



<b>Project Title:</b>	<b>Integrated development solutions for IDPs and host communities in Ethiopia- Round 1 and Round 2</b>
<b>UNSDCF Pillar:</b>	- People - Prosperity
<b>UNSDCF 2020-2025 Outcomes:</b>	
<ol style="list-style-type: none"> <li><b>Outcome 1:</b> All people in Ethiopia enjoy the rights and capabilities to realize their potential in equality and with dignity.</li> <li><b>Outcome 3:</b> All people in Ethiopia benefit from an inclusive, resilient and sustainable economy.</li> <li><b>Outcome 4:</b> All people in Ethiopia live in a society resilient to environmental risks and adapted to climate change.</li> </ol>	
<b>Expected CPD 2020-2025 Output:</b>	
<ol style="list-style-type: none"> <li><b>Output 1.4</b> Capacities of Federal and Regional institutions strengthened to promote gender-responsive, inclusive and sustainable local development.</li> <li><b>Output 1.5</b> Federal, Regional and subregional capacities strengthened for reintegration, reconciliation, prevention and peaceful management of conflicts.</li> <li><b>Output 2.2:</b> Marginalized groups, particularly the poor, women, persons with disabilities and displaced are empowered to access entrepreneurship services and financial and non-financial assets and services to build productive capacities and benefit from sustainable livelihoods and jobs.</li> </ol>	
<b>Expected outcome of the Initiative:</b>	
<ol style="list-style-type: none"> <li>Provide development solutions to IDPs and wider displacement affected communities.</li> <li>Support government-led solutions through building resilient institutions at national and local levels to prevent, manage and implement inclusive and gender-responsive solutions to internal displacement.</li> </ol>	
<b>Implementing Partners:</b>	<ol style="list-style-type: none"> <li>Ethiopian Disaster Risk Management Commission (EDRMC)</li> <li>Regional Bureau of Finance (Afar, Amhara and Tigray)</li> <li>Regional Disaster Risk Management Commission/Bureau (Afar, Amhara and Tigray)</li> </ol>

### Brief Description of the Initiative

Persistent poverty and inequality, deadly conflicts, gender-based violence, the climate emergency, rising inflation, and debt distress threaten Sustainable Development Goals (SDG) progress and are leading to an increase in the number of countries characterized as crisis-affected. In a world facing unprecedented risk, Ethiopia is vulnerable to becoming trapped in a crisis cycle. Limited resources are used for life-saving humanitarian response, leaving no room for investment in protecting development gains or prevention. In these contexts, significantly increased investment is needed to address the root causes of fragility and crisis, manage risk, and accelerate the implementation of the SDGs.

Ethiopia has experienced conflict and protracted crises and faces recurrent climate-related disasters, requiring increased financing for ongoing recovery and reconstruction efforts, as well as the need to invest in resilient systems and infrastructure that will allow for effective management of future risks and shocks.

Addressing internal displacement requires understanding its linkages with sustainable development, peace, and security. Despite the high number of IDPs and the increasingly protracted nature of displacement in the country, efforts have been made to foster conditions to provide comprehensive preventive and development response actions at all levels. However, it is not sufficient to address the needs of the affected communities. Since 2019, Ethiopia has engaged in different initiatives that promote policies and structures towards creating an enabling environment for government, the UN, NGOs, and donors to work collaboratively to achieve durable solutions. In November 2024, Ethiopia made another remarkable progress that shows the government's commitment in shifting from immediate relief efforts towards durable solutions that foster sustainable recovery, reintegration, and resilience for affected populations by launching the national solutions pathway to internal displacement. This national framework encompasses comprehensive, sustainable, and principled approaches that not only address the urgent needs of displaced communities but also support long-term recovery.

In 2024 Ethiopia is one of the pilot countries of the UN Secretary-General's Action Agenda, which called for a fundamental shift from a humanitarian to a development approach to solutions. In these contexts, UNDP is stepping up in support of Resident Coordinators (RCs) to support a new approach through development solutions instrumentalizing the shift in thinking of IDPs from beneficiaries to citizens with displacement-specific needs within a sovereign and accountable state. It means moving from solutions as an "exit strategy" to solutions as an "engagement strategy" rooted in accountable national and local governance and rule of law that considers IDPs as equal citizens of the country and as important contributors to their economies and societies.

