

Oromia Forested Landscape Program: Design features, Challenges & Lessons Learned

Tesfaye Gonfa, Program Coordinator

Oromia REDD+ Coordination Unit

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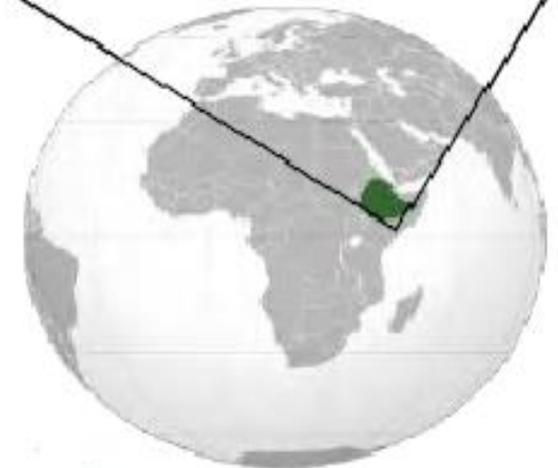
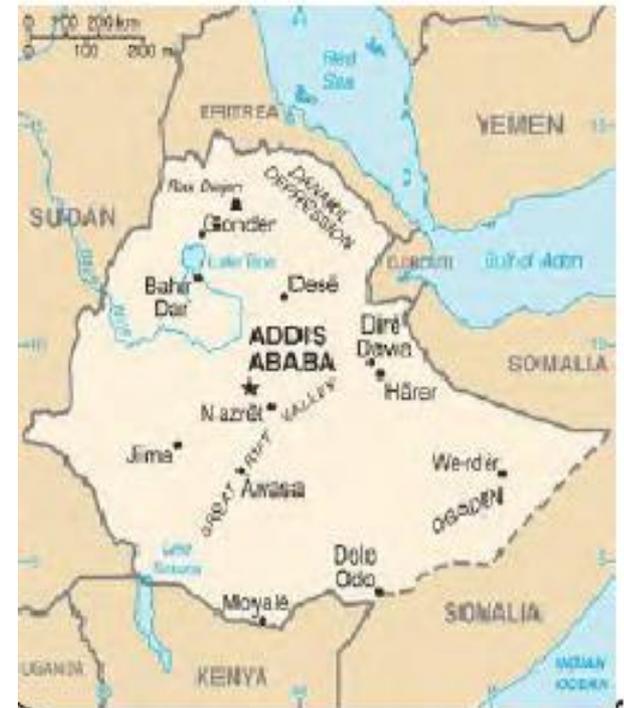
Maputo, Mozambique



Program Strategic Context

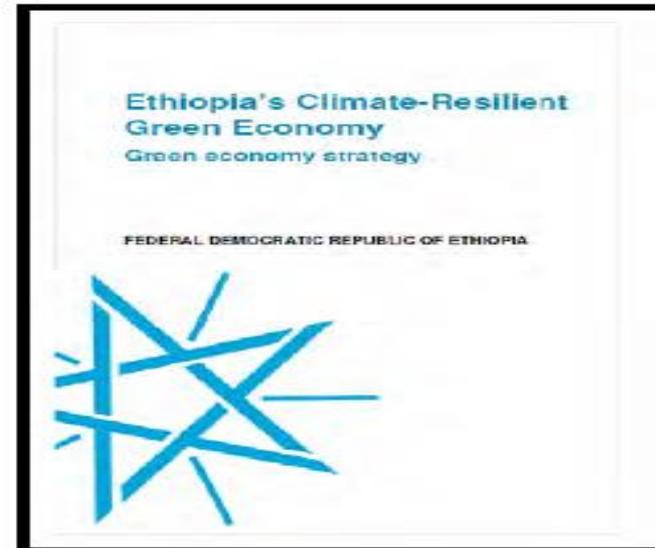
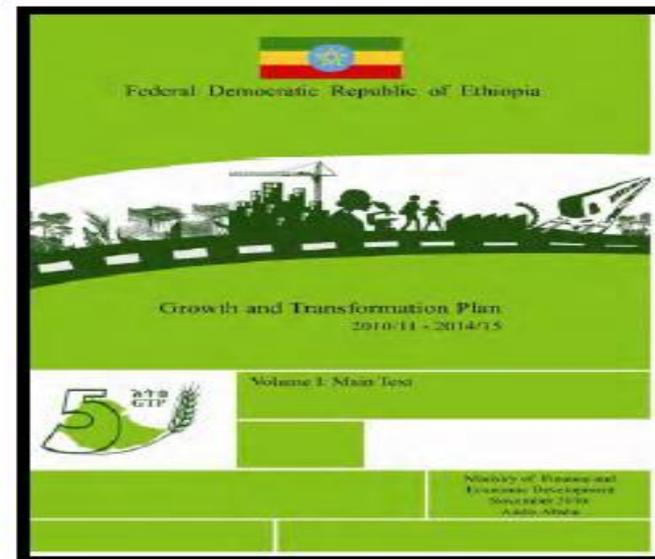
Country Context:-

