

# ETHIOPIA'S REDD+ STRATEGY

*(First Draft for discussion)*

## Part I

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# ETHIOPIA'S REDD+ STRATEGY

## ETHIOPIA'S REDD+ STRATEGY:

REDD+ an integral part of the CRGE;

Multiple benefits (Climate; Other Ecosystem Services & Livelihood)

## WHY A DRAFT REDD+ STRATEGY?

An input to GTP 2 targets, but a live document

## THE PROCESS:

A core team (MEF, GGGI, MoA and MoIWE): May 29

Core Team accountable to REDD+ Strategy TF

Core Team: ToR, Work Plan, Outline and regular consultation

A consortium of **14 experts** worked on the **chapters**

REDD+ Strategy TF meeting: Progress - October 2014

Status: First Draft

# OUTLINE

- Background
- **Strategic Directions**
- Inter-linkages and synergies among key sectors
- **Legal & Regulatory Frameworks**
- **Institutional Arrangement**
- Social & Environmental Safeguards
- RL/MRV
- Stakeholder Participation & Coordination
- **Drivers of D & FD and Strategic options to address those**
- **Benefit Sharing**
- **Sustainable Financing Options**
- Risks & Mitigation measures

## 2. STRATEGIC DIRECTIONS

### The vision

To see that the **successful implementation of REDD+ guarantee** that the forest sector achieves its mitigation potential and significantly contribute to the overall national goal of attaining a middle income economy by 2025.

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## 2. STRATEGIC DIRECTIONS

### Mission

- To ensure **sustainable management** of forests for both reduced carbon emissions, carbon stock enhancement and other co-benefits;
- To ensure **effective legal and institutional setup** for the implementation REDD+ programs, projects and activities
- To ensure REDD+ projects deliver **socio-economic benefits and contribute to livelihood improvement**;
- To enhance the **capability of forest managers and support groups** to successfully and equitably implement REDD+ strategies.

## 2. STRATEGIC DIRECTIONS

### REDD+ Principles

The Strategy envisages that implementation of REDD+ is based on a set of principles that ensures climate benefit along with co-benefits (biodiversity and livelihoods) while respecting the rights of local communities and forest dependent communities.

**Equity:** REDD+ contributes to sustainable and equitable development by strengthening the livelihoods of forest-dependent communities

**Effectiveness:** REDD+ demonstrably contributes to the national greenhouse gas emission reduction goals while working towards a global objective.

