# REDD+ INVESTMENT PLAN, ETHIOPIA

**Programme title:** REDD+ Investment Plan, Ethiopia

**Programme summary***:*

Ethiopia recognises the key role forestry plays in setting the country on a sustainable and green development path. The current 15.5 per cent 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 per cent by 2030. Afforestation and reforestation are also key to alleviating the pressure on natural forests. A recent strategy document 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 Programme 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, this REDD+ Investment Program (RIP) proposal marks one of the first major investments in REDD+ in Ethiopia. The four-year programme 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.

As part of the REDD+ Partnership Agreement, Norway has committed to provide USD100 million in Phase II following the successful completion of the Readiness Program (Phase-I): USD80 million will finance this programme through the Climate Resilient Green Economy (CRGE) Facility, while the remaining USD20 million will finance other Civil Society Organizations (CSOs) and international partners through the Royal Norwegian Embassy in Addis Ababa (all legal funding commitments are made in Norwegian kroner and the dollar value fluctuates with the exchange rate).

**Lead Implementing Entity:** Ministry of Environment, Forest and Climate Change

**Agreement partner:**

The CRGE facility manages the programme fund and has the responsibility to overlook the implementation of the programme.

The Ministry of Finance and Economic Cooperation has signed a sub-agreement with UNDP with a value of 7.4 million USD (to be amended as required) for support in service and material procurement.

**Agreement Signed:**

July 2017

**Donor**

Royal Norwegian Government

**Programme duration***:*

July 2017 - December 2020

**Total Fund:** NOK 600 million

**Donor:** Royal Norwegian Government

**Links:**

[Program document](REDD%2B%20Investment%20%20Plan_program%20document.pdf)

[Grant agreement](REDD%2B%20grant%20agreement.pdf)