

TAP Review of the R-Package submitted by Ethiopia¹

August 2017

¹ This TAP Expert Review consisted of a desk study of Ethiopia's R-package report and of review of additional documentation on Ethiopia's REDD+ readiness process. The review was carried out by Simon Rietbergen, independent TAP Expert, between July 14th and August 30th, 2017.

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Core Tasks of the TAP Expert Review

1. The present document contains the independent review by the Technical Advisory Panel (TAP) of the Self-Assessment Process of the R-Package² undertaken by Ethiopia through a participatory multi-stakeholder consultation process. The purpose of the review is to assess both progress and achievements of REDD+ Readiness in the country, as well as the remaining challenges (if any) that will need to be addressed to make the transition from Readiness to implementation of performance-based REDD+ activities.
2. The TAP-review is a background document for the Participants' Committee (PC) in its decision-making process on the endorsement of the R-Package. The endorsement of the R-Package is a prerequisite for the formal submission of Ethiopia's Emissions Reduction Program Document (ERPD) to the PC. Ethiopia's ER Program is planned for implementation at sub-national level, starting with the Oromia Forested Landscape Program (OFLP), for which the World Bank has already made available a recipient-executed trust fund grant of US\$18 million. The OFLP grant is set to be complemented by an additional US\$50 million of results-based payments to be made against verified emissions reductions, to be purchased by the BioCarbon Fund. Oromia holds 41% of Ethiopia's forests and has the highest deforestation rate of all regions, making it a highly strategic location for a REDD+ Program.

Methods Applied for the TAP Expert Review

3. This TAP Expert Review of the multi-stakeholder self-assessment process of REDD+ in Ethiopia follows the FCPF R-Package Assessment Framework guide and benefits from the experience gained with a number of previous reviews that were done since the first was completed in DR Congo in April 2015. The TORs for the current TAP expert review are as follows:
 - Perform an independent review of Ethiopia's self-evaluation of progress in REDD+ Readiness, using the methodological framework of the FCPF Assessment Framework for consistency;
 - Review Ethiopia's documentation of stakeholders' self-assessment, including the process that was used for the self-assessment and the reported outcome;
 - Review key outputs (and the documents that underpin these) referenced in the R-Package, including documents pertaining to the national REDD strategy, the Strategic Environmental and Social Assessment (SESA) and Environmental and Social Management Framework (ESMF), reference levels and forest monitoring, and national institutional structures;
 - Provide constructive and targeted feedback, highlighting strengths and

² The purpose of the R-Package is threefold: (i) Provide an opportunity to REDD Country Participants to self-assess the progress on REDD+ implementation; (ii) Demonstrate a REDD Country Participant's commitment to REDD+ Readiness; and (iii) Generate feedback and guidance to REDD Country Participants through a national multi-stakeholder self-assessment and Participants' Committee (PC) assessment processes (FCPF Readiness Assessment Framework guide June 2013).

weaknesses in subcomponents, and propose actions going forward.

4. To perform this task, a simple methodology has been applied which consists of the following steps:
 - Step A: Review the self-assessment process of REDD+ Readiness based on Ethiopia's R-package report and supporting documentation. Box 1 below provides the outline of Ethiopia's R-package report.
 - Step B: Review of the results from the multi-stakeholder R-Package self-assessment process, based on the same report.
 - Step C: Assess what still needs to be done to further the Readiness Process.
5. The purpose of the TAP's expert review is not to second-guess the outcomes of the country's self-assessment, as this is based on a comprehensive multi-stakeholder process that was guided by the FCPF's readiness assessment framework. The review should rather focus on determining whether a due process and approach was followed while performing the self-assessment, and provide constructive feedback to the FCPF Participants Committee.

Box 1: Outline of Ethiopia's R-Package Report: "R-Package: Readiness Progress and Multi-stakeholder Self-Assessment Report of Ethiopia"

1. INTRODUCTION

- 1.1 Background
- 1.2 REDD+ process in Ethiopia

2. MULTI-STAKEHOLDER SELF-ASSESSMENT PROCESS

- 2.1 Objectives of the Self-Assessment
- 2.2 Self-Assessment Process, Data Collection and Analysis
 - 2.2.1 The Participatory Self-Assessment Process
 - 2.2.2 Methods of data collection and analysis

3. REDD+ READINESS SELF-ASSESSMENT RESULTS

- 3.1 COMPONENT 1: READINESS ORGANIZATION AND CONSULTATION
 - 3.1.1 Results of Self-Assessment for the Component Organization and Consultation
 - 3.1.2 SUB-COMPONENT 1A. National REDD+ Management Arrangements
 - 3.1.3 SUB-COMPONENT 1B. Consultation, participation and outreach
 - 3.1.4 Progress and Major Achievements on Consultation, Participation and Outreach

3.2 COMPONENT 2: REDD+ Strategy Preparation

3.2.1 Progress and Major Achievements on Preparation of REDD+ Strategy

3.2.2 SUB-COMPONENT 2A. Assessment of land use, land-use change drivers, Forest Law, Policy and Governance

3.2.3 SUB-COMPONENT 2B. REDD+ Strategy options

3.2.4 SUB-COMPONENT 2C. Implementation Framework

3.2.5 SUB-COMPONENT 2D. Social and Environmental Impacts

3.3 COMPONENT 3. Forest Reference Emissions Level/Forest Reference Levels (FREL/FRL)

3.3.1 Progress and Major Achievements on FREL/FRL

3.3.2 Results of Self-Assessment for the Component Reference Levels

3.4 COMPONENT 4: Development of Monitoring System for Forests and Safeguards

3.4.1 SUB-COMPONENT 4A. National Forest Monitoring System

3.4.2 SUB-COMPONENT 4B. Information System for Multiple Benefits, Other Impacts, Governance and Safeguards

4. TOWARDS RESULTS-BASED ACTIONS (REDD+ INITIATIVES)

4.1 Oromia Forested Landscape Program

4.2 REDD+ Investment Program

5. OVERALL CONCLUSIONS

6. NEXT STEPS

ANNEXES:

Annex 1: References to key outputs of the readiness preparation process

Annex 2: Self-assessment Results Summary Matrix: Achievements, gaps and areas for improvement

Annex 3: Scores against the 34 criteria given by stakeholder group and combined score

Annex 4: Attendance list, addresses and signatures of participants in the self-assessment

Annex 5: The 54 Diagnostic Questions Used for the Self-Assessment

Annex 6: Color scores given by five stakeholder groups against the 54 diagnostic questions

TAP Review Part A: Review of the Self-Assessment Process and the Documentation

This part of the TAP report provides feedback on the multi-stakeholder self-assessment process, as documented in the R-package report.

5. ***Self-Assessment process conducted according to the R-Package guidelines.*** The multi-stakeholder consultation process for the self-assessment of Ethiopia's REDD+ Readiness was undertaken between May 15th, when the elaboration of a detailed plan for the preparation of the R-Package in collaboration with Technical Working Group (TWG) members started³, and June 23rd, when the five-day R-Package compilation meeting was successfully concluded. The multi-stakeholder consultation workshop to conduct the self-assessment of the REDD+ Readiness process was held from June 9th to 11th, 2017.
6. The R-Package planning meeting conducted by the National REDD+ Secretariat in collaboration with Technical Working Group members from May 15 to 17, 2017, performed the following tasks: (i) Examination of the FCPF Readiness Assessment Framework and customization of FCPF's 58 diagnostic questions for the evaluation of Ethiopia's Readiness against the 34 criteria⁴; (ii) review of R-package documents of Ghana, Nepal, Costa Rica and Mexico; (iii) stocktaking of readiness achievements, including documents, systems established, capacity developed; and (iv) identification of stakeholders for the self-assessment from five groups: (a) federal government; (b) REDD+ Technical Working Group (TWG) members; (c) regional governments, including regional REDD+ Coordination Units and members of four regional REDD+ TWGs; (d) NGOs/Civil Society Organizations (CSOs); and (v) National REDD+ Secretariat.
7. The multi-stakeholder self-assessment workshop, which was held in Addis Ababa from June 9th to 11th, 2017, brought together a total of 83 participants from the five pre-identified stakeholder groups: federal government (18 people); federal REDD+ TWG (11); regional governments and regional REDD+ TWGs (33); NGOs/CSOs (13)⁵ and the national REDD+ Secretariat (8). This is fully in line with the guidance provided in FCPF's June 2013 R-package user guide: "It is important that the approach to generate the assessment's outcome is based on the practices that were established for stakeholder consultation during the readiness phase" and "Participants of the assessment should include a representative cross-

³ The TWG meeting on the preparation of the R-Package was conducted from May 15-17, 2017.

⁴ The customization exercise yielded a total of 54 diagnostic questions, which align closely with the 58 questions of the FCPF Framework. The 54 questions are included in full in Annex 5 of the R-Package report.

⁵ The total number of NGO/CSO representatives involved in the self-assessment process is much higher than 13 as NGO/CSO representatives also participated in their capacity as members of the federal and regional REDD+ Technical Working Groups.

section of relevant stakeholders using mechanisms that were established or enhanced during readiness preparation”.