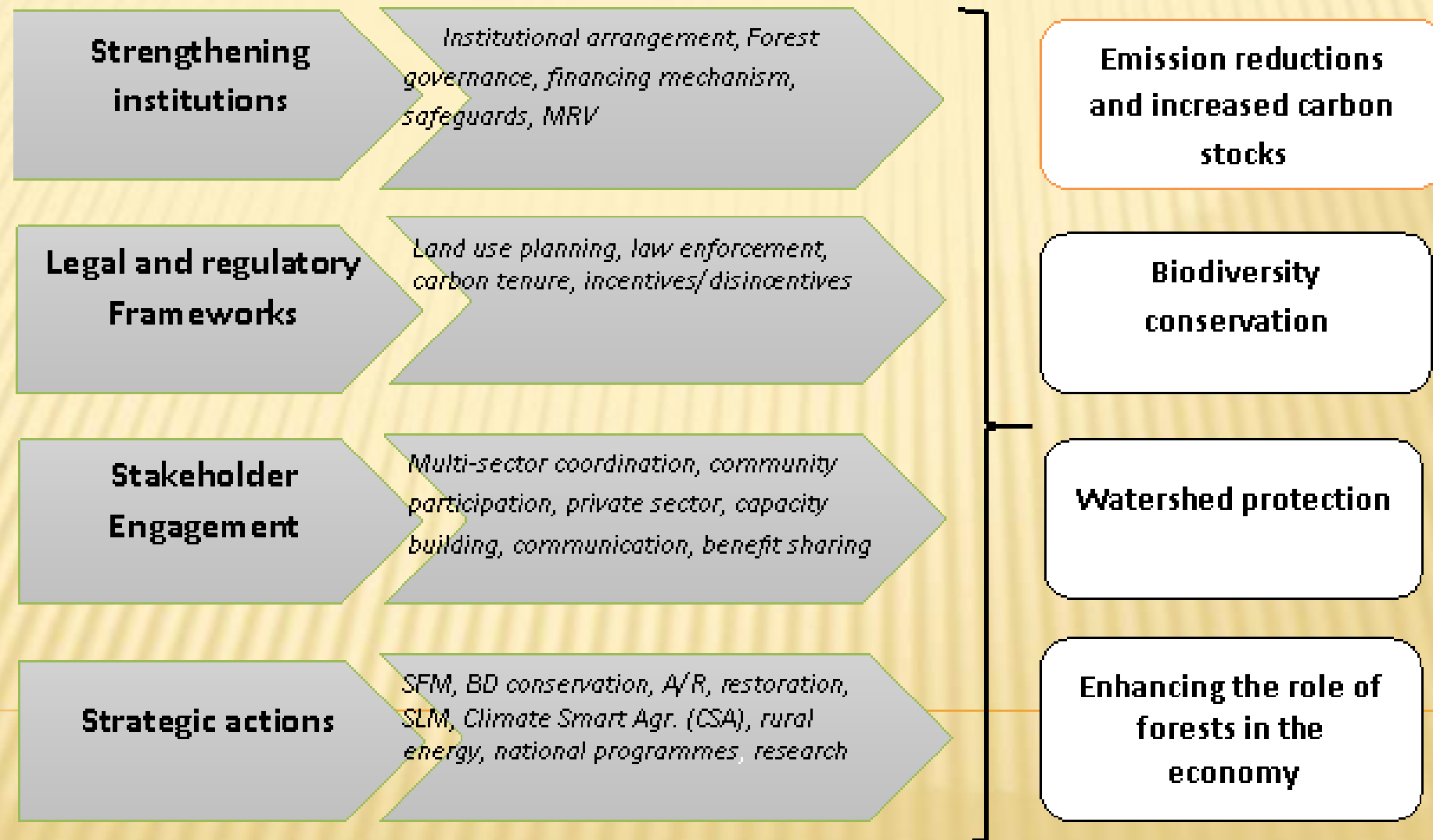
## 2. STRATEGIC DIRECTIONS

**Transparency:** REDD+ activities are transparently undertaken to ensure a clear and easy to understand implementation process for all stakeholders.

**Accountability:** REDD+ implementation is fully accountable to the people of Ethiopia and the international community in terms of relevance, process, funding, and results obtained.

**Commitment:** REDD+ implementation demonstrates Ethiopia's commitment to global climate change mitigation initiatives

## 2. STRATEGIC DIRECTIONS



**Ethiopia's REDD+ Strategy Pillars**



### **3. INTER-LINKAGES AND SYNERGIES AMONG KEY SECTORS**

#### **Agriculture, Energy and Forestry**

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- **ADLI : an overarching economic development**
- **Little emphasis to synergy between agriculture and natural resource conservation and development**
- **Agricultural development at the expense of forests**
- **PASDEP and GTP – with a focus on natural resources and sustainable development**
- **GTP – Sustainable development is achieved through a balance among social, economic and environmental sectors**

### 3. INTER-LINKAGES AND SYNERGIES AMONG KEY SECTORS

**CRGE – improved synergy among sectors and to wards building a green economy**

**CRGE – Forestry** – Conservation of existing forests, A/R  
provide huge abatement potential

**Agriculture** – Increased productivity (Intensification)

Reduce the pressure on existing forests

**Energy** – Renewable energy, energy efficient stoves, bio-fuels

**Successful implementation of the strategy requires coordination among sectors during planning and implementation.**

# 4. LEGAL & REGULATORY FRAMEWORK

## 1. Legal framework

Efficient and effective implementation of REDD+ requires revision and customization of existing sectoral & non-sectoral policies, laws & regulations