- **Geography:**
 - 4x size of UK, landlocked
 - located in the Horn of Africa,
 - Mosaic landscape divided by the Rift Valley
- **Population:**
 - 80 million (2010)
 - 130 million (2030) (2% growth/yr)
- **Economy:**
 - Agriculture is the mainstay of the economy, which employees 80% population.



Country Context Cntd...

- Strong political commitment for Integrated Planning and Sustainable Development,
 - Growth & Transformation Plan (GTP)
 - Climate Resilient Green Economy (CRGE) Strategy
- Ethiopia is one of the fastest developing economies in the World.



Two Landmark Sustainable Development Documents: GTP and CRGE Strategy (above)

OFLP – Fit into national REDD+ structure



- CRGE Vision
- GTP II
- National REDD+ Strategy



- Oromia Forested Landscape Program

- Strategic Framework Document**
(Rules of the Game)
- Vision
 - Institutional arrangements
 - Enabling environment: incentives, institutions, information
 - Nesting rules
 - Benefit sharing
 - MRV
 - REL
 - M&E standardization
 - Safeguards standardization
 - Project portfolio mgt

REDD+ Projects

- Bale Mountains REDD+ project
- Salle Nono REDD+ project

Coordination with relevant initiatives across sectors

- SLMP
- AGP
- LIFT
- Etc.

Activities to be financed by the BioCFplus upfront mobilization grant

Goals of OFLP

- OFLP is a national Pilot implemented with twin goals of:
 - complying with international requirements to receive payments from international sources for verified reduced emissions from deforestation and forest degradation, and
 - Scaling up financial resources and impacts of interventions to Scale.
- The OFLP is prepared with two financial instruments
 - Up Front Mobilization Grant from Donors to the BIOCF+ (US\$ 18 million)
 - An emission Reduction Payment (US\$ 50 million)

Program Milestones

- OFLP Program Milestones
 - March 2013 - Initial Program Idea Note (PIN) drafted
 - April 2013 – PIN presented and accepted on Annual Meeting of FCPF Standing Committee
 - May 2013 – Program Roadmap Proposed
 - ✓ Design
 - ✓ Implementation
 - ✓ Emission Reduction Phases
 - May 2014 – Program design officially launched



The Design Phase Briefly

- The Design Phase involves:-
 - Setting-Up Institutional Arrangements
 - Conduct a series of analytical studies
 - Multi-stakeholder Consultation and Local Level Capacity Building

- ✓ US\$3 million grant for design obtained from the Gov. of Norway
- ✓ Design phase timeframe is 1.5 years, to be completed in Dec. 2015.



The Design Phase Briefly

- Setting-up Institutional Arrangements
 - Oromia REDD+ Coordination Unit
 - Cross-sectoral coordination
 - Reports to the Vice President (VP) of the State
 - Oromia REDD+ Steering Committee
 - Strategic advise and oversight
 - Chaired by the VP
 - Oromia REDD+ Technical Working Group
 - Technical advice
 - Chaired by Oromia Forest and Wildlife Enterprise (OFWE)

The Design Phase Briefly

- Analysis of drivers of deforestation & forest degradation and strategic options to address those;
- Analysis of legal & Institutional frameworks;
- Developing a Reference Level & Designing an MRV System;
- Preparation of a Consultation and Participation Strategic Document
- Preparation of Safeguard Instruments including SESA, ESMF, RPF and PF