8. At the R-package assessment workshop held from June 9-11, each stakeholder group was asked to elect a facilitator/chair and a secretary, one of whom also represented the stakeholder group in the subsequent R-Package consolidation meeting (18-24 June). Following a presentation of the Readiness Assessment Framework and of Ethiopia’s progress against the 34 criteria, all participants were asked to rank REDD+ Readiness Progress using a four color “traffic light” system; with green indicating significant progress, yellow indicating much progress but much work remaining; orange indicating that limited initial work had started and red indicating that almost nothing had started. The R-package report provides the scores given by the five stakeholder groups separately, allowing for the evaluation of differences in perceptions amongst stakeholder groups, which can be instrumental in planning the remainder of the Readiness phase.⁶ In order to calculate the overall REDD+ readiness scores for Ethiopia, the green-yellow-orange-red scores were converted to numerical 4-3-2-1 scores and then averaged across all five stakeholder groups. The five stakeholder group scores and the consolidated score are presented for each of the readiness components separately in the respective sections of the main text, as well as in a single table for all of the readiness components in Annex 3 (pp. 77-79).
9. Participants at the multi-stakeholder assessment workshop also conducted an extensive discussion of strengths and weaknesses of the country’s progress for each of the 34 assessment criteria, and came up with many practical recommendations to further improve REDD+ readiness. At the R-Package consolidation workshop held subsequently, the results of these discussions were summarized into two Annexes for the R-Package report: Annex 1 containing the key outputs of the REDD+ Readiness Preparation Process for each of the 34 assessment criteria (pp. 49-62), and Annex 2 recording the achievements, gaps/weaknesses and areas for improvement alongside the consolidated scores for each of the assessment criteria (pp. 64-76).

➔ *TAP Conclusion: the FCPF Readiness Assessment Framework was used conscientiously during the self-assessment process, which allowed for strong multi-stakeholder participation from both the federal and regional levels of the country. The R-package consolidation workshop held with representatives from all stakeholder groups allowed for thorough consolidation, in a transparent manner, of the many useful conclusions and recommendations of the multi-stakeholder assessment workshop into Ethiopia’s R-Package report. This is a good practice that other REDD+ countries might want to consider adopting.*

⁶ The reasons for the differences in these color scores are discussed under each of the sub-components.

10. **Facilitation of the self-assessment consultation process.** The consultation process for the self-assessment was thorough and participatory, though somewhat less involved than in some other FCPF countries that did their R Package assessments recently. The process consisted of a three-day planning session with the REDD+ Technical Working Groups (TWG), a three-day national stakeholder workshop with representation from the four active REDD+ Regions, and a final five-day workshop involving the stakeholder workshop facilitators and/or secretaries to consolidate the results of stakeholder discussions into the R-Package report – all over a six-week period. Nevertheless, this is in line with FCPF’s R-package user guide, which states that “producing an R-package will largely entail the compilation and synthesis of previously prepared information, and a national multi-stakeholder exercise.”
11. The section of the R-package report describing the consultation process is quite short, but some additional qualitative information on the multi-stakeholder workshop provided in the executive summary describes workshop discussions as “congenial, open, constructive, but at the same time... very lively and hot for reaching consensus on scores”. The election of chairs/facilitators by the stakeholder groups themselves, and the subsequent involvement of these representatives in the consolidation of the R-Package report, is further evidence of a good process, and the separate evaluation of the assessment criteria by each of the five stakeholder groups prior to consolidation of national REDD+ readiness scores is highly transparent. Finally, judging from the critical conclusions and extensive recommendations of the process (as summarized in Annex 2 of the R-Package report), it appears that the self-assessment workshop was well-facilitated.

➔ *TAP Conclusion: Though the information on the facilitation of the self-assessment workshop contained in Ethiopia’s R-package report is somewhat limited, it is clear that the process was transparent – with each of the five stakeholder groups elaborating their own readiness scores – and participatory, with chairs/facilitators and secretaries elected by the stakeholder groups themselves and with lively, constructive discussions. Finally, the good quality of the stakeholder inputs made during the self-assessment workshop, as reported in the R-package report, provides additional evidence on the quality of process facilitation.*

12. **Time frame and development of the Readiness Process.** Ethiopia has been implementing REDD+ readiness activities ever since it submitted a REDD Readiness Plan Idea Note (R-PIN) to the FCPF in July 2008. The R-PIN was approved in 2009, opening the way for the preparation of the Readiness Preparation Proposal (R-PP) in 2010. In March 2011, the FCPF Participants Committee approved the allocation of a US\$3.4 million Readiness Grant to Ethiopia, increased by US\$200,000 in 2012 for the establishment of a national REDD+ feedback and grievance redress mechanism. The first FCPF Readiness grant was signed with the World Bank in October 2012, followed by a US\$10 million additional Readiness grant from Norway, disbursed through the World Bank’s BioCarbon Fund Technical Assistance Fund, BioCF Plus, from July 2014. A National REDD+

Secretariat was established under the Ministry of Agriculture in early 2013 but subsequently moved to the newly established Ministry of Environment, Forest and Climate Change in July 2013. A mid-term review report was completed in November 2015, followed by the signing of grant agreements for the World Bank funded Oromia Forested Landscape Program and the Norwegian-funded REDD+ Investment Program in 2017. In 2016, the forest reference level/forest reference emissions level submitted by Ethiopia was verified by the UNFCCC's technical assessment process. In summary, Ethiopia is already in transition from the Readiness to the Investment phase of REDD+, and, following the completion of its R-Package, aims to move to the third REDD+ phase of results-based payments for verified emission reductions from deforestation and forest degradation.

➔ *TAP Conclusion: the timeline and milestones of Ethiopia's REDD+ Preparation and Readiness activities since 2008 are well-summarized on pages 12-13 of the R-package report. Many of the elements needed for performance-based REDD+ emissions reductions payments are now in place, including a FRL/FREL verified by UNFCCC. Going forward, the R-package report does provide a thorough assessment of the current level of Readiness of each of the sub-components and a detailed work program for the remaining readiness activities that are necessary to consolidate the REDD+ Readiness Phase, which is of course the main purpose of the exercise.*

13. **Stepwise approach to implementation of REDD+.** Ethiopia has chosen to adopt a stepwise approach to REDD+ implementation, working on REDD+ Readiness nationally, but at the same time developing sub-national Emissions Reduction Programs in four regions, of which the Oromia Forested Landscape Program is the most advanced. The choice of the Oromia region is justified by its considerable potential for emissions reductions and for biodiversity conservation, among others.

➔ *TAP Conclusion: adopting a step-wise approach to developing Ethiopia's FREL/FRL and ER Program, improving the quality of forest data progressively and expanding the scale of the ER Program to national over time, appears justified by the circumstances of the country. Ethiopia's REDD+ program is attractive, due to the combination of considerable greenhouse gas emissions reductions potential and sizable non-carbon benefits (biodiversity as well as socioeconomic co-benefits).*

14. The quality of Ethiopia's R-Package Report largely met the expectations of the TAP reviewer, though in some instances the R-package text did not do justice to the progress documented in the many high-quality source documents available on the country's three REDD+ websites, as highlighted under (sub-) components 2b and 3.⁷ Notwithstanding the brevity of the description of the multi-stakeholder assessment process, it is clear that it was conducted in a participatory and transparent manner. Furthermore, the R-Package Report provides a reasonably comprehensive

⁷ It might be worthwhile consolidating these three sites into one single website to reduce the chance of confusion with the general public.

account of the substantive results of the self-assessment process conducted, and of the work that remains to be done to consolidate the REDD Readiness phase.⁸ The readiness scores are mainly green and yellow, indicating that the REDD+ Readiness process is making good progress.

➔ *TAP Conclusion: the Ethiopia R-package report provides a reasonably complete overview of the advancement of REDD+ Readiness in the country. While the description of the conduct of the multi-stakeholder self-assessment process was somewhat lacking in detail, it was clear the process was participatory and transparent. The conclusions and recommendations of the stakeholder process are well-summarized in the R-Package report, and will provide valuable inputs for the remainder of the REDD Readiness phase.*

TAP Review Part B: summary of the REDD+ Processes – Strengths and Weaknesses of the R package as highlighted by Ethiopia’s self-assessment

This part of the TAP review focuses on the self-assessment results; progress indicators (color scores) for the nine subcomponents, significant achievements and areas requiring further development.

15. The R-package report and the documents referenced therein provide ample documentation to assess Ethiopia’s progress with REDD+ Readiness, as well as the perceptions of the different REDD+ stakeholder groups on progress achieved and challenges remaining.
16. The Executive Summary of the R-Package report briefly explains the self-assessment process, summarizes the readiness scores (23 criteria green and 11 yellow) and highlights progress since the Mid-Term Review in 2015 (from 6 yellow and 3 green sub-components at MTR to 1 yellow and 8 green now). It also lays out clearly the areas where additional work towards REDD+ Readiness is needed: deepening ownership at policy level beyond the forestry sector; strengthening multi-stakeholder coordination, enhancing consultations with local communities and finalize the REDD+ implementation framework, including the Benefit Sharing Mechanism, REDD+ Registry and Safeguards Information System.
17. The chapters describing progress achieved for each of the REDD+ Readiness sub-components are well-structured, with a section describing progress and major achievements followed by a section providing the results of the self-assessment as well as the gaps and weaknesses requiring further action. Unfortunately, the key reports documenting REDD+ progress are not hyperlinked under the respective chapters – as

⁸ For the latter, see Annex 2 on pages 64-76 of the R-Package report. The report would have benefited from the insertion of hyperlinks to the main REDD+ outputs throughout the document, however, a user-friendly overview table with links to the outputs for many of the assessment criteria is available in Annex 1 and on <https://ethiopiared.org/redd-readiness/r-package-ethiopia/>

was done in some of the previous R-package reports – but included in Annex 1, which is less user-friendly. The Assessment sections tabulate the color scores of all five stakeholder groups as well as the consolidated color score, which allows for direct comparison across stakeholder groups. The website itself is fully up to date, including with participants' lists of the most recent consultation meetings. In the following, progress with each of the different REDD+ Readiness components and sub-components is reviewed on the basis of the Ethiopia's self-assessment report.