### **Public, Private and community participation**

- PFM should enter into the legal book
- Creating an enabling legal environment (land grant, long-term interest-free loan, tax grace, technical & administrative support) to private investors, parastatals, public & religious institutions, youth & women organizations establish their own forests

### **Forest tenure: Rights over forest and carbon**

Forest property right: Who owns? Who manages? Who uses?

Certifying private forest holdings (Revising forest law)

## 4. LEGAL AND REGULATORY FRAMEWORKS

### **Benefit sharing (Who has the right to carbon?)**

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Revision of forest law and associated regulations

Clarification of carbon right: communities, state, private entities

Benefit sharing among stakeholders

### **2. Enforcement of environmental laws**

Weak law enforcement has remained a difficult barrier

- A) Empowering and strengthening local community organizations;
- (B)) Institutionalizing the required inspection and regulatory activities at the federal, regional and district levels;
- C) Awareness creation and capacity building
- D) strengthening coordination between the judiciary and public prosecution authorities.



## 5. INSTITUTIONAL ARRANGEMENT

**Approach:** A partially decentralized REDD+ institutions,

**Nested:** may be implemented with any combination of scales at regional, woreda or kebele levels.

**Principles:** good governance, decentralization to appropriate levels, inclusiveness, cost effectiveness and accountability in all REDD+ implementation activities.

**Responsibilities:** vertically divided between national, regional and woreda levels.

**Regional level actors:** can implement REDD+ functions at their jurisdictions with some degree of independence.

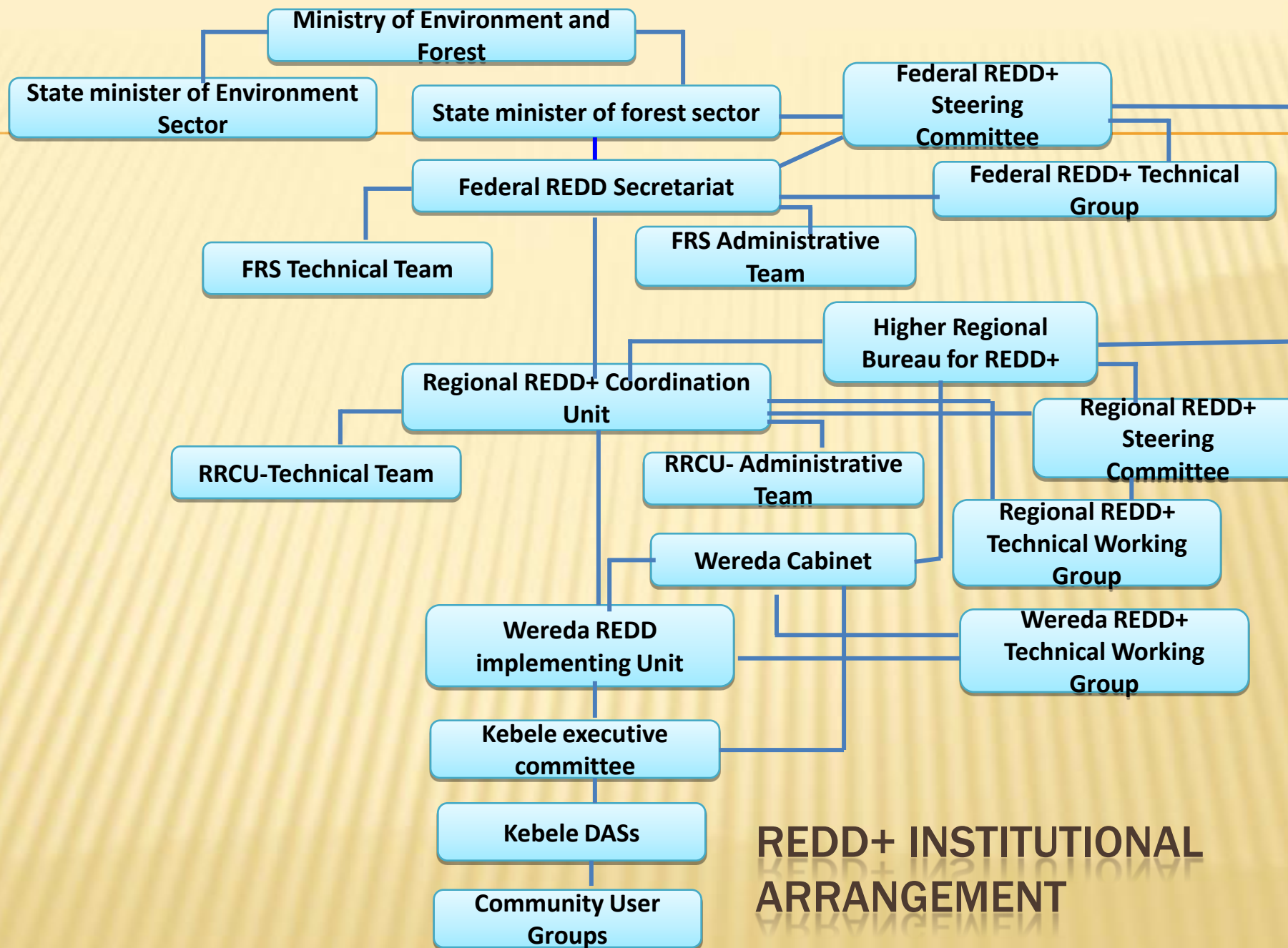
**Coordination:** Ensuring strong coordination in planning & implementation among implementing parties at Federal, Regional and local level