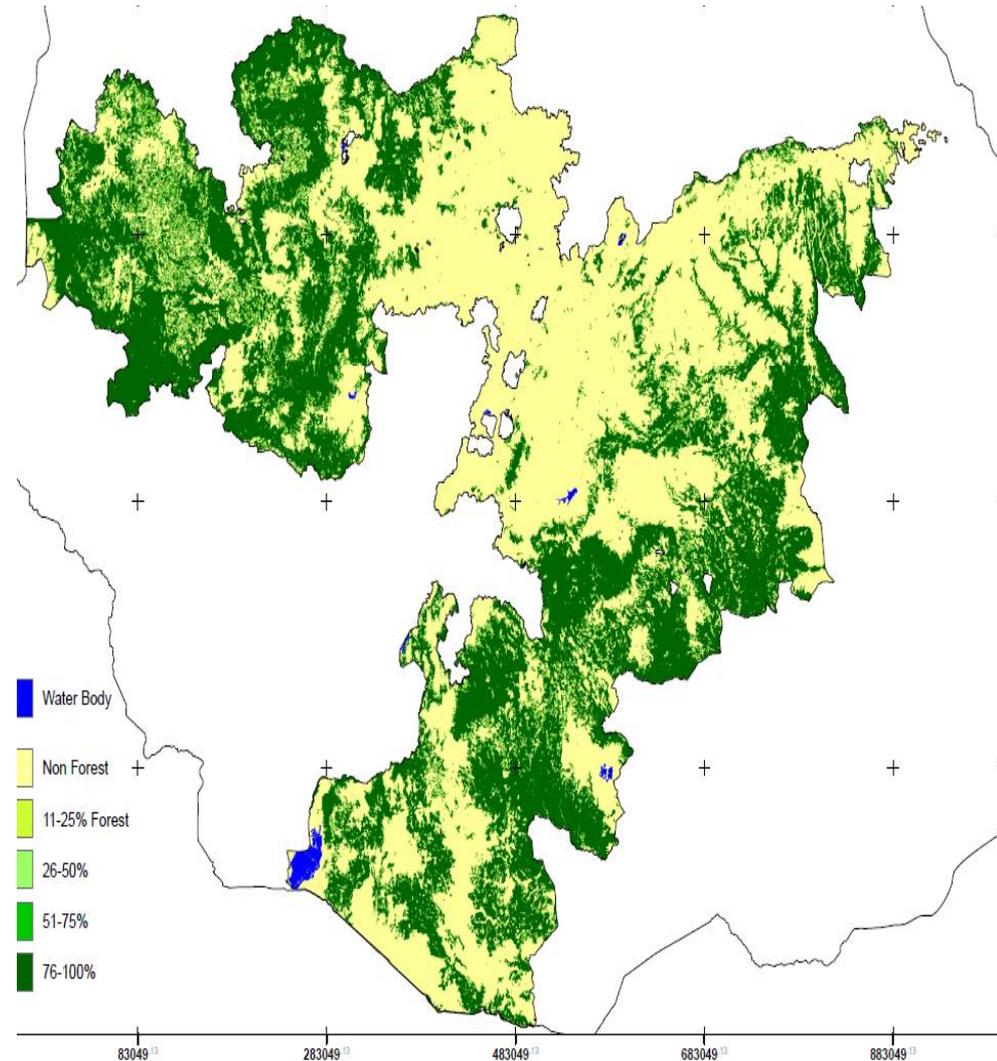
Where are we in Design Process?

- Except for the SESA/ESMF study, all the analytical studies are completed
- The findings are used as an input in the preparation of:
 - WB's Program Appraisal Document (PAD)
 - Government's Program Implementation Manual (PIM)
- Outstanding tasks to finalize design of OFLP
 - Prepare a Benefit Sharing Mechanism for ERPA of US\$50 million
 - Finalize preparation of Program Implementation Manual (PIM)
 - Finalize preparation of safeguard instruments
 - Implement a State Wide C and P Plan