➔ *TAP Conclusion: the R-Package report, in combination with the documents referenced in it, gives a comprehensive account of REDD+ Readiness progress in Ethiopia and of the perceptions of the five stakeholder groups that participated in the self-assessment workshop.*

18. The overall Readiness assessment in Table 1 of the R-package report, reproduced below, contrasts the color scores for each of the REDD+ Readiness sub-components at the MTR in 2015 (third column), with the average color scores from the self-assessment workshop (fourth column). As noted above, REDD+ stakeholder groups agree that significant progress has been achieved since the MTR, with only one out of the nine sub-components being scored yellow and the rest green, as opposed to six yellow and three green at MTR.

Table 1 Progress summary at subcomponent level at MTR and R-Package

COMPONENTS	SUB-COMPONENTS	Progress Status at MTR	Progress Status at R-Package
1. Readiness Organization and Consultation			
	1a. National REDD+ Management Arrangements	Green	Green
	1b. Consultation, Participation, and Outreach	Yellow	Green
2. REDD+ Strategy Preparation			
	2a. Assessment of Land Use, Land Use Change Drivers, Forest Law, Policy and Governance	Green	Green
	2b. REDD+ Strategy Options	Green	Green
	2c. Implementation Framework	Yellow	Yellow
	2d. Social and Environmental Impacts	Yellow	Green
3. Reference Emissions Level/Reference Levels		Yellow	Green
4. Monitoring Systems for Forests, and Safeguards			
	4a. National Forest Monitoring System	Yellow	Green
	4b. Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards	Yellow	Green

19. The TAP review of Annex 3, which provides the color scores attributed by the different stakeholder groups as well as the consolidated scores for all criteria, reveals no systematic differences between the scores of the groups, e.g. due to certain stakeholder groups scoring the criteria consistently higher or lower than others. Furthermore, all five stakeholder groups, including the national REDD+ Secretariat, attribute some orange scores to some criteria – again indicating that the assessment is likely to be unbiased. Presumably, there are significant differences in stakeholder perceptions on REDD+ Readiness between the four regions where REDD+ investments are planned (Oromia, Amhara, Tigrina and SNNPR) and the rest of the country where this is not the case, but this is of course to be expected at this stage.

➔ *TAP Conclusion: the documentation provided is fully transparent on the differences in the Readiness scores attributed by the five main REDD+ stakeholder groups in Ethiopia. While, as is to be expected, the scores attributed by the different stakeholder groups vary for many of the criteria, there appear to be no systematic differences in the scores attributed by the respective stakeholder groups – indicative of a good degree of consensus among them.*

Component 1: Readiness, Organization and Consultation

Sub-Component 1a: National REDD+ Management Arrangements (Criteria 1-6, Average score: Green)

20. **Operationalization of REDD+ management arrangements.** Ethiopia's National and sub-national REDD+ management mechanisms have been established and are operating in a transparent, open and accountable manner. The Ministry of Environment, Forest and Climate Change has the overall leadership over REDD+, chairs the National REDD+ Steering Committee and hosts the National REDD+ Secretariat, which coordinates REDD+ Readiness and implementation.
21. The National REDD+ Steering Committee (SC) comprises key federal land use institutions such as the Ministry of Agriculture and Natural Resources, the Ministry of Water, Irrigation and Electricity and the Wildlife Conservation Authority, and Regional Agriculture Bureaus from 7 Forested and High Forest Potential Regions, among others. A federal REDD+ Technical Working Group (TWG), and three Task Forces (TF) on REDD+ Strategy, Safeguards and MRV have also been created, drawing on technical experts from relevant ministries, technical agencies, NGOs/CSOs (including representatives of Farm Africa and the Bale/Chilimo Forest users' union) and international organizations such as CIFOR and ILCA. They meet regularly to provide technical guidance for REDD+ readiness. Regional REDD+ Coordination Units, Steering Committees (RSCs) and TWGs have been established and made operational in all four pilot regional states, Oromia, Amhara, Tigray and SNNP.
22. National TWG members are assigned to the three Task forces taking into consideration his/her professional and technical background and potential to contribute to the respective TF's work. The task forces have been closely involved in the evaluation of inception reports and validation of all technical studies, thus helping to assure the technical quality of the reports. The REDD+ Learning Network has worked together with non-government actors on drawing lessons learned from experience and clarifying the REDD+ process.
23. The National REDD+ Secretariat (NRS) provides budget and logistical support for both federal and regional SC and TWG meetings once approved by the REDD+ Steering Committee. All REDD+ bodies established have met regularly, as planned.⁹ The National REDD+ Secretariat (NRS) has a full staff complement of 14 and the seven Regional REDD+ Coordination Units (RCU) have a further 29 staff and are also operational. NRS's fiduciary capacity is witnessed by four consecutive clean annual audits for the management of the FCPF and BioCarbon Fund Readiness grants, and by the disbursement rates of the latter: 100% and

⁹ An organigramme summarizing these institutional arrangements is provided in Figure 5 on page 20 of the R-package report.

74% respectively.

24. **Accountability and transparency.** NRS has made significant progress in developing consultation mechanisms that are accountable and transparent. All REDD+ related information (e.g. study reports, REDD+ consultation meeting minutes and participants' lists, public notices) is made available through Ethiopia's main REDD+ website.¹⁰ However, all the stakeholder groups acknowledged that information-sharing with local communities (including women, who are still under-represented) and the private sector has to be stepped up.
25. **Feedback and grievance redress mechanism (criterion 6).** A Grievance Redress Mechanism (GRM) has been prepared with clear roles and responsibilities for the Ethiopian Institute of the Ombudsman and a number of relevant traditional and formal institutions at various levels.¹¹ The GRM has also been integrated systematically in the country's REDD+ safeguard instruments. Since community-level consultations on the GRM have been limited and since there has been no experience with its implementation as yet, however, this criterion has been rated yellow.
26. While the overall assessment of this sub-component was green, the R-package report highlighted four problems, including the limited representation of women and the private sector in different REDD+ management arrangements; the lack of predictable and sustainable finance for the implementation of the REDD+ strategy; the lack of experience with applying the GRM in practice; and the inadequate commitment of key line ministries at federal level, which negatively affects multi-stakeholder coordination. This translated into yellow scores for the respective criteria: 2, 3 and 6.

➔ *TAP Conclusion: Ethiopia has made good progress in establishing the REDD+ Management Arrangements at national and regional level. This translated in a green score for sub-component 1a as a whole, but three criteria – Operating mandate and budget, Multi-sector coordination mechanisms & cross-sectoral collaboration, and the feedback and grievance redress mechanism – scored yellow and will require a significant effort going forward, as noted in the R-Package report. These issues will be revisited under part C of the TAP review report.*

Sub-Component 1b: Consultation, Participation and Outreach (criteria 7-10, Average score: green)

27. **Inclusion of stakeholders through an extended consultation, information and participation process (criteria 7, 8 and 10).** This

¹⁰ <http://www.ethiopiared.org/>

¹¹ See the November 2016 National REDD+ Grievance Redress Guideline, accessible on https://ethiopiared.org/wp-content/uploads/2017/06/Ethiopia-REDD-GRMs-Guideline_Final.pdf

section provides an overview of the extended REDD+ consultation process that has been conducted in Ethiopia at national, State, Woreda (district) and Kebele (community) level.¹² The stakeholder mapping that was done under the R-PP process was revised and expanded during R-PP implementation. A Consultation and Participation Plan (C&P Plan)¹³ was developed on the basis of this revised stakeholder mapping. The C&P Plan paid particular attention to providing voice to the communities in the design of strategic options for addressing the drivers of deforestation and forest degradation, based on the principle of free, prior and informed stakeholder consultation.

28. Stakeholder platforms created by the MEFCCC at national and sub-national level were used to organize awareness raising and consultation workshops throughout the readiness process, with a variety of stakeholders, including parliamentarians, federal and state officials, experts and local communities. REDD+ awareness-raising programs were held in all nine States for 350 participants. In 2015 and 2016, one national and four regional (Amhara, Tigray, Oromia and SNNP) REDD+ conferences were organized in collaboration with NGOs (Farm Africa, SOS-Sahel, Ethiowetlands and World Vision) to capitalize on lessons learned from Participatory Forest Management, the Clean Development Mechanism, and early REDD+ implementation experience. Joint workshops were held with CSOs such as the Ethiopian Forestry Society and the Biological Society of Ethiopia to raise awareness on REDD+.
29. Two federal-level workshops (one for government and one for non-government actors) and four state-level workshops were held in 2017 to consult on the REDD+ Strategy. During the preparation of the safeguards instruments, consultations were held in 26 Woredas and 52 Kebeles, involving a total of 936 people. For the study on the drivers of deforestation and degradation, consultations involving experts and local community members were held in a further 13 Woredas. For all the key studies, including drivers and safeguards, validation workshops were held at national level to receive feedback and technical guidance on inception, mid-term and final reports. Particularly extensive consultations were held during the design of the Oromia Forested Landscape Program (OFLP), reaching out to a total of 343,000 people, including government officials, experts and local community members.