**Guidelines** will be formulated to govern, design and implementation of nested actions

# 5. INSTITUTIONAL ARRANGEMENT

## REDD+ Institutional arrangement (Agencies, Functions and levels of implementation)

REDD+ Functions	Federal (National) Level	Regional (Sub-national) Level
<b>Provide overall management and oversight of the process</b>	<ul style="list-style-type: none"> <li>» Elaborate national REDD+ strategies and policies; - FRSC</li> <li>» Oversee the implementation and review of REDD+ strategy and policies; - REDD+ Sec.</li> </ul>	<ul style="list-style-type: none"> <li>» Elaborates REDD+ plans, programs and projects; - RCU</li> <li>» Oversees implementation and MRV of REDD+ plans, programs and projects; - RRTWG</li> </ul>
<b>Manage REDD+ finance</b>	<ul style="list-style-type: none"> <li>» Collect funding for REDD+ from international and national sources; - MoFED</li> <li>» Manage funding for REDD+ from international and national sources; - MEF</li> </ul>	<ul style="list-style-type: none"> <li>» Manage finance allocated for the regional REDD+ Implementation; - RCU</li> <li>» Disburses resources to approved REDD+ plans, programs and projects; - RCU</li> </ul>
<b>Provide technical guidance and support for REDD+</b>	<ul style="list-style-type: none"> <li>» Put in place national standards for REDD+ (e.g. MRV and for social and environmental safeguards) - REDD Sec.</li> <li>» Guides and monitors regular forest assessments and MRV activities - REDD+ Sec.</li> </ul>	<ul style="list-style-type: none"> <li>» Applies national standards for REDD+ metrics, MRV, and social and environmental safeguards;- RRTWG/RCU</li> <li>» Performs regular forest assessments and MRV activities and forwards outcomes to national authorities; - Regional implementing Bureau/RCU</li> </ul>
<b>Implement REDD+ activities</b>	<ul style="list-style-type: none"> <li>» Implements national enabling &amp; readiness activities and coordinates demonstration activities; - REDD Sec.</li> <li>» Supervise and coach REDD+ implementation - REDD+ Sec.</li> </ul>	<ul style="list-style-type: none"> <li>» Prepares and implements REDD+ projects in accordance with REDD+ national strategies and policies, MRV standards, and social and environmental safeguards;- RCU/Regional Implementing Bureaus/wereda offices</li> </ul>
<b>Track, register and certify REDD+ actions and/or outcomes</b>	<ul style="list-style-type: none"> <li>» Put in place and oversee the national REDD+ MRV and Certification standards &amp; procedures ; - REDD+ Sec.</li> <li>» Registers &amp; Certify MRV REDD+ results; - Third party</li> </ul>	<ul style="list-style-type: none"> <li>» Ensures that sub-national programs and projects comply with national REDD+ MRV and certification standards and procedures;-RCU/RRTWG/Wereda Regional EPB</li> </ul>
<b>Ensure REDD+ safeguarding and accountability</b>		
<b>Capacity building</b>		