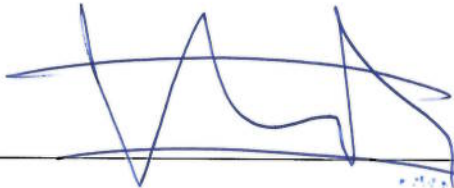
In line with the UNDP's Institutional Strategy on Development Solutions to Internal Displacement (2023), this project is financed from the funding window (FW) to respond to the development challenges of internal displacement in Ethiopia through catalytic funding and technical support to government.

UNSDCF Programme Period: 2020-2025	GC 2025, Budget USD 985,452
Key Result Area (Strategic Plan): _____	Total resources required USD 985,452
Atlas Award ID: _____	Total allocated resources: USD 985,452
Start date: 01/01/2025	<ul style="list-style-type: none"> <li>• Regular (TRAC):</li> <li>• Funding window: <b>USD 985,452</b></li> <li>• Other:</li> </ul>
End Date: 31/03/2026	<ul style="list-style-type: none"> <li>* In-kind</li> <li>* Government _____</li> </ul>
Implementation Modality: CO Assisted NIM	

Agreed by:

Ethiopian Disaster Risk Management Commission (EDRMC)


Date:

  
Ambassador Dr. Shiferaw Teklemariam  
Commissioner



Ministry of Finance:

Date:

  
Semereta Sewasew  
State Minister



06/5/2025

UNDP:

Date:





06/05/2025

## **I. Context Analysis**

Persistent poverty and inequality, deadly conflicts, gender-based violence, climate emergencies, rising inflation, and debt distress threaten SDG progress and are leading to an increase in the number of countries characterized as crisis-affected. In a world facing unprecedented risk, Ethiopia is vulnerable to becoming trapped in a crisis cycle. Limited resources are used for life-saving humanitarian response, leaving no room for investment in protecting development gains or prevention. In these contexts, significantly increased investment is needed to address the root causes of fragility and crisis, manage risk, and accelerate the implementation of the SDGs.

Ethiopia is experiencing complex humanitarian and development challenges stemming from climate-related hazards, including drought, flooding, and disease outbreaks, alongside the impacts of conflict and insecurity. These factors have led to widespread displacement and heightened vulnerability, creating significant demands on essential services, social support, and resilience systems. Addressing the needs of Internally Displaced Persons (IDPs) is central to advancing sustainable peace, stability, and development.

Conflicts and disasters have raised concerns about the deterioration of social cohesion due to increased marginalization, stigmatization, and discrimination. Furthermore, livelihood coupled with restricted movement, reduced access to markets and land, disruption of the labour market, increase in prices, has been hindered. Importantly, sharply defined gender roles in small and remote areas leave a double burden to females within displaced communities. Supporting the livelihoods of IDPs and returnees in Afar, Amhara, Tigray and Somali Region by supporting progress towards durable solutions is essential. This would include vulnerable women, youth and those affected by Gender-Based Violence (GBV).

Despite the high number of IDPs and increasingly protracted nature of displacement in the country, efforts have been made to foster conditions to provide comprehensive preventive and development response actions at all levels. However, it is not sufficient to address the needs of the affected communities. Since 2019, Ethiopia has engaged in different initiatives that promote policies and structures towards creating an enabling environment for government, the UN, NGOs, and donors to work collaboratively to achieve durable solutions.

A federal-level Durable Solutions Working Group (DSWG) has been established with the co-leadership of UNDP, IOM, and UNHCR. Similarly, regional level working groups have been established in most of the regions (Afar, Amhara, Oromia, Southwest, Somali, and Tigray) where the three agencies are playing a role in co-leading and facilitating the development of region-specific durable solutions strategies as well as costed action plans. In these groups, regional governments (the disaster risk management commission of respective regions) are leading the group, and development partners, including local and international NGOs, are also participating. A proclamation has also been prepared and submitted to the council of ministers for approval.