¹² A set of tables of consultations at national and local level carried out between September 2016 and May 2017, including attendance records and presentations given, can be accessed through <https://ethiopiared.org/redd-readiness/redd-safeguards/consultation-participation/summary-report-of-consultation-and-participation/>. The format for these tables is somewhat confusing, and it might be advisable to reorganize the information contained in them, by Readiness theme (general awareness, SESA etc.) and by Region.

¹³ The C&P Plan can be accessed on https://ethiopiared.org/wp-content/uploads/2017/06/Ethiopia-REDD-Readiness-Consultation-and-Participation-Plan_Final.pdf

30. Quality of stakeholder participation. A quick reading of some of the reports of the various stakeholder consultations available on the REDD+ Website indicates that the consultation process was of good quality, and the stakeholder concerns expressed are reported in detail. Given the high number of meetings and the problematic organization of the related information on the website, it would have been helpful if some more synthetic information on these consultations (e.g. most frequent concerns expressed in different regions) could have been summarized in the R-package Report.

31. The five stakeholder groups participating in the R-package self-assessment workshop were unanimous in assigning green scores to criteria 7 (participation and engagement of key stakeholders) and 8 (consultation processes), whereas opinions on criterion 10 (implementation and public disclosure of consultation outcomes) were more divided – though the average score was also green. This is because the channels for disclosing information to local communities are limited. Therefore, an additional effort will need to be made to reach out to them, for example through religious and traditional authorities or community radio, as noted in Annex 2 of the R-Package report.

32. Information sharing and accessibility of information (criteria 9). In addition to the extensive face-to-face consultations summarized above, Ethiopia also reached out to the public through electronic and print media. A series of TV and radio programs was broadcast informing the population on the drivers of deforestation and on strategies to address these drivers. Six radio talk shows were transmitted in seven local languages¹⁴, in addition to two live talk shows, and short radio spots broadcast at peak time in Amharic¹⁵ and Oromifa. TV programs included a question-and-answer session on REDD+ and several interviews (also broadcast on radio) about climate change, REDD+ and forests. During the tree planting season in 2015, SMS text messages were transmitted to around 12 million mobile phone clients.

33. Thousands of awareness-raising materials were distributed at national and local-level events, including brochures (in Amharic, Afan, Oromo and English), booklets, notebooks, pens, New Year postcards, wall calendars, T-shirts, caps etc. The REDD+ website and blog¹⁶ have been used intensively to reach out to literate audiences, including the global community. REDD+ Training of trainers benefited over 250 experts and a REDD+ course was designed and integrated in the curricula of three universities. Finally, a Communications strategy¹⁷ specifically targeting local communities was elaborated recently. Nevertheless, the average

¹⁴ Amharic, Oromifa, Tigrigna, Afarigna, Somaligna, Sidamagna and Wolaita

¹⁵ Five spots per week over a seven-month period.

¹⁶ <http://www.ethiopiared.org> and <http://reddplusethiopia.wordpress.com>

¹⁷ The Communications Strategy can be accessed on https://ethiopiared.org/wp-content/uploads/2017/06/Communications-strategy_Final.pdf

score for this criterion was yellow, and stakeholders agreed that efforts to share information with local communities needed to be stepped up.

➔ *TAP Conclusion: The average score for sub-component 1b was green. NRS has invested considerable energy and resources to enable a variety of key stakeholders to have a say in the development of REDD+ Readiness. While it has systemically sought to involve those stakeholder groups whose livelihoods would be most directly affected by REDD+ implementation, especially in the Oromia region, the self-assessment workshop participants deemed that more effort should be made to engage local communities, and especially women, more fully in the REDD+ process. As noted in the R-Package report, this will require improved channels for sharing information with local communities, for example through religious and traditional authorities, and community radio. The TAP review recommends that the information on the multi-stakeholder consultations that is currently on the REDD+ website be reorganized and synthesized to make it more accessible and usable.*

Component 2: REDD+ Strategy Preparation

Sub-Component 2a: Assessment of land use, land use change drivers, forest law, policy and governance (criteria 11-15, average score: green)

34. Assessment of land use trends and analysis of drivers of deforestation and forest degradation. According to Ethiopia's 2011 Climate-Resilient Green Economy strategy, the forest sector is the second-largest contributor (37%) to national greenhouse gas (GHG) emissions after the agricultural sector.¹⁸ The assessment of Ethiopia's land use trends is based on two studies: (i) a 2013 land use cover assessment combined with mapping of forest and non-forest areas¹⁹; and (ii) an analysis of land use change (deforestation and afforestation) from 2000 to 2013. According to Ethiopia's Forest Reference Level, which was first submitted to UNFCCC for technical assessment in 2016 and then resubmitted in 2017, the country lost 92,000 hectares of forest annually (0.54%) over the 2000-2013 period, which represents about 18.0 MtCO₂ of GHG emissions per year.²⁰ Recent deforestation occurred mainly in the remaining Moist Afromontane Forest in the Southwest and Southeast of the country, and in the Dry Forest areas in the Western lowlands.²¹

35. The national study on the drivers of deforestation and forest degradation was carried out by a consortium led by international consultants Oy Arbonaut in 2015-2016.²² A similar assessment was made in Oromia State by a consortium led by international consultants UNIQUE. The key findings of the national assessment are: (i) though there has been some

¹⁸ See <https://ethiopiared.org/wp-content/uploads/2017/06/Ethiopias-Climate-Resilient-Green-economy-strategy.pdf>

¹⁹ The resulting 2013 forest and land cover maps are available on https://ethiopiared.org/wp-content/uploads/2017/06/Spatial-Analysis_FNF_LULC-Maps.pptx

²⁰ Ethiopia's 2016 FREL submission can be accessed on http://redd.unfccc.int/files/2016_submission_frel_ethiopia.pdf

²¹ See table 3 in Ethiopia's FREL

²² <https://ethiopiared.org/wp-content/uploads/2017/06/National-study-on-drivers-of-deforestation-and-forest-degradation-ethiopia-final.pdf>

forest loss in all regions since 2000, deforestation hotspots were concentrated in Tigray, Amhara, Benishangul and SNNPR; (ii) Forest conversion to grassland (53%) and cropland (24%) together account for over three quarters of all deforestation emissions nationwide; (iii) aboveground biomass degradation accounts for another 14% of national emissions; and (iv) more than 80% of all forest-related emissions come from the regions of SNNPR (47%) and Amhara (34%) and (v) emissions removal potential through afforestation and reforestation is largely confined to Amhara (60%) and Oromia (36%).

36. The direct drivers²³ of deforestation are: (i) small-scale agricultural expansion; (ii) large-scale agricultural investment; (iii) forest fire; and (iv) infrastructure development (e.g. roads providing access to agricultural settlers, mines, dams). The direct drivers of forest degradation are: (i) increased wood extraction for firewood, charcoal and construction; (ii) livestock grazing; and (iii) gradual conversion to coffee agroforestry. The agents of deforestation are thus smallholder farmers, immigrants, investors, illegal loggers, charcoal producers, local communities, pastoralists and farmers.
37. The indirect drivers of deforestation and forest degradation were identified as: (i) low profile of the forest sector due to low level of national awareness on significance of forestry for sustainable national development; (ii) absence of land use planning; (iii) inadequacy of forest laws and poor implementation associated with poor institutional capacity and low level of awareness of the justice system on forest resources; (iv) institutional instability and low capacity of forestry and related institutions; (v) poor inter-sectoral coordination and resulting policy disharmony among sectors; (vi) unclear tenure/forest user rights (including carbon rights); (vii) inadequate incentives for various actors to benefit from forest management and unclear benefit sharing mechanisms and poor participation of local communities and the private sector in Sustainable Forest Management; (viii) population growth coupled with poverty.
38. The REDD+ Strategy established priorities among the 17 strategic REDD+ options initially identified through a two-phase screening process. The first phase screening was done on the basis of three criteria: (i) greenhouse gas emissions mitigation potential; (ii) abatement cost efficiency; and (iii) government development priorities, as expressed in the 2011 Climate-Resilient Green Economy (CRGE) paper. The second phase screening used three further criteria: (iv) poverty alleviation impact; (v) potential social impact at scale; and (vi) institutional readiness.