## REDD+ INSTITUTIONAL ARRANGEMENT



## 6. SOCIAL AND ENVIRONMENTAL SAFEGUARDS

**Safeguards:** policies and measures to mitigate direct & indirect impacts on communities & ecosystems

### A REDD+ Safeguard System

**SESA:** Analysis of Ethiopia's existing safeguard policies & regulations along with relevant WB safeguard policies & in accordance to UNFCCC guidelines

**ESMF:** Managing the potential environmental & social impacts of specific policies, actions and projects

**SESA/ESMF development:** Multi-stakeholder consultation and participation, compliant to WB safeguard policies & Cancun Accord (Livelihoods, rights, cultural heritage, biodiversity, capacity building...)



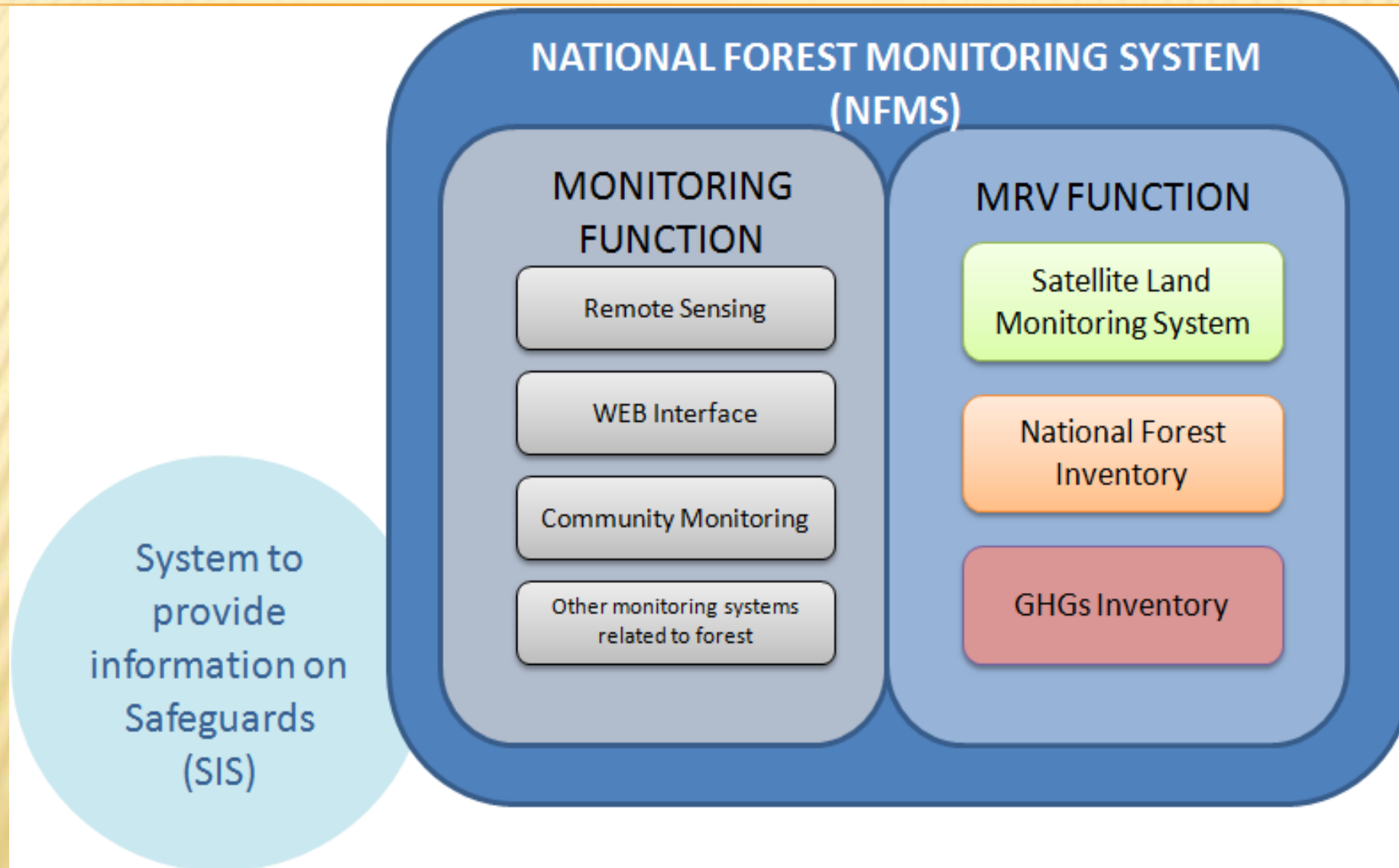
## 6. SOCIAL AND ENVIRONMENTAL SAFEGUARDS

