

ANNUAL NARRATIVE PROGRESS REPORT
INSTITUTIONAL STRENGTHENING FOR THE FOREST SECTOR DEVELOPMENT IN
ETHIOPIA

REPORTING PERIOD: JANUARY – DECEMBER 2019¹

MAY 2020

¹ The reporting period will be aligned with Government budget year

PROGRAMME SUMMERY

<table border="1"> <tr> <th style="text-align: center;">Programme Title & Project Number</th> </tr> <tr> <td> <ul style="list-style-type: none"> Program Title: Institutional Strengthening for the Forest Sector Development MPTF Office Project Reference Number: 00094308 </td> </tr> <tr> <th style="text-align: center;">Participating Organization</th> </tr> <tr> <td> <ul style="list-style-type: none"> UNDP Ethiopia Office </td> </tr> <tr> <th style="text-align: center;">Programme/Project Cost (US\$)</th> </tr> <tr> <td> <ul style="list-style-type: none"> Total approved budget: 2,576,716 USD (22,550,500NOK) </td> </tr> </table>	Programme Title & Project Number	<ul style="list-style-type: none"> Program Title: Institutional Strengthening for the Forest Sector Development MPTF Office Project Reference Number: 00094308 	Participating Organization	<ul style="list-style-type: none"> UNDP Ethiopia Office 	Programme/Project Cost (US\$)	<ul style="list-style-type: none"> Total approved budget: 2,576,716 USD (22,550,500NOK) 	<table border="1"> <tr> <th style="text-align: center;">Strategic Results²</th> </tr> <tr> <td> <p>UNDAF Outcome 5: By 2020 key Government institutions at federal and regional levels including cities are better able to plan, implement and monitor priority climate change mitigation and adaptation actions and sustainable resource management.</p> </td> </tr> <tr> <th style="text-align: center;">Implementing Partners</th> </tr> <tr> <td> <ul style="list-style-type: none"> Environment, Forest and Climate Change Commission Ministry of Finance </td> </tr> <tr> <th style="text-align: center;">Programme Duration</th> </tr> <tr> <td> <ul style="list-style-type: none"> Overall Duration: 60 months Start Date : 2/06/2015 End Date: 2/06/2020 </td> </tr> </table>	Strategic Results ²	<p>UNDAF Outcome 5: By 2020 key Government institutions at federal and regional levels including cities are better able to plan, implement and monitor priority climate change mitigation and adaptation actions and sustainable resource management.</p>	Implementing Partners	<ul style="list-style-type: none"> Environment, Forest and Climate Change Commission Ministry of Finance 	Programme Duration	<ul style="list-style-type: none"> Overall Duration: 60 months Start Date : 2/06/2015 End Date: 2/06/2020
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² Strategic Results, as formulated in the Strategic UN Planning Framework (e.g. UNDAF) or project document;

ACRONYMS

AWP:	Annual Work Plan
CRGE:	Climate Resilient Green Economy
CSO:	Civil Society Organization
GTP	Growth and Transformation Plan
LPAC:	Local Project Appraisal Committee
EFCCC:	Environment Forest and Climate Change Commission
MPTFO:	Multi Partners Trust Fund Office
MoU:	Memorandum of Understanding
NFSDP:	National Forest Sector Development Program
PSNP	Productive Safety Net Program
REDD+	Reduction of Emission from Deforestation and Forest Degradation
RFSDP:	Regional Forest Sector Development Program
SLU:	Swedish University of Agriculture
SLM:	Sustainable Land Management
SNNP:	Southern Nations Nationalities and Peoples
UNDP:	United Nations Development Programme

EXECUTIVE SUMMARY

The Institutional Strengthening for the Forest Sector Development Project in Ethiopia has supported the development of a ten-year National Forest Sector Development Program (2018-2028) for the sector, which was officially launched at the end of 2018. The National Forest Sector Development Program prepared in three volumes, namely: Situation Analysis; Program Pillars, Action Areas and Targets and Synthesis Report. The NFSDP has got three volumes, will serve as a road map to lead all governmental and non-governmental private sector and Civil Society Organizations with regard to forest conservation and development in the country.

The NFSDP will be realized at the sub national level through the development of Regions and City administrations specific forest sector development programs. Accordingly, work is currently underway to develop forest sector development plans customized for specific regions and cities.

