



Project Title:	E-voucher solutions for recovery and resilience in Northern Ethiopia.
UNSDCF Pillar:	People Prosperity
UNSDCF 2020-2025 Outcomes: Outcome 1: By 2025, all people in Ethiopia enjoy the rights and capabilities to realize their potential in equality and with dignity. Outcome 2: By 2025, all people in Ethiopia live in a cohesive, just, inclusive and democratic society.	
UNDP CPD (2020-2025): Output 1.5: Federal, Regional and sub-regional capacities strengthened for reintegration, reconciliation, prevention and peaceful management of conflicts. Output 2.2: 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.	
Expected Outputs of the Initiative: - Establish an E-voucher system to support sustainable recovery of Displacement Affected Communities (DACs). - Improved access to sustainable reintegration services to DACs through use of e-voucher. - Strengthened local institutional capacities.	
Implementing Partners:	- Ethiopian Disaster Risk Management Commission (EDRMC) - Regional Bureau of Finance (Afar, Amhara and Tigray) - Regional Disaster Risk Management Commission/Bureau (Afar, Amhara and Tigray) - NEC Corporation

Brief Description of the Initiative

Ethiopia faces one of the most complex human mobility environments in the world, with multiple conflicts and disasters that have led to widespread displacement. Ethiopia is addressing the complex humanitarian and development challenges stemming from climate-related hazards, including drought, flooding, and disease outbreaks, alongside the impacts of conflict and insecurity.

As of May 2024, the Ethiopian regions of Tigray, Amhara, and Afar continue to grapple with the complexities of post-conflict recovery, posing significant challenges to provide sustainable solutions to DACs. Most DACs particularly women and children remain highly vulnerable. The influx of returnees is placing additional pressure on already fragile host communities and revealing substantial gaps in basic service delivery, especially in areas where infrastructure has been destroyed or severely damaged by conflict.

Access to essential services such as healthcare, education, and water and sanitation remains limited. Meanwhile, social cohesion is being further eroded by persistent gender-based violence (GBV) and the absence of functional local governance structures to support reintegration. These conditions not only heighten the risk of renewed tensions but also deepen the vulnerabilities of displaced populations and hinder long-term recovery efforts.

A major barrier to delivering timely and equitable support is the lack of reliable systems and data to track the service provided to these vulnerable people access to humanitarian and development assistance. The recent launch of Ethiopia's Durable Solutions Strategy underscores the urgency of addressing these challenges. However, the absence of clear data has hampered planning and targeted interventions, contributing to fragmented recovery efforts where some displaced populations receive support while others are left behind. In response to this context, the introduction of an e-Voucher solution presents a timely, scalable, and innovative approach to strengthening crisis recovery interventions. The e-voucher system will enhance the effectiveness, traceability, and accountability of assistance by enabling targeted support to DACs through digital or card-based vouchers redeemable for essential goods and services from pre-selected vendors. This approach empowers beneficiaries with dignity and choice, stimulates local markets, and ensures transparent tracking of resource flows.

The overall objective of the intervention is to support the sustainable reintegration DACs to build community resilience in selected woredas in Tigray, Amhara, and Afar by establishing a functional and accountable e-voucher mechanism. The project aims to directly benefit 10,000 individuals, at least 60% of whom will be vulnerable women, across five woredas—two each in Tigray and Amhara, and one in Afar. Beyond direct support, the initiative also seeks to build and strengthen the capacity of local institutions to manage and scale such systems, laying the groundwork for long-term recovery and resilience.

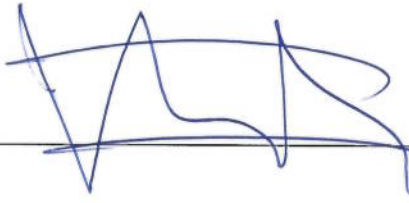
The project will be implemented in a close collaboration with Disaster Risk Management Commission at federal and regional level and in partnership with NEC Corporation, a Japanese multinational information technology and electronics company headquartered in Tokyo. As a responsible party for specific technical interventions, NEC brings global expertise in digital solutions, strengthening the technological backbone of the initiative. The e-voucher system will be rolled out in alignment with Ethiopia's National Digital ID programme, ensuring consistency with national priorities and contributing to long-term digital inclusion. This joint UNDP–NEC initiative exemplifies the power of connecting technology and innovation from the Japanese private sector with local development efforts, accelerating progress toward the Sustainable Development Goals (SDGs).