- ✘ **Institution:** MEF will be the lead institution to ensure implementation of safeguard instruments
- ✘ **Grievance Redress Mechanism:** promote a procedure that ensure the opportunity to be heard; Promote conflict resolution; encourage harmonious partnerships; fair mediation of conflicts and grievances; transparent
- ✘ **Grievance redress institutions:** state governance system (national, regional,, Zonal, Wereda, Kebele) like courts and Ombudsman Offices
- ✘ **Safeguard Information System (SIS):** provide a systematic approach for collecting and providing information on how REDD+ safeguards are being addressed and respected. SIS will be combined with national REDD+ data base system

## 7. RL/REL/MRV

- Nested approach (both national & sub-national baseline data)
- Historical averages (1990 – 2010+)
- RL/REL will involve tier 2 (RS combined with ground verification) & use international guidance (UNFCCC)
- National Forest Monitoring System (NFS): Monitoring & MRV Function
- REDD+ MRV System: Multi-stakeholder, requires a coordination mechanism
- MRV-related activities & arrangements will be linked to existing relevant structures
- Implementation of MRV will be coordinated by REDD+ Secretariat
- MRV System will be able to track indicators related to biodiversity & social benefits
- MRV System will consider innovative participatory approaches

## 7. RL/MRV



# Ethiopia's REDD+ Strategy *(First Draft for discussion)*

## Part II

(Tsegaye T., GGGI, REDD+ Strategy Core Team Member)



# Outline

- Stakeholder participation and coordination
- Drivers
- Strategic options
- Benefit sharing
- Financing mechanism
- Risks and mitigation measures

# Stakeholder participation and coordination

- **Stakeholder mapping** and analysis
- National, regional, wereda and kebele **admin structures**
- **SESA task force to lead C & P process** for federal level
- Other levels by respective **REDD+ management units**
- Overall process **coordination by national REDD+ secretariat**
- A **communications strategy** to guide the process stakeholder C & P
- Particular emphasis to **gender balance and underserved groups**
- A **coordination mechanism** established at different levels
- A stakeholder **database** with a user-friendly information sharing

