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United Nations Development Programme

Project title: CCA Growth: Implementing climate resilient and green economy plans in highland areas in Ethiopia		
Country: Ethiopia	Implementing Partner: Ministry of Environment, Forest and Climate Change (MEFCC)	Management Arrangements: National Implementation Modality (NIM)
UNDAF/Country Programme Outcome: By 2020, key government institutions at federal level and in all regions and cities are able to plan, implement and monitor priority climate change mitigation and adaptation actions and sustainable natural resource management.		
UNDP Strategic Plan Output: Output 1.4: Scaled up action on climate change adaptation and mitigation cross sectors which is funded and implemented.		
UNDP Social and Environmental Screening Category: Moderate.	UNDP Gender Marker: 2.	
Atlas Project ID/Award ID number: 00099399	Atlas Output ID/Project ID number: 00102681	
UNDP-GEF PIMS ID number: 5478	GEF ID number: 6967	
Planned start date: 25 April, 2017	Planned end date: 25 April, 2022	
LPAC date: 17 March, 2017		
Brief project description: Ethiopia is a landlocked country with a population of ~101,500,000 people, ~ 80% of whom live in rural areas. The Ethiopian economy has grown rapidly in the last decade primarily as a result of increased agricultural production. Indeed, the agricultural sector accounts for more than 80% of total employment and 45% of the country's GDP. Farming is undertaken mainly by small-scale rural farmers whose activities are often unsustainable. This is because farmers are forced to cultivate land and graze livestock on steep slopes with fragile soils in order to meet daily food needs. The watersheds in such mountainous land are further mismanaged through overharvesting of trees for fuelwood. As a		

result of these factors – as well as intense and infrequent rains – topsoil erosion and land degradation are widespread across the Ethiopian highlands.

Climate change in Ethiopia – which includes rising temperatures, more intense rain events, greater variability of mean annual rainfall and a greater frequency of droughts and floods – has greatly intensified the degradation of farmland and watersheds in Ethiopia. All of these climate change effects contribute to a negative cycle of: 1) reduced soil organic matter (with concomitant reductions in nutrient availability and water infiltrability); 2) greater runoff of rainwater; 3) increased rates of soil erosion; and 4) reduced agricultural productivity. Average national temperatures have increased by 1.3°C between 1960 and 2006, and rainfall during the short rainfall season¹ is increasingly variable on both a spatial and temporal scale. Furthermore, climate models show that the intensity and frequency of droughts and floods are likely to increase markedly over the next 50 years.

Local communities in the Ethiopian highlands are increasingly vulnerable to the above climate change effects. Their agricultural productivity is being greatly impeded in particular by increased rainfall variability, droughts, floods, soil erosion and by limited availability of surface and groundwater for irrigation and drinking needs. Streamflows are decreasing, groundwater levels are declining, mountain springs are drying up and their lakes are increasingly being silted up. Certain crops that were being grown in the past are no longer able to be farmed. Predicted future climate change will further exacerbate their vulnerability to climate change.

To increase the climate resilience of local communities in the Ethiopian highlands, the proposed LDCF project will: 1) integrate climate change risk adaptation measures into federal, regional and Woreda-level development planning, budgeting and execution; 2) improve the availability of climate information products; 3) undertake climate-smart integrated watershed management for improved rainwater harvesting and retention; 4) introduce climate-smart agricultural practices; and 5) diversify livelihoods. This will be achieved through three complementary components that focus, respectively, on capacity development, provision of climate risk information and investments in climate-smart land management. The Ministry of Environment, Forest and Climate Change (MEFCC) will implement the project over a five-year period across four regions and in eight Woredas.

FINANCING PLAN

GEF Trust Fund <i>or LDCF or SCCF or other vertical fund</i>	USD 6,277,000
UNDP TRAC resources	USD 200,000
Cash co-financing to be administered by UNDP	
(1) Total Budget administered by UNDP	USD 6,477,000
PARALLEL CO-FINANCING (all other co-financing that is not cash co-financing administered by UNDP)	
Government	USD 10, 250, 000

¹ Three months

(2) Total co-financing	USD 10,250,000	
(3) Grand-Total Project Financing (1)+(2)	USD 16,727,000	
SIGNATURES		
Signature:	Agreed by Government	Date/Month/Year:
Signature:	Agreed by Implementing Partner	Date/Month/Year:
Signature:	Agreed by UNDP	Date/Month/Year:

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NEBEBE
State Minister

amedo Dalle (Dr.)
Minister
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