UNSDCF Programme Period:	2020-2025	GC 2025-2026 Budget	1,000,000
Key Result Area (Strategic Plan):	_____	Total resources required	1,000,000
Atlas Award ID:	-----	Total resources 2025:	USD 1,000,000
Start date:	01/03/2025	• Regular (TRAC):	
End Date:	30/03/2026	• JSB 2025 allocated budget:	1,000,000
Implementation Modality:	CO Assisted NIM	• Other:	
		* In-kind	
		* Government	_____

Agreed by:

Ethiopian Disaster Risk Management Commission (EDRMC)

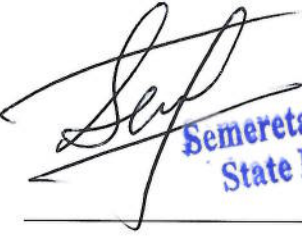
Date:


Honor. Dr. Shiferaw Teklemariam
Commissioner



Ministry of Finance:

Date:


Semereta Sewasew
State Minister



06/05/2025

UNDP Ethiopia:

Date:





06/05/2025

I. Context Analysis

Beyond addressing immediate needs such as protection, safety, food security, and shelter for DACs, there is a critical need for improved data tracking and monitoring systems. These systems are essential to ensure that support reaches those in need fairly and equitably and to assess the effectiveness of interventions.

For returnees, the lack of adequate preparation and support poses significant risks. These include inadequate housing, limited access to essential services such as healthcare, water, and sanitation, and the potential for renewed displacement due to unresolved land and property disputes. Many are returning to areas where infrastructure remains severely damaged by conflict, and where the social fabric of communities has been deeply disrupted. This increases their vulnerability to exploitation and violence including sexual and gender-based violence (SGBV) and further compounds the challenges of sustainable reintegration.

The sudden influx of returnees exacerbates existing resource scarcities and strains the limited social services available. Many of these communities are already struggling with weakened social cohesion and a lack of effective local governance, which hinders their ability to manage the reintegration process. The competition for scarce resources, coupled with unresolved tensions from the conflict, increases the risk of intercommunal violence and further destabilization. Addressing these challenges requires targeted interventions that not only support the reintegration of DACs but also strengthen the resilience of host communities to prevent further conflict and displacement.

Alignment with national initiatives and strategies:

Ethiopia has recently launched a national durable solutions strategy and developed regional strategy along with costed action plans to address displacement issues. While the Displacement Tracking Matrix (DTM) provides data, the government has limitations in its tracking and data management of internal displacement, which is crucial for planning and monitoring the distribution of benefits. Beyond facilitating the dignified, voluntary return, reintegration, and relocation of displaced people, a major priority of the strategy is to improve data, coordination, and accountability mechanisms.

The lack of comprehensive and up-to-date data on displacement hampers informed decision-making and effective resource allocation. By enhancing data collection, strengthening coordination, and ensuring accountability at all levels, Ethiopia aims to improve the quality and impact of its responses to internal displacement. The country will prioritize establishing a national data system that consolidates information on displacement trends, the needs of DACs, and the capacities of local and regional authorities. This system will draw on existing platforms, such as the DTM and other data collection initiatives, linking displacement data verification with national ID systems to create a unified database informing all aspects of the durable solutions process.

Complementarity of the project with UNDP's ongoing other projects:

The proposed project is an integral part of UNDP's Peace Support Facility (PSF) and Durable Solutions under the Inclusive Economic Transformation program, supported by UNDP resources, and Japan's JSB. This project aligns with PSF efforts under Windows 1, 3, and 5, enhancing synergies with interventions funded by Germany and Japan. Japan's JSB involvement ensures the project benefits from Japanese expertise and aligns with broader Japanese development cooperation objectives. The PSF complements the Resilient Recovery and Reconstruction Framework (RRRF) targeting Afar, Amhara, and Tigray regions. UNDP also implements projects like the Durable Solution and the Democratic Governance Reform Project for Tigray (DGRP4T) to support reintegration, livelihood recovery, and economic activity restoration.