# Drivers of D and D

## Direct drivers:

### Deforestation:

- Small scale agriculture - important in the high forest areas
- Commercial agriculture - is more important in the woodlands.
- Incidence of forest fires
- To a lesser extent, infrastructure development

### Forest degradation:

- Fuel wood extraction
- Equally important but with lesser impact include livestock grazing, forest fire and illegal logging
- **Site specific** - coffee and chat growing practices, illegal settlement

# Drivers of D and D

## Underlying Drivers

- **Legal and regulatory:** unclear forest tenure and property right regimes, carbon tenure, benefit sharing, law enforcement etc.,
- **Institutional:** inadequate resources, lack of coordination, etc.
- **Demographic:** population increase including internal migration
- **Economic:** poverty, markets, etc.



# Strategic Options

## Policy and Institutional

- Enhancing cross-sectorial synergies and stakeholder participation
- Forest governance and law enforcement
- Forest tenure and property right
- Land use planning

# Strategic Options

## Targeted Measures

- Ensure Sustainable Forest Management
- Enhancement of forest carbon stock
- Agricultural intensification
- Reduce demand for fuel wood & charcoal
- Increase supply of wood and charcoal
- Improved livestock management
- Promote supplementary income generation

# Strategic Options

## Cross-cutting interventions

- Capacity building
- Demand-driven research and extension linkage
- Inter-sectoral coordination for planning and implementation
- Ensure full participation and equitable benefit flow for women

# Benefit Sharing for REDD+

- A range of benefits may include **financial or non-financial** and can be delivered as **upfront programmatic investments or as ex-post payments** for performance
- **Indirect benefits** such as legal rights, access to resources, etc. will be considered
- REDD+ benefits will be shared among **actors at multiple levels** including national, regional, local and individual levels
- Payments will be based on **performance** of each CBO
- **A separate window** for REDD+ financial management (upfront as well as incentive money) & establishment of transparent system
- At the grassroots level, financial benefits will be **channelled to CBOs**
- **Internal bylaws** for sharing financial revenue between individuals members
- Benefit distribution will be **revised** as necessary

# Financing Options for REDD+

- Establishment of **domestic financing** mechanism such as from public, PPP, etc. aiming at funding a greater share of projects with **in-country capacity** in the long run
- Ensure the engagement of the **private sector** through the formulation of necessary incentive mechanisms
- Active involvement in international **climate negotiations** to **shape as well as access** international, bilateral and market based finance
- Putting in place sustainable finance thru a **combination of performance based upfront funding as well as ER based ex-post payments**
- Explore other **PES opportunities** based on water, bio-prospecting, etc. in addition to carbon finance initiatives



# Risks and mitigation measures

Risks	Mitigation measures
<i>External</i>	
Uncertainties in availability of <b>external climate fund</b> from international commitment	<ul style="list-style-type: none"> <li>* Exploring options for establishment of domestic financing such as from public sources, private, PPP, etc.</li> <li>• Explore other PES opportunities in addition to C finance</li> </ul>
Delay of international level <b>agreements</b> on REDD+ systems	<ul style="list-style-type: none"> <li>• Active participation in international negotiations by all Parties</li> <li>• Promote common position among developing countries</li> </ul>
Design and implementation of REDD+ processes influenced by <b>external entities</b>	<ul style="list-style-type: none"> <li>• Promote country-driven design and implementation of REDD+ processes.</li> <li>* Establish close cooperation with key partners and ensure pro-active engagement</li> </ul>
<i>Internal</i>	
Insufficient <b>inter-sectoral coordination</b> in planning and implementation of REDD+	Ensure inter-sectoral coordination through the CRGE inter-ministerial committee and creating additional platforms across organization levels for coordinated planning and implementation.
REDD+ <b>revenues may not be sufficient</b> to address drivers of D&D	<ul style="list-style-type: none"> <li>• Promote other types of investments to address direct drivers of D&amp;D</li> </ul>