Scope of OFLP

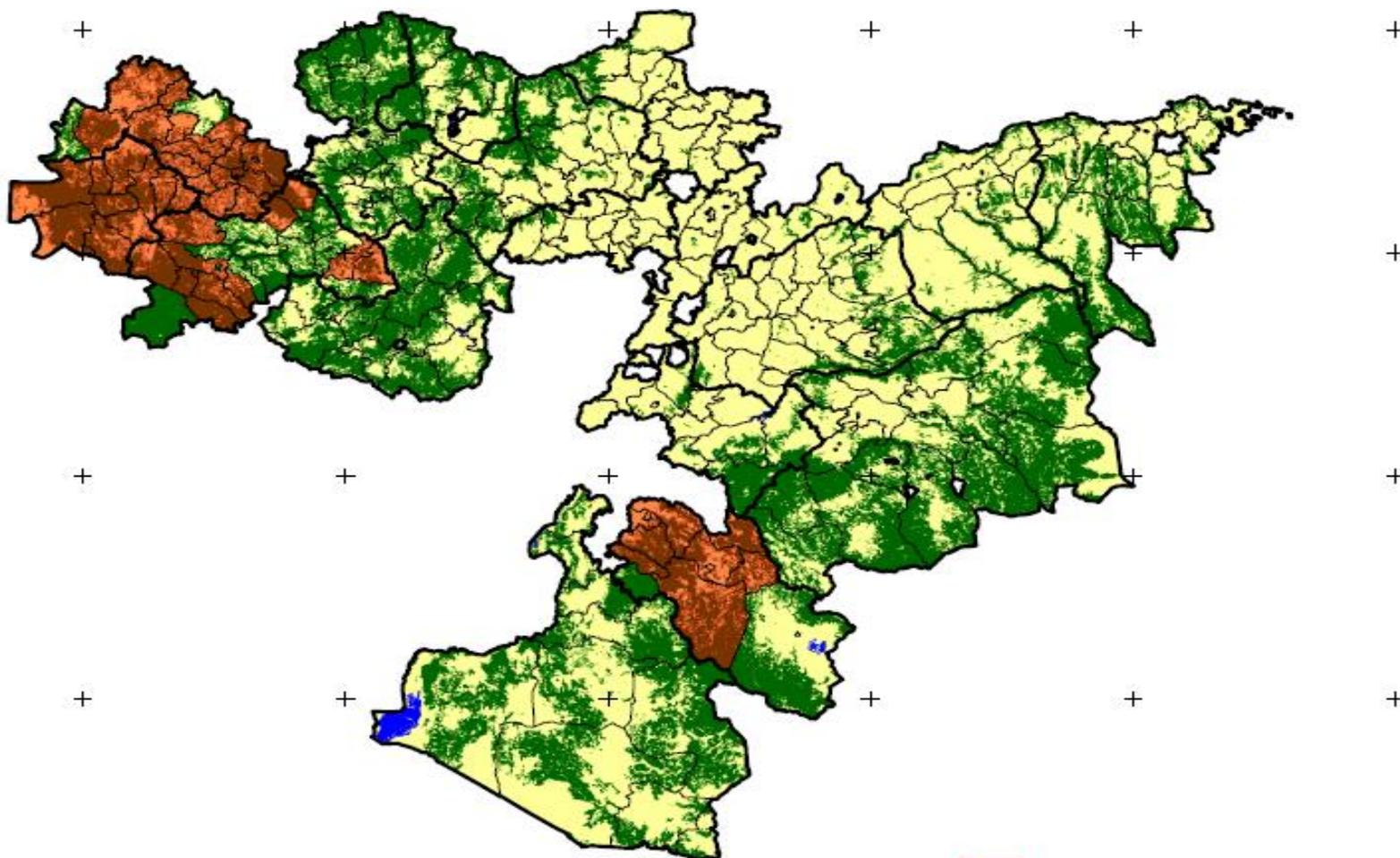
Scope of OFLP

- All forests in Oromia Regional State meeting the country's forest definition;
- Following jurisdictional REDD+ approach;
- Monitor and account for forest cover change and associated GHG emissions within the boundaries of Oromia.