In this project, collaboration with NEC Corporation will be explored and considered, together with national stakeholders, to introduce the e-voucher system. The partnership model will be based on appointed field agents to be equipped with android mobile devices running the e-voucher application. Beneficiary details will be registered in the e-voucher system, including a portrait image for biometric verification. Each beneficiary will be issued with a smartcard containing their demographic information, a facial image template for offline verification, and details of the grant items or value.

The e-voucher system will be installed on a cloud-based platform in Ethiopia to comply with the country's data protection laws, ensuring all data remains within Ethiopian borders. Android Smart Terminals will be provided, pre-installed with the e-voucher system, for officers to register beneficiaries and issue Smartcards. These Smartcards will be used to purchase selected relief items from retailers or receive distributed relief items.

II. Objective and Theory of Change

The overall objective of this project is to enhance the effectiveness, traceability, and accountability of crisis recovery interventions (including provision of durable solutions to DACs in Tigray, Amhara, and Afar regions by introducing an e-voucher system that supports the sustainable reintegration and strengthens community resilience. The total direct beneficiaries are estimated at 10,000 with at least 60% vulnerable women in 2 woredas in Tigray and 2 woredas in Amhara and 1 woreda in Afar.

Theory of Change

Assuming that:

- *The actual number of displaced populations in Ethiopia is not yet agreed because of various factors include lack of proper data collection system. Despite the DTM is there, however the doubt on methodology, and double counting that led for unfair distribution of benefits has demanded new instruments such as national ID and the e-Voucher.*
- *Technology might provide solution to avoid ambiguity on number of displaced population and help the government to have transparent and accountable reporting, monitoring and tracking of benefits to DACs*

If:

- *The selected beneficiaries in the selected target areas would be registered using the NEC approach on e-voucher, which in turn would be aligned with National ID program*
- *If the capacity of the local administration is built to execute the initiative and have political will to ensure benefit distribution fairly and equitably.*
- *Based on the successful registration of beneficiaries using the e-Voucher, benefit package are associated with the system where beneficiaries will enjoy the service.*

Then

- *Benefits will be distributed fairly and transparently*
- *Accountability mechanism in addressing the needs of DACs is ensured.*
- *Resource use efficiency is enhanced and maximized as benefit distribution is monitored.*
- *Successful monitoring and tracking system will be in place and finally Ethiopia may want to scale up the initiative into other programs such as PSNP.*

III. Programmatic Focus and Target Areas

The proposed e-voucher system is expected to play a key role in setting the mechanism to monitor, collect data and ultimately allow the vulnerable people (including displaced, women, people with disabilities) to access targeted livelihood and reintegration support equitably and fairly. Focusing on

livelihoods is imperative to help vulnerable communities transition out of reliance on food assistance, which remains insufficient under the current state of humanitarian funding.

By implementing a digital system that enables the traceability of support and enhances accountability, the intervention ensures that assistance reaches the intended beneficiaries, ultimately leading to improve the overall effectiveness of support provided to DACs.

In a context where reaching remote and vulnerable populations is challenging, the e-voucher system offers a practical and scalable solution that not only addresses immediate needs but also establishes a foundation for stronger community connections at the regional level. This system is especially important as it allows for a more streamlined and accountable distribution process, which is critical in areas with limited infrastructure and governance capacity.

The project aims to reach 10,000 DACs (60% of whom are vulnerable women and 40% youth) in the Southern and central Zones of Tigray, North Wollo Zone of Amhara, and Zone 2 of Afar. These individuals will gain access to targeted livelihood support, MHPSS, and other essential services through the e-voucher system.