➔ *TAP Conclusion: The R-package report does not provide a summary of the quantitative findings of the 2016 study on direct drivers and underlying causes of*

²³ The drivers are not spelled out in the R-Package report, so they are summarized here from the December 2016 draft National REDD+ Strategy, which is accessible on https://ethiopiared.org/wp-content/uploads/2017/06/Draft-REDD-Strategy_Version-1.pdf

deforestation and forest degradation in Ethiopia, an omission that does not do justice to the progress towards REDD+ Readiness achieved by the country in this respect. (The drivers report is posted on the Ethiopia REDD+ website and hyperlinked in Annex 1 of the R-Package report.) The report of the analysis of land use change (deforestation and afforestation) from 2000 to 2013, mentioned as one of the key inputs to the REDD+ strategy, is not hyperlinked in Annex 1 of the R-package report, nor does it seem to be available on the REDD+ website. The TAP review recommends that NRS upload the report as soon as possible. The R-Package report does not explain the methodology used for the analysis and prioritization of direct drivers and underlying causes of deforestation and forest degradation. Therefore, the TAP review summarized these findings and the methodology briefly in the text above, using the source documents available on the REDD+ website.

39. Natural resources rights, land tenure, governance and implications for forest laws and policies.

These issues were addressed thoroughly in a May 2015 Climate Focus report entitled Legal and Institutional Framework for the Ethiopian REDD+ Program.²⁴ The conclusions and recommendations concerning the legal and institutional gaps for REDD+ implementation in Ethiopia are briefly summarized in the R-package report, but no overview of progress with legislative and institutional reforms made since 2015 is provided, nor is there any recent information posted under the REDD+ Legal and Institutional Framework heading on the country's REDD+ website.

40. The key legal and institutional reform issues highlighted in the R-package report are: (i) forest-related priorities are not taken into account in agricultural investment decisions; (ii) environmental impact assessments are largely under the control of the sectoral ministries, and there is no mandate for MEFCC to exert independent oversight; (iii) there are important constraints to the implementation of Participatory Forest Management (PFM), such as the lack of legal recognition for community forest ownership in the current forest law, the inadequate benefits accruing to participating communities and the poor and legally unsupported Benefit Sharing Mechanism; and (iv) gaps on land use, forest tenure and carbon rights.

41. The resolution of these issues requires action by entities other than MEFCC, such as the Council of Ministers and by Parliament, which is a matter of concern given the R-package report's yellow rating of criterion 3, "Multi-sector coordination mechanisms and cross-sector collaboration" under sub-component 1a. For the TAP review to get a better grasp of the extant legal issues, it would have been important to have access to the draft revised Forest Proclamation Act, which is referred to in the above-mentioned Climate Focus report but not posted on the REDD+ website, and to the steps needed for its adoption. These legal and institutional issues also have important implications for the application of the REDD+ Safeguards, as discussed under sub-component 2d below.

²⁴ See <https://ethiopiared.org/wp-content/uploads/2017/06/20150511-Legal-and-institutional-alalysis-Final-Report-NATIONAL-Clean.pdf>

42. **Carbon rights.** The issue of carbon rights is not addressed in the R-Package report. The lack of a legal definition of carbon rights was identified by the 2015 study on the legal and institutional framework for REDD+ mentioned in para 41. According to this study, however, clarification of forest carbon rights does not necessarily require modification of existing or adoption of new laws. Many emissions reductions projects²⁵ have been successfully developed in the context of existing legal systems, by clarifying carbon rights on the basis of contractual arrangements (Climate Focus 2015 op. cit. page 23). Therefore, the issue of carbon rights *per se* does not seem to require further work in the context of REDD+ Readiness – though the issue of the underlying rights to own and use forests is of major concern for REDD+ implementation, as highlighted above.

➔ *TAP Conclusion: The average score for sub-component 2a is green, and of the five criteria only one was scored yellow (see below). The issues of governance, land tenure and related resource use rights were thoroughly addressed in a study entitled "Legal and institutional framework for the Ethiopian REDD+ program", which was completed in May 2015. The R-Package report provides a summary of the major legal and institutional reforms needed for REDD+ implementation that were highlighted in the 2015 report, many of which are outside the control of the MEFCC, and require decisions by Parliament (e.g. revised Forest Proclamation) or the Council of Ministers (e.g. moving Environmental Impact Assessment oversight back from sector ministries to MEFCC, or removing forest areas from land banks constituted for agricultural investment projects). Unfortunately, the R-Package Report does not give any indication of what progress has been achieved with these reforms since 2015. The corresponding criterion 14, "Action plans to address natural resource rights, land tenure, governance" is the only one under sub-component 2a to have been scored yellow, so clearly more work is needed to achieve Readiness on this point. Given the central importance of land and forest use rights for developing incentives and benefit-sharing mechanisms for REDD+, it would be helpful if progress with key legal and institutional reforms since 2015 could be clarified. A discussion of the lack of a legal definition of carbon rights in the above-cited legal study²⁶, clarifies that this issue has been addressed successfully through contractual arrangements in various carbon emissions reduction projects in Ethiopia, so it appears that no new laws or modifications of existing laws are required on this point.*

Sub-Component 2b: REDD+ Strategy options (criteria 16-18, average score: green)

43. **REDD+ Strategy.** The draft version of Ethiopia's National REDD+ Strategy was completed in December 2016. According to the R-Package report, it is based mainly on the following five analytical studies, complemented with the results of further spatial analysis carried out under the national MRV project: (i) in-depth analysis of the drivers of deforestation and

²⁵ In Ethiopia, these include the Humbo project, where carbon rights were understood to have been transferred to forest cooperatives, as part of the natural resources user right certificates they obtained, and the Bale Mountain Eco-Region REDD+ project, where the rights to the carbon credits were clarified to have been vested in the Oromia Forest and Wildlife Enterprise.

²⁶ This issue is not mentioned in the R-Package report itself.

degradation, barriers for afforestation and reforestation and strategic options for addressing those (at national and Oromia State levels)²⁷; (ii) analysis of legal and institutional frameworks for REDD+ implementation (at national²⁸ and Oromia State levels); (iii) national land use cover assessment for 2013, and mapping of forest/non-forest areas²⁹; (iv) analysis of land use change (deforestation and afforestation) from 2000 to 2013; (v) Analysis of the Benefit Sharing Mechanism for the Oromia Forested Landscape Project.³⁰ The draft version of the strategy was discussed with REDD+ stakeholders at two national and four sub-national consultation meetings held in May-June 2017. The R-package report states that these consultations resulted in a more refined prioritization of drivers and strategy options, but this does not seem to have been reflected yet in the latest draft REDD+ strategy, which dates from December 2016.

44. As noted above, Ethiopia's REDD+ Strategy is an integral part of the country's Climate-Resilient Green Economy (CRGE) Strategy, which was officially launched in 2011. The CRGE Strategy aims to maintain the annual Greenhouse Gas (GHG) emissions of the country at the 2010 level of 150 million tonnes of CO₂. This implies a goal of reducing those emissions by a total of 250 MtCO₂ by 2030, compared to the Business-as-Usual development path. 125 MtCO₂, or half the overall emissions reduction target, have been assigned to the forest sector. As a result, REDD+ is now seen as a major CRGE investment instrument, and is one of the four fast-track programs adopted for realizing CRGE targets. The REDD+ Program is also being integrated in the National Forest Sector Development Program, an ambitious program currently being elaborated by MEFC, that aims to reduce national GHG emissions by half in 2030, while increasing the GDP contribution of the sector from 4 to 8%.

45. The primary goal of the national REDD+ Strategy is "to reduce deforestation and forest degradation, while promoting sustainable management of the forest resources and enhancing forest carbon stocks through afforestation and reforestation." The national REDD+ strategy will provide strategic guidance for the implementation of an effective and efficient national REDD+ program by (i) strengthening institutions at all levels; (ii) improving the legal and regulatory framework; (iii) promoting stakeholder engagement and coordination; and (iv) by implementing strategic investments for improved forest management and livelihoods. .

46. The REDD+ Strategy is to be implemented over a period of 15 years, in

²⁷ <https://ethiopiared.org/wp-content/uploads/2017/06/National-study-on-drivers-of-deforestation-and-forest-degradation-ethiopia-final.pdf>

²⁸ Accessible on <https://ethiopiared.org/wp-content/uploads/2017/06/20150511-Legal-and-institutional-analysis-Final-Report-NATIONAL-Clean.pdf>

²⁹ The resulting 2013 forest and land cover maps are available on https://ethiopiared.org/wp-content/uploads/2017/06/Spatial-Analysis_FNF_LULC-Maps.pptx

³⁰ The 2016 draft REDD+ strategy (page 14) provides a different list of constituent documents, including the Strategic Environmental and Social Assessment (SESA), which is not posted on the Ethiopia REDD+ website.

three phases: Phase 1 (2016-2020): preparing the national REDD+ action plan, improving enabling conditions (Forest legislation, land allocation, MRV, financing, forestry extension, inter-sectoral coordination and institutional capacity for REDD+ implementation, operationalizing the NFMS, mobilizing non-results based investments and designing and implementing prioritized REDD+ policies, actions and measures (PAMS) to achieve a 25% reduction in the national deforestation rate, while consolidating experiences for forest restoration; Phase 2 (2021 – 2025): increased investments and scaling up REDD+ PAMS at national scale, while starting to operationalize results-based payment (RBP) at sub-national levels, with a view to bring net deforestation to zero; and Phase 3 (2026-2030): roll out REDD+ PAMS at full national scale and operationalize national RBPs, with a view to making Ethiopia's forests and land areas a net carbon sink, and achieving 50% of the national ER target by 2030.³¹

47. As noted in the R-Package report, the strategic options for addressing underlying drivers of deforestation are especially important in Ethiopia. These options, such as the land use policy and plan and other measures to reduce the impact of agricultural investment on forests, and the reclaiming by MEFCC of the responsibility for overseeing EIAs are not necessarily under the control of MEFCC and will require some major policy shifts with other sector Ministries such as Agriculture. This fact, in combination with the limited success of cross-sectoral coordination efforts reported under Component 1 poses a significant risk to the success of REDD+ emissions reductions programs.