In November 2024, Ethiopia made another remarkable progress that shows the government commitments in shifting from immediate relief efforts towards durable solutions that foster sustainable recovery, reintegration, and resilience for affected populations by launching the national solutions pathway to internal displacement. This national framework encompasses comprehensive, sustainable, and principled approaches that not only address the urgent needs of displaced communities but also support long-term recovery.

In line with the UNDP Institutional Strategy on Development Solutions to Internal Displacement

(2023), this project is financed from the funding window to respond to the development challenges of internal displacement through catalytic funding and technical support to government.

## **II. Objective and Theory of Change**

### **Objective 1) Barriers to socio-economic (re)integration sustainably addressed through community-based social action funds**

Provide development solutions to displacement-affected communities by improving access to livelihoods and economic recovery and complementing wider programming focused on women-headed households and by addressing key barriers to socio-economic (re)integration and addressing protection risks, including SGBV, through community-based action funds, area-based approaches harnessing and scaling up gender-responsive stabilization, early recovery, and core government functions/local governance actions while facilitating transitions from purely humanitarian assistance through addressing medium- to longer-term structural barriers.

### **Output 2) Vulnerable women (IDP, host and returnees) have more resilient livelihoods and can start/sustain climate-smart businesses**

UNDP will conduct a gender-responsive market and livelihoods assessment to identify women's specific needs, challenges, and opportunities. Which will also serve as a good opportunity to raise awareness around the benefits of women's increased participation in the economy and leadership. The intervention will support women-led and owned MSMEs through access to finance, grants, tools, and training targeting the unique challenges faced by women and ensure women's access to innovative financial services that are tailored to women's needs exist and are facilitated by closely working with IFIs, development banks, MFIs, and the private sector.

### **Output 3) Local authorities and/or community-based organizations have improved capacity to lead local solutions to address internal displacement**

Through this intervention, UNDP will conduct a local governance capacity assessment, including a mapping of existing solutions/strategies, gaps, and opportunities. Also, the project aims to support government-led solutions by building resilient institutions at national and local levels to prevent, manage and implement inclusive and gender-responsive solutions by supporting local authorities to design and implement whole-of-government action plans on solutions to internal displacement, fostering social cohesion that will capacitate governments to lead and coordinate the response to internal displacement and ensure alignment with wider government planning and local development processes. The project also aims to deliver tailored capacity development training on development solutions to internal displacement, highlighting the different impact of crisis on different focus groups. Also aims to support local authorities to mainstream strategies in local development planning to address internal displacement.

### **III. Theory of Change**

*Assuming that:*

- Government has political commitment and leadership to engage in development solutions planning and implementation of the national solutions strategy.
- Security conditions on the ground allow for the implementation of the intervention.

*If:*

- IDPs and displacement-affected communities' barriers to socio-economic (re)integration are effectively addressed.
- vulnerable women have more resilient livelihoods and can sustain climate-smart businesses.
- local authorities have improved capacity to address the impact of internal displacement through development approaches.

*Then in the short term*

- Inequalities among IDPs and wider displacement-affected communities will be reduced, ensuring that nobody is left behind and that support on pathways towards sustainable solutions target the unique needs of different vulnerable groups.

*Thus, contributing in the medium- to long-term*

- Government's capacity and systems at different levels are strengthened to lead development solutions and respond to shocks
- Resources are mobilized and aligned with ongoing initiatives across the Humanitarian-Development-Peace (HDP) Nexus to address the long-term development needs of women, youth, refugees, IDPs, and persons with disabilities (PWD).