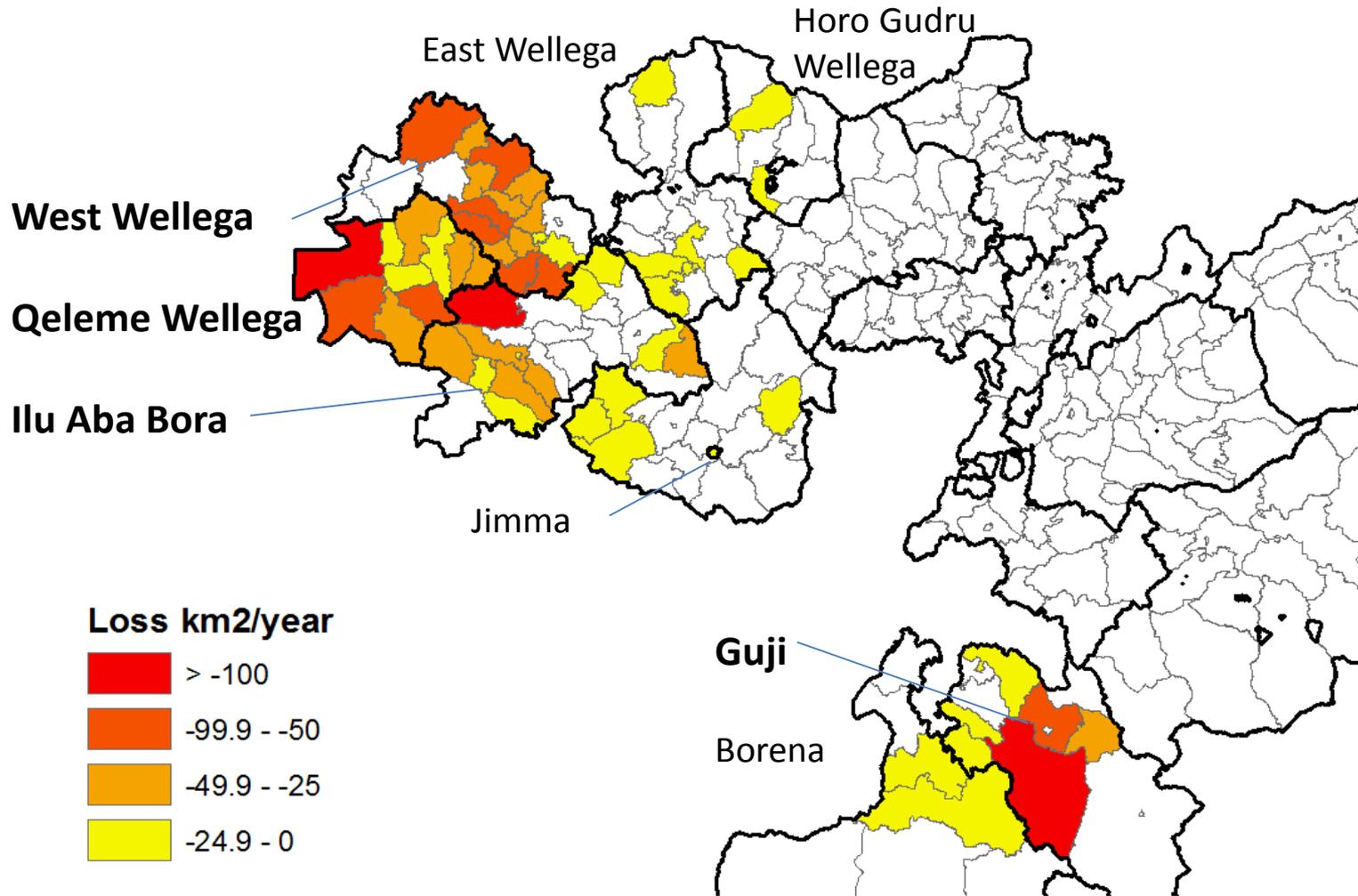


Program Scope Cntd...

OFLP Accounting Area includes all the 266 Woredas in Oromia meeting the country's forest definition – Brown colour indicates deforestation hotspots



Program Scope Cntd...