➔ *TAP Conclusion: the R-package report clearly describes the objectives for the different phases of the implementation of Ethiopia's REDD+ Strategy, but does not dwell much on the individual strategy options nor on the risks inherent in the Strategy. These options and risks, however, are well-explained in the December 2016 draft REDD+ Strategy. The six multi-stakeholder consultations held in May-June 2017 are reported to have resulted in better prioritization of deforestation drivers and REDD+ strategy options, so presumably the 2016 draft REDD+ strategy will be updated in the near future to reflect this. The average score of the self-assessment workshop for this sub-component was "green", confirming that significant progress has been made on the REDD+ strategy options.*

Sub-Component 2c: Implementation Framework (criteria 19-22, average score: yellow)

48. ***Adoption and implementation of legislation/regulations (criteria 19 and 20).*** As noted under the review of sub-component 2a above, Ethiopia has been preparing a number of legal and institutional reforms deemed necessary to implement the national REDD+ strategy. The only reform that has been completed so far is the establishment of the Ministry of Environment, Forest and Climate Change in July 2013, removing the forest sector from the Agriculture Ministry and giving climate change a more prominent role. The revised forest proclamation, which still needs to be

³¹ This description of the three Phases of the REDD+ strategy is unfortunately truncated in Box 2 of the R-package report, therefore I have inserted it here, from the REDD+ Strategy text.

approved by parliament, covers a number of issues that are critical for addressing the underlying causes of deforestation and forest degradation, such as carbon trading, carbon rights, participatory forest management (PFM), community ownership of forests and benefit sharing.³² The discussion on the mandate for overseeing Environmental Impact Assessment, which currently falls largely under the sector ministries, thus causing a conflict of interest (and increasing the risk of deforestation), is ongoing. The land use plan and policy initiative led by the prime minister's office is anticipated to give rise to a master land use plan in about 2 years.

49. At a more operational level, many modalities needed for REDD+ implementation are still under development, such as the procedures for approval of REDD+ projects, programs and financing modalities. Some of these implementation modalities have already been drafted for sub-national projects such as the OFLP – including a Project Implementation Manual and a Benefit Sharing Mechanism – and the Norwegian-supported REDD+ Investment Program, for which the institutional implementation architecture and fiduciary management mechanism has been elaborated. The NRS hopes to model the national implementation modalities on these sub-national elements, and on any early lessons learned from their implementation.

➔ *TAP Conclusion: Overall, sub-component 2c was given a “yellow” score, indicating that a significant amount of work is still needed. This is the only sub-component for which four out of the five stakeholder groups scored at least one criterion “orange” – providing further evidence of stakeholder concern about progress achieved thus far. The required changes in Ethiopia’s legal and regulatory framework for effective REDD+ implementation are coherently explained in the above-cited REDD+ Legal and Institutional assessment (Climate Focus 2015), and adequately summarized in the R-package report, covering both the legal instruments concerned and the modifications required.*

50. **Benefit sharing mechanism (criterion 21).** As noted above, the national benefit sharing mechanism (BSM) has not yet been elaborated. This issue is especially critical to the success of REDD+ because in many stakeholder consultations held at Woreda and Kebele level, local community members expressed concern about the limited benefits they were currently deriving from Participatory Forest Management (PFM) schemes. Apart from building on the above-cited OFLP BSM, which was drafted recently, NRS also hopes to incorporate early lessons learned from the Bale REDD+ project, where a new BSM will be piloted in the coming years, in the design of the national BSM.

➔ *TAP Conclusion: further work is necessary to define the modalities of the national REDD+ Benefit Sharing Mechanism (BSM), and to facilitate the passage by parliament of the new Forest Proclamation, which outlines the key characteristics of the national BSM. Once the*

³² The draft version of the revised Forest Proclamation can be accessed on <https://ethiopiared.org/wp-content/uploads/2017/06/Forest-Proc-English.pdf>

Forest Proclamation will have been adopted, regulations will need to be drafted to provide detailed guidance for the implementation of the BSM. In this respect, NRS hopes to incorporate lessons learned on benefit sharing from various ongoing sub-national REDD+ projects. The average score of the self-assessment for this criterion was yellow.

51. **National REDD+ registry and system monitoring REDD+ activities (criterion 22).** The national REDD+ registry is to provide geo-referenced information on location, ownership, carbon accounting and financial flows for sub-national and national REDD+ programs and projects. This registry has not been developed yet. The average score of the self-assessment for this criterion was “yellow”, but three out of the five stakeholder groups scored it orange, indicating significant concern about progress so far.

➔ *TAP Conclusion: Ethiopia’s R-Package report does not provide a timeline for the completion of the national REDD+ Registry and it is not clear how much progress has been achieved so far. This was a matter of concern to the stakeholder groups participating in the self-assessment, with an average score of “yellow” and three out of five stakeholder groups scoring the criterion “orange”. The TAP review recommends that NRS assess the tasks to be carried out to establish the national REDD+ Registry and set a timeline for their completion as soon as possible.*

Sub-Component 2d: Social and Environmental Impacts (criteria 23-25, average score: green)

52. **SESA, ESMF, Resettlement Policy and Process Frameworks.** Ethiopia’s REDD+ Program will trigger seven of the 10+2 World Bank Operational Safeguards Policies, namely, Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Pest Management (OP 4.09), Indigenous Peoples (OP/BP 4.10), Physical Cultural Resources (OP/BP 4.11), Involuntary Resettlement (OP/BP 4.12), and Forests (OP/BP 4.36).
53. The Strategic Environmental and Social Assessment (SESA), the Environmental and Social Management Framework (ESMF), the Resettlement Policy Framework (RPF) and the Process Framework (PF, for addressing restriction of access to natural resources of local communities), are safeguard instruments required by the above-mentioned World Bank Policies. These safeguard instruments aim to ensure effective management of social and environmental issues, continuing into the REDD+ Implementation and Payment for Results phases. As has been the case in many countries, the elaboration of the SESA in Ethiopia started at a relatively early stage, before the REDD+ strategy had been finalized. This led to a high degree of integration of the concerns raised during the SESA stakeholder consultations in the final version of the REDD+ strategy.
54. Apart from the World Bank Operational Safeguards Policies, the preparation of the safeguard instruments took into account the 2010

Cancun decisions on environmental and social safeguards for REDD + implementation, the national legal framework and international conventions to which Ethiopia is a signatory.

55. The SESA and the ESMF were validated by the national REDD+ Safeguards Task Force, and cleared by the World Bank. The final reports of SESA and ESMF were disclosed in March 2017.³³ RPF and PF have also been cleared and disclosed in March 2017, after nearly two years of work.³⁴ Starting in 2015, an extensive consultation process was conducted to develop this set of safeguard instruments. Consultations took place in 26 Woredas and 52 Kebeles, involving 936 community members, local government staff and NGOs. Consultations with community members were done separately with women, men and youth. The consultation process was used to explore issues around the drivers of deforestation and forest degradation, land use and land tenure, social and environmental protection and sustainable forest management.

56. The ESMF is defined as a guide to the screening of the proposed REDD+ program interventions to ensure that they do not negatively affect the natural and social environment. It is an essential tool for programs where the precise locations where activities will be implemented are not yet known, as is the case with Ethiopia's national REDD+ Program.

57. Though REDD+ activities are not expected to have significant resettlement implications other than displacement of economic activities due to restriction of local communities' access to natural resources (which are also covered under the World Bank Operational Safeguard Policy on Resettlement, and managed through the above-mentioned Process Framework), the Resettlement Policy Framework (RPF) will ensure that involuntary resettlement (including loss of livelihood activities) is avoided where feasible, or minimized, exploring all viable alternative project designs. Where it will not be feasible to avoid resettlement, a Resettlement Action Plan (RAP) will be prepared and disclosed accordingly.

➔ *TAP Conclusion: the SESA, ESMF, Resettlement Policy and Process Frameworks are safeguard instruments required by the World Bank Operational Safeguard Policies. The final versions of these four safeguard instruments have been cleared by the World Bank and were disclosed in March 2017 after an extensive consultation process taking nearly two years. The*

³³ The March 2017 final reports of the SESA and ESMF for Ethiopia's national REDD+ program are accessible on <https://reddplusethiopia.files.wordpress.com/2015/01/ethiopia-national-redd-sesa-p124074-for-disclosure-march-2017.pdf> and <https://ethiopiared.org/wp-content/uploads/2017/06/Ethiopia-ESMF-Final.pdf> respectively

³⁴ The March 2017 final reports of the RPF and PF for Ethiopia's national REDD+ program are accessible on <https://ethiopiared.org/wp-content/uploads/2017/06/Ethiopia-REDD-Policy-Framework-Bank-reviewed-March-2017-Clean.pdf> and <https://ethiopiared.org/wp-content/uploads/2017/06/Ethiopia-Process-Framework-Final.pdf>

three criteria for this sub-component were scored unanimously green by all five stakeholder groups, indicating a high degree of consensus on the quality of progress achieved.