The institutional set up at federal and regional levels has been strengthened. One national and nine woreda forest sector development offices have been set up and strengthened through the deployment of additional six personnel which bring the total number to 92 skilled personnel and establishment of forestry data bases infrastructure.

Nationally, 14,668 hectares of land is covered with Afforestation/Reforestation activities in 2019. Out of which 13,850 hectares is by Norway and 3,818 hectares is by Sweden.

With regard to rehabilitation activities through Assisted Natural Regeneration, 7,136 hectares of land were nationally closed and being rehabilitated in 2019.

In 2019, 54 nurseries have been operating nationally and have produced 2,561,782 seedlings. 36 Nurseries are operating in Norway supported woredas and the remaining 18 nurseries are running in Sweden supported woredas.

In 2019, the project helped to increase employment and income generation opportunities for 47,152 (18,039 female) people living around the targeted areas through engagements in the forest sector and other livelihood options.

I. Introduction

The Institutional Strengthening for the Forest Development Project in Ethiopia is aiming to strengthen national capacity to help Ethiopia deliver on the forestry targets contained in the Climate Resilient Green Economy Strategy and Growth and Transformation Plan. The project also aims to contribute for the implementation of UN Development Assistance Framework (UNDAF), specifically on the Resilience and Green Economy pillar.

The project has the following five expected outputs:

- i. Strengthened institutional capacity of the forest sector at all levels
- ii. Forest conservation and development for their multiple benefits in selected areas piloted
- iii. Broad-based stakeholder engagement in forest conservation and development enhanced
- iv. Private sector involvement in forest development strengthened
- v. Science and innovation in the forest sector strengthened

This project is designed to contribute towards reversing negative trends through building the capacity of the national institution and at the same time piloting strategic interventions. The project implementation is supported by the strong commitment of the Government of Ethiopia and the involvement of key stakeholders, in particular local communities.

Priority Areas

Forest conservation and management have been made in selected degraded areas of Amhara, Tigray and Southern Nations and National Regional State (Figure 1).

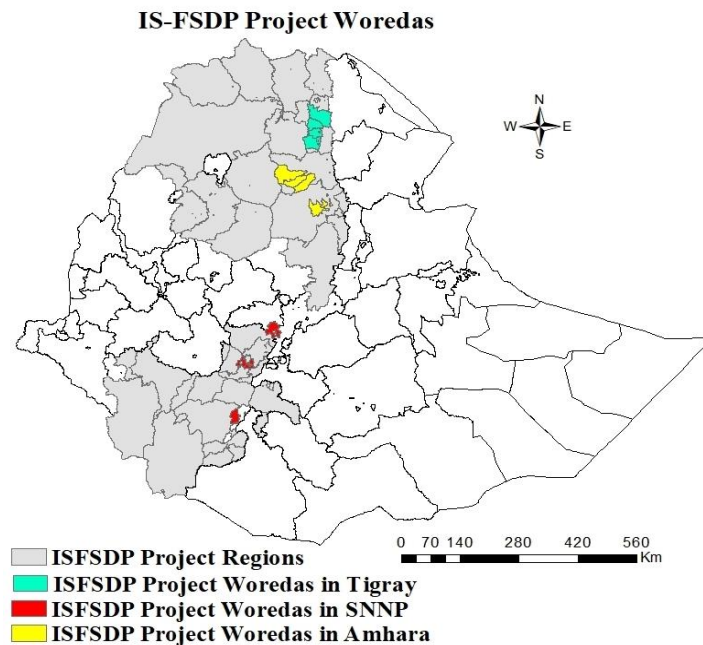


Figure 1. Pilot sites (green, yellow and red) for Afforestation/Reforestation and Rehabilitation targets in the three regions

Implementation Arrangement

Environment, Forest and Climate Change Commission (EFCCC), with the technical support of UNDP leads the implementation of the Project. Monitoring of the programme is conducted jointly by MoF, UNDP, the Norwegian Embassy, the Swedish Embassy and EFCCC. The project is monitored based on the Monitoring and Evaluation guidelines of the CRGE Facility, UNDP and EFCCC. Technical and administrative bodies at regional and local level are also responsible for the implementation, monitoring and follow up of the project execution on regular basis. Moreover, nine project offices have been set up in the selected project districts to coordinate project activities in the thirteen districts. These offices are linked with the National Project Coordination Office. The overall guidance of the project implementation is provided by a steering committee, while at district level there is additional technical committee, which provides technical guidance including quality assurance for each activities of the project.