### **IV. Programmatic Focus and Target Areas**

The proposed project will complement the ongoing Internal Displacement Solutions Fund (IDSF) interventions that focused on data for solutions, solutions strategy development, and coordination and scaling up area-based early recovery and stabilization programming by targeting the wider socio-economic interventions in IDP/host and return/relocation communities, including rehabilitation and infrastructure, through focusing on community-based integration and local governance actions to provide sustainable solutions. The interventions will complement wider socio-economic interventions in IDP/host and return communities, including rehabilitation and infrastructure, through focusing on community-based integration and local governance actions to provide sustainable solutions. A people-centered, portfolio- or area-based approach that harnesses and scales up gender-responsive stabilization will be employed in line with the UNDP's Institutional Strategy on Development Solutions to Internal Displacement.

The geographical focus for the project will be Ethiopia National and Regions (Afar, Amhara, Tigray and Somali regions).

## **V. Implementation Arrangements**

UNDP will engage with key ministerial offices (Ministry of Finance and Ethiopian Disaster Risk Management Commission at the federal level) and the respective regional Bureau of Finance and disaster management commissions or bureaus in Somali, Afar, Amhara, and Tigray regions (Bureau of Social Affairs) as well as their recovery and reconstruction offices to successfully implement the project and to ensure the leadership of government in providing solutions to IDPs and ensure sustainable financing to implement prevention and response actions in the country. This program will be implemented in alignment with the Peace Support Facility (PSF) as well as that of the IDSF based on guidance from the various platforms such as the durable solutions working groups and the UN country Team (UNCT). A Program Steering Committee will be established at all levels (federal and regional) to follow up and monitor the progress periodically. UNDP is responsible for ensuring programmatic coherence and quality, results framework, budget, quality standards, and reporting. A proactive and continuous communications strategy will be employed to capture the highlight results and approaches through press releases, web stories, social media, and other products targeting governments, key development partners, and donors that focus on UNDP delivery and the importance of development as the most viable means of conflict prevention, an essential component of crisis response, and the most sustainable way out. The work also complements UN Women's work, advocating for the rights and protection of displaced women and girls and supporting their livelihoods and economic empowerment.

## **VI. Monitoring, Evaluation and Learning**

Monitoring, evaluation and learning (MEL) on area-based and portfolio approaches at sub-national and national level are an inherent aspect of contributing to all outputs. Applying adaptive management and regular stock-taking on area-based approach will feed into policy, reform and advocacy and resource mobilization at the national levels.

More concretely as it relates to activities, UNDP will work to ensure adequate monitoring and verification measures are in place for accurate and inclusive selection of beneficiaries, management of interventions and proper documentation and learning. The day-to-day monitoring will be carried out by UNDP staff on the ground where activities will be implemented. Project managers and technical focal points will provide on-site and remote monitoring and technical support to ensure the project implementation is as per the standard and agreed results are on track. Periodic reports and senior management field visits will also be used to verify the progress towards results.

The activities and initiatives implemented under the programme will be documented and published as knowledge products on UNDP country and global websites and other platforms. In addition, project events will be documented in various forms like reports, pictures, documentaries, and reference resources and widely shared with stakeholders for learning. The M&E system is geared to capture lessons and results that inform management decisions and inform future programming. The project will also intensively involve the communications unit to capture and disseminate lessons. The lessons learned will be documented and shared with the FWs secretariat as part of the project report per the guidelines.

## MEL Plan

Monitoring Activity	Purpose	Responsibility party	Frequency	Means of verification
Track results progress	Progress data against the results indicators in the RRF will be collected and analyzed to assess the progress of the project in achieving the agreed outputs.	Project staff with support from M&E: RSHM global compilation	Quarterly	Data collection, through progress reports
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision-making to improve the project.	Project staff; DRR	Six Monthly	Data collection, through progress reports
Project Report	Overall coordination of monitoring, reporting and learning will be conducted by the global team consolidating and aggregating data from the COs. A progress report will be presented to the key stakeholders, consisting of progress data showing the results achieved in the country.	RSHM technical focal point	Annually	Data collection, through progress reports

## VII. Risk Management

Risk type	Risk description	Risk assessment (Impact, Likelihood & Risk Level) <sup>1</sup>	Mitigation measures
Resumption and/or further spread of internal conflict	Security	Likelihood = Medium Impact = High Risk level = Medium	Through security risk management including continuous conflict analysis and building strong partnership with local community governance structures like Community Management Committees (CMCs), local authorities, and humanitarian counterparts to monitor the situation, adjust modalities and manage the impact.
Sudden upsurge in community violence	Security	Likelihood = Medium	Work in close collaboration with the local governments,

<sup>1</sup> As per UNDP's Enterprise Risk Management Policy.