Component 3: Forest Reference Emissions Levels/Forest Reference levels (criteria 26-28, average score: green)

- 58.** The Forest Reference Emission Level (FREL) and Forest Reference Level (FRL) (both expressed in tonnes of carbon dioxide equivalent) are benchmarks for assessing a country's performance in the implementation of REDD+ activities.³⁵ A FREL/FRL is required in order to access performance based payments, as the performance of a REDD+ initiative would be measured by comparing actual GHG emissions and removals with a defined level of GHG emissions or removals (historical emission level or the projected business as usual, BAU, scenario).
- 59.** Ethiopia has collected ample forest data over the last three years³⁶, enabling the construction of a FREL/FRL based on national activity data and emission factors, rather than IPCC default values that must be used in the absence of such local data. The country submitted its first national FREL/FRL to UNFCCC in January 2016, and has since made two further submissions (August 2016 and March 2017), which included revisions addressing comments received from UNFCCC's technical assessment team. The FREL for deforestation is 17,978,735 tCO₂/year and the FRL for afforestation is 4,789,935 tCO₂/year.
- 60.** In a May 2017 draft UNFCCC report on the country's latest FREL/FRL submission, the assessment team notes that "the data and information used by Ethiopia in constructing its FREL/FRL are mostly transparent and complete, and are in overall accordance with the guidelines contained in the annex to decision 12/CP.17".³⁷ This is a good indicator of the excellent progress achieved under this REDD+ Readiness component – indeed the five stakeholder groups scored all three related criteria unanimously "green". Ethiopia has moved forward simultaneously with the establishment of its national FREL/FRL and four regional FREL/FRLs, one of which will be used for the Oromia Forested Landscape Program, for which a US\$50 million Emissions Reduction Purchase Agreement is

³⁵ FREL is the amount of gross emissions from a geographical area estimated within a reference time period. It is used to demonstrate emission reduction from avoided deforestation and forest degradation, while FRL is the amount of net/gross emission and removals from a geographical area estimated within a reference time period and is used to demonstrate emission reduction from conservation, sustainable forest management and enhancement of carbon stocks.

³⁶ This includes ground inventory data through the National Forest Inventory (providing emission factors for converting hectares of forest in carbon emissions data) and wall-to-wall and sample-based remote sensing to detect forest area change, as explained in Ethiopia's 2017 UNFCCC submission accessible on https://ethiopiared.org/wp-content/uploads/2017/06/Ethiopia_FRL_submission_MAR_2017-1.pdf

³⁷ This refers to the UNFCCC COP17 decision inviting countries voluntarily to submit a FREL/FRL.

planned with the FCPF Carbon Fund.³⁸

61. The REDD+ activities Deforestation and Enhancement of Carbon Stocks are included in the FREL/FRL submitted to UNFCCC. In Ethiopia's FREL/FRL, these REDD+ activities are defined as follows: **Deforestation** is the process by which forest land undergoes any transition that brings it below the thresholds for forest land³⁹; and **Afforestation** is defined as "the conversion of other land to forest land". Though **Forest Degradation** – defined as "the loss of carbon stock in forest land remaining forest land" – is often considered a significant source of emissions in Ethiopia, it has been excluded, due to the lack of accurate, reliable and consistent data at the national scale.⁴⁰ The risk of underestimating CO2 emissions due to the exclusion of Degradation is considerably mitigated by the increase of the tree cover threshold for forest land from 10 to 20% in the 2015 Forest Definition.⁴¹ This means that reductions of tree cover from above to below 20% (but above 10%, which formerly would have counted as degradation), will now be detected as deforestation. **Forest enhancement**, defined as the enrichment of carbon stock in forest land remaining forest land (the exact opposite of degradation) is similarly excluded. **Non-CO2 emissions from forest fires** constitute an independent emission source according to IPCC's 2006 Guideline. However, since Ethiopia is not systematically collecting data on the occurrence of fires, and since non-CO2 emissions from forest fires are estimated to be below 2% of total annual forest land emissions in the country, they have been excluded.

62. Three carbon pools are currently included in the FRL: Above Ground Biomass (AGB), Below Ground Biomass (BGB), and Dead Wood. Litter has been excluded as there is no reliable data for assessing it and it is estimated to be negligible. Soil Organic Carbon (SOC) may constitute a very large carbon pool in Ethiopian forests, but there is no recent soil map and little is known about soil emissions after forest conversion. Furthermore, data collection in soils is costly and time-consuming, therefore SOC has been excluded.⁴²

³⁸ The grant-funded element of the OFLP, US\$18 million, has already been approved by the World Bank.

³⁹ Ethiopia's 2015 forest definition for REDD+ is: "land spanning more than 0.5 ha covered by trees (including bamboo) (with a minimum width of 20m or not more than two-thirds of its length) attaining a height of more than 2m and a canopy cover of more than 20% or trees with the potential to reach these thresholds in situ in due course.

⁴⁰ However, various methodologies for detecting forest degradation are currently being tested at the local level, and the use of proxy data on fuelwood consumption is also being explored – hopefully allowing the development of a robust and cost-effective methodology to assess degradation in the not-too-distant future (2017 FREL/FRL submission to UNFCCC).

⁴¹ The change of the forest definition thresholds (see fn 39), was done to better capture the natural primary state of Ethiopia's forest vegetation. The lowering of the threshold for tree height from 5m to 2m was done specifically to create REDD+ incentives for the conservation of Ethiopia's dense dryland woodlands, where tree height is often below the former forest definition threshold of 5m, and which are being lost rapidly due to the expansion of commercial agriculture, see 2017 FREL/FRL submission.

⁴² See 2017 FREL/FRL submission to UNFCCC cited above.

63. CO₂ emissions are calculated by multiplying Activity Data (AD) with the appropriate Emissions Factors (EF). ‘Activity data’ refers to the extent (in hectares) of a category of forest loss or afforestation. Practically speaking, therefore, activity data is referred to as area data. ‘Emission factors’, also called carbon-stock-change factors by IPCC, refers to emissions/removals of greenhouse gases per unit area, e.g. tons carbon dioxide emitted per hectare of deforestation.

64. Validity of the methodology chosen and compliance with IPCC/UNFCCC instructions. As noted above, Ethiopia’s 2017 FREL/FRL submission was deemed by the UNFCCC technical assessment report to be in compliance with IPCC and UNFCCC standards. Ethiopia has adopted a stepwise approach to development of its FREL/FRL, as suggested by UNFCCC. As better data becomes available, the country may decide to include additional REDD+ activities (such as Degradation), carbon pools and greenhouse gases in the elaboration of its FREL/FRL. It may also decide to change the choice of historical period and the approach to FREL/FRL construction, if this could improve its accuracy and reliability.

65. The FCPF Carbon Fund Methodological Framework (CF MF) requires spatially explicit tracking of land-use conversions over time (IPCC Tier 3 approach) and this is the approach that Ethiopia has chosen. The land use change tracking will be done through a combination of sampling high-definition images and wall-to-wall mapping of lower-definition imagery, as this provides more accurate results than wall-to-wall mapping only. The FCPF CF MF requires consistency between national and subnational FREL/FRLs, and Ethiopia is indeed using the same approach for both.

66. Use of historical data, no adjustment for national circumstances. For determining its reference level, Ethiopia uses the averages of historical deforestation and removals data, without any adjustment for national circumstances.⁴³ It has used the 2000-2013 period as the reference period, but this could be changed if this period is deemed to be non-representative of actual deforestation trends.

➔ *TAP Conclusion: Ethiopia has made remarkable progress in establishing high-quality FREL/FRL at both national level – as recognized by the UNFCCC technical assessment of the 2017 FREL/FRL submission – and regional level. The various technical issues and methodological choices involved in establishing the FREL/FRL were not well-covered in the R-Package report, but the March 2017 FREL/FRL submission to UNFCCC, which is hyperlinked in Annex 1 of the R-package report, explains the technical constraints faced and choices made re inclusion or exclusion of REDD+ activities, greenhouse gases and carbon pools clearly and concisely. All five stakeholder groups participating in the self-assessment scored the three criteria for this component unanimously “green”, confirming the excellent progress achieved.*

⁴³ This is also the standard approach required by the FCPF Carbon Fund Methodological Framework, though it does allow adjusted reference levels under certain circumstances.

Component 4: Monitoring systems for forests and safeguards

Sub-Component 4a: National forest monitoring system (criteria 29-31, average score: green)

67. Overall framework for Monitoring, Reporting and Verification (MRV).

Like the Ethiopian FREL/FRL, the MRV system will be deployed at both National and Regional levels. Ethiopia's national forest monitoring system (NFMS) is designed to accomplish three main functions: (i) estimation of Emission Factors (EF); (ii) estimation of Activity Data (AD); and (iii) estimation of Emissions and Removals (ER).⁴⁴ The national MRV system established has already been used to fulfil these three functions in the construction of the FREL/FRL – though it has not yet been piloted for change detection over shorter time intervals, giving rise to a yellow score for criterion 30, “demonstration of early system implementation”.⁴⁵

68. Ethiopia is also developing a web portal to allow transparent disclosure of forest-related data and information as well as performance measures of REDD+ projects and programmes.