II. Results

UNDAF Outcome 5: By 2020 key Government institutions at federal and regional levels including cities are better able to plan, implement and monitor priority climate change mitigation and adaptation actions and sustainable resource management.

During this reporting period the project is contributing to the restoration of Ethiopia's forest through afforestation/reforestation and rehabilitation of degraded lands.

The key progress areas during the reporting period under the planned-outputs are briefly described below:

Output I: strengthening the institutional capacity of the forest sector

Through the support of the project Ethiopia has established a national and regional forestry database infrastructure that will help the country to address the gap in data management. The forestry database will contain information that is relevant for the sustainable management of plantation and natural forest resources, including species types and distribution both in the natural forest and plantation in the regions; status of management; as well as indigenous knowledge on the use of tree species by local communities. All regional states are now equipped with key database facilities procured and distributed through the support of this project. Training on those facilities has been provided.

- One national and nine woreda coordination offices have been set up and are now active with 92 (additional 6 personnel in the reporting period) project staff hired at various levels.
- Environmental and social management framework preparation process finalized for fast rotation plantation and rehabilitation of degraded lands for nine districts
- The National Forest Sector Development Program prepared in three volumes, namely: Situation Analysis; Program Pillars, Action Areas and Targets and Synthesis Report. The NFSDP has got three volumes, will serve as a road map to lead all governmental and non-governmental private sector and Civil Society organizations with regard to forest conservation and development in the country. The procurement of three tractors with trailers and ploughs, two field cars and one dump-truck is already done.

Output 2: Forest conservation and development enhanced

This project emphasizes supporting land use plan based rehabilitation efforts in targeted micro-watersheds. The project has helped initiate short rotation forestry activities as community forestry scheme. This include primarily the careful selection of species, raising seedlings and establishment of plantation of fast-growing species to fill the pressing need on wood products while reducing pressure on the remaining natural forests and woodlands. During the reporting period, the following progress was made.

Nationally, 14,668 hectares of land is covered with Afforestation/Reforestation activities in 2019. Out of which 13,850 hectares is by Norway and 3,818 hectares is by Sweden.

With regard to rehabilitation activities through Assisted Natural Regeneration, 7,136 hectares of land were nationally closed and being rehabilitated in 2019.

In 2019, totally 36 nurseries having all the required nursery inputs, tools and equipment have been operating and being producing 2,136,354 seedlings in Norway supported woredas. Amhara region managing 19 nurseries is producing 1,185,000 seedlings in this quarter. Tigray region, managing 8 nurseries, is producing 554,045 seedlings in this quarter. SNNP has also been producing 397,300 seedlings and managing 9 nurseries.

Whereas, in Sweden supported woredas, 18 nurseries have also been managed for seedling production in 2019. The number of nurseries in Tigray, Amhara and SNNP are 5, 7 and 6, respectively. In those 18 nurseries, a total of 425,428 seedlings have been produced. Out of which 133,000 seedlings produced in Tigray region, 127,928 produced in Amhara region and 164,500 produced in SNNP region.

In thirteen pilot districts selected from Amhara, SNNP and Tigray regions clearly defined construction and management of soil and water conservation structures which enhance forest development and conservation efforts. The extent of SWC activities accomplished in 2019 is shown in Table 1.

Table 1 Soil and Water Conservation construction and maintenance activities in 2019

No	SWC activities	Unit	2011/2019		Total
			Voluntary base	Payment	
1	Soil bund construction	Km	15.54	10	25.54
2	Bund maintenance	Km	924	1540	2464
3	Gabion check dam	M ³		80	80
4	Stone faced bund construction	Km	11.64	7.76	19.4
5	Micro trench const.	No	1,458	927	2385
6	Half-moon construction	Km	237	395	632

In SNNP region, 300 Mango, 6400 Avocado, 13,450 Coffee, 1750 Moringa, 43,750 bamboo, 2400 Cordia africana seedlings have been distributed in this year. In Tigray region, 400 Papaya, 500 Apple, 1700 Coffee and a total of 2600 fruit seedlings have been distributed to 89 male and 35 female beneficiaries in two project sites called Betemera and Dejen. The plants are planted in 1.51

hectares of land. In Ayba and Betemara Woredas, individual farmers converted 60.75 hectares of infertile cropland to forest land to get benefitted from tree planting.