UNDP Ethiopia with the possible technical support of NEC is planning to test the effectiveness and usability of e-voucher system in selected crisis recovery target Woredas focusing primarily on DACs and those impacted by the conflict. The e-Voucher back-end described herein will be installed on a cloud-based platform in Ethiopia, in line with the data protection laws in Ethiopia. All data therefore will remain within the borders of Ethiopia

IV. 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 Afar, Amhara, and Tigray regions (Bureau of Social Affairs) as well as their recovery and reconstruction offices and other relevant stake holders for the successful execution of the project. The project will also partner and collaborate with the National Digital ID Project Office to ensure the alignment of the e-voucher with the government initiative. Communities, including the beneficiaries such as the DACs, are also the most important stakeholders. The project will be implemented alongside other programs focused on durable solutions, the Peace Support Facility, and the Internal Displacement Solutions Fund (IDSF) to maximize impact and ensure cost-effectiveness. The UNDP Ethiopia country office will also contribute technical expertise and leadership throughout the project's implementation. The proposed funding will be shared between UNDP and NEC, where NEC will play a crucial role in developing and deploying the e-voucher system, acting as a key implementing partner by providing the necessary technology, technical assistance, services, and progress monitoring alongside UNDP and other stakeholders.

V. Monitoring and Evaluation

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
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.	Quarterly	Slower than expected progress will be addressed by project management.	NEC, local gov't	
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management	Quarterly	Risks are identified by project management and actions are taken to	UNDP, PDRM/ M&E team	

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
	actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.		manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.		
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	Biannually	Relevant lessons are captured by the project team and used to inform management decisions.	IET unit	
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.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	IET Unit/PDRM	
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk log with mitigation measures, and any evaluation or review reports prepared over the period.	Quarterly, Biannually and Annually (at the end of the project (final report))	Impact of the project and measurement of intended results as stated in the proposal	IET Unit	
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and	Bi-annually	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	IET unit	

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
	lessons learned with relevant audiences.				

VI. Risk Management

Risks	Category	Impact	Probability	Mitigation Measures	Owner
Dynamic security conditions may impede field monitoring, mobility, and consultations with stakeholders.	Security	Medium	Medium	Establish third party monitoring and reporting through community members.	UNDP
Delayed procurement Services.	Operational	High	Medium	Engage procurement units and prepare procurement documents and specifications ahead of time.	UNDP
A lack of awareness about e-voucher payment technology among local stakeholders and communities limits their active engagement in the program.	Operational	Low	Low	Consultations and participatory planning approach prior to implementation, including regional and woreda administrations and community members. Regular community consultations.	Regional and woreda administrations and UNDP
The market system and supply chain are insufficiently developed at the lower administrative levels, such as woreda and zone.	Operational	High	Low	Mapping potential service providers and agents and pre-negotiation to ensure their active participation.	Government and UNDP

E-voucher solutions for recovery and resilience in Northern Ethiopia, Work Plan, and Budget										
Years: 2025-2026										
Expected Outputs	Planned Activities	Timeframe 2025-2026					Description	Responsible Party	Funding Source	Geographic Focus
Indicators, baseline & annual targets	List of activities and associated actions/tasks	Q2	Q3	Q4	Q1	Total				
Output 1: Establish an E-voucher system to support sustainable reintegration of DACs										
Indicators: Number of E-vouchers and mobile devices produced Baseline: 0-2024 Target: 1 Gender marker: GEN2	Activity: 1.1 Conduct a context analysis and needs assessment to identify the specific livelihood support requirements of DACs, with a focus on women and youth, in the targeted zones.	54,395				54,395	Consultancy service/TA	NEC	Government of Japan (GoJ)	Tigray, Amhara, Afar
Baseline: 0-2024 Target: 10,000 cards & 50 Mobile devices	Activity 1.2 requirement analysis and system design of the e-voucher	20,000	16,473			36,473	Consultancy Services / TA	NEC	Government of Japan (GoJ)	Tigray, Amhara, Afar
Baseline: 0-2024 Target: 50	Activity 1.3 system contextualization and e-Voucher systems configuration	20,000	23,531			43,531	Technical Assistance	UNDP	Government of Japan (GoJ)	Tigray, Amhara, Afar
Baseline: tbc Target: BL+ 10,000	Activity 1.4 Procurement of smart card and mobile devices (10,000 cards & 50 Mobile devices)	50,000	61,086			111,086	Procurement	NEC	Government of Japan (GoJ)	Tigray, Amhara, afar
Baseline: 0 Target: Digital system (e-voucher) adopted	Activity 1.5 Deployment of e-vouchers and registration of beneficiaries (DACs and MSMEs) to access livelihood resources, such as tools, seeds, and small business start-up kits. This includes cloud hosting for 12 months)		30,000	28,260		58,260	Technical Assistance	NEC	Government of Japan (GoJ)	Tigray, Amhara, Afar
	Activity 1.6 Provide operational support on E-Voucher usage, technical support on registration and data connection			50,000	33,071	83,071	Procurement and consultancy	NEC	Government of Japan (GoJ)	Tigray, Amhara, Afar
Sub-total		144,395	131,090	78,260	33,071	386,816				
Output 2: Improved access to sustainable reintegration services to DACs through use of e-voucher										