69. There was no mention in the R-Package report of the integration of participatory monitoring of REDD+ implementation (including safeguards) by local communities in the NFMS. The issue of participatory monitoring will be discussed in more detail under sub-component 4b, Information system for multiple benefits, other impacts, governance and safeguards.

70. Organizational structure, responsibilities and competencies. The national MRV Unit at MEFCC, which was formally established in February 2016 under the Forest Resource Inventory and Management Plan Preparation General Directorate ⁴⁶, is now fully operational, with a National Forest Inventory facility and a Remote Sensing/Geographical Information System (RS/GIS) laboratory in place. A National Forest Inventory Field Manual and an NFI Data Analysis Protocol have been

⁴⁴ Institutional responsibilities and work flows for EF, AD and ER monitoring functions are not explained in the R-package report, but they are summarized in the June 2017 document “Ethiopia’s Institutional Framework for the MRV under the REDD+ Program”, accessible at https://ethiopiared.org/wp-content/uploads/2017/06/MRFV-Institutionalization_clean_Final08062017.pdf

⁴⁵ The other two criteria under this sub-component, “Documentation of monitoring approach” and “Institutional arrangements and capacities” are both scored green, as is the sub-component overall.

⁴⁶ See the organigramme in the above-mentioned “Institutional responsibilities” document, accessible at https://ethiopiared.org/wp-content/uploads/2017/06/MRFV-Institutionalization_clean_Final08062017.pdf

developed and staff have been trained to use them.⁴⁷ The MRV Unit has eight staff, two servers and 15 high capacity laptops, with all the required software installed. Since 2014, it has been receiving technical assistance from FAO, which is now conducting a series of capacity development activities to ensure the MRV Unit can function autonomously. The next step is to build MRV capacity in four regions (Oromia, Amhara, Tigray and SNNPR) so that monitoring responsibilities can be progressively decentralized. The Regional MRV Units will be housed temporarily in the Regional REDD+ Coordination Units, but the plan is for these Units to be progressively absorbed in the regional government.⁴⁸

➔ *TAP Conclusion: the development of the national forest monitoring system (NFMS) has advanced with institutionalization, staffing and equipment of the national MRV Unit, and an extensive capacity building program that is currently implemented with technical assistance from FAO. The NFMS has been used in constructing the FREL/FRL submitted to UNFCCC (see Component 3 above), but it has not yet been tested to perform change detection over shorter time intervals. Building MRV capacity in the four pilot REDD+ regions will be the next major challenge. Overall, the sub-component has made good progress, and was scored green.*

Sub-Component 4b: Information system for multiple benefits, other impacts, governance, and safeguards (criteria 32-34, Government: green; self-assessment workshop: yellow)

71. Identification of relevant non-carbon aspects, and social and environmental issues (criterion 32). As noted in the R-package Report, the Strategic Environmental and Social Assessment (SESA)⁴⁹ clearly identifies the non-carbon benefits of REDD+, and the latter are also emphasized in the social and environmental safeguards instruments and in the National REDD+ Strategy. The Environmental and Social Management Framework does not only inventory the potential negative environmental and social impacts of the 11 REDD+ strategic options reviewed, but also lists the positive social and environmental impacts (i.e the non-carbon benefits) and discussed how these could be further enhanced.⁵⁰

⁴⁷ These documents can be accessed on https://ethiopiared.org/wp-content/uploads/2017/06/National_Forest_Inventory_Field_Manual.pdf and https://ethiopiared.org/wp-content/uploads/2017/06/NFI-Data-Analysis_OpenForisCalc-4_October_2015.pdf, respectively.

⁴⁸ See the above-mentioned “Institutional responsibilities” document, accessible at https://ethiopiared.org/wp-content/uploads/2017/06/MRFV-Institutionalization_clean_Final08062017.pdf

⁴⁹ Accessible on <https://reddplusethiopia.files.wordpress.com/2015/01/ethiopia-national-redd-sesa-p124074-for-disclosure-march-2017.pdf>

⁵⁰ See pp. 70-71 of ESMF accessible at <https://ethiopiared.org/wp-content/uploads/2017/06/Ethiopia-ESMF-Final.pdf>

72. **Monitoring, reporting and information sharing (criterion 33).** The development of the Safeguard Information System (SIS) has not yet started.⁵¹ The R-Package report does recognize the absence of the SIS as a topic for immediate action. It states that the SIS will be set up as a clear mechanism for communicating safeguard information produced during REDD+ implementation to the wider community, thus guaranteeing transparency and accountability – in line with the Cancun safeguards principles and indicators. This is a necessary requirement to obtain payment for results. It also notes that no decision has been taken re institutionalization of the SIS, and how it will be linked to the National Forest Monitoring/MRV system. As a consequence, this criterion was ranked yellow. REDD+ countries are strongly encouraged by FCPF and UN-REDD+ to involve local communities in participatory forms of MRV, but this issue is not addressed in the R-package report – possible because of the fact that the SIS has not been designed yet.

73. **Institutional arrangements and capacities (criterion 34).** The institutional architecture for the national forest monitoring system is provided in the “Institutional structures” document referred to under sub-component 4a, but this document focuses almost exclusively on the technical aspects of REDD+ monitoring. Participatory MRV is mentioned once in the text, but there is no explanation of how it would be organized or how its outputs would be integrated in the NFMS.

➔ *TAP Conclusion: the development of the information system on multiple benefits, other impacts, governance and safeguards (SIS) is still at a very early stage, and will require a significant effort in the near future, as recognized by the R-Package report. Overall, the sub-component was scored green, which might be slightly optimistic.*

TAP Review Part C: Summary Assessment and Recommendation to the PC

74. **The participatory self-assessment process in Ethiopia appears to have been well conducted. The participants in the self-assessment workshop provided useful and timely inputs to assess REDD+ readiness and determine what remains to be done to achieve it.** The reporting on the self-assessment was highly transparent, with the scores of the five participating stakeholder groups (National REDD+ Secretariat,

⁵¹ Annex 2 of the R-Package report states with respect to criterion 33 that a Framework document on SIS design has been prepared, and with respect to criterion 34 that the Roles and responsibilities in SIS stakeholders have been defined, but without providing any hyperlinks, and the TAP reviewer has not been able to locate the evidence for these statements on Ethiopia's REDD+ website.

National REDD+ Technical Working Group, Regional Government, Federal Government and NGO) listed separately in the R-Package report. The quality of inputs received from the workshop participants was excellent, as noted above, and as reported in the R-Package Report.⁵²

75. **The R-Package report has documented significant progress achieved since the Mid-term Review (MTR) held in 2015.** Many key REDD+ Readiness elements are now in place: the national REDD+ strategy and safeguards instruments completed, the FRL/FREL submission validated by UNFCCC, the MRV system designed and institutionalized, among others. As a consequence, the self-assessment workshop scored 8 out of the 9 sub-components green and 1 yellow, a major turnaround from the MTR when only 3 sub-components were scored green, and 6 yellow. Nevertheless, at the criteria-level, 11 out of 34 criteria (almost a third) were scored yellow, so a significant amount of work will still be required to complete the Readiness phase.
76. **Overall, there was a high degree of consensus among stakeholder groups about the specific elements of REDD+ Readiness that required further work.** Multi-stakeholder coordination needs to be improved as well as the ownership of REDD+ policies with key decision makers outside the forestry sector, especially agriculture. Consultations with local communities need to be intensified, and missing pieces such as the national Benefit Sharing Mechanism, the REDD+ Registry and the Safeguards Information System need to be designed and operationalized as soon as possible, in order to enable the transition towards full-scale REDD+ implementation. Ethiopia's stated objective to address all these gaps substantially by June 30th, 2018, is very ambitious.
77. **Based on the documents consulted, the TAP reviewer is of the opinion that Ethiopia's R-package report provides a reasonably accurate picture of REDD+ readiness progress in Ethiopia.** A few annotations to this conclusion are in order. For some of the (sub)components, the R-Package report did not do full justice to the rich source materials produced by the REDD+ Readiness process. For example, under sub-component 2b, REDD+ strategy options, the R-package report provided little detail on how the strategic actions were identified and prioritized, and under component 3, Forest Reference Level, the justifications for most of the key methodological choices were not reported. For most sub-components, however, additional information was easy to find in the additional REDD+ documentation hyperlinked in the R-package report. The exceptions to this were the Land Use Assessment (sub-component 2b) and the Safeguards Information System (sub-component 4b) where the TAP reviewer was unable to locate three of the documents referred to in the R-Package report, as detailed above.
78. **One key issue that will need to be resolved during the remainder of**

⁵² See especially Annex 2, pp. 64-76

the Readiness phase is the considerable number of outstanding legal and institutional reforms, many of which are outside the control of the forestry sector Some of these outstanding reforms pose significant risks to the delivery of the emissions reductions programs currently under discussion, for example the fact that responsibility for overseeing Environmental Impact Assessments has been allocated to the sector ministries, rather than to an independent institution like the Ministry of Environment. Other reforms have been pending for so long (for example the Revised Forest Proclamation which was apparently due for adoption by parliament in 2012 and which has still not been passed) that it is hard to assess what the chances are for their adoption in a reasonable timeframe. This state of affairs renders the R-package report recommendation to step up cross-sectoral coordination efforts and increase buy-in of other sector ministries, especially agriculture, even more urgent and important.