Deforestation Hotspots in Program Area

OFLP: Strategic Framework



Scale up

Program start up process

- Mobilization Grant

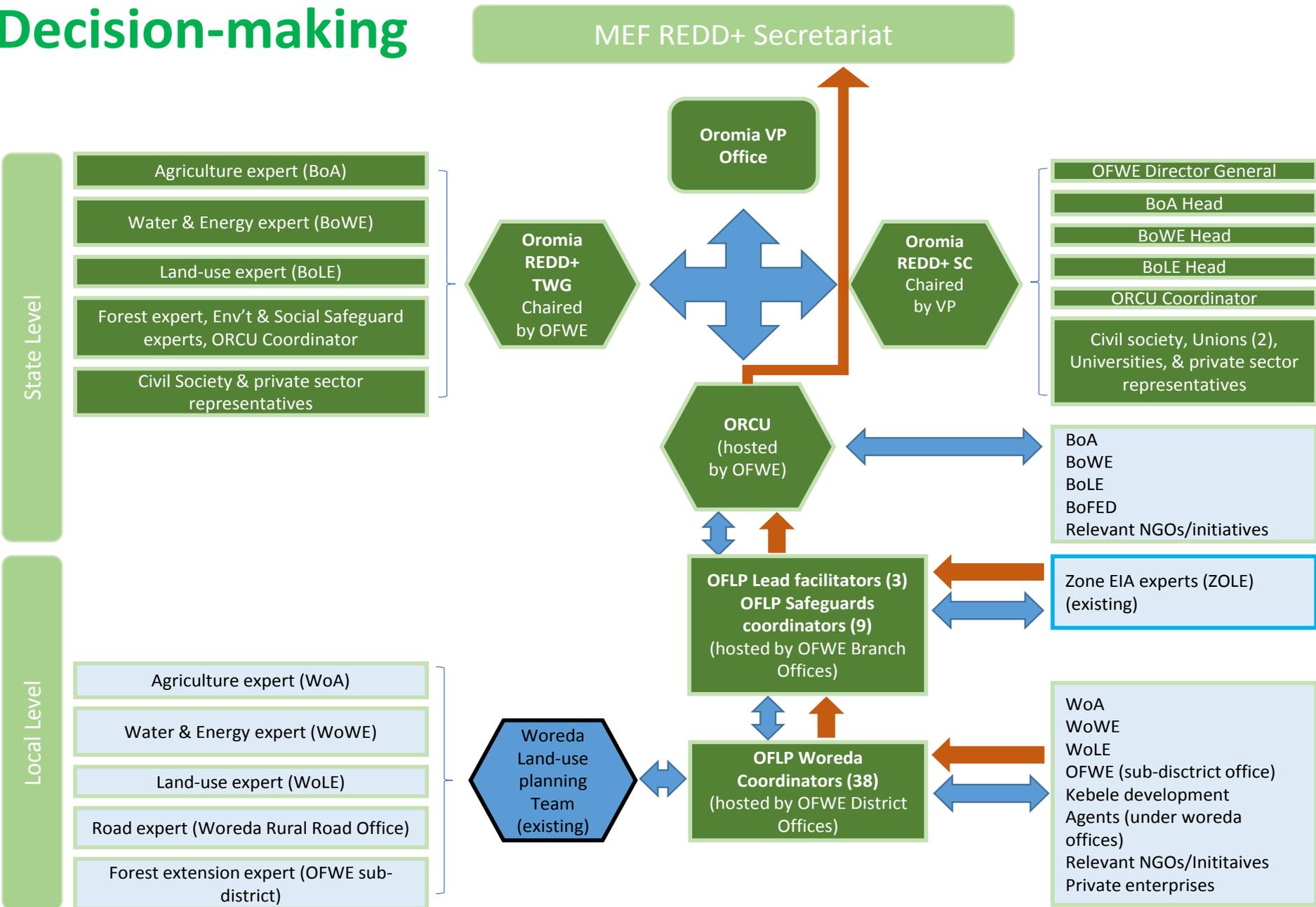
Program establishment & implementation

Coordination of investments, institutions, incentives, and information

Program Leverages more financing

- ER Payments (US \$ 50 million)
- More ER payments
- More Grants
- CRGE facility
- Development Bank of Ethiopia
- Private sector and market development

OFLP Institutional Set-up: Accountability and Decision-making



OFLP Preparation and Implementation Timeline

**Grant Agreement signing
(US\$18 Million)**

Preparation

Implementation

Upfront Mobilization Grant

**ER Program—
Performance-based payments**

**Letter of
Intent**

**ERPA
Signing**

BSM

2025

2014

2015

2016

2017

2018

2019

2020

2025

Lessons Learned

- Mainstreaming REDD+ Programs into government's long term development plans and strategies ensures sustainability;
- Multi-stakeholder consultation and local level capacity building is critical to ensure program relevance and to get buy-in from Program stakeholders;
- Focusing on non carbon benefits during community consultations can help manage expectations;
- Coordination of existing REDD+ relevant investments could reduce the amount of actual investment required for implementing REDD+ Programs;
- Relying on interventions having proof of concept would minimize risks and increase success of REDD+ Programs;
- A strong cross-sectoral coordination is crucial to deliver REDD+.

Challenges

- Collaboration and cooperation among implementing entities involved in large scale Programs;
- Preparation of a benefit sharing and governance mechanisms that ensure equitable distribution of carbon benefits;
- Insufficient technical capacity for implementation;
- A huge financial resource required for implementation of a full-fledged Jurisdictional REDD+ Program.
- Poor performance of a given community could lead to offsetting the better performing community;

Obrigado!
Kanimambo!