In 2019, the project helped to increase employment and income generation opportunities for 47,152 (18,039 female) people living around the targeted areas through engagements in the forest sector and other livelihood options.

Output 3: Private sector involvement in forest development facilitated

A national guideline is being prepared to encourage the private sector. This includes various incentives mechanisms to be proposed by the government. The incentives includes among others: tax exemption for importing equipment and materials for commercial forestry; availing land for tree planting, etc. By so doing the private sector involvement in forest conservation and development will be promoted.

Output 4: Forest science and innovation promoted

In collaboration with forestry research and higher learning institutions, 13 demand driven and forest conservation and development relevant research thematic areas have been selected and being financially supported. The research projects are ongoing in the reporting period. The list of selected research projects and their implementing institutions are shown in Table 2.

Table 2list of selected research projects and their implementing institutions

No	Title	Implementing Institution	Status
1	Improving management and performances of smallholder’s forest plantation systems in the highlands of Amhara Region, Northern Ethiopia.	University of Gondar	Ongoing
2	Conservation through utilization: product chain development of underutilized Non-timber forest products for rural development and sustainable dry-forest management.	University of Gondar	Ongoing
3	Development and validation of species and site specific biomass models for carbon stock estimate of Combretum-Terminalia woodland vegetation in Western and north western Ethiopia.	University of Gondar	Ongoing
4	Composition and Structure of forest Resources under Successional Stages across Chercher Afromontane Forest	Oda Bultum University	Ongoing

	Landscapes of Eastern Ethiopia: prerequisite for conservation strategy.		
5	Allometric equations for estimating aboveground biomass of some selected native woody species grown in four major vegetation biomes of Ethiopia. Moist Evergreen Afromontane Biome.	Wondo Genet College	Ongoing
6	Forestry Innovation for Improving Forest Product Demand-Supply Mismatches & Improving forest enterprises' competitiveness in Ethiopia	Wondo Genet College	Ongoing
7	Domestication and Seed Source Establishment for selected indigenous timber tree species in west and south western Ethiopia	EEFRI	Ongoing
8	Developing Allometric Equation for Estimating aboveground biomass of selected tree species from Dry Afromontane forests of Ethiopia	EEFRI	Ongoing
9	Enhancing Field establishment and management of seedlings in degraded frost affected highlands of Ethiopia.	EEFRI	Ongoing
10	Developing appropriate in-vitro propagation protocol for endangered and important multipurpose trees and assess their adaptation and growth using halophilic and thermophilic nitrogen fixing microbes.	EEFRI	Ongoing
11	Integrated Multidisciplinary Land Management Intervention and research for improved Agroforest Biodiversity, Economic Wellbeing and Ecosystem Services at the Landscape level	EEFRI	Ongoing
12	Development of Multi-Species Riparian Vegetation Buffer for Bank Stabilization and Sediment Control.	EEFRI	Ongoing
13	Developing Allometric Equation for Estimating Aboveground Biomass of selected tree species from Acacia commiphora forests of Ethiopia	EEFRI	Ongoing

III. Monitoring and Evaluation

Progress was made in strengthening the overall M&E system with attention given to the improvement of the quality of the data reported, data management and overall reporting. The physical monitoring and reporting by the project will be further improved through joint monitoring

and evaluation by the Donors, UNDP and Government to ensure consistency and satisfactory reporting of the project achievement.

As part of improving the monitoring and evaluation of the project and in consultation with the donor, an independent body of experts undertaken Ground Truthing activities on the Afforestation and Reforestation and Assisted Natural Regeneration sites to verify the office reported figures on the ground. This ground trothing activity is initiated and supported by Norway and hence covers only the nine Norway supported project woredas. The result showed that the overall national agreement between office reported and the Ground trothing report is 92.6 %. Even though the difference between the two reports is very small, the technical skill gap of project experts at woreda level in handling and operating of GPS caused the deviation.