		Impact = High Risk level= High	community leaders and key stakeholders in monitoring the context and supporting efforts that avoid / manage communal conflicts.
Selection of beneficiaries is perceived as unfair/biased which can deteriorate social cohesion (in the provision of grants/funding for example, or in the case of (mis)perceived political influence benefiting only certain groups).	Operational	Likelihood = Medium Impact = High Risk level= Medium	UNDP will adopt vulnerability assessment criteria considering specific displacement vulnerabilities. These criteria will be communicated to target communities. Individual vulnerability scoring will be cross-checked by at least two staff to confirm final beneficiary selection.
Grants provided pose security threats to community members to women (which can trigger domestic violence and other forms of GBV).	Operational	Likelihood = Medium Impact = High Risk level= Medium	Community consultations including specific women's groups will be included in the implementation project. Consultations with protection partners will be conducted before the final selection of grants.
Capacity gaps of national and local stakeholders	Operational	Likelihood = Medium Impact = Medium Risk level= Medium	Built into programme design in terms of enhancing local capacities through training and resource allocation to ensure programme are sustainable and effective and active engagement in government coordination and inter-agency coordination. Assessments will be conducted according to UNDP policies.
High inflation rates or economic shocks	Economic	Likelihood = Medium Impact = Medium Risk level= Medium	Budgeting of project activities in the USD to cushion inflation and procurement of project inputs in hard currency (USD) to avoid inconsistent exchange rate resulting in prices hiking in the local markets.
Flooding/rainy season making it difficult to access certain areas	Environmental	Likelihood = High Impact = Medium Risk level= Medium.	Activities will be planned due consideration of the seasonal calendar whereby field activities and delivery of goods are planned for the dry season.

Availability of additional complementary funding to scale up activities to completion.	Financial	Likelihood = low Impact = Medium Risk level= Medium	Regular communication and engagement with donors to avoid duplication and strengthen partnership.
Reluctance by UN partners and donors to prioritize development approaches and UNDP's integrator role	Organizational	Likelihood = Medium Impact = High Risk level= Medium	Develop compelling narrative and strengthen advocacy to UN and donor partners; support government to advocate for development approaches

Integrated development solutions for IDPs and host communities in Ethiopia- Round 1 and Round 2- Work Plan

Period: FW 1 (October to December 2025) and FW 2 (January-March 2026)