Indicator: Number of Service providers who have been trained and received essential services Baseline: 0 Target: 20 people, 30% female	Activity 2.1: Identify and train service providers or vendors who will provide livelihood, MHPSS and other essential services in the targeted woredas.	10,000					10,000	Procurement of Services	UNDP	Government of Japan (GoJ)	Tigray, Amhara, Afar
	Activity 2.2: Identify and train field agents to facilitate registration to the e-voucher system and liaise beneficiaries with service providers		22,166				22,166	Procurement of Services	NEC	Government of Japan (GoJ)	Tigray, Amhara, Afar
Baseline: 0 Target: 10,000 people (Target set to be reached is not only by this project but other projects of Durable Solution for DACs in the same Geographic area)	Activity 2.3: Support MHPSS service provision with local service providers		15,000	10,000			25,000	Procurement of Services	UNDP	Government of Japan (GoJ)	Tigray, Amhara, Afar
Baseline: 10,000 Target: 10,000 (60% female)	Activity 2.4: Support provision of start-up kits, agricultural input and other livelihood service packages to DACs		145,787	100,000	100,000		345,787	Grants	UNDP	Government of Japan (GoJ)	Tigray, Amhara, Afar
	Activity 2.5: Collect feedback on usage of the card, challenges and learnings for further improvement on the system			5000	5000		10,000	UNDP	M&E	Government of Japan (GoJ)	Tigray, Amhara, Afar
	Activity 2.6: Deploy project officer to support project implementation (30% cost)	2500	2500	2500	2500		10,000	UNDP	TA	Government of Japan (GoJ)	National/regions
Sub-total		12,500	185,453	117,500	107,500		422,953				
Output 3: Strengthened local institutional capacities to pilot the E-voucher system											
Indicator: a. Number of capacity building and coordination event organized. Baseline: the Target: 3 Gender Marker: GEN2	Activity 3.1: Conduct capacity-building workshops for local institutions on the implementation and management of the e-voucher system.		20,000				20,000	UNDP	Training	Government of Japan (GoJ)	Tigray, Amhara, Afar

Baseline: 0 Target: 6	Activity 3.2: Facilitate coordination meetings between local institutions, field agents, service providers, and community representatives to ensure the efficient operation of the e-voucher system.	15,000				15,000	UNDP	Government of Japan (GoJ)	Afar, Amhara, Tigray
	Activity 3.3: Establish a monitoring and evaluation framework for tracking the delivery and impact of services through the e-voucher system.	15,000				15,000	UNDP	Government of Japan (GoJ)	Afar, Amhara, Tigray
	Activity 3.4: Communication, visibility and documentation and dissemination of lessons learned and best practices from the project to inform future interventions.		10,000	5,000	15,000	UNDP	Communication	Government of Japan (GoJ)	Afar, Amhara, Tigray
Sub-total			50,000	10,000	5,000	65,000			
Sum of Sub Total		156,895	366,543	200,760	145,571	874,769			
Global monitoring, advocacy and reporting						9,077			
Sub-total (programmable amount – Prog + DPC)						916,258			
General Management Support (8%)						73,341			
Total Programme Budget						990,099			
Coordination Levy 1%						9,901			
Grand Total						1,000,000			