Furthermore, documentation of best practices through documentaries and brochures to reach out the public and wider stakeholders is already undergone. Quarterly discussions with regional and woreda level stakeholders on the progress of the project are well underway as per the plan which benefitted the scaling-up and expansion of the intervention to additional 54 project woredas through RIP-A/R program.

IV. Challenges and Lessons Learned

The Project both at strategic level (e.g. by designing a ten-year National Forest Sector Development Programme (NFSDP) and piloting model approaches, has gained the trust of stakeholders and is starting to be showcased to other similar government interventions. Recently, government and donor showed strong interest to expand the model and accommodate additional activities in the coming few years. The 80 million USD grant, of which 35 million USD is for Afforestation /Reforestation for REDD+ Investment funded by the Norwegian is one testimony for this.

Due to the trust, interest and sense of ownership of the project felt by the local communities, the communities have been engaged heavily in rehabilitation of degraded forest lands and establishment of fast rotation plantation. Accordingly, the monetary value of the free community contribution for rehabilitation and fast rotation plantation has amounted USD 323,076 and 232,481 USD respectively during the reporting period.

However, there were some key challenges faced during the implementation of the projects.

1. Some of the sites selected for afforestation have environmental constraints and demanded extra investments in site amelioration efforts. This called for extensive consultations and costs on the ground in order to reduce the risk of compromised results and quality.
2. Delay in fund transfer from the donor end has caused some activities to be postponed for the coming seasons
3. Security situation in some areas has affected the fast rotation plantation and rehabilitation of degraded lands in the districts. Moreover, technical support, monitoring and evaluation activities in the districts by the National Project Coordination Office have been negatively affected by the security situation.

Key Highlights to be achieved in 2020

- ❖ Implement the Exit: data have already been collected from all project woredas on how to design and implement the exit strategy in order to ensure the sustainability of investments.
- ❖ The selected research projects will be finalized and reported.
- ❖ Transferring of all the investment Afforestation and Reforestation and Assisted Natural Regeneration areas to the owners and cooperatives.
- ❖ The development of 11 regions/ City Administrations Forest Sector Development Programs preparations completed, endorsed by the regions and city administrations authorities and launched;

ii) Indicator Based Performance Assessment:

In line with 2019 AWP please see an update on the achievement of indicators at both the output and outcome level in the table below..

Outputs:	Baseline	Target	Achievement
<p>Output 1.1 The Institutional Capacity of the forest sector is strengthened at all levels.</p> <p>Indicators</p> <ul style="list-style-type: none"> ○ Number of offices equipped with office facilities and skilled human resources; ○ Presence of National Forest Sector Development Program; ○ Presence of Regional Forest Sector Development Programs; ○ Existence of coordination mechanisms at federal and regional levels ○ Presence of ESMF 	<ul style="list-style-type: none"> ○ Existence of Ministry of Environment and Forest with limited capacity; ○ Ethiopian Forestry Action Plan prepared in 1994 ○ Woody Biomass Inventory and Strategic Plan Project findings in 2004 ○ Absence of strong regional/sub national structure ○ Emerging Forest Based enterprises ○ 	<ul style="list-style-type: none"> ○ NFSDP developed ○ 9 regional and 2 city administrations Forest Sector Development Plans developed ○ Office facilities procured for MoEFCC and regional replica; ○ ESMF prepared; ○ Coordination mechanism in place at regional and federal levels 	<ul style="list-style-type: none"> ○ One national and nine woreda forest sector development offices established and operationalized through the deployment of 92 skilled personnel and fulfilling office facilities ○ forestry data bases infrastructure established and the required facilities at national and regional levels fulfilled ○ The 10 years NFSDP developed and ready to be launched ○ Regional RFSDP under preparation ○ ESMF for fast rotation plantation and rehabilitation of degraded lands for nine districts prepared; ○ Coordination Mechanism to lead the forest conservation and development exists and regions and city administrations have also established offices with different naming; ○ 92 project staffs deployed and are currently working at federal and regional levels
<p>Output 2</p> <p>Indicators</p> <ul style="list-style-type: none"> ○ Presence of clearly defined and 	<p>Baselines</p> <ul style="list-style-type: none"> ○ Absence of clearly defined rural land use 	<p>Planned Targets</p> <ul style="list-style-type: none"> ○ Clearly defined and integrated rural land use 	<p>Achievements</p> <ul style="list-style-type: none"> ○ In nine pilot districts selected from Amhara, SNNP and Tigray clearly

