,200.0	(3,200.0)		UNDP
	Deploy team of EFRI experts to do baseline and feasibility study field work		23,850.0	0.0	0.0	0.0	23,850.0	0.0	23,850.0		UNDP
7	Other Regions (vehicle and motorbike)		216,000.0	0.0	0.0	216,000.0	0.0	237,214.1	(21,214.1)		UNDP
8	On-ground DD activity (PFM Interventions)										
8.1	RIP Management Arrangement										

	Establish zone and woreda RIP Mgt arrangement		42,853.7	0.0	0.0	42,853.7	0.0	2,591.7	40,262.0		
	Cluster woreda coordinator		11,700.0	0.0	0.0	5,850.0	5,850.0	0.0	11,700.0		
	zone PFM coordination		61,506.0	0.0	0.0	30,753.0	30,753.0	0.0	61,506.0		
	Woreda PFM Facilitator		105,600.0	0.0	0.0	52,800.0	52,800.0	0.0	105,600.0		
	woreda operations budget		18,666.6	0.0	0.0	9,333.3	9,333.3	967.4	17,699.2		
8.2	Mobilization phase (PFM Phase I)										
	Region, Zone level trainings, exchange visits, develop legal framework		46,407.2	0.0	0.0	38,088.7	8,318.5	0.0	46,407.2		
	Woreda level training, meetings exchange visits		151,358.6	0.0	0.0	124,344.2	27,014.4	16,561.6	134,797.0		
8.3	PFM planning Phase (PFM Phase II)										
	Train woreda PFM Facilitators and organize/legalize community institutions (FMC)		230,742.8	0.0	0.0	0.0	230,742.8	0.0	230,742.8		
	Provide motorbikes		21,000.0	0.0	0.0	21,000.0	0.0	21,000.0	0.0		UNDP
	Provide computer and accessories (woreda facilitators)		38,000.0	0.0	0.0	0.0	38,000.0	0.0	38,000.0		UNDP
	Forest tools and equipment		95,000.0	0.0	0.0	0.0	95,000.0	0.0	95,000.0		UNDP
9	On-ground CSA										

	Select and train pioneer farmers for selected technologies		30,000.0	0.0	0.0	30,000.0	0.0	0.0	30,000.0		
	Conduct baseline study on current crop types and productivity in each area (study through a TA or consultancy)		15,000.0	0.0	0.0	0.0	15,000.0	0.0	15,000.0		UNDP
10	On-ground Livestock Activity										
	Select and train pioneer farmers for selected technologies		30,000.0	0.0	0.0	30,000.0	0.0	0.0	30,000.0		
	Conduct gap assessment on livestock production system and productivity (study through a TA or consultancy)		15,000.0	0.0	0.0	0.0	15,000.0	0.0	15,000.0		UNDP
11	Sustainable energy program		111,374.8	0.0	0.0	0.0	111,374.8	0.0	111,374.8		
12	National secretariat and Regional REDD+ CU funding										
	Staff and operational costs for National REDD+ Secretariat		62,500.0	0.0	0.0	0.0	62,500.0	62,500.0	0.0	Cost of national level law enforcement conferences	
13	Staff and operational costs for NRS and 4 Regional REDD+ Coordination Units								0.0		
	Staff and operational costs for NRS		0.0	0.0	0.0	0.0	0.0	0.0	0.0		

	Staff and operational costs for 4 Regional RCUs		0.0	0.0	0.0	0.0	0.0	0.0	0.0		
	Oromia RIP operations		12,750.0	0.0	0.0	0.0	12,750.0	14,622.4	(1,872.4)	Overspent on planning workshop cost	
	SNNPR RCU Salary and operations		29,045.3	0.0	0.0	0.0	29,045.3	1.8	29,043.5		
	Amhara RCU (Salary + operations)		29,045.3	0.0	0.0	0.0	29,045.3	0.0	29,045.3		
	Tigray RCU (Salary + operations)		29,045.3	0.0	0.0	0.0	29,045.3	0.0	29,045.3		
17	Safeguards, M & E and MRV implementation support		83,486.4	0.0	0.0	26,000.0	57,486.4	42,751.5	40,734.9	Cost of national level law enforcement conferences	
	Total Budget		2,400,838.4	0.0	0.0	1,407,976.1	992,862.3	1,113,410.5	1,287,427.9	-	-
	Grand Total		6,685,921.0	0.0	0.0	1,907,976.1	4,777,944.9	2,698,681.6	3,987,239.4		

Note:

Key reasons for underspending in the reporting period were:

1. FSTU – the head and deputy head came on board in July and the rest of the staff in August which delayed the initiation of activities by the Unit;
2. AR and DD – staff recruitment at all level from federal to woreda, took longer than planned hence delaying on the ground activities; sorting out administrative issues at federal level and developing woreda level plan took time and hence budget was disbursed to the woredas later than initially planned (after February for AR and after April for DD);
3. DD – program document needed to be revised as per national PFM guideline which further delayed disbursement of fund to the DD component.