EXPECTED OUTPUTS And indicators, baselines, and annual targets	PLANNED ACTIVITIES List activity and associated actions	Time Frame 2025-2026					Responsible Party	Funding Source	Specific Budget Description
		Q2	Q3	Q4	Q1	Planned Budget			
<b>Output 1: Integrated, gender-responsive development solutions in the north and eastern Ethiopia</b> Indicator 1.1: Number of people on the move and host communities benefitting from integrated and targeted interventions, including on strengthening social cohesion (disaggregated by sex and status) (IRRF 3.4.2) Baseline: Tigray Southern Region, 10,234 HH, 52,243 individuals Target: 25% = 2,560 HH & 13,060 individuals of the IDPs focusing on female and disabled (FW1) Target: Additional 2,127 HH/ 10,848 individuals (FW2)	Address barriers to socio-economic (re)integration sustainably addressed through community-based social action funds Activity 1: Identify and map target communities and existing and planned interventions/priority needs/protection risks in close dialogue with community leaders, CBOs and FBOs, women's organizations, authorities and external partners. Activity 2: Define priority initiatives based on community consultation for funding allocation. Activity 3: Provide funding and technical support for the implementation of selected initiatives (Durable Solutions Technical expertise/TA)	10,000	20,000			30,000	10,000 (FW1) 20,000 (FW2)	Contractual Services-Companies	
		11,150	10,000		21,150	UNDP	11,150 Q3 (FW1) 10,000 Q4 (FW2)	Contractual Services-Companies	
		15,000	15,000	4,596	34,596		15,000 Q3 (FW1) 15,000 (FW1) 4,596, 2026 (FW2)	Recruitment	
	<b>Total output</b>		10,000	46,150	25,000	4,596	85,746		
<b>Output 2: Vulnerable women (IDP, host and returnees) have more resilient livelihoods and can start/sustain climate-smart businesses</b> Indicator 2.1: % of female MSME owners able to sustain their businesses in the first 6 months Baseline: Not available Target: 60% (180 out of 300 individuals) (FW1)	Support vulnerable women (IDP, host and returnees) have more resilient livelihoods and can start/sustain climate-smart businesses Activity 1: Conduct gender-responsive market and livelihoods assessment to identify women's specific needs, challenges and opportunities. Activity 2: Raise awareness around the benefits of women's increased participation in the economy and leadership		10,000	20,000		30,000	10,000 (FW1) 20,000(FW2)	Consultancy	
			10,000	24,316		34,316	UNDP/4 Regions	10,000(FW1) 24,316 (FW2)	Consultancy, Workshop

Target: 60% (94 out of 157 individuals) (FW2)	Activity 3: Support women-led and owned MSMEs through access to finance, grants, tools and training targeting the unique challenges faced by women.	323,699	200,000						523,699		323,699 (FW1) 200,000 (FW2)	Grants
<b>Total output</b>		<b>323,699.00</b>	<b>200,000</b>	<b>44,316.00</b>					<b>588,015</b>			
<b>Output 3: Local authorities have improved their capacity to lead local solutions to address internal displacement</b>	<b>Local authorities have improved their capacity to lead local solutions to address internal displacement</b>											
Indicator 3.3. % of government officials demonstrating improved skills in designing solutions to internal displacement Baseline: None Target: 75% (150 out of 200 individuals)	Activity 1: Conduct local governance capacity assessment including a mapping of existing solutions/strategies, gaps and opportunities.	20,000	10,000						30,000		20,000(FW1) 10,000 (FW2)	Consultancy
Indicator 3.4. Number of institutions that have mainstreamed human mobility into their development policies and plans (IRRF 3.4.1) Baseline: 0 Target: 1 Baseline:1 (FW1) Target: 2 (FW2)	Activity 2: Deliver gender sensitive tailored capacity development training on development solutions to internal displacement highlighting the different impact of crisis on different focus groups		10,000						20,000		10,000 Q3 (FW1) 10,000 Q4 (FW2)	Capacity building / training
	Activity 3: Support local authorities to mainstream strategies in local development planning to address internal displacement.	63,000	18,448						81,448		63,000 (FW1) 18,448 (FW2)	Capacity building / training
<b>Total output</b>		<b>83,000</b>	<b>38,448</b>	<b>10,000</b>					<b>131,448</b>			
<b>Country office project management</b>	<b>Project Management Costs (7%)</b>	39,900		24,611					64,511		39,900 (FW1) 24,611.21 (FW2)	PMC
	<b>Monitoring &amp; Learning Activities</b>	10,505	15,757	4,270					30,533.66		10,504 (FW1) 15,757 (FW1) 4,270 (FW2)	Local consultants
	<b>Communication and advocacy activities</b>	7,995	3,997	3,997					21,337.00		7,995 (FW1) 3,997 (FW1) 3,997 (FW1) 5,348 (FW2)	
	<b>GMS 7%</b>			39,252					63,863		39,252 (FW1) 24,611.21 (FW2)	
<b>Total PMC FW 1 &amp; FW 2</b>		<b>58,400</b>	<b>19,754</b>	<b>72,130</b>					<b>180,243.08</b>			
<b>Total project budget FW 1 and FW2</b>		<b>438,599</b>	<b>360,852</b>	<b>151,446</b>					<b>985,452.08</b>			