<p>integrated rural land use plans that support forest conservation and development of forest resources in pilot regional states;</p> <ul style="list-style-type: none"> ○ Proportion of degraded lands demarcated and mapped; ○ Proportion of degraded lands rehabilitated; ○ Presence of Project Design Document to access carbon finance; ○ Existence of road map for implementation of agroforestry system in Ethiopia; ○ Number of pilot sites per region effectively implemented Payment for Ecosystem Services; ○ Number of areas covered per region and city administration through short rotation plantation program 	<p>plan that supports the conservation and development of forest resources;</p> <ul style="list-style-type: none"> ○ Degraded lands Rehabilitation program exists in some parts of Ethiopia; ○ Absence of harmonized agroforestry systems and practices by agro ecological zones ○ Lack of comprehensive evaluation system for ecological, social and economic benefits of forest resources and their contribution to GDP 	<p>plans that support conservation and development of forest resources in pilot regional states;</p> <ul style="list-style-type: none"> ○ 150,000hectars lands demarcated and mapped; ○ 150,000 hectares degraded lands rehabilitated; ○ Presence of Project Design Document to access carbon finance; ○ 10,000 hectares mapped and covered by short rotation plantation program; ○ One Project Design Document to access carbon finance prepared ○ Criteria for the implementation of agroforestry system in Ethiopia developed; 	<p>defined land use plans prepared for conducting forest conservation and development;</p> <ul style="list-style-type: none"> ○ 25.54 km of Soil bunds have been constructed ○ 24.64 of bunds maintained ○ 80m³ of Gabion check dams constructed ○ 19.4 km of stone faced bund constructed ○ 2385 of Micro trench constructed ○ 632 km of Half-moon structure constructed ○ 2561782 seedlings have been raised in 54 nurseries. ○ Plantation has been conducted on 13,850 ha of Norwegian project supported sites and on 3,818 ha on sites supported through financing from Sweden. ○ Rehabilitation of 7,136ha of land is achieved.
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V. Assessment of efficiency of the project

This project is designed in the result-based scheme and resources are especially targeted towards supporting delivery of outputs. Most of the resource was planned for field level Afforestation/Reforestation and Rehabilitation works including livelihood activities and hence significant focus and resource support is provided accordingly.

This project has ample evidence already to show that different stakeholders were quickly mobilized for the actual implementation of the project. This indicated that afforestation in Ethiopian landscapes (even on degraded ones) can be achieved quickly if the assumed conditions are in place, i.e. good site rehabilitation conditions, guaranteed quality of plant material, proper management, reasonable investment and access to markets for products.

In practice, the entire exercise was translated into important outcomes of increased employment and income generation while arresting land degradation, which is one of the main targets in the GTPII. The project is also likely to contribute to biodiversity conservation, and the country's climate change adaptation and mitigation efforts.

The project implementation manual set a certain level of free labor participation from the community for various field activities to promote the participation of the wider public and other stakeholders, while at the same time maintaining a reasonable level of efficiency in financial disbursement. The top leadership in the three regions have directly dedicated personnel and institutions to monitor this project and provided guidance on the selection of sites for its implementation and its implementation approaches. Previous experiences in other similar projects like (e.g. SLM, PSNP etc.) have helped to quickly start the implementation of this project. In many cases, the steering committee for the other projects similarly led the implementation of this project.

VI. Conclusion

This project is a key mechanism to build institutional capacity at all levels and pilot new approaches on rehabilitation and afforestation by triggering more stakeholders' engagement in the forest sector. The project supports the national green growth strategy, CRGE, and the work started under this project can make a significant contribution towards the achievement of the forest sector target in the green growth development agenda of the country.

The commitment of the project and government staff at various levels, the participation of communities in project sites, the leadership by the government bodies at various levels and support provided by the Norwegian and Swedish Governments, UNDP and MoF is encouraging. Considering the time since inception to implementation on the ground activities, the project is well positioned to deliver the outcomes and targets as per the plan. Sustaining the existing momentum will help to prove that the project's implementation model is working for the Ethiopian landscape and livelihood systems.

